ValueGuide

September 2021

Intelligent Investing	Regular Features	Products & Services	Trader's Edge
Stock Idea Stock Updates Viewpoints Sector Updates	Report Card Earnings Guide	PMS MF Picks	Technical View Currencies F&O Insights

Sharekhan
by BNP PARIBAS

www.sharekhan.com

Come one, come all

There's something for everyone at Sharekhan Classroom

Whether you're a trader, an investor or a complete newbie who has recently opened an account with Sharekhan, there's a module designed especially for you.

Explore the module of your choice

I am a Beginner	I am an Online Trader	I am an Investor	I am a Trader

3 Reasons to be a Classroom regular

It's completely online
Attend the sessions from anywhere you want, all you need is an internet connection

Take your pick
Choose from a variety of courses from customised categories

Learn it live
Get a feel of the markets and how they work by attending the sessions during market hours

Register today

CONTENTS

From the Editor's Desk

Markets continued to trend up in August globally. The benchmark indices, Nifty/ Sensex, appreciated by 8.7%/9.4%, respectively. Nifty scaled peak of 17000 on the last trading session of the month, while the Sensex hit the 57,000 mark during the month.The rally sustained through the month, with a key difference. ... 08

PMS DESK

EQUITY

EQUITY

FUNDAMENTALS

CURRENCY

TECHNICALS

Sharekhan by BNP PARIBAS

Registered Office: Sharekhan Limited, 10th Floor, Beta Building, Lodha iThink Techno Campus, Off. JVLR, Opp. Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai – 400042, Maharashtra. Tel: 022 - 61150000. Sharekhan Ltd.: SEBI Regn. Nos.: BSE / NSE / MSEI (CASH / F&O / CD) / MCX - Commodity: INZ000171337; DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669; Research Analyst: INH000006183; Disclaimer: Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges and the T&C on www.sharekhan.com; Investment in securities market are subject to market risks, read all the related documents carefully before investing.

STOCK IDEAS STANDING (AS ON SEP 03, 2021)

COMPANY	CURRENT RECO	PRICE AS ON 03-SEP-2021	PRICE TARGET	52 WEEK		ABSOLUTE PERFORMANCE				RELATIVE TO SENSEX			
				HIGH	LOW	1M	3M	6M	12M	1M	3M	6M	12M
Autos													
Alicon Castalloy	Buy	813	1056	948	282	3.0	45.6	72.0	126.1	-3.7	30.5	50.4	49.2
Amara Raja Batteries	Buy	722	1146	1025	665	0.2	-4.8	-21.4	-2.7	-6.3	-14.6	-31.2	-35.8
Apollo Tyres	Buy	223	290	261	110	-1.1	-3.3	-13.9	84.3	-7.5	-13.3	-24.7	21.6
Ashok Leyland	Buy	121	151	143	64	-10.8	-6.1	-7.9	72.9	-16.6	-15.8	-19.4	14.1
Bajaj Auto	Buy	3752	4800	4361	2823	-2.1	-11.7	-3.2	30.2	-8.4	-20.9	-15.4	-14.1
Balkrishna Industries	Hold	2411	2507	2558	1237	-3.4	8.9	47.4	86.6	-9.7	-2.4	28.9	23.1
Bosch	Buy	14317	18156	16900	11322	-7.7	-8.5	-6.1	11.1	-13.7	-18.0	-17.9	-26.7
Exide Industries	Buy	190	229	221	154	9.7	-2.1	-9.5	15.9	2.6	-12.2	-20.8	-23.5
Gabriel India	Buy	142	173	163	91	8.7	10.7	7.3	32.3	1.7	-0.8	-6.1	-12.7
GNA Axles	Buy	734	751	778	203	3.9	64.5	82.0	224.1	-2.8	47.5	59.2	113.8
Greaves Cotton	Buy	142	194	184	66	-10.4	9.9	2.0	79.9	-16.2	-1.5	-10.8	18.7
Hero MotoCorp	Buy	2801	4030	3629	2636	-0.1	-8.1	-18.0	-3.9	-6.6	-17.6	-28.3	-36.6
Lumax Auto Technologies	Buy	143	207	181	88	-12.7	-3.8	-12.3	45.7	-18.4	-13.8	-23.3	-3.8
M&M	Buy	750	1000	952	566	-2.1	-6.8	-11.3	18.6	-8.4	-16.4	-22.4	-21.7
Maruti Suzuki	Buy	6863	7707	8400	6274	-3.4	-4.9	-3.8	-4.6	-9.6	-14.7	-15.8	-37.0
Mayur Uniquoters	Buy	478	670	546	228	-10.9	-1.7	14.8	68.2	-16.6	-11.9	0.4	11.0
Ramkrishna Forgings	Buy	979	1204	1100	206	7.9	45.6	67.7	312.8	0.9	30.5	46.7	172.4
Schaeffler India	Buy	7397	8000	7575	3450	8.0	42.2	41.0	86.3	1.0	27.4	23.3	23.0
Sundram Fasteners	Buy	794	994	867	392	-0.5	-2.1	12.8	81.4	-6.9	-12.3	-1.3	19.7
Suprajit Engineering	Buy	321	401	358	162	-2.8	15.3	13.7	80.1	-9.1	3.4	-0.6	18.8
Tata Motors	Buy	296	430	361	122	-0.9	-11.8	-12.9	100.0	-7.3	-20.9	-23.8	32.0
TVS Motor	Buy	540	688	666	407	-4.9	-13.3	-12.6	24.6	-11.1	-22.3	-23.6	-17.8
BSE Auto Index		***22677***		***25073***	***16735***	***-1.2***	***-5.6***	***-5.3***	***25.6***	***-7.6***	***-15.4***	***-17.2***	***-17.1***
Agri/Specialy Chemical													
Aarti Industries	Buy	913	1155	987	484	-3.1	8.0	41.5	70.9	-9.4	-3.2	23.7	12.8
Atul Limited	Buy	9211	10600	9651	5564	1.4	7.0	38.4	50.7	-5.1	-4.1	21.1	-0.6
Coromandel International	Buy	799	1070	956	682	-8.1	-4.0	1.7	7.4	-14.1	-14.0	-11.1	-29.2
Insecticides (India)	Buy	754	900	846	399	-9.6	34.0	64.2	51.8	-15.5	20.1	43.6	0.2
PI Industries	Buy	3422	3900	3456	1810	9.0	26.3	50.8	81.7	1.9	13.2	31.9	19.9
Sumitomo Chemical India	Buy	420	500	460	258	-2.8	17.4	41.8	54.6	-9.1	5.2	24.0	2.0
SRF Limited	Buy	10341	10600	10380	3996	14.7	56.2	81.1	146.0	7.3	40.0	58.4	62.3
Sudarshan Chemicals	Buy	662	815	792	422	-12.8	-5.6	16.4	47.1	-18.4	-15.4	1.8	-3.0
UPL	Buy	753	930	865	399	-4.1	-9.9	22.3	48.0	-10.3	-19.3	7.0	-2.3
Vinati Organics	Buy	1868	2350	2130	976	-4.3	5.5	31.1	86.2	-10.5	-5.5	14.7	22.8
Banks and Financial Services													
AU Small Finance Bank^^	Buy	1170	1350	1389	616	-5.8	16.8	-7.7	77.4	-11.9	4.7	-19.3	17.0
Axis Bank	Buy	798	940	819	400	5.9	7.5	8.3	75.3	-1.0	-3.6	-5.3	15.7
Bajaj Finance	Buy	7525	**	7670	3009	18.3	25.6	37.1	109.3	10.6	12.5	20.0	38.1
Bajaj Finserv^^	Buy	16729	**	17257	5401	17.9	37.7	65.2	166.5	10.3	23.4	44.5	75.9
Bank of Baroda^^	Buy	79	100	100	40	-5.0	-3.2	-7.7	72.5	-11.1	-13.3	-19.3	13.9
Bank of India^^	Buy	59	100	101	38	-18.4	-27.9	-25.6	22.1	-23.7	-35.4	-34.9	-19.4
Cholamandalam Investment and Finance Company^^	Buy	571	650	601	216	10.4	0.0	6.7	143.7	3.3	-10.3	-6.7	60.8
City Union Bank^^	Buy	154	225	200	129	-0.3	-7.2	-14.4	9.4	-6.7	-16.8	-25.2	-27.8
Federal Bank^^	Buy	83	95	92	45	-5.6	-5.6	-8.6	54.0	-11.7	-15.4	-20.1	1.6
HDFC^^	Buy	2758	3100	2895	1623	3.1	5.3	6.8	55.8	-3.6	-5.6	-6.6	2.8
HDFC Bank	Buy	1576	1810	1650	1025	7.6	5.0	1.4	40.7	0.6	-5.9	-11.3	-7.2
ICICI Bank	Buy	725	876	735	334	1.4	12.7	16.7	94.4	-5.2	1.0	2.1	28.3
Indusind Bank	Buy	1003	1340	1119	485	-1.6	-0.6	-8.1	63.0	-8.0	-10.9	-19.6	7.5
Kotak Mahindra Bank^^	Buy	1792	2130	2049	1231	2.4	-1.0	-5.6	30.0	-4.2	-11.3	-17.4	-14.2
LIC Housing Finance^^	Buy	408	610	542	260	-0.5	-23.1	-10.2	38.0	-6.9	-31.1	-21.5	-9.0
LT FINANCE HOLDING	Buy	84	118	113	52	-5.3	-13.3	-23.0	37.8	-11.4	-22.3	-32.7	-9.1
Max Financial^^	Buy	1067	1250	1148	567	-3.7	11.6	16.5	79.7	-10.0	0.0	1.9	18.6
M&M Financial Services^^	Buy	165	260	224	113	7.1	-1.7	-22.0	20.4	0.2	-11.9	-31.8	-20.6

STOCK IDEAS STANDING (AS ON SEP 03, 2021)

COMPANY	CURRENT RECO	PRICE AS ON 03-SEP-2021	PRICE TARGET	52 WEEK HIGH	52 WEEK LOW	ABSOLUTE PERFORMANCE 1M	3M	6M	12M	RELATIVE TO SENSEX 1M	3M	6M	12M
Nippon Life India AMC	Buy	419	460	439	249	2.6	13.5	16.0	52.4	-4.0	1.7	1.5	0.6
Punjab National Bank^^	Hold	38	48	46	26	-3.4	-11.7	-12.7	13.2	-9.7	-20.9	-23.7	-25.3
RBL Bank^^	Buy	172	240	274	156	-4.5	-19.8	-30.9	-8.9	-10.7	-28.1	-39.6	-39.9
Repco Home Finance^^	Buy	295	400	429	151	-10.4	-20.5	-12.1	70.4	-16.2	-28.7	-23.1	12.4
SBI^^	Buy	431	520	467	176	-5.6	-0.5	9.0	108.8	-11.7	-10.8	-4.7	37.7
Spandana^^	Buy	642	**	830	505	0.9	-13.6	3.3	8.1	-5.6	-22.6	-9.6	-28.7
BSE Bank Index		***41882***		***42655***	***23204***	***2.1***	***4.6***	***4.1***	***60.3***	***-4.5***	***-6.2***	***-9.0***	***5.7***
Insurance													
HDFC Life	Buy	734	850	776	556	8.8	7.9	2.1	27.8	1.7	-3.3	-10.7	-15.7
ICICI Pru Life^^	Buy	697	**	708	398	4.2	20.6	40.2	65.6	-2.5	8.1	22.7	9.3
ICICI Lombard^^	Buy	1629	1750	1657	1201	12.7	12.5	10.8	26.3	5.4	0.8	-3.1	-16.7
Consumer Goods													
Asian Paints	Buy	3339	3550	3344	1884	10.7	14.2	38.1	70.7	3.5	2.3	20.8	12.6
Bajaj Consumer Care	Buy	245	355	324	163	-12.2	-16.4	0.7	46.6	-17.9	-25.1	-11.9	-3.3
Britannia	Buy	4122	4200	4134	3318	15.3	18.1	17.8	11.2	7.9	5.8	3.0	-26.6
Colgate-Palmolive (India)	Buy	1724	1950	1823	1323	3.4	1.6	6.3	26.5	-3.3	-8.9	-7.0	-16.5
Dabur India	Buy	641	725	645	479	9.0	17.8	22.2	32.5	1.9	5.6	6.9	-12.6
Emami	Buy	605	680	621	334	7.7	12.5	34.3	63.7	0.7	0.8	17.5	8.0
Godrej Consumer Products	Buy	1118	**	1139	642	13.1	31.3	61.5	70.6	5.8	17.7	41.2	12.6
Hindustan Unilever	Buy	2766	2790	2810	2001	16.4	18.1	25.9	30.2	8.8	5.9	10.1	-14.1
ITC	Buy	211	265	239	163	0.9	0.8	0.4	12.8	-5.6	-9.6	-12.2	-25.6
Indigo Paints New Idea	Buy	2625	3305	3348	2192	0.6	5.6	1.3	-	-5.9	-5.4	-11.4	-
Jyothy Laboratories	Buy	168	203	187	128	-2.6	5.7	13.3	20.7	-8.9	-5.3	-0.9	-20.4
Marico	Buy	561	625	572	333	4.6	15.2	37.8	50.0	-2.1	3.3	20.6	-1.0
Nestle India	Buy	20260	22395	20334	15104	12.2	16.1	21.7	24.8	5.0	4.1	6.4	-17.6
Tata Consumer Products Ltd	Buy	870	960	876	459	14.6	26.6	37.8	53.7	7.2	13.5	20.6	1.4
Zydus Wellness	Buy	2300	2505	2393	1581	1.6	9.7	21.1	44.3	-5.0	-1.6	6.0	-4.8
BSE FMCG Index		***14807***		***14900***	***10724***	***8.7***	***13.1***	***20.0***	***30.1***	***1.7***	***1.4***	***5.0***	***-14.2***
IT / IT services													
Birlasoft	Buy	414	500	441	154	5.7	24.4	74.5	147.0	-1.2	11.5	52.7	63.0
HCL Technologies	Buy	1174	1400	1193	683	12.8	25.3	22.5	67.5	5.5	12.3	7.2	10.5
Infosys	Buy	1700	1820	1756	913	3.1	22.7	27.8	85.0	-3.6	10.0	11.8	22.1
Intellect Design	Buy	650	900	892	178	-9.8	-11.7	35.2	247.6	-15.7	-20.8	18.3	129.4
L&T Infotech	Buy	5457	5750	5498	2310	16.2	41.5	39.1	120.2	8.7	26.8	21.6	45.3
L&T Technology services	Buy	4340	4650	4436	1465	19.4	59.6	61.5	177.7	11.7	43.0	41.2	83.3
Mastek Limited	Buy	2799	2950	2873	663	11.4	43.2	126.2	294.2	4.2	28.3	97.9	160.1
Persistent Systems	Buy	3441	3600	3465	950	12.4	39.8	105.2	247.6	5.1	25.3	79.5	129.4
Tata Consultancy Services	Buy	3841	4250	3858	2228	17.3	22.2	26.0	67.8	9.8	9.5	10.2	10.7
Tata Elxsi	Buy	4885	5000	4975	1056	15.0	37.0	82.5	324.5	7.6	22.8	59.6	180.1
Tech Mahindra	Buy	1442	1665	1478	723	18.5	41.5	48.9	92.6	10.8	26.8	30.2	27.1
Wipro	Buy	655	670	657	271	9.7	21.0	49.3	137.3	2.6	8.5	30.6	56.6
BSE IT Index		***34410***		***34514***	***18025***	***9.4***	***25.3***	***33.3***	***89.8***	***2.3***	***12.3***	***16.6***	***25.2***
Telecom and New Media													
Affle (India) Limited	Buy	4602	6000	6287	2452	10.2	-14.1	-23.9	68.4	3.1	-23.0	-33.4	11.1
Bharti Airtel	Buy	658	750	674	394	14.6	23.6	22.0	25.8	7.2	10.8	6.7	-17.0
Info Edge (India)	Buy	6182	**	6300	3239	15.4	35.1	24.0	85.2	7.9	21.1	8.4	22.2
Capital goods / Power													
Amber Technologies	Buy	3150	3716	3668	1700	4.3	13.7	-9.6	71.6	-2.5	1.9	-20.9	13.2
Bharat Electronics	Buy	199	210	200	86	13.3	30.2	30.1	86.9	6.0	16.7	13.8	23.3
Blue Star	Buy	784	1200	1025	590	-6.9	-5.3	-15.0	26.3	-12.9	-15.1	-25.6	-16.7
Carborundum Universal	Buy	819	854	843	232	17.1	39.0	59.3	219.7	9.5	24.6	39.3	111.0
CESC	Buy	828	905	871	553	5.0	18.6	30.3	36.4	-1.8	6.3	13.9	-10.0
Coal India	Buy	146	185	165	110	1.1	-4.5	-3.8	10.5	-5.4	-14.4	-15.9	-27.1
Cummins India	Buy	1017	1252	1049	425	13.7	25.5	13.9	118.6	6.3	12.5	-0.4	44.3

STOCK IDEAS STANDING (AS ON SEP 03, 2021)

COMPANY	CURRENT RECO	PRICE AS ON 03-SEP-2021	PRICE TARGET	52 WEEK		ABSOLUTE PERFORMANCE				RELATIVE TO SENSEX			
				HIGH	LOW	1M	3M	6M	12M	1M	3M	6M	12M
Dixon Technologies	Buy	4236	5309	4732	1553	0.0	-1.2	8.4	146.9	-6.4	-11.4	-5.1	62.9
Finolex Cable	Buy	473	623	557	257	-8.0	-1.6	13.7	64.7	-13.9	-11.8	-0.5	8.7
Honeywell Automation	Buy	40152	52407	49805	27854	-4.3	-4.3	-16.4	24.5	-10.5	-14.2	-26.9	-17.8
Kalpataru Power Transmission	Buy	412	586	496	228	-12.8	-6.0	3.6	62.6	-18.4	-15.7	-9.4	7.3
KEC International	Buy	424	505	486	299	1.9	4.5	-10.5	29.7	-4.7	-6.4	-21.7	-14.4
KEI Industries	Buy	778	909	793	319	9.0	10.1	56.6	100.2	2.0	-1.3	36.9	32.1
NTPC	Buy	117	140	122	78	-0.5	4.6	5.6	23.5	-6.9	-6.2	-7.6	-18.5
Polycab India	Buy	2232	2375	2252	795	22.9	30.4	65.2	157.9	15.0	16.9	44.5	70.2
Power Grid Corporation#	Buy	176	217	189	116	0.2	3.5	4.0	33.7	-6.3	-7.3	-9.1	-11.8
Ratnamani Metals and Tubes	Buy	2130	2500	2249	1119	0.0	6.1	7.1	81.4	-6.4	-4.9	-6.3	19.7
Tata Power New Idea	Buy	134	165	138	50	1.7	23.8	22.4	127.6	-4.9	11.0	7.1	50.2
Thermax	Buy	1428	1720	1570	706	3.0	-5.0	1.8	85.4	-3.6	-14.8	-11.0	22.4
Triveni Turbine	Buy	143	156	147	67	18.4	26.2	29.4	93.4	10.8	13.1	13.2	27.6
Va Tech Wabag	Buy	337	435	404	172	-9.8	19.3	21.4	69.3	-15.7	7.0	6.2	11.7
V-Guard Industries	Buy	250	311	285	162	0.8	-4.1	14.5	48.1	-5.7	-14.1	0.1	-2.3
BSE Power Index		***2998***		***3084***	***1571***	***13.4***	***3.9***	***17.0***	***76.7***	***6.0***	***-6.9***	***2.4***	***16.6***
BSE Capital Goods Index		***25560***		***25656***	***12919***	***7.2***	***9.8***	***15.1***	***82.7***	***0.2***	***-1.6***	***0.7***	***20.6***
Infrastructure													
Ashoka Buildcon	Buy	100	125	119	60	-2.8	7.9	-13.7	45.2	-9.0	-3.3	-24.5	-4.2
JMC Projects	Hold	103	132	130	45	-11.7	-9.0	29.1	96.7	-17.4	-18.4	12.9	29.8
KNR Constructions	Buy	327	400	344	114	17.8	42.4	57.2	166.3	10.1	27.7	37.5	75.7
Larsen & Toubro	Buy	1687	1900	1718	843	3.9	9.7	15.4	78.9	-2.8	-1.7	0.9	18.0
PNC Infratech	Buy	360	386	363	147	17.1	37.4	34.6	121.8	9.5	23.1	17.7	46.3
Sadbhav Engineering	Hold	48	68	96	37	-29.0	-31.5	-34.8	-7.9	-33.6	-38.6	-42.9	-39.3
CNX Infra Index		***4831***		***4831***	***2953***	***6.9***	***9.0***	***12.9***	***52.3***	***0.0***	***-2.3***	***-1.3***	***0.5***
BSE Real estate Index		***3325***		***3377***	***1604***	***1.1***	***18.0***	***15.1***	***92.0***	***-5.4***	***5.7***	***0.7***	***26.7***
Metal & mining													
JSW Steel	Buy	691	850	777	258	-7.6	-4.2	66.8	144.8	-13.6	-14.2	45.9	61.5
NMDC	Buy	155	240	213	76	-13.5	-19.9	12.7	65.2	-19.1	-28.2	-1.5	9.0
MOIL	Buy	169	225	208	119	-7.8	-7.8	2.5	13.8	-13.8	-17.4	-10.4	-24.9
SAIL New Idea	Buy	122	169	151	33	-11.0	-0.4	60.2	202.3	-16.8	-10.7	40.1	99.5
Oil & gas													
Bharat Petroleum Corporation	Buy	491	520	494	325	7.5	2.7	6.0	21.8	0.5	-7.9	-7.3	-19.6
Castrol India	Buy	136	172	155	104	-2.8	-3.6	0.0	13.5	-9.0	-13.6	-12.6	-25.1
GAIL (India)	Buy	147	196	170	81	3.4	-9.0	1.9	50.2	-3.3	-18.5	-10.8	-0.9
Gujarat Gas	Buy	701	890	787	281	-9.1	18.7	28.9	128.0	-14.9	6.4	12.8	50.4
Gujarat State Petronet Limited	Buy	351	410	383	178	1.7	14.1	19.0	76.5	-4.8	2.2	4.1	16.4
Hindustan Petroleum Corporation	Buy	276	340	312	163	1.5	-7.6	12.2	39.9	-5.0	-17.2	-1.8	-7.7
Indian Oil Corporation	Buy	113	125	118	71	7.4	-1.3	11.5	34.7	0.5	-11.5	-2.5	-11.1
Indraprastha Gas Limited	Buy	559	650	595	364	2.4	6.5	7.0	39.4	-4.3	-4.5	-6.4	-8.0
Mahanagar Gas	Buy	1173	1450	1284	780	-0.1	-0.8	-2.3	28.5	-6.5	-11.1	-14.6	-15.2
Oil India Ltd	Hold	180	185	187	83	8.5	27.3	41.1	90.4	1.5	14.1	23.4	25.6
Petronet LNG	Buy	230	285	275	207	6.5	-6.2	-10.0	-2.3	-0.4	-16.0	-21.2	-35.5
Reliance Ind	Buy	2388	2400	2394	1830	13.5	9.0	9.8	15.0	6.2	-2.3	-4.0	-24.1
BSE Oil and gas Index		***17552***		***17573***	***11719***	***11.3***	***2.5***	***9.3***	***35.7***	***4.1***	***-8.1***	***-4.4***	***-10.5***
Pharmaceuticals													
Abbott India	Buy	19842	22780	20187	13970	10.0	24.3	35.5	19.9	2.9	11.4	18.5	-20.9
Aurobindo Pharma	Buy	758	915	1064	660	-16.4	-21.0	-13.4	-6.2	-21.8	-29.2	-24.2	-38.1
Biocon	Buy	363	470	488	328	-5.8	-5.6	-9.0	-13.7	-11.9	-15.4	-20.4	-43.0
Cadila Healthcare	Buy	556	720	674	358	-5.5	-12.7	23.8	47.4	-11.6	-21.7	8.3	-2.7
Cipla	Buy	941	1150	997	702	0.1	-0.6	16.7	29.8	-6.3	-10.9	2.1	-14.3
Divi's Labs	Buy	5210	5620	5269	2987	4.9	22.3	46.6	61.5	-1.9	9.6	28.2	6.5
DR Reddy's	Buy	4899	5900	5614	4136	2.7	-6.7	7.1	13.3	-4.0	-16.4	-6.3	-25.2
Gland Pharma	Buy	3994	4400	4350	1701	1.4	27.4	49.5	-	-5.2	14.2	30.8	-

STOCK IDEAS STANDING (AS ON SEP 03, 2021)

