



TOP PICKS REPORT

APRIL 2016



Angel Top Picks – April 2016

FII's turned bullish on the Indian markets in a major fashion with net inflows of ₹21,143cr in the month of March

Favorable trade balance helped narrowing down the current account deficit to 1.3% of GDP for 3QFY16 compared to 1.5% in 3QFY15.

With nominal GDP growth rate of ~12%, corporate earnings should grow by 15-16%.

Repo rate cut by 25bp to 6.5% in its first bi-monthly policy review of this fiscal

Indian markets, rebounded strongly in the month of March, going up by more than 10%. The positive movement was fueled by growth oriented budget for FY2016-17. FIIs turned bullish on the Indian markets in a major fashion with net inflows of ₹21,143cr in the month of March after being net sellers since November 2015. Additionally, the markets gained in the latter half of the month on expectation of a rate cut by the Reserve Bank of India (RBI) at its monetary policy review.

Backed by a windfall gain on crude the government could deliver a pragmatic budget with focus on productive expenditure, emphasis on infrastructure and rural development rather than spending on subsidies. Favorable trade balance helped narrowing down the current account deficit to 1.3% of GDP for 3QFY16 compared to 1.5% in 3QFY15. FDI inflows have also picked up substantially in 9MFY16 to \$54bn compared to \$45bn for entire FY15, indicating foreign investors' preference for India over other markets as an investment destination.

At 7.3% India has the highest GDP growth rate amongst the emerging markets and is placed very attractively as an investment destination for foreign investors. With the Indian government's move to reduce rates on small savings instruments, the overall interest rates in the economy are likely to come down, which will give a fillip to corporate earnings. The earnings growth of Sensex has taken a hit in the last two years as few companies with less than 30% weightage (mainly from the metals and PSU space) in the index saw sharp declines in their profitability, while the balance 70% of the companies continued to deliver decent results. Further, during the current year the weightage of the underperforming companies has gone down to 20% and their earnings also seem to have bottomed out. The above reason makes us believe that with nominal GDP growth rate of ~12%, corporate earnings should grow by 15-16%. Inflows into the domestic mutual funds have also been at record high levels. Lower interest rates offered on bank deposits and small saving scheme make equities more attractive and we see inflows into the Indian equity markets to be strong going ahead.

In line with our expectations the RBI has reduced the repo rate by 25bp to 6.5% in its first bi-monthly policy review of this fiscal and addressed the liquidity shortage witnessed by the bank. We believe that RBI has further room for rate cuts in the quarters to come. Lower interest rates will come as a relief for both consumers and corporates. Interest rate sensitive sectors like auto, banks, housing finance companies and select players in the infrastructures and real-estate space could see improvement in volumes. Our top-picks in these sectors are LIC Housing Finance, Dewan Housing Finance, Mahindra Lifespace, and IL&FS Transportation Networks. Further we remain positive on consumption based stocks like Blue Star, Radico Khaitan, Siyaram Silk Mills, etc.

Large Cap

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)	EPS		PER		EV/Sales		ROE	
						FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E
Amara Raja	Auto Ancill.	Buy	887	1,040	17.2	28.8	37.1	30.8	23.9	3.1	2.5	23.4	24.1
BEL	Capital Goods	Buy	1,181	1,414	19.8	54.0	61.5	21.9	19.2	2.8	2.4	39.3	45.6
HCL Tech	IT	Buy	844	1,038	22.9	51.1	57.7	16.5	14.6	2.3	1.9	21.5	18.8
HDFC Bank	Financials	Buy	1,058	1,262	19.2	49.3	61.0	21.5	17.3	-	-	18.5	19.7
Infosys	IT	Accumulate	1,219	1,347	10.5	59.4	65.7	20.5	18.5	3.9	3.3	21.2	20.1
LIC Housing Fin.	Financials	Buy	468	592	26.6	33.0	40.2	14.2	11.6	-	-	19.7	20.5
NBCC	Construction	Buy	943	1,089	15.3	31.9	23.7	31.9	23.7	1.7	1.3	24.1	26.7

Source: Angel Research

Mid Cap

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)	EPS		PER		EV/Sales		ROE	
						FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E
Blue Star	Cons. Durable	Buy	393	458	16.8	13.7	17.2	28.7	22.9	1.1	0.9	26.1	25.4
Dewan Housing	Financials	Buy	189	270	43.0	25.9	30.8	7.3	6.3	1.1	1.0	15.3	15.9
IL&FS Transport.	Infra	Buy	74	93	25.8	7.0	9.0	10.6	8.2	3.7	3.6	3.2	3.7
Jagran Prakashan	Media	Buy	158	189	19.6	8.9	9.9	17.8	16.0	2.3	2.1	20.9	20.4
Mahindra Lifespace	Real Estate	Buy	434	554	27.6	13.8	20.1	31.5	21.6	3.8	2.6	3.8	5.3
Navkar Corp.	Logistics	Buy	174	265	52.3	5.6	5.9	30.9	29.7	7.6	6.6	6.3	6.1
Radico Khaitan	Breweries & Dist.	Buy	96	156	62.5	5.8	7.1	16.5	13.5	1.3	1.2	8.6	9.6
Siyaram Silk Mills	Textile	Buy	981	1,354	38.0	89.9	104.1	10.9	9.4	0.7	0.6	17.9	17.8

Source: Angel Research

Top Picks - Large Cap

Stock Info

CMP	887
TP	1,040
Upside	17.2%
Sector	Auto Ancillary
Market Cap (₹ cr)	15,153
Beta	0.8
52 Week High / Low	1,132 / 773

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	1,181
TP	1,414
Upside	19.8%
Sector	Capital Goods
Market Cap (₹ cr)	28,328
Beta	1.2
52 Week High / Low	1,417 / 974

3 year-Chart



Source: Company, Angel Research

Amara Raja Batteries

- Amara Raja Batteries Ltd (ARBL) is the second largest lead acid storage battery manufacturer. ARBL has been outpacing market leader Exide (ARBL grew at a 24% CAGR over FY2010-15 as compared to Exide's growth of 13%), leading to its market share improving from 25% in FY10 to about 35% currently. ARBL's outperformance has been mainly on back of its association with global battery leader Johnson Controls Inc (which also holds 26% stake in ARBL) for manufacturing ducts.
- With the automotive OEMs following a policy of having multiple vendors and with ARBL's products enjoying a strong brand recall in the replacement segment, the company is well poised to gain further market share. Given the economic recovery and market share gains, the company is expected to grow at a CAGR of 18% over the next two years as against industry growth of 10-12%.
- ARBL is a well diversified auto ancillary player having presence across the automotive and the industrial segment and a broad OEM as well as replacement customer base. We believe ARBL is a high quality stock to play the auto sector revival. **We assign a P/E multiple of 28x to its FY2017E earnings and arrive at a target price of ₹1,040/share.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	4,892	17.4	493	28.8	23.4	30.8	7.2	16.9	3.1
FY2017E	5,871	17.6	634	37.1	24.1	23.9	5.8	14.1	2.5

Source: Company, Angel Research

Bharat Electronics (BEL)

- (1) High priority to the defense sector in the government's 'Make in India' campaign, with (1) emphasis on indigenization, (2) increase in FDI limits from 26% to 49%, and (3) Over \$50bn worth of projects cleared by Defense Acquisition Council (DAC) in the last 22 months, indicate at the sector being at an inflexion point where Indian defense capex cycle is entering a new era of growth. The current bid pipeline could lead to strong award activity for the next few years and BEL could emerge as a beneficiary.
- BEL in FY2015 had 37% market share in the defense electronics space. Considering (1) bid-pipeline of Indian Air Force and Navy's platform projects, which have high defense electronic component, (2) BEL's in-house R&D capabilities, and (3) its zero debt status, we believe that BEL would maintain its strong market positioning in the defense electronics space.
- We expect BEL to trade at a premium to its historical valuations on account of uptick in investment cycle. Current low competitive intensity which should enable BEL to justifiably command scarcity premium, coupled with the fact that the company is the largest listed defense player, makes the stock more attractive. We assign a 1-year forward P/E multiple of 23.0x to arrive at a price target of ₹1,414. **Given the upside, we recommend BUY.**

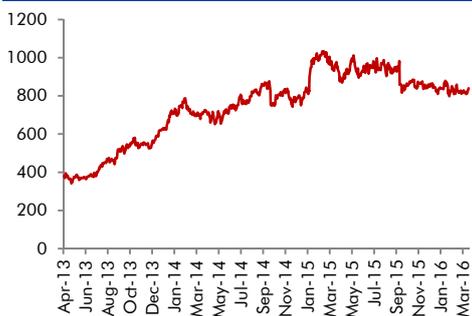
Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	7,737	16.8	1,296	54.0	39.3	21.9	3.1	16.5	2.8
FY2017E	8,634	17.2	1,475	61.5	45.6	19.2	2.8	13.8	2.4

Source: Company, Angel Research

Stock Info

CMP	844
TP	1,038
Upside	22.9%
Sector	IT
Market Cap (₹ cr)	1,18,994
Beta	0.8
52 Week High / Low	1,048 / 786

3 year-Chart


Source: Company, Angel Research

HCL Technologies

- Healthy pipeline:** During 2QFY2016, the company has signed orders in excess of US\$1bn (in TCV), including 8 transformational deals. Thus, on back of its strong order book, the company expects 2HFY2016 to be better than 1HFY2016. Also, during the current quarter, the company acquired Geometric Software's business, which though small in terms of its contribution to sales, would still be positive and add to the company's capability in engineering services. This comes after its recently announced acquisition of Volvo's external IT business, which registered a revenue of ~US\$190mn.
- Robust outlook:** We expect HCL Tech to post a USD and INR revenue CAGR of 13.0% and 13.2%, respectively, over FY2015-17E. On the operating front, HCL Tech's EBIT margin has been around 22.3% in FY2015. Going ahead, the Management expects EBIT margins to sustain at 21-22% levels. We expect the EBIT and PAT to post a 7.7% and 6.0% CAGR, respectively, over FY2015-17E.
- Outlook and Valuations:** At current valuations, the stock is attractively valued and hence we maintain our Buy with a price target of ₹1,038.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
June	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	42,038	21.2	7,216	51.1	21.5	16.5	3.5	11.0	2.3
FY2017E	47,503	21.5	8,142	57.7	18.8	14.6	2.7	8.7	1.9

Source: Company, Angel Research

Stock Info

CMP	1,058
TP	1,262
Upside	19.2%
Sector	Financials
Market Cap (₹ cr)	267,558
Beta	0.7974
52 Week High / Low	1,128 / 929

3 year-Chart


Source: Company, Angel Research

HDFC Bank

- Strong capital adequacy, expanding network, to sustain traction in market share:** HDFC Bank's capital adequacy ratio as of 3QFY2016 stood strong at 15.9%, with Tier1 ratio at 13.2%, which positions the bank to continue on its growth path and increase its market share.
- Asset quality rock-solid:** The bank has been able to maintain its asset quality consistently. Asset quality continued to remain healthy with the Gross NPA ratio and the Net NPA ratio at 0.97% and 0.29%, respectively, as of 3QFY2016, in a challenging macro environment.
- Outlook:** Credit and deposit growth beat the industry growth rate, driven by strong retail business, healthy CASA and continued network expansion. This provides strong visibility for a robust 20% earnings trajectory, coupled with high quality of earnings. This in our view justifies a premium valuation multiple. At the current market price, the bank is trading at 3.2x its FY2017E ABV. We recommend a Buy rating on the stock, with a target price of ₹1,262.

