



## Market Cues

Indian markets are likely to open in flat tracking global indices and SGX Nifty.

U.S. markets had a lacklustre trading session during Thursday and remained largely remained range bound, finally closing the day with a flat note. The markets remained range bound despite President Donald Trumps call for tax reforms. The president intends to reduce tax for corporate as well as personal income tax.

The European markets also remained range bound during the day and. The markets however reacted positively to banking and retail stocks on the news of US federal reserves call for rate hike and a better result from H&M.

After sharp correction in the markets over the last few trading session the Indian indices witnessed some bounce back today on the day of F&O expiry. Selective pharma and cement stocks witnessed buying interest. However, the broader mood in the market remains cautious as worry over fiscal slippages and weak rupee persists among investors and traders.

## News Analysis

- L&T may sell some power and road projects

Detailed analysis is on Pg2

## Investor's Ready Reckoner



Key Domestic & Global Indicators



Stock Watch: Latest investment recommendations on 150+ stocks

Refer Pg7 onwards

## Top Picks

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)
Blue Star	Capital Goods	Accumulate	751	850	13.2
Dewan Housing Finance	Financials	Accumulate	534	610	14.2
Asian Granito	Others	Buy	467	570	22.0
Navkar Corporation	Others	Buy	182	265	45.8
KEI Industries	Capital Goods	Buy	319	371	16.3

More Top Picks on Pg5

## Key Upcoming Events

Date	Region	Event Description	Previous Reading	Consensus Expectations
Sep 29, 2017	US	GDP Qoq (Annualised)	3.00	3.00
Sep 29, 2017	UK	GDP (YoY)	1.70	1.70
Sep 30, 2017	UK	PMI Manufacturing	56.90	56.20
Oct02, 2017	China	PMI Manufacturing	51.70	51.60
Oct02, 2017	Germany	PMI Manufacturing	60.60	

More Events on Pg7

Domestic Indices	Chg (%)	(Pts)	(Close)
BSE Sensex	0.4	123	31,282
Nifty	0.3	33	9,769
Mid Cap	0.8	117	15,309
Small Cap	0.9	142	15,940
Bankex	0.8	207	26,986

Global Indices	Chg (%)	(Pts)	(Close)
Dow Jones	0.2	40	22,381
Nasdaq	0.0	0	6,453
FTSE	0.1	9	7,323
Nikkei	(0.3)	(71)	20,292
Hang Seng	0.2	62	27,484
Shanghai Com	0.4	14	3,354

Advances / Declines	BSE	NSE
Advances	1,535	1,019
Declines	995	648
Unchanged	163	82

Volumes (₹ Cr)			
BSE#			3,147
NSE			38,255

#Net Inflows (₹ Cr)	Net	Mtd	Ytd
FII	(518)	(7,158)	40,130
MFs	1,424	11,818	80,704

Top Gainers	Price (₹)	Chg (%)
Adanitrans	147	8.7
Gdl	233	8.3
Irb	223	7.8
Cyient	520	7.1
Jpassociat	17	6.8

Top Losers	Price (₹)	Chg (%)
Bomdyeing	168	(5.0)
Fretail	509	(3.8)
Pcjeweller	318	(3.2)
Balramchin	158	(3.1)
Ramcocem	670	(2.9)

#as on 28<sup>th</sup> Sep, 2017



## News Analysis

### L&T may sell some power and road projects

L&T the engineering major intends to divest some of its roads and power projects as it focuses on its core business. According to the plan these projects which generates less than ₹1000cr revenues and many of them are loss making and hence would like to exit. The company has already sold off its two ports one in Dhamara in Odisha and Katupalli in Tamilnadu. L&T's portfolio includes 15 road projects with project cost of ₹16,100cr and two power projects with capacity of 1499 MW and project cost of ₹11,200 cr. Exiting the noncore assets will reduce the working capital of the company and reduce the debt as well. While the company will also end up losing some revenues net it could be margin accretive for the company.

## Economic and Political News

- Govt allows airlines to user bigger planes, eases rules on connecting flights, under the UDAN flights
- GE locomotive plant in Bihar on track, says Railway minister
- Truck sales seen slowing in from November as demand stagnates

## Corporate News

- Sun Pharma and Dr Reddy's line up new drugs amid price war
- M&M, Tata Motors, Nissan bid for India's first electric car tender



## Top Picks

Company	Market Cap (₹ Cr)	CMP (₹)	Target (₹)	Upside (%)	Rationale
Alkem Laboratories	22,298	1,865	2,079	11.5	Strong growth in domestic business due to its leadership in acute therapeutic segment. Alkem expects to launch more products in USA, which bodes for its international business.
Asian Granito	1,405	467	570	22.0	We expect the company would report strong profitability owing to better product mix, higher B2C sales and amalgamation synergy.
Blue Star	7,191	751	850	13.2	Favorable outlook for the AC industry to augur well for Cooling products business which is out pacing the market growth. EMPPAC division's profitability to improve once operating environment turns around.
Dewan Housing Finance	16,755	534	610	14.2	With a focus on the low and medium income (LMI) consumer segment, the company has increased its presence in tier-II & III cities where the growth opportunity is immense.
Karur Vysya Bank	8,633	143	180	26.0	Loan growth is likely to pick up after a sluggish FY17. Lower credit cost will help in strong bottom-line growth. Increasing share of CASA will help in NIM improvement.
KEI Industries	2,481	319	371	16.3	High order book execution in EPC segment, rising B2C sales and higher exports to boost the revenues and profitability
Music Broadcast	2,148	377	434	15.3	Expected to benefit from the lower capex requirement and 15 year long radio broadcast licensing.
Navkar Corporation	2,593	182	265	45.8	Massive capacity expansion along with rail advantage at ICD as well CFS augurs well for the company
Siyaram Silk Mills	1,984	2,117	2,500	18.1	Strong brands and distribution network would boost growth going ahead. Stock currently trades at an inexpensive valuation.
TV Today Network	2,095	351	435	23.8	Market leadership in Hindi news genre and no. 2 viewership ranking in English news genre, exit from the radio business, and anticipated growth in ad spends by corporates to benefit the stock.
Maruti Suzuki	2,38,557	7,897	8,658	9.6	After GST, the company is expected to see higher volumes along with improving product mix. The Gujarat plant will also enable higher operating leverage which will be margin accretive.
GIC Housing	2,791	518	655	26.4	We expect loan book to grow at 24.3% over next two year; change in borrowing mix will help in NIM improvement..

