

Top Picks

Company	CMP (₹)	TP (₹)
Banking/NBFC		
Aditya Birla Capital	174	230
Dewan Housing	569	712
GIC Housing Finance	423	655
Karur Vysya Bank	114	161
ICICI Bank	346	425
Consumption		
Asian Granito	569	639
Blue Star	730	883
Siyaram Silk Mills	660	813
LT Foods	91	128
Century Plyboards	324	400
Media/Automobiles		
Maruti Suzuki	9,402	10,619
Music Broadcast	389	475
TV Today	453	500
Real Estate/Infra/Logistics/Power		
KEI Industries	400	436
Navkar Corp.	183	265
Pharmaceutical		
Alkem Laboratories	2,200	2,341

Source: Angel Research;

Note: CMP as of February 01, 2018

Top-Picks - February 2018

Angel top-picks updated post budget 2018-19

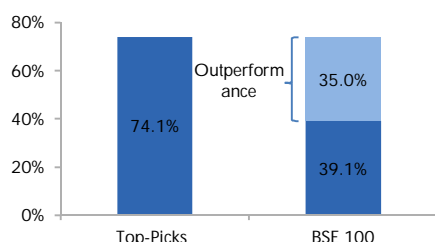
Budget Highlight: The budget for 2018-19 has reinforced the government's agenda to bring reforms and improve macros. The FM maintained FY2018 fiscal deficit target of 3.5% and has set a target of 3.3% for FY2019, which is slightly higher than the earlier target of 3%. However, with improving tax compliance and GST collection, the target looks achievable. In this Budget, FM has particularly focused on strengthening agriculture and rural economy by way of MSP support and fund allocation for various rural related infrastructure programs to boost the distressed rural economy. In the budget, FM has announced 10% long term capital gain tax on equity investments over ₹1lakh, which is slightly negative for market in the near term. However, in our view, equity investments still remain the most attractive asset class compared to others like fixed deposits.

Our View: We believe that this budget is overall neutral for markets. However, on the positive side, the FM has not stretched Fiscal deficit target by announcing unproductive measures like loan waiver schemes, as the previous government did in past budget. Going forward, we expect the market would perform better on the back of growth in corporate earnings. Further, credit growth is showing recovery, inflation is looking manageable and global economy continues to be buoyant. Moreover, current government has initiated many other reforms likes GST, Jan Dhan Accounts, IBC and recapitalization of PSU banks which should be overall positive for Indian economy.

Angel top-picks conviction remains intact post budget: In this Budget, we have observed that government remained mainly in focus on rural, housing and infrastructure. Angel Top-Picks portfolio already has exposure in these sector stocks which are well placed to capture the budget benefits (like **Asian Granito, Century Plyboards India, Dewan Housing Finance, GIC Housing, Siyaram Silk Mills**).

Going ahead, we expect GDP growth would be more visible due to strong reforms taken by government, in addition to buoyant global economy. We expect the strong growth in consumption sectors to benefit the stocks in our Top-Picks like **LT Foods, Blue Star, KEI Industries and Maruti Suzuki**.

Exhibit 1: Angel Top-Picks Performance (Oct15 - Jan18)



Source: Company, Angel Research

Exhibit 2: Top performing Picks

Stocks	Returns	Invested Months
Siyaram Silk Mills	253%	27
KEI Industries	221%	13
Dewan Housing	201%	22
Asian Granito	109%	16
Blue Star	105%	26

Source: Company, Angel Research

Exhibit 3: Budget announcement would benefit the Angel Top-picks basket

Themes	Budget announcement	Stocks in our Top-Picks
Infrastructure /Affordable housing	Significant allocation in Pradhan Mantri Awas Yojna and establishment of a dedicated Affordable Housing Fund (AHF) in National Housing Bank	Asian Granito, Century Plyboards India , Dewan Housing Finance, GIC Housing
Rural	Increased allocation in rural schemes like upgradation of rural market, rural infra and education; MSP support for farmer	Siyaram Silk Mills

