

Nivesh Portfolio Tracker

BALANCED

Risk Profile: MODERATE

AGGRESSIVE

Risk Profile: HIGH

CONSERVATIVE

Risk Profile: LOW



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This is just a MODEL portfolio (not part of IndiaNivesh PMS)

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Nivesh Model Portfolios Modifications

Please note the following changes made in our model portfolios:

Aggressive Portfolio

HSIL Ltd	Bought @ Rs 143 with target price of Rs.180	Reason: Rationale Attached
Radico Khaitan Ltd	Bought @ Rs 122 with target price of Rs.190	Reason: Rationale Attached
SBI	Book profit @ Rs 1,976 bought @ Rs 1,763	Reason: Target achieved
ILFS Transport	Book profit @ Rs 136 bought @ Rs 113	Reason: Target achieved

Nivesh Portfolio | Balanced

Nivesh Portfolio | Balanced

Inception Date: 20/11/2013

Current Date: 16/04/2014

Balanced

Seed capital Rs 10 Lakh

Benchmark BSE500

Risk Profile: MODERATE

Sr no	Stock Name	Sector	Amt invested (Rs)	CMP (Rs)	Buy Date	Buy Price (Rs)	Qty Bought (Nos)	Target Price	MTM Gain/loss (Rs)
1	Coal India#*	Energy	100,000	289	20/11/13	273	367	316	6,220
2	RIL	Oil/gas/Energy	100,000	949	20/11/13	863	116	1053	9,994
3	Alstom T&D India*	Capital Goods	100,000	255	24/3/14	221	452	289	15,498
4	JB Chemicals	Pharma	100,000	138	20/11/13	111	903	149	24,865
5	Cairn India	Oil/gas/Energy	100,000	361	20/11/13	319	314	404	13,214
6	Sesa Sterlite	Metals	100,000	188	20/11/13	187	535	225	589
7	Mastek	IT	100,000	199	10/3/14	210	476	270	(5,333)
8	Max India*	Financial Services	100,000	209	20/11/13	208	480	274	384
9	Hero Motocorp Ltd	Auto	100,000	2187	10/3/14	2012	50	2325	8,694
10	Thinksoft Global	IT	100,000	364	13/3/2014	313	320	494	16,403

Total amount invested (Rs)	1,000,000
Cash in hand	-
Profit (+)/Loss (-) Booked	133,765

Gain/loss (Rs)	224,292
Portfolio value (Rs)	1,224,292
Return on Investment (%)	22.4
Benchmark Return (%)	10.8
Relative to Benchmark (%)	11.6

Note: * target revised

Profit (+)/Loss (-) Booked includes dividend received of Rs.29 (Ex Date 20th Jan 2014)

Salient features of Balanced portfolio

- Objective of this portfolio is to generate moderate returns in conjunction with moderate risk
- This portfolio is suitable for those investors whose risk appetite is moderate
- Stock selection criteria here will be strong fundamentals coupled with near term triggers
- This is an equal weighted portfolio meaning equal amount of money is invested in the stocks selected in this portfolio
- Benchmark index for calculating returns shall be BSE 500 Index
- Total seed amount invested in the portfolio is Rs 10 lakh (Rs 1 lakh each in 10 stocks)
- At any point of time total amount invested in portfolio will not be more than Rs 10 lakh
- Profits generated will not be reinvested in the portfolio
- This is a model portfolio reflecting INSPL Research stocks preference at this point of time. Our views can change at any point of time & portfolio shall reflect the same accordingly
- This portfolio is not a part of PMS service provided by INSPL. This is just a virtual (model) portfolio**
- Other products offered by INSPL may have contradictory recommendation on stocks mentioned in this portfolio**
- All returns are from the date of inception of the portfolio

Nivesh Portfolio | Aggressive

Nivesh Portfolio | Aggressive

Inception Date: 21/11/2013

Current Date: 16/04/2014

Aggressive

Seed Capital Rs 10 Lkakh

Benchmark BSE500

Risk Profile : HIGH

Sr no	Stock Name	Sector	Amt invested (Rs)	CMP (Rs)	Buy Date	Buy Price (Rs)	Qty Bought (Nos)	Target Price	MTM Gain/loss (Rs)
1	Tata Power	Power	100,000	84	21/11/13	77	1294	106	8,862
2	BHEL	Cap Goods	100,000	177	21/11/13	137	730	202	29,145
3	HDFC Bank Ltd.	Banks (Pvt)	100,000	725	10/3/14	734	136	820	(1,259)
4	Canara Bank	Banks (PSB)	100,000	264	21/11/13	241	415	319	9,353
5	Hsil Ltd	Ceramic Product	100,000	138	16/4/14	143	699	180	(3,846)
6	Exide Inds *	Auto ancillary	100,000	126	21/11/13	116	860	130	8,559
7	Dr Reddys Labs	Pharma	100,000	2540	21/11/13	2410	42	3006	5,414
8	JP Associates	Diversified	100,000	57	21/11/13	47	2148	66	21,805
9	UPL *	Agro Chemicals	100,000	215	21/11/13	163	614	273	32,289
10	Radico Khaitan Ltd	Liquor	100,000	123	16/4/14	123	813	190	(203)

