

Top Picks

Company	CMP (₹)	TP (₹)
Banking/NBFC		
Dewan Housing	549	610
GIC Housing Finance	534	655
Karur Vysa Bank	147	180
Consumption		
Asian Granito	448	493
Blue Star	792	850
Siyaram Silk Mills	2,267	2,500
Media/Automobiles		
Maruti Suzuki	8,145	8,658
Music Broadcast	385	434
TV Today	271	344
Real Estate/Infra/Logistics/Power		
KEI Industries	325	371
Navkar Corp.	194	265
Pharma		
Alkem Labs	1,808	2,161

Source: Angel Research;

Note: CMP as of September 11, 2017

After the geopolitical tensions have cooled off, Indian markets have regained the growth momentum with the both Sensex and Nifty trading near its peak levels. Macros have continued to improve while foreign trade is showing signs of recovery. Indian markets are currently trading slightly at premium to its 10 year average, however with double digit corporate earnings growth and surging domestic equity inflows, market is expected continue its upward trajectory.

Domestic inflows continue to remain strong: With another cut in the repo rate, fixed income has continued to lose sheen compared to the equities. The domestic mutual fund inflows for August-17 were at ₹20,935cr while the same for the April-August 2017 period is at ₹61,421cr vs. ₹18,490cr during same period last fiscal. The domestic inflows have continued to rise faster than the foreign inflows in FY18 too. With the inflation remaining soft, repo rates could get slashed further meaning that equities are expected to remain an attractive asset class and hence domestic MF inflows are expected to rise higher.

Foreign trade shows signs of recovery: India's exports remained sluggish for the period of FY13-FY16; however since FY17, exports are showing signs of recovery. In FY17, our exports grew by 5.2% YoY to \$276bn while for 4MFY18; exports grew by 7.9% YoY to \$94.6bn indicating that growth in exports has been sustainable. Due to the rupee depreciation, this growth is 4.8% YoY in rupee terms. Imports too had been sluggish for last many years however there are signs of recovery with imports, in dollar terms, going up by 28.3% YoY in 4MFY18 and by 23.4% in rupee terms. We believe this is a sign of recovery in the foreign trade with imports indicating resilience in the consumption sector and exports indicating the improving global demand.

Nifty scales 10000 level again: Indian equities have continued to remain buoyant in FY18 with 8% returns so far. In August -17, markets turned slightly volatile due to local and global geopolitical issues, however with the tensions easing, the markets have come out of the hangover and have regained the peaks established a few days back (Sensex 32,000 and Nifty 10,000). Domestic equities are now valued at 18.5x its 1year forward earnings which is about 7% premium to its ten year average. However double digit earnings growth and higher domestic inflows aided by lower interest rate regime continue to support the valuations.

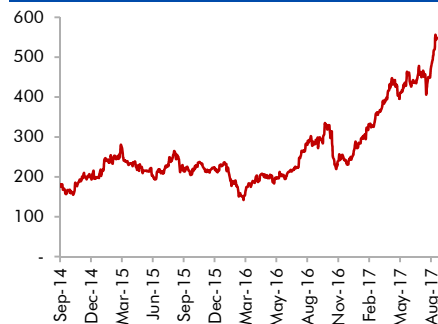
We believe that upward trajectory of the domestic markets will be maintained. We like stocks like Maruti Suzuki, Asian Granito and Blue Star from consumption sector as well as Music Broadcast (Media), Karur Vysa Bank (Banking), Navkar Corp, KEI Industries and Siyaram Silk Mills from other sectors. We add GIC Housing Finance in the Top Picks Portfolio over its strong earning visibility and NIM improvement.

Top Picks

Stock Info

CMP	549
TP	610
Upside	10.9%
Sector	Financials
Market Cap (₹ cr)	17,498
Beta	1.9
52 Week High / Low	563 / 214

3 year-Chart

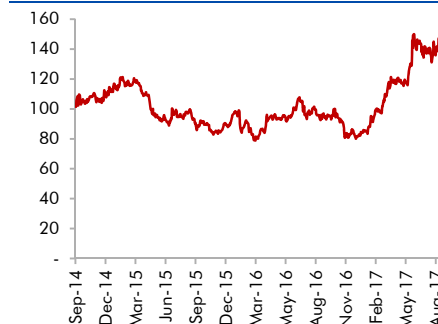


Source: Company, Angel Research

Stock Info

CMP	147
TP	180
Upside	22.4%
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 1.8x FY2018E ABV. **We maintain an Accumulate rating on the stock, with a target price of ₹610.**

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	2.1
FY2019E	2,927	2.7	1,556	49.7	305	1.5	16.2	9.2	1.8

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 1.7x FY2019E ABV. **We have a BUY rating on the stock, with a target price of ₹180.**

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	2.0
FY2019E	3,630	3.9	858	14.1	85.7	1.2	14.7	9.9	1.7

Source: Company, Angel Research

Stock Info

CMP	448
TP	493
Upside	10%
Sector	Cons. Durable
Market Cap (₹ cr)	1,368
Beta	1.9
52 Week High / Low	471 / 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 have an accumulate rating on the stock.**

Key Financials

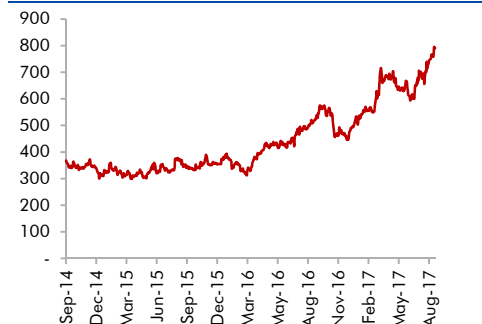
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	1,169	12.5	48	16.0	10.7	28.0	3.0	11.1	1.4
FY2019E	1,286	12.5	59	19.7	10.7	22.7	2.7	9.8	1.2

Source: Company, Angel Research

Stock Info

CMP	792
TP	850
Upside	8%
Sector	Cons. Durable
Market Cap (₹ cr)	7,588
Beta	0.8
52 Week High / Low	813 / 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

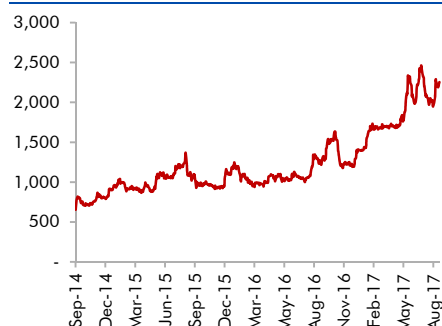
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2017	4,283	5.9	141	14.9	20.4	44.3	9.4	26.3	1.5
FY2018E	5,077	7.3	211	22.1	26.4	29.8	8.6	19.9	1.3

Source: Company, Angel Research

Stock Info

CMP	2,267
TP	2,500
Upside	10%
Sector	Textile
Market Cap (₹ cr)	2,210
Beta	0.9
52 Week High / Low	2,499/1,135

