3QFY15 Result Update

V-Mart Retail

27 January 2015

Reuters: VMAR.BO; Bloomberg: VMART IN

Healthy Margins; Retain Buy

Following a healthy 7.6% same-store sales growth (SSG) and 19.8% area addition, revenue grew 22.8% in 3QFY15 for V-Mart Retail (VRL) - even in a challenging environment and weak Diwali festival demand - to Rs2,403mn, 5.4% below our estimate. On account of a 94bps gross margin improvement and control over overheads, operating margin rose 121bps to 14.4%, 182bps above our estimate, resulting in a strong 34.1% growth in EBITDA to Rs347mn, 8.2% above our estimate. Following the change in depreciation method, reported net profit grew 70.5%. Adjusted net profit grew by a healthy 38.7% to Rs195mn, 7.3% above our estimate. On account of weak demand, we have cut our net profit estimates by 6.9%/5.8% for FY16/FY17, respectively. Healthy operating cash flow of Rs928mn is expected to meet its entire capex requirement. Strong revenue/net profit CAGR of 27.1%/31.7%, respectively, coupled with a flat net D/E ratio of 0.04x and a 553bps improvement in RoCE to 20.2% over FY14-FY17E is likely to lead to a strong re-rating of VRL. We have retained Buy rating on VRL with a revised target price of Rs834 (Rs790 earlier) based on 26.0x/13.8x FY17E P/E and EV/EBITDA, respectively (from 27x average FY16E-FY17E EPS earlier).

Healthy revenue growth despite a challenging environment: VRL reported a healthy SSG of 12%-14% until 3QFY14. However, SSG moderated to 7%-8% since 4QFY14. It declined to 1.0% in 2QFY15 and improved to 7.6% in 3QFY15, even in a challenging environment where Diwali festival demand was sluggish. If the environment was more conducive, revenue growth could have been higher, which rose only 22.8% to Rs2,403mn, 5.4% below our estimate.

Strong operating margin: On account of reduction in cotton prices, a part of which was passed on to consumers by reducing garment prices and a 20.2% improvement in average selling price, gross margin improved 94bps to 31.8% despite a higher shrinkage ratio of 1.08% against 0.81% YoY. Following better control over overheads, despite the increase in lease rent and revenue miss, operating margin improved 121bps to 14.4%, 182bps above our estimate. EBITDA grew by a healthy 34.1% to Rs347mn, 8.2% above our estimate. VRL has been able to reduced shrinkage per store but because of consolidation of warehouses, which concluded during the quarter, shrinkage ratio was high in 3QFY15.

Improvement in key matrix: VRL reported good performance in other parameters like sales/sq ft rising 2.6% and average selling price up 20.2%. As VRL was in consolidation mode(because of its multiple warehouses), inventory days did not improve. With multiple warehouses, there was inefficiency, which stands corrected as inventory has been shifted to a single warehouse. VRL has hired management consultancy firm Ernst & Young (E&Y) to find out areas of deficiency and frame strategies to overcome them. Also, APL Logistics has taken full control over VRL's supply chain, the benefit of which is likely over a couple of years.

BUY

Sector: Retail

CMP: Rs536

Target Price: Rs834

Upside: 56%

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Key Data

Current Shares O/S (mn)	18.0
Mkt Cap (Rsbn/US$mn)	9.6/155.9
52 Wk H / L (Rs)	637/240
Daily Vol. (3M NSE Avg.)	19,297

Price Performance (%)