Key Financials

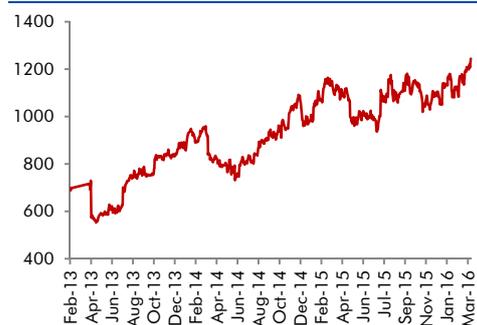
Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2016E	38,309	4.3	12,363	49.3	285.4	1.9	18.5	21.5	3.7
FY2017E	47,302	4.3	15,302	61.0	332.2	1.9	19.7	17.3	3.2

Source: Company, Angel Research

Stock Info

CMP	1,219
TP	1,347
Upside	10.5%
Sector	IT
Market Cap (₹ cr)	2,79,905
Beta	0.8
52 Week High / Low	1,250 / 933

3 year-Chart

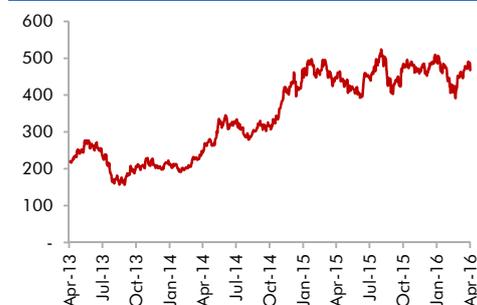


Source: Company, Angel Research

Stock Info

CMP	468
TP	592
Upside	26.6%
Sector	Financials
Market Cap (₹ cr)	23,592
Beta	1.4
52 Week High / Low	526 / 389

3 year-Chart



Source: Company, Angel Research

Infosys

- Guidance upgraded to 12.8-13.2% CC growth for FY2016:** During 3QFY2016 Infosys has upgraded its USD revenue growth guidance to 12.8-13.2% from 10-12% on CC basis earlier for FY2016. In INR terms, the company expects a 16.2-16.6% revenue growth for FY2016. We expect the company to post ~12.7% USD revenue growth in FY2016.
- Aims to be US\$20bn company by FY2020:** The company expects its revenue to rise to US\$20bn by FY2020, up from US\$8.7bn in FY2015, as it focuses on acquisitions and winning more new technology services, implying a 14% CAGR over the period. Over the near term, we expect Infosys to post a 12.7% USD revenue growth in FY2016. Over FY2015-17E, we expect USD and INR revenue to grow at a CAGR of 12.9% and 14.5%, respectively.
- Outlook and Valuations:** The stock trades at a valuation of 18.5x FY2017E earnings. **We recommend Accumulate on the stock with a price target of ₹1,347.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	61,850	27.5	13,631	59.4	21.2	20.5	4.4	14.0	3.9
FY2017E	69,891	27.5	15,087	65.7	20.1	18.5	3.7	11.9	3.3

Source: Company, Angel Research

LIC Housing Finance

- Significant under penetration of mortgages in India:** India is expected to witness a robust housing finance growth going forward as the mortgage penetration in India remains at very low levels at 9% to GDP as compared to the developed countries where it is in the range of 60-100%.
- NIM expansion visible:** LIC Housing Finance is able to raise funds from low-cost NCDs due to its strong AAA credit rating and backing by strong promoters like LIC. In a declining interest rate environment, NBFC's like LIC Housing are well-placed to witness margin improvement in our view.
- Outlook:** For companies like LICHF, the funding environment has eased; thus it will lead to lower cost of borrowing, while outlook for growth in retail housing loans remains positive, going forward. We expect the company to post a healthy loan book CAGR of 18.7% over FY2015-17E, which is likely to reflect in an earnings CAGR of 21.0%, over the same period. The stock currently trades at 2.3x FY2017E ABV. **We maintain our Buy rating on the stock, with a target price of ₹592.**

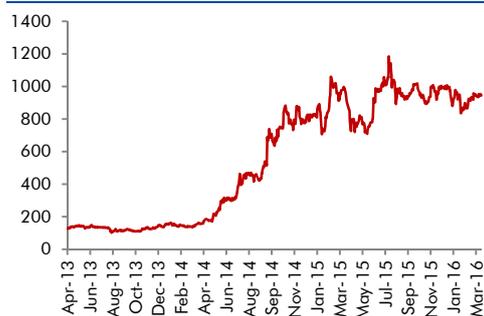
Key Financials

Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2016E	3,101	2.5	1,664	33.0	176.7	1.4	19.7	14.2	2.6
FY2017E	3,745	2.5	2,029	40.2	207.6	1.4	20.5	11.6	2.3

Source: Company, Angel Research

Stock Info

CMP	943
TP	1,089
Upside	15.3%
Sector	Construction
Market Cap (₹ cr)	11,334
Beta	1.3
52 Week High / Low	1,215/ 702

3 year-Chart


Source: Company, Angel Research

National Buildings Construction Corporation (NBCC)

- NBCC reported an order book of over ₹35,000cr at 3QFY2016-end. Considering the bid pipeline for re-development works from Delhi and other State governments, and with 'Smart City' projects to take-off shortly, we expect NBCC's order-book to grow 1.5x during FY2016-18E to ₹59,440cr.
- We expect NBCC to report 26.7% revenue CAGR during FY2015-18E (to ₹9,506cr), mainly driven by 29.3% revenue CAGR from PMC segment, where re-development projects would contribute the maximum. We expect NBCC to report 41.5% EBITDA CAGR during the same period, led by increased contribution from PMC segment, which is likely to experience margin expansion. Owing to lower other income growth assumption, we expect NBCC to report 32.9% PAT CAGR during FY2015-18E to ₹653cr.
- We have a strong positive view on NBCC, given its growth prospects as reflected by its strong order book of ₹35,000cr (6.3x OB to LTM revenues). Also, emerging opportunities in re-development space, government's initiative of developing 'Smart Cities', and the company's cash rich status, should aid its growth. On assigning 20.0x P/E multiple to our FY2018E EPS of ₹54.4/share, we arrive at a price target of ₹1,089. **Given the upside, we recommend Buy 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)
FY2016E	5,816	6.9	355	29.6	24.1	31.9	5.7	24.0	1.7
FY2017E	7,382	7.7	478	39.8	26.7	23.7	4.5	16.5	1.3

Source: Company, Angel Research

Top Picks - Mid Cap

Stock Info

CMP	393
TP	458
Upside	16.8%
Sector	Cons. Durable
Market Cap (₹ cr)	3,531
Beta	0.7
52 Week High / Low	411 / 290

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	189
TP	270
Upside	43%
Sector	Financials
Market Cap (₹ cr)	5547
Beta	1.5
52 Week High / Low	268/ 141

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% at present). This has resulted in the Cooling Products Division (CPD)'s share in overall revenues increasing from ~23% in FY2010 to ~42% in FY2015 (expected to improve to ~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 CPD, we expect the overall top-line to post a revenue CAGR of 11.2% over FY2015-18E and margins to improve from 5.3% in FY2015 to 7.1% in FY2018E. Moreover, the proposed merger with Blue Star Infotech will provide cash influx and thus strengthen the balance sheet. **We maintain our Buy recommendation 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)
FY2016E	3,548	6.3	123	13.7	26.1	28.7	7.2	17.3	1.1
FY2017E	3,977	6.9	164	17.2	25.4	22.9	4.7	13.5	0.9

Source: Company, Angel Research

Dewan Housing Finance

- **3rd largest private sector housing finance:** We expect DHFL's AUM to grow at a CAGR of 20% over FY2015-18, as demand for housing in the middle & low income group is picking up, while PAT, CAGR is expected to be 21.2%
- **Seasoned and granular loan book with stable asset quality:** Individual borrowers account for 75%, while the high yielding loan against property (LAP) and projects loans account for 16% and 8% of advances. Despite strong loan growth, the GNPA's and NNPA's are likely to be at ~1.05% and 0.71%, respectively, for FY2016. Don't expect any major deterioration in the asset quality going ahead.
- **Lower cost of funds will help maintain NIM:** Nearly 70% of the bank borrowings are due for maturity over the next three years and swapping a part of that with non-convertible debentures (NCDs), where it has ~100bp cost benefit, will help DHFL in maintaining its NIM at ~2.86%.
- **Outlook:** We expect the company to post a healthy loan book CAGR of 20% over FY2015-18E, which is likely to translate in an earnings CAGR of 21.3%, over the same period. The stock currently trades at 0.8x FY2018E ABV. **We recommend a Buy on the stock, with a target price of ₹270.**