Source: Company, Angel Research

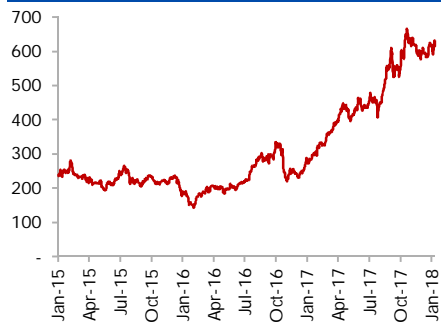
Annexure: (1) Key Budget highlight (2) Sectoral Impact (3) Angel top-picks updated post budget 2019

Angel top-picks updated post budget 2018-19

Stock Info

CMP	569
TP	712
Upside	25%
Sector	Financials
Market Cap (₹ cr)	17,840
Beta	1.6
52 Week High / Low	678 / 285

3 year-Chart

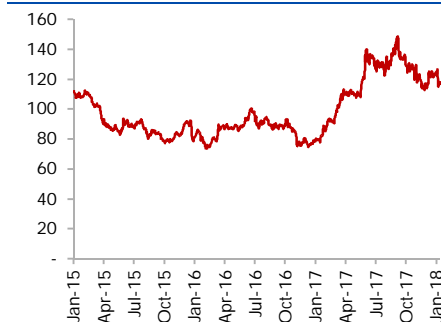


Source: Company, Angel Research

Stock Info

CMP	114
TP	161
Upside	41%
Sector	Banking
Market Cap (₹ cr)	8,289
Beta	0.9
52 Week High / Low	150 / 77

3 year-Chart



Source: Company, Angel Research

Dewan Housing

- **Loan growth to remain strong going ahead:** Backed by healthy capital adequacy and increasing demand for home loans DHFL's loan book is expected to report 23% loan growth over next two three years.
- **Strong Capital adequacy lends visibility for growth:** DHFL sold 50% stake held by it in DFHFL Pramerica Life Insurance Co Ltd which added ₹ 1,969 cr to its net worth and increases its CAR by 400 bps, to 19.3% which should fuel growth for next 2-3 years.
- **Asset quality has been strong:** Strong NIM on the back of lower cost of funds and lower credit cost will ensure healthy return ratios for the company. Despite strong growth the company has maintained stable asset quality and we expect the trend to continue.
- **Outlook:** We expect the company's loan growth to remain 23% over next two years and earnings growth is likely to be more than 28%.The stock currently trades at 1.9x FY2019E ABV. **We maintain Buy on the stock with a target price of ₹ 712.**

Key Financials

Y/E	Op. Inc (₹ cr)	NIM (%)	PAT (₹ cr)	EPS (₹)	ABV (₹)	ROA (%)	ROE (%)	P/E (x)	P/ABV (x)
March									
FY2018E	2,279	2.4	1,171	37.4	268	1.3	13.8	15.6	2.2
FY2019E	2,927	2.7	1,556	49.7	305	1.5	16.2	11.8	1.9

Source: Company, Angel Research

Karur Vysa Bank

- **Loan growth to pick up from FY18 onwards:** KVB had a fairly strong loan CAGR of 14.9% over FY11-17.However, FY17 was year of consolidation and loan book grew by only 4.7%. We expect loan growth to pick up to 11% over FY17-19. Deposit growth is expected at 9% during the period.
- **Asset quality likely to stabilize going ahead:** KVB's slippages remained high during FY17 and hence GNPA's % went up to 3.58% vs 1.3%. However, large part of the troubled accounts has been classified as NPAs and hence gradually we expect the asset quality to improve. While in Q2FY18 we saw some pressure on asset quality, it still remained fairly under control.
- **NIM likely to see further improvement:** There were 25 bps improvements in NIM during FY17, with share of CASA growing and cost of fund coming down NIM is expected to improve further going ahead.
- **Outlook:** We expect KVB to post a strong loan book & earnings CAGR of 11% & 22% over FY2017-19E. The stock currently trades at 1.4x FY2019E ABV. **We have a BUY rating on the stock.**