	1 M	6 M	1 Yr
V-Mart Retail	0.3	45.8	117.2
Nifty Index	6.9	13.3	39.2

Source: Bloomberg

Y/E March (Rsmn)	3QFY14	2QFY15	3QFY15	Chg. (%)	Chg. (QoQ%)	9MFY14	9MFY15	Chg. (%)
Net sales	**1,956**	**1,446**	**2,403**	***22.8***	***66.2***	**4,361**	**5,499**	***26.1***
Net raw material costs & finished goods purchases	1,352	1,035	1,638	*21.2*	*58.3*	3,021	3,805	*26.0*
% of sales	*69.1*	*71.6*	*68.2*	-	-	*69.3*	*69.2*	-
Gross profit	**604**	**411**	**765**	***26.6***	***86.1***	**1,340**	**1,694**	***26.4***
Gross margin (%)	***30.9***	***28.4***	***31.8***	**-**	**-**	***30.7***	***30.8***	**-**
Employee costs	114	111	148	*29.1*	*32.6*	283	364	*28.6*
% of sales	*5.8*	*7.7*	*6.1*	-	-	*6.5*	*6.6*	-
Other expenses	232	245	271	*16.9*	*10.5*	581	742	*27.7*
% of sales	*11.8*	*17.0*	*11.3*	-	-	*13.3*	*13.5*	-
Operating profit	**258**	**55**	**347**	***34.1***	***534.3***	**476**	**588**	***23.5***
OPM (%)	***13.2***	***3.8***	***14.4***	**-**	**-**	***10.9***	***10.7***	**-**
Interest costs	18	15	21	*13.9*	*42.1*	43	50	*16.4*
Depreciation	30	(11)	(39)	-	*242.4*	76	(0.4)	-
Other income	2	5	-	*(86.2)*	*(94.6)*	5	18	*297.2*
Extraordinary item	-	(11)	(1)	-	-	-	(12)	-
PBT	**212**	**45**	**364**	***71.5***	***704.6***	**361**	**545**	***50.8***
Provision for tax	71	18	124	*73.5*	*584.1*	121	187	*55.0*
Effective tax rate (%)	*33.6*	*40.0*	*34.0*	-	-	*33.4*	*34.3*	
Reported PAT	**141**	**27**	**240**	***70.5***	***784.8***	**240**	**358**	***48.7***
Extraordinary item	-	6	45	-	-	-	50	-
Adjusted PAT	**141**	**22**	**195**	***38.7***	***803.8***	**240**	**307**	***27.8***
NPM (%)	*7.2*	*1.5*	*8.1*	**-**	**-**	*5.5*	*5.6*	**-**
EPS (Rs)	**7.8**	**1.2**	**10.9**	***38.4***	***803.9***	**13.4**	**17.1**	***27.6***

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 1: Financial summary

(Rsmn)	FY12	FY13	FY14	FY15E	FY16E	FY17E
Revenue	2,819	3,835	5,750	7,208	9,132	11,816
YoY (%)	*31.2*	*36.0*	*49.9*	*25.4*	*26.7*	*29.4*
EBITDA	283	392	538	675	837	1,095
EBITDA margin (%)	*10.0*	*10.2*	*9.4*	*9.4*	*9.2*	*9.3*
Reported PAT	105	176	252	337	409	576
EPS (Rs)	14.3	9.8	14.0	18.8	22.8	32.1
YoY (%)	*67.4*	*(31.3)*	*42.9*	*33.8*	*21.2*	*41.0*
RoCE (%)	*17.0*	*15.5*	*14.7*	*18.7*	*16.8*	*20.2*
RoIC (%)	*17.4*	*19.7*	*19.0*	*21.4*	*18.0*	*20.2*
RoE (%)	*21.4*	*17.5*	*15.9*	*17.9*	*18.1*	*21.2*
P/E (x)	37.5	54.6	38.2	28.5	23.6	16.7
EV/sales (x)	1.5	2.5	1.7	1.4	1.1	0.8
EV/ EBITDA (x)	15.3	24.0	18.0	14.5	11.7	8.9

Source: Company, Nirmal Bang Institutional Equities Research

Change in depreciation method boosts reported PAT by 71.3%: With a change in depreciation method from written down value (WDV) to straight line (SL) in 2QFY15, depreciation was down by Rs94.413mn and PAT was up by Rs62.322mn in 9MFY15. As a result, VRL reported negative depreciation of Rs39mn as against positive Rs30mn in 3QFY14. This led to a jump in reported net profit by 70.5% to Rs240mn, 32% above our estimate. Excluding the change in depreciation method, VRL incurred depreciation cost of Rs30.5mn, up 2.4% YoY, against negative depreciation cost of Rs39.0mn reported in 3QFY15. Adjusted for the impact because of a change in depreciation method, net profit grew 38.7% to Rs195.4mn, 7.3% above our estimate of Rs182mn.