Total amount invested (Rs)	1,000,000
Cash in hand	-
Profit (+)/Loss (-) Booked*	48,850

Gain/loss (Rs)	158,967
Portfolio value (Rs)	1,158,967
Return on Investment (%)	15.9
Benchmark Return (%)	13.0
Relative to Benchmark (%)	2.9

Note: * target revised

Salient features of Aggressive portfolio

- Objective of this portfolio is to generate moderate returns in conjunction with HIGH risk
- This portfolio is suitable for those investors who like to take risk
- Stock selection criteria here will be fundamentals coupled with near term events, news flow or sheer momentum in stock price
- This is an equal weighted portfolio meaning equal amount of money is invested in the stocks selected in this portfolio
- Benchmark index for calculating returns shall be BSE 500 Index
- Total seed amount invested in the portfolio is Rs 10 lakh (Rs 1 lakh each in 10 stocks)
- At any point of time total amount invested in portfolio will not be more than Rs 10 lakh
- Profits generated will not be reinvested in the portfolio
- This is a model portfolio reflecting INSPL Research stocks preference at this point of time. Our views can change at any point of time & portfolio shall reflect the same accordingly
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HSIL Ltd.

CMP Rs.143 | P/E (FY15E) 11.6x
P/E (FY16E) 8.0x | Target Rs.180

Company Background

- HSIL Ltd, incorporated in 1960, is India's largest manufacturer and seller of branded sanitaryware products. It diversified into the manufacture of glass containers through the acquisition of Associated Glass Industries Limited in 1981. Leveraging its flagship brand "Hindware", it widened its product basket with a range of bathroom and kitchen appliances products. It expanded in the retail business of Speciality Home Interior Solutions in 2007 through a wholly owned subsidiary, called Hindware Home Retail Pvt. Ltd. (HHRL). Headquartered in Gurgaon, the company has manufacturing facilities in Haryana and Andhra Pradesh.

Investment Rationale

- In the building products segment, HSIL sells sanitaryware products, wellness products, faucets, kitchen appliances and ceramic tiles. Revenue and EBIT of the segment has been growing at a CAGR of 19.3% and 23.2% respectively over FY08-13 period. In FY13, revenue stood at Rs 7310.7 mn (42.1% of total sales) and EBIT stood at Rs 1357.9 mn (68.2% of total EBIT). The segment margin increased to 18.6% in FY13 from 15.8% in FY08, primarily driven by focus on premiumisation. The company derives 52% of its segment revenue from premium and super-premium segments. The sanitaryware industry, growing at 15%, is likely to touch a market value of Rs 32 bn in 2014-15. The premium segment is likely to grow by 20-25%, offering significant potential for HSIL.
- HSIL is India's second-largest container glass producer and commands a pan-India market share of 18%. It is the biggest player in South India's container glass market with 62% share. It manufactures container glass under the brand AGI, catering to industries like soft drinks, pharmaceuticals, food, beer and liquor, among others. The profitability of the segment has been under pressure due to rising input cost especially power and fuel. The company has been taking cost control measures, increasing price realisation and focusing on value added products to cut losses and improve profitability.

Valuations

At CMP of Rs. 143, stock is trading at P/E multiple of 11.6x and 8x its FY15E and FY16E Bloomberg adjusted earnings. Given its leadership position in sanitaryware and container glass businesses and its initiatives to improve the profitability of container glass business which is likely to improve financial performance, we recommend buy on the stock with target price of Rs.180 (10x FY16E EPS).

