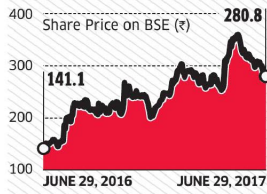


What to Buy, Sell and Hold

Indian Bank



■ **Reliance Securities** has a buy rating on **Indian Bank** with a target price of ₹341. The brokerage said despite tough operating scenario, the Bank has delivered an improved performance in fourth quarter. It said the bank expects further improvement in asset quality led by decline in gross NPA ratio to 5% and net NPA ratio to 3% by FY18. Indian Bank fell 0.25% to ₹280.75 on Thursday.

■ **JM Financial** has a buy on **Mahindra & Mahindra Financial Services** with a target price of ₹390. The brokerage said disbursements growth has improved to 15-18% driven by growth in tractor and car portfolio. It said management also expects growth momentum to continue in housing portfolio and expects 40-50% CAGR growth. Mahindra Financial Services rose 1.35% to ₹341.70 on Thursday.

■ **Emkay Global Financial Services** has a buy on **Hindalco Industries** with a target price of ₹240. The brokerage said with the ramp-up in volume, margins can improve further. It said better cash flow will ensure further deleveraging as per the company's management. Hindalco Industries rose 1.16% to ₹191.85 on Thursday.

■ **Spark Capital** has an add on **Blue Dart Express** with a target price of ₹4,450. The brokerage said the recent addition of the sixth freighter, strong penetration across metros/ tier-i to tier-iii towns and focus on e-tail business may result in growth rates being maintained. Blue Dart Express rose 2.56% higher at ₹4,399.75 on Thursday.

Smallcap Mantra

Venky's India

CMP (₹)	1623.85
1-M Return (%)	30.94
52-week H/L	1633/397.25
FY17E PE / 5Y AVG	16.2

Venky's India is engaged in the production of day-old layer and broiler chicks for the poultry markets in North India. It suffered a five-year stagnation/decline in earnings through FY11-FY15, as a result of weakness in gross margins. The company stands to gain from external factors, such as restrictions on cow slaughter and decline in raw material prices. We project 42% CAGR in earnings through FY17-FY19; expect significantly improved return ratios and reduction in debt, going forward. Near-term (FY18) earnings visibility is high, especially following a sharp rise in poultry prices witnessed in 1QFY18. We have a buy rating on the stock with a target price of ₹2,150.

By Kotak Securities