Key Financials

Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2016E	1,621	2.9	757	25.9	171.2	1.2	15.3	6.8	0.9
FY2017E	1,993	2.9	898	30.8	193.8	1.2	15.9	5.8	0.8

Source: Company, Angel Research

Stock Info

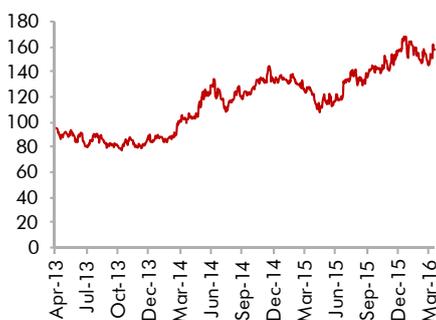
CMP	74
TP	93
Upside	25.8%
Sector	Construction
Market Cap (₹ cr)	2,433
Beta	1.1
52 Week High / Low	197/64

3 year-Chart


Source: Company, Angel Research

Stock Info

CMP	158
TP	189
Upside	19.6%
Sector	Media
Market Cap (₹ cr)	5,180
Beta	0.6
52 Week High / Low	176/108

3 year-Chart


Source: Company, Angel Research

IL&FS Transportation Networks

- Recently, ITNL reported Commercial Operations Date (CoD) for JSEL and PSRDCL. Also, Completion certificate was issued for BKEL. TRDCL P-III and CNTL are expected to commence in next 2-3 months. Further, RIDCRO P-III, KSEL, KNEL, and BAEL are expected to commence operations in next 9-12 months. Accordingly, we expect revenue/ day from these projects to increase by ~₹4cr/day (unadj. for stake).
- Interest expenses related to 3 Annuity projects- JSEL, CNTL and TRDCL P-III are already captured in Income statement. As a result, we expect minimal incremental stress on profitability to be seen with the commencement of these projects. Also, we expect ITNL to benefit from declining interest rate cycle, resulting in improved cash flow cycles at the SPV level.
- With 7 projects expected to commence in next 12 months, we expect the debt repayment cycle at SPV level to commence, resulting in the overall consol. D/E levels peaking out at ~4.0x. With concerns over higher D/E levels allayed up to certain extent, coupled with attractive valuations of 0.3x FY2017E P/BV multiple ITNL stock is trading, **we upgrade to Buy with price target of ₹93.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	7,360	34.0	218	7.0	3.2	10.6	0.4	10.8	3.7
FY2017E	8,825	35.9	301	9.0	3.7	8.2	0.3	10.0	3.6

Source: Company, Angel Research

Jagran Prakashan

- We expect JPL to register a net sales CAGR of ~15% over FY2015-17E, on back of (a) strong growth in advertising revenue due to improvement in GDP growth, and (b) improvement in circulation revenue owing to combination of increase in cover price and volume growth.
- Further the acquisition of Radio City would also boost the company's revenue going ahead. Radio City has ~20 stations across 7 states in the country and is second only to ENIL in all its operating circles, ie Delhi, Mumbai, Bengaluru, Chennai, Ahmedabad, Hyderabad, Pune and Lucknow. The company covers ~51% (~66mn people) of the total radio population.
- Raw material prices have been in a declining trend. Thus, considering lower news print costs, healthy sales, and higher margins in the radio business, we expect an adj. net profit CAGR of ~20% over FY2015-17E to ₹325cr.
- Considering Dainik Jagran's strong presence in the rapidly growing Hindi markets, we expect JPL to benefit from an eventual recovery in the Indian economy. **Hence, we maintain an Accumulate rating on the stock with a target price of stock with a target price of ₹189.**

Key Financials

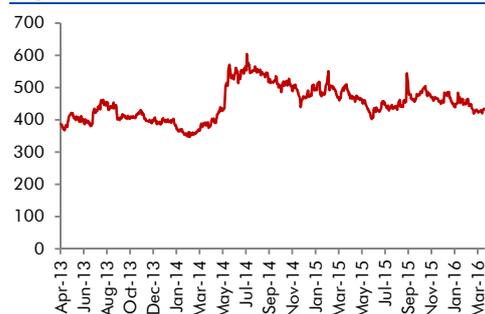
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	2,170	27.2	290	8.9	20.9	17.8	3.7	8.8	2.3
FY2017E	2,355	26.2	325	9.9	20.4	16.0	3.3	8.4	2.1

Source: Company, Angel Research

Stock Info

CMP	424
TP	554
Upside	27.6%
Sector	Real Estate
Market Cap (₹ cr)	1,781
Beta	0.5
52 Week High / Low	559 / 401

3 year-Chart



Source: Company, Angel Research

Mahindra Lifespace

- Speedy execution & speedier sales: MLF has 13 projects under implementation across cities. MLF has exhibited fast completion of projects (4-4.5 years in Mumbai, other-wise 3-3.5 years across other cities), compared to others. Sales cycle in ~65% of projects is faster than execution cycle, contrary to industry trends. This fast execution and sales is optimal, as it helps MLF in revenue recognition, inventory cycle (better than Oberoi, DLF), cash flows and profitability. This translates in creating virtuous cycle of continuous fast growth.
- Strong revenue growth visibility in short-to-long run: MLF as of 3QFY2016 is pursuing ~5.0mn sq. ft. of sale of the total ~15.0mn sq. ft. of saleable area. Having sold ~55% of ongoing projects, we expect MLF to launch 2.55mn sq.ft. of saleable area in rational way during 3QFY2016-2QFY2018E, across 6 cities. Maturity at existing projects, new launches give better revenue visibility for medium-term. We expect MLF to report 72% and 77.9% consol. sales and PAT CAGR during FY2016-18E to ₹1,273cr and ₹291cr, respectively. Further, MLF is sitting on land bank of 12.3mn sq.ft across 4 cities, which allays any concern over long-term revenue growth.
- With Real Estate Regulatory Bill expected to be realty, MLF should be minimally impacted, given their strong parentage and ethically implemented processes. In longer-term organized, professional run, well funded players would enjoy strong trust due to reliable and fast execution strategy. With improvement in company's fundamentals, strong earnings growth visibility and long-term growth outlook, at current valuations of 1.1x FY2017E P/BV, MLF stock looks attractive. **We maintain BUY on MLF with target price of ₹554.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	697	14.9	57	13.8	3.8	31.5	1.2	26.4	3.8s
FY2017E	1,011	19.3	82	20.1	5.3	21.6	1.1	13.9	2.6

Source: Company, Angel Research

Stock Info

CMP	174
TP	265
Upside	52.3%
Sector	Logistics
Market Cap (₹ cr)	2,488
Beta	0.6
52 Week High / Low	221 / 151

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

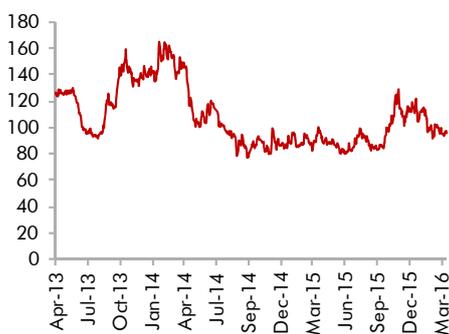
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	365	38.3	80	5.6	6.3	30.9	1.9	23.2	7.6
FY2017E	436	37.5	84	5.9	6.1	29.7	1.8	20.3	6.6

Source: Company, Angel Research

Stock Info

CMP	96
TP	156
Upside	62.5%
Sector	Breweries & Distilleries
Market Cap (₹ cr)	1,279
Beta	0.8
52 Week High / Low	131/78

3 year-Chart

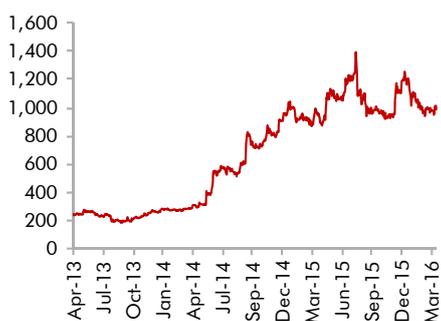


Source: Company, Angel Research

Stock Info

CMP	981
TP	1,354
Upside	38.0%
Sector	Textile
Market Cap (₹ cr)	920
Beta	0.8
52 Week High / Low	1,400/857

3 year-Chart



Source: Company, Angel Research

Radico Khaitan

- The IMFL segment is under penetrated. Going forward, increase in income levels would lead to higher growth in IMFL brands. RKL has strong brands in the premium liquor category which reported a CAGR of ~26% over the last seven-year period. We expect the growth momentum to continue.
- We expect the price of ENA, a key raw material, to remain stable and potentially even decline going forward due to higher sugar production and lower demand for ethanol from Indian oil marketing companies
- We expect a significant hike in liquor prices in the coming financial year as there haven't been any significant ones in recent times. Also, we believe that industry leader - United Spirits would shift focus on profitability over volume growth considering the debt on its balance sheet, which in turn, would lead to increased scope for other liquor companies to hike prices.
- On valuation basis, Radico is trading at ~70% discount to its close peer United Spirits. **We have a Buy rating on the stock and target price of ₹156 (22x FY2017E 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)
FY2016E	1,517	12.7	78	5.8	8.6	16.5	1.4	11.1	1.3
FY2017E	1,635	13.4	95	7.1	9.6	13.5	1.3	9.7	1.2

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, in FY2014, 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 ~10% to ~₹1,815cr and adj.net profit CAGR of ~11% to ₹98cr over FY2015-17E 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 rating on the stock and target price of ₹1,354.**

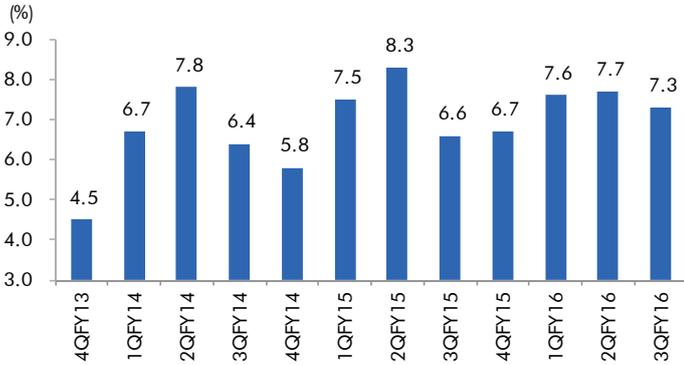
Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2016E	1,636	11.5	84	89.9	17.9	10.9	1.8	7.0	0.7
FY2017E	1,815	11.5	98	104.1	17.8	9.4	1.6	6.3	0.6

