

Top Picks

Company	CMP (₹)	TP (₹)
Banking/NBFC		
Aditya Birla Capital	100	151
GIC Housing Finance	258	424
ICICI Bank	395	460
HDFC Bank	2,354	2,500
RBL Bank	664	775
Shriram Transport Finance	1,095	1,764
Consumption		
Amber Enterprises	807	910
Bata India	1,467	1,643
Blue Star	682	867
Safari Industries	727	1,000
Siyaram Silk Mills	369	549
Parag Milk Foods	238	330
TTK Prestige	8,144	9,250
Media/Automobiles/Online		
Maruti Suzuki	6,668	8,552
M&M	645	1,050
Music Broadcast	59	95
Ashok Leyland	90	156
Real Estate/Infra/Logistics/Power		
Jindal Steel	181	249
GMM Pfaudler	1,198	1,400
KEI Industries	411	486
Inox Wind	64	120
Pharmaceuticals		
Aurobindo Pharmaceuticals	798	890

Source: Angel Research;

Note: CMP as of 2nd May, 2019

Indian stock market maintained its upwards trajectory in the month of April as the markets continued to factor in a good showing by the ruling party in the ongoing general elections post the surgical air strike at Pakistan. BSE 100 index was up by 0.5% for the month of April while returns for the calendar year 2019 is 6.3%. Our top picks have generated a total return of 61.4% since inception (i.e. October 2015), an outperformance of 16.5% over BSE100.

Major indices at all time high on back of strong FII inflows – Major indices like the Sensex and Nifty 50 have recently touched all-time high majorly led by banking stocks on the back of strong FII inflows. FII flows continued to remain strong for the third month in a row as they were net buyers in Indian equities to the extent of ₹ 21,193 crore in the month of April 2019. FIIs have been net buyers in Indian equities to the extent of ₹ 67,000 crore in CY2019 till April versus outflow of ₹ 33,000 crore in CY2018.

Macro conditions improving post IL&FS crisis induced slowdown – Growth rate had slowed down sharply in the aftermath of the IL&FS crisis with the Q3 GDP growth numbers coming in at 6.6% yoy while Q4 GDP growth is estimated at 6.5% yoy as per the second advance estimate by the CSO. However monthly GST collections have been on an increasing trend over the past few months and have touched all time high at ₹1.14 trillion in Apr'19 post collections of ₹1.06 trillion in Mar'19. Rupee too has been largely stable as trade deficit have come down to manageable levels over the past few months despite crude prices moving above the USD 70/bbl mark. As per the IMD monsoon are expected to be near normal at 96% of long period average despite an El Nino this year over the Pacific Ocean. Structurally lower inflation rates would allow the RBI to cut rates by another 50-75 bps after a 50bps reduction till date in 2019.

High probability of a reasonably stable Government along with improving global liquidity to help markets - After the sharp rally we expect markets to consolidate till the election results on the 23rd of May. We do not see any reason for a sharp correction post the election results, except in the very unlikely event of an extremely fragile coalition Government. The markets should be pleased as long as it is relatively stable government and assures the continuation of the reforms process. Global cues have also been positive with clear indications of an end to the global tightening cycle.

Top picks' overview

We recommend our top picks as the good bets which are offering healthy returns in the next 1 year. All of our top picks are backed by sound business model and are likely to do well in coming years. We continue to remain positive on consumer discretionary space and private sector banks (both corporate and retail).

Exhibit 1: Top-Picks Performance

	Return Since Inception (30th Oct, 2015)
Top Picks Return	61.4%
BSE 100	44.8%
Outperformance	16.5%

Source: Company, Angel Research

Top Picks

Stock Info

CMP	90
TP	156
Upside	73.0%
Sector	Automobile
Market Cap (₹ cr)	26,317
Beta	1.6
52 Week High / Low	168/78

3 year-Chart



Source: Company, Angel Research

Ashok Leyland

- During FY19, Ashok Leyland has gained market share in domestic market from other players. Further, the company has reported ~46.4% yoy growth (against ~45% industry growth) during the same period due to strong pick up in construction and industrial activities.
- BS-VI emission norms and the vehicle scrappage policy are among the major triggers that can provide a fillip to the commercial vehicle industry over the next couple of years. Further, in our view, the change in axle load norms will not impact the CV demand scenario; hence the company will not witness any disruption in performance.
- In the recent past, the stock has corrected ~30% after the announcement of axle load norms (which will not have a significant impact on the industry). We see buying opportunity in stock.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2019E	28,293	10.1	1,808	6.2	21.5	14.6	3.1	0.8
FY2020E	31,122	10.0	1,884	6.4	19.1	14.0	2.7	0.7