Source: Company, Angel Research



## Key Upcoming Events

### Global economic events release calendar

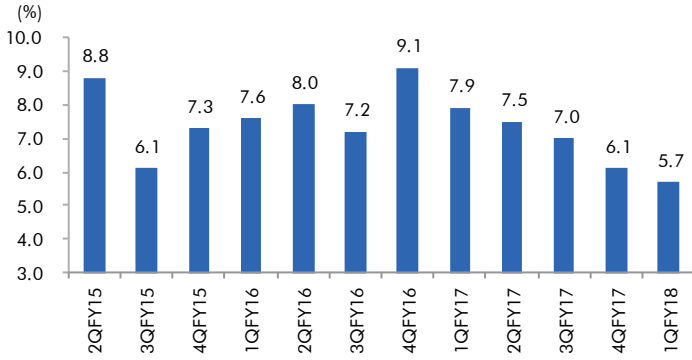
Date	Time	Country	Event Description	Unit	Period	Bloomberg Data	
						Last Reported	Estimated
Sep 29, 2017	6:00 PM US		GDP Qoq (Annualised)	% Change	2Q T	3.00	3.00
	2:00 PM UK		GDP (YoY)	% Change	2Q F	1.70	1.70
Sep 30, 2017	2:00 PM UK		PMI Manufacturing	Value	Sep	56.90	56.20
Oct 02, 2017	6:30 AM China		PMI Manufacturing	Value	Sep	51.70	51.60
	1:25 PM Germany		PMI Manufacturing	Value	Sep F	60.60	
Oct 04, 2017	1:25 PM Germany		PMI Services	Value	Sep F	55.60	
	2:30 PM India		RBI Reverse Repo rate	%	Oct 4	5.75	5.75
	2:30 PM India		RBI Repo rate	%	Oct 4	6.00	6.00
	2:30 PM India		RBI Cash Reserve ratio	%	Oct 4	4.00	4.00
Oct 06, 2017	6:00 PM US		Change in Nonfarm payrolls	Thousands	Sep	156.00	70.00
	6:00 PM US		Unemployment rate	%	Sep	4.40	4.40
Oct 10, 2017		India	Imports YoY%	% Change	Sep	21.00	
		India	Exports YoY%	% Change	Sep	10.30	
	2:00 PM UK		Industrial Production (YoY)	% Change	Aug	0.40	
Oct 12, 2017	5:30 PM India		Industrial Production YoY	% Change	Aug	1.20	
		US	Producer Price Index (mom)	% Change	Sep	0.50	
Oct 13, 2017	6:00 PM US		Consumer price index (mom)	% Change	Sep	0.40	0.50
		China	Exports YoY%	% Change	Sep	5.60	
Oct 16, 2017	12:00 PM India		Monthly Wholesale Prices YoY%	% Change	Sep	3.24	
	7:00 AM China		Consumer Price Index (YoY)	% Change	Sep	1.80	
Oct 17, 2017	2:30 PM Euro Zone		Euro-Zone CPI (YoY)	%	Sep F	1.50	
	6:45 PM US		Industrial Production	%	Sep	(0.90)	
	2:00 PM UK		CPI (YoY)	% Change	Sep	2.90	
Oct 18, 2017	6:00 PM US		Housing Starts	Thousands	Sep	1,180.00	

Source: Bloomberg, Angel Research



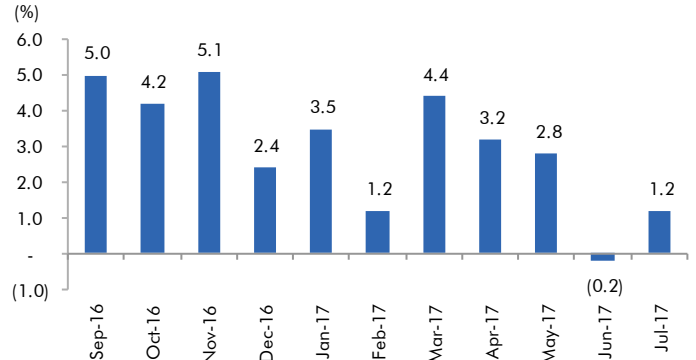
## Macro watch

**Exhibit 1: Quarterly GDP trends**



Source: CSO, Angel Research

**Exhibit 2: IIP trends**



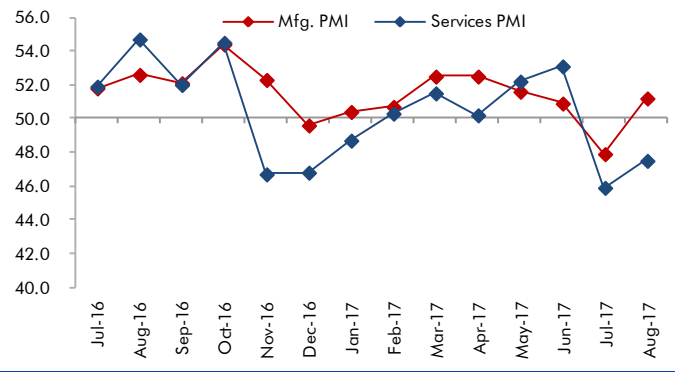
Source: MOSPI, Angel Research

**Exhibit 3: Monthly CPI inflation trends**



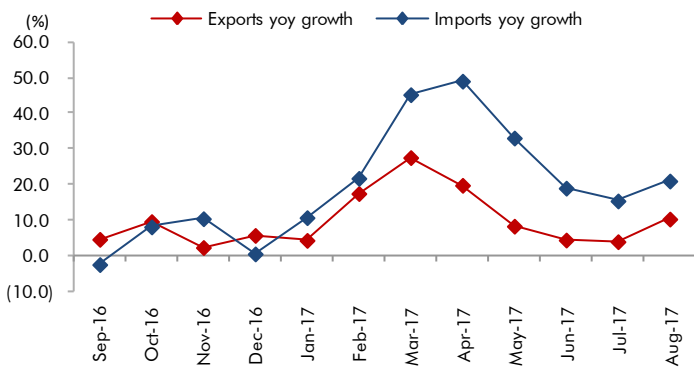
Source: MOSPI, Angel Research

**Exhibit 4: Manufacturing and services PMI**



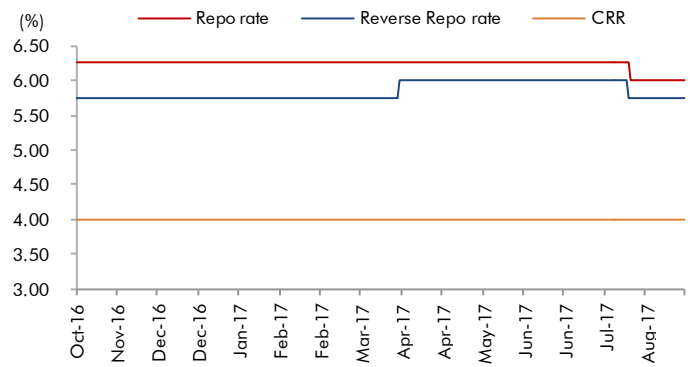
Source: Market, Angel Research; Note: Level above 50 indicates expansion