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 rating on the stock.**

Key Financials

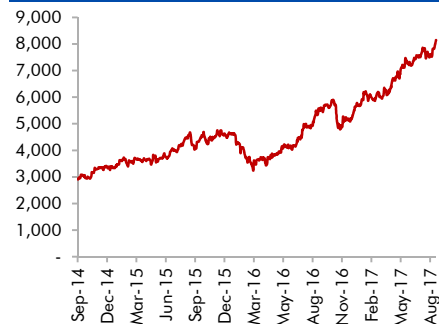
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	1,769	12.7	106	113.1	15.4	20.1	3.1	10.8	1.4
FY2019E	1,981	12.7	123	131.1	15.5	17.3	2.7	9.4	1.2

Source: Company, Angel Research

Stock Info

CMP	8,145
TP	8,658
Upside	6.3 %
Sector	Automobiles
Market Cap (₹ cr)	2,46,044
Beta	1.3
52 Week High / Low	8,200/4,769

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 ~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.**

Key Financials

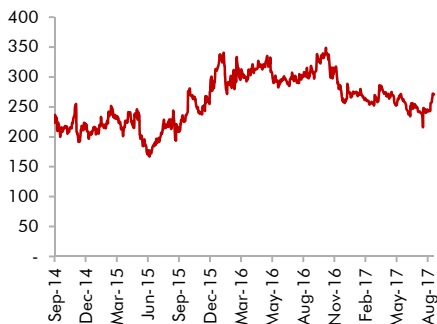
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	81,888	15.2	8,653	286.5	22.0	28.4	6.3	17.6	2.7
FY2019E	101,345	15.2	10,895	360.8	22.6	22.6	5.1	13.6	2.1

Source: Company, Angel Research

Stock Info

CMP	271
TP	344
Upside	27%
Sector	Media
Market Cap (₹ cr)	1,615
Beta	0.7
52 Week High / Low	360 / 248

3 year-Chart

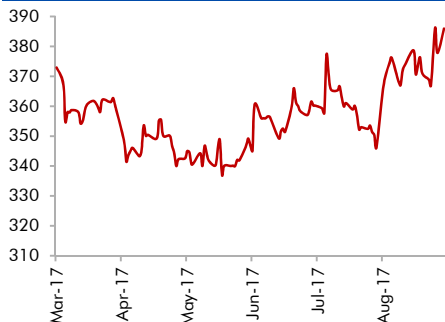


Source: Company, Angel Research

Stock Info

CMP	385
TP	434
Upside	12.7%
Sector	Media
Market Cap (₹ cr)	2,200
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	14.6	2.3	6.9	2.0
FY2019E	727	23.2	121	20.1	17.3	13.5	2.3	5.9	1.8

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

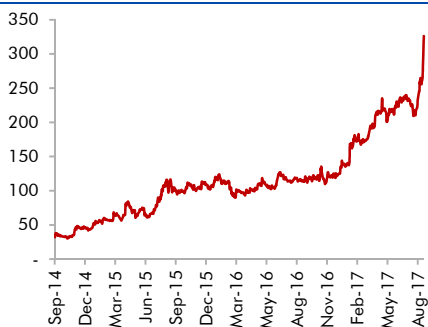
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	317	34.4	56	9.8	9.3	39.3	3.6	18.4	6.3
FY2019E	372	34.9	80	14.0	12.0	27.6	3.3	15.0	5.2

Source: Company, Angel Research

Stock Info

CMP	325
TP	371
Upside	14%
Sector	Real Estate
Market Cap (₹ cr)	2,473
Beta	0.9
52 Week High / Low	338 / 99

3 year-Chart

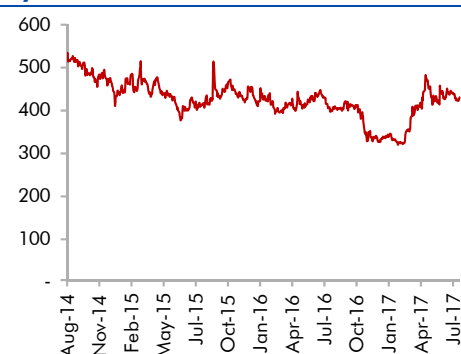


Source: Company, Angel Research

Stock Info

CMP	534
TP	655
Upside	23%
Sector	Financials
Market Cap (₹ cr)	2,871
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 ₹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 expect 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 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	25.0	4.5	10.1	1.0
FY2019E	3,392	10.0	125	16.1	18.7	20.2	3.8	8.9	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 2.4x FY2019E ABV. **We have a Buy rating on the stock, with a target price of ₹655.**

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	16	2.9
FY2019E	477	3.7	214	40	218	1.9	23	13	2.4

Source: Company, Angel Research

Stock Info

CMP	194
TP	265
Upside	37%
Sector	Logistics
Market Cap (₹ cr)	2,774
Beta	0.8
52 Week High / Low	247 / 155

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	1,808
TP	2,161
Upside	19.5%
Sector	Pharmaceutical
Market Cap (₹ cr)	21,621
Beta	0.9
52 Week High / Low	2,238 / 1,400

3 year-Chart



Source: Company, Angel Research

Navkar Corp.

- 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	16.9	1.8	13.5	5.6
FY2019E	617	42.3	181	12.7	10.4	15.3	1.6	11.7	4.9

Source: Company, Angel Research

Alkem Laboratories

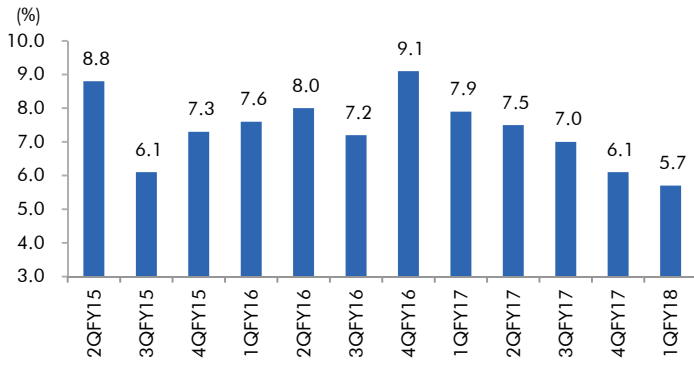
- Alkem is 5th largest pharma company in the domestic market and also has presence in US. It derives 73% of its revenues from the Indian markets while rest come from the other countries. Alkem has leadership position in the domestic anti-infective segment and it is ranked #3 in Gastro-Intestinal and 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