Source: Company, Angel Research

Stock Info

CMP	727
TP	1,000
Upside	37.6%
Sector	Luggage
Market Cap (₹ cr)	1,623
Beta	0.3
52 Week High / Low	1005/580

3 year-Chart



Source: Company, Angel Research

Safari Industries

- Safari Industries Ltd (Safari) is the third largest branded player in the Indian luggage industry. Post the management change in 2012, Safari has grown its revenue by 6x in the last 7 years. This has been achieved by foraying in many new categories like back pack, school bags (via acquisition of Genius and Genie) and improvement in distribution networks.
- Its margins have more than doubled from 4.1% in FY2014 to 9.8% in FY2018, driven by launch of new product categories and business. We expect it to maintain 9%+ margins from FY2018 onwards led by regular price hikes, shift towards organized player and favorable industry dynamics.
- We expect its revenue to grow by a CAGR of ~37%/49% in revenue/ earnings over FY2018-20E on the back of growth in its recently introduced new products.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2019E	581.5	10.2	32.3	14.5	16.0	50.1	8.2	3.0
FY2020E	785.1	10.4	47.0	21.1	19.1	34.5	6.8	2.2

Source: Company, Angel Research

Stock Info

CMP	645
TP	1,050
Upside	62.9%
Sector	Automobile
Market Cap (₹ cr)	80,124
Beta	0.8
52 Week High / Low	992/616

3 year-Chart



Source: Company, Angel Research

Mahindra & Mahindra Ltd.

- Mahindra & Mahindra Ltd (M&M) is an India-based company, operating in nine segments: automotive, farm equipment, IT services, financial services, steel trading & processing, infrastructure, hospitality, Systech (comprising automotive components and other related products & services), and Others (comprising logistics, after-market, two wheelers and investment).
- IMD has predicted a near normal monsoon for FY19 for the third consecutive year which should be a strong trigger for tractor sales growth. In our view, strong growth in tractor industry would benefit M&M the most due to strong brand recall and leadership position in farm tractor.
- We expect Mahindra & Mahindra (M&M) to report net revenue CAGR of ~12% to ₹60,634cr over FY2018-20E mainly due to healthy growth in automobile segment like Utility Vehicles (on the back of new launches and facelift of some models) and strong growth in Tractors segment driven by strong brand recall and improvement in rural sentiment. Further on the bottom-line front, we expect CAGR of ~16% to ₹5,429cr over the same period on the back of margin improvement. **Thus, we recommend a Buy rating on the stock with target price of ₹1050.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	54,041	12.6	4,751	39.9	14.0	16.2	2.3	8.6	1.1
FY2020E	60,634	12.7	5,429	45.6	14.2	14.1	2.0	7.5	1.0

Source: Company, Angel Research

Stock Info

CMP	682
TP	867
Upside	27.1%
Sector	Cons.Durable
Market Cap (₹ cr)	6,568
Beta	0.2
52 Week High / Low	829/507

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. This has resulted in the Cooling Products Division (CPD)'s share in overall revenues increasing from ~23% in FY2010 to ~50% in FY2018 (expected to improve to ~50-55% in FY20E). 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 revenue CAGR of ~13% over FY2018-20E and margins to improve from 5.8% in FY2018 to 6.2% in FY2020E. **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)
FY2019E	5,235	6.4	188	19.6	21.0	34.8	7.3	20.1	1.3
FY2020E	5,891	6.5	205	21.3	20.9	32.0	6.7	17.5	1.1

Source: Company, Angel Research

Stock Info

CMP	369
TP	549
Upside	48.8%
Sector	Textile
Market Cap (₹ cr)	1,729
Beta	0.7
52 Week High / Low	680/303

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 ~13% to ~₹2,207cr and adj.net profit CAGR of ~13% to ₹146cr over FY2018-20E 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 a buy recommendation on the stock with a target price of ₹549.**