**Exhibit 5: Exports and imports growth trends**



Source: Bloomberg, Angel Research

**Exhibit 6: Key policy rates**

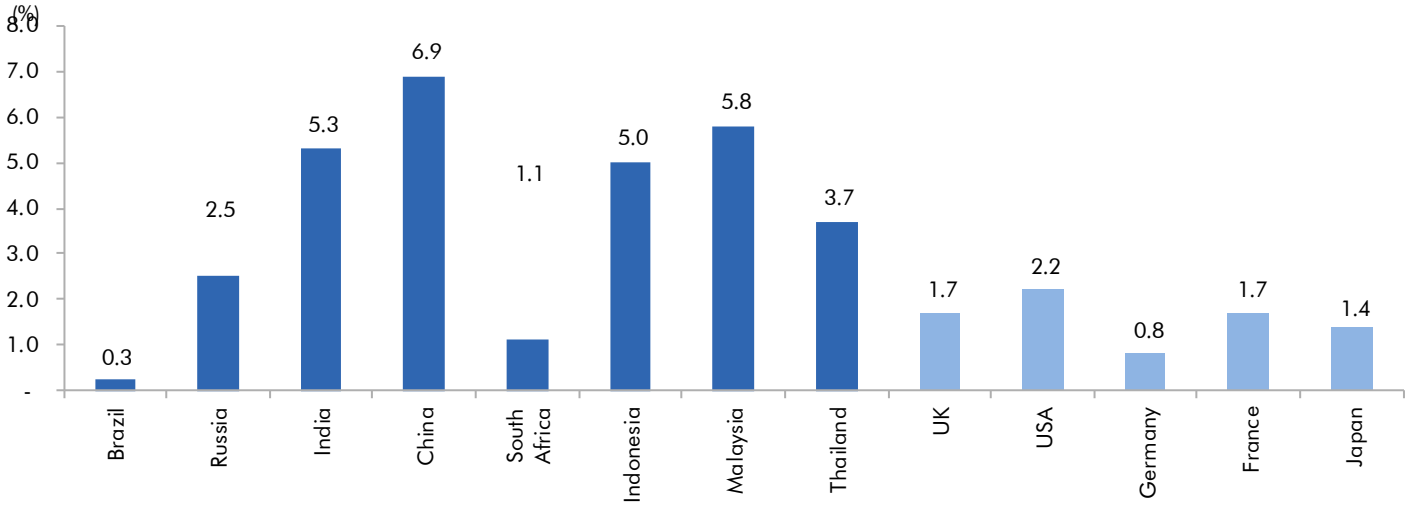


Source: RBI, Angel Research



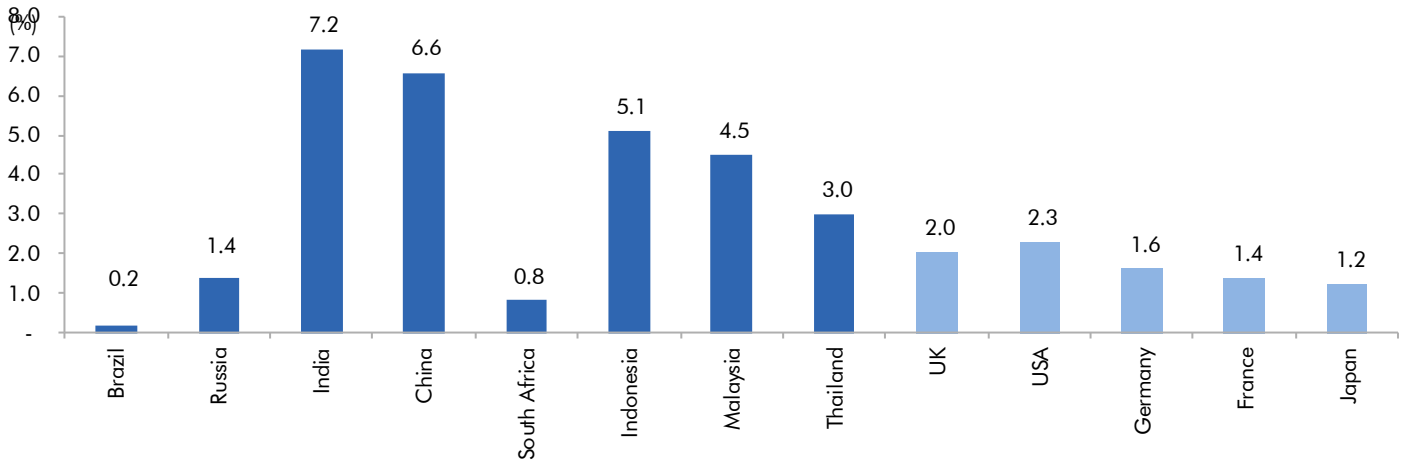
## Global watch

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



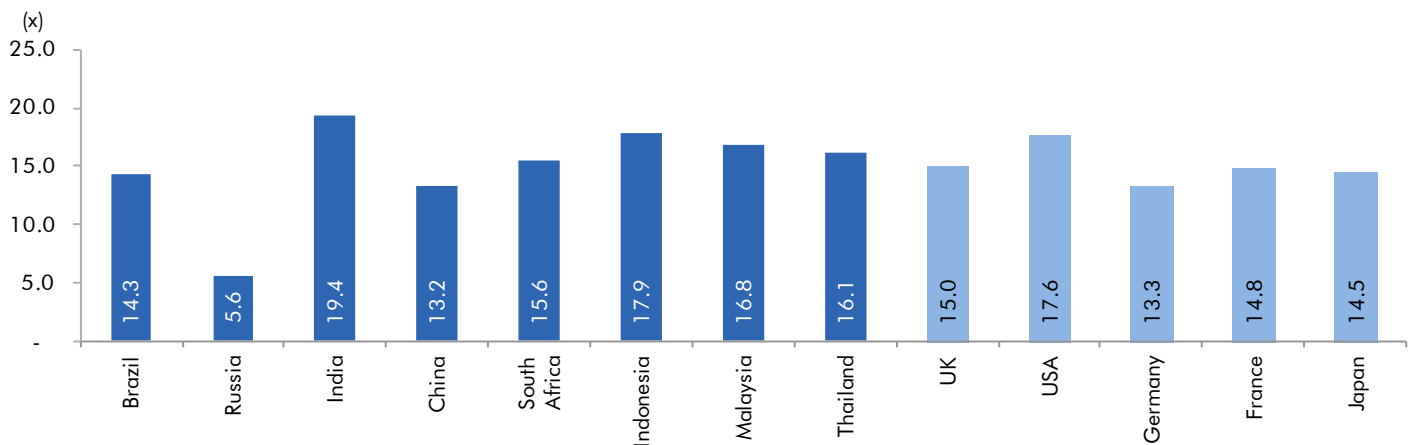
Source: Bloomberg, Angel Research

**Exhibit 2: 2017 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, data as of 28<sup>th</sup> Sept-17




**Exhibit 4: Relative performance of indices across globe**

Country	Name of index	Closing price	1M	Returns (%)	
				3M	1YR
Brazil	Bovespa	73,567	3.6	18.2	26.7
Russia	Micex	2,072	4.1	10.2	4.7
India	Nifty	9,769	(0.3)	2.9	12.0
China	Shanghai Composite	3,340	(0.3)	4.9	10.8
South Africa	Top 40	48,843	(2.4)	7.3	8.6
Mexico	Mexbol	50,137	(2.3)	0.6	6.1
Indonesia	LQ45	969	(0.9)	0.1	10.7
Malaysia	KLCI	1,758	(0.8)	(1.1)	6.2
Thailand	SET 50	1,066	3.0	6.7	10.9
USA	Dow Jones	22,381	2.6	4.3	23.4
UK	FTSE	7,323	(0.2)	(0.4)	6.1
Japan	Nikkei	20,363	4.7	0.7	21.2
Germany	DAX	12,705	6.4	3.1	20.0
France	CAC	5,294	5.2	3.4	18.2

Source: Bloomberg, Angel Research, data as of 28<sup>th</sup> Sept-17

# Stock Watch

September 29, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Agri / Agri Chemical</b>																			
Rallis	Neutral	206	-	4,007	1,873	2,099	15.0	15.0	9.5	10.5	21.7	19.6	3.3	3.0	15.8	16.0	2.0	1.8	
United Phosphorus	Accumulate	766	820	38,921	18,922	21,949	18.0	18.5	36.2	45.6	21.2	16.8	4.4	3.7	22.7	23.8	2.2	1.9	
<b>Auto &amp; Auto Ancillary</b>																			
Ashok Leyland	Accumulate	117	127	34,211	23,339	27,240	10.1	10.8	4.7	6.2	25.2	18.8	5.0	4.4	20.0	23.6	1.4	1.2	
Bajaj Auto	Neutral	3,034	-	87,797	23,936	27,955	19.5	20.1	142.7	167.3	21.3	18.1	4.6	4.1	21.8	22.8	3.3	2.7	
Bharat Forge	Buy	600	875	27,926	7,637	8,755	21.7	23.2	36.1	47.3	16.6	12.7	3.0	2.5	18.5	20.8	3.5	3.0	
Eicher Motors	Neutral	30,168	-	82,126	19,043	22,837	19.5	19.9	835.4	1,019.0	36.1	29.6	13.5	10.4	40.9	37.8	4.2	3.4	
Gabriel India	Neutral	195	-	2,798	1,782	2,033	9.7	10.2	7.1	8.9	27.4	22.0	5.5	4.7	21.0	22.2	1.5	1.3	
Hero Motocorp	Accumulate	3,745	4,129	74,777	32,239	36,878	16.0	15.6	184.4	206.5	20.3	18.1	6.4	5.6	31.3	30.7	2.1	1.8	