COMPANY	CURRENT RECO	PRICE AS ON 03-SEP-2021	PRICE TARGET	52 WEEK HIGH	52 WEEK LOW	ABSOLUTE PERFORMANCE 1M	3M	6M	12M	RELATIVE TO SENSEX 1M	3M	6M	12M
Granules	Buy	341	475	438	282	-11.9	4.0	-6.3	-1.5	-17.6	-6.8	-18.1	-35.0
IPCA Lab	Buy	2535	2560	2665	1786	21.5	23.1	31.3	25.5	13.6	10.3	14.8	-17.2
Laurus Labs	Buy	652	800	724	210	0.9	19.3	77.1	175.9	-5.6	7.0	54.9	82.1
Lupin	Buy	969	1400	1268	856	-15.9	-21.3	-7.5	2.6	-21.3	-29.4	-19.1	-32.3
Sanofi India	Buy	8417	9600	9300	7428	-2.0	8.5	1.1	-0.1	-8.3	-2.8	-11.6	-34.1
Solara Active Pharma Sciences	Buy	1652	2100	1859	869	-4.4	-4.9	27.7	73.5	-10.6	-14.7	11.7	14.5
Strides Pharma Sciences	Hold	614	770	1000	568	-21.8	-22.1	-29.2	2.5	-26.8	-30.1	-38.1	-32.4
Sun Pharmaceutical Industries	Buy	789	900	804	453	0.4	17.0	27.6	54.0	-6.1	4.9	11.6	1.6
Torrent Pharma	Buy	3193	3400	3226	2311	3.8	13.6	27.8	15.2	-2.9	1.8	11.8	-24.0
BSE Health Care Index		***26755***		***26879***	***18366***	***1.4***	***8.1***	***24.3***	***42.8***	***-5.1***	***-3.1***	***8.7***	***-5.8***
Building materials													
APL Apollo Tubes	Buy	1701	2075	1850	460	-1.5	28.3	29.5	254.8	-7.9	15.0	13.3	134.1
Astral Poly Technik	Hold	2099	2404	2294	770	-6.3	10.7	26.3	129.8	-12.4	-0.8	10.5	51.6
Century Plyboards (India)	Buy	396	505	459	146	-8.2	-2.0	23.6	143.7	-14.2	-12.2	8.1	60.8
Dalmia Bharat	Buy	2230	2410	2404	652	9.6	24.5	49.9	199.8	2.5	11.6	31.1	97.8
Grasim	Buy	1510	1780	1614	652	-2.8	0.5	11.9	113.8	-9.1	-10.0	-2.1	41.0
Greenlam Industries	Buy	1364	1605	1494	685	0.2	12.2	42.2	89.6	-6.3	0.5	24.4	25.1
Greenpanel Industries	Buy	258	335	288	43	-3.5	3.9	48.4	463.1	-9.8	-6.9	29.8	271.5
JK Lakshmi Cement	Hold	708	780	815	243	6.7	30.8	63.1	168.5	-0.2	17.3	42.7	77.2
Kajaria Ceramics	Buy	1194	1402	1228	425	15.6	20.4	22.3	169.1	8.1	7.9	7.0	77.5
Pidilite Industries	Buy	2325	2525	2362	1391	2.7	11.8	32.4	61.9	-3.9	0.2	15.8	6.8
Shree Cement	Buy	30421	31610	32050	18214	4.4	8.1	6.0	52.7	-2.3	-3.1	-7.3	0.7
Supreme Industries Limited	Buy	2151	2553	2338	1294	3.6	-3.5	3.1	55.9	-3.1	-13.5	-9.8	2.9
The Ramco Cements	Buy	1047	1310	1131	682	-2.4	6.1	2.1	46.1	-8.8	-4.9	-10.7	-3.6
UltraTech Cement	Buy	7928	8800	8029	3755	2.3	19.0	17.0	101.9	-4.3	6.6	2.3	33.2
Logistics													
Gateway Distriparks	Buy	255	347	325	84	-11.5	-15.5	41.9	164.5	-17.2	-24.3	24.1	74.5
Mahindra Logistics	Buy	723	727	819	310	2.6	30.8	42.5	105.2	-4.0	17.3	24.6	35.4
TCI Express	Buy	1457	1913	1747	735	-0.1	0.8	56.9	88.0	-6.6	-9.6	37.2	24.1
TCI Limited	Buy	411	541	510	200	-7.8	-6.3	66.3	86.5	-13.8	-16.0	45.5	23.1
Discretionary													
ABFRL	Buy	219	275	234	120	1.4	7.6	0.8	60.4	-5.1	-3.6	-11.8	5.8
Arvind@	Buy	93	122	116	29	-14.3	17.9	19.5	173.7	-19.9	5.6	4.6	80.6
Bata India	Buy	1772	1905	1817	1258	7.2	13.6	16.3	31.3	0.3	1.8	1.7	-13.3
Inox Leisure	Buy	307	400	359	242	-2.0	-3.3	-8.4	5.9	-8.3	-13.3	-19.9	-30.1
Jubilant Foodworks	Buy	4112	4707	4173	2077	10.2	29.5	31.4	83.2	3.0	16.1	14.9	20.9
KPR Mill	Buy	1970	2360	2086	533	-0.7	28.4	103.9	257.1	-7.1	15.1	78.4	135.6
Relaxo Footwear	Buy	1207	1350	1272	610	3.5	12.1	43.6	83.7	-3.2	0.4	25.6	21.2
The Indian Hotels Company	Buy	147	182	157	89	0.9	7.4	14.2	44.2	-5.6	-3.8	-0.1	-4.8
Titan Company Limited	Buy	2019	2025	2024	1076	12.2	20.5	37.3	74.2	4.9	8.0	20.1	14.9
Trent Ltd	Buy	996	1125	1037	588	7.2	16.9	7.3	53.4	0.3	4.8	-6.2	1.2
Welspun India	Buy	126	170	145	51	-6.8	36.7	67.4	123.5	-12.9	22.5	46.4	47.5
Wonderla Holidays	Buy	234	270	270	135	-3.3	10.5	10.4	26.2	-9.6	-1.0	-3.4	-16.7
ZEE Entertainment	Buy	176	275	261	167	-12.6	-19.1	-21.8	-20.0	-18.3	-27.5	-31.6	-47.2
Diversified / Miscellaneous													
Bajaj Holdings	Buy	4352	4437	4400	2219	10.2	23.4	19.6	68.0	3.0	10.6	4.6	10.9
Balrampur Chini Mills	Buy	370	465	387	140	7.3	16.7	76.6	138.9	0.3	4.6	54.5	57.6
Mahindra Lifespace	Buy	800	898	822	218	3.5	39.5	52.2	230.5	-3.2	25.1	33.1	118.1
Polyplex Corporation	Hold	1544	**	1595	645	0.6	34.3	68.0	116.2	-5.9	20.4	47.0	42.6
Quess Corp	Buy	838	990	920	350	-5.9	19.6	15.9	118.9	-11.9	7.2	1.4	44.5
Triveni Engineering & Industries	Buy	174	240	209	62	-3.5	14.7	80.8	129.2	-9.7	2.8	58.1	51.3
BSE500 Index		***23495***		***23513***	***14201***	***5.6***	***10.2***	***16.4***	***57.7***	***-1.2***	***-1.3***	***1.8***	***4.1***
CNX500 Index		***14759***		***14759***	***8945***	***5.7***	***10.2***	***16.3***	***57.4***	***-1.2***	***-1.2***	***1.7***	***3.8***
CNXMCAP Index		***29060***		***29060***	***16040***	***4.1***	***9.4***	***18.1***	***71.7***	***-2.7***	***-1.9***	***3.3***	***13.3***

** Price under review @ Reco price adjusted for demerger # Reco price adjusted for bonus ^ Reco price adjusted for stock split

^^ Data for Bank, NBFC and Insurance stocks is as of the last published report

From the Editor's Desk

Time for a breather?

Markets continued to trend up in August globally. The benchmark indices, Nifty/Sensex, appreciated by 8.7%/9.4%, respectively. Nifty scaled peak of 17000 on the last trading session of the month, while the Sensex hit the 57,000 mark during the month.The rally sustained through the month, with a key difference. This time, it was large-cap stocks that steered the ship, while mid-cap and small-cap stocks experienced certain amount of volatility.

The optimism is not limited to Indian markets alone. It is a global rally. Even the key indices US markets hit a new high in August 2021. For that matter, equity markets globally have shown healthy double-digit gains since the beginning of calendar year 2021. Since January 2021, the MSCI World index has gone up by 17% with all major indices like S&P 500 (20%), Nasdaq (18%), Nifty (22%), FTSE (10%), Taiwan (17%) among others trending up during the year. The only exceptions are China, Hong Kong and Indonesia for country specific-issues; thereby dragging down the performance of MSCI Emerging Market Index this year.

Among the key developments during the month, first, the RBI retained status quo on interest rates. India's CPI inflation declined after a two-month gap to 5.59%, well within the RBI's target range. Thought RBI's has increased the outlook on inflation over the next few quarters, the central bank re-iterated its commitment to keep its monetary policy stance accommodative.

Second, the Q1 result season turned out to be another quarter of healthy growth in profits of corporate India. Almost 42% of Nifty companies exceeded our and the consensus' expectations. Wave 2 of the pandemic did lead to moderation in earnings estimates for FY2022 but expectations for FY2023 inched up further during the result season. Most management commentaries on earnings outlook remained positive given improving economic activity post the second wave and an anticipation of strong revival in demand.

Another news on the macro front was the 20.1% growth in India's GDP growth for Q1 (April-June) FY2022. It is largely in line with expectations and driven by low base effect, surging exports (up 66.9% to $163.7 billion) and better performance from manufacturing sector. On the other hand, the services sector continues to lag due to adverse impact of wave 2 of pandemic.

The high frequency economic data for July/August indicate sharp revival from economic from wave 2 of pandemic, be its GST collections, e-way bill generation, exports and surge of manufacturing PMI to 55.3 in August 2021.

Going ahead, the key monitorables for the equity market would be - consumer demand in the upcoming festive season, Q2 results season and any development on the tapering of the bond-buying program in US.

Recently, the US Fed chair has indicated that the time is ripe for look at gradually reducing the monthly cash infusion of $120 billion in the bond market though there is no reason to look at hike in interest rates in the near future. Markets expect the timeline to become clearer by November. At the same time, the markets would also have to deal with news flow in the run-up to the all critical UP state elections. It would be first big test of the ruling government as the opposition parties would look to exploit the issue of growing protests against the farm laws.

From an investor's perspective, valuations are not cheap anymore and the phase of easy money driven by expansion of valuation multiples is largely behind us now. Thus, investors need to be more selective now. However, the expected economic and corporate upcycle would throw up many attractive investment opportunities for patient investors.

Happy Investing!

Indigo Paints Ltd

Aug 23, 2021	Paint your portfolio bright	
		Reco Price
Buy	PT : Rs. 3,305	Rs. 2,431

Summary

- We initiate coverage on Indigo Paints Ltd (IPL) with a Buy and assign a target price of Rs. 3,305. Differentiated business model, excellent return profile and strong structural growth outlook will keep valuation at a premium of 60x/44x its FY2023/24E earnings versus peers.
- With a differentiated product portfolio and bottom-up approach, IPL is emerging as one of India's fastest growing paints companies. Revenues and PAT clocked a CAGR of 22% and 71% over FY2018-21.
- Gross margins are highest among peers at ~48% led by IPL's locational advantage and healthy mix of revenues from differentiated products.
- Better working capital management has kept net working capital cycle low at 13-14 days. Operating cash flows (OCF) improved from Rs. 42.8 crore to Rs. 101.4 crore over FY2019-21.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Indigo-Aug23_2021_3R_Stock_Idea.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 02, 2021	**NTPC Ltd**	Stock Update	BUY	↔	118	140	↔

Summary

- Adjusted PAT declined by 3.9% y-o-y to Rs. 3,146 crore (14% below our estimates) on lower late payment surcharge (LPS) income and deferred tax provision of Rs. 350 crore for solar energy projects.
- NTPC guided for >5GW of commercial capacity additions annually and expectation of a decline in CWIP ratio to 24% by FY24E (versus 31% in FY2021). This would drive up regulated equity strongly to >Rs. 90,000 crore by FY24E (versus Rs. 66,338 crore in FY21).
- Focus remains on expanding RE capacity with target of 15GW by FY24E; received approval from MNRE to develop 4.8 GW solar park in Gujarat. Monetisation of RE portfolio by listing NTPC Renewable Energy would act as a key re-rating catalyst.
- We maintain a Buy on NTPC with an unchanged PT of Rs. 140, as valuation remains attractive at 0.8x its FY2023E P/BV (38% discount to historical multiple) despite strong earnings visibility, decent RoE of 13.4% and dividend yield of ~5-6%.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/NTPC_3R-Aug02_2021.pdf

Aug 02, 2021	**Britannia Industries Ltd**	Stock Update	BUY	↔	751	909	↔

Summary

- We retain Buy rating KEI Industries Limited (KEI) with a revised PT of Rs. 909, given its positive outlook going ahead and reasonable valuation.
- KEI reported better than expected performance for Q1FY22 led by strong growth in cables and stainless steel wire segment. Low EPC sales mix leads to lower working capital needs.
- Management retains FY2022 revenue growth of 18-20% with sustainable margins of 11% and a similar range in revenues and margins in consecutive years.
- Focus on expanding retail franchise and EHV business while EPC business to be scaled down.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Britannia_3R-Aug02_2021.pdf

Aug 02, 2021	**PI Industries Ltd**	Stock Update	BUY	↔	3,319	3,900	↑

Summary

- Q1FY22 PAT stood at Rs. 187 crore, rising 28.7% y-o-y but missing our estimate by 7% due to weak revenue growth of 12.6% y-o-y and a 135 bps miss in margin at 20.8% (down 77 bps y-o-y) offsetting a 174 bps y-o-y expansion in gross margin to 43.8%.
- Revenues missed estimates led by a 13.2% fall in revenues of the domestic business amid a delayed monsoon while CSM revenue growth was strong at 31% y-o-y. The fall in margins reflects a sharp jump in staff costs and overheads. Management maintained its revenue growth guidance of 15% y-o-y for FY22.
- The acquisition of pharma API & intermediate business (to get completed by Q3FY22) of Ind-Swift Laboratories is at reasonable valuation of 7.8x FY21 EV/EBITDA and earnings accretive by 6.5%. The likely turnaround and scalability of products of the acquired business with leverage of PI's strong R&D could result in earnings upgrade over FY23E-24E.
- We maintain a Buy rating on PI Industries with a revised PT of Rs. 3,900 as we see strong earnings growth led by both organic and inorganic growth opportunities. The acquisition addresses the concern of cash utilisation and PI's ability to turnaround would result in improvement in earnings profile (both margin and return ratios) in long term.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/PI-3R-Aug02_2021.pdf

Aug 02, 2021	**Emami Ltd**	Stock Update	BUY	↔	570	680	↑

Summary

- Emami posted strong performance on low base of Q1FY2021. Revenue and PAT grew by 37% and 45%, y-o-y respectively. Revenue and PAT declined ~10% and 7% q-o-q, as summer products were affected by surge in second COVID-19 wave.
- Though April-May was affected by the second wave, management has seen resurgence in demand of some key products such as 7-in-one oil, Kesh King, and Boroplus range of products. Management targets steady double-digit growth going ahead.
- Raw-material inflation was the highest in March-April. The same stood flat in May-June and is currently on a declining trend. Thus, gross margin would improve sequentially.
- Promoters pledging to reduce to 25% from current 30% in the short span and target is to reduce to zero in the next twelve months. The stock is trading at 27x its FY2023E EPS. We maintain Buy with a revised PT of Rs. 680.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Emami-3R-Aug02_2021.pdf

◆ Upgrade	↑	◆ No change	↔	◆ Downgrade	↓
◆ Note: The arrow indicates change in call and price target, if any, vis-à-vis the previous report					

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 02, 2021	**V-Guard Industries Ltd**	Stock Update	BUY	↔	247	311	↔

Summary

- We retain Buy on V-Guard Industries Limited (V-Guard) with an unchanged PT of Rs. 311, considering its improving business operations.
- VGIL reported better-than-expected performance for Q1FY2022 driven by strong performance in electricals and consumer durables segment.
- Management expects to get back on to the growth path with a rebound in business environment expecting demand to resume from Q2FY2022. It would aim to grow at 15% y-o-y with 10-10.5% OPM for FY2022.
- The company's strong balance sheet, cash flow and reputed brand along with strong business fundamentals provide comfort in the present environment.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/V-Guard-3R-Aug02_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 02, 2021	**KEC International Ltd**	Stock Update	BUY	↔	419	505	↔

Summary

- In Q1FY2022, KEC International Limited (KEC) reported marginally lower-than-expected revenues, while net earnings came in much lower due to a fall in OPM. Adverse raw material costs and a challenging business environment in Brazil affected OPM.
- Order inflow and L1 position remained strong, driven by T&D orders. Order book at Rs. 20,444 crore, 1.5x TTM consolidated revenues provided healthy revenue visibility.
- The management didn't provide any guidance due to the uncertain environment but expects double-digit revenue growth given the current order book. Going ahead, the management indicated that Railways/Civil and cable segments remain major growth drivers.
- We retain a Buy on KEC with an unchanged PT of Rs. 505, given its execution capabilities and diversified business model, the company is well-placed to tap on opportunities in the sector.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/KEC-3R-Aug02_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 02, 2021	**KEI Industries Ltd**	Stock Update	BUY	↔	751	909	↑

Summary

- We retain Buy rating KEI Industries Limited (KEI) with a revised PT of Rs. 909, given its positive outlook going ahead and reasonable valuation.
- KEI reported better than expected performance for Q1FY22 led by strong growth in cables and stainless steel wire segment. Low EPC sales mix leads to lower working capital needs.
- Management retains FY2022 revenue growth of 18-20% with sustainable margins of 11% and a similar range in revenues and margins in consecutive years.
- Focus on expanding retail franchise and EHV business while EPC business to be scaled down.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/KEI_3R-Aug02_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 03, 2021	**Dabur India Ltd**	Stock Update	BUY	↔	614	725	↑

Summary

- Dabur's Q1 performance was boosted by healthy performance of domestic foods and beverages business, which registered 80.4% growth, resulting in 32% and 28% growth in revenue and PAT, respectively.
- Key categories such as Chyawanprash, honey, toothpaste, and hair oils posted increase in market share during the quarter.
- Management has guided for mid-teens revenue growth (with volume growth of 8-10%); OPM to remain ahead of FY2021 levels with cost saving of Rs. 100 crore through Project Samriddhi.
- We expect Dabur's revenue and PAT to post a CAGR of 18% and 21%, respectively, over FY2021-FY2023. The stock is currently trading at 44x its FY2023E EPS. We maintain Buy with a revised PT of Rs. 725.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Dabur_3R-Aug03_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 03, 2021	**Vinati Organics Ltd**	Stock Update	BUY	↑	1,971	2,350	↑

Summary

- Q1FY2022 PAT of Rs81 crore, up 14.2% q-o-q was 11% below our estimate due to sharp miss of 916 bps in OPM at 26.3%, offsetting strong revenue growth of 67% y-o-y and 38.1% q-o-q.
- Margin contraction was due to high ACN and phenol prices and elevated freight cost. Revenue growth was led by strong growth in ATBS demand (volumes up 25% y-o-y) and ramp-up of butyl phenol (Rs40 crore revenue in Q1FY22).
- Likely higher ATBS margin (tight demand-supply situation) and ramp-up of butyl phenol capacities to drive a 29% PAT CAGR over FY2021-FY2024E, while potential incremental earnings contribution from integration of VAPL would further aid earnings growth. Management has guided for 40-45% y-o-y revenue growth and margin of 30-35% for FY2022E.
- We upgrade our rating on Vinati Organics to Buy with a revised PT of Rs. 2,350 given our expectation of strong earnings recovery across segments supported by dominant market share in ATBS and ramp-up capacities while return profile remains strong with RoE/RoCE of 23%/30%.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Vinati-3R-Aug03_2021.pdf

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Company</th><th rowspan="2">Report Type</th><th colspan="2">Recommendation</th><th rowspan="2">Reco Price (Rs.)</th><th colspan="2">Price Target/ Upside (%)</th></tr>
<tr><th>Latest</th><th>Chg</th><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 03, 2021</td><td>Kajaria Ceramics Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>1,027</td><td>1,202</td><td>↓</td></tr>
<tr><td colspan="8">Summary
◆ We retain Buy on Kajaria Ceramics with a revised PT of Rs. 1202, factoring in a downward revision in estimates.
◆ Kajaria reported marginally lower-than-expected revenues while OPM came in much below estimate led by increased power & fuel costs leading to lower than expected net earnings for Q1FY2022.
◆ The management is confident of achieving 20% y-o-y revenue growth in tiles led by 15-16% y-o-y volume growth for FY2022. However, OPM guidance was reserved due to higher gas prices.
◆ Brownfield capex plan of Rs. 250 crore is on track. Strong net cash position and healthy free cash flow generation to aid in capex plans without leveraging balance sheet.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Kajaria-3R-Aug03_2021.pdf</td></tr>
<tr><td>Aug 03, 2021</td><td>Castrol India Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>140</td><td>172</td><td>↑</td></tr>
<tr><td colspan="8">Summary
◆ Q2CY2021 PAT of Rs. 140 crore, down 43% q-o-q, was marginally lower than our estimate as miss in volume at 45 million litre (down 26% q-o-q) gets largely offset by beat in OPM at 22.2% (92bps above our estimate) and lower depreciation.
◆ Volumes started recovering in June 2021 and further gained traction in July 2021. Castrol has gained 200 bps market share in the Bazaar segment. Calibrated price actions (taken three price hikes since Jan'21) to protect margin from high base oil price.
◆ Alliance with Jio-BP to help gain market share and focus on new revenue streams (focus to launch vehicle care products in collaboration with 3M) and drive long term volume growth.
◆ Valuation of 14.7x its CY2022E EPS is attractive (41% discount to historical level) despite strong earnings growth outlook, FCF/dividend yield of 8%/5%, and RoE of ~55%. We retain Buy on Castrol India with a revised PT of Rs. 172.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Castrol_3R-Aug03_2021.pdf</td></tr>
<tr><td>Aug 03, 2021</td><td>Carborundum Universal Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>710</td><td>854</td><td>↑</td></tr>
<tr><td colspan="8">Summary
◆ We retain Buy on Carborundum Universal Limited (CUMI) with a revised PT of Rs. 854, considering its healthy earnings growth profile.
◆ Q1FY2022 performance remained strong due to strong performance across all segments, in addition to improving business sentiment and stable demand.
◆ Strong domestic operations led by core user industries along with improving overseas operations aided by capacity expansion, success of new products, and being an alternative global supplier are likely to aid domestic and exports growth.
◆ Strong balance sheet, healthy return ratios and consistent dividend paying record are key salient features.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Carborundum-3R-Aug03_2021.pdf</td></tr>
<tr><td>Aug 03, 2021</td><td>Inox Leisure Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>316</td><td>400</td><td>↔</td></tr>
<tr><td colspan="8">Summary
◆ We maintain Buy on Inox Leisure with an unchanged PT of Rs. 400, given anticipated meaningful revival in 2HFY2022, strong pent-up consumer demand, and release of fresh content.
◆ COVID-19 second wave adversely impacted operations and financial performance; successfully negotiated rent and CAM in 65% of its properties; 70% of its total screens are allowed to reopen.
◆ We expect big-budget movie producers to start announcing the release dates of their movies in the coming weeks as they have been waiting to release their movies in theatres post reopening.
◆ We expect meaningful recovery in box-office collections during 2HFY2022 given strong content pipeline, higher pace of vaccination, and closure of some single screens.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Inox-3R-Aug03_2021.pdf</td></tr>
<tr><td>Aug 04, 2021</td><td>Solara Active Pharma Sciences</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>1,728</td><td>2,100</td><td>↑</td></tr>
<tr><td colspan="8">Summary
◆ Solara Active Pharma Sciences Limited (Solara) reported a healthy performance for Q1FY2022 but results missed estimates. Sales and PAT grew by 16.4% and 19.9% YoY respectively.
◆ Performance reflects demand pressures in base business, which were offset largely by strong growth in new products and other markets.
◆ Strong new client additions, increase in opportunity pipeline would drive CRAMS topline while demand pressures trends in the base business are expected to normalize over next 3-6 months and support growth for FY2022.
◆ Solara has charted out a strong growth path and aims to be in the top 10 global API players by 2025. We retain our Buy rating on the stock with a revised PT of Rs. 2,100.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Solara_3R-Aug04_2021.pdf</td></tr>
</table>

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 04, 2021	**Titan Company Ltd**	Stock Update	BUY	↔	1,800	2,025	↑

Summary

- Titan's Q1FY2022 performance was better than Q1FY2021 due to sustained demand-led sales in April 2021, with good recovery in June 2021 after lull in May 2021.
- Consolidated revenue (excluding the bullion sales) stood at Rs. 3,004 crore; OPM stood at 3.9% with PAT of Rs. 20 crore. Jewellery business revenue stood at Rs. 2,467 crore (61% of Q1FY2020 sales).
- Pent-up demand due to deferred weddings and upcoming festive season, competitive edge due to compulsory hallmarking, and expansion in small towns would help faster recovery going ahead. Management is targeting the jewellery business's margins to reach 11-12%.
- Trusted retail brand, strong cash kitty in excess of Rs. 2,000 crore, and focus on improving return profiles make it a good pick. We maintain Buy with a revised PT of Rs. 2,025.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Titan-3R-Aug04_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 04, 2021	**Bosch Ltd**	Stock Update	BUY	↔	15,519	18,156	↔

Summary

- Q1FY22 results were below expectation because of sharper decline in EBIDTA margin, due to negative operating leverage and one-time employee restructuring expense.
- We expect Bosch's earnings to clock an 18.7% CAGR during FY21-23E, driven by a 16.8% revenue CAGR and a 470 bps rise in EBITDA margin expansion to 16.6% in FY23E from 11.9% in FY21.
- Stock trades at P/E of 26.5x and EV/EBITDA of 18.1x its FY23E estimates.
- We retain a Buy on Bosch with an unchanged PT of Rs. 18,156, factoring a recovery in automotive demand across segment and improving content per vehicle.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Bosch-3R-Aug04_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 04, 2021	**Transport Corporation of India Ltd**	Stock Update	BUY	↔	446	541	↔

Summary

- We retain a Buy on TCI Ltd with an unchanged price target of Rs. 541, led by its strong growth outlook and favorable positioning.
- TCI reported broadly in-line revenues for Q1FY2022 while positively surprised on OPM leading to strong beat on net earnings.
- The management retained revenue and net profit growth guidance for FY2022. Management sees early signs of inventory built up with onset of festive season from August 2021.
- Capex of Rs. 150-200 crore for FY2022 while debt equity ratio stands at an all time low. Strong OCF and low leverage can aid in inorganic growth if opportunity arises.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/TCI-3R-Aug04_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 04, 2021	**Kalpataru Power Transmission Ltd**	Stock Update	BUY	↔	472	586	↑

Summary

- We maintain our Buy rating on Kalpataru Power Transmission Limited (KPTL) with a revised PT of Rs 586, given better execution capabilities and outlook.
- KPTL reported Q1 FY22 numbers below our estimates with revenue/ EBITDA/ PAT at Rs 1586 cr/ Rs 162 cr/ Rs 76 cr (+9%/ +4%/ +10%) on back of robust execution in all businesses.
- The revenue growth guidance for KPTL consolidated for FY2022 is 15% and will aim for 10.5% OPM. The order inflows are expected to be at similar levels in FY2022 as seen in FY2021.
- We believe that continuous focus on operational efficiencies, cost optimisation and prudent working capital management helped the company improve performance across all segments

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/KPTL-3R-Aug04_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 04, 2021	**JMC Projects (India) Ltd**	Stock Update	HOLD	↔	116	132	↑

Summary

- Revenues and net profit were better than expected for Q1FY2022, while OPM slightly lagged estimates. Healthy order intake and L1 position kept order backlog strong.
- Management retained its revenue, OPM and order intake guidance for FY2022. Asset restructuring and monetisation are likely to conclude by Q3FY2022. Higher net debt to reduce by FY2022-end.
- Promoter pledging at parent entity is expected to normalize by FY2022 end.
- We retain a Hold rating on the stock with a revised PT of Rs. 132, awaiting a better entry point as current valuation provides unfavourable risk-reward to investors.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/JMC-3R-Aug04_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 05, 2021	**Godrej Consumer Products Ltd**	Stock Update	BUY	↔	977	1,115	↔