Key Financials

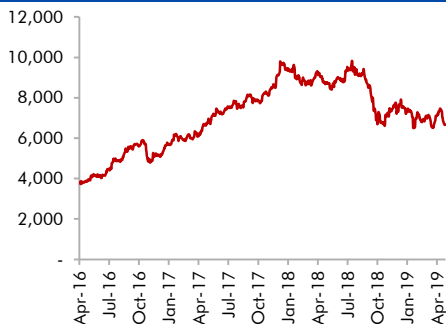
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	1,919	13.5	115	24.6	14.8	15.0	2.2	8.0	1.1
FY2020E	2,207	14.0	146	31.2	16.1	11.8	1.9	6.7	0.9

Source: Company, Angel Research

Stock Info

CMP	6,668
TP	8,552
Upside	28.3%
Sector	Automobile
Market Cap (₹ cr)	2,01,438
Beta	1
52 Week High / Low	9923/6324

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 ~52% 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%. The 2-3 months of waiting period of new models, launch of Swift Hatchback in January, 2018 and headroom for more capacity utilization at Gujarat plant is the near term earning triggers.
- Due to the favorable business mix, company has also been seeing improvement in the margins. Company has already moved from ~11-12% 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 a Buy rating on the stock.**

Key Financials

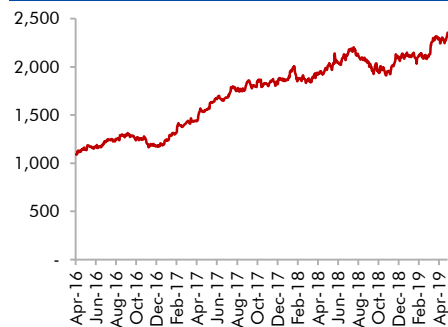
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	85,396	13.5	7,504	248.5	16.0	26.8	4.3	15.1	2.0
FY2020E	94,790	14.2	8,670	287.1	16.7	23.2	3.9	12.5	1.8

Source: Company, Angel Research

Stock Info

CMP	2,354
TP	2,500
Upside	6.2%
Sector	Banking
Market Cap (₹ cr)	6,41,462
Beta	0.8
52 Week High / Low	2376/1884

3 year-Chart

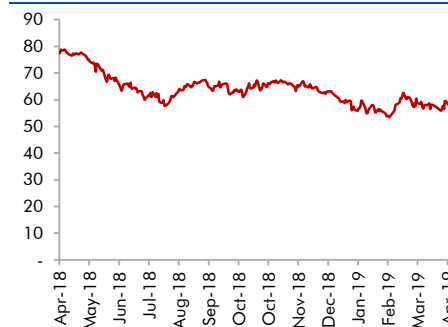


Source: Company, Angel Research

Stock Info

CMP	59
TP	95
Upside	61.4%
Sector	Media
Market Cap (₹ cr)	1,627
Beta	0.5
52 Week High / Low	77/50

1 year-Chart



Source: Company, Angel Research

HDFC Bank

- **Capital infusion to propel growth:** Bank has to raised ₹24,000cr capital through a combination of QIP and preferential allotment. Of these, ₹8,500cr has been infused by the bank's parent company HDFC. Capital Infusion would help bank to grow advance at healthy CAGR of 22% over FY18-FY20E.
- **Asset quality has been strong:** Strong and steady NIM of 4.4% 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 (GNPA/NPA – 1.3%/0.4%).
- **Subsidiaries:** HDFC bank's subsidiaries, HDB Financial Services (HDBFS) and HDFC Securities continue to contribute well to the banks overall growth. Strong loan book, well-planned product line and clear customer segmentation aided this growth.
- **Outlook:** We expect the company's loan growth to remain 22% over next two years and earnings growth is likely to be more than 21%. We maintain Accumulate on the stock with a target price of ₹2,500.