Exhibit 2: Impact of change in depreciation method

Particulars	3QFY14	2QFY14	3QFY15	*YoY (%)*	*QoQ (%)*	9MFY14	9MFY14	*YoY (%)*
Revenue	1,956	1,446	2,403	*22.8*	*66.2*	4,361	5,499	*26.1*
EBITDA	258	55	347	*34.1*	*534.3*	476	588	*23.5*
Depreciation as per new method	**30**	**(11)**	**(39)**	***NA***	***242.4***	**76**	**(0.4)**	***NA***
Depreciation as per old method	**30**	**13**	**30**	***2.4***	***127.5***	**76**	**94**	***22.9***
PBT as per old method	182	32	333	*82.8*	*947.4*	285	451	*58.3*
Reported PAT	141	27	240	*70.5*	*784.8*	240	358	*48.7*
Adjusted PAT as per old method	**141**	**11**	**194**	***37.9***	***1,705***	**240**	**295**	***22.8***

Source: Company, Nirmal Bang Institutional Equities Research

Healthy addition of stores: During the quarter, VRL added nine stores, mostly in Uttar Pradesh (UP) and Bihar. We believe the company is making a smart move by spreading its presence in these states as they have emerged as high gross domestic product or GDP growth reckoner for India's GDP growth. Thus, we believe by enhancing its presence in these states (both states contribute ~60% to total revenue), higher disposable income, inflation under control, rising fashion consciousness and the shift in consumers' preference from the unorganised segment to the organised segment, VRL is set to benefit the most.

Exhibit 3: Key performance matrix

Y/E March (Rsmn)	3QFY14	2QFY15	3QFY15	*YoY (%)*	*QoQ (%)*	9MFY14	9MFY15	*YoY (%)*
No. of stores	90	98	107	*18.9*	*9.2*	89	107	*20.2*
Retail space (mn sqft)	0.73	0.79	0.87	*19.8*	*10.1*	0.73	0.87	*19.8*
SSG (%) (fashion) - value	*12.0*	*1.0*	*7.6*	*(440)bps*	*660bps*	*13.0*	*7.0*	*(600)bps*
SSG (%) (fashion) - volume	*1.2*	*0.5*	*6.9*	*570bps*	*640bps*	*2.0*	*3.8*	*180bps*
Sales per sqft (Rs/month)	980	674	1,005	*2.6*	*49.1*	811	830	*2.3*
Average selling price (Rs)	193	158	232	*20.2*	*46.8*	154	191	*24.0*
Transaction size (Rs)	667	537	725	*8.7*	*35.0*	568	628	*10.6*
Footfall (mn)	4.47	4.13	5.10	*14.1*	*23.4*	11.5	13.5	*17.3*
Conversion rate (%)	*65.5*	*65.1*	*64.9*	*(60)bps*	*(20)bps*	*66.8*	*65.0*	*(180)bps*
Shrinkage (%)	*0.81*	*0.88*	*1.08*	*27bps*	*20bps*	*0.8*	*1.2*	*31bps*
Inventory days (based on sales)	87	92	86	*(1.1)*	*(6.5)*	87	86	*(1.1)*

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: Bloomberg consensus estimates versus actual performance

(Rsmn)	3QFY14	2QFY15	3QFY15	*YoY (%)*	*QoQ (%)*	3QFY15E	*Chg. (%)*
Revenue	1,956	1,446	2,403	*22.8*	*66.2*	2,539	*(5.4)*
EBITDA	258	55	347	*34.1*	*534.3*	320	*8.3*
EBITDA (%)	*13.2*	*3.8*	*14.4*	*121bps*	*1,065bps*	*12.6*	*182bps*
Adjusted PAT	141	22	195	*38.7*	*803.8*	182	*7.3*