Summary

- Godrej Consumer Products Limited's (GCPL) revenue grew by 24% with India and international business growing by 19% and 30%, respectively, in Q1FY2022. OPM improved by 80 bps to 21.1%.
- Key revenue growth drivers in the medium term include 1) improving penetration of HI in rural markets; 2) market share gains in soaps; 3) sustained double-digit growth in Africa. Indonesia will see sequential improvement in performance.
- Calibrated price hikes in India portfolio, cost-saving measures, and better margins at international levels would help OPM to sustain y-o-y.
- Revamped growth strategies under the new leadership and improving earnings visibility are key re-rating factors. We maintain Buy with an unchanged PT of Rs. 1,115.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/GCPL-3R-Aug05_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target Latest	Price Target Chg
Aug 05, 2021	**Cipla Ltd**	Stock Update	BUY	↔	945	1,150	↑

Summary

- Cipla reported strong Q1FY2022 performance, with results ahead of estimates. Sales and adjusted PAT grew by 26.6% and 45% YoY respectively.
- Strong growth in core therapies, synergies from One-India Strategy, and an expected pick-up in chronic as well as acute therapies would be the key drivers for India business and CIPLA aims outperform the IPM growth.
- Market share gains in gAlbuterol, approval for Arformoterol Tartrate Inhalation Solution and a strong product pipeline including complex products would fuel the US sales growth.
- We expect Cipla's topline and PAT to report a CAGR of 14% and 27%, respectively, over FY2021-FY2023E. We maintain Buy with a revised PT of Rs. 1,150.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Cipla-3R-Aug05_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target Latest	Price Target Chg
Aug 05, 2021	**GAIL (India) Ltd**	Stock Update	BUY	↔	143	196	↔

Summary

- Q1FY2022 PAT of Rs. 1,530 crore (down 19.8% q-o-q) was 12% above our estimate, led by strong performance of LPG-LHC (EBITDA up 32% q-o-q), gas marketing (EBITDA up 41% q-o-q) and gas transmission (EBITDA down by only 2.6% q-o-q).
- LPG-LHC segment benefited from a 27% q-o-q rise in LPG realisation while gas marketing saw 31% q-o-q improvement in blended margin and 5% q-o-q higher volume at 96 mmscmd. Gas transmission volume saw a limited impact of lockdowns and declined only 1.9% q-o-q; but petchem sales volumes fell sharply by 41% q-o-q given annual maintenance shut down.
- Upbeat guidance across segments with 100% petchem utilisation and 10-12 mmscmd of incremental gas transmission volumes for FY22 given regulatory push, margins to improve given higher crude-linked commodity prices (HDPE, LPG and spot LNG prices). We increased our FY22-FY23 earnings estimate and expect strong 34% PAT CAGR for over FY21-23E.
- Recent correction in GAIL's stock price from 52-week high makes valuation attractive at 5.7x its FY23E EV/EBITDA given strong earnings growth outlook and likely improvement RoE to 16.4% in FY23E. We maintain a Buy on GAIL with an unchanged PT of Rs. 196.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/GAIL-3R-Aug05_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target Latest	Price Target Chg
Aug 05, 2021	**Gujarat Gas Ltd**	Stock Update	BUY	↔	772	890	↑

Summary

- Q1FY22 PAT at Rs. 476 crore, up 36% q-o-q and beat of 30% versus our estimate led by stronger-than-expected EBITDA margin at Rs. 7.9/scm (up 56% q-o-q) offsetting the miss in volume at 10 mmscmd (down 17.5% q-o-q).
- Robust margin performance was driven by full benefit of the Rs. 9/scm price hikes taken in Jan-Feb, and lower gas cost on account of decline in spot LNG price and higher use of domestic gas. Industrial PNG volume declined by 19% q-o-q to 7.8 mmscmd as demand from Morbi customers fell by 23% q-o-q to 5.6 mmscmd.
- Management maintained its 10% p.a. volume growth guidance for next 3-4 years and FY22 margin guidance of Rs. 5.5-6/scm. Volumes recovered to 12 mmscmd but EBITDA margin likely to fall to Rs. 4-4.5/scm on recent surge in spot LNG price.
- We maintain a Buy on Gujarat Gas with a revised PT of Rs. 890. GGAS' industry leading volume/earnings growth outlook (expect 24% PAT CAGR over FY21-FY24E), high RoE of 30% and robust FCF justified premium valuation.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Gujarat_Gas-3R-Aug05_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 05, 2021	**Hindustan Petroleum Corporation Ltd**	Stock Update	BUY	↔	265	340	↔

Summary

- Q1FY22 PAT at Rs. 1,795 crore (down 41% q-o-q) lagged estimate by 20% as reported GRM of $3.3/bbl sharply missed estimate and refinery/pipeline throughput was weaker than expected at 2.5 mmt/4.3 mmt, down 42.8%/19% q-o-q.
- Implied marketing margins rose 7% q-o-q (against an expected q-o-q decline) to Rs. 3,101/tonne led by auto fuel price hikes. Marketing sales volume of 8.8 mmt was in-line; refinery throughput fell due to shutdown for Mumbai refinery.
- Earnings to recover as volumes revive (petrol/diesel at >105%/~91% of pre-COVID level), likely structural improvement in auto fuel margin, cyclical recovery in GRM and inventory gains. Commissioning of Mumbai/Vizag refinery in FY22E would drive refinery throughput and FCF.
- Valuation of 4.3x/0.8 FY23E EPS/BV is attractive considering recovery in core earnings, RoE of 20% and dividend yield of 7-8%. BPCL's privatisation could re-rate OMCs. We maintain a Buy on HPCL with an unchanged PT of Rs. 340.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/HPCL-3R-Aug05_2021.pdf

Aug 05, 2021	**Blue Star Ltd**	Stock Update	BUY	↔	859	1,200	↔

Summary

- We maintain Buy on Blue Star Limited (Blue Star) with an unchanged a PT of Rs. 1,200, given that demand is expected to be robust going ahead with economic activity resuming and consumer spending on the rise.
- Blue Star reported numbers in line with our estimates with revenue /EBITDA/ PAT at Rs 1052 cr/ Rs 42 cr/ Rs 13 cr on the backdrop of a pick-up in business activities and an improvement in general sentiments witnessed in the second half of the last financial year.
- Blue Star continued to grow faster than the market in RAC, achieved breakeven in water purifier, and maintained its leadership position in commercial refrigeration.
- Barring the likely COVID-led impact in Q1FY2022, management is optimistic of growth prospects with overall goal of market share gains, cost management, and OCF generation.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/BlueStar-3R-Aug05_2021.pdf

Aug 05, 2021	**Arvind Ltd**	Stock Update	BUY	↔	105	122	↑

Summary

- Q1FY2022 was affected by production shutdowns in factories in South India, delayed buying by domestic players and supply constraints in export markets. Revenues stood at Rs. 1,439.4 crore and OPM at 7.2%.
- Denim and woven fabric volumes recovered to 8-9 million metres in June. Company is confident of achieving volumes of 24 million metres for denim, 30 million metres for woven fabric and 9 million pieces for garments.
- Price hikes of 7-8% with a lag and better operating leverage would help OPM improve sequentially. However, better picture on margins would emerge in H2FY2022.
- With strong export demand and an expected recovery in domestic demand and good growth in technical textiles, Arvind eyes a bounce-back in the coming quarters. We maintain a Buy on the stock with a revised PT of Rs. 122.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Arvind-3R-Aug05_2021.pdf

Aug 06, 2021	**Mahindra & Mahindra Ltd**	Stock Update	BUY	↔	758	1,000	↔

Summary

- Q1FY2022 results slightly lagged expectations due to lower-than-expected profitability in automotive business. Adjusted standalone PAT declined by 6.8% q-o-q to Rs. 934 crore.
- We firmly believe that M&M is on track with its roadmap for the automotive and farm equipment division. Moreover, M&M is expected to benefit from the turnaround of loss-making subsidiaries and generate strong cash flows going ahead.
- The stock is attractively valued at a P/E multiple of 15.2x and EV/EBITDA multiple of 8.3x its FY2023E estimates.
- We retain a Buy rating on M&M with an unchanged PT of Rs. 1,000, factoring positive outlook for its core businesses and improving performance of key subsidiary companies.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/MnM-3R-Aug06_2021.pdf

Aug 06, 2021	**Divis Laboratories Ltd**	Stock Update	BUY	↔	4,916	5,620	↑

Summary

- We maintain Buy recommendation on Divis Laboratories Limited (Divis) with a revised PT of Rs 5620.
- Divis reported a strong performance for the quarter, but results were tad below estimates. Performance was driven by benefits from expanded capacities, strong demand environment, and backward integration.
- Divis has completed the validations at its new plants at DC and DCV Sez and expects commercial production soon.
- Divis has identified six pillars or avenues that would propel the company's growth going ahead, which encompasses existing products, new business of contrast media and products going off patents.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Divis-3R-Aug06_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 06, 2021	**Steel Authority of India Ltd**	Stock Update	BUY	-	141	169	-

Summary

- Q1FY22 PAT of Rs. 3,897 crore (down 12.5% q-o-q) beat our estimate as blended EBITDA margin exceeded estimates at Rs. 19,742/tonne (up 17% q-o-q). Saleable steel volumes declined by 23% q-o-q to 3.3 mmt.
- Management lowered FY22 steel sales volume guidance by 10% to 16.5 mmt; Q2FY22 margin may be affected by high imported coal price. Steel prices remain firm although slightly down (due to seasonable factors) in July'21 and expected to improve on expectation of strong demand recovery.
- SAIL plans to expand capacity by 13-15 mmt (capex of ~Rs65,000 crore) in phased manner; however focus is to first deleverage balance sheet (target to bring net debt/EBITDA >1x) before going ahead with any major capex plan. SAIL further lowered debt to Rs. 28,200 crore as of July 2021.
- Strong growth outlook (expect 51% PAT CAGR over FY21-23E) and potential debt reduction would drive re-rating. Hence, we recommend a Buy on SAIL with a price target of Rs169. Valuation of 3.8x FY23E EV/EBITDA is attractive given a steep discount to peers.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/SAIL-3R-Aug06_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT Latest	PT Chg
Aug 06, 2021	**Tata Power Company Ltd**	Stock Update	BUY	-	135	165	-

Summary

- Q1FY22 consolidated PAT at Rs. 391 crore (up 89% y-o-y) beat ours and the street's estimates on robust growth in RE business, favourable APTEL order for CGPL, higher profits from coal companies owing to elevated coal prices and lower interest costs.
- Strong order book of Rs. 7,257 crore/Rs. 1000 crore/Rs. 175 crore for solar EPC/solar rooftop/solar pumps and expect margins to improve as new EPC orders factor in higher solar module prices. Net debt rose 8% q-o-q due to re-financing of perpetual debt but would benefit the P&L.
- Company's announcement to re-enter into greenfield power transmission projects is a right step given low competition and decent RoEs. The company is eyeing multi-city power distribution; RE monetisation plan is intact (despite delays) and it aims to create maximum value for shareholders.
- We recommend a Buy on Tata Power with a PT of Rs. 165 as valuation of 1.7x FY2023E book value is attractive considering a strong growth outlook and expectation of improvement in RoE to 9.4% by FY24E. Potential IPO for RE business, improving ESG score and focus on balance sheet deleveraging are key catalysts.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/TataPower-Aug06_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT Latest	PT Chg
Aug 06, 2021	**Honeywell Automation India**	Stock Update	BUY	↔	41,078	52,407	↔

Summary

- Q1 results lagged estimates as supply chain disruptions affected revenue booking. However, OPM was steady despite pressure on gross margins.
- Honeywell Automation India is expected to benefit from parent's strong growth outlook for key segments, while domestic growth is expected to be driven by oil & gas, smart cities, airports and building solutions segments.
- The company continues to generate strong cash flows and maintains a robust balance sheet.
- We retain a Buy on the stock with an unchanged PT of Rs. . 52,407 as the management hopes demand would surge as vaccination gains pace.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Honeywell-3R-Aug06_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT Latest	PT Chg
Aug 06, 2021	**Abbott India Ltd**	Stock Update	BUY	↔	17,507	20,300	↑

Summary

- We retain our Buy recommendation on the stock of Abbot India Limited (Abbot) with a revised PT of Rs 20,300.
- Q1FY22 was strong quarter and earnings were in line with estimates.
- Abbott's topline is expected to grow in double digits and continue to outperform the industry growth, backed by strong performance of its power brands, strong product portfolio and expanding reach.
- Better growth prospects, a strong balance sheet position due to debt-free status coupled with healthy operating cash flows are the key positives.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Abbott-3R-Aug06_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT Latest	PT Chg
Aug 06, 2021	**Ipca Laboratories Ltd**	Stock Update	BUY	↔	2,173	2,560	↔

Summary

- Ipca Laboratories Limited (Ipca) reported a weak performance for the quarter; however, results are ahead of estimates. The sales grew by 2% yoy while the adjusted PAT declined 31% YoY.
- Ipca's domestic formulations, which account for ~40% of the company's overall topline, is on a strong footing and management has guided for double-digit growth of 16-18% in FY2022E.
- Strong earnings prospects, a sturdy balance sheet, and healthy return ratios augur well for Ipca.
- We maintain our Buy recommendation on the stock with an unchanged PT of Rs. 2,560.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Ipca-3R-Aug06_2021.pdf

STOCK UPDATE

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 06, 2021	**Sumitomo Chemical India Ltd**	Stock Update	BUY	↔	427	500	↑

Summary

- SCIL reported in-line operating profit of Rs. 150 crore (up 26% y-o-y) as stronger-than-expected revenue growth of 21% y-o-y gets offset by 62 bps miss in OPM, given high cost. PAT at Rs. 104 crore (up 33% y-o-y) was above our estimate on lower tax rate and depreciation.
- Strong revenue growth was led by 67%/41%/69%/6%/3% y-o-y growth from Herbicides/Metal Phosphides/AND & EHD/Fungicides/PGR. Gross margin expanded by 136 bps y-o-y to 36.2% as share of high-margin herbicides increased to 36% (vs. 26% in Q1FY21).
- Robust Q2FY2022 outlook as expectation of normal monsoon would drive volume growth in Kharif season 2021. Capex plan of Rs. 70 crore-75 crore for existing products and Rs. 100 crore-110 crore for supply of five proprietary products to parent remain intact and drive revenue growth. Margin to improve on rising share of high-margin products and capacity ramp-up.
- We maintain Buy on SCIL with a revised PT of Rs. 500, given superior earnings growth outlook by leveraging technological capabilities of parent and massive CRAMS opportunity that could further accelerate growth. We expect SCIL to enjoy premium valuation over domestic peers.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Sumitomo-3R-Aug06_2021.pdf

Aug 06, 2021	**Zee Entertainment Enterprises Ltd**	Stock Update	BUY	↔	197	275	↔

Summary

- Revenue met estimates, while OPM lagged; recovery in domestic advertising in H2FY2021 reversed in Q1FY2022, while subscription revenue was driven by ZEE5. Network share dropped 190 bps q-o-q.
- Slower-than-expected recovery in advertising spends owing to a potential COVID-19 third wave, while introduction of revised pricing under NTO 2.0 would impact subscription revenue in the near term.
- Management expects EBITDA margin to be lower than its earlier expectation of over 25% in FY2022; we expect revenue/earnings to report an 11%/14% CAGR over FY2021-FY2023E.
- We maintain Buy on the stock with an unchanged PT of Rs. 275, given reasonable valuations.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Zeel-3R-Aug06_2021.pdf

Aug 06, 2021	**APL Apollo Tubes Ltd**	Stock Update	BUY	↔	1,751	2,075	↑

Summary

- Q1FY22 PAT of Rs. 147 crore, up 23.6% q-o-q sharply beat our estimates on account of strong EBITDA margin of Rs. 6,825/tonne (up 43.9% q-o-q) and lower-than-expected decline of 14% q-o-q in volumes to 373 kt.
- Gross margins rose 37.6% q-o-q to Rs. 12,252/tonne led by a higher share of value-added products at 67%. Apollo Tricoat's margin were robust at Rs. 11,716/tonne (up 53% q-o-q). Q1 margin may however not sustain as focus is to grow volumes and gain market share.
- Company aims to sustain quarterly EBITDA run-rate of Rs. 200-250 crore; FY22 volume guidance at 1.8-2 mt (10-22% y-o-y growth versus earlier guidance of 10-15%). It also reiterated margin guidance of Rs. 5000/tonne. Focus on construction tubing would keep volume growth high and drive up margins in medium to long term.
- We like APL's business model, (high market share, focus to de-commoditize product portfolio and innovative products to keep it much ahead of competitors) while a strong balance sheet would support expansion and drive sustainable growth. We maintain a Buy on the stock with a revised PT of Rs. 2,075.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/APL_Apollo-3R-Aug06_2021.pdf

Aug 06, 2021	**Apollo Tyres Ltd**	Stock Update	BUY	↔	223	290	↔

Summary

- Apollo Tyres Limited's (ATL's) Q1FY22 results lagged expectations, as a higher-than-expected rise in raw material costs hurt margins.
- The management remained positive on long-term targets of clocking a revenue of $5billion, EBITDA margin of least 15%, ROCE of 12-15%, and net debt to EBITDA of less than 2x, by FY2026.
- We remain positive on the company and expects its earnings to post a 44% CAGR during FY2021-FY2023E, driven by a 12.9% revenue CAGR and a 160 bps rise in EBITDA margins to 17% in FY2023E. Stock trades at P/E multiple of 9.3x and EV/EBITDA multiple of 4.6x its FY2023E estimates.
- We maintain a Buy on the stock with an unchanged PT of Rs. 290, led by the company's dominant positions in key markets, expected market share gains and attractive valuations.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/ApolloTyres-3R-Aug06_2021.pdf

Aug 06, 2021	**Quess Corp Ltd**	Stock Update	BUY	↔	880	990	↑

Summary

- Quess Corp posted good performance in Q1, with 24% revenue growth and all businesses reporting 20%+ growth; EBIDTA margin stood at 4.9%; Adjusted PAT grew by 44% (interest cost was down by 43%yoy).
- OCF-to-EBIDTA stood at 75% in Q1FY2022 versus 93% in Q4FY2021. EBIDTA margin is expected to improve going ahead; The target remains on achieving 20% EBIDTA growth and RoE going ahead.
- Income Tax Department conducted a survey under Sec 133A of the Income Tax Act, 1961, during July 8-10, 2021. No claims have been received till date. Management stated its claims under 80JJAA are in-line with Income Tax Act.
- Cross selling to existing clients, adding new clients in each business vertical, and improved profitability of each remain key earnings growth drivers in the near term. We maintain Buy with a revised PT of Rs. 990.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Quess_Corp-3R-Aug06_2021.pdf

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Company</th><th rowspan="2">Report Type</th><th colspan="2">Recommendation</th><th rowspan="2">Reco Price (Rs.)</th><th colspan="2">Price Target/ Upside (%)</th></tr>
<tr><th>Latest</th><th>Chg</th><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 06, 2021</td><td>Bajaj Consumer Care Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>269</td><td>355</td><td>↔</td></tr>
<tr><td colspan="8">Summary
• Bajaj Consumer Care’s (BCC) Q1FY2022 performance was affected by disruption caused by the second wave, especially in rural markets and higher input prices, which affected margins.
• Revenue grew by 10% y-o-y to Rs. 215 crore. Excluding sanitiser sales in the base quarter, revenue growth was 20%. Almond Drop Hair Oil and Amla Aloe Vera Hair Oil gained market share.
• Raw-material inflation will persist for a quarter or two. However, the same is expected to soften in H2FY2022. BCC is banking on calibrated price hikes, supply efficiencies, and cost-saving measures to mitigate raw-material inflation in the near term.
• The stock is trading at an attractive valuation of 14.8x its FY2023 earnings. We maintain Buy with an unchanged PT of Rs. 355.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/BajajConsumer-3R-Aug06_2021.pdf</td></tr>
<tr><td>Aug 06, 2021</td><td>Alicon Castalloy Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>870</td><td>1,056</td><td>↑</td></tr>
<tr><td colspan="8">Summary
• We maintain our Buy rating on Alicon Castalloy Limited (Alicon) with a revised PT of Rs. 1,056, factoring long-term revenue visibility, given its robust strong order book, and subsequent upgrade in earnings estimates.
• Alicon’s Q1FY2022 results were below expectations, marred by lower sales and higher-than-expected contraction in EBITDA margin.
• We have increased our earnings estimates by 29.2% and 28% for FY2022E and FY2023E, respectively, to build in the company’s multi-year order wins and increased share of high-margin machined components.
• The stock trades attractively at P/E multiple of 12.6x and EV/EBITDA multiple of 6.4x its FY2023E estimates.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Alicon-3R-Aug06_2021.pdf</td></tr>
<tr><td>Aug 06, 2021</td><td>Caplin Point Laboratories Ltd</td><td>Viewpoint</td><td>POSITIVE</td><td>↔</td><td>893</td><td>18%</td><td>↑</td></tr>
<tr><td colspan="8">Summary
• We retain our Positive View on the stock and expect an upside of 18%.
• Q1FY22 was a strong quarter and the results are in line on the operating front.
• In the existing markets of LATAM, strong distribution network, expansion of product basket and plans to foray in bigger markets of Mexico and Brazil would be the triggers.
• Strong product pipeline, market share gains, plans to establish its front end would be the key growth drivers for US business.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Caplin-3R-Aug06_2021.pdf</td></tr>
<tr><td>Aug 09, 2021</td><td>Affle (India) Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>4,166</td><td>6,000</td><td>↓</td></tr>
<tr><td colspan="8">Summary
• Q1FY2022 revenues were strong, led by a robust 85% y-o-y growth in converted users; EBITDA margin contracted by 204 bps y-o-y owing to higher employee costs. OCF to PAT ratio remained at 134%.
• Faster adoption of digital advertising in its top verticals, launch of products and shift of budgets towards mobile advertising are expected to strongly drive up revenues.
• Increasing direct customers’ revenue contribution and partnerships with OEMs would help Affle to maintain its market position given higher access to first-party data; expect revenue/earnings to post a CAGR of 45%/32% over FY2021-FY2024E.
• We maintain a Buy on Affle (India) Limited with a revised PT of Rs. 6,000, given greater adoption of its platforms, a unique CPCU business model and expansion into new geographies.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Affle-3R-Aug09_2021.pdf</td></tr>
<tr><td>Aug 09, 2021</td><td>Mayur Uniquoters Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>508</td><td>670</td><td>↔</td></tr>
<tr><td colspan="8">Summary
• We maintain our Buy rating on Mayur Uniquoters Limited (MUL) with an unchanged PT of Rs. 670, owing to positive business outlook and margin expansion.
• MUL’s operational performance was lower than expectations, led by negative operating leverage and increased raw-material prices.
• MUL is well positioned to benefit from recovery in the automotive business and footwear segment from Q2FY2022.
• The stock is trading below its historical average multiples at P/E multiple of 15.2x and EV/EBITDA multiple of 9.3x its FY2023 estimates.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Mayur_Uniquoters-3R-Aug09_2021.pdf</td></tr>
</table>

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Company</th><th rowspan="2">Report Type</th><th colspan="2">Recommendation</th><th rowspan="2">Reco Price (Rs.)</th><th colspan="2">Price Target/ Upside (%)</th></tr>
<tr><th>Latest</th><th>Chg</th><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 09, 2021</td><td>Amber Enterprises Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>2,890</td><td>3,716</td><td>↔</td></tr>
<tr><td colspan="8">Summary
• We recommend a Buy on Amber Enterprises (Amber) with unchanged PT of Rs. 3716, given its strong net earnings growth outlook ahead.
• AEL reported Q1 FY22 results above our estimates with revenue/ EBITDA/ PAT at Rs 708cr/ Rs42 cr/ Rs 11 cr respectively with revenue up +173% while EBITDA and PAT were negative in Q1FY2021
• Company remains a key beneficiary of the PLI schemes for AC and components and benefit further from the import ban on ACs with refrigerants.
• Management remains optimistic about export prospects for both fully built-up units and components that can potentially emerge over the next 3-4 years.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Amber-3R-Aug09_2021.pdf</td></tr>
<tr><td>Aug 09, 2021</td><td>Thermax</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>1,360</td><td>1,720</td><td>↔</td></tr>
<tr><td colspan="8">Summary
• We maintain Buy on Thermax with an unchanged PT of Rs. 1,720, led by the highest order booking and backlog in past seven quarters.
• Thermax reported strong Q1FY2022 performance, led by improved performance of the products businesses and channel business during the quarter.
• Order inflow remains strong despite absence of large-size orders, while order book remains healthy, well spread across sectors. Enquiry pipeline stays strong across food processing, chemical, and pharma, including large-size orders from oil and gas, FGD , refinery, and chemicals.
• A strong balance sheet and net cash position provide comfort in the present environment. The company's focus on newer technologies is expected to provide the next leg of growth in the near future.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Thermax-3R-Aug09_2021.pdf</td></tr>
<tr><td>Aug 09, 2021</td><td>Bharat Electronics Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>171</td><td>210</td><td>↑</td></tr>
<tr><td colspan="8">Summary
• We retain our Buy rating on Bharat Electronics Limited (BEL) with a revised PT of Rs. 210, considering reasonable valuations and strong execution capabilities.
• BEL reported Q1FY2022 results below our estimates with revenue/EBITDA/PAT at Rs. 1,575 crore/Rs. 70 crore/Rs. 18 crore, respectively, as the company was impacted by the second wave of COVID-19.
• Order book is strong at 3.9x its TTM revenue, while FY2022 order inflow target is pegged at Rs. 15,000 crore-17,000 crore. BEL has seen healthy order accretion in the healthcare segment.
• Management has maintained topline growth guidance of 15-17% y-o-y for FY2022, with EBITDA margin of 20-22%.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/BEL-3R-Aug09_2021.pdf</td></tr>
<tr><td>Aug 09, 2021</td><td>Balkrishna Industries Ltd</td><td>Stock Update</td><td>HOLD</td><td>↔</td><td>2,344</td><td>2,507</td><td>↑</td></tr>
<tr><td colspan="8">Summary
• Q1FY222 was yet another quarter of strong operational performance in tough environment, beating our estimates.
• We expect strong double-digit volume growth in FY2022E, driven by infrastructure creation and pick-up in economic activity and continued market share gains.
• We expect BKT's earnings to report a 27% CAGR during FY2021-FY2023E, largely driven by volume growth.
• The stock trades at a premium to its historical averages at P/E multiple of 24.3x and EV/EBITDA multiple of 16.9x its FY2023E estimates. Thus, we maintain a Hold rating on the stock with revised PT of Rs2,507.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Balkrishna-3R-Aug09_2021.pdf</td></tr>
<tr><td>Aug 09, 2021</td><td>Strides Pharma Science</td><td>Stock Update</td><td>HOLD</td><td>↓</td><td>681</td><td>770</td><td>↓</td></tr>
<tr><td colspan="8">Summary
• Strides Pharma Sciences (Strides) reported disappointing numbers for Q1FY22 with an operating loss and results were way below estimates.
• Strides sees pricing pressures persisting in the US going ahead but looks to improve performance through the acquisition of a portfolio of products which include 20 commercialised products that would get transferred to Strides in H2FY22.
• Over the long term, growth levers are intact, but near-term concerns have emerged which could drag performance with Q2 expected to be a subdued quarter.
• Basis the emerging concerns, we downgrade our recommendation on the stock to Hold with a revised PT of Rs. 770.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Strides-3R-Aug09_2021.pdf</td></tr>
<tr><td>Aug 09, 2021</td><td>Astral Ltd</td><td>Stock Update</td><td>HOLD</td><td>↔</td><td>2,151</td><td>2,404</td><td>↑</td></tr>
<tr><td colspan="8">Summary
• We maintain Hold on Astral Limited (Astral) with a revised price target of Rs. 2404 owing to an unfavourable risk-reward ratio awaiting a better entry point.
• In Q1, the company reported in-line revenues while operating profit and net profit came in lower than estimate on account of under absorption of fixed costs.
• Management retained double digit y-o-y volume growth guidance for pipes and 25% y-o-y for adhesives in FY2022. July and early August see strong rebound in sales in both divisions.
• Expansion plans are largely on track barring delay of couple of months in a project. New product addition expected by December 2021.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Astral-3R-Aug09_2021.pdf</td></tr>
</table>