Key Financials

Y/E	Op. Inc (₹ cr)	NIM (%)	PAT (₹ cr)	EPS (₹)	ABV (₹)	ROA (%)	ROE (%)	P/E (x)	P/ABV (x)
March									
FY2018E	2,388	3.7	660	10.8	77.8	1	12.5	10.5	1.5
FY2019E	2,757	3.9	858	14.1	89.6	1.2	14.7	8.1	1.3

Source: Company, Angel Research

Stock Info

CMP	559
TP	639
Upside	12 %
Sector	Cons. Durable
Market Cap (₹ cr)	1,684
Beta	1.2
52 Week High / Low	617 / 265

3 year-Chart



Source: Company, Angel Research

Asian Granito

- AGIL's current, vitrified sales (35%) are lower as compared to its peers like Somany Ceramics (47%) and Kajaria Ceramics (61%). Recently, AGIL has launched various products in premium segment. Going forward, we expect AGIL's profit margin to improve due to increase in focus for higher vitrified product sales, which is a high margin business.
- AGIL is continuously putting efforts to increase the B2C sales from the current level (35-36% in FY17). It is expected to reach up to 50% in next 2-3 years on the back of various initiatives taken by AGIL to increase direct interaction with customers like strengthening distribution network, participation in key trade exhibition, etc.
- In July FY2016, AGIL acquired Artistique Ceramic which has a better margin profile. Going forward, we expect the company to improve its operating margin from 7.5% in FY16 (excluding merger) to 13-13.5% in coming financial year. Artistique Ceramics has a contract with RAS GAS to supply quality natural gas at a discounted rate of 50% to current market rate, which would reduce the overall power & fuel cost of the company.
- We expect AGIL to report a net revenue CAGR of ~10% to ~`1,286cr and net profit CAGR of ~29% to `65cr over FY2017-19E. **We recommend an accumulate rating on the stock.**

Key Financials

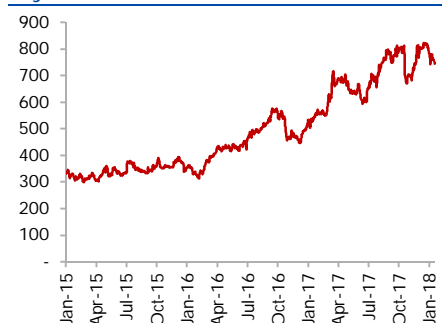
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	1,140	13.1	49	16.3	10.9	34.3	3.7	13.0	1.7
FY2019E	1,286	13.3	65	21.6	12.6	25.9	3.3	11.1	1.5

Source: Company, Angel Research

Stock Info

CMP	730
TP	883
Upside	21%
Sector	Cons. Durable
Market Cap (₹ cr)	7,002
Beta	0.2
52 Week High / Low	845 / 497

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 ~45% in FY2017 (expected to improve to ~47-48% in FY2018E). With strong brand equity and higher share in split ACs, we expect the CPD to continue to drive growth.
- Aided by increasing contribution from the Unitary Products, we expect the overall top-line to post a revenue CAGR of ~19% over FY2017-19E and margins to improve from 5.8% in FY2017 to 6.6% in FY2019E. **We recommend a buy rating on the stock.**

Key Financials

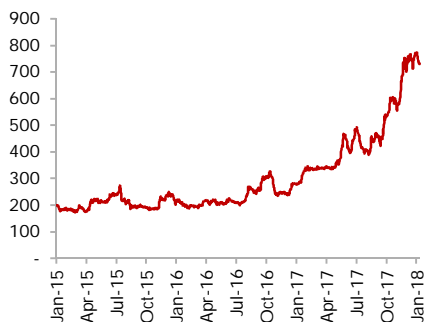
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	5,220	6.3	161	16.8	19.9	43.4	8.6	23.3	1.5
FY2019E	6,207	6.6	214	22.3	23.3	32.8	7.6	18.7	1.2

Source: Company, Angel Research

Stock Info

CMP	660
TP	813
Upside	23%
Sector	Textile
Market Cap (₹ cr)	3,093
Beta	0.7
52 Week High / Low	253/799

