


Welspun India Ltd.
 BSE Code welspunind
 Duration Short term
 Target 75
 CMP 54.95

75

 36.48%
 54.95

Recommendation - Buy

Industry Textile
 Market Cap 5521 cr.
 52 Week High 119.90
 52 Week Low 46.35
 Research mode Technical

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Welspun India Ltd.

CMP - 54.95	Target Price : 75
Date : 14 Oct 2016	Market Cap : 5520.96
Basic Detail	
BSE CODE	514162
BSE GROUP	B
NSE SYMBOL	WELSPUNIND
INDUSTRY	Textile
ISIN NO	INE192B01031
Face Value	1
Latest Price	54.95
BSE 52 Wk High Price	119.9
BSE 52 Wk Low Price	46.35
Key Indicators	
Shares Outstanding	1004725150.00
Market capitalization (Rs Cr)	5520.96
Latest Book Value	20.51
Latest Enterprise Value (Rs Cr)	7681.99
Latest EPS	6.01
TIMPE (x)	9.14
Price/BV (x)	2.68
Dividend Yield %	2.37
EV/ Sales (TIM)	1.59
Mcap/ Sales (TIM)	1.14

Company Profile

Welspun India Ltd. (WIL) a Welspun Group company, started its activities in 1985 as Welspun Winilon Silk Mills Pvt. Ltd, a synthetic yarn business which went on to become Welspun Polyesters (India) Ltd. and finally, Welspun India Limited emerged in the year 1995. The company offers a variety of products like towels in different sizes and qualities, bed linen using state of the art technology and the best quality of Egyptian cotton. Launched organic products utilizing the benefits of Soya, Seaweed, milk and Bamboo. WIL is Asia 's largest and amongst the top 4 Terry Towel producers in the World. Its business is spread across continents and a distribution network in 32 countries, like USA, UK, Canada, Australia, Italy, Sweden and France. 94% of the total products are exported. The company is the preferred supplier to 14 out of top 20 retailers in the world. It endeavors to reach the leadership position in each segment / sector of its product / service.

Technical recommendation

Stock currently shown some sharp correction from the highs of Rs 119 on the back of some bad news. Currently we believes scrip is in consolidation phase near to its crucial support of 45-46 levels. For the upcoming 7-8 months we believe welspun is well poised for some sharp recovery as its technical indicators already in oversold zone and volume seems to building gradually. Hence we advised to accumulate this stock around 54 and on dips around 45-46 for the price target of Rs 70-75 in 10-12 months.

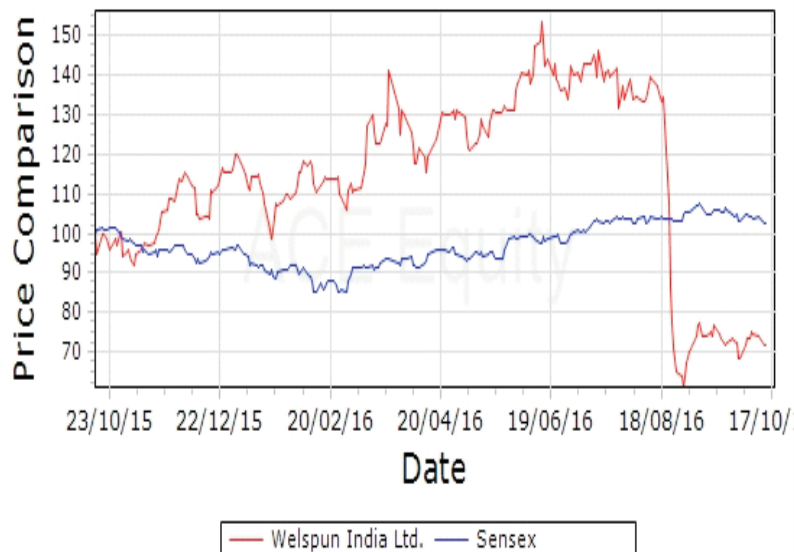
Financial Highlights

Welspun India Ltd. Du Pont Analysis -Consolidated

DESCRIPTION	Mar-16	Mar-15	Mar-14	Mar-13	Mar-12	Mar-11
PATM (%)	11.96	10.18	1.91	6.16	-0.50	0.15
Sales / Total Assets(x)	1.00	0.98	0.97	0.99	1.01	0.78
Assets to Equity (x)	3.49	4.27	4.30	4.29	4.60	4.67
ROE (%)	41.84	42.83	7.98	26.10	-2.33	0.55

Quarter On Quarter(consolidated)

Particulars	201606	201603	201512	201509
Net Sales & Other Operating Income	1592.59	1628.35	1490.40	1472.27
Total Expenditure	1170.13	1205.46	1089.83	1098.02
PBIDT (Excl OI)	422.46	422.89	400.57	374.25
Other Income	18.90	26.86	17.21	19.72
Operating Profit	441.36	449.75	417.78	393.97
INTEREST	35.27	66.29	59.24	51.45
Exceptional Items	0.00	0.00	0.00	0.00
PBDT	406.09	383.46	358.54	342.52
DEPRECIATION	112.08	104.22	99.73	91.75
PBT	294.01	279.24	258.81	250.77
TAX	85.33	82.48	81.35	74.66
Profit After Tax	208.68	196.76	177.46	176.11
Net Profit (After Extraordinary items)	208.68	196.76	177.46	176.11
Closing Price	108.55	99.35	91.48	84.34
Calculated EPS Unit Curr	2.01	1.92	17.33	17.15
Calculated EPS Annualised Unit Curr	8.04	7.70	69.31	68.62
PE	13.51	12.91	1.32	1.23
PBIDTM% (Excl OI)	26.53	25.97	26.88	25.42
PBIDTM%	27.71	27.62	28.03	26.76
PBDTM%	25.50	23.55	24.06	23.26
PBTM%	18.46	17.15	17.37	17.03
PATM%	13.10	12.08	11.91	11.96



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 MCX/TCM/CORP/0740 NCDEX/TCM/CORP/0293



Data Source : ACE Equity

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