Key Financials

Y/E	NII	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2019E	48,243	4.4	21,078	77.4	528	1.8	16.8	30.4	4.5
FY2020E	58,049	4.4	25,611	94.0	605	1.9	16.5	25.0	3.9

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 with a target price of ₹95.**

Key Financials

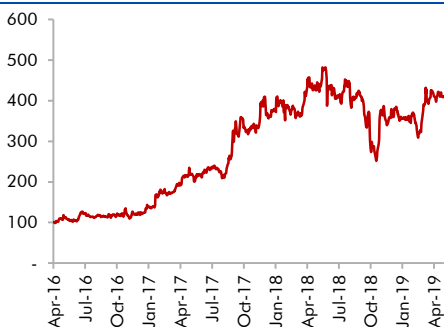
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	331	34.1	62	2.2	9.6	26.3	2.5	13.0	4.4
FY2020E	370	34.8	72	2.6	10.2	22.7	2.3	10.8	3.8

Source: Company, Angel Research

Stock Info

CMP	411
TP	486
Upside	18.2%
Sector	Cables
Market Cap (₹ cr)	3,245
Beta	1.3
52 Week High / Low	495/248

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	258
TP	424
Upside	64.7%
Sector	Financials
Market Cap (₹ cr)	1,387
Beta	1.3
52 Week High / Low	427/213

3 year-Chart



Source: Company, Angel Research

KEI Industries

- KEI's current order book (OB) stands at ₹2,570cr (segmental break-up: out of which EPC is around ₹1,425cr and balance from cables, substation & 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 FY18 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 (FY18 – 16% of revenue) is expected to reach a level 20% in next two years with higher order execution from current OB and participation in various international tenders. We expect a strong ~25% growth CAGR over FY2018-20 in exports. We expect KEI to report net revenue CAGR of ~18% to ~₹4,878cr and net profit CAGR of ~19% to ₹233cr over FY2018-20E. **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)
FY2019E	4,106	10.3	178	23.1	23.1	17.8	4.1	8.4	0.9
FY2020E	4,878	10.5	233	30.2	23.7	13.6	3.2	6.9	0.7

Source: Company, Angel Research

GIC Housing Finance Ltd

- GICHF has healthy capital adequacy, and is seeing an increase in demand for home loans. GICHF's loan book is expected to report 16% loan growth over next two years.
- GICHF is consistently decreased bank borrowing and increased high yield loan book which has improved Net Interest Margin over last 3 years. The share of bank borrowing was 75% in FY15, which fell to 54% in FY18. In our opinion, Present liquidity issue would not impact GIC Housing for raising new fund considering strong parentage.
- GICHF's asset quality is on the higher side compared to other HFCs (As on Q3FY19 GNPA-3.10%). This is primarily due to GICHF has not written off any bad asset and has not sold any bad assets to ARC.
- We expect the GICHF's loan growth to grow at a CAGR of 16% over next two years. **We have a Buy rating on the stock.**

Key Financials

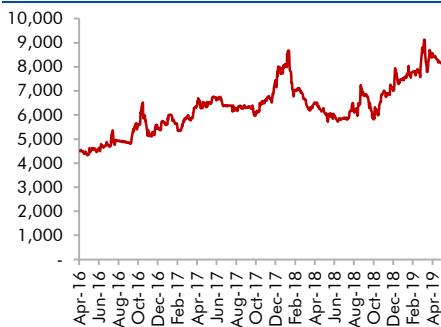
Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2019E	398	3.3	165	31	210	1.5	17	8	1.2
FY2020E	470	3.3	197	37	242	1.5	18	7	1.1

Source: Company, Angel Research

Stock Info

CMP	8,144
TP	9,250
Upside	13.6%
Sector	Houseware
Market Cap (₹ cr)	9,408
Beta	1.2
52 Week High / Low	9290/5500

3 year-Chart

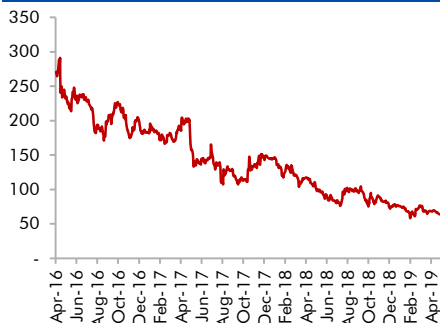


Source: Company, Angel Research

Stock Info

CMP	64
TP	120
Upside	87%
Sector	Equipment-Wind
Market Cap (₹ cr)	1,416
Beta	0.3
52 Week High / Low	113/57