Source: Company, Angel Research

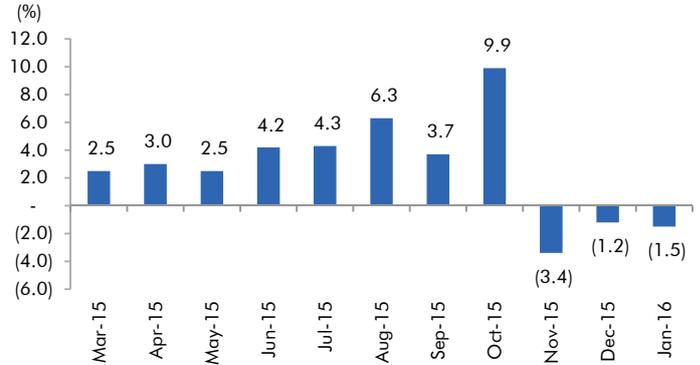
Macro watch

Exhibit 1: Quarterly GDP trends



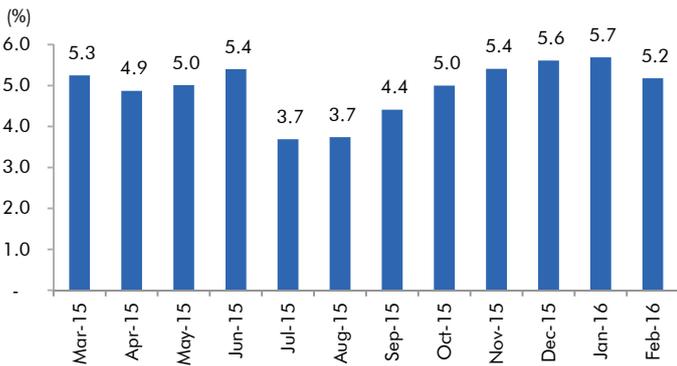
Source: CSO, Angel Research

Exhibit 2: IIP trends



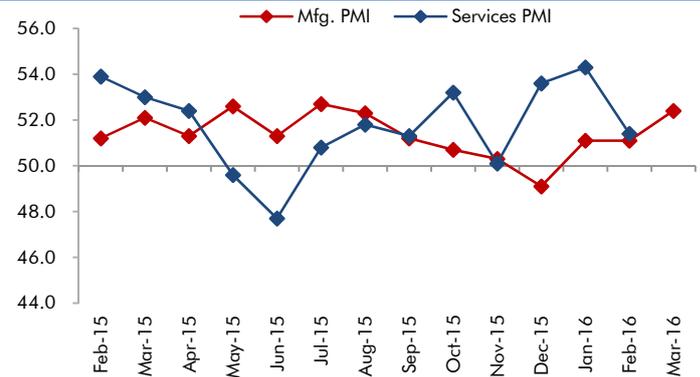
Source: MOSPI, Angel Research

Exhibit 3: Monthly CPI inflation trends



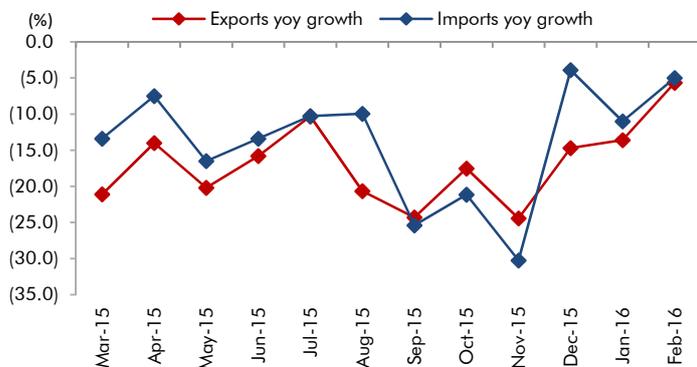
Source: MOSPI, Angel Research

Exhibit 4: Manufacturing and services PMI



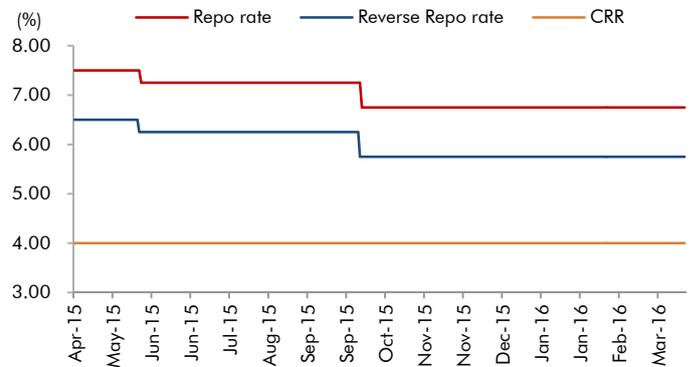
Source: Market, Angel Research; Note: Level above 50 indicates expansion

Exhibit 5: Exports and imports growth trends



Source: Bloomberg, Angel Research

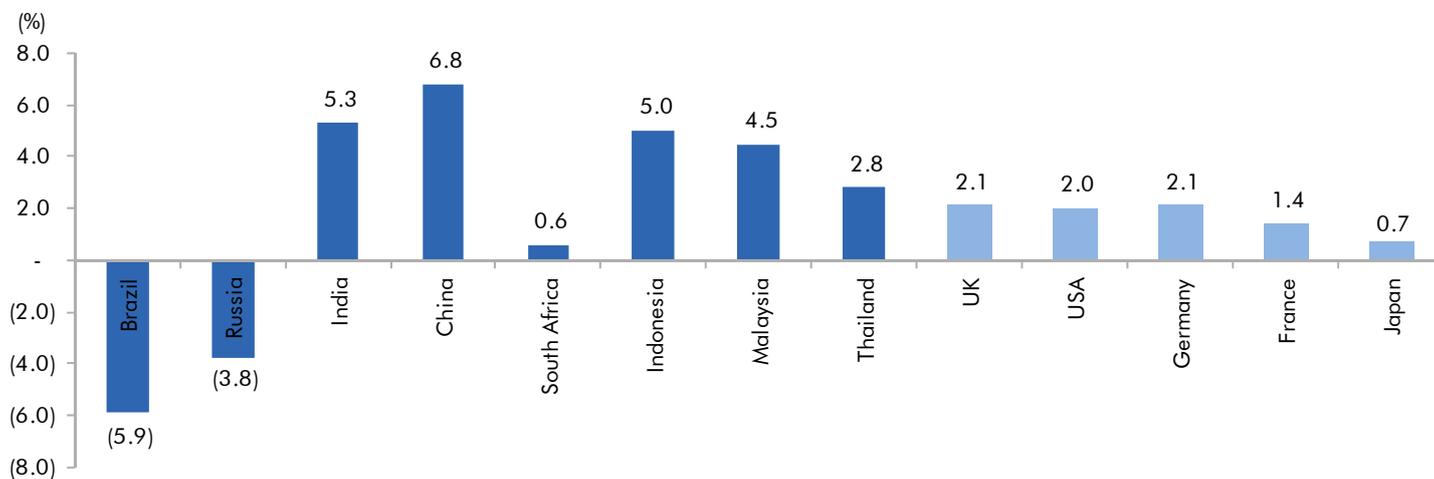
Exhibit 6: Key policy rates



Source: RBI, Angel Research

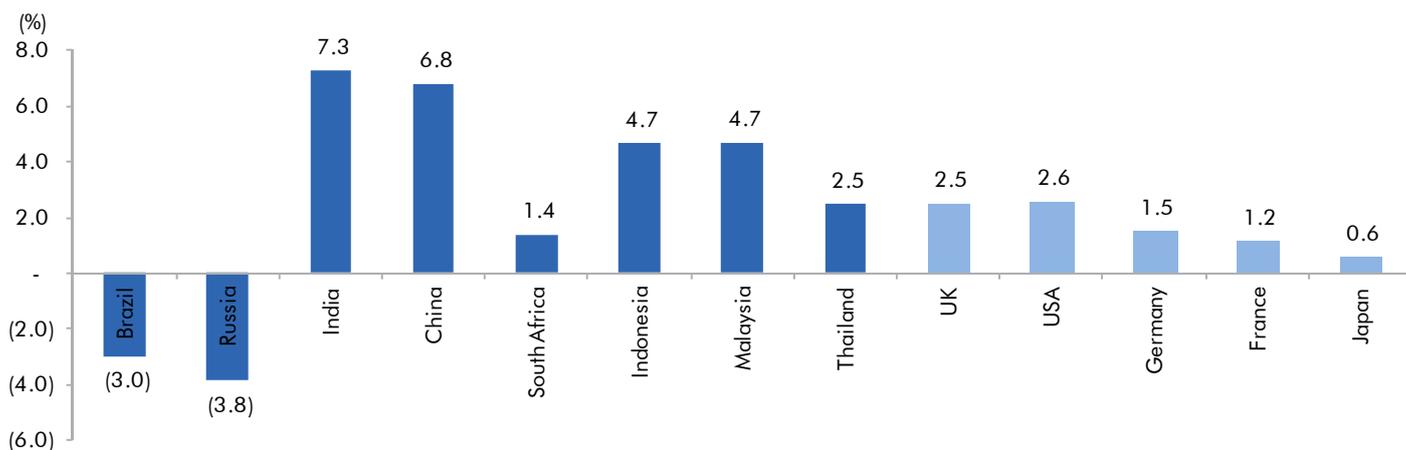
Global watch

Exhibit 1: Latest quarterly GDP Growth (% yoy) across select developing and developed countries