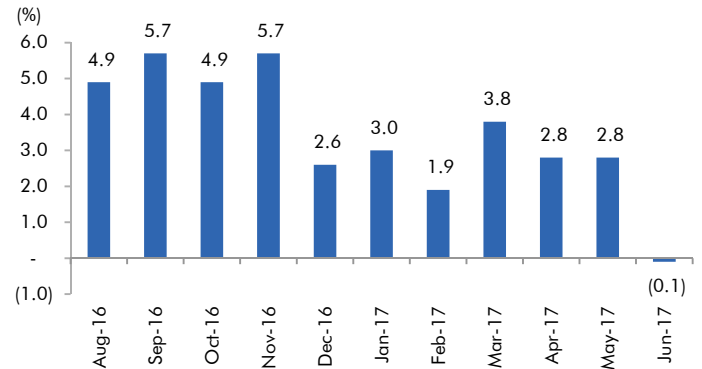
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	6,901	18.4	1,016	85.0	20.2	21.3	4.3	17.0	3.1
FY2019E	7,850	19.1	1,202	100.5	20.1	18.0	3.6	14.3	2.7

Source: Company, Angel Research

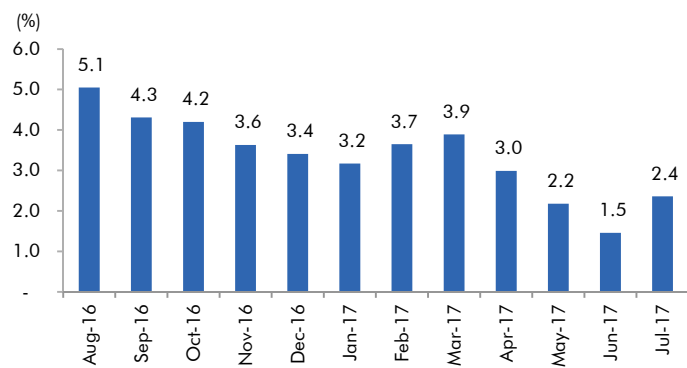
Macro watch

Exhibit 1: Quarterly GDP trends


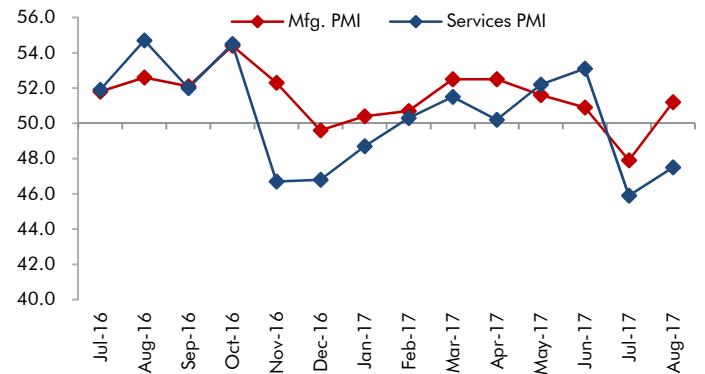
Source: CSO, Angel Research

Exhibit 2: IIP trends


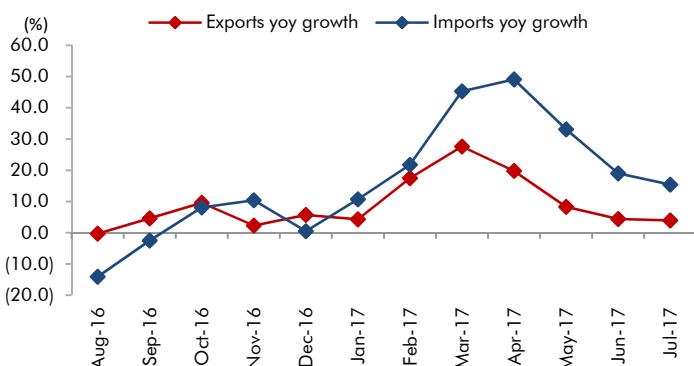
Source: MOSPI, Angel Research

Exhibit 3: Monthly CPI inflation trends


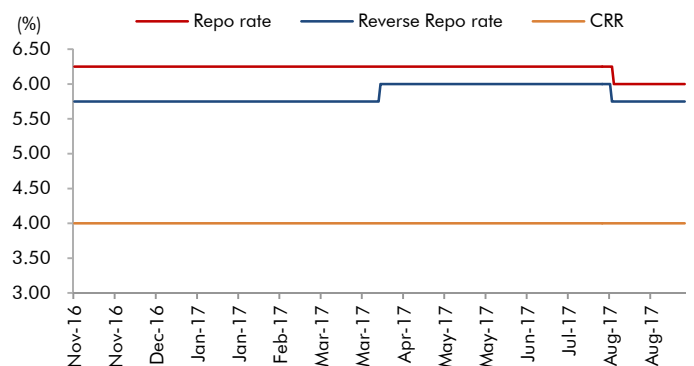
Source: MOSPI, Angel Research

Exhibit 4: Manufacturing and services PMI


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

Exhibit 5: Exports and imports growth trends


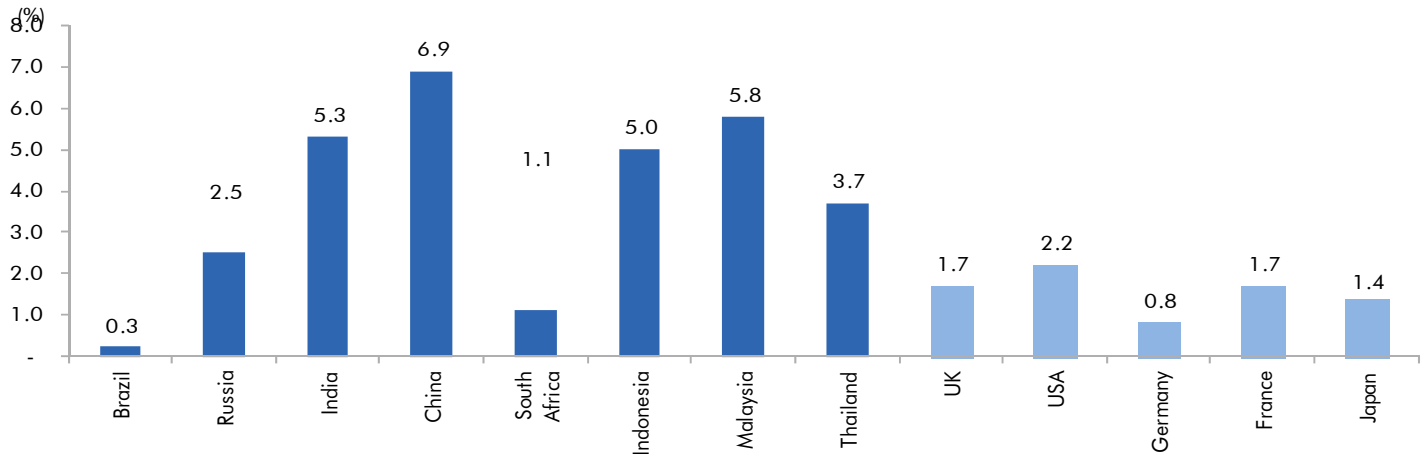