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 09, 2021	**Aarti Industries Limited**	Stock Update	BUY	↔	951	1,155	↑

Summary

- Strong Q1FY2022 results with a 4%/21%/24% beat in revenue/operating profit/Adjusted PAT at Rs1,317 crore/Rs314 crore/Rs176 crore, up 8.9%/20.6%/32% q-o-q led by strong performance of specialty chemical segment.
- Specialty chemical's revenue/EBIT increased strongly by 12.5%/13.1% q-o-q led by volume growth of 9-10% q-o-q and price hikes (pass-through of input & freight cost) helped sustain EBIT margin at 18.8%. Pharmaceutical revenues rose by 7.3% q-o-q but EBIT margin contracted 138 bps q-o-q to 19.8%.
- Management stayed upbeat on growth prospects and maintained guidance for revenue/PAT growth of 25-35% for FY2022E and a 2x increase in earnings by FY24 versus FY21. Cumulative capex plan of Rs4500-5000 crore by FY24E remain intact and would drive next phase of growth.
- We expect strong a 33% CAGR in PAT over FY21-24E and expect RoE to improve to 21.4% (versus 16.3% in FY21). Favourable dynamics of Indian specialty chemicals sector to support premium valuations. Hence, we maintain a Buy on the stock with a revised PT of Rs. 1,155.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Aarti-3R-Aug09_2021.pdf

Date	Company	Report Type	Reco Latest	Chg	Reco Price (Rs.)	PT Latest	Chg
Aug 09, 2021	**Ratnamani Metals & Tubes**	Stock Update	BUY	↔	2,082	2,500	↑

Summary

- Ratnamani Metals & Tubes Limited (RMTL) reported weak Q1FY2022 results with 11%/16%/29% miss in revenue/operating profit/PAT at Rs. 526 crore/Rs. 85 crore/Rs. 50 crore, down 9.4% y-o-y, up 11.3% y-o-y, and up 1.4% y-o-y, respectively, given lower order execution and unfavorable revenue mix.
- Management is optimistic of improvement in order intake (expected at Rs2,000 crore for FY22) and confident to achieve its FY2022 revenue growth guidance of Rs. 3,000 crore (implies 31% y-o-y growth) and margin target of 16-18%.
- RMTL expects pickup of high-margin stainless steel orders (to the tune of Rs800-1,000 crores) in the coming quarters. Potential improvement in order intake and gradual ramp-up of expanded capacities would drive strong 21% PAT CAGR over FY2021-FY2024E with strong RoE/RoCE of 17%/22% in FY2024E.
- We maintain Buy on RMTL with a revised PT of Rs. 2,500. The stock trades at 23.3x its FY2023E EPS.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Ratnamani-3R-Aug09_2021.pdf

Date	Company	Report Type	Reco Latest	Chg	Reco Price (Rs.)	PT Latest	Chg
Aug 09, 2021	**Shree Cement Ltd**	Stock Update	BUY	↔	28,287	31,610	↔

Summary

- In Q1FY2022, Shree Cement reported in-line standalone revenues while OPM lagged estimates due to higher other expenses. Net earnings beat estimates on lower depreciation expenses.
- We expect demand to remain strong in key regional markets – the North and East barring near-term impact of the second wave of COVID-19. We expect cement prices to remain firm in key markets.
- Capacity expansion plans to reach 57 MTPA over three years and 80 MTPA over 6-7 years would provide sustainable long-term growth.
- We retain a Buy on the stock with an unchanged PT of Rs. 31,610, as we expect it to report industry-leading growth led by rising utilisation rates and new capacity additions.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/ShreeCement-3R-Aug09_2021.pdf

Date	Company	Report Type	Reco Latest	Chg	Reco Price (Rs.)	PT Latest	Chg
Aug 09, 2021	**Indian Hotels Company Ltd**	Stock Update	BUY	↔	143	182	↔

Summary

- Indian Hotels Company (IHCL) posted resilient numbers for Q1FY2022 with revenue of Rs. 345 crore versus Rs. 144 crore in Q1FY2021; operating losses reduced by 43% to Rs. 149 crore.
- Domestic hotels (including Ginger) recovered to 45% of pre-COVID level, while international hotels recovered to 36% of pre-COVID level in June. The company expects July-August recovery to be much better with revenues nearing November-December 2020 levels.
- With a strong recovery, IHCL expects to become cash-flow positive in Q2. With the expected recovery in cash flows and likely fund-raising through an equity issue, the company expects to reduce debt substantially by FY22 end.
- Stock trades at 24x its FY2023 EV/EBIDTA. Any sustained improvement in occupancies, margins and reduction in debt would further aid re-rating the stock. We maintain a Buy with a PT of Rs. 182.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/IndianHotel-3R-Aug09_2021.pdf

Date	Company	Report Type	Reco Latest	Chg	Reco Price (Rs.)	PT Latest	Chg
Aug 09, 2021	**Gabriel India Ltd**	Stock Update	BUY	↔	144	173	↑

Summary

- We maintain our Buy rating on Gabriel India Limited (Gabriel) with a revised PT of Rs. 173, factoring in recovery of automotive demand, its preparedness to benefit from adoption of e-2W in India and better valuation multiples.
- Q1FY2022 results were below expectations, led by lower-than expected sales and sharper decline in EBITDA margin.
- Gabriel's earnings are set to report a 52.9% CAGR over FY2021E-FY2023E, driven by a 17.3% CAGR during FY2021E-FY2023E and a 250 bps rise in EBITDA margin.
- The stock trades at attractive P/E multiple of 16.2x and EV/EBITDA multiple of 9x its FY2023E estimates.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Gabriel-3R-Aug09_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 10, 2021	**Trent Ltd**	Stock Update	BUY	↔	947	1,125	↑

Summary

- Revenue declined by 58% q-o-q to Rs. 327.7 crore. Revenue was much better compared with Rs. 97 crore in Q1FY2021. Gross margins stood stable sequentially at 56% and operating losses came lower at Rs. 32 crore versus Rs. 119 crore in Q1FY2021.
- About 90% of stores were operational in July 2021. Business recovered to 80% of pre-COVID level in July and we expect 100% recovery by end of Q2 considering the upcoming festive season.
- The company is planning to add 25 stores (13 Westside and 12 Zudio stores) to its existing 321 stores. It has a strong liquidity position of Rs. 700 crore and with expected recovery in the performance, cash flows are expected to improve in the coming quarters.
- We maintain a Buy on Trent with a revised PT of Rs. 1,125. A differentiated business model, strong store expansions and a healthy balance sheet make Trent a good pick in the retail space.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Trent-3R-Aug10_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 10, 2021	**Gujarat State Petronet Ltd**	Stock Update	BUY	↔	338	410	↔

Summary

- Q1FY22 results were strong with a 5.4% beat in adjusted PAT at Rs. 233 crore (up 12.2% q-o-q) led by better-than-expected volume of 36.8 mmscmd (up 9.9% q-o-q), lower interest cost and depreciation; but partially offset by higher operating costs.
- Volumes recovered to pre-COVID-19 level of 39.4 mmscmd in July 2021 as offtake from CGDs/Morbi improved; ramp-up of domestic gas supply would cushion against high spot LNG prices. Phased capex of Rs. 4,000 crore in the next five years would double HP gas pipeline capacity to 70 mmscmd and drive up volumes.
- Core pipeline business is effectively available free to investors as GSPL's market capitalisation of Rs. 19,076 crore is lower as compared to the market value of its investment in Gujarat Gas (after assuming a 20% holding company discount). Hence, we see deep value in GSPL.
- We maintain a Buy on GSPL with an unchanged SoTP-based PT of Rs. 410.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/GSPL-3R-Aug10_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 10, 2021	**Balrampur Chini Mills Ltd**	Stock Update	BUY	↔	342	465	↔

Summary

- Balrampur Chini Mills Limited's (BCML) Q1FY2022 performance was affected by lower availability of sugarcane for crushing and lower sales in sugar, which led to a 20% decline in revenue and 38% decrease in operating profit.
- With doubling of ethanol capacity to 1.050 KLPD, BCML expects ethanol production of 35 crore litre. Better mix would help OPM to improve to about 16.5-17.0%.
- The company has declared buyback of Rs215crore through open market operations. This is fifth buyback in last five years along with good dividend payout gives comfort on the company's prudent capital allocation plan.
- Higher contribution from ethanol sales would lead to better cash flows and reduction in debt over the next three to four years. We maintain Buy with a PT of Rs. 465.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Balrampur-3R-Aug10_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 10, 2021	**Sudarshan Chemical Industries Ltd**	Stock Update	BUY	↔	642	780	↔

Summary

- Weak Q1 with a sharp 32% miss in adjusted PAT at Rs. 28 crore, down 52% q-o-q owing to weaker-than-expected revenues (down 17.8% q-o-q) as domestic demand was hit by COVID-19 and a miss in OPM at 13.4% (down 170 bps q-o-q) due to high freight, energy and employee costs.
- Near-term margins may remain under pressure on elevated costs, while sales would be affected given a two-week shutdown of Mahad facility in Q2FY22. We thus cut our FY22E/FY23E EPS by 8%/7% to factor weak Q1FY22.
- Although we have reduced earnings estimates we remain optimistic of SCIL's growth prospects as it will benefit from a consolidation in global pigments industry and is close to finish capex and commercial launch of three new product lines.
- The recent sharp 15% correction in the stock provides an investment opportunity to long-term investors. Hence, we maintain a Buy on SCIL with an unchanged PT of Rs. 780. The stock trades at 21.2x/16.6x its FY23E/FY24E EPS.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Sudarshan_Chemical-3R-Aug10_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 11, 2021	**Power Grid Corporation of India Ltd**	Stock Update	BUY	↔	176	217	↔

Summary

- Q1FY22 standalone adjusted PAT grew by 14.2% y-o-y to Rs. 3,273 crore (slightly below our estimates) led by higher asset capitalisation and partially offset by lower surcharge income. Reported PAT of Rs. 6,085 crore had an exceptional income of Rs. 3,170 crore related to profit on sale of assets to InvIT.
- The management has guided for asset capitalisation of Rs. 15,000 crore/Rs. 12,000-15,000 crore for FY22E/FY23E and has works in hand worth Rs. 35,100 crore. Thus, we expect PAT CAGR of 12% over FY21-23E with a RoE of 19.6%.
- Power Grid is eyeing investment opportunity in power distribution reforms and could provide investment support of ~Rs30,000-35,000 crore to discoms along with technical services; management guided for a 14% RoI threshold.
- We maintain a Buy on Power Grid with an unchanged PT of Rs. 217 (adjusted for bonus issue) as valuation remains attractive at 1.4x FY23E P/BV considering decent growth visibility and healthy dividend yield of 5%.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/PowerGrid-3R-Aug11_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 11, 2021	**Coal India Ltd**	Stock Update	BUY	↔	144	185	↔

Summary

- Operating profit met expectations at Rs. 4,844 crore (up 58.7% y-o-y); but PAT of Rs. 3,170 crore (up 52.4% y-o-y) missed our estimates due to lower other income and higher depreciation. Coal offtake stood at 160 mt (up 33% y-o-y), while blended realisation stood at Rs. 1452/tonne (up 2.8% y-o-y).
- E-auction/FSA sales volume grew by 90%/25% y-o-y to 30 mt/127 mt but e-auction realisations declined by 10.4% q-o-q to Rs. 1,569/tonne while FSA realisations remained flat q-o-q at Rs. 1,394/tonne.
- Coal offtake remains robust with 28.4% y-o-y growth during April-July, while strong demand from power and elevated international coal price could result in improvement in e-auction prices. Potential efficient capital allocation for non-core investments (aluminium smelting and solar energy) could be key catalysts.
- Stock trades at an attractive valuation of 4.7x its FY2023E EPS (close to trough valuation) and offers a high dividend yield of 12%. Hence, we maintain a Buy on the stock with an unchanged PT of Rs. 185.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Coal-India-Aug11_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 11, 2021	**Cadila Healthcare Ltd**	Stock Update	BUY	↔	564	720	↔

Summary

- Cadila's Consolidated revenues grew 14.5% y-o-y to Rs. 4,025 crore driven by a strong 42.8% y-o-y growth in the India business while US sales declined by 10.6% y-o-y.
- A solid presence in chronic and sub-chronic segments (which are the key growth drivers for the Indian pharmaceutical markets) and plans to launch 35-40 new products provide ample growth visibility for India business.
- Part of Cadila's US business is under price erosion, but new launches Including injectables and high potential products, growth in the base products would lead to a healthy growth in the US business.
- Strong prospects and earnings visibility, a sturdy balance sheet, healthy return ratios and multiple growth triggers are key positives for Cadila. We retain our Buy recommendation on the stock with unchanged PT of Rs. 720.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Cadila-3R-Aug11_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 11, 2021	**Lupin Ltd**	Stock Update	BUY	↔	1,050	1,400	↔

Summary

- Lupin's Q1FY22 performance marginally missed estimates on the operating front and also reflected a NCE licensing milestone income of $50 million.
- Going ahead, Lupin sees strong traction for its India business and expects growth to be in the high-teens in FY2022, which would be driven by strong growth in the base business, especially chronic therapies.
- The US business is expected to be impacted by the price erosion in the near term while 2HFy2022 is expected to see a marked improvement driven by ramp up in Albuterol and Brovana. High potential / limited competition launches in FY23 provide further visibility for growth.
- Given the robust growth outlook, and improving return ratios, we retain Buy on Lupin with an unchanged PT of Rs. 1,400.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Lupin-3R-Aug11_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 11, 2021	**Bata India Ltd**	Stock Update	BUY	↔	1,666	1,905	↔

Summary

- Bata India Limited (Bata) posted resilient performance with revenue at Rs. 267 crore and operating losses declining by 60.5% y-o-y to Rs. 34 crore, led by stringent cost-saving measures and better gross margins.
- Bata has opened seven new franchise stores in tier III-V cities, taking the total tally to 234 franchise stores. The company launched relevant collections for its customers such as Work from Home, Fitness at Home, and Monsoon Collection.
- Post the easing of lockdown, Bata has started witnessing growth in footfalls in its stores. Improved mobility in the coming quarter augurs well for faster recovery.
- We maintain Buy with an unchanged PT of Rs. 1,905. Stock is currently trading at 47x its FY2023E EPS and 20.2x its FY2023 EV/EBIDTA.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Bata-3R-Aug11_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 11, 2021	**Century Plyboards Ltd**	Stock Update	BUY	↔	415	505	↔

Summary

- We retain a Buy on Century Plyboards Limited (Century) with an unchanged PT of Rs. 505, as a strong growth outlook and healthy balance sheet present further room for an upside.
- Q1FY2022 revenues were marginally lower than estimate. Net earnings came in below estimates due to lower than anticipated OPM. Inventory levels rise but are expected to taper down by Q2FY2022 end.
- Expect Q2 to see sharp recovery with improvement in OPM. The company to unveil roadmap for next three years post Q2FY2022.
- Brownfield MDF plant in Punjab delayed by a quarter. Greenfield MDF plant in South deferred due to delay in getting approvals.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Century_Plyboards-3R-Aug11_2021.pdf

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Company</th><th rowspan="2">Report Type</th><th colspan="2">Recommendation</th><th rowspan="2">Reco Price (Rs.)</th><th colspan="2">Price Target/ Upside (%)</th></tr>
<tr><th>Latest</th><th>Chg</th><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 11, 2021</td><td>Wonderla Holidays Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>227</td><td>270</td><td>↑</td></tr>
<tr><td colspan="8">Summary
Q1FY2022 performance was affected by disruption caused by second wave as all three parks were non-operational from mid-April due to state-level restrictions. WHL registered revenue of Rs. 4.4 crore and a loss of Rs. 13.3 crore.
The Hyderabad Park started operating from August 5, while the Bangalore park would start operating from August 12, the Kochi park might take some time as COVID-19 cases are rising in Kerala.
With pent-up demand, WHL expects footfalls to improve once lockdowns ease in FY2022 (in-line with strong recovery seen in Q4FY2021) and aims footfalls to reach close to FY2020 in the next two years.
With a strong balance sheet and cash levels of Rs. 70 crore as of June 2021, WHL is well-placed to invest on improving footfalls in existing parks in the near term. We maintain a Buy on the stock with revised PT of Rs. 270.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Wonderla-3R-Aug11_2021.pdf</td></tr>
<tr><td>Aug 12, 2021</td><td>Pidilite Industries Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>2,222</td><td>2,525</td><td>↑</td></tr>
<tr><td colspan="8">Summary
Pidilite Industries Limited (PIL) reported a mixed performance in Q1FY2022 with revenue beating expectation at Rs. 1,936.8 crore, while OPM slightly missed estimates at 17.9%, affected by higher input inflation; PAT stood at Rs. 217.6 crore.
Domestic organic volume growth stood at 103% (on low base of 59% volume decline in Q1FY2021); Araldite contributed Rs. 70 crore to the topline; international subsidiaries registered double-digit growth.
Strong demand arising from recovery in construction and home improvement activities will drive double-digit revenue growth in the quarters ahead. Raw-material inflation is expected to sustain in Q2 but will cool-off from H2FY2022.
PIL's dominance in the construction chemical and adhesive space and strong balance sheet make it a better play in the building material space. We retain our Buy rating on the stock with a revised PT of Rs. 2,525.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Pidilite-3R-Aug12_2021.pdf</td></tr>
<tr><td>Aug 12, 2021</td><td>Insecticides (India) Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>764</td><td>900</td><td>↔</td></tr>
<tr><td colspan="8">Summary
In-line Q1FY22 operating profit at Rs. 53 crore (up 7.9% y-o-y) as higher-than-expected revenue growth of 14.3% gets offset by 116 bps miss in OPM at 11.3%. PAT at Rs. 35 crore (up 1.7% y-o-y) missed our estimate due to lower other income.
Strong revenue growth was driven by 28.7%/179.4% y-o-y rise in institutional/export sales while branded sales growth were muted at 2% y-o-y. Rise in share of low-margin institutional sales and higher costs led to a contraction in margin.
The management reiterated revenue growth guidance of 10-12% y-o-y for FY2022 and expects gradual pick up in margins to 15% led by a rise in share of high margin-new generation products and backward integration.
We maintain Buy on the stock with an unchanged PT of Rs. 900, as we expect a strong 29% PAT CAGR over FY21-FY24E, RoE of 18% and balance sheet is also strong. Valuation of 8.6x/6.7 its FY23E/FY24E EPS is attractive.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Insecticides-3R-Aug12_2021.pdf</td></tr>
<tr><td>Aug 12, 2021</td><td>CESC Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>756</td><td>905</td><td>↔</td></tr>
<tr><td colspan="8">Summary
Q1FY22 consolidated PAT increased by 34.2% y-o-y to Rs. 271 crore, reflecting strong performance by subsidiaries while standalone performance was muted with 3% y-o-y PAT growth.
Strong performance by subsidiaries – Noida Power/Haldia Energy/Dhariwal Infra PAT rose 71%/6%/4% y-o-y; turnaround of Malegaon DF with a PAT of Rs. 2 crore while Rajasthan DF's loss reduced to Rs. 11 crore (versus loss of Rs. 33 crore in Q1FY21).
Potential turnaround of Rajasthan/Malegaon DFs in FY2022E, profitable operations at Dhariwal Infrastructure and a recovery in standalone operations would boost consolidated earnings. CESC emerged as the highest bidder to acquire a power distribution company in Chandigarh.
We maintain a Buy rating on CESC with an unchanged SoTP-based PT of Rs. 905. The stock trades at attractive valuation of 0.9x its FY2023E P/BV and offers healthy dividend yield of 6%.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/CESC-3R-Aug12_2021.pdf</td></tr>
<tr><td>Aug 12, 2021</td><td>Ashoka Buildcon Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>101</td><td>125</td><td>↔</td></tr>
<tr><td colspan="8">Summary
We retain Buy on Ashoka Buildcon Limited (Ashoka) with an unchanged PT of Rs. 125, considering healthy order backlog, comfortable liquidity position, and an improving industry outlook.
Q1FY2022 standalone revenue was higher than expected, while OPM came in lower than estimate. Order inflow of Rs. 2,980 crore till date with target of bagging another Rs. 4000 crore orders during balance fiscal.
Management has marginally increased FY2022 standalone revenue and OPM guidance. Strong order book at 2.5x provides healthy revenue visibility.
Asset monetisation guidance remains intact to get completed by Q3FY2022.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/AshokaBuild-3R-Aug12_2021.pdf</td></tr>
</table>

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 12, 2021	**Va Tech Wabag Ltd**	Stock Update	BUY	↔	357	435	↔

Summary

- We maintain Buy on Va Tech Wabag with unchanged target price of Rs 435 considering strong balance sheet led by robust operating and free cash-flow generation allays investors concerns on future growth.
- Well-funded strong order book at Rs 10,400 crore provides comfort on collections and execution fronts.
- Structural growth tailwinds owing to leading global positioning, the government'sspends on water supply, and impetus on industrial waste-water management.
- In the recent years, the management has seen government push in the segment to have water availability and improve water security and sanitation. This helps the company going ahead as increase in government capex will further add to the thriving business of the company.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/VaTech-3R-Aug12_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 12, 2021	**PNC Infratech Ltd**	Stock Update	BUY	↔	310	386	↑

Summary

- We retain a Buy rating on PNC Infratech Limited (PNC) with a revised price target of Rs. 386, owing to a strong order book and healthy earnings growth outlook.
- Standalone execution and OPM was better than expected in Q1FY2022. The order book at Rs. 15,500 crore, 3x TTM revenues provides strong revenue visibility.
- The management retains 25-30% standalone revenue growth guidance along with 13.5-14% OPM for FY2022. Order intake target unchanged at Rs. 8000 crore for FY2022.
- Asset divestment in final stages and is expected to conclude during FY2022. Divestment portfolio comprise equity of Rs. 940 crore and debt of Rs. 4700 crore.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/PNC_Infra-3R-Aug12_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 12, 2021	**ISGEC Heavy Engineering Ltd**	Viewpoint	POSITIVE	↔	711	31%	↔

Summary

- We maintain positive view on ISGEC Heavy Engineering with an upside of 31% considering strong order book, supported by best-in-class capabilities, provide healthy growth visibility.
- The overall order book stood at Rs 7,924 cr (1.45x TTM revenue) with Rs 2,366 cr of order booking during the quarter. Of the total order book, 55% comprised of order from PSU's and 10% of orders are from international markets.The execution is expected to gather pace in the near to medium term.
- The management has mentioned that slowly and steadily things are getting back on track. This will lead to increase in government spending which is a major positive for the company. Also, the sale of Phillipines plant is a major re-rating trigger.
- The company will be commissioning its ethanol plant which according to the management has the capability to generate over 15% RoCE in the long run.