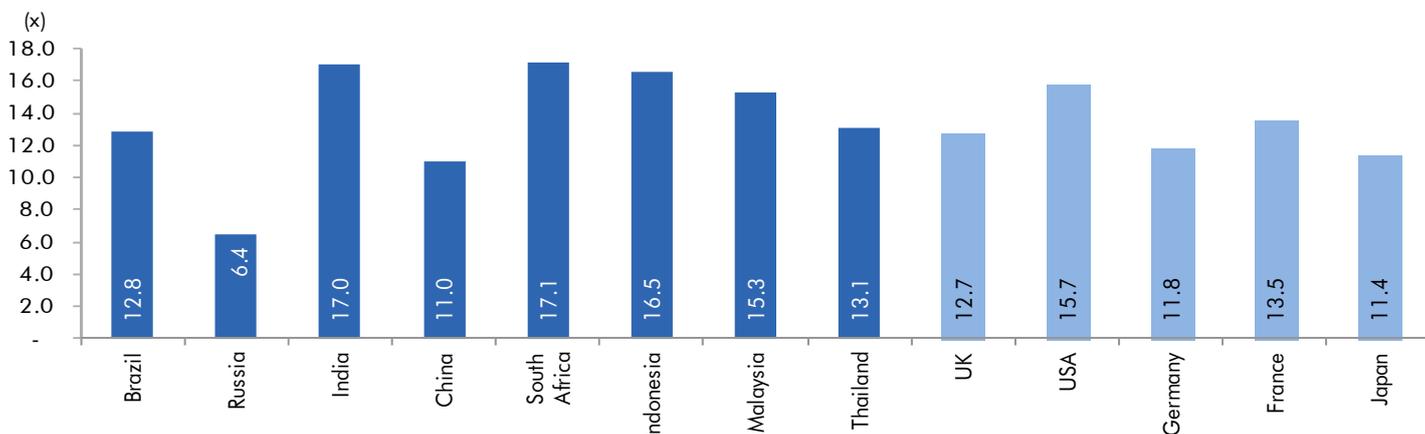
Source: Bloomberg, Angel Research

Exhibit 2: 2015 GDP Growth projection by IMF (% yoy) across select developing and developed countries



Source: IMF, Angel Research

Exhibit 3: One year forward P-E ratio across select developing and developed countries



Source: IMF, Angel Research

Exhibit 4: Relative performance of indices across globe

Country	Name of index	Closing price	Returns (%)		
			1M	3M	1YR
Brazil	Bovespa	48,780	8.7	11.5	(5.9)
Russia	Micex	1,867	1.8	7.8	11.2
India	Nifty	7,759	11.0	(1.7)	(7.0)
China	Shanghai Composite	3,010	5.3	(14.8)	(18.2)
South Africa	Top 40	45,772	4.5	(0.3)	(0.5)
Mexico	Mexbol	45,678	4.5	5.3	3.3
Indonesia	LQ45	843	0.7	7.0	(11.0)
Malaysia	KLCI	1,725	2.2	2.4	(4.9)
Thailand	SET 50	897	0.7	12.9	(10.5)
USA	Dow Jones	17,737	5.0	0.8	(0.8)
UK	FTSE	6,165	0.2	(1.2)	(11.4)
Japan	Nikkei	16,123	(3.7)	(15.1)	(18.3)
Germany	DAX	9,822	1.1	(8.6)	(19.0)
France	CAC	4,345	(1.4)	(6.3)	(17.1)

Source: Bloomberg, Angel Research

Stock Watch

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM (%)		EPS (₹)		PER (x)		P/BV (x)		RoE (%)		EV/Sales (x)		
					FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	
Agri / Agri Chemical																			
Rallis	Neutral	171	-	3,323	2,097	2,415	14.4	14.4	9.5	11.0	18.0	15.5	3.6	3.1	21.1	21.3	1.6	1.4	
United Phosphorus	Neutral	459	-	19,654	12,500	14,375	18.3	18.3	29.8	35.9	15.4	12.8	2.8	2.4	20.0	20.3	1.7	1.4	
Auto & Auto Ancillary																			
Ashok Leyland	Neutral	109	-	30,963	17,995	21,544	11.4	11.6	3.4	4.7	32.0	23.1	5.6	5.2	17.7	22.2	1.7	1.4	
Bajaj Auto	Accumulate	2,396	2,585	69,345	22,709	25,860	20.9	20.1	129.0	143.6	18.6	16.7	5.7	4.9	30.7	29.4	2.6	2.2	
Bharat Forge	Accumulate	829	875	19,309	7,351	8,318	19.9	19.7	31.2	36.5	26.6	22.7	4.8	4.0	19.3	19.2	2.8	2.4	
Eicher Motors	Accumulate	18,736	20,044	50,888	15,556	16,747	15.5	17.3	464.8	597.5	40.3	31.4	14.7	10.8	36.2	34.3	3.2	2.9	
Gabriel India	Accumulate	90	101	1,289	1,415	1,544	8.7	9.0	4.6	5.4	19.5	16.6	3.5	3.1	18.1	18.9	0.9	0.8	
Hero Motocorp	Neutral	2,956	-	59,033	28,244	30,532	15.5	15.9	156.7	168.5	18.9	17.5	7.5	6.4	39.9	36.4	1.9	1.7	
Jamna Auto Industries	Accumulate	142	160	1,134	1,281	1,473	11.2	11.5	7.6	9.2	18.7	15.4	4.7	3.9	25.4	25.2	0.9	0.8	
L G Balakrishnan & Bros	Neutral	468	-	735	1,254	1,394	11.6	11.8	35.9	41.7	13.0	11.2	1.8	1.6	13.5	13.8	0.7	0.6	
Mahindra and Mahindra	Accumulate	1,216	1,364	75,525	38,416	42,904	13.7	13.9	54.8	63.4	22.2	19.2	3.4	3.0	15.4	15.8	1.6	1.4	
Maruti	Neutral	3,546	-	107,131	57,865	68,104	16.4	16.7	176.3	225.5	20.1	15.7	3.9	3.3	19.4	21.2	1.6	1.3	
Minda Industries	Neutral	1,008	-	1,600	2,523	2,890	8.7	9.0	55.0	65.4	18.3	15.4	3.5	2.9	19.3	18.7	0.7	0.6	
Motherson Sumi	Buy	252	313	33,319	39,343	45,100	8.8	9.1	10.1	12.5	24.9	20.2	7.9	6.2	35.3	34.4	0.9	0.8	
Rane Brake Lining	Buy	374	465	296	454	511	11.5	12.0	25.2	31.0	14.8	12.1	2.2	2.0	14.9	16.6	0.8	0.7	
Setco Automotive	Neutral	30	-	406	594	741	12.7	13.7	1.7	3.2	17.9	9.5	1.9	1.6	10.4	16.9	1.1	0.9	
Tata Motors	Neutral	371	-	106,971	259,686	273,957	13.0	13.4	25.9	29.5	14.3	12.6	1.9	1.6	8.0	9.0	0.6	0.6	
TVS Motor	Neutral	315	-	14,944	11,263	13,122	6.9	8.5	9.2	15.0	34.2	21.0	7.8	6.2	22.7	29.6	1.3	1.1	
Amara Raja Batteries	Buy	887	1,040	15,153	4,892	5,871	17.4	17.6	28.8	37.1	30.8	23.9	7.2	5.8	23.4	24.1	3.1	2.5	
Exide Industries	Buy	135	162	11,471	6,950	7,784	14.4	14.8	6.6	7.3	20.4	18.5	2.6	2.4	12.6	12.8	1.4	1.2	
Apollo Tyres	Accumulate	166	183	8,427	12,056	12,714	17.2	16.4	23.0	20.3	7.2	8.2	1.3	1.1	17.7	13.6	0.7	0.8	
Ceat	Accumulate	1,048	1,119	4,237	6,041	6,597	14.1	13.7	99.5	111.9	10.5	9.4	2.1	1.7	19.6	18.5	0.8	0.7	
JK Tyres	Neutral	83	-	1,883	7,446	7,669	15.2	14.0	19.6	18.4	4.2	4.5	1.1	0.9	25.2	19.5	0.6	0.6	
Swaraj Engines	Accumulate	871	919	1,081	552	630	14.2	14.7	44.6	54.1	19.5	16.1	4.5	4.1	23.2	25.6	1.8	1.5	
Subros	Neutral	89	-	533	1,293	1,527	11.8	11.9	4.2	6.7	21.1	13.3	1.6	1.4	7.7	11.5	0.7	0.6	
Indag Rubber	Neutral	173	-	454	283	329	17.0	17.2	13.0	15.4	13.4	11.2	2.9	2.4	21.8	21.6	1.3	1.1	
Banking																			
Allahabad Bank	Neutral	54	-	3,270	8,569	9,392	2.8	2.9	16.3	27.5	3.3	2.0	0.3	0.25	7.6	11.9	-	-	
Axis Bank	Accumulate	432	494	102,978	26,473	31,527	3.5	3.6	35.7	43.5	12.1	9.9	2.0	1.75	17.9	18.9	-	-	
Bank of Baroda	Neutral	144	-	33,249	18,485	21,025	1.9	2.0	13.5	21.1	10.7	6.8	0.8	0.8	7.3	10.6	-	-	
Bank of India	Neutral	94	-	7,648	15,972	17,271	1.9	2.0	15.3	33.3	6.2	2.8	0.3	0.2	3.6	7.6	-	-	
Canara Bank	Neutral	187	-	10,129	15,441	16,945	2.0	2.1	46.6	70.4	4.0	2.6	0.4	0.3	8.0	11.2	-	-	
Dena Bank	Neutral	29	-	1,894	3,440	3,840	2.1	2.3	7.2	10.0	4.0	2.9	0.3	0.2	6.1	7.9	-	-	
Diwan Housing Finance																			
Federal Bank	Neutral	44	-	7,516	3,477	3,999	3.0	3.0	5.0	6.2	8.7	7.0	0.9	0.8	10.5	11.9	-	-	
HDFC	Neutral	1,103	-	174,320	10,358	11,852	3.3	3.3	41.1	47.0	26.9	23.5	5.1	4.6	24.7	24.9	-	-	
HDFC Bank	Buy	1,058	1,262	267,558	38,309	47,302	4.3	4.3	49.3	61.0	21.5	17.3	3.7	3.19	18.5	19.7	-	-	
ICICI Bank	Accumulate	226	254	131,112	34,279	39,262	3.3	3.3	21.0	24.4	10.7	9.3	1.8	1.5	14.4	14.7	-	-	