3 year-Chart



Source: Company, Angel Research

TTK Prestige

- TTK Prestige (TTK) is the leading brands in kitchen appliances with 40%+ market share in organized market. It has successfully transformed from a single product company to a multi product company offering an entire gamut of kitchen and home appliances (600+ products).
- It has also launched a economy range – 'Judge Cookware' to capture the untapped demand especially at the bottom end of the pyramid. It is expecting good growth in cleaning solution.
- It expects to double its revenue in the next five years backed by revival in consumption demand, new 6 cr LPG connections under the Ujjawala Scheme, inorganic expansion and traction in exports. We expect TTK to report a CAGR of 16%/22% in revenue/PAT respectively over FY2018-20E.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	2,254.1	14.3	204.2	176.9	17.2	46.0	6.0	12.4	4.2
FY2020E	2,648.8	14.3	246.3	213.4	17.7	38.2	5.2	9.6	3.6

Source: Company, Angel Research

Inox Wind

- Inox Wind is India's leading wind energy solutions provider servicing IPPs, Utilities, PSUs, Corporates and Retail Investors.
- We expect Inox Wind to report exponential growth in top-line and bottom-line over FY19-20E. The growth would be led by changing renewable energy industry dynamics in favor of wind energy segment viz. changes in auction regime from Feed-In-Tariff (FIT) to Reverse auction regime and Government's guidance for increasing wind energy capacity from 34GW current to 140GW by 2030.
- Further, being the lowest wind turbine producer globally coupled with healthy order book of 780 MW order along with low debt equity. During the quarter, IWL has received LOI of 501.6MW for current SEC IV, V, VI and upcoming auction under SECI from Adani Green Energy. We believe INOX Wind is in a sweet spot to tap the upcoming opportunity in renewable energy segments.
- At the CMP of ₹64, Inox Wind is trading at 4.3x FY20E EPS of ₹15. Considering the above positives, we assign a multiple of 8X on FY20EPS to arrive at a target price of ₹120 (potential upside of 87% over a period of the next 12-18 months).

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	1,505	0.2	115	5	5.4	12.4	0.7	7.0	3
FY2020E	3,416	0.2	330	15	13.5	4.3	0.6	1.3	1

Source: Company, Angel Research

Stock Info

CMP	664
TP	775
Upside	16.7%
Sector	Banking
Market Cap (₹ cr)	28,353
Beta	0.9
52 Week High / Low	692/439

2 year-Chart

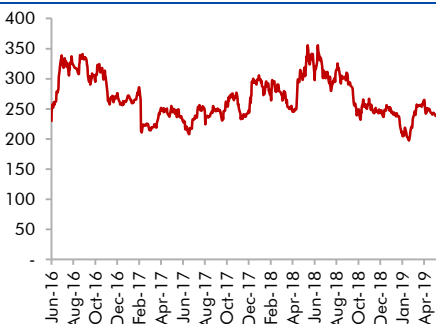


Source: Company, Angel Research

Stock Info

CMP	238
TP	330
Upside	38.6%
Sector	Dairy
Market Cap (₹ cr)	2,003
Beta	1.1
52 Week High / Low	415/197

3 year-Chart



Source: Company, Angel Research

RBL Bank

- RBL Bank (RBK) has grown its loan book at healthy CAGR of 53% over FY10-19. We expect it to grow at 35% over FY18-20E. With adequately diversified, well capitalised B/S, RBK is set to grab market share from corporate lenders (esp.PSUs)
- The retail loan portfolio grew 57% YoY to ₹16,467cr and now constitutes 30% of the loan book (18% share in 4QFY17).NIM has expanded to 4.23%, up 25bps YoY, despite a challenging interest rate scenario on the back of a changing portfolio mix and lower cost of deposits. The management stated that the bank is slated to breach 4% NIM early in FY19.
- RBL Bank currently trades at 2.9x its FY2021E price to book value, which we believe is reasonable for a bank in a high growth phase with stable asset quality.

Key Financials

Y/E	Op. Inc.	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2019E	2,539	3.7	867	21	176	1.2	12	33	3.9
FY2020E	3,500	3.9	1,291	31	200	1.4	16	22	3.4

Source: Company, Angel Research

Parag Milk Foods

- Parag Milk Foods (PARAG) is one of the leading dairy products companies in India. The company has been successful in creating strong brands like GO, Gowardhan and in introducing new products like Whey Protein. It has become the 2nd player in processed cheese (after Amul) in a short span of 10 years and commands 33% market share.
- Value Added Products like cheese, whey protein enjoy higher gross margins of 25-45% versus 6-8% entailed in liquid milk. VAP forms ~66% to its revenue (the highest among the listed players versus 25-30% for others). Driven by recently launched products and higher share of VAP, its operating margins would improve in next few years.
- We expect PARAG to report net revenue/PAT CAGR of 17%/35% respectively over FY2018-20E.