Jamna Auto Industries	Neutral	256	-	2,036	1,441	1,662	14.4	14.8	13.9	17.6	18.4	14.5	5.0	4.1	30.0	31.0	1.4	1.2	
Mahindra and Mahindra	Neutral	1,235	-	76,683	46,971	53,816	13.6	14.0	67.7	79.8	18.2	15.5	2.6	2.3	15.0	15.9	1.5	1.3	
Maruti	Accumulate	7,897	8,658	238,557	81,825	101,245	15.0	15.0	283.5	356.0	27.9	22.2	6.1	5.0	21.9	22.4	2.6	2.0	
Minda Industries	Neutral	838	-	7,239	4,328	5,084	11.0	11.9	27.3	36.4	30.7	23.0	6.5	5.1	23.1	25.6	1.8	1.5	
Motherson Sumi	Neutral	339	-	71,270	55,937	64,445	10.8	11.4	16.9	21.1	20.0	16.1	4.5	4.6	25.2	25.4	1.3	1.1	
Tata Motors	Neutral	401	-	115,812	303,167	343,649	11.8	13.8	33.1	54.7	12.1	7.3	2.0	1.6	16.9	23.0	0.4	0.4	
TVS Motor	Neutral	644	-	30,596	13,992	16,216	9.0	9.4	17.1	20.3	37.8	31.7	10.0	7.8	29.7	27.7	2.1	1.8	
Amara Raja Batteries	Buy	710	858	12,123	6,140	7,122	14.3	15.6	29.3	39.0	24.2	18.2	4.1	3.5	17.1	19.0	2.0	1.7	
Exide Industries	Neutral	203	-	17,259	8,689	9,854	15.1	15.2	9.7	11.0	21.0	18.5	3.7	3.3	15.7	16.1	1.7	1.5	
Apollo Tyres	Neutral	243	-	12,369	15,739	17,326	13.3	14.6	20.4	26.7	11.9	9.1	1.4	1.3	20.4	26.7	1.0	0.9	
Ceat	Neutral	1,693	-	6,849	6,661	7,717	11.1	14.2	116.2	178.2	14.6	9.5	2.5	2.1	15.2	21.3	1.1	1.0	
JK Tyres	Neutral	146	-	3,302	8,318	9,239	16.2	16.4	21.0	27.5	7.0	5.3	1.4	1.1	19.1	20.4	0.8	0.7	
Swaraj Engines	Neutral	1,992	-	2,474	788	889	16.4	16.5	71.6	81.0	27.8	24.6	8.0	7.5	29.6	31.0	2.8	2.4	
Subros	Neutral	238	-	1,430	1,855	2,135	11.6	11.8	10.3	14.7	23.3	16.3	3.5	3.0	15.8	19.1	1.0	0.8	
<b>Capital Goods</b>																			
BEML	Neutral	1,645	-	6,849	4,286	5,194	7.1	8.2	42.9	58.1	38.3	28.3	3.1	2.9	7.6	8.7	1.7	1.3	
Bharat Electronics	Neutral	164	-	40,258	10,258	12,470	19.6	19.5	7.3	8.6	22.5	19.1	0.4	0.4	20.4	21.9	3.4	2.8	
Voltas	Neutral	501	-	16,581	6,778	8,004	9.6	11.0	17.1	22.4	29.3	22.4	7.0	6.1	17.7	19.8	2.1	1.8	
BHEL	Neutral	83	-	30,436	33,200	39,167	6.8	9.5	6.2	11.2	13.4	7.4	0.6	0.6	4.6	8.0	0.5	0.4	
Blue Star	Accumulate	751	850	7,191	5,220	6,207	6.3	6.6	16.8	22.3	44.7	33.7	8.9	7.8	19.9	23.3	1.3	1.1	
CG Power and Industrial Solutions	Neutral	77	-	4,807	6,555	7,292	7.5	7.5	-	0.8	7,670.0	95.9	1.2	1.2	0.1	1.2	0.8	0.7	
Greaves Cotton	Neutral	137	-	3,341	1,778	1,993	14.7	15.1	8.1	9.1	16.9	15.0	3.8	3.5	21.8	23.6	1.6	1.5	