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: Change in our estimates

Y/E March	Earlier assumptions			New assumptions			*Change (%)*		
(Rsmn)	FY15E	FY16E	FY17E	FY15E	FY16E	FY17E	*FY15E*	*FY16E*	*FY17E*
Sales	7,445	9,621	12,389	7,208	9,132	11,816	*(3.2)*	*(5.1)*	*(4.6)*
EBITDA	667	882	1,148	675	837	1,095	*1.2*	*(5.1)*	*(4.7)*
EBITDA (%)	*9.0*	*9.2*	*9.3*	*9.4*	*9.2*	*9.3*	*40bps*	*-*	*-*
APAT	333	439	612	337	409	576	*1.3*	*(6.9)*	*(5.8)*

Source: Company, Nirmal Bang Institutional Equities Research

Conference-call highlights

We hosted 3QFY15 result conference-call of VRL. The highlights are as follows:

- Diwali festival demand was weaker than expected, which impacted revenue growth.
- VRL is bringing in a vendor platform whereby it can communicate with vendors, improve their knowledge and also provide real-time inputs to them.
- **The company is consolidating its inventory into a single warehouse which helps in improving ageing of inventory. Following the focus on consolidating multiple warehouses into a single warehouse, improvement in inventory days was not visible. Multiple warehouses led to some inefficiency, but now that the inventory has been shifted to a single warehouse, inefficiency will be removed.**
- **Shrinkage has two components for VRL - at store level and at warehouse level. VRL reduced shrinkage ratio per store, but because of the warehouse consolidation process the shrinkage ratio increased in 9MFY15. As consolidation of warehouses is almost on the verge of completion, shrinkage ratio is likely to moderate on a YoY basis. VRL will focus on clearing inventory in 4QFY15 so that it can introduce fresh products for Holi festival which drives significant volume in Uttar Pradesh and Bihar (these two states account for ~70% of VRL's total stores).**
- VRL reported a volume growth of 6.9% in 3QFY15 as the economy is experiencing a deflationary situation (where there is no increase in raw material prices) and the company procured products at very attractive prices. With the reduction in merchandise prices, the company has been able to register more volume.
- **Following the change in depreciation method, for the past two quarters, VRL has been reporting negative depreciation. As per the management, the impact of change in depreciation method should be flat in coming quarters. Depreciation rate for FY16 is seen at 4% of gross block, as per SL method, but we have factored in higher deprecation cost based on WDV method.**
- VRL set up 9/18 stores in 3QFY15/9MFY15, respectively, and is expected to open four more stores in 4QFY15, taking the total addition to 22 stores in FY15E. The company is aiming to set up two stores per month so as to meet its target of setting up 20-25 stores per year.
- The company set up 60 stores in the past three years, which will provide strong profitability and cash flow in FY16/FY17 and support capex requirement for opening new stores.
- To set up a store, the company requires a capex of Rs10mn-Rs12mn for an average size of 8,000sqft. VRL had Rs112mn unutilised IPO (initial public offer) proceeds at the end of 9MFY15. To set up 20-25 stores, the capex will be met through cash flow generation, internal accruals and by availing debt, if required. Currently, VRL's net D/E ratio is 0.04x, which gives enough levers to take a line of credit from a bank, if required. However, the peak D/E ratio is not expected to top 0.75x at any point of time.
- **Healthy operating cash flow of Rs928mn is expected to meet its entire capex requirement of Rs900mn, for setting up 25 stores and modernising a few existing outlets.**