Source: Bloomberg, Angel Research

Exhibit 6: Key policy rates


Source: RBI, Angel Research

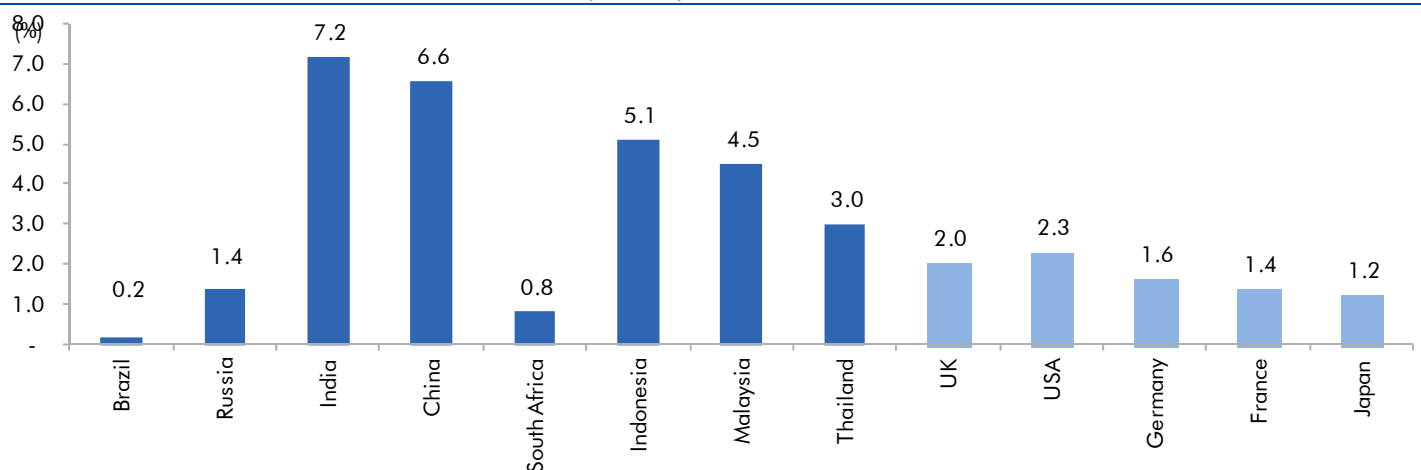
Global watch

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



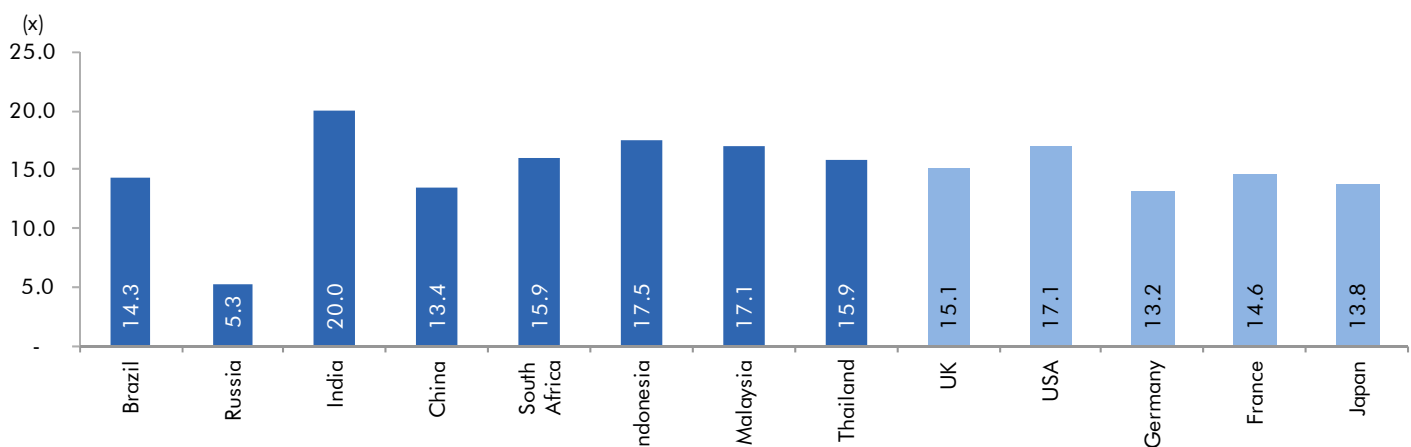
Source: Bloomberg, Angel Research

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	73,079	7.6	16.4	22.7
Russia	Micex	2,033	2.9	7.9	0.6
India	Nifty	9,935	(1.2)	2.8	12.8
China	Shanghai Composite	3,365	3.6	7.2	10.0
South Africa	Top 40	49,274	(0.6)	7.7	5.3
Mexico	Mexbol	50,084	(2.3)	1.9	7.8
Indonesia	LQ45	976	1.0	2.0	3.8
Malaysia	KLCI	1,780	0.3	0.2	5.8
Thailand	SET 50	1,046	4.4	5.9	8.5
USA	Dow Jones	21,798	(1.3)	2.9	20.5
UK	FTSE	7,378	(2.2)	(2.0)	10.1
Japan	Nikkei	19,275	(3.6)	(3.2)	13.9
Germany	DAX	12,304	1.2	(3.0)	18.6
France	CAC	5,113	(0.6)	(2.4)	18.0