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM (%)		EPS (₹)		PER (x)		P/BV (x)		RoE (%)		EV/Sales (x)		
					FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E
IDBI Bank	Neutral	68	-	14,021	9,625	10,455	1.8	1.8	8.5	14.2	8.0	4.8	0.5	0.4	5.9	9.3	-	-	
Indian Bank	Neutral	102	-	4,911	6,160	6,858	2.4	2.5	24.5	29.8	4.2	3.4	0.3	0.3	7.7	8.6	-	-	
LIC Housing Finance	Buy	468	592	23,593	3,101	3,745	2.5	2.5	33.0	40.2	14.2	11.6	2.6	2.3	19.7	20.5	-	-	
Oriental Bank	Neutral	90	-	2,684	7,643	8,373	2.4	2.4	37.2	45.4	2.4	2.0	0.2	0.2	8.2	9.4	-	-	
Punjab Natl. Bank	Neutral	83	-	16,268	23,638	26,557	2.8	2.8	17.9	27.2	4.6	3.0	0.5	0.4	8.5	12.0	-	-	
South Ind. Bank	Neutral	18	-	2,363	1,965	2,185	2.5	2.5	2.5	3.3	7.0	5.3	0.7	0.6	9.5	11.6	-	-	
St Bk of India	Neutral	185	-	143,223	79,958	86,060	2.6	2.6	13.4	20.7	13.8	8.9	1.1	1.0	11.5	12.8	-	-	
Union Bank	Neutral	129	-	8,895	12,646	14,129	2.3	2.4	31.0	39.1	4.2	3.3	0.4	0.4	9.8	11.4	-	-	
Vijaya Bank	Neutral	32	-	2,706	3,536	3,827	1.8	1.9	5.5	6.7	5.7	4.7	0.5	0.4	7.8	8.8	-	-	
Yes Bank	Neutral	829	-	34,873	7,190	9,011	3.2	3.3	58.2	69.7	14.2	11.9	2.5	2.2	19.2	19.6	-	-	
Capital Goods																			
ACE	Neutral	38	-	373	660	839	4.7	8.2	1.0	3.9	37.8	9.7	1.2	1.0	3.2	11.3	0.7	0.6	
BEML	Buy	973	1,157	4,052	3,277	4,006	6.0	8.9	36.2	64.3	26.9	15.1	1.9	1.7	5.7	11.7	1.3	1.0	
Bharat Electronics	Buy	1,181	1,414	28,345	7,737	8,634	16.8	17.2	54.0	61.5	21.9	19.2	3.1	2.8	39.3	45.6	2.8	2.4	
Voltas	Buy	274	353	9,058	5,363	5,963	8.0	9.1	11.0	13.8	24.9	19.8	3.8	3.3	16.2	17.9	1.6	1.5	
BGR Energy	Neutral	104	-	748	3,615	3,181	9.5	9.4	16.7	12.4	6.2	8.4	0.6	0.6	10.0	7.0	0.6	0.8	
BHEL	Neutral	113	-	27,609	33,722	35,272	10.8	11.7	10.5	14.2	10.7	7.9	0.8	0.7	7.0	9.0	0.9	0.9	
Blue Star	Buy	393	458	3,531	3,548	3,977	6.3	6.9	13.7	17.2	28.7	22.9	7.2	4.7	26.1	25.4	1.1	0.9	
Crompton Greaves	Neutral	49	-	3,077	13,484	14,687	4.9	6.2	4.5	7.1	10.9	6.9	0.8	0.7	7.2	10.8	0.4	0.3	
Greaves Cotton	Neutral	125	-	3,054	1,655	1,755	16.6	16.8	7.4	7.8	16.9	16.0	3.4	3.2	21.1	20.6	1.8	1.7	
Inox Wind	Buy	246	458	5,461	4,980	5,943	17.0	17.5	26.6	31.6	9.3	7.8	2.8	2.0	35.0	30.0	1.2	1.0	
KEC International	Neutral	124	-	3,179	8,791	9,716	6.1	6.8	5.4	8.2	22.9	15.1	2.3	2.1	10.0	14.0	0.6	0.5	
Thermax	Neutral	751	-	8,952	6,413	7,525	7.4	8.5	30.5	39.3	24.6	19.1	3.8	3.3	15.0	17.0	1.4	1.1	
VATech Wabag	Neutral	520	-	2,834	2,722	3,336	7.9	8.1	19.5	24.6	26.7	21.1	2.8	2.5	11.1	12.4	1.1	0.9	
Cement																			
ACC	Neutral	1,390	-	26,104	13,151	14,757	16.4	18.3	63.9	83.4	21.8	16.7	2.8	2.6	13.3	16.1	1.8	1.5	
Ambuja Cements	Neutral	226	-	35,096	11,564	12,556	19.4	20.7	8.9	10.1	25.4	22.4	3.2	3.0	12.8	13.8	2.7	2.4	
HeidelbergCement	Neutral	86	-	1,938	1,772	1,926	13.3	15.4	1.0	3.0	85.5	28.5	2.2	2.0	2.6	7.9	1.7	1.4	
India Cements	Neutral	84	-	2,583	4,216	4,840	18.0	19.5	4.0	9.9	21.0	8.5	0.8	0.8	4.0	9.5	0.9	0.7	
JK Cement	Neutral	648	-	4,532	3,661	4,742	10.1	15.8	7.5	28.5	86.4	22.7	2.6	2.3	7.5	22.9	1.7	1.3	
J K Lakshmi Cement	Neutral	328	-	3,855	2,947	3,616	16.7	19.9	11.5	27.2	28.5	12.0	2.7	2.3	9.8	20.8	1.7	1.4	
Mangalam Cements	Neutral	225	-	602	1,053	1,347	10.5	13.3	8.4	26.0	26.8	8.7	1.1	1.0	4.3	12.5	0.9	0.7	
Orient Cement	Neutral	148	-	3,028	1,854	2,524	21.2	22.2	7.7	11.1	19.2	13.3	2.8	2.4	13.3	15.7	2.4	1.7	
Ramco Cements	Neutral	407	-	9,698	4,036	4,545	20.8	21.3	15.1	18.8	27.0	21.7	3.3	2.9	12.9	14.3	2.9	2.5	
Shree Cement ^	Neutral	12,077	-	42,071	7,150	8,742	26.7	28.6	228.0	345.5	53.0	35.0	7.8	6.5	15.7	20.3	5.6	4.5	
UltraTech Cement	Neutral	3,101	-	85,102	24,669	29,265	18.2	20.6	82.0	120.0	37.8	25.8	4.1	3.6	11.3	14.7	3.5	3.0	
Construction																			
ITNL	Buy	74	93	2,433	7,360	8,825	34.0	35.9	7.0	9.0	10.6	8.2	0.4	0.3	3.2	3.7	3.7	3.6	
KNR Constructions	Buy	517	603	1,454	937	1,470	14.3	14.0	44.2	38.6	11.7	13.4	2.3	2.0	15.4	15.4	1.6	1.1	
Larsen & Toubro	Accumulate	1,195	1,310	111,307	58,870	65,708	8.3	10.3	42.0	53.0	28.5	22.5	2.0	1.8	8.8	11.2	2.1	1.9	
Gujarat Pipavav Port	Neutral	173	-	8,385	629	684	51.0	52.2	6.4	5.9	27.1	29.4	3.6	3.3	15.9	12.7	13.0	11.7	
MBL Infrastructures	Buy	155	285	642	2,313	2,797	12.2	14.6	19.0	20.0	8.2	7.7	0.8	0.8	11.3	10.6	1.0	0.9	
Nagarjuna Const.	Neutral	73	-	4,050	7,892	8,842	8.8	9.1	3.0	5.3	24.3	13.7	1.2	1.1	5.0	8.5	0.7	0.6	
PNC Infratech	Accumulate	527	558	2,704	1,873	2,288	13.2	13.5	24.0	32.0	22.0	16.5	2.1	1.9	12.1	12.3	1.5	1.3	