- The management has given guidance of keeping the D/E ratio below 0.75x going forward. With sufficient funds (IPO proceeds and internal accruals), the company does not require any additional debt in FY15 to add 25 stores. However, with the addition of new stores in coming years, the company may have to fund a part of its capex requirement through debt.
- VRL has hired E&Y to find out areas of deficiency and frame strategies to overcome them. Also APL Logistics has taken full control over VRL's supply chain, the benefit of which will be visible over a couple of years.
- The company is appointing professional members on its board so as to institutionalise and become more organised as it grows.
- The management is betting big on Holi festival which is celebrated in a big way in Uttar Pradesh and Bihar. These two states account for ~70% of the revenue of the company. Despite 4Q being a weak quarter, as Holi is in early March 2015, the management expects 4QFY15 to register a healthy revenue growth.
- 3QFY15 witnessed better gross margin because of the seasonal impact (wedding and festival) and, therefore, one can't compare 3Q gross margin with QoQ or full year.
- Customers in rural areas are buying necessary products mainly during festivals, marriages etc unlike in metro cities where the demand is because of discretionary spending. Hence, the impact of economic slowdown will be lower there compared to metro cities.
- Total market size per city: On an average, a city has 1.5mn-2.0mn of population and an average customer buys two pairs of clothes per year i.e. 3mn-4mn pairs per city.
- Apart from setting up stores in existing clusters of Uttar Pradesh and Bihar, VRL may develop clusters in West Bengal, Orissa, Assam, etc. As logistics costs amount to just 1% of sales, VRL has no need to set up an additional warehouse.
- **In~40 locations, VRL is facing competition from Reliance Lifestyle, Trent, Lifestyle, Westside, Vishal Mega Mart, Fashion at Big Bazaar, etc. Despite competition from such players, VRL has been able to report good sales numbers in these locations. In fact, at some of these locations, revenue increased post competition as customers compared the products of various players and found better value proposition in VRL products.**
- As per the management, the emergence of e-tailing or e-commerce is making headway into Tier II and Tier III cities. However, VRL is not likely to get impacted as e-tailing is more meant for branded goods and electronic items whereas the company is mostly into value-for-money products. In addition, VRL is not likely to get associated with any online retailers as the company is not into B2B business.

Exhibit 6: One-year forward P/E

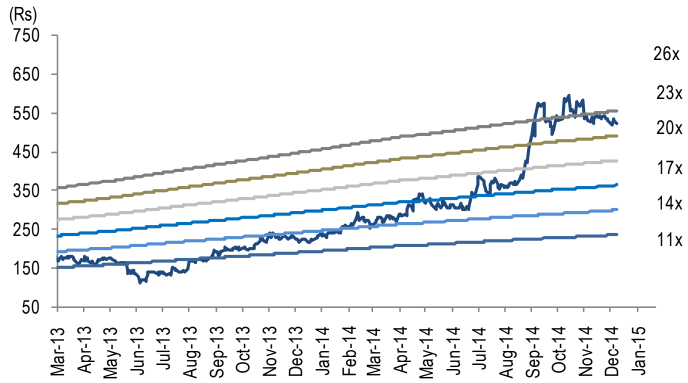
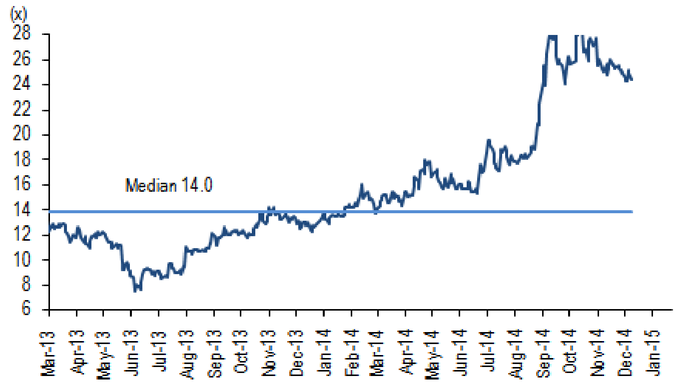


Exhibit 7: P/E median



Source: Nirmal Bang Institutional Equities Research

Exhibit 8: One-year forward EV/EBITDA

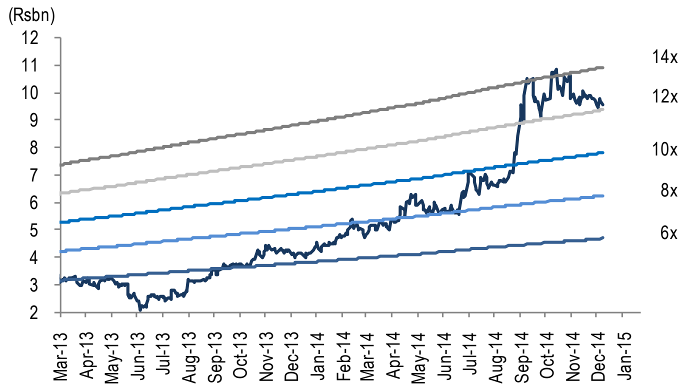
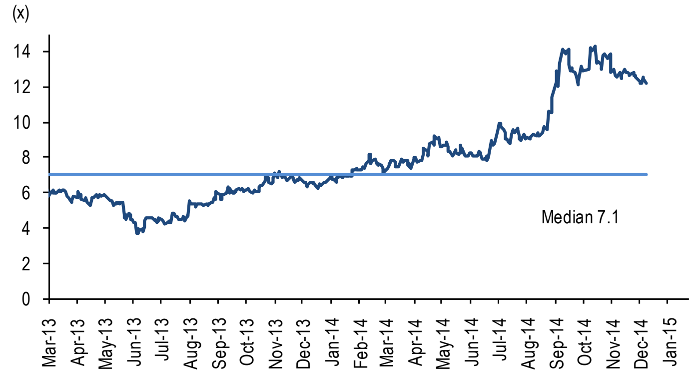