Source: Bloomberg, Angel Research

Stock Watch

Top Picks Report

September 12, 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	222	209	4,308	1,873	2,099	15.0	15.0	9.5	10.5	23.3	21.1	3.5	3.2	15.8	16.0	2.2	2.0
United Phosphorus	Neutral	812	-	41,248	18,922	21,949	18.0	18.5	36.2	45.6	22.4	17.8	4.7	3.9	22.7	23.8	2.3	2.0
Auto & Auto Ancillary																		
Ashok Leyland	Accumulate	116	127	34,036	23,339	27,240	10.1	10.8	4.7	6.2	25.0	18.7	5.0	4.4	20.0	23.6	1.4	1.2
Bajaj Auto	Accumulate	2,930	3,151	84,793	23,936	27,955	19.5	20.1	142.7	167.3	20.5	17.5	4.5	4.0	21.8	22.8	3.1	2.6
Bharat Forge	Neutral	1,178	-	27,413	7,637	8,755	21.7	23.2	36.1	47.3	32.6	24.9	5.9	5.0	18.5	20.8	3.4	2.9
Eicher Motors	Neutral	32,467	-	88,383	19,043	22,837	19.5	19.9	835.4	1,019.0	38.9	31.9	14.5	11.2	40.9	37.8	4.5	3.7
Gabriel India	Neutral	209	-	3,003	1,782	2,033	9.7	10.2	7.1	8.9	29.4	23.6	5.9	5.0	21.0	22.2	1.6	1.4
Hero Motocorp	Neutral	3,946	-	78,797	32,239	36,878	16.0	15.6	184.4	206.5	21.4	19.1	6.7	5.9	31.3	30.7	2.2	1.9
Jamna Auto Industries	Neutral	252	-	2,009	1,441	1,662	14.4	14.8	13.9	17.6	18.1	14.3	5.0	4.0	30.0	31.0	1.4	1.2
Mahindra and Mahindra	Neutral	1,281	-	79,531	46,971	53,816	13.6	14.0	67.7	79.8	18.9	16.1	2.7	2.4	15.0	15.9	1.6	1.3
Maruti	Accumulate	8,145	8658	246,044	81,825	101,245	15.0	15.0	283.5	356.0	28.7	22.9	6.3	5.1	21.9	22.4	2.7	2.1
Minda Industries	Neutral	885	-	7,649	4,328	5,084	11.0	11.9	27.3	36.4	32.5	24.3	6.9	5.4	23.1	25.6	1.8	1.6
Motherson Sumi	Neutral	333	-	70,071	55,937	64,445	10.8	11.4	16.9	21.1	19.7	15.8	4.4	4.5	25.2	25.4	1.3	1.1
Tata Motors	Neutral	375	-	108,391	303,167	343,649	11.8	13.8	33.1	54.7	11.3	6.9	1.9	1.5	16.9	23.0	0.4	0.3
TVS Motor	Neutral	639	-	30,372	13,992	16,216	9.0	9.4	17.1	20.3	37.5	31.5	10.0	7.7	29.7	27.7	2.1	1.8
Amara Raja Batteries	Accumulate	785	858	13,402	6,140	7,122	14.3	15.6	29.3	39.0	26.8	20.1	4.6	3.8	17.1	19.0	2.2	1.9
Exide Industries	Neutral	221	-	18,819	8,689	9,854	15.1	15.2	9.7	11.0	22.9	20.1	4.1	3.6	15.7	16.1	1.9	1.7
Apollo Tyres	Neutral	256	-	13,046	15,739	17,326	13.3	14.6	20.4	26.7	12.6	9.6	1.5	1.3	20.4	26.7	1.1	1.0
Ceat	Neutral	1,751	-	7,083	6,661	7,717	11.1	14.2	116.2	178.2	15.1	9.8	2.6	2.2	15.2	21.3	1.2	1.0
JK Tyres	Neutral	148	-	3,346	8,318	9,239	16.2	16.4	21.0	27.5	7.0	5.4	1.4	1.1	19.1	20.4	0.9	0.7
Swaraj Engines	Neutral	1,996	-	2,479	788	889	16.4	16.5	71.6	81.0	27.9	24.7	8.0	7.5	29.6	31.0	2.8	2.4
Subros	Neutral	244	-	1,461	1,855	2,135	11.6	11.8	10.3	14.7	23.8	16.6	3.6	3.1	15.8	19.1	1.0	0.9
Capital Goods																		
BEML	Neutral	1,869	-	7,782	4,286	5,194	7.1	8.2	42.9	58.1	43.6	32.2	3.6	3.2	7.6	8.7	1.9	1.5
Bharat Electronics	Neutral	192	-	42,841	10,258	12,470	19.6	19.5	7.3	8.6	26.3	22.3	0.5	0.5	20.4	21.9	3.7	3.0
Voltas	Neutral	535	-	17,709	6,778	8,004	9.6	11.0	17.1	22.4	31.3	23.9	7.5	6.5	17.7	19.8	2.3	1.9
BHEL	Neutral	131	-	31,953	33,200	39,167	6.8	9.5	6.2	11.2	21.1	11.7	1.0	0.9	4.6	8.0	0.5	0.4
Blue Star	Neutral	792	-	7,584	5,101	5,997	6.0	7.0	17.9	26.6	44.3	29.8	9.4	8.6	21.9	29.0	1.5	1.3
CG Power and Industrial Solutions	Neutral	87	-	5,462	6,555	7,292	7.5	7.5	-	0.8	8,715.0	108.9	1.4	1.4	0.1	1.2	0.9	0.8
Greaves Cotton	Neutral	148	-	3,620	1,778	1,993	14.7	15.1	8.1	9.1	18.3	16.3	4.1	3.8	21.8	23.6	1.8	1.6

Top Picks Report

September 12, 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
Capital Goods																		
KEC International	Neutral	315	-	8,109	9,779	11,113	9.4	9.8	14.2	18.2	22.2	17.3	4.3	3.5	21.1	22.1	1.1	1.0
KEI Industries	Buy	326	371	2,537	3,001	3,391	10.0	10.0	13.0	16.1	25.1	20.2	4.6	3.8	18.2	18.7	1.0	0.9
Thermax	Neutral	880	-	10,480	4,125	4,747	10.3	10.8	26.7	31.5	32.9	27.9	3.7	3.4	11.2	12.0	2.3	2.0
VATech Wabag	Accumulate	616	681	3,365	3,867	4,126	9.6	10.0	34.9	39.8	17.7	15.5	2.9	2.5	17.7	17.5	0.9	0.8
Cement																		
ACC	Neutral	1,796	-	33,733	12,255	13,350	13.5	14.3	58.0	66.2	31.0	27.1	3.7	3.4	11.5	12.2	2.7	2.5
Ambuja Cements	Neutral	285	-	56,611	10,250	11,450	17.5	19.0	7.2	8.3	39.6	34.4	2.8	2.7	7.0	7.8	5.3	4.7
India Cements	Neutral	185	-	5,693	6,135	6,750	14.8	15.2	8.5	11.5	21.7	16.1	1.1	1.0	4.8	6.2	1.3	1.1
JK Cement	Neutral	1,024	-	7,157	4,150	4,775	19.2	20.0	49.0	63.5	20.9	16.1	3.3	2.8	17.0	18.5	2.2	1.8
J K Lakshmi Cement	Neutral	419	-	4,930	3,422	3,757	15.5	17.0	13.5	23.2	31.0	18.1	3.2	2.8	10.8	15.5	1.8	1.6
Orient Cement	Neutral	163	-	3,335	2,215	3,233	16.8	17.0	5.9	6.9	27.6	23.6	2.1	2.0	10.8	10.1	2.5	1.7
UltraTech Cement	Neutral	4,166	-	114,360	28,250	35,150	20.2	23.5	77.5	122.2	53.8	34.1	4.5	4.1	9.6	14.8	4.5	3.6
Construction																		
KNR Constructions	Neutral	201	-	2,821	1,846	2,203	14.5	14.5	12.1	13.7	16.6	14.7	0.9	0.8	17.5	16.7	1.6	1.3
Larsen & Toubro	Neutral	1,217	-	170,432	95,787	109,476	10.2	11.6	44.5	50.8	27.4	24.0	3.4	3.2	12.9	13.1	2.3	2.1
Gujarat Pipavav Port	Neutral	141	-	6,821	739	842	61.6	62.7	5.1	6.2	27.7	22.9	3.5	3.4	12.7	14.9	8.7	7.5
PNC Infratech	Accumulate	134	143	3,429	2,040	2,935	13.0	13.0	6.4	9.0	20.9	14.9	0.5	0.5	9.7	12.2	1.7	1.2
Simplex Infra	Neutral	437	-	2,164	6,012	6,619	11.6	11.7	21.1	31.0	20.8	14.1	1.4	1.3	6.5	8.6	0.9	0.8
Sadbhav Engineering	Neutral	284	-	4,880	3,823	4,426	10.7	10.8	10.3	11.8	27.6	24.1	3.3	2.9	10.1	10.5	1.6	1.4
NBCC	Neutral	208	-	18,761	9,099	12,706	6.4	6.4	7.3	9.6	28.6	21.8	1.3	1.0	27.5	30.5	1.9	1.4
MEP Infra	Neutral	104	-	1,697	2,403	2,910	18.3	16.8	2.4	6.1	44.4	17.2	16.8	11.4	35.2	55.8	1.9	1.5
SIPL	Neutral	99	-	3,473	2,060	2,390	46.8	47.7	(5.8)	(3.1)			3.7	4.2	(14.2)	(2.3)	6.4	6.0
Engineers India	Neutral	159	-	10,701	1,795	2,611	21.1	22.4	5.9	8.1	26.9	19.6	1.9	1.9	12.9	16.1	4.3	2.8
Financials																		
Axis Bank	Buy	493	580	118,249	32,558	35,843	3.5	3.2	27.8	41.0	17.7	12.0	1.9	1.7	11.4	14.9	-	-
Bank of Baroda	Neutral	138	-	31,705	22,533	26,079	2.4	2.4	12.0	20.9	11.5	6.6	0.7	0.7	6.6	11.0	-	-
Canara Bank	Neutral	334	-	19,941	17,925	20,235	2.0	2.1	18.5	36.5	18.1	9.2	0.7	0.6	3.4	6.2	-	-
Can Fin Homes	Neutral	2,842	-	7,565	586	741	3.5	3.5	107.8	141.0	26.4	20.2	5.8	4.7	24.1	25.6	-	-
Cholamandalam Inv. & Fin. Co.	Neutral	1,178	-	18,405	2,826	3,307	6.3	6.3	53.7	64.6	22.0	18.2	3.7	3.2	18.3	18.9	-	-
Dewan Housing Finance	Accumulate	548	610	17,192	2,676	3,383	2.4	2.7	37.4	49.7	14.7	11.0	1.9	1.7	13.8	16.2	-	-
Equitas Holdings	Buy	172	235	5,832	1,125	1,380	9.6	9.8	1.5	6.0	114.8	28.7	2.6	2.4	2.4	8.2	-	-
Federal Bank	Accumulate	113	125	21,947	4,896	5,930	2.8	3.1	5.4	7.6	21.0	14.9	1.8	1.6	8.5	11.0	-	-