Read report - https://www.sharekhan.com/MediaGalary/Equity/ISGEC-3R-Aug12_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 12, 2021	**Gati Ltd**	Viewpoint	POSITIVE	↔	151	33-35%	↔

Summary

- We retain positive view on Gati with an upside potential of 33-35% considering its strong earnings growth led by a turnaround and discounted relative valuation.
- Q1FY2022 affected by weak demand in April-May 2021. Cost rationalization and de-leveraging continued in Q1FY2022.
- The management retained double digit revenue growth and double digit OPM over the next two years. Non-core asset sales to materialize over 4-6 quarters.
- Management bandwidth strengthened with newly appointed CEO having decadal experience in the logistics space.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Gati-3R-Aug12_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 13, 2021	**Bharat Petroleum Corporation Ltd**	Stock Update	BUY	↔	468	520	↔

Summary

- Adjusted standalone PAT of Rs. 1,551 crore (down 60.5% q-o-q) lagged ours and the street's estimate due to miss in refining margins, slump in other income and higher depreciation.
- Reported GRMs were weak at $4.1/bbl (versus estimate of $5.1/bbl) while refinery throughput of 6.8mmt was inline. BPCL gained market share in diesel/petrol by 78 bps/91 bps y-o-y to 24%/25.8% in Q1FY22. Standalone debt fell by 18% q-o-q.
- We expect earnings to recover in the coming quarters with a recovery in volumes, structural improvement in auto fuel margins and a cyclical pick-up in GRMs. Ramp-up of PDPP project in H2FY22 could add $1/bbl to Kochi refinery GRMs.
- Privatisation remains a key re-rating trigger and could create long-term value for investors. Hence, we maintain a Buy on BPCL with an unchanged PT of Rs. 520. The stock trades 13.2x its FY2023E EPS.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/BPCL-3R-Aug13_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 13, 2021	**Grasim Industries Ltd**	Stock Update	BUY	↔	1,498	1,780	↑

Summary

- Grasim reported better-than-expected net earnings as operational performance of both the viscose and chemical divisions exceeded expectations.
- Grasim's expansion in VSF, chlor-alkali and e-poxy remain on track. Expect incremental capacity additions to aid growth amid a resurgence in pent-up demand post the second wave of COVID-19.
- Grasim is in the process of acquiring land for a paints plant that is expected to come up in the next two years.
- We retain a Buy on Grasim with a revised PT of Rs. 1,780 factoring revised valuation for UltraTech and its other listed subsidiaries.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Grasim-3R-Aug13_2021.pdf

Date	Company	Report Type	Latest	Chg	Reco Price (Rs.)	Latest	Chg
Aug 13, 2021	**NMDC Ltd**	Stock Update	BUY	↔	172	240	↔

Summary

- Q1FY22 PAT of Rs. 3,186 crore (up 12.4% q-o-q) was 16% above our estimate led by beat in EBITDA margin at Rs. 4,420/tonne (up 15.6% q-o-q) on the back of lower royalty payments (31% of revenues) and inventory gains.
- Blended iron ore realisation at Rs. 6,823/tonne (up 11.2% q-o-q) was below our estimate due to nil export volumes. Iron ore sales volume at 11.1 mt (down 14.8% q-o-q)] was in line with our estimates.
- A potential demerger and subsequent strategic stake sale of Nagarnat steel plant could unlock value and act as a key re-rating trigger for NMDC.
- We maintain a Buy on NMDC with an unchanged PT of Rs. 240 as valuation of 2.7x its FY23E EV/EBITDA for the core business is attractive considering a strong earnings growth outlook, RoE/RoCE of 22.2%/24.5% and a dividend yield of 7%.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/NMDC-3R-Aug13_2021.pdf

Date	Company	Report Type	Latest	Chg	Reco Price (Rs.)	Latest	Chg
Aug 13, 2021	**Aurobindo Pharma Ltd**	Stock Update	BUY	↔	761	915	↓

Summary

- Aurobindo Pharma (Aurobindo) reported a weak performance for Q1FY22 and the results missed estimates.
- Multiple headwinds like higher price erosion and inventory built up across channels have emerged for the US business and the same is expected to sustain at-least in the near term.
- Over the long term, efforts to build presence in specialty segments - biosimilars, oncology & injectables could be the growth drivers, but near term headwinds in US business are expected to slow down the growth.
- At CMP, the stock is trading P/E of 12.4x and 10.8x its FY22E and FY23E EPS, which is attractive. we retain our Buy recommendation with revised PT of Rs. 915.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Aurobindo-3R-Aug13_2021.pdf

Date	Company	Report Type	Latest	Chg	Reco Price (Rs.)	Latest	Chg
Aug 13, 2021	**Indraprastha Gas Ltd**	Stock Update	BUY	↔	535	650	↔

Summary

- Q1FY22 PAT of Rs. 244 crore (down 26.2% q-o-q) missed our estimate due to lower-than-expected volume of 5.3 mmscmd (down 22.1% q-o-q), slight miss in EBITDA margin at Rs. 7.9/scm (down 1.7% q-o-q) and lower other income.
- CNG/Industrial-Commercial PNG/third-party sales/domestic-PNG volumes declined by 25%/18%/20%/4% q-o-q amid COVID-led lockdown; higher per unit opex offset benefit of increase in gross margins to Rs. 14.4/scm (up 5.5% q-o-q).
- Recent recovery in CNG volumes to pre-COVID levels and hike in CNG/D-PNG prices in July bodes well for strong earnings revival. Long-term volume growth outlook remains intact supported by gradual shift towards gas-based economy; management has been guiding for a 10-12% volume CAGR in the next four years.
- IGL's recent underperformance to Gujarat Gas presents an investment opportunity given strong earnings growth outlook. Hence, we maintain a Buy on IGL with an unchanged PT of Rs. 650. At CMP, the stock trades at 23.6x its FY23E EPS.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/IGL-3R-Aug13_2021.pdf

Date	Company	Report Type	Latest	Chg	Reco Price (Rs.)	Latest	Chg
Aug 13, 2021	**Cummins India**	Stock Update	BUY	↔	975	1,252	↑

Summary

- We retain Buy on Cummins India (Cummins) with a revised PT of Rs. 1,183, given its strong performance during the quarter and introduction of new products, which will help increase market share.
- Cummins reported Q1FY2022 numbers slightly above our estimates with revenue/EBITDA/PAT at Rs. 1,184 crore (+138% y-o-y)/ Rs. 149 crore/Rs. 104 crore, respectively, owing to strong performance in the domestic and exports markets.
- The company is witnessing recovery in key segments such as power generation, construction, and mining, which are expected to do well going ahead. In exports, demand is expected to come back strongly, where North America, China, and India are expected to be the growth areas. Management remains optimistic but has refrained from giving guidance for FY2022.
- The company continues to carry out new product initiatives, cost rationalising, and conserving cash. The company is expected to maintain its technologically driven market leadership across all business segments.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Cummins-3R-Aug13_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 13, 2021	**Oil India Ltd**	Stock Update	HOLD	↔	166	185	↑

Summary

- Q1FY22 operating profit of Rs. 1,233 crore (up 2.9x q-o-q) was 41% above our estimate led by a sharply lower operating cost (down 36% q-o-q) and better-than-expected oil/gas sales volumes. Net oil realisations rose by 12.3% q-o-q to $67.2/bbl, in line with our estimates.
- Oil business EBIT stood at Rs. 1,096 crore (up 66.5% q-o-q) and gas business EBIT loss reduced to Rs. 90 crore (versus EBIT loss of Rs. 269 crore in Q4FY21). Crude oil/gas sales volume at 0.72 mmt/0.61 bcm, up 2.7%/9.5% q-o-q.
- Earnings outlook is improving led by recovery in oil prices and a potential hike of 50-60% in domestic gas prices for H2FY22, but a weak oil production profile, continued high capex and a lack of visibility on adequate returns on Mozambique investments would remain an overhang on the stock.
- Hence, we maintain a Hold rating on the stock with a revised SoTP-based PT of Rs. 185. At the CMP, the stock is trading at 7x its FY2022E EPS and 6.2x its FY2023E EPS.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Oil-India-3R-Aug13_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT/Upside Latest	PT/Upside Chg
Aug 13, 2021	**Kirloskar Oil Engines Ltd**	Viewpoint	POSITIVE	↔	232	23%	↑

Summary

- We maintain a Positive view and expect a 23% upside given a healthy growth, strong product portfolio and new launches would sustain growth momentum further supported by the government's thrust on infrastructure.
- Kirloskar Oil Engines (KOEL) reported strong set of numbers with revenue/ EBITDA/ PAT at Rs 647 cr (+102% yoy)/ Rs 49 cr/ Rs 24 cr. The performance could be attributed to strong performance in the engines and electrical pumps segment.
- A diversified business model, strong product portfolio and new launches would sustain growth momentum further supported by government thrust on infra, rising power generation requirements across sectors and onset of stricter emission norms to create sustainable long-term growth opportunities.
- The company generates strong operating cash flows, free cash flows aided by limited capex requirement and expects to utilise surplus cash for organic growth in adjacencies and looking at opportunities.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Kirloskar-3R-Aug13_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT/Upside Latest	PT/Upside Chg
Aug 13, 2021	**Expleo Solutions Ltd**	Viewpoint	POSITIVE	↔	1,038	40%	↔

Summary

- Strong Q1FY22 revenue growth, while OPM lagged estimates on higher third-party consultant expenses. Digital business' revenue rose 22% q-o-q; offshoring revenue contribution has been improving for the past three quarters.
- Management remains confident of delivering a 15-20% revenue growth in FY22, led by a healthy deal pipeline, strong growth in strategic accounts and new logo additions. Management expects FY22 EBITDA margins to be at 18-19% despite strong hiring.
- We expect the company to clock revenue/earnings CAGR of 21%/16% over FY2021-FY2024E; stock is attractively valued at 14x/12x of FY2023E/FY2024E earnings of combined entity; It is debt-free with improving return ratios.
- We stay Positive on Expleo Solutions and expect a 40% upside in the next 12 months given a strong earnings growth potential, favorable synergies from recent merger announcement and reasonable valuation.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Expleo-3R-Aug13_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT/Upside Latest	PT/Upside Chg
Aug 16, 2021	**Info Edge (India) Ltd**	Stock Update	BUY	↔	5,441	6,100	↔

Summary

- We retain Buy on Info Edge with a PT of Rs. 6,100, given strong growth in billings and improving demand environment in both recruitment business and 99acres business.
- Revenue in-line, OPM beats estimates; billings growth remained strong across segments. Strong traffic continued in the recruitment business, while traffic and monetisation recovered strongly in 99acres businesses in July 2021.
- Strong growth in new customer additions and billings per customer to drive growth of recruitment business, while higher online ad spends and favourable demand tailwinds would drive growth of 99acres business going ahead.
- We prefer Info Edge considering its leading position in its core businesses, a strong balance sheet, and proven track record of identifying scalable online businesses early. Expect revenue/EPS to report a CAGR of 24%/40% over FY2021-FY2024E.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/InfoEdge-3R-Aug16_2021.pdf

Date	Company	Report Type	Reco Latest	Reco Chg	Reco Price (Rs.)	PT/Upside Latest	PT/Upside Chg
Aug 16, 2021	**Petronet LNG**	Stock Update	BUY	↔	215	285	↔

Summary

- Q1FY22 adjusted PAT of Rs. 675 crore (flat q-o-q) was 18% above our estimate led by better-than-expected re-gas volume of 209 tbtu (down 4.1% q-o-q and 4.5% above our estimate) and lower-than-anticipated depreciation.
- Dahej/Kochi re-gas volume of 194tbtu/15tbtu with utilisation of 87%/23.5% (better than our estimate). Dahej utilization has improved to 95% in July. Management has guided for recovery of Q1FY22 volume loss in coming quarters. Volume offtake visibility is strong as a 16.5-mtpa capacity is contracted for Dahej terminal.
- The management has changed its stance from an aggressive capex to gradual spends on LNG retailing/CBG plants. Focus remains on Dahej capacity expansion by 5 mtpa (in two phases), storage tanks and jetty with capex of Rs. 4,100 crore.
- Valuation is attractive at 9x its FY2023E EPS, given earnings visibility, high RoE, and FCF/dividend yield of 9%/7%. Hence, we maintain a Buy rating on Petronet LNG with an unchanged PT of Rs. 285.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Petronet-3R-Aug16_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 16, 2021	**Amara Raja Batteries Ltd**	Stock Update	BUY	↔	720	1,146	↔

Summary

- We maintain a Buy rating on Amara Raja Batteries Limited (Amara) with an unchanged PT of Rs. 1,146, owing to a brighter demand outlook for batteries, post-normalization of economic activities and comfortable valuations.
- Q1FY22 results were mixed bags with net revenues higher than expectations, while EBITDA margin contraction sharper than expectations.
- We expect Amara's earnings to clock a 18% CAGR during FY21-23E, driven by a 13% revenue CAGR and a 110 bps expansion in EBITDA margin to 17.6% in FY23E.
- Stock trades below historical average multiples at P/E multiple of 14.3x and EV/EBITDA multiple of 7.1x its FY2023 estimates.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/AmaraRaja-3R-Aug16_2021.pdf

Aug 16, 2021	**Triveni Engineering & Industries Ltd**	Stock Update	BUY	↔	178	240	↔

Summary

- Triveni Engineering & Industries (TEIL) registered mixed performance in Q1FY2022 with revenues declining by 9.2% y-o-y, (affected by lower sugar dispatches) while PAT grew by 9% y-o-y due to better OPM (improved by 74 bps y-o-y to 13.5%) and lower tax.
- Distillery business outperformed with revenue and PBIT growing by 23% and 33%, respectively led by sales volume and realisation growth of 9% and 11%, respectively.
- New ethanol capacity of 200KLPD will come on stream in Q4FY2022. Steady sugar sales, higher revenue from the distillery business, and recovery in the engineering business would drive earnings in the near term.
- We broadly maintain our earnings estimates for FY2022/FY2023. We maintain our Buy recommendation on the stock with an unchanged PT of Rs. 240.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Triveni_Engg-3R-Aug16_2021.pdf

Aug 16, 2021	**Triveni Turbine Ltd**	Stock Update	BUY	↔	129	156	↑

Summary

- We retain our Buy rating on Triveni Turbine Limited (TTL) with a revised PT of Rs. 156, considering healthy enquiry pipeline in both domestic and exports in addition to improving global economic scenario, which has resulted in a pick-up in demand.
- TTL reported Q1 FY22 numbers slightly above our estimates with revenue/ EBITDA/ PAT at Rs 184 cr/ Rs 36 cr/ Rs 28 cr (+11%, -8%, +2% yoy) driven by domestic sales which grew 38% YoY.
- The management expects both the global markets and their market share to improve in the short to medium term, driven by a resurgence in global activity after over a year of pandemic -led lull in economic activity supported by strong order enquiry in domestic and international markets.
- The company received its highest order booking in 4 years at Rs 273 cr (+89% yoy) and overall order book stood at Rs 728 cr (1x TTM revenue). Both domestic and exports order booking contributed to this growth.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Triveni_Turbine-3R-Aug16_2021.pdf

Aug 16, 2021	**MOIL Ltd**	Stock Update	BUY	↔	176	225	↔

Summary

- Q1FY2022 adjusted PAT of Rs. 62 crore (down 46.7% q-o-q) missed our estimate by 19% due weaker-than-expected volumes, miss in EBITDA margins despite better-than-expected blended manganese ore realisations and lower other income.
- Manganese ore production/sales volumes declined by 37% q-o-q to 0.25 mm/0.26 mt owing to COVID-19 and margin was weak at Rs. 3,209/tonne (down 15% q-o-q) as lower volumes affected operating leverage, thus offsetting benefit of a 4% q-o-q rise in blended manganese ore realisation to Rs. 10,315/tonne.
- Price hike of 7.5% in July, improving international manganese ore prices and a likely volume recovery in H2FY2022 would drive a strong earnings revival. We expect operating profit to post a 37% CAGR over FY2021-FY2023E.
- We maintain a Buy on MOIL with an unchanged PT of Rs. 225 as valuation of 3.4x FY23E EV/EBITDA is attractive considering expectation of strong earnings recovery. Strong cash position of Rs. 1,905 crore (46% of market capitalisation) provides a scope for share buyback and high dividend payouts.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/MOIL-3R-Aug16_2021.pdf

Aug 16, 2021	**Himatsingka Seide Ltd**	Viewpoint	POSITIVE	↔	272	27%	↑

Summary

- Himatsingka Seide's (HSL) Q1FY2022 results beat our estimates with revenues and PAT of Rs. 815.4 crore and Rs. 58 crore, respectively, on back of higher capacity utilisation and export benefits of Rs. 72 crore.
- Demand for soft home textile products is robust and order book for FY2022 would be strong in the coming quarters. Capacity utilisation for terry towels and bed sheets would remain at about 80% and 70%, respectively, in the coming quarters.
- Price hikes, better utilisation across plants and operating efficiencies would help in mitigating the impact of higher input prices. The company eyes OPM of 20-22% in the medium term, better than earlier guidance of 18-22%.
- HSL aims to slash debt through higher cash flows led by improved operating performance. We stay Positive on the stock and expect an upside of 27%.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Himatsingka-3R-Aug16_2021.pdf

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 16, 2021	**SP Apparels**	Viewpoint	POSITIVE	↔	319	25%	↑

Summary

- S.P Apparel's revenues stood at Rs. 133 crore in Q1FY22, down by 31% q-o-q due to stringent lockdown norms in the state of Tamil Nadu. OPM came in at 21% (aided by Rs. 8.5 crore of RoSCTL benefits).
- Garment business revenues to rise 20% over FY2021-24 (driven by a 14-15% rise in volumes); garment business OPM to stand at 18-20% by FY2023/24 on the back of increased utilisation (likely to reach 77%).
- The Company has formed a subsidiary 'S.P Retail Ventures' to expand to a multi-brand retail company from a single brand company with entrance into multiple categories in long run.
- We have fine-tuned our earnings estimates to factor in little higher than earlier expected OPM and better outlook in the coming quarters. We maintain our Positive view on the stock with 25% potential upside from the current level.

Read report - https://www.sharekhan.com/MediaGalary/Equity/SP_Apparels-3R-Aug16_2021.pdf

Date	Company	Report Type	Recommendation Latest	Chg	Reco Price (Rs.)	Price Target Latest	Chg
Aug 17, 2021	**Hero MotoCorp Ltd**	Stock Update	BUY	↔	2,781	4,030	↑

Summary

- We reiterate Buy on Hero MotoCorp Limited (Hero) with an unchanged PT of Rs. 4,030 because of expected recovery in rural and urban markets post normalisation of economic activities.
- Q1FY2022 results were weaker than expected due to sharper contraction of EBITDA margin than expected. EBITDA and PAT declined by 57.5% q-o-q and 57.8% q-o-q, respectively, in Q1.
- As the economy is getting normalised, Hero is expected to benefit from premiumisation of its products, its stronghold in the economy, executive motorcycle segments, and aggressive products offerings in premium bike and scooters segments.
- The stock is trading at comfortable valuations at P/E multiple of 13.1x and EV/EBITDA multiple of 7.3x its FY2023E estimates, with attractive dividend yield of 3.6%.

Read report - x

Date	Company	Report Type	Recommendation Latest	Chg	Reco Price (Rs.)	Price Target Latest	Chg
Aug 17, 2021	**Ashok Leyland Ltd**	Stock Update	BUY	↔	126	151	↔

Summary

- We retain our Buy rating on Ashok Leyland Limited (ALL) with an unchanged PT of Rs 151, owing to expected growth recovery in CV industry post the normalization of economic activities.
- ALL reported weak results for Q1FY22, marred by lower volumes due to lockdown restrictions.
- We expect ALL's profitability to improve significantly, with its EBITDA growing at 159% CAGR for FY2021-23E, aided by robust 38.2% revenue CAGR and sharp margin expansion.
- The stock is trading below its average historical multiples at P/E of 18x and EV/EBITDA of 9.8x its FY2023E estimates. Ashok_Leyland-3R-Aug17_2021.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Ashok_Leyland-3R-Aug17_2021.pdf

Date	Company	Report Type	Recommendation Latest	Chg	Reco Price (Rs.)	Price Target Latest	Chg
Aug 17, 2021	**Finolex Cables Ltd**	Stock Update	BUY	↔	475	623	↔

Summary

- We retain our Buy rating on Finolex Cables Limited (Finolex) with an unchanged PT of Rs. 623, considering improvement in distribution efforts, which has led to pick up in volumes.
- Finolex reported Q1FY2022 numbers above our estimates with revenue/ EBITDA/PAT at Rs. 675 crore/Rs. 70 crore/Rs. 55 crore (+79%, +104%, +57% y-o-y) due to favourable base and strong performance in electrical cables and communication cables segment.
- We expect strong performance in FY2022 as the cables segment saw infrastructure investments and scaling up of its FMEG business with improving demand and strong dealer network.
- The company's healthy operating cash flow generation, tight working capital management (policy of advance payments from dealers), and limited capex are expected to further build upon its cash reserves.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/FinolexCable-3R-Aug17_2021.pdf

Date	Company	Report Type	Recommendation Latest	Chg	Reco Price (Rs.)	Price Target Latest	Chg
Aug 17, 2021	**Suprajit Engineering Ltd**	Stock Update	BUY	↔	350	401	↑

Summary

- We reiterate our Buy rating on Suprajit Engineering Limited (suprajit) with a revised PT of Rs. 401, factoring its robust value proposition to its domestic and global clients, aided by its leadership position in the domestic cables business and locational advantage vis-à-vis global peers.
- Q1FY22 numbers were weak and below expectations, with revenue, EBIDTA and PAT declining 29.5%, 39.8% and 53%, respectively on a q-o-q basis.
- We expect Suprajit's earnings to report a 30.1% CAGR during FY2021E-FY2023E, driven by a 20% revenue CAGR and 130 bps improvement in EBITDA margin, with its ROCE improving back to 21.1% in FY23E. We have introduced FY24E estimates.
- The stock trades at a 10-15% discount to its average historical multiples at P/E multiple of 20.1x and EV/EBITDA multiple of 13.4x its FY2023E estimates.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Suprajit-3R-Aug17_2021.pdf

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Company</th><th rowspan="2">Report Type</th><th colspan="2">Recommendation</th><th rowspan="2">Reco Price (Rs.)</th><th colspan="2">Price Target/ Upside (%)</th></tr>
<tr><th>Latest</th><th>Chg</th><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 17, 2021</td><td>Polyplex Corporation Ltd</td><td>Stock Update</td><td>HOLD</td><td>↔</td><td>1,449</td><td>1,570</td><td>↑</td></tr>
<tr><td colspan="8">Summary
Q1FY22 adjusted PAT of Rs. 136, up 16.3% y-o-y beat our estimate led by stronger-than-expected revenue growth, marginally beat in margin, lower depreciation and tax rate. Volume growth of 10% y-o-y was in line with estimates.
PCL is setting up 60 ktpa BOPP line (capex of $52 million) in Indonesia by Sep'21 and 50 ktpa BOPET line (capex of $83 million) in the US by H2FY2023. This would drive double-digit volume growth in the next couple of years.
However, we expect BOPET spreads to contract sharply over FY2022-FY2023 as global capacity additions would outpace demand growth and thus model a 390 bps margin decline over FY21-FY23E, which would largely offset volume growth.
We maintain a Hold rating on PCL with a revised PT of Rs. 1,570 given muted earnings growth outlook (expect 6% PAT CAGR over FY21-23E) and valuation of 8x its FY2023E EPS is above its long-term average one-year forward PE of 7.4x.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/PolyplexCorp-Aug17_2021.pdf</td></tr>
<tr><td>Aug 17, 2021</td><td>Shilpa Medicare Ltd</td><td>Stock Update</td><td>BOOK OUT</td><td>↓</td><td>553</td><td>-</td><td>-</td></tr>
<tr><td colspan="8">Summary
Shilpa Medicare Limited (SML) reported weak numbers in Q1FY2022 that missed estimates. Results were impacted by higher remediation cost at the Jadcherla unit, which is under import alert.
SML is putting a strategy in place to mitigate risks, which includes focusing on other geographies (non US), but a meaningful revival could be achieved post resolution of the import alert, which is still afar.
The higher remediation cost is expected to stay in the near term and could taper off in 2HFY22, thus pointing margin pressures.
We had initiated our coverage on SML in our note dated September 4, 2020 at a CMP of Rs. 511. Basis the persisting regulatory headwinds and higher valuation we recommend a book out on the stock.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Shilpa_Medicare-3R-Aug17_2021.pdf</td></tr>
<tr><td>Aug 17, 2021</td><td>Sadbhav Engineering Ltd</td><td>Stock Update</td><td>HOLD</td><td>↔</td><td>61</td><td>68</td><td>↓</td></tr>
<tr><td colspan="8">Summary
Sadbhav Engineering Limited (SEL) reported lower-than-expected standalone operational performance for Q1FY2022, continuing to be affected by delays in receiving appointed dates for EPC projects.
Management expect to show decent growth from Q3FY2022 onwards. Focus on further asset divestments, conciliation of two large projects and tracking arbitration claims.
Order book healthy at 5.5x TTM standalone revenues albeit on lower base. Awaiting results for Rs. 5900 crore projects bided.
We retain a Hold on the stock with a revised PT of Rs. 68, factoring downwardly revised valuation of its listed subsidiary Sadbhav Infrastructure Projects.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Sadbhav-3R-Aug17_2021.pdf</td></tr>
<tr><td>Aug 18, 2021</td><td>L&T Technology Services</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>3,823</td><td>4,460</td><td>↑</td></tr>
<tr><td colspan="8">Summary
We maintain Buy on L&T Technology Services (LTTS) with a PT of Rs. 4,460, given strong demand recovery across verticals, its presence in the fast-growing ERD space, and full-spectrum of services.
LTTS would focus on six strategic areas where demand for digital engineering services remains strong. We believe LTTS' focused bets and long-standing relationship with clients would enable it to capture emerging opportunities.
We believe LTTS can comfortably achieve the higher-end of its FY2022 revenue growth guidance of 15-17%, given strong deal wins and healthy deal pipeline. Further, the demand environment in US and Europe stays healthy.
We expect USD revenue/EPS to clock a CAGR of 19%/ 27%, respectively, over FY2021-24E. EBIT margin to sustain in medium-term given its focus on improving margin in hi-tech vertical andincreasing digital engineering revenue.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/LTTS-3R-Aug18_2021.pdf</td></tr>
<tr><td>Aug 18, 2021</td><td>Jubilant Foodworks Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>4,041</td><td>4,707</td><td>↑</td></tr>
<tr><td colspan="8">Summary
We maintain a Buy on Jubilant Foodworks (JFL) with a revised price target of Rs. 4,707. Strong growth prospects and focus on becoming complete food-tech company makes it a good pick in the QSR space.
Q1FY2022 was resilient with sales recovering to 100% of pre-COVID levels in June; permits for limited dine-ins in more states is expected to boost revenue growth further.
JFL looks to become complete food-tech company by putting technology at centre of the strategy to improve customer experience and boost operating efficiencies.
Company plans to significantly invest in supply chains and open 150-175 stores in FY2022 to improve customer service.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Jubilant-3R-Aug18_2021.pdf</td></tr>
</table>