# Stock Watch

September 29, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Capital Goods</b>																			
KEC International	Accumulate	306	350	7,871	9,779	11,113	9.4	9.8	14.2	18.2	21.6	16.8	4.1	3.4	21.1	22.1	1.1	0.9	
KEI Industries	Buy	319	371	2,481	3,001	3,391	10.0	10.0	13.0	16.1	24.5	19.8	4.5	3.7	18.2	18.7	1.0	0.9	
Thermax	Neutral	904	-	10,774	4,125	4,747	10.3	10.8	26.7	31.5	33.9	28.7	3.8	3.5	11.2	12.0	2.3	2.0	
VATech Wabag	Buy	592	681	3,232	3,867	4,126	9.6	10.0	34.9	39.8	17.0	14.9	2.8	2.4	17.7	17.5	0.9	0.8	
<b>Cement</b>																			
ACC	Neutral	1,650	-	30,986	12,255	13,350	13.5	14.3	58.0	66.2	28.5	24.9	3.4	3.1	11.5	12.2	2.5	2.3	
Ambuja Cements	Neutral	268	-	53,235	10,250	11,450	17.5	19.0	7.2	8.3	37.2	32.3	2.7	2.5	7.0	7.8	5.0	4.4	
India Cements	Neutral	171	-	5,254	6,135	6,750	14.8	15.2	8.5	11.5	20.1	14.8	1.0	0.9	4.8	6.2	1.2	1.0	
JK Cement	Neutral	952	-	6,655	4,150	4,775	19.2	20.0	49.0	63.5	19.4	15.0	3.1	2.6	17.0	18.5	2.0	1.7	
J K Lakshmi Cement	Neutral	386	-	4,546	3,422	3,757	15.5	17.0	13.5	23.2	28.6	16.7	3.0	2.6	10.8	15.5	1.7	1.5	
Orient Cement	Neutral	151	-	3,088	2,215	3,233	16.8	17.0	5.9	6.9	25.6	21.9	2.0	1.8	10.8	10.1	2.4	1.6	
UltraTech Cement	Neutral	3,862	-	106,037	28,250	35,150	20.2	23.5	77.5	122.2	49.8	31.6	4.2	3.8	9.6	14.8	4.2	3.4	
<b>Construction</b>																			
KNR Constructions	Neutral	206	-	2,901	1,846	2,203	14.5	14.5	12.1	13.7	17.1	15.1	0.9	0.8	17.5	16.7	1.6	1.3	
Larsen & Toubro	Neutral	1,133	-	158,661	95,787	109,476	10.2	11.6	44.5	50.8	25.5	22.3	3.2	2.9	12.9	13.1	2.2	2.0	
Gujarat Pipavav Port	Neutral	137	-	6,633	739	842	61.6	62.7	5.1	6.2	26.9	22.3	3.4	3.3	12.7	14.9	8.4	7.3	
PNC Infratech	Neutral	140	-	3,602	2,040	2,935	13.0	13.0	6.4	9.0	21.9	15.6	0.6	0.5	9.7	12.2	1.8	1.3	
Simplex Infra	Neutral	458	-	2,266	6,012	6,619	11.6	11.7	21.1	31.0	21.8	14.8	1.5	1.4	6.5	8.6	0.9	0.8	
Sadbhav Engineering	Neutral	291	-	4,986	3,823	4,426	10.7	10.8	10.3	11.8	28.2	24.6	3.4	3.0	10.1	10.5	1.6	1.4	
NBCC	Neutral	211	-	18,954	9,099	12,706	6.4	6.4	7.3	9.6	28.9	22.0	1.3	1.0	27.5	30.5	1.9	1.4	
MEP Infra	Neutral	97	-	1,572	2,403	2,910	18.3	16.8	2.4	6.1	41.1	15.9	15.6	10.5	35.2	55.8	1.8	1.5	
SIPL	Neutral	100	-	3,508	2,060	2,390	46.8	47.7	(5.8)	(3.1)			3.7	4.3	(14.2)	(2.3)	6.5	6.0	
Engineers India	Neutral	149	-	10,017	1,795	2,611	21.1	22.4	5.9	8.1	25.2	18.4	1.8	1.7	12.9	16.1	4.0	2.6	
<b>Financials</b>																			
Axis Bank	Accumulate	512	580	122,697	32,558	35,843	3.5	3.2	27.8	41.0	18.4	12.5	2.0	1.8	11.4	14.9	-	-	
Bank of Baroda	Neutral	139	-	32,005	22,533	26,079	2.4	2.4	12.0	20.9	11.6	6.7	0.8	0.7	6.6	11.0	-	-	
Canara Bank	Neutral	316	-	18,886	17,925	20,235	2.0	2.1	18.5	36.5	17.1	8.7	0.7	0.6	3.4	6.2	-	-	
Can Fin Homes	Neutral	2,636	-	7,016	586	741	3.5	3.5	107.8	141.0	24.4	18.7	5.4	4.3	24.1	25.6	-	-	
Cholamandalam Inv. & Fin. Co.	Accumulate	1,084	1,230	16,946	2,826	3,307	6.3	6.3	53.7	64.6	20.2	16.8	3.4	2.9	18.3	18.9	-	-	
Dewan Housing Finance	Accumulate	534	610	16,755	2,676	3,383	2.4	2.7	37.4	49.7	14.3	10.8	1.9	1.6	13.8	16.2	-	-	
Equitas Holdings	Buy	152	235	5,148	1,125	1,380	9.6	9.8	1.5	6.0	101.3	25.3	2.3	2.1	2.4	8.2	-	-	
Federal Bank	Accumulate	111	125	21,671	4,896	5,930	2.8	3.1	5.4	7.6	20.7	14.7	1.8	1.6	8.5	11.0	-	-	