Top Picks Report

September 12, 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
Financials																		
HDFC Bank	Neutral	1,823	-	470,562	55,236	63,253	4.5	4.4	68.9	82.4	26.5	22.1	4.6	3.8	18.7	18.5	-	-
ICICI Bank	Accumulate	291	315	186,685	42,361	51,378	3.6	3.9	18.4	25.7	15.8	11.3	1.7	1.7	11.3	15.0	-	-
Karur Vysya Bank	Accumulate	147	160	8,865	3,289	3,630	3.7	3.9	10.8	14.1	13.5	10.4	1.6	1.5	12.5	14.7	-	-
LIC Housing Finance	Neutral	656	-	33,103	4,895	6,332	3.4	3.7	50.7	66.8	12.9	9.8	2.6	2.1	21.7	23.8	-	-
Punjab Natl.Bank	Neutral	138	-	29,409	23,708	25,758	2.1	2.1	5.9	16.4	23.5	8.4	0.7	0.7	3.0	8.3	-	-
RBL Bank	Neutral	536	-	20,321	2,309	2,888	2.6	2.5	16.4	19.1	32.7	28.1	4.1	3.7	13.3	13.8	-	-
Repco Home Finance	Buy	670	825	4,192	496	597	4.4	4.2	38.5	48.7	17.4	13.8	3.1	2.6	19.6	20.6	-	-
South Ind.Bank	Neutral	29	-	5,215	3,195	3,567	3.0	3.1	3.0	3.8	9.6	7.5	1.0	0.9	10.5	11.9	-	-
St Bk of India	Neutral	271	-	233,799	105,827	121,056	2.4	2.5	16.1	25.6	16.8	10.6	1.3	1.2	6.6	9.9	-	-
Union Bank	Neutral	133	-	9,672	14,650	16,225	2.3	2.3	23.1	32.5	5.8	4.1	0.4	0.4	7.1	9.2	-	-
Yes Bank	Neutral	1,842	-	84,314	11,088	13,138	3.0	2.9	84.0	99.3	21.9	18.5	3.4	2.9	16.3	16.8	-	-
FMCG																		
Akzo Nobel India	Neutral	1,824	-	8,748	3,164	3,607	13.8	13.7	58.6	67.9	31.1	26.9	7.6	6.7	24.5	25.1	2.6	2.3
Asian Paints	Neutral	1,237	-	118,638	17,603	20,615	18.6	18.6	2,128.9	2,543.3	0.6	0.5	12.3	10.3	28.0	28.9	6.5	5.5
Britannia	Neutral	4,299	-	51,619	9,690	11,278	14.8	15.4	84.0	101.0	51.2	42.6	18.7	14.8	40.6	39.0	5.3	4.5
Colgate	Neutral	1,149	-	31,250	4,420	5,074	24.9	25.3	28.6	32.8	40.2	35.0	15.9	12.8	43.8	40.5	6.8	5.9
Dabur India	Neutral	310	-	54,598	8,346	9,344	19.6	19.9	7.8	9.0	39.7	34.4	8.0	7.2	25.2	24.8	6.1	5.4
GlaxoSmith Con*	Neutral	5,106	-	21,473	5,072	5,760	18.2	18.4	176.3	199.2	29.0	25.6	6.1	5.6	21.2	21.7	3.6	3.1
Godrej Consumer	Neutral	929	-	63,323	10,171	11,682	20.8	21.5	21.7	27.1	42.8	34.3	9.6	8.3	22.3	23.4	6.3	5.5
HUL	Neutral	1,219	-	263,861	37,077	41,508	20.3	21.8	5,189.9	6,318.5	0.2	0.2	37.2	31.8	74.8	82.0	7.0	6.2
ITC	Neutral	274	-	333,497	44,588	49,853	37.0	37.3	9.6	11.0	28.5	24.9	7.0	6.7	25.1	27.3	7.0	6.2
Marico	Neutral	324	-	41,798	6,788	7,766	18.5	19.2	7.1	8.5	45.6	38.1	16.0	13.7	36.9	38.0	6.0	5.2
Nestle*	Neutral	7,294	-	70,322	10,083	11,182	20.0	20.9	119.7	141.3	60.9	51.6	214.8	196.3	36.7	39.8	6.7	5.9
Tata Global	Neutral	209	-	13,206	7,121	7,641	11.9	12.3	6.9	8.0	30.3	26.2	2.0	1.9	6.8	7.2	1.7	1.5
Procter & Gamble Hygiene	Neutral	8,327	-	27,029	3,034	3,579	27.1	27.7	167.7	198.8	49.7	41.9	13.3	11.5	28.8	29.5	8.3	7.0
IT																		
HCL Tech ^	Buy	861	1,014	122,906	52,342	57,053	20.9	20.9	62.8	67.6	13.7	12.7	3.1	2.6	22.4	20.6	2.0	1.7
Infosys	Buy	879	1,179	201,800	73,963	80,619	26.0	26.0	64.4	69.3	13.6	12.7	2.7	2.5	19.7	19.6	2.2	1.9
TCS	Accumulate	2,464	2,651	485,425	127,403	138,870	27.6	27.6	144.5	156.0	17.1	15.8	5.1	4.7	29.7	29.8	3.5	3.1
Tech Mahindra	Buy	440	533	42,964	31,015	33,496	15.0	15.0	35.6	38.1	12.4	11.6	2.1	2.0	17.0	16.3	1.2	1.0
Wipro	Neutral	301	-	146,609	58,536	61,858	20.3	20.3	18.2	19.1	16.6	15.8	2.6	2.2	14.6	13.4	2.4	2.3