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Company</th><th rowspan="2">Report Type</th><th colspan="2">Recommendation</th><th rowspan="2">Reco Price (Rs.)</th><th colspan="2">Price Target/ Upside (%)</th></tr>
<tr><th>Latest</th><th>Chg</th><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 18, 2021</td><td>VST Tillers and Tractors Ltd</td><td>Viewpoint</td><td>POSITIVE</td><td>-</td><td>2,637</td><td>21-23%</td><td>-</td></tr>
<tr><td colspan="8">Summary
• We initiate viewpoint coverage on VST Tillers and Tractors Limited (VST Tillers) with a positive view and expect a 21-23% upside.
• Company is well-placed to benefit from a strong rural economy and increase in farm mechanisation.
• Robust earnings growth, balance sheet and return ratios; long-term growth through technological tie-ups, new launches, increasing penetration and market share gains would drive value for VST Tillers.
• Stock trades below historical average at P/E multiple of 16.2x and EV/EBITDA of 14.9x on FY23E earnings; provides a good entry point.
Read report - https://www.sharekhan.com/MediaGalary/Equity/VST-3R-Aug18_2021.pdf</td></tr>
<tr><td>Aug 20, 2021</td><td>Tech Mahindra</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>1,399</td><td>1,665</td><td>↑</td></tr>
<tr><td colspan="8">Summary
• We maintain Buy on Tech Mahindra (TechM) with a revised PT of Rs. 1,665, given strong deal pipeline and improving visibility of 5G opportunity.
• We believe TechM is on track to achieve its aspiration of double-digit organic growth in FY2022E, led by healthy deal wins, all-time high deal wins, and strong demand environment.
• TechM has enough levers to offset margin headwinds from supply-side issues, initiatives to retain talents, and rising travel expenses. Management guided EBIT margin to be sustainable at 15% with an upward bias.
• We continue to like TechM because of 5G opportunity, a proactive proposal approach, and disciplined capital allocation. USD revenue/EPS is expected to post a 12%/17% CAGR, respectively, over FY2021-FY24E.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/TechM-3R-Aug20_2021.pdf</td></tr>
<tr><td>Aug 20, 2021</td><td>Sundram Fasteners Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>753</td><td>994</td><td>↔</td></tr>
<tr><td colspan="8">Summary
• We continue to retain our Buy rating on Sundram Fasteners Limited (SFL) with an unchanged PT of Rs. 994, led by the company's strong performance outpacing the automobile industry's growth through diversifying client and product portfolios, benefitting from its established client relationships, and prudent capital allocation.
• SFL displayed strong performance in Q1FY2022, beating street expectations, led by robust operational performance, despite tough environment. Export and non-automotive segments remain the top focus areas for the management to de-risk business from cyclicality.
• We expect SFL's earnings CAGR to improve by 32.3% during FY2021E-FY2023E, driven by a 26% revenue CAGR during FY2021E-FY2023E and a 20 bps improvement in EBITDA margin to 18.4% in FY2023E from 18.2% in FY2021, with ROCE progressing to 22.6% in FY2023E.
• The stock trades at P/E multiple of 25x and EV/EBITDA multiple of 15.1x its FY2023E estimates.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/SundramFast-3R-Aug20_2021.pdf</td></tr>
<tr><td>Aug 20, 2021</td><td>Greaves Cotton Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>133</td><td>194</td><td>↔</td></tr>
<tr><td colspan="8">Summary
• We maintain a Buy on the stock Greaves Cotton Limited (Greaves) with an unchanged PT of Rs. 194, owing to positive business outlook for mobility business.
• Greaves reported a weak performance in Q1FY22, marred by lockdown restrictions due to the second wave of COVID-19.
• The company's management is witnessing strong recovery from July 2021 onwards. We expect Greaves to clock a 24% revenue CAGR during FY2021-23E also see a sharp rise in margins, leading to a 245% earnings CAGR.
• The stock trades below historical averages at a P/E multiple of 16.4x and EV/EBITDA multiple of 9.8x its FY2023E estimates.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/GreavesCotton-3R-Aug20_2021.pdf</td></tr>
<tr><td>Aug 23, 2021</td><td>SRF Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>8,970</td><td>10,600</td><td>↑</td></tr>
<tr><td colspan="8">Summary
• Indian fluorochemical market expected to clock a 14% CAGR over CY20-CY25E. SRF's aggressive capex plan of ~Rs. 3,800 crore (majority on chemicals) over FY22E-FY23E would drive a 22% CAGR in revenue and 200 bps improvement in margin over FY21-FY24E for specialty chemicals segment.
• SRF holds a 40-45% domestic market share in NTCF; which is poised for structural margin upcycle given capacity closures in China. Thus, recent surge in margin of technical textile (best ever EBIT margin of 27.1% in Q1FY22) is likely to sustain for next 4-6 quarters.
• Continuous investment in high-growth specialty chemical space, structural margin improvement in technical textiles and potential recovery in refrigerants business would drive a strong 23% CAGR in PAT over FY21-FY24E along with RoE of 20.4%.
• We maintain a Buy on SRF with a revised PT of Rs. 10,600. Favourable dynamics of Indian specialty chemicals space would support premium valuations (stock is trading at 30.4x/24.2x FY23E/FY24E EPS.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/SRF-3R-Aug23_2021.pdf</td></tr>
</table>

Date	Company	Report Type	Recommendation		Reco Price (Rs.)	Price Target/ Upside (%)	
			Latest	Chg		Latest	Chg
Aug 24, 2021	**L&T Infotech Ltd**	Stock Update	BUY	↔	4,981	5,750	↑

Summary

- We maintain our Buy rating on L&T Infotech (LTI) with a revised PT of Rs. 5,750, given broad-based demand across verticals, robust deal pipeline, and strong partnership with hyperscalers.
- LTI is well poised for another year of industry-leading growth in FY2022, led by strong growth in top accounts, recovery in impacted verticals, healthy deal pipeline, and improving demand for its cloud and data products business.
- LTI targets to add 4,500 freshers (1.5x of FY2021) in FY2022. Further, the company would hire 1,500 employees with 1-2 years of experience. Strong planned hiring indicates the strength of underlying demand across verticals.
- Management eyes net profit margin of 14-15% in FY2022E despite investments in building capability and S&M investments, led by strong revenue growth, higher offshoring, cost-optimisation measures, and hedging strategy.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/LTI-3R-Aug24_2021.pdf

Aug 24, 2021	**Hitech Pipes Ltd**	Viewpoint	POSITIVE	-	530	28-30%	-

Summary

- We initiate viewpoint coverage on Hitech Pipes Limited (Hitech) with a positive view and expect an upside of 28-30% on strong earnings growth led by operational profitability and discounted relative valuations.
- Hitech has expanded capacity by 3.2x to 5.8 lakh TPA over FY2015-FY2021, keeping leverage in check. It aims to reach 7 lakh TPA and 10 lakh TPA without additional debt.
- Rising share of value-added products, operating leverage, exports, backward & forward integration, customisation and brand strengthening would boost operational profitability.
- Growth to ride on structural drivers such as infrastructure investments over next five years, Jal Jeevan Mission, low per capita steel pipes consumption among others.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Hitech_Pipes-3R-Aug24_2021.pdf

Aug 25, 2021	**Nestle India**	Stock Update	BUY	↔	19,861	22,395	↑

Summary

- We maintain a Buy on Nestle India with a revised price target of Rs. 22,395. Revenues and PAT are expected to clock a CAGR of 14% and 18% over CY2020-23.
- H1CY2021 numbers were good with revenues and PAT growing by 12% and 13%, respectively and OPM standing at 25%.
- It maintained its thrust on achieving double-digit revenue growth by penetrating deep in rural markets (covered 89,288 villages), innovation (that contributes 4.3% of sales) and accelerating footprint through new channels.
- Nestle is planning to reward its shareholders with a higher dividend in the coming years by transferring Rs. 837 crore from the general reserve to retained earnings.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Nestle-3R-Aug25_2021.pdf

Aug 25, 2021	**Schaeffler India Ltd**	Stock Update	BUY	↔	7,087	8,000	↑

Summary

- We retain Buy on Schaeffler India Limited (SIL) with a revised PT of Rs. 8,000, led by a strong outlook for its automotive and industrial businesses and an upgrade in earnings estimates.
- Exports is a high-growth area for SIL, given the pedigree of its parent company. Increasing localisation and focus on market share gains would help revenue and EBITDA growth.
- Given the robust outlook for SIL's business, we expect its earnings to post a 52% CAGR from CY2020-CY2022E, driven by a 28.9% revenue CAGR during CY2020-CY2022E and a 300 bps improvement in EBITDA margin.
- The stock is trading at its upper end of average multiple at P/E of 32.8x and EV/EBITDA of 19.8x its CY2022E estimates. Premium valuation is justified given its strong pedigree of parent and technological edge.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Schaeffler_Aug25_2021.pdf

Aug 26, 2021	**HCL Technologies**	Stock Update	BUY	↔	1,168	1,400	↑

Summary

- After muted performance for the last two consecutive quarters, HCL Tech expects revenue growth to accelerate from Q2FY2022E given higher demand for Cloud IMS, record-high bookings and a strong deal pipeline.
- HCL Tech's ERS business is expected to outperform its IT business in FY2022E led by increasing demand for digital engineering, recovery in asset-heavy industries and deal wins. Company has stepped up investments in products and sales to drive the growth of its P&P business.
- Despite investments in capability building and wage revisions, we expect margins to sustain supported by revenue growth, higher offshoring and employee pyramid.
- We maintain a Buy on the stock with a PT of Rs. 1,400, given anticipation of strong acceleration in revenue growth from Q2FY2022 and reasonable valuation.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/HCL_Tech-3R-Aug26_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 27, 2021	**Escorts Ltd**	Viewpoint	POSITIVE	↔	1,347	15%	↑

Summary

- We continue to maintain our positive view on Escorts Limited (Escorts) with upside potential of 15%. Stock trades at P/E multiple of 13.9x and EV/EBITDA of 11.5x on FY23E estimates.
- Escorts is well-placed to benefit from a strong rural economy and rise in construction activity, post normalisation of economy.
- Kubota Corporation (Japan) remains positive on India farm markets and provides edge to Escorts over its peers.
- Robust balance sheet and return ratios, strong FCFF; long-term growth strategy Kubota Corporation (Japan) can surprise positively on earnings.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Escorts-3R-Aug27_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 27, 2021	**Relaxo Footwears Ltd**	Stock Update	BUY	↔	1,159	1,350	↑

Summary

- We maintain a Buy on Relaxo Footwear with a revised price target of Rs. 1350. A good financial track record, improving cash flows, and better growth prospects make it a better pick in the branded retail space.
- Improving mobility led by opening up of corporate and educational institutes would result in faster recovery in the quarters (in the out-of-home footwear category).
- Medium-term outlook is intact, as focus on improving penetration in the southern markets, new product addition, and shift from non-branded to branded products remain key growth levers.
- Higher sales volume, better mix and price hike of 7-8% would mitigate the input cost inflation and the OPM would remain at ~20%.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Relaxo-3R-Aug27_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 30, 2021	**Bharti Airtel**	Stock Update	BUY	↔	620	750	↔

Summary

- The board approved fund raising up to Rs. 21,000 crore via right issues at Rs. 535/share, which would lead to 7% equity dilution. Promoter' subscribe to the extent of their entitlement as well as any unsubscribed portion look encouraging.
- The proceeds from rights issue would help the company to capture opportunities by accelerating investments in the rollout of 5G services, fiber, and data center business.
- Ongoing tariff hike, steady 4G subscriber additions, and strong growth in other businesses would boost the company's EBITDA growth at 22% CAGR over FY2021-FY23. The stock trades at a reasonable valuation of 8x its FY2023E EV/EBITDA.
- We maintain a Buy on the stock with an unchanged PT of Rs. 750, given its proactive capital raise plan to accelerate growth, ongoing tariff hikes, and reasonable valuation.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/Bharti_Airtel-3R-Aug30_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 30, 2021	**Ramkrishna Forgings Ltd**	Stock Update	BUY	↔	1,023	1,204	↑

Summary

- We maintain our Buy rating on Ramkrishna Forgings Limited (RKFL) with a revised PT of Rs. 1,204, led by a continued growth momentum for commercial vehicle segment in India, Europe and North America and an upgrade in earnings estimates.
- RKFL is witnessing demand across geographies, product portfolio and clients, driven by strengthening business with existing clients, acquisition of new clients and foray into new segments.
- Earnings to clock strong 178% CAGR over FY21-23E, driven by a 34.4% CAGR in domestic revenue, 44.1% CAGR in export revenue and a 240 bps rise in EBITDA margin over FY2021-FY2023E.
- The stock is also available below its historical average multiples at P/E of 15.1x and EV/EBITDA of 7.6x on its FY2023E estimates.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/RK_Forgings-Aug30_2021.pdf

Date	Company	Report Type	Recommendation Latest	Recommendation Chg	Reco Price (Rs.)	Price Target/ Upside (%) Latest	Price Target/ Upside (%) Chg
Aug 31, 2021	**Tata Consumer Products Ltd**	Stock Update	BUY	↔	865	960	↑

Summary

- We maintain Buy on Tata Consumer Products Limited (TCPL) with a revised PT of Rs. 960. With strong growth prospects and sturdy cash flows (FCF/EBIDTA of 100%), TCPL is one of our top picks in the FMCG space.
- TCPL is progressing well on strategic priorities of increasing the direct coverage (targets 1mn outlets by Sept, 21), adding innovation on various platforms/ markets (targets 3.5% of sales in FY22), and embed digitalisation across the value chain.
- Domestic raw tea prices are stabilising and declined by ~35% from their high in August-September 2020. Stable raw-material prices, price hikes in the beverages portfolio, and synergistic benefits from acquired companies would help in better margins from Q3.
- Steady volume growth in the foods and beverages business and margin expansion would enable TCPL to report revenue and PAT CAGR of 13% and 19%, respectively, over FY2021-FY2024.

Read report - https://www.sharekhan.com/MediaGalary/StockIdea/TCPL-3R-Aug31_2021.pdf

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Company</th><th rowspan="2">Report Type</th><th colspan="2">Recommendation</th><th rowspan="2">Reco Price (Rs.)</th><th colspan="2">Price Target/ Upside (%)</th></tr>
<tr><th>Latest</th><th>Chg</th><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 31, 2021</td><td>KNR Constructions Ltd</td><td>Stock Update</td><td>BUY</td><td>↔</td><td>332</td><td>400</td><td>↑</td></tr>
<tr><td colspan="8">Summary
KNR's board approved asset sale at 1.1x P/B which forms 71% of consolidated debt. Asset sales to be completed by FY2022, thereby significantly deleveraging balance sheet and freeing up equity capital.
Roads sector forms 27% of government's Rs. 6 lakh-crore national monetisation plan till FY2025. Asset divestment to help improving liquidity in sector & increase project tendering.
FASTag collections indicate tolling reaching pre-COVID levels. Bank credit deployment to roads maintain double digit y-o-y growth since February 2021 to June 2021.
We retain a Buy on the stock with a revised PT of Rs. 400 as we believe that a brighter industry outlook and strengthening balance sheet are strong growth levers.
Read report - https://www.sharekhan.com/MediaGalary/StockIdea/KNR-3R-Aug31_2021.pdf</td></tr>
<tr><td>Sep 02, 2021</td><td>Globus Spirits Ltd</td><td>Viewpoint</td><td>POSITIVE</td><td>↔</td><td>1,060</td><td>24%</td><td>↑</td></tr>
<tr><td colspan="8">Summary
We remain Positive on Globus Spirits Limited (GSL) with a potential upside of 24% over the next 12 months. The stock has given handsome return of 77% since our initiation of viewpoint in June. Despite strong run up, current valuation of 11.2x its FY2023E EPS is attractive.
Management is targeting 20% sustainable growth in consumer business through distribution enhancement and new product addition. Scale up in capacity and high ethanol sales would boost bulk alcohol sales.
OPM will remain at ~24-25% in the medium term (much better than 20.7% in FY2021). RoE and RoCE to remain strong with healthy cash flows.
Higher ethanol production leading to sustainable revenue growth and higher cash flows with strong return profile will be key re-rating trigger for the stock in the medium term.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Globus-3R-Sept02_2021.pdf</td></tr>
<tr><td>Sep 03, 2021</td><td>Oberoi Realty</td><td>Viewpoint</td><td>POSITIVE</td><td>-</td><td>761</td><td>23-25%</td><td>-</td></tr>
<tr><td colspan="8">Summary
We initiate viewpoint coverage on Oberoi Realty with a Positive view and expect a 23-25% upside given near-term and long-term growth levers for its residential and rental portfolio.
Completed & ongoing residential project inventory is worth ~Rs. 17,000 crore, or 8x FY2021 revenues, which along with new launches would drive a 14% CAGR in sales booking over FY2022E-FY2024E.
The rental portfolio is slated to rise by more than three times over FY2021-FY2024 with a mall, two offices and a hotel getting operational by FY2023 end.
A debt-free balance sheet, venture into redevelopment projects and monetisable rental portfolio provide value creation avenues.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Oberoi-3R-Sept03_2021.pdf</td></tr>
</table>

Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a position in the companies mentioned in the article.

Date	Sector	Report Type	Sector View	
			Latest	Chg
Aug 02, 2021	**Automobiles**	Sector Update	Positive	⇔

Summary

- Automobile companies witnessed strong recovery in July 2021 dispatches, despite seasonally weak month.
- Key growth drivers for the month include segments such as PV, CV, 3W, and exports, while the 2W segment were subdued.
- We remain positive on automobile demand, despite near-term challenges related to COVID-19 related disruptions and chips shortage. We expect strong uptick in automobile volumes across segments post normalisation of the economy, led by pent-up demand from rural, semi-urban, and urban demand along with favourable macro outlook.
- **Preferred Picks -** Hero MotoCorp, Maruti Suzuki, M&M, Bosch, Sundram Fasteners, Suprajit Engineering, Ramkrishna Forgings, Gabriel India, Greaves Cotton, and Apollo Tyres

Read report - https://www.sharekhan.com/MediaGalary/Equity/Automobiles-Aug02_2021.pdf

Date	Sector	Report Type	Latest	Chg
Aug 18, 2021	**Q1FY2022 Oil & Gas Results Review**	Sector Update	Positive	⇔

Summary

- In Q1FY22, earnings of CGD companies (ex-IGL) remained resilient as decline in volumes was largely negated by margin expansion led by low gas cost. GGAS posted a 36% q-o-q rise in PAT despite steep fall in volumes.
- OMCs' earnings disappointed with weak GRMs, while IOCL fared well on all fronts; upstream PSUs witnessed improvement in operating profit on higher crude oil prices, but PAT declined q-o-q on lower dividend income.
- We maintain our constructive view on CGD players given strong volume led earnings growth visibility, high RoE and robust FCF generation. BPCL's privatisation could re-rate OMCs and create long-term value for investors.
- **Preferred picks -** Reliance Industries, Gujarat Gas, Mahanagar Gas, IGL and GSPL.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_OilnGas_Results_Review-Aug18_2021.pdf

Date	Sector	Report Type	Latest	Chg
Aug 23, 2021	**Q1FY2022 Capital Goods Results Review**	Sector Update	Positive	⇔

Summary

- In Q1FY2022, many companies in the capital goods sector reported strong y-o-y performance, although on a favourable base. However, margin was impacted due to increased raw-material prices, decline in availability of manpower, and logistical issues.
- In the consumer durables segment, the sector saw decent top-line growth in Q1, the same was largely led by low base with cyclical exposure adding to better earnings comfort versus pure consumer segments.
- In the capital goods segment, margins were steady on a y-o-y basis but witnessed a decline on a sustainable basis, given higher overhead expenses and commodity headwinds. In terms of end markets, exports witnessed better pick in demand momentum as compared to the domestic market, albeit some challenges from the logistics side.
- **Preferred Picks:** L&T, ISGEC Heavy Engineering, Carborundum Universal, Cummins India; while in the consumer durables space, we prefer Polycab India, Dixon Technologies and KEI Industries.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_CapitalGoods_Results_Review-Aug23_2021.pdf

Date	Sector	Report Type	Latest	Chg
Aug 23, 2021	**Q1FY2022 Agri Inputs Speciality Chemical Results Review**	Sector Update	Positive	⇔

Summary

- Agri-input companies witnessed soft Q1 on account of margin pressure owing to elevated export freight cost, though gross margins remained stable.
- Specialty chemical companies also saw contraction in margins due to high logistic cost and RM cost. Strong export demand offset weakness in domestic market given second wave of Covid-19.
- Elevated freight cost remain a near term concern on margin but favourable agronomics and high crop prices to drive growth for agri sector. Capex in right areas to drive double-digit earnings growth and support premium valuation of quality players in specialty chemical space.
- **Preferred Picks -** Coromandel International, PI Industries, SRF, Atul Limited, Sumitomo Chemical India and Aarti Industries.

Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_Agri_Inputs_Speciality_Chemical_Results_Review-Aug23_2021.pdf

◆ Upgrade	↑	◆ No change	⇔	◆ Downgrade	↓

◆ Note: The arrow indicates change in call and price target, if any, vis-à-vis the previous report

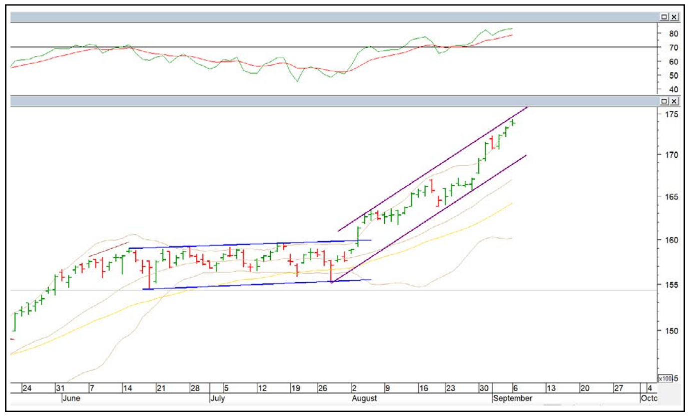
<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Sector</th><th rowspan="2">Report Type</th><th colspan="2">Sector View</th></tr>
<tr><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 24, 2021</td><td>Q1FY2022 Pharmaceuticals Results Review</td><td>Sector Update</td><td>Positive</td><td>⇔</td></tr>
<tr><td colspan="5">Summary
• Q1FY2022 was a healthy quarter for pharmaceutical companies under the Sharekhan coverage universe with topline and earnings growing in double digits, driven by a strong performance in the domestic markets while higher price erosion impacted the US business.
• Management commentaries from the select companies suggests that heightened price erosion in the US markets is expected to stay and would be a key point to watch out for.
• Improving growth prospects in regulated markets, increasing preference for specialty / complex generics and injectables, revival in the IPM which is expected to stage a double-digit growth in FY22, and emerging opportunities in the API space would be key growth drivers.
• Our Preferred Picks: Large Caps: Cadila, Lupin, Dr Reddy's, Sun Pharma, Biocon, IPCA Labs; Mid-Caps: Gland Pharma, Laurus Labs, Solara Active Pharma Sciences, Abbott India
Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_Pharma_Results_Review-Aug24_2021.pdf</td></tr>
<tr><td>Aug 25, 2021</td><td>Q1FY2022 Consumer Goods Results Review</td><td>Sector Update</td><td>Positive</td><td>⇔</td></tr>
<tr><td colspan="5">Summary
• April-May was affected by disruption caused by second wave of COVID-19. However, impact was much lower as compared to the first wave due to an agile supply chain & distribution management. Recovery was faster from June 21.
• Raw material inflation hit gross margins of most companies in our coverage. However, better operating leverage y-o-y resulted in OPM expansion for most companies.
• Rapid and broad-based demand recovery across categories will help companies post better numbers in coming quarters. Further fall in raw material prices would boost OPM in H2FY2022.
• Preferred Picks: Asian Paints, Indigo Paints, Hindustan Unilever, Marico, GCPL and TCPL.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_Consumer_Goods_Results_Review-Aug25_2021.pdf</td></tr>
<tr><td>Aug 25, 2021</td><td>Q1FY2022 Automobiles Results Review</td><td>Sector Update</td><td>Positive</td><td>⇔</td></tr>
<tr><td colspan="5">Summary
• Automotive companies witnessed tough Q1FY2022 due to COVID-19 induced lockdown restrictions. Revenue was broadly in line with expectations, but margins were severely impacted due to negative operating leverage and increased raw-material prices.
• Companies having exposure to exports performed better as compared to companies having high domestic exposure.
• We remain positive on automobile demand despite weak Q1FY2022. We expect strong uptick in automobile volumes across segments post normalisation of the economy, led by pent-up demand from rural, semi-urban, and urban demand along with favourable macro outlook.
• Preferred Picks: Hero MotoCorp, Maruti Suzuki, M&M, Bosch, Sundram Fasteners, Suprajit Engineering, Ramkrishna Forgings, Gabriel India, Greaves Cotton, and Apollo Tyres.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_Auto_Results_Review_Aug25_2021.pdf</td></tr>
<tr><td>Aug 26, 2021</td><td>Q1FY2022 IT Results Review</td><td>Sector Update</td><td>Positive</td><td>⇔</td></tr>
<tr><td colspan="5">Summary
• Q1FY22 remained one of the best quarters for Tier-I IT companies' in terms of aggregate revenue growth. Yet, mid-tier players clocked better revenue growth.
• EBIT margins of most companies declined q-o-q due to wage revisions, strong hiring and rising discretionary expenses. Attrition rate too rose amid strong demand environment.
• The strong demand is led by higher adoption of digital transformation,increase in offshoring and higher spend on core transformation. Managements expect to offset some margin headwinds by strong growth, higher offshoring and pricing benefits.
• We stay Positive on the IT sector given broad-based traction across verticals. Our preferred picks are Infosys, HCL Tech, Tech Mahindra, TCS, Wipro, L&T Infotech, Birlasoft, Intellect Design, Mastek, Persistent Systems and LTTS.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_IT_Results_Review-Aug26_2021.pdf</td></tr>
<tr><td>Aug 26, 2021</td><td>Q1FY2022 Infrastructure/Cement/Logistics/Building material Results Review</td><td>Sector Update</td><td>Positive</td><td>⇔</td></tr>
<tr><td colspan="5">Summary
• For Q1FY2022, the cement sector's net earnings outperformance was driven by better realisation and lower opex. We expect demand and realisations to improve from Q3FY2022.
• Infrastructure players, barring Sadbhav Engineering, reported better-than-expected execution. Order tendering and execution to pick up from Q3FY2022.
• Logistics companies benefit from low base and OPM expansion. Building materials remained mixed bag with visible input cost pressures.
• Preferred picks - UltraTech, Shree Cements, The Ramco Cements, JK Lakshmi Cement, KNR Construction, PNC Infratech, Gateway Distriparks, TCI Express, Transport Corporation of India, Hi-Tech Pipes, Century Plyboards, Greenlam Industries, and Greenpanel Industries.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_Infra_Cement_Results_Review-Aug26_2021.pdf</td></tr>
</table>

<table>
<tr><th rowspan="2">Date</th><th rowspan="2">Sector</th><th rowspan="2">Report Type</th><th colspan="2">Sector View</th></tr>
<tr><th>Latest</th><th>Chg</th></tr>
<tr><td>Aug 27, 2021</td><td>Q1FY2022 Consumer Discretionary Results Review</td><td>Sector Update</td><td>Positive</td><td>↔</td></tr>
<tr><td colspan="5">Summary
◆ Branded apparel and footwear companies saw revenues drop by 60% and 40% respectively, q-o-q, affected by store closures amid the second wave of COVID-19. However, a strong recovery in June was the silver lining. EBIDTA losses were lower as compared to Q1FY2021.
◆ Textile companies clocked strong numbers y-o-y led by strong export demand for apparels/home textiles in the US and Europe. Margins were boosted by reinstating of RoSCTL benefits.
◆ Fewer COVID-19 cases, rapid vaccinations and upcoming festivals would result in an early recovery and sales are expected to reach to 100% by end of Q2FY2022. Recovery in sales and cost-saving initiatives would help profitability improve q-o-q.
◆ Preferred picks – Titan, ABFRL, KPR Mill, Himatsingka, Jubilant Foodworks, Trent and SP Apparels.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Q1FY2022_ConsumerDisc_Results_Review-3R-Aug27_2021.pdf</td></tr>
<tr><td>Aug 27, 2021</td><td>Automobiles</td><td>Sector Update</td><td>Positive</td><td>↔</td></tr>
<tr><td colspan="5">Summary
◆ Automobile demand is expected to recover in August 2021; however, chips shortage is likely to hurt planned production schedules, especially for passenger vehicle segments.
◆ Dealers are witnessing strong enquiries and order-booking across segments and expect strong sales in the festive season going ahead.
◆ We remain positive on automobile demand, despite near-term challenges of chips shortage and fear of another wave of COVID-19. We expect a strong uptick in automobile volumes across segments post normalisation of the economy, led by pent-up demand from rural, semi-urban, and urban demand along with favourable macro outlook.
◆ Preferred Picks - Hero MotoCorp, Maruti Suzuki, M&M, Bosch, Sundram Fasteners, Suprajit Engineering, Ramkrishna Forgings, Gabriel India, Greaves Cotton, and Apollo Tyres.
Read report - https://www.sharekhan.com/MediaGalary/Equity/Automobiles-Aug27_2021.pdf</td></tr>
</table>