# Stock Watch

September 29, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Financials</b>																			
GIC Housing	Buy	518	655	2,791	376	477	3.6	3.7	33.0	40.0	15.7	13.0	2.8	2.4	20.0	23.0	-	-	
HDFC Bank	Neutral	1,795	-	463,257	55,236	63,253	4.5	4.4	68.9	82.4	26.1	21.8	4.5	3.8	18.7	18.5	-	-	
ICICI Bank	Accumulate	276	315	176,797	42,361	51,378	3.6	3.9	18.4	25.7	15.0	10.7	1.6	1.6	11.3	15.0	-	-	
Karur Vysya Bank	Buy	143	180	8,633	3,289	3,630	3.7	3.9	10.8	14.1	13.2	10.2	1.6	1.4	12.5	14.7	-	-	
LIC Housing Finance	Neutral	624	-	31,509	4,895	6,332	3.4	3.7	50.7	66.8	12.3	9.4	2.5	2.0	21.7	23.8	-	-	
Punjab Natl.Bank	Neutral	131	-	27,908	23,708	25,758	2.1	2.1	5.9	16.4	22.3	8.0	0.7	0.6	3.0	8.3	-	-	
RBL Bank	Neutral	503	-	20,799	2,309	2,888	2.6	2.5	16.4	19.1	30.8	26.4	3.9	3.4	13.3	13.8	-	-	
Repro Home Finance	Buy	616	825	3,851	496	597	4.4	4.2	38.5	48.7	16.0	12.6	2.9	2.4	19.6	20.6	-	-	
South Ind.Bank	Neutral	28	-	5,034	3,195	3,567	3.0	3.1	3.0	3.8	9.2	7.3	0.9	0.8	10.5	11.9	-	-	
St Bk of India	Neutral	253	-	218,218	105,827	121,056	2.4	2.5	16.1	25.6	15.7	9.9	1.2	1.1	6.6	9.9	-	-	
Union Bank	Neutral	129	-	9,335	14,650	16,225	2.3	2.3	23.1	32.5	5.6	4.0	0.4	0.4	7.1	9.2	-	-	
Yes Bank	Neutral	351	-	80,338	11,088	13,138	3.0	2.9	84.0	99.3	4.2	3.5	0.6	0.6	16.3	16.8	-	-	
<b>FMCG</b>																			
Akzo Nobel India	Neutral	1,881	-	9,022	3,164	3,607	13.8	13.7	58.6	67.9	32.1	27.7	7.9	7.0	24.5	25.1	2.7	2.4	
Asian Paints	Neutral	1,129	-	108,317	17,603	20,615	18.6	18.6	2,128.9	2,543.3	0.5	0.4	11.2	9.4	28.0	28.9	6.0	5.0	
Britannia	Neutral	4,345	-	52,163	9,690	11,278	14.8	15.4	84.0	101.0	51.7	43.0	18.9	15.0	40.6	39.0	5.3	4.6	
Colgate	Neutral	1,073	-	29,181	4,420	5,074	24.9	25.3	28.6	32.8	37.5	32.7	14.8	12.0	43.8	40.5	6.4	5.5	
Dabur India	Neutral	311	-	54,827	8,346	9,344	19.6	19.9	7.8	9.0	39.9	34.6	8.0	7.3	25.2	24.8	6.2	5.4	
GlaxoSmith Con*	Neutral	4,922	-	20,701	5,072	5,760	18.2	18.4	176.3	199.2	27.9	24.7	5.9	5.4	21.2	21.7	3.4	2.9	
Godrej Consumer	Neutral	902	-	61,459	10,171	11,682	20.8	21.5	21.7	27.1	41.6	33.3	9.4	8.0	22.3	23.4	6.2	5.3	
HUL	Neutral	1,204	-	260,538	37,077	41,508	20.3	21.8	5,189.9	6,318.5	0.2	0.2	36.7	31.4	74.8	82.0	6.9	6.1	
ITC	Neutral	261	-	318,089	44,588	49,853	37.0	37.3	9.6	11.0	27.2	23.7	6.7	6.4	25.1	27.3	6.6	5.9	
Marico	Neutral	311	-	40,134	6,788	7,766	18.5	19.2	7.1	8.5	43.8	36.6	15.3	13.1	36.9	38.0	5.8	5.0	
Nestle*	Neutral	7,155	-	68,985	10,083	11,182	20.0	20.9	119.7	141.3	59.8	50.6	210.7	192.5	36.7	39.8	6.5	5.8	
Tata Global	Neutral	203	-	12,821	7,121	7,641	11.9	12.3	6.9	8.0	29.4	25.4	2.0	1.9	6.8	7.2	1.6	1.5	
Procter & Gamble Hygiene	Neutral	8,366	-	27,158	3,034	3,579	27.1	27.7	167.7	198.8	49.9	42.1	13.4	11.5	28.8	29.5	8.4	7.0	
<b>IT</b>																			
HCL Tech ^	Buy	873	1,014	124,597	52,342	57,053	20.9	20.9	62.8	67.6	13.9	12.9	3.1	2.7	22.4	20.6	2.1	1.8	
Infosys	Buy	896	1,179	205,739	73,963	80,619	26.0	26.0	64.4	69.3	13.9	12.9	2.7	2.5	19.7	19.6	2.2	2.0	
TCS	Accumulate	2,478	2,651	488,361	127,403	138,870	27.6	27.6	144.5	156.0	17.2	15.9	5.1	4.7	29.7	29.8	3.5	3.2	
Tech Mahindra	Buy	453	533	44,247	31,015	33,496	15.0	15.0	35.6	38.1	12.7	11.9	2.2	2.0	17.0	16.3	1.2	1.0	

