



CAPSTOCKS & SECURITIES (INDIA) PVT. LTD.

Research Team

Recommendations – August 2018

SCRIP	CMP*	Target	P/E	BV	52 week	Industry
					High / Low	
Ashok Leyland	127	146	20	25	167/98	Auto
Nilkamal	1815	2080	21	535	2094/1488	Plastics
L&T finance Holding	177	202	21	77	213/140	Financials
TCI	306	346	20	88	335/245	Logistics
Granules India	104	120	19	50	150/71	Pharma

*As on 10 August 2018. Holding period is 6 months.

Previous Month Review

SCRIP	Reco	Target	Close*	High	Date	Apr%*	Remarks
HCL Tech	983	1130	966	1010	23-Jul	-1.73	Hold
ITC	270	315	304	307	27-Jul	12.59	Hold
Bajaj Auto	3138	3520	2629	3165	16-Jul	-16.22	Hold
RBL Bank	570	655	568	585	20-Jul	-0.35	Hold
TI Financial Holding	657	745	590	666	16-Jul	-10.20	Hold
						-3.18	

Nifty	11018	11429	3.73%
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Ashok Leyland Limited, together with its subsidiaries, manufactures and sells commercial vehicles in India and internationally. The company offers city, inter-city, school and college, staff, tourist, stage carrier, and airport buses; haulage, mining and construction, and distribution trucks, as well as tractors; light vehicles; and defense vehicles comprising water bowsers, snow clearing vehicles, refrigerated trucks, ambulances, long and short chassis buses, and multi fuel dispensers. It also provides power solutions, such as diesel generator sets; engines for earthmoving equipment, compressors, cranes, lift and shift applications, road sweepers etc.; agriculture engines for pump set, harvester combine applications, etc.; and marine engines for propulsion and auxiliary applications. In addition, the company offers spare parts, and forgings and castings. **Rationale:** Commercial Vehicle up cycle to continue in near term.

Nilkamal Limited, together with its subsidiaries, manufactures and sells plastic products primarily in India. It operates in two segments, Plastics; and Lifestyle Furniture, Furnishings and Accessories. The company offers various material handling products, including crates, pallets, ice boxes and fish tubs, vaccine carriers, hospitality products, waste management tools, road safety products, metal shelving and racking products, and material handling

equipment. It also provides living room, bedroom, home utility, office, plastic, kids, and café and banquet furniture products; dining table sets; school furniture, waste management, and water and sanitation products; storage solutions; metal chairs/office chairs; coir, spring, orthopedic, and foam mattresses; and pillows. In addition, the company operates 17 retail stores under the @home brand name. The company sells its products through retail stores, dealers' outlets, institutions, and online shopping sites. **Rationale:** Reasonable valuation with decent growth prospects.

L&T Finance Holdings Limited provides various financial services in India. It operates through Rural Business, Housing Business, Wholesale Business, Defocused Business, and Others segments. The Rural Business segment offers farm equipment, and micro finance and two wheeler finance services. The Housing Business segment provides home loans, loans against property, and real estate finance. The Wholesale Business segment offers infrastructure finance, structured corporate loans, and supply chain finance. The Defocused Business segment provides commercial vehicle finance, construction equipment finance, and small and medium enterprise term loans and leases. The Others segment offers asset management, wealth management, etc. **Rationale:** Strong growth with focus on rural economy

Transport Corporation of India Limited provides end to end integrated supply chain and logistics solutions in India. The company operates through Freight, Supply Chain Solutions, Seaways, and Energy divisions. It offers full and small truck load, and sundry and project heavy haul services; and container, wagon, and special automotive wagon, as well as full train movement services. The company also provides production logistics, finished goods logistics, and warehousing and distribution center management services to auto, retail, telecom, electricals, chemicals, pharmaceuticals, FMCG, record management, and cold chain sectors. In addition, it offers coastal container and bulk cargo movement, liner, charter, multi-modal, and transportation services. **Rationale:** Positive management commentary with good growth prospects

Granules India Limited manufactures and sells active pharmaceutical ingredients (APIs), pharmaceutical formulation intermediates, and finished dosages (FDs) in India and internationally. The company offers various FDs, such as tablets, caplets, and press-fit capsules in bulk, blister packs, and bottles; and other specialty products for oncology. Its APIs in various therapeutic categories include anti-retrovirals, anti-hypertensives, anti-histamines, anti-infectives, analgesics, anti-coagulants, anti-fibrinolytics, and platelet inhibitors. **Rationale:** Investments made in the past has started yielding results.

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