Exhibit 9: EV/EBITDA median



Source: Nirmal Bang Institutional Equities Research

Financials

Exhibit 10: Income statement

Y/E March (Rsmn)	FY12	FY13	FY14	FY15E	FY16E	FY17E
Net sales	2,819	3,835	5,750	7,208	9,132	11,816
Growth (%)	*31.2*	*36.0*	*49.9*	*25.4*	*26.7*	*29.4*
Raw-material costs	1,979	2,664	4,034	5,052	6,401	8,235
Staff costs	171	250	383	475	638	826
Lease rent costs	139	169	249	317	420	555
Other expenses	247	360	546	688	836	1,105
Total expenditure	2,536	3,443	5,211	6,533	8,295	10,721
EBITDA	283	392	538	675	837	1,095
Growth (%)	*45.6*	*38.8*	*37.3*	*25.4*	*24.0*	*30.8*
EBITDA margin (%)	*10.0*	*10.2*	*9.4*	*9.4*	*9.2*	*9.3*
Other income	1	2	7	18	9	12
Extraordinarily items		6				
Interest costs	67	57	58	65	61	39
Gross profit	216	343	488	628	785	1,067
Growth (%)	*49.8*	*58.7*	*42.2*	*28.8*	*25.1*	*35.9*
Depreciation	58	76	109	33	171	201
Profit before tax	158	267	379	595	614	867
Growth (%)	*64.8*	*69.1*	*42.0*	*57.1*	*3.3*	*41.0*
Tax	53	86	127	207	206	290
Effective tax rate (%)	*33.5*	*32.3*	*33.4*	*34.8*	*33.5*	*33.5*
Net profit	105	181	252	388	409	576
Growth (%)	*67.4*	*72.2*	*39.5*	*53.8*	*5.4*	*41.0*
Adjusted net profit	105	176	252	337	409	576
Growth (%)	*67.4*	*68.1*	*42.9*	*33.8*	*21.2*	*41.0*

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: Balance sheet

Y/E March (Rsmn)	FY12	FY13	FY14	FY15E	FY16E	FY17E
Equity	73	180	180	180	180	180
Reserves	469	1,297	1,522	1,884	2,262	2,806
Net worth	542	1,477	1,702	2,064	2,441	2,986
Short-term loans	378	330	433	493	343	193
Long-term loans	22	20	2	2	2	2
Total loans	400	350	435	495	345	195
Deferred tax liability	(6)	(7)	(22)	9	42	88
Liabilities	**936**	**1,820**	**2,115**	**2,568**	**2,828**	**3,269**
Gross block	550	766	1,096	1,406	1,706	2,006
Depreciation	215	291	396	429	600	801
Net block	336	475	700	977	1,106	1,205
Capital work-in-progress	8	13	10	-	-	-
Long-term Investments	-	406	342	212	62	-
Inventories	869	1,107	1,677	2,063	2,578	3,317
Debtors	1	-	-	-	-	-
Cash	19	158	23	113	93	54
Other current assets	94	131	162	218	276	358
Total current assets	983	1,396	1,862	2,394	2,948	3,728
Creditors	337	372	641	798	1,014	1,310
Other current liabilities	54	98	158	216	274	354
Total current liabilities	391	471	799	1,015	1,288	1,665
Net current assets	592	925	1,063	1,380	1,660	2,064
Total assets	**936**	**1,819**	**2,115**	**2,568**	**2,828**	**3,269**