3 year-Chart

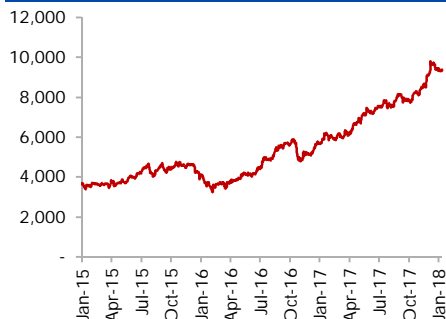


Source: Company, Angel Research

Stock Info

CMP	9,402
TP	10,619
Upside	13%
Sector	Automobiles
Market Cap (₹ cr)	2,84,044
Beta	1.0
52 Week High / Low	10,000/5,644

3 year-Chart



Source: Company, Angel Research

Siyaram Silk Mills

- SSML has strong brands which cater to premium as well as popular mass segments of the market. Further, SSML entered the ladies' salwar kameez and ethnic wear segment. Going forward, we believe that the company would be able to leverage its brand equity and continue to post strong performance.
- The company has a nationwide network of about 1,600 dealers and business partners. It has a retail network of 160 stores and plans to add another 300-350 stores going forward. Further, the company's brands are sold across 3,00,000 multi brand outlets in the country.
- Going forward, we expect SSML to report a net sales CAGR of ~12% to ~₹1,981cr and adj.net profit CAGR of ~16% to ~₹126cr over FY2017-19E on back of market leadership in blended fabrics, strong brand building, wide distribution channel, strong presence in tier II and tier III cities and emphasis on latest designs and affordable pricing points. At the current market price, SSML trades at an inexpensive valuation. **We have a buy recommendation on the stock and target price of ₹813.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	1,769	13.0	108	23.1	15.7	28.6	4.5	14.8	1.9
FY2019E	1,981	13.0	126	26.8	15.7	24.6	3.9	12.9	1.7

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 are 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% EBITDA margin range in FY14 to current ~17% margin range in 3QFY18. Together with higher operating leverage at Gujarat plant, increasing Nexa outlets, and improving business mix, we believe that company has further room to improve its margins. **We have an accumulate rating on the stock.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	80,815	15.6	8,506	281.7	21.7	33.4	7.4	18.9	3.3
FY2019E	96,680	16.9	10,991	364.0	22.8	25.8	6.0	13.8	2.7

Source: Company, Angel Research

Stock Info

CMP	453
TP	500
Upside	10%
Sector	Media
Market Cap (₹ cr)	2,700
Beta	0.3
52 Week High / Low	486 /211

3 year-Chart

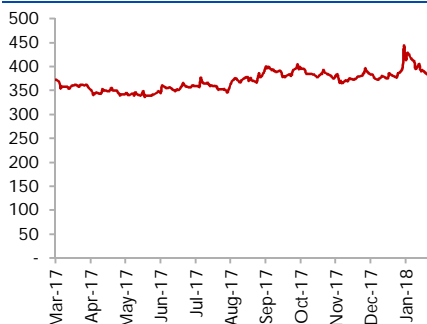


Source: Company, Angel Research

Stock Info

CMP	389
TP	475
Upside	25%
Sector	Media
Market Cap (₹ cr)	2,213
Beta	0.5
52 Week High / Low	458/321

3 year-Chart



Source: Company, Angel Research

TV Today Network

- TTNL enjoys a strong viewership ranking in the Hindi and English news channel categories. The company's Hindi news channel – Aaj Tak has maintained its market leadership position occupying the No.1 rank for several consecutive years in terms of viewership. Its English news channel - India Today too has been continuously gaining viewership; it has now captured the No. 2 ranking from No. 4 earlier. Its other channels like Dilli Aaj Tak and Tez are also popular among viewers.
- TTNL is a play of higher operating leverage that would be visible as advertisement revenues gain traction. Going ahead, we expect EBITDA margins would improve.
- We expect TTNL to report a net revenue CAGR of ~11% to ~`749cr and net profit CAGR of ~14% to ~`122cr over FY2017-19E. **We have an accumulate rating on the stock**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	669	26.9	109	18.3	15.3	24.8	3.8	13.3	3.6
FY2019E	749	26.9	122	20.5	17.5	22.1	3.9	12.0	3.2