Key Financials

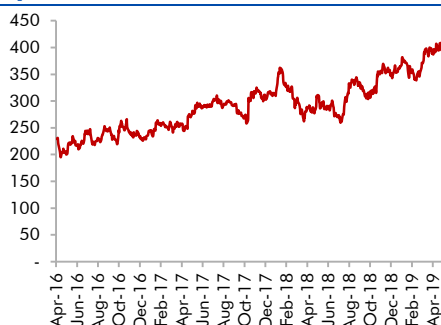
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	2,331.0	10.4	115.9	13.8	13.5	17.2	2.4	11.7	0.9
FY2020E	2,822.9	10.6	150.7	17.9	14.9	13.3	2.1	9.1	0.8

Source: Company, Angel Research

Stock Info

CMP	395
TP	460
Upside	16.6%
Sector	Banking
Market Cap (₹ cr)	2,54,413
Beta	1.7
52 Week High / Low	410/257

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	100
TP	151
Upside	51.3%
Sector	Financials
Market Cap (₹ cr)	21,970
Beta	1.6
52 Week High / Low	166/77

2 year-Chart



Source: Company, Angel Research

ICICI Bank

- ICICI bank has taken a slew of steps to strengthen its balance sheet. Measures such as Incremental lending to higher rated corporate, reducing concentration in few stressed sectors and building up the retail loan book. The share of retail loans in overall loans increased to 58% (3QFY19) from 38% in FY12.
- Asset quality likely to stabilize going ahead: ICICI bank's slippages remained high during FY18 and hence GNPA went up to 8.8% vs. 5.8% in FY16. We expect addition to stress assets to reduce and credit costs to further decline owing to incremental lending to higher rated corporate and faster resolution in Accounts referred to NCLT under IBC.
- The gradual improvement in recovery of bad loans would reduce credit costs, that would help to improve return ratio. The strength of the liability franchise, shift in loan mix towards retail assets and better rated companies, and improvement in bad loans would be a key trigger for multiple expansion. **We recommend a Buy rating on the stock, with a price target of ₹460.**

Key Financials

Y/E	NII	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
March									
FY2019E	26,952	3.3	5,077	8	147	0.6	5	50	2.7
FY2020E	33,084	3.6	14,230	22	165	1.4	12	18	2.4

Source: Company, Angel Research

Aditya Birla Capital

- Aditya Birla Capital (ABCL) is one of the most diversified financial services entities, with a presence in non-bank financing, asset management, housing finance, insurance and advisory businesses.
- ABFL (NBFC) business contributes highest value in our SOTP valuation. It has recorded a strong CAGR of 42% over FY13-18. Despite aggressive growth in lending and migration to 90dpd for NPA recognition, GNPA has remained at ~1%. We believe ABFL would be able to continue to grow at 25% CAGR over FY18-FY20E.
- We expect financialization of savings, increasing penetration in Insurance & Mutual funds would ensure steady growth. Further, Banca tie-up with HDFC Bank, DBS and LVB should restore insurance business. **We recommend a Buy rating on the stock, with a price target of ₹151.**

Key Financials

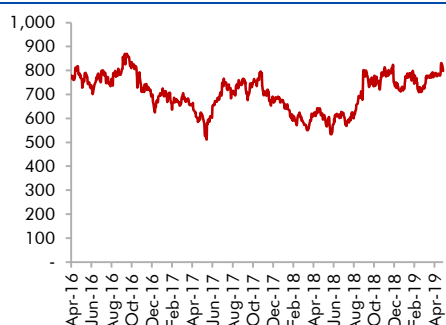
Y/E	Op. Inc	PAT	EPS	ABV	ROE	P/E	P/BV
	(₹ cr)	(₹ cr)	(₹)	(₹)	(%)	(x)	(x)
March							
FY2019E	2,173	1,228	5.6	44.9	12	18	2.2
FY2020E	3,043	1,654	7.5	52.4	14	13	1.9