Steering in the uncharted territory

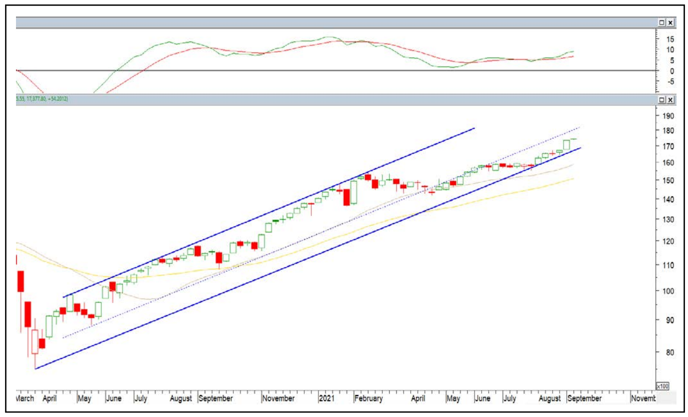
Daily view

- The index traded in a sideways manner for the whole of July
- Sideways action unfolded in a channelized manner where the range was confined within 15500 on the downside & 16000 on the upside
- Nifty attempted to cross 16000 multiple times in July however couldn't succeed
- The index breached that key barrier on the upside in the beginning of August & witnessed a strong follow-through rise
- The Nifty has now reached near upper end of a rising channel; so a brief consolidation is possible before further upside
- Short-term support is at 17050; whereas the resistance is 17500



Weekly view

- The weekly chart shows that the index breached the intermediate channel line in April but there was no follow-through selling. In fact it formed a base near the 20 WMA & started recovering.
- The Nifty moved up along with the intermediate channel line from April end till June start
- With the consolidation in June-July the index tested the lower channel line
- It found support over there & has taken a leap thereon
- The weekly momentum indicator is in bullish mode



Monthly view

- After a strong upmove in May, the index consolidated its gain in June-July
- The index traded in a narrow range during the period where 16000 acted as a key barrier
- In the beginning of August, the Nifty tested lower end of the rising channel, where it received fresh buying support
- Thereon, the index has taken a leap on the upside & has crossed multiple hurdles on the upside.
- The monthly momentum indicator continues to be in the bullish mode
- From a medium-term perspective, the Nifty is expected to target 18160
- On the downside, 16800 & 16400 will act as key supports for the medium term

Medium Term Trend

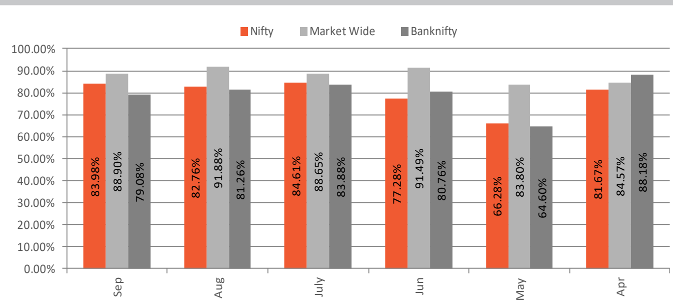
Index	Target	Trend	Reversal	Support / Resistance
Nifty	18160	↑	16400	16400 / 18160

Nifty to see support ay 17000

The August series saw a breach of a consolidation phase in the Nifty and saw a one-way upside making a new lifetime high at ~16700 levels. Series-on-series, the Nifty closed with a gain of ~5.50% and the Bank Nifty underperformed a bit as it gained just ~2.67%. On the open interest front, the Nifty saw addition of 37% and is starting the September series on a heavier note with 1.30 lakh shares in open interest. On the rollover front, Nifty saw high rollover of 83.98% versus the three-month average of 81.55% and with huge long addition followed by high rollover indicates that the Nifty has seen an aggressive long rollover into the September series. The Bank Nifty on the other hand, saw a reduction of 24% in open interest with an increase in prices, indicating that short covering was seen in the index. The Bank Nifty saw rollover of 79.08% versus the three-month average of 81.26% with rollover cost of 120 points. We feel with low rollover some of the shorts in Bank Nifty have not carried forward which is a positive sign for the index.

FII action in the cash market has been on the negative side as they were net sellers to the tune of Rs. 6,874 crore. However, in the derivatives segment, they continue to be net long in Index Futures with 49,860 contracts with long to short ratio at 1.85 and simultaneously clients are also net long in index futures with 32,669 contracts.

MARKET WIDE VS NIFTY ROLLOVER ACTIVITY:



Rollover highlights:

- The Nifty Futures began the September series with an open interest of 1.31 crore shares versus 0.95 crore shares in open interest.
- The September series started with Rs.167,608 crore versus Rs. 166,551crore in stock futures, Rs. 21,735 crore versus Rs. 15,054 crore in Nifty futures and Rs. 250,610 crore versus Rs. 232,374 crore in index options and Rs. 61,512 crore versus Rs. 66,518 crore in stock options.
- Nifty Sep month rollover is at 83.98% versus 82.76%.
- Bank Nifty Sep month rollover is at 79.08% versus 81.26%
- Market-wide rollover is at 88.90% versus 91.82%..

Top five stock futures with the highest open interest in the current series are:

FUTURES	OPEN INTEREST (Rs. Cr)
RELIANCE	8,083.11
ADANIPORTS	6,622.97
ICICIBANK	6,401.14
TATASTEEL	5,985.53
INFY	5,358.40

Source: Sharekhan

Top five stock options with the highest open interest in the current series are:

OPTIONS	OPEN INTEREST (Rs. Cr)
RELIANCE	8,330.14
BHARTIARTL	4,639.89
TATASTEEL	4,000.09
ITC	3,462.82
HDFCBANK	3,336.93

Source: Sharekhan

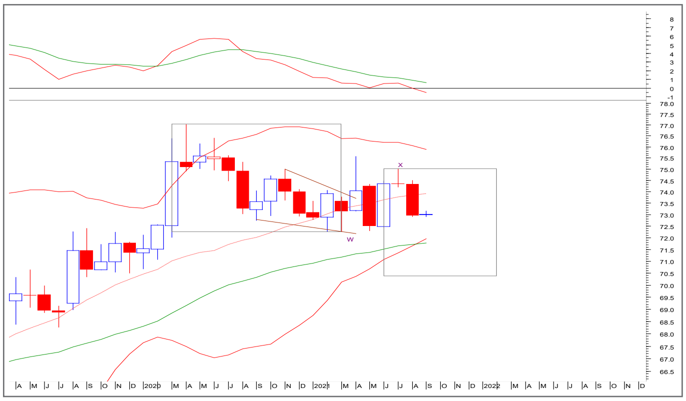
View for September series:

On the options front in the monthly expiry, the deep OTM 17000 strike put option has the highest open interest of 71,908 contracts followed by the 16500 PE with 58,796 contracts. While on the call side ITM option of 17500 CE is the highest in terms of open interest with 35,417 contracts.

The put-call ratio (PCR) in the September series started at a comfortable level at 1.16. On the other hand, the volatility index in this month has been continuously inching higher currently hovering ~14.90%. Seeing the above data wherein Nifty along with high rollover, it has also seen series on series huge long addition in open interest, while Bank Nifty with low rollover we feel the index has left out some of the short position. This all indicates that the positive momentum in market to continue wherein we can expect Nifty to touch 17600 levels and Bank Nifty above 36800 can see huge short covering which can take the index till 37500-37800 levels. ■

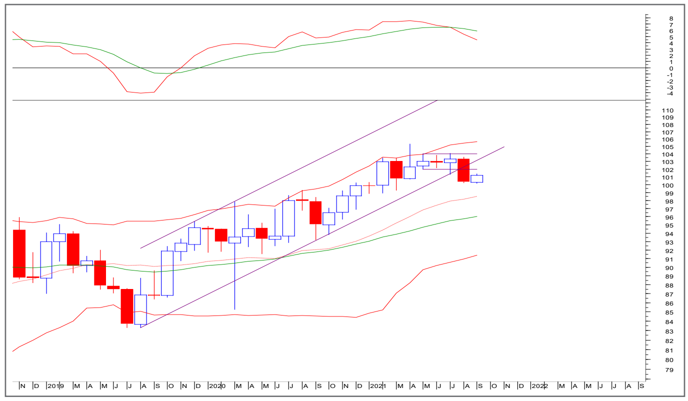
USD-INR: Heading South

- USD-INR fell sharply during August and closed near the lows for the month. It has closed below the 20-month moving average 73.93 which is a sign of weakness.
- The pair was in a counter trend consolidation between April-July, 2021 which is complete and now the pair has started its next leg of the fall.
- The monthly momentum indicator has a negative crossover which is a sell signal. Thus, both price and momentum indicators are pointing towards a further fall.
- We expect the pair to target levels of 71.77 which is the 40 month exponential moving average and below that it can slip towards 70.40, which is the equality target. Reversal of the bearish stance is placed at a close above 73.93.



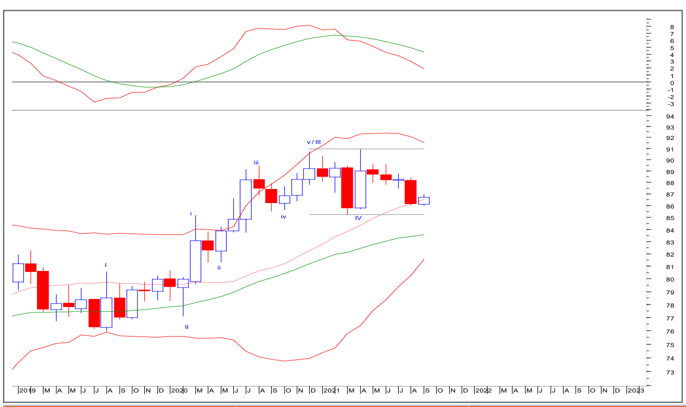
GBP-INR: Trend Reversal

- During August, GBPINR witnessed a breakdown from the three month sideways consolidation and closed firmly in the red. The breakdown indicates a trend reversal from up to down.
- The monthly momentum indicator has a negative crossover, which is a Sell signal. The strategy to trade the pair should be to look for signs of weakness and go short in the pair.
- We expect the pair to trade with a negative bias and target levels of 98.52 and 96.00, which are the key monthly moving averages.
- Reversal of the bearish stance is placed at a close above 103.65.



EUR-INR: Approaching Support zone

- During August, EURINR traded with a negative bias and closed near the lows for the day. It has reached the 20-month moving average (86.16) which can provide some cushion to the pair.
- Overall, the pair has been trading in the range 90.91 – 85.23 since past three quarters and the range bound price action is likely to continue during September as well.
- The monthly momentum indicator has a negative crossover which suggests that the pair can consolidate before resuming its upmove.
- The underlying trend is bullish and now the pair is approaching crucial support zone of 85.50-85.23 and hence we continue to maintain a positive stance on the pair. The target is placed at 91.53 which is the monthly upper Bollinger band. Reversal of the Bullish stance is placed at a close below 85.20.



JPY-INR: Bears in control

- During August, JPYINR faced resistance around the 20-month moving average (65.78) and witnessed selling pressure to close around the lows for the month.
- The pair was in a consolidation phase since last four months after a sharp decline during the first quarter of the calendar year. We believe that the consolidation is complete and the next leg of fall has started.
- We expect the pair to trade with a negative bias during September and target levels of 64.00-63.80 where support cluster in the form a rising trendline and 20-quarter simple moving average is placed.
- Reversal of the bearish stance is placed at a close above 68.10.

Currency	View	Reversal	Supports	Resistances	Target
USD-INR	Down	73.93	72.25 / 71.77	73.55 / 73.93	70.40
EUR-INR	UP	85.20	86.00 / 85.20	87.47 / 88.75	91.53
GBP-INR	Down	103.65	98.52 / 97.50	101.30 / 102.7	96.00
JYP-INR	Down	68.10	66.77 / 65.32	67.30 / 67.90	63.80

PRIME PICKS STRATEGY

OVERVIEW

Prime Picks is multi-cap discretionary PMS scheme with aim to generate superior risk adjusted returns across market cycles, benchmark with BSE 200.

Prime Picks follows a dual investment approach with two distinct portfolios, Quality and Alpha, to maintain disciplined allocation between core portfolio of proven structural growth companies (Quality) and an aggressive portfolio of midcap companies (Alpha).

INVESTMENT STRATEGY

- Maintain disciplined investment approach by building a core portfolio of proven secular growth companies that provide steady returns over period of time.
- Use allocation in Alpha portfolio to generate outperformance through superior selection of stocks in the midcap space.
- Investors get to choose allocation options between Quality and Alpha portfolios depending upon the risk profile and market conditions

PRICING & PRODUCT FEATURES

Particulars	Prime Picks PMS		
	Plan A	Plan B	Plan C
Minimum Investment	50 Lakh	50 Lakh	50 Lakh
Additional Investments	Multiples Of 1 Lakh	Multiples Of 1 Lakh	Multiples Of 1 Lakh
Management Fees	2% P.a. + Taxes	2% P.a. + Taxes	1% P.a. + Taxes
Brokerage	0.5% + Statutory Charges	0.1% + Statutory Charges	0.1% + Statutory Charges
Hurdle Rate	18% (Net Of All The Cost)	15% (Net Of All The Cost)	12% (Net Of All The Cost)
Profit Sharing Fees	20% Profit Sharing Post Hurdle Rate	20% Profit Sharing Post Hurdle Rate	20% Profit Sharing Post Hurdle Rate
Lock-In Period	No	Yes	Yes
Exit Load	Nil	3% If Exit Within 1 Year; 2% If Exit Within 2 Years; 1% If Exit Within 3 Years	3% If Exit Within 1 Year; 2% If Exit Within 2 Years; 1% If Exit Within 3 Years

Note : Management Fees is not charged upfront but in four installments at the end of each quarter

Prime Picks Portfolio Performance (as of Aug 2021)

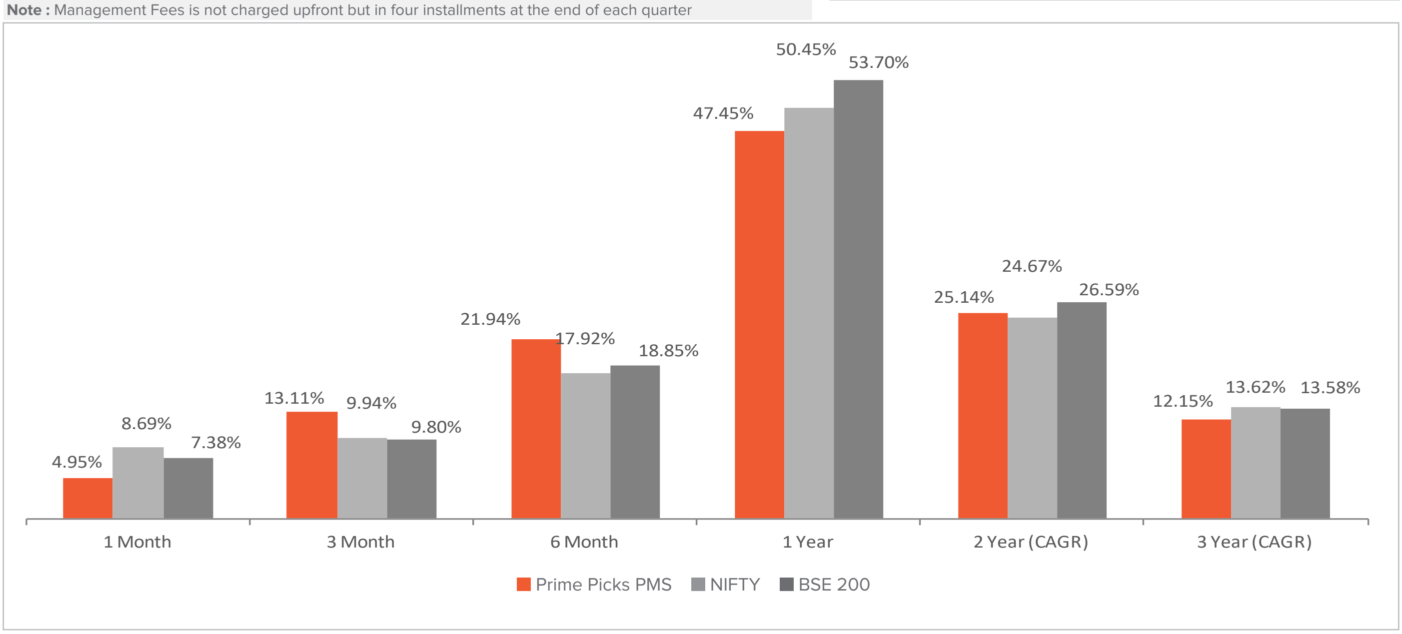
Duration	Prime Picks*	Nifty	BSE 200
1 Month	**4.95%**	8.69%	7.38%
3 Month	**13.11%**	9.94%	9.80%
6 Month	**21.94%**	17.92%	18.85%
1 Year	**47.45%**	50.45%	53.70%
2 Year (CAGR)	**25.14%**	24.67%	26.59%
3 Year (CAGR)	**12.15%**	13.62%	13.58%
Since Inception (25th June 2018)	**13.97%**	15.71%	15.72%

**Note : 1. Returns are Net of AMC Fees; 2. Returns are generated by Moneyware system and based on TWRR method of calculations as mandated by SEBI; 3. 1 year and above return is CAGR*

Disclaimer: Returns are based on a client's returns since inception and may be different from those depicted in the risk disclosure document.

Top 5 Stocks – Prime Picks QUALITY	
1	ASIAN PAINTS
2	BAJAJ FINANCE
3	CUMMINS INDIA
4	ICICI BANK
5	INFOSYS

Top 5 Stocks – Prime Picks ALPHA	
1	DIVIS LAB
2	MAX FINANCIAL SERVICES
3	POLYCAB
4	RELAXO FOOTWEAR
5	TATA CONSUMER



STAR MODEL PORTFOLIO

OVERVIEW

STAR Model Portfolio is a non-discretionary investment portfolio.

It helps create a well-balanced, multi-cap portfolio for long-term wealth creation.

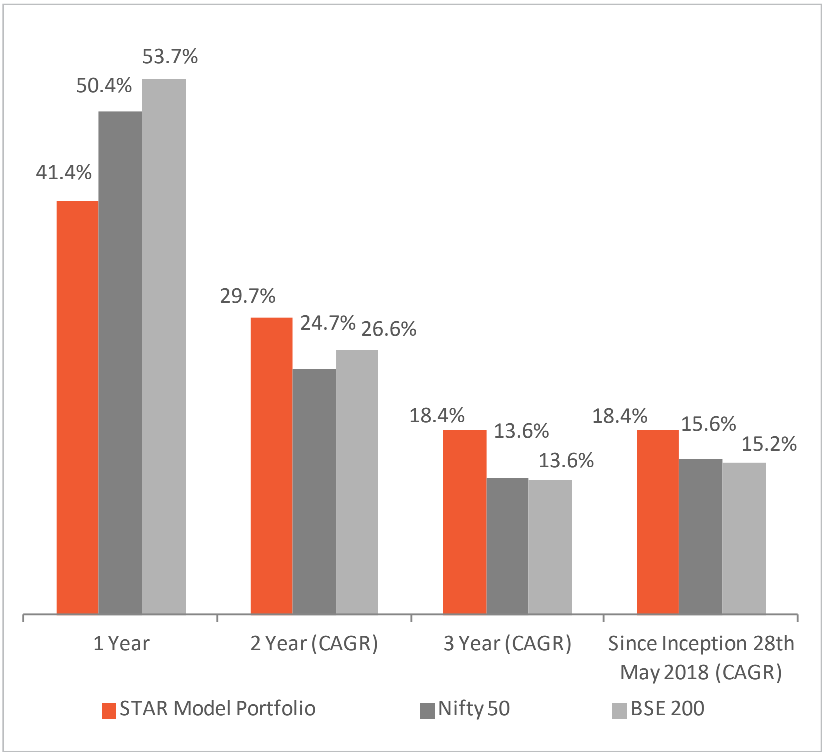
STAR aims to outperform the Nifty/BSE 200 indices through superior selection of well research companies to create a high quality portfolio

INVESTMENT STRATEGY

- Disciplined investment decision are taken in companies having market cap over Rs. 5,000 crore from the Sharekhan Fundamental Research universe
- Investments are Equally divided into ten stocks with a 10% allocation in each stock
- Sharekhan team actively tracks each portfolio.
- Investor get research updates on existing holdings that enables them to take a disciplined investment approach.
- Investor also get the benefit of receiving a monthly performance report

PRICING & PRODUCT FEATURES

- Minimum investment of Rs. 5 lakh
- Charges
  - 0.5% brokerage on every trade executed.
  - No annual maintenance charge
  - No Profit sharing & no lock-in period for investments.



STAR Model Portfolio Performance (as on Aug 2021)

Duration	STAR Model Portfolio	Nifty 50	BSE 200
1 Month	**3.9%**	**8.7%**	7.4%
3 Month	**8.4%**	**9.9%**	9.8%
6 Month	**16.6%**	**17.9%**	18.8%
1 Year	**41.4%**	**50.4%**	53.7%
2 Year (CAGR)	**29.7%**	**24.7%**	26.6%
3 Year (CAGR)	**18.4%**	**13.6%**	13.6%
Since Inception 28th May 2018 (CAGR)	**18.4%**	**15.6%**	15.2%

Note: Returns of first client since inception of portfolio on May 28, 2018; returns are CAGR basis for time period over 1 year

TOP 5 Performers

Client	Inception Date	Portfolio	Nifty 50	BSE 200
Client 1	25-09-18	100.2%	54.8%	56.7%
Client 2	02-07-18	102.5%	60.8%	61.1%
Client 3	02-08-18	86.2%	52.4%	52.7%
Client 4	05-10-18	100.3%	66.1%	68.5%
Client 5	27-09-18	89.1%	56.1%	58.3%

Note : Top 5 outperformer client Vs benchmark

TOP 10 Holdings

Scrip	Sector
HCL Technologies	IT Services
HDFC Bank	Banking & Finance
ICICI Bank	Banking & Finance
Infosys	IT Services
Laurus Labs	Pharma
Polycab India	Engineering
Reliance Industries	Diversified / Miscellaneous
State Bank Of India	Banking & Finance
Tata Consumer	FMCG
UltraTech Cement	Building Materials

For further queries on STAR Model Portfolio, kindly contact us on the 022 67502117/022-67502352/ 022-67502386 or write to us on portfoliosupport@sharekhan.com

POWER MODEL PORTFOLIO

OVERVIEW

Power Model Portfolio is non-discretionary investment portfolio.

It is a well balanced portfolio which comprises of 10 best large-cap stocks for long-term wealth creation.

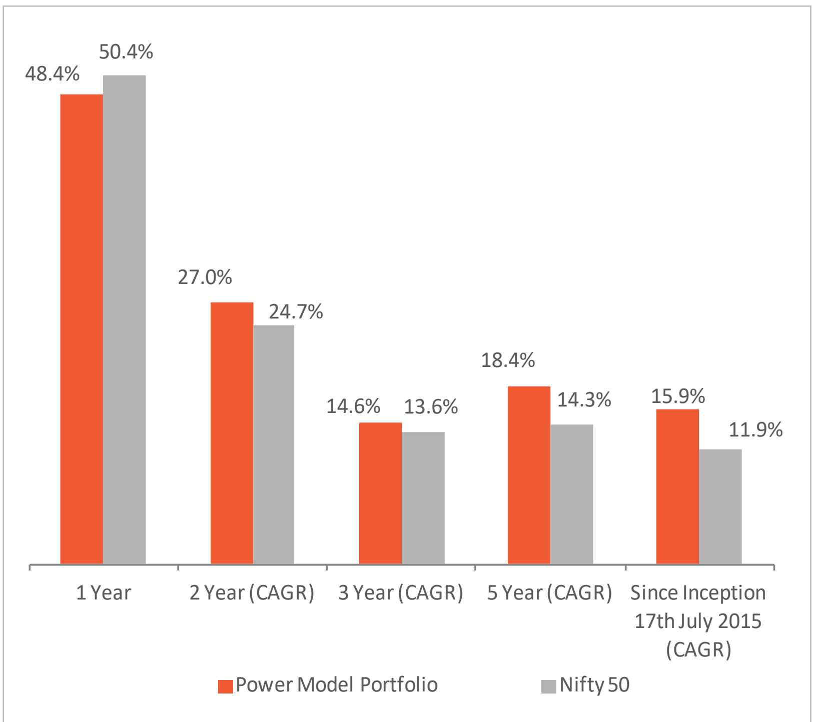
Power Model Portfolio aims to outperform the CNX Nifty 50, with relatively lower volatility in the portfolio.

INVESTMENT STRATEGY

- The product seeks to outperform through superior selection of well researched, quality companies to build a well-balanced, diversified portfolio.
- It is a moderate-risk, moderate-churn portfolio with a maximum sector exposure of 30% each in in a maximum of three stocks.
- Investments are equally divided into ten stocks with 10% allocation to each stock

PRICING & PRODUCT FEATURES

- Minimum investment of Rs. 5 lakh
- Charges
  - ➢ 0.5% brokerage.
  - ➢ No annual maintenance charge
  - ➢ No Profit sharing & No lock-in period for investments.