Source: Company, Angel Research

Music Broadcast

- Radio Industry is protected by licenses for 15 years, thereby restricting the entry of new players. This would support the existing companies to strengthen their position and maintain a healthy growth rate.
- It has grabbed the Number 1 position in Mumbai, Bengaluru and Delhi in terms of number of listener. This is helping MBL to charge premium rate, which resulting into higher EBITDA margin (33.6%) compare to 22% of ENIL.
- MBL outperformed its closest peer with 18.4% CAGR in revenue over FY2013-17 (ENIL reported 13.2% CAGR in revenue). On the profitability front too, MBL, with 32.3% CAGR in PAT over FY2013-17, has performed much better than ENIL (-5.2% CAGR in PAT). Moreover, Radio City posted a six year CAGR of 12.1% v/s. 9.1% of industry owing to higher advertising volumes.
- Capex for 39 licenses have been done for the next 15 years, hence no heavy incremental Capex requirement would emerge. Moreover, the maintenance Capex would be as low as ~5-10cr. This would leave sufficient cash flow to distribute as dividend. **We have a buy recommendation on the stock and target price of ~475.**

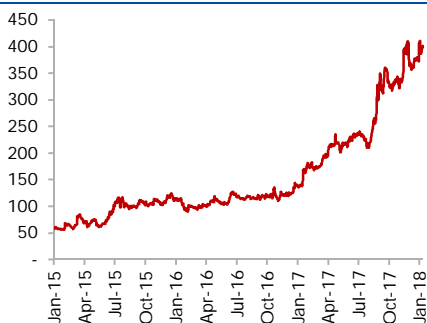
Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	317	34.4	56	9.8	9.3	39.6	3.7	18.0	6.2
FY2019E	372	34.9	80	14.0	12.0	27.8	3.3	14.6	5.1

Source: Company, Angel Research

Stock Info

CMP	400
TP	436
Upside	9%
Sector	Cable
Market Cap (₹ cr)	3,140
Beta	1.3
52 Week High / Low	423/151

3 year-Chart


Source: Company, Angel Research

Stock Info

CMP	423
TP	655
Upside	55%
Sector	Financials
Market Cap (₹ cr)	2,278
Beta	1.3
52 Week High / Low	623 /293

3 year-Chart


Source: Company, Angel Research

KEI Industries

- KEI's current order book (OB) stands at ₹2,780cr (segmental break-up: ₹1,990cr in EPC, ₹560cr in Cable & ₹230cr in EHV). Its OB grew by ~28% in the last 3 years due to strong order inflows from State Electricity Boards, Power grid, etc.
- KEI's consistent effort to increase its retail business from 30-32% of revenue in FY17 to 40-45% of revenue in the next 2-3 years on the back of strengthening distribution network (currently 926 which is expected to increase ₹1,500 by FY19) and higher ad spend (increased from ₹2cr in FY13 to ₹7.5cr in FY17 and expected to spend).
- KEI's export (FY17 – 8-10% of revenue) is expected to reach a level of ~14-15% in next two years with higher order execution from current OB and participation in various international tenders. We expect a strong ~26% growth CAGR over FY2017-19 in exports. We expect KEI to report net revenue CAGR of ~13% to ₹3,392cr and net profit CAGR of ~19% to ₹140cr over FY2017-19E. **Hence we have an accumulate rating on the stock.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	3,001	10.0	119	15.5	21.0	24.1	5.1	10.8	1.1
FY2019E	3,392	10.0	140	18.1	20.0	20.6	4.1	9.7	1.0