Source: Company, Angel Research

Stock Info

CMP	798
TP	890
Upside	11.6%
Sector	Pharmaceuticals
Market Cap (₹ cr)	46,744
Beta	1.2
52 Week High / Low	838/527

3 year-Chart



Source: Company, Angel Research

Aurobindo Pharmaceuticals

- Aurobindo Pharmaceuticals is an India-based leading global generic company. It's predominately formulations Export Company, with USA & Europe contributing ~80% of sales (FY2018).
- Recently it acquired dermatology and oral solids businesses from Sandoz Inc., USA. With this acquisition, Aurobindo adds sales of US\$0.9bn and would become the 2nd largest generic player in the US by number of prescriptions
- Aurobindo has a robust pipeline (has filed 519 ANDA's; second highest amongst Indian companies) & is investing to enhance its foray into complex generic (mainly injectables, ophthalmic etc.) & biosimilar, which will drive its next leg of growth.
- We expect Aurobindo to report net revenue CAGR of ~22% & net profit to grow at ~19% CAGR during FY2018-20E, aided by acquisitions. Valuations of the company are cheap V/s its peers and own fair multiples of 17-18x. We recommend BUY rating.

Key Financials

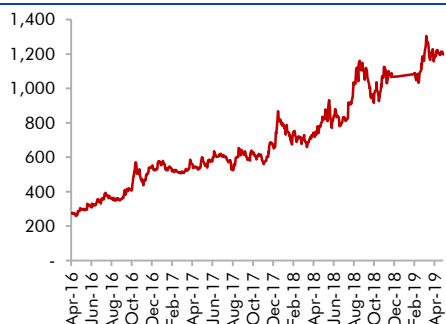
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	18,799	19.6	2,575	44.1	20.1	18.1	3.0	12.5	2.6
FY2020E	24,234	21.9	3,438	58.9	22.2	13.5	2.5	8.6	2.0

Source: Company, Angel Research

Stock Info

CMP	1,198
TP	1,400
Upside	16.9%
Sector	Machinery
Market Cap (₹ cr)	1,750
Beta	0.7
52 Week High / Low	1325/754

3 year-Chart



Source: Company, Angel Research

GMM Pfaudler Ltd.

- GMM Pfaudler Limited (GMM) is the Indian market leader in glass-lined (GL) steel equipment used in corrosive chemical processes of agrochemicals, specialty chemical and pharma sector. The company is seeing strong order inflow from the user industries which is likely to provide 20%+ growth outlook for next couple of years.
- GMM has also increased focus on the non-GL business, which includes mixing equipment, filtration and drying equipment for the chemical processing industry. It is expecting to increase its share of non-GL business to 50% by 2020.
- GMM is likely to maintain the 20%+ growth trajectory over FY18-20 backed by capacity expansion and cross selling of non-GL products to its clients.

Key Financials

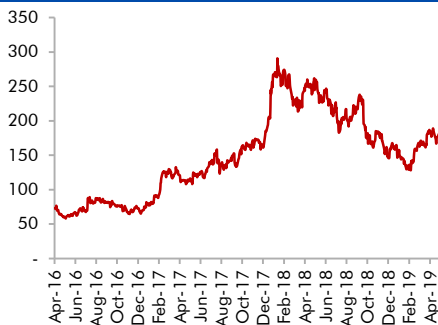
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	502.8	17.1	58.7	40.2	21.0	29.8	6.2	18.9	3.3
FY2020E	591.6	17.1	69.0	47.3	20.4	25.3	5.1	15.6	2.7

Source: Company, Angel Research

Stock Info

CMP (₹)	181
TP (₹)	249
Upside	37%
Sector	Steel & Power
Market Cap (₹ cr)	17,561
Beta	2.6
52 Week High / Low	264/123

3 year-Chart



Source: Company, Angel Research

Jindal Steel & Power Ltd.