Top Picks Report

September 12, 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
Media																		
D B Corp	Neutral	376	-	6,913	2,404	2,625	30.5	31.5	23.7	26.9	15.9	14.0	3.7	3.2	23.5	22.8	2.7	2.5
HT Media	Neutral	101	-	2,347	2,589	2,830	15.1	15.4	8.3	10.9	12.2	9.3	1.0	0.9	8.4	10.4	0.5	0.3
Jagran Prakashan	Buy	177	225	5,778	2,541	2,835	28.5	28.7	12.7	14.1	13.9	12.5	2.9	2.5	21.3	21.4	2.1	1.8
Sun TV Network	Neutral	828	-	32,642	3,238	3,789	51.9	55.1	30.9	38.0	26.8	21.8	7.6	6.7	30.0	31.0	9.6	8.1
Hindustan Media Ventures	Neutral	263	-	1,927	1,002	1,074	23.3	23.5	29.2	33.8	9.0	7.8	1.4	1.2	15.6	15.4	0.9	0.7
TV Today Network	Buy	271	344	1,615	667	727	27.7	27.7	18.6	20.1	14.6	13.5	2.3	2.3	15.6	17.3	2.0	1.8
Music Broadcast Limited	Accumulate	386	434	2,202	271	317	91.0	109.0	6.0	10.0	64.3	38.6	4.0	3.6	6.5	9.3	7.7	6.4
Metals & Mining																		
Coal India	Neutral	257	-	159,499	82,301	91,235	17.0	18.0	17.1	20.5	15.0	12.5	2.8	2.7	45.0	55.0	1.6	1.4
Hind. Zinc	Neutral	309	-	130,393	22,108	24,555	57.0	58.0	22.1	26.3	14.0	11.7	4.5	3.7	32.0	35.0	4.9	4.1
Hindalco	Neutral	250	-	56,079	102,350	105,355	13.5	14.5	21.5	24.5	11.6	10.2	1.6	1.4	15.0	15.2	1.1	1.1
JSW Steel	Neutral	266	-	64,298	64,500	68,245	21.1	21.5	20.1	21.2	13.2	12.6	2.4	2.1	-	-	1.7	1.7
NMDC	Neutral	135	-	42,697	10,209	11,450	47.0	48.0	11.1	12.1	12.2	11.2	1.7	1.6	-	-	3.7	3.3
SAIL	Neutral	63	-	26,061	54,100	63,555	3.0	10.0	(10.0)	1.5		42.1	0.8	0.8	-	-	1.5	1.3
Vedanta	Neutral	330	-	122,556	81,206	87,345	28.0	29.0	26.5	33.5	12.4	9.8	2.8	2.4	-	-	2.3	1.9
Tata Steel	Neutral	661	-	64,227	121,445	126,500	16.2	17.2	65.4	81.3	10.1	8.1	1.6	1.4	-	-	1.1	0.9
Oil & Gas																		
GAIL	Neutral	394	-	66,697	53,115	52,344	14.2	15.3	30.0	31.1	13.2	12.7	1.6	1.5	-	-	1.0	1.0
ONGC	Neutral	163	-	209,695	83,111	84,934	44.2	44.9	16.4	16.9	10.0	9.7	1.2	1.1	-	-	2.4	2.4
Indian Oil Corp	Neutral	429	-	208,343	396,116	432,560	8.5	8.8	40.1	42.2	10.7	10.2	1.9	1.7	-	-	0.7	0.6
Reliance Industries	Neutral	818	-	532,076	257,711	267,438	17.0	18.2	89.1	89.5	9.2	9.1	0.9	0.8	-	-	1.7	1.6
Pharmaceuticals																		
Alembic Pharma	Buy	501	600	9,435	3,903	4,584	18.2	19.2	21.8	27.2	23.0	18.4	4.2	3.5	19.8	20.6	2.4	2.1
Alkem Laboratories Ltd	Buy	1,817	2,161	21,724	6,901	7,850	18.4	19.1	85.0	100.5	21.4	18.1	4.3	3.6	20.2	20.1	3.1	2.7
Aurobindo Pharma	Accumulate	741	823	43,417	17,086	19,478	22.1	22.0	44.7	51.4	16.6	14.4	3.7	3.0	24.7	22.7	2.7	2.3
Aventis*	Neutral	4,006	-	9,226	2,508	2,862	16.8	16.8	139.9	153.8	28.6	26.1	4.2	3.4	23.5	25.8	3.3	2.7
Cadila Healthcare	Reduce	477	426	48,858	11,584	13,228	20.3	20.4	18.7	21.3	25.5	22.4	5.7	4.7	24.6	22.9	4.0	3.5
Cipla	Sell	552	458	44,407	16,619	19,437	15.4	16.2	19.7	24.3	28.0	22.7	3.2	2.8	12.0	13.2	2.8	2.4
Dr Reddy's	Neutral	2,159	-	35,799	15,844	17,973	17.6	18.2	91.7	111.0	23.6	19.5	2.7	2.4	11.9	13.0	2.5	2.2
GSK Pharma*	Neutral	2,434	-	20,618	3,260	3,651	15.0	18.0	46.1	58.6	52.8	41.5	10.8	11.2	20.0	26.5	6.2	5.7
Indoco Remedies	Sell	195	153	1,798	1,154	1,310	14.9	14.9	11.3	12.7	17.3	15.4	2.5	2.2	15.0	15.0	1.7	1.4
Ipca labs	Accumulate	471	540	5,941	3,593	4,022	14.5	15.5	19.4	25.2	24.3	18.7	2.2	2.0	9.5	11.2	1.7	1.5