Source: Company, Angel Research

GIC Housing Finance Ltd

- Backed by the new management, GICHF is aiming for 2.0x growth in the loan book over the period of FY16-FY19E to ₹16,000cr. GICHF has healthy capital adequacy, and is seeing an increase in demand for home loans. GICHF's loan book is expected to report 24.3% loan growth over next two years.
- GICHF is consistently decreasing bank borrowing and increasing high yield loan book which is expected to boost its Net Interest Margin. The share of bank borrowing was 75% in FY15, which fell to 55% in FY17. In our opinion, the impetus on lower bank borrowings and increasing high yield loan book is likely to result in 17bps NIM over FY16-FY19E.
- GICHF's asset quality is on the higher side compared to other HFCs (As on FY17 GNPA-2.3% and NPA-0.3%). This is primarily due to GICHF has not written off any bad asset and has not sold any bad assets to ARC. New Management is expediting asset quality improvement.
- We expect the GICHF's loan growth to grow at a CAGR of 24.3% over next two years and RoA/RoE to improve from 1.7%/19.0% in FY17 to 2.0%/23.0% in FY19E. The stock is currently trading at 2.1x FY2019E ABV. **We have a Buy rating on the stock.**

Key Financials

Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2018E	376	3.6	180	33	184	1.7	20	13	2.3
FY2019E	477	3.7	215	40	219	1.9	23	11	1.9

Source: Company, Angel Research

Stock Info

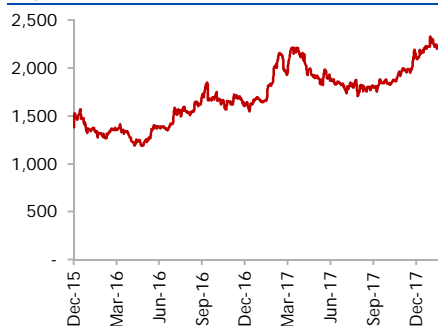
CMP	183
TP	265
Upside	45%
Sector	Logistics
Market Cap (₹ cr)	2,753
Beta	0.7
52 Week High / Low	247 / 155

3 year-Chart


Source: Company, Angel Research

Stock Info

CMP	2,225
TP	2,422
Upside	6%
Sector	Pharmaceutical
Market Cap (₹ cr)	26,603
Beta	0.3
52 Week High / Low	2,468 / 1,578

3 year-Chart


Source: Company, Angel Research

Navkar

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

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	437	35.5	89	6.2	6.1	29.4	1.8	19.3	6.8
FY2019E	600	37.0	143	10.0	8.9	18.3	1.6	13.4	5.0

Source: Company, Angel Research

Alkem Laboratories

- Alkem is 5th largest pharma company in the domestic market and also has presence in US. It derives 73% of its revenues from the Indian markets while rest come from the other countries. Alkem has leadership position in the domestic anti-infective segment and it is ranked #3 in Gastro-Intestinal and Pain/Analgesics segments. Company holds ~3.6% and ~7.9% market share in the formulations and overall prescriptions in the country.
- In the domestic market, company operates in acute and chronic segments. It is a prominent player in acute segment and has forayed in chronic segment from which it expects faster growth. Alkem has been outperforming the domestic industry growth which is likely to continue. Company is focusing on monetization of its pipeline (92 ANDAs) in the US with high single digit ANDA launches to grow the US revenues at ~20% growth rate from FY17-FY19E.
- Overall outlook remains strong with 9% CAGR in the topline and 13% CAGR in the bottom-line. **We have an accumulate rating on the stock.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	6,272	17.5	862	72.1	17.6	31.1	5.4	22.8	4.1
FY2019E	7,254	19.8	1,139	95.3	19.6	23.5	4.5	16.9	3.5

Source: Company, Angel Research

Stock Info

CMP	91
TP	128
Upside	41%
Sector	Food Processing
Market Cap (₹ cr)	2,894
Beta	1.2
52 Week High / Low	109/43

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	324
TP	400
Upside	23%
Sector	Miscellaneous
Market Cap (₹ cr)	7,209
Beta	0.8
52 Week High / Low	363/205