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM (%)		EPS (₹)		PER (x)		P/BV (x)		RoE (%)		EV/Sales (x)		
					FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E
Simplex Infra	Neutral	246	-	1,215	5,955	6,829	10.3	10.5	16.0	31.0	15.3	7.9	0.8	0.7	5.3	9.9	0.7	0.6	
Power Mech Projects	Neutral	576	-	847	1,539	1,801	12.8	12.7	59.0	72.1	9.8	8.0	1.5	1.2	18.6	16.8	0.6	0.5	
Sadbhav Engineering	Neutral	280	-	4,796	3,481	4,219	10.7	10.8	8.2	11.7	34.1	23.9	3.3	2.9	10.3	13.5	1.6	1.4	
NBCC	Buy	943	1,089	11,321	5,816	7,382	6.9	7.7	29.6	39.8	31.9	23.7	5.7	4.5	24.1	26.7	1.7	1.3	
MEP Infra	Neutral	38	-	624	1,956	1,876	28.1	30.5	1.3	3.0	29.5	12.8	6.2	4.2	21.2	32.8	1.7	1.7	
SIPL	Neutral	99	-	3,475	675	1,042	62.4	64.7	-	-	-	-	3.7	4.2	-	-	16.8	11.3	
Engineers India	Neutral	168	-	5,659	1,667	1,725	13.5	16.0	9.7	11.4	17.3	14.7	2.0	2.0	11.7	13.4	2.2	2.2	
FMCG																			
Asian Paints	Neutral	869	-	83,378	16,553	19,160	16.0	16.2	17.7	21.5	49.2	40.4	13.1	11.7	29.4	31.2	4.9	4.2	
Britannia	Neutral	2,636	-	31,629	8,481	9,795	14.0	14.1	65.5	78.3	40.2	33.7	19.0	15.6	38.3	41.2	3.6	3.1	
Colgate	Neutral	832	-	22,641	4,836	5,490	19.5	19.7	48.5	53.2	17.2	15.6	12.6	11.0	99.8	97.5	4.6	4.0	
Dabur India	Accumulate	246	267	43,205	9,370	10,265	17.1	17.2	7.3	8.1	33.5	30.3	10.1	8.2	33.7	30.6	4.5	4.1	
GlaxoSmith Con*	Neutral	6,034	-	25,376	4,919	5,742	17.2	17.4	168.3	191.2	35.9	31.6	10.2	8.7	28.8	28.9	4.7	4.0	
Godrej Consumer	Neutral	1,354	-	46,103	10,168	12,886	16.1	16.1	32.1	38.4	42.2	35.3	8.6	7.9	19.7	21.0	4.6	3.6	
HUL	Neutral	868	-	187,884	34,940	38,957	17.5	17.7	20.8	24.7	41.7	35.2	46.4	37.1	110.5	114.2	5.2	4.6	
ITC	Accumulate	327	359	262,741	36,804	38,776	37.9	37.9	12.2	12.9	26.8	25.3	7.4	6.5	27.7	25.8	6.7	6.4	
Marico	Neutral	245	-	31,577	6,551	7,766	15.7	16.0	10.4	12.5	23.6	19.6	6.8	5.7	33.2	32.4	4.7	4.0	
Nestle*	Buy	5,724	6,646	55,189	11,291	12,847	22.2	22.3	158.9	184.6	36.0	31.0	18.8	16.9	55.0	57.3	4.7	4.1	
Tata Global	Buy	118	144	7,463	8,635	9,072	9.8	9.9	6.5	7.6	18.2	15.6	1.8	1.7	6.8	7.4	0.8	0.8	
IT																			
HCL Tech ^	Buy	844	1,038	118,994	42,038	47,503	21.2	21.5	51.5	57.7	16.4	14.6	3.5	2.7	21.5	18.8	2.4	2.0	
Infosys	Accumulate	1,219	1,347	280,820	61,850	69,981	27.5	27.5	59.4	65.7	20.5	18.5	4.4	3.7	21.2	20.1	3.8	3.2	
TCS	Buy	2,463	2,854	485,247	108,487	122,590	28.3	28.5	122.8	138.4	20.1	17.8	7.6	6.9	38.0	38.9	4.1	3.5	
Tech Mahindra	Accumulate	462	530	44,756	26,524	29,177	16.2	17.0	28.8	33.6	16.1	13.8	3.1	2.6	19.3	19.1	1.5	1.2	
Wipro	Buy	560	680	138,248	50,808	56,189	23.7	23.8	37.3	40.7	15.0	13.7	2.9	2.6	19.2	17.7	2.2	1.8	
Media																			
D B Corp	Buy	305	356	5,601	2,241	2,495	27.8	27.9	21.8	25.6	14.0	11.9	3.7	3.2	26.7	28.5	2.4	2.2	
HT Media	Neutral	76	-	1,779	2,495	2,603	11.2	11.2	7.3	8.6	10.5	8.9	0.8	0.7	7.4	8.1	0.2	0.2	
Jagran Prakashan	Buy	158	189	5,180	2,170	2,355	27.2	26.2	8.9	9.9	17.8	16.0	3.7	3.3	20.9	20.4	2.3	2.1	
Sun TV Network	Neutral	359	-	14,161	2,779	3,196	70.2	70.5	22.8	27.3	15.8	13.2	3.9	3.5	26.7	28.3	4.8	4.2	
Hindustan Media	Neutral	245	-	1,800	920	1,031	20.0	20.0	19.2	20.9	12.8	11.7	2.1	1.8	16.4	15.3	1.5	1.3	
Metal																			
Coal India	Buy	276	380	174,395	76,167	84,130	19.9	22.3	22.4	25.8	12.3	10.7	4.4	4.3	35.5	41.0	1.6	1.4	
Hind. Zinc	Neutral	187	-	79,035	14,641	14,026	50.4	50.4	17.7	16.0	10.6	11.7	1.6	1.5	16.2	13.2	3.0	2.9	
Hindalco	Neutral	85	-	17,532	104,356	111,186	8.7	9.5	6.7	11.1	12.6	7.7	0.5	0.4	3.5	5.9	0.7	0.6	
JSW Steel	Neutral	1,257	-	30,375	42,308	45,147	16.4	20.7	(10.3)	49.5	-	25.4	1.4	1.3	(1.0)	5.6	1.8	1.6	
NMDC	Neutral	98	-	38,755	8,237	10,893	46.6	44.5	9.9	11.7	9.8	8.4	1.1	1.0	12.4	13.0	4.5	3.4	
SAIL	Neutral	42	-	17,532	45,915	53,954	7.2	10.5	1.5	4.4	28.2	9.7	0.4	0.4	2.3	4.1	1.0	0.9	
Vedanta	Neutral	86	-	25,452	71,445	81,910	26.2	26.2	12.9	19.2	6.7	4.5	0.5	0.4	7.2	8.9	0.8	0.6	
Tata Steel	Neutral	312	-	30,312	126,760	137,307	8.9	11.3	6.4	23.1	49.1	13.5	1.0	0.9	2.0	7.1	0.8	0.8	

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM (%)		EPS (₹)		PER (x)		P/BV (x)		RoE (%)		EV/Sales (x)		
					FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	
Oil & Gas																			
Cairn India	Neutral	147	-	27,467	11,323	12,490	49.4	51.0	20.7	20.6	7.1	7.1	0.5	0.4	6.4	6.1	1.5	0.8	
GAIL	Neutral	340	-	43,166	64,856	70,933	9.1	9.6	24.0	28.9	14.2	11.8	1.2	1.1	8.8	9.6	0.8	0.8	
ONGC	Neutral	206	-	175,858	154,564	167,321	36.8	37.4	28.6	32.5	7.2	6.3	0.9	0.8	12.7	13.5	1.3	1.3	
Petronet LNG	Neutral	245	-	18,338	29,691	31,188	5.8	6.2	12.8	13.4	19.1	18.2	2.9	2.5	15.8	14.8	0.7	0.6	
Indian Oil Corp	Accumulate	402	455	97,640	359,607	402,760	5.9	6.1	42.5	48.7	9.5	8.3	1.3	1.1	14.1	14.3	0.4	0.3	
Reliance Industries	Accumulate	1,028	1,150	333,143	304,775	344,392	12.6	13.4	91.3	102.6	11.3	10.0	1.3	1.1	11.8	12.0	1.0	0.8	
Pharmaceuticals																			
Alembic Pharma	Neutral	589	-	11,095	3,274	3,802	26.9	19.4	35.0	28.7	16.8	20.5	7.5	5.6	55.6	31.2	3.4	2.8	
Aurobindo Pharma	Accumulate	751	856	43,940	14,923	17,162	22.0	23.0	35.7	42.8	21.0	17.5	6.2	4.7	34.0	30.2	3.3	2.8	
Aventis*	Neutral	4,198	-	9,668	2,082	2,371	17.4	20.8	118.2	151.5	35.5	27.7	5.2	4.2	19.9	25.5	4.3	3.6	
Cadila Healthcare	Accumulate	318	352	32,576	10,224	11,840	21.0	22.0	14.6	17.6	21.8	18.1	6.0	4.7	30.8	29.0	3.2	2.7	
Cipla	Buy	504	605	40,491	13,979	16,447	20.2	18.6	25.7	27.5	19.6	18.3	3.2	2.8	17.6	16.1	2.9	2.4	
Dr Reddy's	Buy	2,996	3,933	51,092	16,838	19,575	25.0	23.1	167.5	178.8	17.9	16.8	3.8	3.1	23.1	20.4	3.0	2.5	
Dishman Pharma	Neutral	331	-	2,670	1,733	1,906	21.5	21.5	17.0	19.9	19.5	16.6	2.0	1.8	10.5	11.2	2.1	1.8	
GSK Pharma*	Neutral	3,699	-	31,327	2,870	3,158	20.0	22.1	59.5	68.3	62.2	54.2	18.3	18.8	28.5	34.3	10.4	9.5	
Indoco Remedies	Neutral	274	-	2,528	1,033	1,199	15.9	18.2	9.4	13.6	29.2	20.2	4.3	3.7	15.7	19.7	2.5	2.2	
Ipca labs	Buy	557	900	7,024	3,363	3,909	12.9	18.6	13.4	28.0	41.5	19.9	3.0	2.6	7.4	14.0	2.4	2.0	
Lupin	Accumulate	1,463	1,560	65,923	13,092	16,561	25.0	27.0	50.4	68.3	29.0	21.4	6.0	4.7	22.8	24.7	4.7	3.6	
Sun Pharma	Buy	801	950	192,666	28,163	32,610	25.8	30.7	17.4	26.9	46.0	29.8	4.4	3.8	13.0	16.6	6.3	5.2	
Power																			
Tata Power	Neutral	67	-	18,121	35,923	37,402	22.6	22.8	4.1	5.2	16.5	13.0	1.3	1.2	7.5	9.3	1.4	1.3	
NTPC	Buy	127	146	104,717	87,271	99,297	23.4	23.5	11.7	13.3	10.8	9.6	1.2	1.1	11.5	12.2	2.2	2.0	
Power Grid	Buy	139	170	72,719	20,702	23,361	86.7	86.4	12.1	13.2	11.5	10.5	1.7	1.5	15.6	15.1	8.4	7.8	
Real Estate																			
MLIFE	Buy	434	554	1,781	697	1,011	14.9	19.3	13.8	20.1	31.5	21.6	1.2	1.1	3.8	5.3	3.8	2.6	
Telecom																			
Bharti Airtel	Neutral	330	-	132,054	101,748	109,191	32.1	31.7	12.0	12.5	27.5	26.4	1.9	1.8	6.9	6.7	1.9	1.7	
Idea Cellular	Neutral	109	-	39,372	34,282	36,941	32.0	31.5	5.9	6.2	18.5	17.6	1.7	1.5	9.9	9.3	1.7	1.6	
Others																			
Abbott India	Neutral	4,593	-	9,760	2,715	3,153	14.5	14.1	134.3	152.2	34.2	30.2	8.5	7.0	27.4	25.6	3.3	2.8	
Bajaj Electricals	Accumulate	208	237	2,098	4,719	5,287	5.2	5.8	8.6	12.7	24.3	16.4	2.8	2.4	11.4	14.8	0.4	0.4	
Banco Products (India)	Neutral	111	-	796	1,208	1,353	10.9	12.3	10.8	14.5	10.3	7.7	1.2	1.1	11.9	14.5	0.6	0.5	
Coffee Day Enterprises	Neutral	227	-	4,667	2,692	2,964	17.0	18.6	-	4.7	-	47.8	2.8	2.6	0.1	5.5	2.1	2.0	
Competent Automobiles	Neutral	135	-	83	1,040	1,137	3.2	3.1	25.7	28.0	5.3	4.8	0.8	0.7	15.0	14.3	0.1	0.1	
Elecon Engineering	Neutral	59	-	645	1,359	1,482	10.3	13.6	0.8	3.9	73.8	15.2	1.2	1.2	1.6	7.8	0.8	0.8	
Finolex Cables	Neutral	286	-	4,370	2,520	2,883	12.2	12.0	12.7	14.2	22.6	20.1	3.1	2.7	13.6	13.5	1.5	1.2	
Garware Wall Ropes	Buy	325	473	712	862	974	11.2	11.2	24.9	29.6	13.1	11.0	2.0	1.7	15.1	15.4	0.8	0.7	
Goodyear India*	Buy	498	582	1,148	1,800	1,600	11.7	11.5	58.7	52.9	8.5	9.4	1.9	1.6	24.6	18.7	0.4	0.4	