Top Picks Report

September 12, 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
Pharmaceuticals																		
Lupin	Buy	978	1,467	44,170	18,657	21,289	21.3	23.3	52.8	66.7	18.5	14.7	2.8	2.4	16.3	17.5	2.4	2.0
Natco Pharma	Accumulate	735	796	12,804	1,836	1,946	31.8	28.9	22.1	20.6	33.2	35.6	6.7	6.0	20.1	16.7	6.8	6.4
Sun Pharma	Buy	469	558	112,441	32,899	36,451	26.9	25.4	31.6	32.3	14.8	14.5	2.6	2.3	18.7	18.8	3.0	2.6
Syngene International	Buy	476	557	9,524	1,402	1,823	32.8	36.0	15.9	20.7	30.0	23.1	5.6	4.6	18.7	20.0	6.8	5.2
Power																		
Tata Power	Neutral	81	-	21,800	32,547	33,806	20.5	20.5	4.7	5.4	17.2	15.1	1.6	1.4	10.5	10.5	1.7	1.6
NTPC	Neutral	170	-	140,503	86,070	101,246	28.3	30.7	12.9	16.2	13.2	10.5	1.4	1.3	10.6	12.4	3.0	2.7
Power Grid	Neutral	216	-	112,741	29,183	32,946	89.7	90.0	18.0	20.8	12.0	10.4	2.0	1.8	17.7	18.2	7.8	7.2
Real Estate																		
Prestige Estate	Neutral	258	-	9,660	4,607	5,146	21.0	22.2	7.9	9.8	32.6	26.3	2.0	1.9	10.3	12.0	3.3	3.0
MLIFE	Buy	439	522	2,255	487	590	12.3	17.8	21.0	31.2	20.9	14.1	1.1	1.0	5.2	7.4	3.3	2.7
Telecom																		
Bharti Airtel	Neutral	402	-	160,656	97,903	105,233	36.0	36.3	9.3	11.1	43.2	36.4	2.1	2.0	5.0	5.6	2.6	2.3
Idea Cellular	Neutral	79	-	28,368	35,012	37,689	27.1	27.7	(4.4)	(2.7)			1.2	1.3	(6.8)	(4.6)	2.1	1.9
zOthers																		
Abbott India	Neutral	4,153	-	8,824	3,244	3,723	14.9	16.1	167.5	209.4	24.8	19.8	5.5	4.6	23.7	24.8	2.4	2.0
Asian Granito	Accumulate	448	490	1,347	1,169	1,286	12.5	12.5	16.0	19.7	28.0	22.7	3.0	2.6	10.7	11.6	1.4	1.2
Bajaj Electricals	Accumulate	366	395	3,719	4,646	5,301	6.7	7.6	16.1	22.3	22.8	16.4	3.7	3.2	16.4	19.2	0.8	0.7
Banco Products (India)	Neutral	218	-	1,562	1,530	1,695	13.2	12.7	19.0	20.0	11.5	10.9	1.8	1.6	0.2	0.2	0.9	103.4
Coffee Day Enterprises Ltd	Neutral	246	-	5,069	3,494	3,913	17.4	18.0	4.8	5.7	-	43.2	2.2	2.1	-	0.1	1.9	1.7
Elecon Engineering	Neutral	52	-	580	171	201	15.0	16.2	36.0	43.0	1.4	1.2	0.1	0.1	0.1	0.1	2.8	2.3
Garware Wall Ropes	Neutral	910	-	1,991	928	1,003	15.2	15.2	39.4	43.2	23.1	21.1	3.8	3.3	16.5	15.4	2.0	1.8
Goodyear India*	Neutral	820	-	1,891	1,717	1,866	11.8	12.3	47.9	49.8	17.1	16.5	2.6	2.3	15.6	15.7	0.8	114.1
Hitachi	Neutral	1,910	-	5,193	2,355	2,715	10.3	10.8	49.0	60.9	39.0	31.4	9.1	7.2	0.2	0.2	2.2	1.9
HSIL	Neutral	382	-	2,763	2,240	2,670	14.6	15.0	17.0	22.0	22.5	17.4	1.9	1.8	0.1	0.1	1.5	1.2
Interglobe Aviation	Neutral	1,216	-	43,979	22,570	27,955	14.2	15.0	63.6	81.8	19.1	14.9	10.1	8.5	0.5	0.6	1.6	1.2
Jyothy Laboratories	Neutral	415	-	7,545	1,781	2,044	14.1	15.0	9.4	10.5	44.4	39.6	9.5	8.9	0.2	0.2	4.5	3.8
Linc Pen & Plastics	Neutral	235	-	347	420	462	9.3	9.3	15.3	17.1	15.4	13.7	2.6	2.7	16.9	19.5	0.9	0.8
M M Forgings	Neutral	623	-	752	542	642	20.1	21.0	41.6	56.8	15.0	11.0	2.1	1.8	0.1	0.2	1.8	1.6
Mirza International	Neutral	176	-	2,114	1,148	1,285	18.0	18.0	8.0	9.4	21.9	18.8	3.6	3.1	16.3	16.1	2.0	1.7
Navkar Corporation	Buy	194	265	2,764	561	617	41.5	41.5	11.5	12.7	16.8	15.3	1.8	1.6	10.5	10.4	5.6	4.9
Nilkamal	Neutral	1,613	-	2,406	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
Parag Milk Foods	Neutral	247	-	2,079	1,987	2,379	7.6	9.0	12.4	18.3	19.9	13.5	2.8	2.5	8.2	13.2	1.2	1.0

Top Picks Report

September 12, 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
zOthers																		
Radico Khaitan	Neutral	179	-	2,379	1,811	1,992	13.2	13.2	8.1	8.8	22.1	20.3	2.2	2.4	10.1	12.0	1.6	1.5
Relaxo Footwears	Neutral	516	-	6,204	1,981	2,310	13.7	14.5	12.0	15.5	43.0	33.3	8.4	6.8	0.2	0.2	3.2	2.7
Siyaram Silk Mills	Accumulate	2,267	2,500	2,125	1,769	1,981	12.7	12.7	113.1	131.1	20.0	17.3	3.1	2.7	15.5	15.5	1.4	1.2
Styrolution ABS India*	Neutral	907	-	1,596	1,800	1,980	8.0	8.1	42.0	46.2	21.6	19.6	2.4	2.2	0.1	0.1	1.0	0.9
Surya Roshni	Neutral	305	-	1,338	4,870	5,320	7.7	7.8	22.8	28.1	13.4	10.9	1.8	1.5	0.1	0.1	0.5	0.4
TVS Srichakra	Neutral	3,210	-	2,458	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	649	-	1,031	1,104	1,214	12.1	12.6	31.0	37.9	20.9	17.2	2.6	2.3	0.1	0.1	1.2	1.0
VIP Industries	Accumulate	228	250	3,224	1,450	1,693	10.4	10.5	6.5	7.8	34.9	29.2	7.4	6.4	21.1	22.1	2.2	1.9
Navin Fluorine	Accumulate	667	730	3,286	945	1,154	22.4	22.6	28.7	34.8	23.2	19.2	3.8	3.3	-	-	3.0	2.3

Source: Company, Angel Research; Note: *December year end; #September year end; &October year end; Price as on September 11, 2017

Research Team Tel: 022 - 39357800

 E-mail: research@angelbroking.com

 Website: www.angelbroking.com

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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)