YE March	Net Sales (Rs Mn)	EBITDA (Rs Mn)	PAT (Rs Mn)	EPS (Rs)	ROE (%)	PE (x)	EV/EBITDA (x)
FY14E	18574	2317	406	7.1	4.7	20.2	7.8
FY15E	22022	2887	791	12.3	7.4	11.6	6.3
FY16E	24903	3650	1187	18.0	11.5	8.0	5.0

Source: Bloomberg, IndiaNivesh Research; CMP as on April 15, 2014

Radico Khaitan Ltd. (Radico)

CMP Rs.122 | P/E (FY14E) 17.2x | P/E (FY15E) 12.8x
Target Rs.190 (20.0x FY15E P/E)

Investment Rationale

- **Recent Restructuring Signals Transformational Deal in Making:** Taking cue from recent restructuring initiatives (IMFL Business into separate subsidiary), we believe some transformational stake-sale opportunity could emerge in Radico. In our view, some international players may exude interest (Similar to United Spirits and Diageo Plc) in Radico, as company is focused big way for premiumisation.
- **Presence Across Segments:** Radico's well diversified presence across all types of liquor, reduces revenue risk. The company ~58% of volume come from country liquor, which helps Radico to build strong distribution network. Further, ~25% of its volume was contributed from industrial alcohol and remaining 16% of the total volume was delivered from prestige & above (Premium) segments. We believe management's strong focus on premiumisation could lead to revenue growth and margin expansion.
- **Wide Distribution Network:** Radico Khaitan has second largest distribution network in India. The company has strong presence in North & East India followed by favourable presence in West & South India. Radico operates through ~35,000 retail outlets and ~5,000 bars. Additionally, registration of 18 brands with canteen stores department (CSD) increases revenue visibility (~15% of liquor consumption in India).

Key Concern & Risk

- Higher dependence on government agencies in order to pass on the increasing input cost to customers.

Valuations

At CMP of Rs.122, the stock is trading at 17.2x FY14E and 12.8x FY15E Bloomberg earnings estimates. The revival in flagship brands, premiumisation, and stable molasses prices (due to favourable monsoon) remain positive. Further, the transformational deal of Diageo plc with United Spirits Limited could provide window of opportunity to Radico. We maintain BUY on the stock with target price of Rs.190 (20.0x FY15E).

YE March (Rs mn)	Net Sales	EBITDA	Adj PAT	EPS (Rs)	EBITDA (%)	ROE(%)	PE (x)	EV/EBITDA(x)
FY 13A	6,137	976.59	386.17	3.7	15.9	21.8	26.3	17.8
FY 14E	14,573	2201.8	944.5	7.1	15.1	11.9	17.2	12.7
FY 15E	16,691	2,603	1,235	9.5	15.6	13.1	12.8	10.7

Source: Company Filings; IndiaNivesh Research

Nivesh Portfolio | Conservative

Nivesh Portfolio | Conservative

Inception Date: 22/11/2013

Current Date: 16/04/2014

Conservative Seed Capital Rs 10 Lakh Benchmark BSE500 Risk Profile LOW

Sr no	Stock Name	Sector	Amt invested (Rs)	CMP (Rs)	Buy Date	Buy Price (Rs)	Qty Bought (Nos)	Target Price	MTM Gain/loss (Rs)
1	Shilpa Medicare Ltd	Pharma	100,000	428	24/03/14	347	288	544	23,343
2	Nesco	Realty	100,000	851	22/11/13	750	133	1109	13,480
3	Cadila*	Pharma	100,000	976	22/11/13	747	134	1228	30,604
4	OIL (Oil India Ltd)#*	Oil/gas/Energy	100,000	476	22/11/13	450	222	560	5,778
5	Gujarat Pipavav Port Ltd	Marine/Port & Services	100,000	86	13/01/14	62	1601	75	36,910
6	A B Nuvo*	Consumption	100,000	1118	22/11/13	1190	84	1456	(6,014)
7	Tata Global	FMCG	100,000	152	22/11/13	142	705	180	6,982
8	LIC Housing Finance*	Financial Services	100,000	260	22/11/13	210	476	248	24,011

Total amount invested (Rs)	800,000
Cash in hand	200,000
Profit (+)/Loss (-) Booked*	118,123

Gain/loss (Rs)	253,216
Portfolio value (Rs)	1,253,216
Return on Investment (%)	25.3
Benchmark Return (%)	13.0
Relative to Benchmark (%)	12.4

Note: * target revised

Note: # Profit (+)/Loss (-) Booked includes dividend received of Rs.21 (Ex Date 4th Feb 2014 and 27th Mar-2014)

Salient features of Conservative portfolio

- Objective of this portfolio is to generate High returns in conjunction with low risk
- This portfolio is suitable for those investors whose risk appetite is very low
- Stock selection criteria here will be strong business model, sustainable growth prospects likely to play in next few years
- This is an equal weighted portfolio meaning equal amount of money is invested in the stocks selected in this portfolio
- Benchmark index for calculating returns shall be BSE 500 Index
- Total seed amount invested in the portfolio is Rs 10 lakh (Rs 1 lakh each in 10 stocks)
- At any point of time total amount invested in portfolio will not be more than Rs 10 lakh
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DISCLAIMER

Thank You

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