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Cash flow

Y/E March (Rsmn)	FY12	FY13	FY14	FY15E	FY16E	FY17E
EBIT	224	316	429	642	666	894
(Inc.)/dec. in working capital	(41)	(195)	(272)	(227)	(300)	(443)
Cash flow from operations	**184**	**121**	**157**	**415**	**366**	**451**
Other income	1	2	7	18	9	12
Depreciation	58	76	109	33	171	201
Deferred liabilities	(3)	(1)	(14)	31	33	46
Interest paid (-)	(67)	(57)	(58)	(65)	(61)	(39)
Tax paid (-)	(53)	(86)	(127)	(207)	(206)	(290)
Dividend paid (-)	(3)	(15)	(26)	(25)	(31)	(31)
Extraordinary Items	-	6	-	-	-	-
Net cash from operations	**117**	**46**	**48**	**200**	**280**	**348**
Capital expenditure (-)	(136)	(221)	(331)	(300)	(300)	(300)
Net cash after capex	**(19)**	**(175)**	**(283)**	**(100)**	**(20)**	**48**
Inc./(dec.) in short term borrowings	30	(48)	103	60	(150)	(150)
Inc./(dec.) in long term borrowings	(8)	(2)	(18)	-	-	-
Inc./(dec.) in borrowings	22	(50)	85	60	(150)	(150)
(Inc.)/dec. in investments	-	(406)	64	130	150	62
Equity issue/(buyback)	-	770	-	-	-	-
Cash from financial activities	**22**	**314**	**149**	**190**	**-**	**(88)**
Others	1	(1)	-	-	-	-
Opening cash	15	19	158	23	113	93
Closing cash	19	158	23	113	93	54
Change in cash	4	138	(134)	90	(20)	(39)

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 13: Key ratios

Y/E March	FY12	FY13	FY14	FY15E	FY16E	FY17E
Per share (Rs)						
EPS	14.3	9.8	14.0	18.8	22.8	14.3
Book value	74	82	95	115	136	74
Valuation (x)						
P/E	37.5	54.6	38.2	28.5	23.6	37.5
P/sales	1.4	2.5	1.7	1.3	1.1	1.4
P/BV	7.3	6.5	5.7	4.7	3.9	7.3
EV/EBITDA	15.3	24.0	18.0	14.5	11.7	15.3
EV/sales	1.5	2.5	1.7	1.4	1.1	1.5
Return ratios (%)						
RoIC	17.4	19.7	19.0	21.4	18.0	17.4
RoCE	17.0	15.5	14.7	18.7	16.8	17.0
RoE	21.4	17.5	15.9	17.9	18.1	21.4
Margins (%)						
EBITDA margin	10.0	10.2	9.4	9.4	9.2	10.0
PBIT margin	8.0	8.2	7.5	8.9	7.3	8.0
PBT margin	5.6	7.0	6.6	8.1	6.7	5.6
PAT margin	3.7	4.6	4.4	4.7	4.5	3.7
Turnover ratio						
Asset turnover ratio (x)	3.0	2.1	2.7	2.8	3.2	3.0
Avg. inventory period (days)	158	150	150	147	145	158
Avg. collection period (days)	-	-	-	-	-	-
Avg. payment period (days)	48	39	44	44	44	48
Solvency ratios (x)						
Debt-equity	0.7	0.2	0.3	0.2	0.1	0.7
Interest Coverage	3.3	5.5	7.4	9.9	10.9	3.3
Growth (%)						
Sales	31.2	36.0	49.9	25.4	26.7	31.2
EBITDA	45.6	38.8	37.3	25.4	24.0	45.6
PAT	67.4	68.1	42.9	33.8	21.2	67.4

Source: Company, Nirmal Bang Institutional Equities Research

Rating track

Date	Rating	Market price	Target price (Rs)
9 December 2014	Buy	505	790
6 January 2015	Buy	552	790
27 January 2015	Buy	536	834

Disclaimer

Stock Ratings Absolute Returns

BUY > 15%

ACCUMULATE -5% to15%

SELL < -5%

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