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM (%)		EPS (₹)		PER (x)		P/BV (x)		RoE (%)		EV/Sales (x)	
					FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E	FY16E	FY17E
Hitachi	Neutral	1,168	-	3,177	1,779	2,081	7.8	8.8	21.8	33.4	53.6	34.9	8.6	7.0	17.4	22.1	1.8	1.6
HSIL	Neutral	300	-	2,166	2,123	2,384	16.1	16.5	15.0	18.9	19.9	15.9	1.5	1.4	8.0	9.4	1.4	1.2
Interglobe Aviation	Neutral	973	-	35,079	17,022	21,122	20.7	14.5	63.9	53.7	15.2	18.1	22.8	18.7	149.9	103.2	2.1	1.7
Jyothy Laboratories	Neutral	298	-	5,391	1,620	1,847	11.5	11.5	7.3	8.5	40.8	35.1	5.3	4.9	13.3	14.4	3.2	2.7
Kirloskar Engines India	Neutral	216	-	3,124	2,403	2,554	8.6	9.9	9.2	10.5	23.5	20.6	2.3	2.2	9.7	10.7	0.9	0.9
Linc Pen & Plastics	Neutral	193	-	286	340	371	8.3	8.9	10.8	13.2	17.9	14.7	2.9	2.5	16.0	17.1	0.9	0.8
M M Forgings	Buy	456	614	551	511	615	21.7	21.6	43.1	55.8	10.6	8.2	1.9	1.6	19.9	21.2	1.3	1.0
Manpasand Bever.	Neutral	452	-	2,260	540	836	19.9	19.6	10.2	16.9	44.1	26.7	3.6	3.2	8.1	12.0	3.9	2.4
MRF	Buy	35,776	45,575	15,173	20,316	14,488	21.4	21.1	5,488.0	3,797.9	6.5	9.4	2.2	1.8	41.1	21.2	0.7	0.9
MT Educare	Neutral	164	-	652	286	366	18.3	17.7	7.7	9.4	21.2	17.5	4.5	3.9	20.2	21.1	2.2	1.7
Narayana Hrudaya	Neutral	296	-	6,053	1,603	1,873	10.9	11.5	1.0	2.6	310.9	112.0	7.5	6.9	2.4	6.1	3.9	3.3
Navkar Corporation	Buy	174	265	2,488	365	436	38.3	37.5	5.6	5.9	30.9	29.7	1.9	1.8	6.3	6.1	7.6	6.6
Navneet Education	Neutral	82	-	1,962	998	1,062	24.1	24.0	5.8	6.1	14.3	13.5	3.2	2.8	22.0	20.5	2.0	1.9
Nilkamal	Neutral	1,102	-	1,644	1,871	2,031	10.7	10.5	63.2	69.8	17.4	15.8	2.8	2.4	17.6	16.6	0.9	0.8
Page Industries	Neutral	12,096	-	13,491	1,929	2,450	19.8	20.1	229.9	299.0	52.6	40.5	23.2	16.1	52.1	47.0	7.0	5.5
Quick Heal	Neutral	219	-	1,531	339	408	27.8	27.3	7.1	7.7	30.9	28.2	2.6	2.6	8.5	9.3	3.4	2.9
Radico Khaitan	Buy	96	156	1,279	1,517	1,635	12.7	13.4	5.8	7.1	16.5	13.5	1.4	1.3	8.6	9.6	1.3	1.2
Relaxo Footwears	Neutral	503	-	6,038	1,767	2,152	12.3	12.5	19.2	25.1	26.1	20.1	6.4	4.9	27.7	27.8	3.5	2.8
S H Kelkar & Co.	Neutral	227	-	3,284	928	1,036	15.3	15.1	4.9	6.1	46.0	37.2	4.3	4.0	9.4	10.7	3.4	3.0
Siyaram Silk Mills	Buy	981	1,354	920	1,636	1,815	11.5	11.5	89.9	104.1	10.9	9.4	1.8	1.6	17.9	17.8	0.7	0.6
Styrolution ABS India*	Neutral	581	-	1,021	1,271	1,440	8.6	9.2	32.0	41.1	18.1	14.1	1.9	1.7	10.7	12.4	0.8	0.7
Surya Roshni	Buy	140	201	613	2,992	3,223	8.1	8.4	14.7	18.3	9.5	7.6	0.9	0.8	9.7	11.0	0.5	0.4
Team Lease Serv.	Neutral	882	-	1,508	2,565	3,229	1.3	1.5	15.2	22.8	58.1	38.7	4.6	4.1	8.0	10.7	0.5	0.4
The Byke Hospitality	Neutral	152	-	610	222	287	20.5	20.5	5.6	7.6	27.0	20.1	5.1	4.2	18.8	20.7	2.8	2.1
Transport Corp. of India	Neutral	273	-	2,078	2,830	3,350	8.8	9.0	14.4	18.3	19.0	14.9	2.9	2.5	15.4	17.1	0.9	0.7
TVS Srichakra	Buy	2,379	3,217	1,821	2,035	2,252	15.9	15.3	248.6	268.1	9.6	8.9	4.2	3.0	43.6	33.9	0.9	0.8
UFO Moviez	Neutral	453	-	1,247	558	619	32.0	33.2	22.5	30.0	20.1	15.1	2.4	2.1	12.0	13.8	2.1	1.7
Visaka Industries	Buy	110	144	174	1,086	1,197	9.9	10.2	21.5	28.7	5.1	3.8	0.5	0.4	9.6	11.6	0.4	0.3
VRL Logistics	Neutral	369	-	3,371	1,725	1,902	16.5	16.7	12.2	14.6	30.4	25.4	6.3	5.6	20.8	21.9	2.1	1.9
Wonderla Holidays	Neutral	380	-	2,150	206	308	44.0	43.6	9.0	12.9	42.3	29.5	5.8	5.2	13.7	17.8	10.3	6.9

Source: Company, Angel Research, Note: *December year end; ^September year end; &October year end; ^ June year end; Price as of April 5, 2016; Sesa Goa's numbers reflect the standalone Sesa Goa business only. We will revise our numbers once the consolidated entity Sesa- Sterlite is formed

Research Team Tel: 022 - 39357800

E-mail: research@angelbroking.com

Website: www.angelbroking.com

DISCLAIMER

Angel Broking Private Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange of India Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates including its relatives/analyst do not hold any financial interest/beneficial ownership of more than 1% in the company covered by Analyst. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months. Angel/analyst has not served as an officer, director or employee of company covered by Analyst and has not been engaged in market making activity of the company covered by Analyst.

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

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals.

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

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

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

Note: Please refer to the important 'Stock Holding Disclosure' report on the Angel website (Research Section). Also, please refer to the latest update on respective stocks for the disclosure status in respect of those stocks. Angel Broking Pvt. Limited and its affiliates may have investment positions in the stocks recommended in this report.



6th Floor, Ackruti Star, Central Road, MIDC, Andheri (E), Mumbai - 400 093. Tel: (022) 39357800

Research Team

Fundamental:

Sarabjit Kour Nangra	VP-Research (Pharmaceutical, IT)	sarabjit@angelbroking.com
Vaibhav Agrawal	VP-Research (Banking)	vaibhav.agrawal@angelbroking.com
Amarjeet Maurya	Analyst (FMCG, Media, Mid-Cap)	amarjeet.maurya@angelbroking.com
Chintan Shah	Analyst (Banking)	chintan.shah@angelbroking.com
Milan Desai	Analyst (Mid-Cap)	milan.desai@angelbroking.com
Rahul Dholam	Analyst (Metal, Oil & Gas, Power)	rahul.dholam@angelbroking.com
Santosh Yellapu	Analyst (Infrastructure)	santosh.yellapu@angelbroking.com
Siddharth Purohit	Analyst (Banking, Cement)	siddharth.purohit@angelbroking.com
Tejas Vahalia	Research Editor	tejas.vahalia@angelbroking.com

Technical and Derivatives:

Sameet Chavan	Technical Analyst	sameet.chavan@angelbroking.com
Ruchit Jain	Technical Analyst	ruchit.jain@angelbroking.com
Jay Kumar Purohit	Technical Analyst	jay.purohit@angelbroking.com
Sneha Seth	Associate (Derivatives)	sneha.seth@angelbroking.com

Production Team:

Dilip Patel	Production Incharge	dilipm.patel@angelbroking.com
-------------	---------------------	-------------------------------