

Dec 15, 2016



QUARTERLY BASKET

 **smc**
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Buy Around: 143

SL: 129

Target: 165

Upside: 15.40%

Horizon: 3 Month

VALUE PARAMETERS

Current Mkt.Price (₹)	141.50
Face Value (₹)	1.00
52 Week High/Low	189.30/121.55
M.Cap (₹ in Cr.)	1885.30
EPS (₹)	8.95
P/E Ratio (times)	15.82
P/B Ratio (times)	1.81
Dividend Yield (%)	0.65
Stock Exchange	BSE

STOCK DATA

BSE Code	532890
NSE Symbol	TAKE
Reuters	TAKE.BO
Bloomberg	TAKE IN

SHAREHOLDING PATTERN

(As on 30 Sep 2016)	% Of Holding
Foreign	14.79
Institutions	2.25
Non corporate corp. holding	8.84
Promoters	63.14
Public & Others	10.99

According to the management of the company, it would grow at rate of 25 percent in organic segment in FY17 but also able to sustain similar growth for the next three years. On the margin front, margins for the life science business are upwards of 25 percent and that there is an opportunity to expand the margins by 1.5-2 percent over the next two years. Life science business of the company contributes over 75% to revenue and margin from SCM is 10-11% while it is nearly 22% from life sciences. Moreover, the company wants to become a specialized company in life sciences.

Business Profile

TAKE Solutions, is a globally recognized knowledge intensive technology player, delivering comprehensive and niche solutions for enterprises across diverse sectors for over 15 years, with key expertise in Life Sciences (LS) and Supply Chain Management (SCM). With its global headquarters in Chennai, India, it has a proven track record of delivering world-class solutions to more than 400 customers worldwide, including 9 of the top 10 global Pharma companies.

Investment Rationale

- In the LS (life science) domain, TAKE offers IP-based software and extensive knowledge-based solutions to enable efficient clinical, regulatory, safety and content management. In SCM (supply chain management), TAKE's product suite includes distinct technology with embedded IP that spans enterprise mobility, trading partner collaboration, and material tracking.
- Its significant recognitions include a patent win from the United States Patent and Trademark Office (USPTO) for its 'Method for Optimizing Clinical Data Standardization', a 'Leader' certification in Drug Safety Services & Life Sciences R&D IT Outsourcing from IDC, recognition as the 'Dream Employer of the Year' at the World HRD Congress and the title of 'Most Admired Brand –IT' from the Asian Customer Engagement Forum.
- On a consolidated basis, It has reported net profit of Rs 32.66 crore in Q2 Sep 2016 compared with net profit of Rs 25.05 crore in Q2 Sep 2016. Net sales rose 36% to Rs 328.35 crore in Q2 Sep 2016 over Q2 Sep 2015.
- It has strong domain expertise in providing cost effective comprehensive solutions to the business. TSL provides LS solutions to pharmaceutical and biotechnology companies on a contract basis. The Life Sciences space is highly regulated by the USFDA and is subject to various laws and regulations such as HIPAA, ICH guidelines on Good Clinical Practices and other federal, state and local laws.



We recommend a buy in the stock of TAKE SOLUTIONS LTD for a short-term perspective. The stock is trading at its good support level with good fundamental records and is expected to move up from this level. It made a 52 week low Rs. 121.55 and 52 week high of Rs 189.30. Buy around at 143 with a closing below stop loss of Rs.129 levels for the target of Rs.165.

Note: Follow Strict Stop Loss.



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E-mail: researchfeedback@smcindiaonline.com



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Corporate Office:

11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:

Dheeraj Sagar, 1st Floor,
Opp. Goregaon sports club, link road
Malad (West), Mumbai - 400064
Tel: 91-22-67341600, Fax: 91-22-28805606

Kolkata Office:

18, Rabindra Sarani,
"Poddar Court", Gate No. 4,
4th Floor, Kolkata - 700001
Tel: 91-33-39847000, Fax: 91-33-39847004

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