# Stock Watch

September 29, 2017

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
					FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>IT</b>																			
Wipro	Neutral	286	-	139,114	58,536	61,858	20.3	20.3	18.2	19.1	15.7	15.0	2.4	2.1	14.6	13.4	2.3	2.2	
<b>Media</b>																			
D B Corp	Neutral	369	-	6,788	2,404	2,625	30.5	31.5	23.7	26.9	15.6	13.7	3.7	3.1	23.5	22.8	2.7	2.4	
HT Media	Neutral	93	-	2,174	2,589	2,830	15.1	15.4	8.3	10.9	11.3	8.6	0.9	0.8	8.4	10.4	0.4	0.3	
Jagran Prakashan	Buy	180	225	5,880	2,541	2,835	28.5	28.7	12.7	14.1	14.2	12.8	2.9	2.5	21.3	21.4	2.2	1.9	
Sun TV Network	Neutral	737	-	29,044	3,238	3,789	51.9	55.1	30.9	38.0	23.9	19.4	6.8	6.0	30.0	31.0	8.5	7.1	
Hindustan Media Ventures	Neutral	253	-	1,855	1,002	1,074	23.3	23.5	29.2	33.8	8.7	7.5	1.4	1.2	15.6	15.4	0.9	0.6	
TV Today Network	Buy	351	435	2,095	667	727	27.7	27.7	18.6	20.1	18.9	17.5	2.9	3.0	15.6	17.3	2.7	2.5	
Music Broadcast Limited	Buy	377	434	2,148	271	317	91.0	109.0	6.0	10.0	62.8	37.7	3.9	3.6	6.5	9.3	7.5	6.2	
<b>Metals &amp; Mining</b>																			
Coal India	Neutral	267	-	165,738	82,301	91,235	17.0	18.0	17.1	20.5	15.6	13.0	2.9	2.8	45.0	55.0	1.7	1.5	
Hind. Zinc	Neutral	292	-	123,548	22,108	24,555	57.0	58.0	22.1	26.3	13.2	11.1	4.3	3.5	32.0	35.0	4.6	3.8	
Hindalco	Neutral	238	-	53,499	102,350	105,355	13.5	14.5	21.5	24.5	11.1	9.7	1.5	1.3	15.0	15.2	1.1	1.0	
JSW Steel	Neutral	239	-	57,747	64,500	68,245	21.1	21.5	20.1	21.2	11.9	11.3	2.2	1.9	-	-	1.6	1.6	
NMDC	Neutral	117	-	37,128	10,209	11,450	47.0	48.0	11.1	12.1	10.6	9.7	1.5	1.4	-	-	3.2	2.9	
SAIL	Neutral	53	-	22,013	54,100	63,555	3.0	10.0	(10.0)	1.5	35.5	0.7	0.7	-	-	1.4	1.2		
Vedanta	Neutral	309	-	114,824	81,206	87,345	28.0	29.0	26.5	33.5	11.7	9.2	2.7	2.3	-	-	2.2	1.9	
Tata Steel	Neutral	650	-	63,124	121,445	126,500	16.2	17.2	65.4	81.3	9.9	8.0	1.6	1.4	-	-	1.0	0.9	
<b>Oil &amp; Gas</b>																			
GAIL	Neutral	396	-	67,001	53,115	52,344	14.2	15.3	30.0	31.1	13.2	12.7	1.7	1.5	-	-	1.0	1.0	
ONGC	Neutral	172	-	220,796	83,111	84,934	44.2	44.9	16.4	16.9	10.5	10.2	1.3	1.2	-	-	2.5	2.5	
Indian Oil Corp	Neutral	397	-	192,974	396,116	432,560	8.5	8.8	40.1	42.2	9.9	9.4	1.7	1.5	-	-	0.6	0.6	
Reliance Industries	Neutral	787	-	511,687	257,711	267,438	17.0	18.2	89.1	89.5	8.8	8.8	0.8	0.8	-	-	1.6	1.6	
<b>Pharmaceuticals</b>																			
Alembic Pharma	Buy	498	600	9,392	3,903	4,584	18.2	19.2	21.8	27.2	22.9	18.3	4.2	3.5	19.8	20.6	2.4	2.1	
Alkem Laboratories Ltd	Accumulate	1,865	2,079	22,298	6,320	7,341	17.5	19.8	72.7	96.6	25.7	19.3	4.5	3.8	16.7	18.7	3.5	2.9	
Aurobindo Pharma	Buy	676	823	39,612	17,086	19,478	22.1	22.0	44.7	51.4	15.1	13.2	3.4	2.7	24.7	22.7	2.4	2.1	
Aventis*	Neutral	4,065	-	9,362	2,508	2,862	16.8	16.8	139.9	153.8	29.1	26.4	4.2	3.4	23.5	25.8	3.3	2.7	
Cadila Healthcare	Reduce	467	426	47,824	11,584	13,228	20.3	20.4	18.7	21.3	25.0	21.9	5.6	4.6	24.6	22.9	4.0	3.4	
Cipla	Sell	582	458	46,792	16,619	19,437	15.4	16.2	19.7	24.3	29.5	23.9	3.4	3.0	12.0	13.2	3.0	2.5	
Dr Reddy's	Neutral	2,368	-	39,257	15,844	17,973	17.6	18.2	91.7	111.0	25.8	21.3	2.9	2.7	11.9	13.0	2.7	2.4	
GSK Pharma*	Neutral	2,444	-	20,698	3,260	3,651	15.0	18.0	46.1	58.6	53.0	41.7	10.9	11.2	20.0	26.5	6.2	5.7	
Indoco Remedies	Sell	207	153	1,911	1,154	1,310	14.9	14.9	11.3	12.7	18.4	16.3	2.6	2.3	15.0	15.0	1.8	1.5	