- The company has increased its crude steel capacity more than double in last five years from 3.6 MTPA to 8.6 MTPA and currently running at ~65% utilization.
- Owing to continuous demand of steel from infrastructure, housing and auto sectors along with limited addition of steel capacity in near term and favorable government policies augur well for JSPL to perform well going forward, we expect JSPL's utilization to improve to 80-85% by FY20 along with reduction in debt led by improving in realization.
- In power segments, During the year Jindal Power limited (JPL) has signed a 30% PPA of installed capacity and it is in discussions with various utilities for another short to long term PPA, we expects JPL to generate ~ 1,700 MW units by FY19 due to increasing demand of power.
- JSPL is trading at attractive valuation to its peer, we value the stock based on asset based approach of Steel segment on EV/Tonne basis and Power segment on EV/MW basis.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	38,967	22.5	844	8.7	2.7	20.8	0.56	6.3	1.43
FY2020E	42,076	24.2	1839	19	6	10	0.53	4.9	1.21

Source: Company, Angel Research

Stock Info

CMP	1,095
TP	1,764
Upside	61.1%
Sector	Financials
Market Cap (₹ cr)	24,846
Beta	0.9
52 Week High / Low	1606/904

3 year-Chart



Source: Company, Angel Research

Shriram Transport Finance

- SHTF's primary focus is on financing pre-owned commercial vehicles. CV/LCV sales grew by 20%/25% in FY18, respectively. We expect AUM to grow at healthy CAGR of 20% over FY2018-20E led by pick up in infra/ construction Post 2019 elections, macro revival and Ramping up in rural distribution.
- In last three year SHTF, GNPA and credit cost has been increased primarily due to the transition of NPA recognition from 180DPD to 90DPD (Q4FY18). FY19 Onward we expect asset quality to improve and credit cost to normalise, this would help to improve return ratio.
- We expect loan book/PAT CAGR of 20%/45% respectively over FY2018-20E. At 1.6x FY20E ABV, Valuation appears reasonable.

Key Financials

Y/E	NII	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2019E	7,914	9.1	2,494	110	681	2.6	18	10	1.9
FY2020E	9,390	9.2	3,181	140	799	2.9	19	8	1.6

Source: Company, Angel Research

Stock Info

CMP	1,467
TP	1,643
Upside	12.0%
Sector	Footwear
Market Cap (₹ cr)	18,859
Beta	0.9
52 Week High / Low	1478/735

3 year-Chart



Source: Company, Angel Research

Bata India

- Bata India Ltd (BIL) is the largest footwear retailer in India, offering footwear, accessories and bags across brands like Bata, Hush Puppies, Naturalizer, Power, etc. BIL's ~70% revenue is derived from Men & Kids segment and balance from women's segment. BIL has over 1,400 Bata retail stores across India.
- Further, over the last 3 years, the company has added 135 stores (net addition). Going forward, the company has plans to open 500 stores (already identified 435 cities) mainly in tier-II and tier-III cities over the next 4-5 years.
- We expect BIL to report net revenue CAGR of ~16% to ~₹3,497cr over FY2018-20E mainly due increasing brand consciousness amongst Indian consumers, new product launches and focus on women's segment (high growth segment). Further, on the bottom-line front, we expect CAGR of ~19% to ₹358cr over the same period on the back of margin improvement (increasing premium product sales). Thus, we initiate coverage on Bata India with Buy recommendation and Target Price of ₹1,643.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	3,008	16.2	306	23.8	17.5	61.7	10.8	33.8	6.0
FY2020E	3,497	16.4	358	27.9	17.6	52.7	9.3	28.7	5.1

Source: Company, Angel Research

Stock Info

CMP	807
TP	910
Upside	12.7%
Sector	Electronics
Market Cap (₹ cr)	2,537
Beta	0.9
52 Week High / Low	1200/621

1 year-Chart



Source: Company, Angel Research

Amber Enterprises

- Amber Enterprises India Ltd. (Amber) is the market leader in the room air conditioners (RAC) outsourced manufacturing space in India. It is a one-stop solutions provider for the major brands in the RAC industry and currently serves eight out of the ten top RAC brands in India.
- In line with its strategy to capture more wallet share, it has made 2 acquisitions in the printed circuit board (PCB) manufacturing space over the last 1 year which will boost its manufacturing capabilities.
- We expect Amber to report consolidated revenue/PAT CAGR of 23%/41% respectively over FY2018-20E. Its growing manufacturing capabilities and scale put it in a sweet spot to capture the underpenetrated RAC market in India.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2019E	2,805.5	7.0	93.2	35.9	9.6	22.5	2.2	9.7	0.6
FY2020E	3,226.3	7.5	123.8	45.4	11.5	17.8	2.0	8.2	0.6

Source: Company, Angel Research

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4. Broking relationship with company covered under Research	No

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)