3 year-Chart



Source: Company, Angel Research

LT Foods

- LT Foods LTD (LTFL) is branded specialty Foods Company engaged in milling, processing and marketing of branded/non-branded basmati rice and manufacturing of rice food products in the domestic and overseas markets.
- LTFL's flagship brand Daawat enjoys 22% market share in the branded rice market of India. It also has strong market share in North America selling Basmati rice under the brand 'Royal'. Currently it has access to 1,40,000 traditional retail outlets, 93% reach of towns with over 2 lakh population, and a access to 3000 Wholesalers. It has also strong network in modern trade. LTFL is the 1st Rice company to place Brown Basmati Rice in Medical Chains.
- The company has a well-diversified product basket catering to consumers of all income groups. The company is present in segments like Basmati rice, Specialty rice (non-Basmati) and other food products.
- Outlook remains strong with 14%/20% CAGR in the top-line/bottom-line. **We have a buy rating on the stock.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	3,747	11.5	139	5.2	17.5	17.5	3.1	9.3	1.1
FY2019E	4,234	11.5	170	6.4	17.6	14.3	2.5	8.2	0.9

Source: Company, Angel Research

Century Plyboards India

- Century Plyboards India Ltd (CPIL) is a plywood manufacturer dealing in plywood, laminates, MDF (Medium Density Fibreboard) and others with presence across India and overseas. CPIL is also engaged in logistics business through management of a container freight station.
- Indian plywood industry is estimated at ₹18,000cr and is largely unorganised (~75% share of revenues). However, with the implementation of GST, the share of organized players is expected to improve, which would be beneficial for branded players like CPIL.
- CPIL has recently added new MDF plant (1,98,000 m³, to generate ~₹450-500cr revenue), laminates (4.8 mn sheets by scaling ~50%, to generate ~₹250-300cr revenue), particle boards (₹100cr of revenue). Capacity addition across segments would boost revenue and profitability going ahead.
- We expect CPIL to report net revenue & PAT CAGR of ~17% & 16% respectively. **We have a Buy recommendation with Target Price of ₹400.**

Key Financials

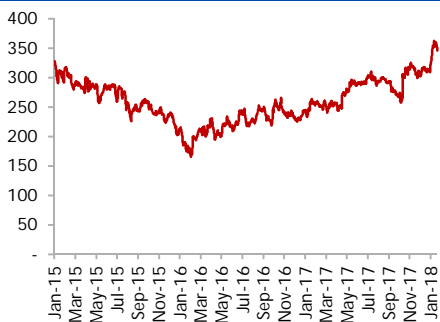
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	2007	17.5	188	8.4	21.3	38.4	8.2	22.6	4.0
FY2019E	2510	17.9	248	11.1	22.9	29.1	6.7	17.6	3.2

Source: Company, Angel Research

Stock Info

CMP	345
TP	425
Upside	23%
Sector	Banking
Market Cap (₹ cr)	222,062
Beta	1.7
52 Week High / Low	365/232

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	174
TP	230
Upside	32%
Sector	NBFC
Market Cap (₹ cr)	38,317
Beta	0.7
52 Week High / Low	264/170

3 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 corporates, reducing concentration in few stressed sectors and building up the retail loan book. The share of retail loans in overall loans increased to 54% (Q3FY18) from 38% in FY12.
- Asset quality likely to stabilize going ahead: ICICI bank's slippages remained high during FY17 and hence GNPA went up to 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 corporates 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 ₹ 425.**

Key Financials

Y/E	NII	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2018E	24,529	3.3	8757	13.6	129	1.1	8.5	25.3	2.7
FY2019E	29,832	3.6	13107	20.4	142	1.4	12.0	16.9	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 loan CAGR of 60% over FY12-17. 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 30% CAGR over FY17-FY19.
- 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 ₹ 230.**

Key Financials

Y/E	Op. Inc	PAT	EPS	ABV	ROE	P/E	P/BV
March	(₹ cr)	(₹ cr)	(₹)	(₹)	(%)	(x)	(x)
FY2018E	1,544	794	3.5	37.1	11	50	4.7
FY2019E	2,233	12,00	5.1	48.5	11.5	34	3.6

Source: Company, Angel Research

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

Buy (> 15%)

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

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