# Stock Watch

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Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Pharmaceuticals</b>																			
Ipsa labs	Accumulate	502	540	6,328	3,593	4,022	14.5	15.5	19.4	25.2	25.9	19.9	2.4	2.1	9.5	11.2	1.8	1.6	
Lupin	Buy	1,005	1,467	45,406	18,657	21,289	21.3	23.3	52.8	66.7	19.0	15.1	2.9	2.4	16.3	17.5	2.4	2.0	
Natco Pharma	Neutral	787	-	13,726	1,836	1,946	31.8	28.9	22.1	20.6	35.6	38.2	7.2	6.4	20.1	16.7	7.3	6.9	
Sun Pharma	Accumulate	501	558	120,178	32,899	36,451	26.9	25.4	31.6	32.3	15.9	15.5	2.8	2.4	18.7	18.8	3.3	2.8	
Syngene International	Accumulate	493	557	9,855	1,402	1,823	32.8	36.0	15.9	20.7	31.0	23.9	5.8	4.8	18.7	20.0	7.0	5.4	
<b>Power</b>																			
Tata Power	Neutral	77	-	20,894	32,547	33,806	20.5	20.5	4.7	5.4	16.4	14.4	1.6	1.4	10.5	10.5	1.6	1.6	
NTPC	Neutral	166	-	136,627	86,070	101,246	28.3	30.7	12.9	16.2	12.8	10.2	1.3	1.2	10.6	12.4	3.0	2.6	
Power Grid	Accumulate	209	223	109,497	29,183	32,946	89.7	90.0	18.0	20.8	11.7	10.1	1.9	1.7	17.7	18.2	7.7	7.1	
<b>Real Estate</b>																			
Prestige Estate	Neutral	269	-	10,082	4,607	5,146	21.0	22.2	7.9	9.8	34.0	27.4	2.1	1.9	10.3	12.0	3.4	3.1	
MLIFE	Accumulate	463	522	2,376	487	590	12.3	17.8	21.0	31.2	22.0	14.8	1.2	1.1	5.2	7.4	3.6	2.9	
<b>Telecom</b>																			
Bharti Airtel	Neutral	382	-	152,861	97,903	105,233	36.0	36.3	9.3	11.1	41.1	34.6	2.0	1.9	5.0	5.6	2.5	2.3	
Idea Cellular	Neutral	76	-	27,250	35,012	37,689	27.1	27.7	(4.4)	(2.7)			1.2	1.2	(6.8)	(4.6)	2.1	1.9	
<b>zOthers</b>																			
Abbott India	Neutral	4,109	-	8,731	3,244	3,723	14.9	16.1	167.5	209.4	24.5	19.6	5.4	4.5	23.7	24.8	2.3	2.0	
Asian Granito	Buy	467	570	1,405	1,169	1,286	12.5	12.5	16.0	19.7	29.2	23.7	3.1	2.8	10.7	11.6	1.4	1.3	
Bajaj Electricals	Accumulate	357	395	3,629	4,646	5,301	6.7	7.6	16.1	22.3	22.2	16.0	3.6	3.1	16.4	19.2	0.8	0.7	
Banco Products (India)	Neutral	207	-	1,477	1,530	1,695	13.2	12.7	19.0	20.0	10.9	10.3	1.7	1.5	0.2	0.2	0.9	97.0	
Coffee Day Enterprises Ltd	Neutral	208	-	4,279	3,494	3,913	17.4	18.0	4.8	5.7	-	36.5	1.8	1.8	-	0.1	1.7	1.5	
Elecon Engineering	Neutral	54	-	607	171	201	15.0	16.2	36.0	43.0	1.5	1.3	0.1	0.1	0.1	0.1	2.9	2.5	
Garware Wall Ropes	Neutral	884	-	1,934	928	1,003	15.2	15.2	39.4	43.2	22.4	20.5	3.7	3.2	16.5	15.4	2.0	1.7	
Goodyear India*	Neutral	820	-	1,892	1,717	1,866	11.8	12.3	47.9	49.8	17.1	16.5	2.6	2.3	15.6	15.7	0.8	114.1	
Hitachi	Neutral	2,021	-	5,495	2,355	2,715	10.3	10.8	49.0	60.9	41.2	33.2	9.7	7.6	0.2	0.2	2.4	2.0	
HSIL	Neutral	386	-	2,794	2,240	2,670	14.6	15.0	17.0	22.0	22.7	17.6	1.9	1.8	0.1	0.1	1.5	1.2	
Interglobe Aviation	Neutral	1,078	-	38,979	22,570	27,955	14.2	15.0	63.6	81.8	17.0	13.2	8.9	7.5	0.5	0.6	1.4	1.1	
Jyothy Laboratories	Neutral	399	-	7,247	1,781	2,044	14.1	15.0	9.4	10.5	42.7	38.0	9.1	8.5	0.2	0.2	4.3	3.7	
Linc Pen & Plastics	Neutral	224	-	332	420	462	9.3	9.3	15.3	17.1	14.7	13.1	2.5	2.6	16.9	19.5	0.8	0.8	
M M Forgings	Neutral	616	-	744	542	642	20.1	21.0	41.6	56.8	14.8	10.9	2.0	1.7	0.1	0.2	1.8	1.6	
Mirza International	Neutral	156	-	1,882	1,148	1,285	18.0	18.0	8.0	9.4	19.5	16.7	3.2	2.7	16.3	16.1	1.8	1.6	
Navkar Corporation	Buy	182	265	2,593	561	617	41.5	41.5	11.5	12.7	15.8	14.3	1.7	1.5	10.5	10.4	5.3	4.6	
Nilkamal	Neutral	1,546	-	2,307	2,317	2,525	11.4	11.1	96.0	105.0	16.1	14.7	2.7	2.4	0.2	0.2	1.0	0.9	

# Stock Watch

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Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>zOthers</b>																			
Parag Milk Foods	Neutral	233	-	1,959	1,987	2,379	7.6	9.0	12.4	18.3	18.8	12.7	2.6	2.3	8.2	13.2	1.1	0.9	
Radico Khaitan	Neutral	158	-	2,102	1,811	1,992	13.2	13.2	8.1	8.8	19.5	17.9	2.0	2.2	10.1	12.0	1.5	1.4	
Relaxo Footwears	Neutral	512	-	6,152	1,981	2,310	13.7	14.5	12.0	15.5	42.7	33.0	8.3	6.7	0.2	0.2	3.2	2.7	
Siyaram Silk Mills	Buy	2,117	2,500	1,984	1,769	1,981	12.7	12.7	113.1	131.1	18.7	16.1	2.9	2.5	15.5	15.5	1.3	1.2	
Styrolution ABS India*	Neutral	845	-	1,486	1,800	1,980	8.0	8.1	42.0	46.2	20.1	18.3	2.3	2.0	0.1	0.1	0.9	0.9	
Surya Roshni	Neutral	293	-	1,285	4,870	5,320	7.7	7.8	22.8	28.1	12.9	10.4	1.7	1.5	0.1	0.1	0.5	0.4	
TVS Srichakra	Neutral	3,076	-	2,355	2,729	2,893	12.7	12.5	248.5	265.0	12.4	11.6	3.5	2.9	0.3	0.3	0.9	0.8	
Visaka Industries	Neutral	572	-	909	1,104	1,214	12.1	12.6	31.0	37.9	18.5	15.1	2.3	2.0	0.1	0.1	1.1	0.9	
VIP Industries	Buy	240	300	3,393	1,450	1,693	10.4	10.5	6.5	7.8	36.7	30.7	7.8	6.8	21.1	22.1	2.3	2.0	
Navin Fluorine	Accumulate	665	730	3,278	945	1,154	22.4	22.6	28.7	34.8	23.2	19.1	3.8	3.3	-	-	3.0	2.3	

Source: Company, Angel Research; Note: \*December year end; #September year end; &October year end; Price as on September 28, 2017



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