Power Model Portfolio Performance (as of Aug 2021)

Duration	Performance Returns	Nifty Returns
1 Month	**4.7%**	8.7%
3 Month	**10.3%**	9.9%
6 Month	**20.1%**	17.9%
1 Year	**48.4%**	50.4%
2 Year (CAGR)	**27.0%**	24.7%
3 Year (CAGR)	**14.6%**	13.6%
5 Year (CAGR)	**18.4%**	14.3%
Since Inception (17th July 2015) (CAGR)	**15.9%**	11.9%

Note: Returns of first client since inception of portfolio on July 17, 2015; returns are CAGR basis for time period over 1 year

Top 5 Outperforming clients

Client	Inception Date	Power Model Portfolio return	Nifty 50 return
Client 1	229.8%	128.5%	101.3%
Client 2	203.4%	108.4%	95.0%
Client 3	181.2%	102.3%	78.9%
Client 4	173.7%	116.9%	56.8%
Client 5	180.6%	128.1%	52.5%
Note : Top 5 outperformer client Vs benchmark			

TOP 10 Holdings

Scrip	Sector
Cipla	Pharma
HCL Technologies	IT Services
HDFC Bank	Banking & Finance
ICICI Bank	Banking & Finance
Infosys	IT Services
Laurus Labs	Pharma
Reliance Industries	Diversified / Miscellaneous
State Bank Of India	Banking & Finance
Tata Consumer	FMCG
UltraTech Cement	Building Materials

For further queries on Power Model Portfolio, kindly contact us on the 022 67502117/022-67502352/ 022-67502386 or write to us on portfoliosupport@sharekhan.com

SHAREKHAN MUTUAL FUND FINDER SEPTEMBER 2021

Top Equity Fund Picks

Data as on August 02, 2021

Scheme Name	*Riskometer	NAV (Rs.)	Absolute % (Point to Point)	Compounded Annualised % (Point to Point)			
			6 Months	1 yr	3 yrs	5 yrs	Since Inception
Large Cap Funds							
Canara Robeco Bluechip Equity Fund - Growth	Very High	39	10.9	45.2	16.8	16.0	13.2
Kotak Bluechip Fund - Reg - Growth	Very High	349	13.4	48.4	14.5	13.4	20.0
Axis Bluechip Fund - Growth	Very High	43	9.5	40.8	14.5	16.2	13.3
BNP Paribas Large Cap Fund - Growth	Very High	130	9.0	39.6	14.5	12.8	16.4
Mirae Asset Large Cap Fund - Reg - Growth	Very High	73	12.1	46.3	14.4	15.2	16.1
UTI Mastershare Unit Scheme - Growth	Very High	179	12.2	49.4	13.8	13.6	15.7
ICICI Prudential Bluechip Fund - Growth	Very High	59	10.8	46.8	12.9	13.4	14.4
Large & Mid Cap Fund							
Mirae Asset Emerging Bluechip Fund - Growth SIP Only	Very High	92	21.3	66.1	22.2	21.0	22.1
SBI Large & Midcap Fund - Growth	Very High	343	22.2	66.3	17.1	15.0	14.8
DSP Equity Opportunities Fund - Reg - Growth	Very High	350	22.4	63.1	17.0	15.6	18.2
Tata Large & Mid Cap Fund - Reg - Growth	Very High	308	16.4	50.7	16.8	13.7	12.8
Kotak Equity Opportunities Fund - Reg - Growth	Very High	185	19.4	53.3	16.4	15.4	18.8
Canara Robeco Emerging Equities - Growth	Very High	152	20.8	61.6	16.3	18.0	18.0
Edelweiss Large & Mid Cap Fund - Growth	Very High	50	21.4	61.2	16.3	15.8	12.0
Mid Cap Fund							
Axis Midcap Fund - Growth	Very High	65	26.2	65.0	21.7	19.9	19.6
Kotak Emerging Equity Fund - Reg - Growth	Very High	68	30.5	81.4	20.2	17.6	14.3
Nippon India Growth Fund - Reg - Growth	Very High	1921	29.6	79.7	20.2	17.5	22.6
Edelweiss Mid Cap Fund - Growth	Very High	48	32.0	87.6	19.8	18.2	12.3
Invesco India Mid Cap Fund - Growth	Very High	83	25.7	67.1	18.8	17.6	15.9
UTI Mid Cap Fund - Growth	Very High	177	29.1	78.1	18.3	15.1	18.7
DSP Midcap Fund - Reg - Growth	Very High	90	21.6	57.5	17.1	16.0	16.1
Small Cap Fund							
Axis Small Cap Fund - Reg - Growth	Very High	56	37.2	89.2	27.2	21.0	25.1
Kotak Small Cap Fund - Reg - Growth	Very High	151	43.6	120.7	26.4	20.1	17.9
ICICI Prudential Smallcap Fund - Growth	Very High	48	45.1	114.3	23.6	17.6	12.1
Nippon India Small Cap Fund - Reg - Growth	Very High	78	50.5	114.0	22.4	22.7	20.7
SBI Small Cap Fund - Growth SIP Only	Very High	96	30.9	89.2	21.4	22.4	21.0
DSP Small Cap Fund - Reg - Growth SIP Only	Very High	103	42.3	100.0	21.0	16.0	17.9
HDFC Small Cap Fund - Growth	Very High	71	48.7	109.8	16.9	19.4	15.8
Focused Fund							
SBI Focused Equity Fund - Growth	Very High	217	21.0	52.9	16.7	16.5	20.0
ICICI Prudential Focused Equity Fund - Ret - Growth	Very High	45	17.1	49.0	14.2	12.8	13.2
Axis Focused 25 Fund - Growth	Very High	42	12.3	48.9	13.6	16.7	17.2
Motilal Oswal Focused 25 Fund - Reg - Growth	Very High	32	8.4	41.2	13.0	13.9	15.2
Aditya Birla Sun Life Focused Equity Fund - Growth	Very High	84	10.3	43.9	12.9	12.4	14.4
Sundaram Select Focus - Reg - Growth	Very High	252	9.9	42.5	12.7	14.3	18.5
Flexi Cap Funds							
UTI Flexi Cap Fund - Growth	Very High	243	18.1	64.5	18.7	17.1	13.3
DSP Flexi Cap Fund - Reg - Growth	Very High	64	20.2	61.4	18.3	16.7	14.0
Canara Robeco Flexi Cap Fund - Growth	Very High	210	15.9	50.8	17.0	16.9	18.5
Axis Flexi Cap Fund - Reg - Growth	Very High	18	14.9	47.7	15.8	--	16.6
Aditya Birla Sun Life Flexi Cap Fund - Growth	Very High	1085	17.4	58.3	14.8	14.7	22.7
SBI Flexicap Fund - Growth	Very High	71	14.6	56.6	13.9	13.7	13.2
Kotak Flexicap Fund - Reg - Growth	Very High	50	13.3	46.9	13.1	14.3	14.5
HDFC Flexi Cap Fund - Growth	Very High	907	16.7	62.0	13.0	13.6	18.5

Data as on August 02, 2021

Scheme Name	*Riskometer	NAV (Rs.)	Absolute % (Point to Point)	Compounded Annualised % (Point to Point)			
			6 Months	1 yr	3 yrs	5 yrs	Since Inception
Value & Contra Funds							
Nippon India Value Fund - Reg - Growth	Very High	115	23.9	67.4	16.2	15.2	16.3
UTI Value Opportunities Fund - Growth	Very High	95	15.8	56.8	15.2	13.9	15.0
ICICI Prudential Value Discovery Fund - Growth	Very High	223	20.0	53.7	14.6	12.6	20.1
Kotak India EQ Contra Fund - Reg - Growth	Very High	78	15.6	52.8	14.5	15.8	13.7
Invesco India Contra Fund - Growth	Very High	73	15.0	50.0	14.4	16.6	14.8
ELSS							
Mirae Asset Tax Saver Fund - Reg - Growth	Very High	29	18.0	62.2	19.8	20.3	20.9
Canara Robeco Equity Tax Saver Fund - Growth	Very High	108	16.0	57.7	19.5	17.8	21.0
DSP Tax Saver Fund - Growth	Very High	78	23.0	64.6	18.2	16.0	15.1
Kotak Tax Saver Fund - Reg - Growth	Very High	67	19.5	55.7	16.4	15.2	12.9
IDFC Tax Advantage (ELSS) Fund - Reg - Growth	Very High	89	26.4	77.6	16.0	16.8	18.9
UTI Long Term Equity Fund (Tax Saving) - Growth	Very High	136	16.8	58.5	15.8	14.3	15.1
Axis Long Term Equity Fund - Growth	Very High	69	15.0	52.6	15.3	15.5	18.0
Invesco India Tax Plan - Growth	Very High	78	17.4	51.9	14.4	15.2	15.1
Thematic/Sector Funds							
SBI Magnum Equity ESG Fund - Growth	Very High	151	9.9	46.2	14.3	13.0	14.6
Axis ESG Equity Fund - Reg - Growth	Very High	15	10.2	41.6	--	--	31.6
ICICI Prudential ESG Fund - Reg - Growth	Very High	13	16.1	--	--	--	34.4
Aditya Birla Sun Life ESG Fund - Reg - Growth	Very High	12	15.4	--	--	--	19.4
Kotak ESG Opportunities Fund - Reg - Growth	Very High	12	13.4	--	--	--	17.8
Thematic/Sector Funds							
Aditya Birla Sun Life Digital India Fund - Growth	Very High	122	34.2	90.6	33.1	27.5	12.3
Nippon India Pharma Fund - Reg - Growth	Very High	314	26.6	48.1	28.2	17.5	22.2
Canara Robeco Consumer Trends Fund - Reg - Growth	Very High	61	12.5	50.8	16.2	17.0	16.5

BNP Paribas Equity schemes

Scheme name	*Riskometer	Scheme Category	Absolute % (Point to Point)	Compounded Annualised % (Point to Point)			
			6 Months	1 yr	3 yrs	5 yrs	Since Inception
BNP Paribas Mid Cap Fund - Growth	Very High	Mid Cap	33.7	77.4	19.9	15.5	12.0
BNP Paribas Substantial Equity Hybrid Fund - Reg - Growth	Very High	Aggressive Hybrid	13.7	38.9	16.7	--	14.3
BNP Paribas Multi Cap Fund - Growth	Very High	Multi Cap	24.7	59.1	15.5	14.2	13.2
BNP Paribas Long Term Equity Fund - Growth	Very High	ELSS	11.4	43.1	14.7	12.7	11.8
BNP Paribas Large Cap Fund - Growth	Very High	Large Cap	9.0	39.6	14.5	12.8	16.4
BNP Paribas Focused 25 Equity Fund - Reg - Growth	Very High	Focused	10.5	42.2	11.3	--	8.4
BNP Paribas Funds Aqua Fund of Fund - Reg - Growth	Very High	Thematic	--	--	--	--	7.5
BNP Paribas India Consumption Fund - Reg - Growth	Very High	Thematic	14.0	45.7	--	--	22.8

*The Riskometer will indicate six levels of risk – Low, Low to moderate, Moderate, Moderately High, High and Very high.

Every individual has a different investment requirement, which depends on his financial goals and risk-taking capacities. We at Sharekhan first understand the individual's investment objectives and risk-taking capacity, and then recommend a suitable portfolio. So, we suggest that you get in touch with our Mutual Fund Advisor before investing in the best funds.■

Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a postition in the mutual funds mentioned in the article.

Sharekhan Earnings Guide

Prices as on August 04, 2021

Company	CMP (Rs)	Sales FY21	Sales FY22E	Sales FY23E	Net profit FY21	Net profit FY22E	Net profit FY23E	EPS FY21	EPS FY22E	EPS FY23E	(%) EPS growth	PE (x) FY21	PE (x) FY22E	PE (x) FY23E	RoCE (%) FY22E	RoCE (%) FY23E	RoNW (%) FY22E	RoNW (%) FY23E	DPS Rs.	Div Yld(%)
Autos																				
Alicon Castalloy	813	848.6	1,213.5	1,638.2	(1.9)	62.8	107.2	-1.4	40.3	68.8	-	-	20.2	11.8	14.6	19.2	17.7	24.3	0.0	0.0
Amara Raja Batteries	722	6,906.7	7,877.7	8,852.8	620.3	747.5	862.5	36.3	43.8	50.5	18%	19.9	16.5	14.3	20.1	20.7	15.7	16.1	11.0	1.5
Apollo Tyres	223	17,127.4	19,783.8	21,813.3	734.2	1,141.1	1,521.6	11.6	18.0	24.0	44%	19.3	12.4	9.3	7.8	9.3	10.5	12.7	3.5	1.6
Ashok Leyland	121	13,729.4	22,653.6	29,245.7	(241.1)	863.7	2,053.0	-0.7	2.9	7.0	-	-	41.0	17.2	10.4	21.7	11.6	23.5	0.5	0.4
Bajaj Auto	3,752	27,741.1	34,913.7	40,872.9	4,554.6	5,822.3	6,907.7	157.5	201.3	238.9	23%	23.8	18.6	15.7	25.5	26.9	24.0	24.5	140.0	3.7
Balkrishna Industries	2,411	5,757.9	7,577.4	8,975.1	1,155.4	1,568.5	1,863.9	59.8	81.1	96.4	27%	40.3	29.7	25.0	25.9	25.9	22.1	21.7	17.0	0.7
Bosch	14,317	9,716.2	11,519.9	13,247.9	1,225.8	1,421.8	1,727.2	415.7	482.1	585.7	19%	34.4	29.7	24.4	17.1	18.3	13.2	14.2	115.0	0.8
Exide Industries	190	10,040.8	11,382.3	12,524.7	758.3	1,082.1	1,201.9	8.9	12.7	14.1	26%	21.2	14.9	13.4	19.0	19.1	17.4	17.5	2.0	1.1
Gabriel India	142	1,699.9	2,025.1	2,339.1	54.5	100.7	127.4	3.8	7.0	8.9	53%	37.6	20.3	16.1	17.8	20.0	13.2	14.9	0.9	0.6
GNA Axles	734	889.6	1,161.8	1,354.9	70.6	101.9	124.0	32.9	47.5	57.8	33%	22.3	15.5	12.7	19.0	20.6	17.0	17.5	5.0	0.7
Greaves Cotton	142	1,500.4	1,922.8	2,307.4	15.7	124.1	187.2	0.7	5.4	8.1	245%	209.2	26.4	17.5	23.7	32.9	20.2	28.1	0.2	0.1
HERO MOTOCORP	2,801	30,800.6	36,293.1	39,922.4	2,911.4	3,813.8	4,235.7	145.8	191.0	212.1	21%	19.2	14.7	13.2	30.7	30.2	23.6	23.1	105.0	3.7
Lumax Auto Technologies	143	1,107.9	1,366.2	1,596.2	48.5	67.5	88.2	7.1	9.9	12.9	35%	20.0	14.4	11.0	14.6	16.5	12.6	14.2	3.0	2.1
M&M	750	44,748.7	53,222.4	59,744.5	4,030.1	5,410.0	6,328.2	32.4	43.5	50.9	25%	23.1	17.2	14.7	16.0	17.1	13.2	14.1	8.8	1.2
Maruti Suzuki	6,863	70,332.5	84,410.2	1,01,075.4	4,229.7	5,245.0	8,028.3	140.0	173.6	265.8	38%	49.0	39.5	25.8	11.8	16.4	9.5	13.2	45.0	0.7
Mayur Uniquoters	478	512.7	686.0	823.7	89.7	123.8	153.4	19.6	27.0	33.5	31%	24.4	17.7	14.3	24.0	25.7	16.2	17.3	2.0	0.4
Ramkrishna Forgings	979	1,288.4	1,860.8	2,484.9	28.0	118.4	216.4	8.8	37.1	67.8	178%	111.8	26.4	14.4	8.3	12.2	12.5	19.5	0.0	0.0
Schaeffler India	7,397	3,761.8	5,191.3	6,248.3	291.0	513.4	675.9	93.1	164.2	216.2	52%	79.5	45.0	34.2	19.2	21.2	14.7	16.3	38.0	0.5
Sundram Fasteners	794	3,644.3	4,518.9	5,784.2	361.4	442.0	632.7	17.2	21.0	30.1	32%	46.1	37.7	26.4	18.1	22.6	17.3	21.1	4.7	0.6
Suprajit Engineering	321	1,640.9	2,001.2	2,363.1	142.7	189.4	241.4	10.3	13.7	17.4	30%	31.1	23.4	18.4	18.9	21.1	17.2	18.8	1.8	0.5
Tata Motors	296	2,49,794.8	3,17,978.4	3,40,024.3	(1,366.2)	7,467.7	12,649.0	-3.6	19.5	33.0	-	-	15.2	8.9	6.6	8.1	11.4	14.0	0.0	0.0
TVS Motor	540	16,750.5	20,208.3	22,633.3	612.0	981.5	1,197.4	12.9	20.7	25.2	40%	41.9	26.1	21.4	22.1	23.5	20.7	21.5	3.5	0.6
Agri/Specialy Chemical																				
Aarti Industries	913	4,506.1	5,782.6	7,423.0	523.5	735.4	1,000.6	14.4	20.3	27.6	38%	63.4	45.0	33.1	15.7	18.0	19.1	21.5	2.3	0.2
Atul Limited	9,211	3,731.5	4,562.6	5,247.0	655.8	790.8	891.1	221.5	267.1	300.9	17%	41.6	34.5	30.6	23.5	22.3	18.8	17.8	20.0	0.2
Coromandel International	799	14,213.5	15,957.4	17,481.3	1,329.2	1,573.3	1,771.1	45.3	53.6	60.4	15%	17.6	14.9	13.2	34.1	31.9	27.5	25.4	12.0	1.5
Insecticides (India)	754	1,420.2	1,562.2	1,796.6	103.6	137.1	175.2	52.5	69.5	88.8	30%	14.4	10.9	8.5	19.2	21.4	15.5	16.9	2.0	0.3
PI Industries	3,422	4,577.0	5,325.6	6,586.7	740.3	846.5	1,102.3	48.0	57.3	74.5	25%	71.3	59.7	45.9	18.3	21.2	15.2	17.1	5.0	0.1
Sumitomo Chemical India	420	2,644.9	2,994.8	3,357.3	345.4	413.8	497.6	6.9	8.3	10.0	20%	60.7	50.6	42.1	32.1	31.7	24.2	23.9	0.8	0.2
SRF Limited	10,341	8,400.0	10,265.7	12,064.2	1,197.2	1,438.4	1,779.7	198.8	238.7	295.3	22%	52.0	43.3	35.0	19.1	20.4	19.1	19.6	24.0	0.2
Sudarshan Chemicals	662	1,864.1	2,199.7	2,595.6	141.1	158.8	209.5	20.4	22.9	30.3	22%	32.5	28.8	21.9	15.9	16.6	19.9	22.5	6.0	0.9
UPL	753	38,694.0	42,563.4	46,819.7	3,109.0	4,163.9	4,819.0	40.6	54.4	63.0	25%	18.5	13.8	11.9	13.7	14.5	21.1	20.4	10.0	1.3
Vinati Organics	1,868	954.3	1,434.0	1,822.2	269.3	385.6	499.3	26.2	37.5	48.6	36%	71.3	49.8	38.5	29.0	31.3	22.8	24.4	6.0	0.3
Banks and Financial Services																				
AU Small Finance Bank^^	1,170	2,365.0	3,084.3	3,336.0	1,171.0	1,717.9	2,055.3	37.5	55.0	65.9	32%	31.2	21.3	17.8	-	-	22.1	21.1	0.0	0.0
Axis Bank	798	29,239.1	32,576.4	36,954.0	6,588.5	13,688.6	19,605.6	21.5	44.7	64.0	73%	37.1	17.9	12.5	-	-	12.6	15.7	0.0	0.0
Bajaj Finance	7,525	17,254.1	20,582.0	25,309.0	4,419.8	7,519.0	9,802.0	73.5	125.0	162.9	49%	102.4	60.2	46.2	-	-	18.7	20..5	0.0	0.0
Bajaj Finserv^^	16,729	64,014.7	79,924.7	90,961.6	3,918.8	4,857.8	6,070.6	246.3	305.3	381.5	24%	67.9	54.8	43.9	-	-	13.5	14.5	5.0	0.0
Bank of Baroda^^	79	41,173.5	40,241.0	47,093.0	829.0	3,438.2	4,772.7	1.6	6.6	9.2	140%	49.5	11.9	8.6	-	-	4.1	5.5	0.0	0.0
Bank of India^^	59	14,270.0	17,009.0	19,550.0	2,160.0	3,063.0	3,351.0	6.6	9.3	10.2	24%	9.0	6.4	5.8	-	-	6.1	6.6	0.0	0.0
Cholamandalam Investment and Finance Company^^	571	4,944.0	6,094.0	7,736.8	1,515.0	2,208.5	2,904.3	23.6	26.9	35.4	23%	24.2	21.2	16.1	-	-	19.0	20.3	1.3	0.2
City Union Bank^^	154	1,829.6	2,203.3	2,644.7	592.8	976.4	1,344.4	8.0	13.2	18.2	51%	19.2	11.6	8.5	-	-	15.6	18.4	0.3	0.2
Federal Bank^^	83	5,533.7	6,130.8	7,072.2	1,590.4	2,041.9	2,511.9	8.2	10.6	13.0	26%	10.1	7.8	6.4	-	-	12.4	13.8	0.0	0.0
HDFC^^	2,758	15,172.0	12,523.2	15,331.3	13,585.5	11,302.5	13,246.8	75.8	63.0	73.9	-1%	36.4	43.7	37.3	-	-	10.2	11.1	23.0	0.8
HDFC Bank	1,576	64,879.6	77,416.0	88,679.0	31,116.5	36,258.0	43,006.0	56.5	65.9	78.1	18%	27.9	23.9	20.2	-	-	16.9	17.6	6.5	0.4
ICICI Bank	725	38,989.4	46,744.2	55,951.1	16,192.7	21,437.7	27,559.6	23.4	31.0	39.8	30%	31.0	23.4	18.2	-	-	13.9	15.8	0.0	0.0
Indusind Bank	1,003	13,527.9	13,943.4	13,984.2	2,836.4	5,384.3	6,026.5	36.7	69.6	77.9	46%	27.4	14.4	12.9	-	-	11.8	11.7	0.0	0.0
Kotak Mahindra Bank^^	1,792	15,340.0	17,417.2	20,439.0	6,965.0	8,111.6	9,415.3	36.6	42.6	49.4	16%	49.0	42.1	36.3	-	-	11.4	11.8	0.0	0.0
LIC Housing Finance^^	408	5,786.8	6,569.1	7,442.0	3,098.9	3,567.5	3,938.7	61.4	70.6	78.0	13%	6.6	5.8	5.2	-	-	17.2	16.5	8.0	2.0

Company	CMP (Rs)	Sales FY21	Sales FY22E	Sales FY23E	Net profit FY21	Net profit FY22E	Net profit FY23E	EPS FY21	EPS FY22E	EPS FY23E	(%) EPS growth	PE (x) FY21	PE (x) FY22E	PE (x) FY23E	RoCE (%) FY22E	RoCE (%) FY23E	RoNW (%) FY22E	RoNW (%) FY23E	DPS Rs.	Div Yld(%)
LT FINANCE HOLDING	84	5,615.0	6,383.0	6,912.0	971.0	1,135.0	1,348.0	3.9	4.7	5.5	19%	21.6	18.1	15.3	-	-	5.8	6.5	0.0	0.0
Max Financial^^	1,067	19,018.0	22,726.5	27,158.2	523.0	685.3	850.5	2.7	3.6	4.5	28%	389.3	297.1	239.4	-	-	19.3	20.7	0.0	0.0
M&M Financial Services^^	165	5,662.0	6,068.2	6,444.5	335.0	1,165.5	1,802.5	2.7	9.4	14.6	132%	60.9	17.5	11.3	-	-	7.4	10.6	0.0	0.0
Nippon Life India AMC	419	1,062.1	1,285.9	1,543.1	679.4	796.5	951.7	11.1	13.0	15.6	19%	37.8	32.3	26.9	-	-	26.0	28.0	8.0	1.9
Punjab National Bank^^	38	14,269.8	31,023.2	36,849.9	2,160.4	4,977.7	6,776.1	2.3	5.3	7.2	77%	16.6	7.2	5.3	-	-	5.8	7.5	0.0	0.0
RBL Bank^^	172	3,788.0	5,670.8	6,487.2	508.0	1,308.2	1,706.0	8.5	21.9	28.5	83%	20.3	7.9	6.0	-	-	9.9	11.7	1.5	0.9
Repco Home Finance^^	295	565.8	592.1	661.4	281.2	326.2	374.3	44.9	52.1	59.8	15%	6.6	5.7	4.9	-	-	14.7	15.0	2.5	0.8
SBI^^	431	1,10,710.0	1,27,624.1	1,47,470.7	20,410.0	32,996.1	40,483.6	26.4	37.0	45.4	31%	16.3	11.7	9.5	-	-	12.4	13.7	4.0	0.9
Spandana^^	642	949.3	894.5	1,214.3	145.1	423.3	699.4	22.6	66.0	109.0	120%	28.4	9.7	5.9	-	-	13.6	18.9	0.0	0.0
Insurance																				
HDFC Life	734	26,617.0	31,674.0	37,851.0	1,360.0	1,228.0	1,277.0	6.7	6.1	6.3	-3%	108.8	120.5	115.9	-	-	14.5	13.6	2.0	0.3
ICICI Pru Life^^	697	35,768.6	41,491.6	47,715.4	1,196.2	1,315.8	1,447.4	8.3	9.2	10.1	10%	83.7	76.1	69.2	-	-	13.0	12.9	2.0	0.3
ICICI Lombard^^	1,629	16,641.3	18,305.4	20,319.0	1,436.9	1,678.7	2,095.1	29.3	34.3	42.8	21%	55.5	47.5	38.1	-	-	19.2	20.4	4.0	0.2
Consumer Goods																				
Asian Paints	3,339	21,713.0	26,941.0	30,571.0	3,207.0	3,937.0	4,661.0	33.4	41.0	48.6	21%	100.0	81.4	68.7	22.9	23.8	28.5	29.2	17.9	0.5
Bajaj Consumer Care	245	915.0	1,028.0	1,159.0	224.0	230.0	268.0	15.2	15.6	18.2	9%	16.1	15.7	13.5	32.3	34.6	28.0	29.5	10.0	4.1
Britannia	4,122	13,136.0	14,689.0	16,569.0	1,850.0	1,890.0	2,253.0	76.8	78.4	93.5	10%	53.7	52.6	44.1	32.8	36.0	48.6	47.4	0.0	0.0
Colgate-Palmolive (India)	1,724	4,841.0	5,290.0	5,724.0	1,035.0	1,067.0	1,163.0	38.1	39.2	42.7	6%	45.3	44.0	40.4	84.6	100.0	83.9	99.6	38.0	2.2
Dabur India	641	9,562.0	11,287.0	13,253.0	1,696.0	1,981.0	2,467.0	9.6	11.2	13.9	20%	66.7	57.2	46.1	29.1	32.6	24.3	26.5	4.8	0.7
Emami	605	2,881.0	3,283.0	3,843.0	673.0	749.0	940.0	15.1	16.8	21.1	18%	40.1	36.0	28.7	48.6	53.7	39.9	42.8	4.0	0.7
Godrej Consumer Products	1,118	11,029.0	12,760.0	14,174.0	1,765.0	2,050.0	2,419.0	17.3	20.0	23.7	17%	64.8	55.9	47.2	20.0	23.7	20.4	21.1	0.0	0.0
Hindustan Unilever	2,766	46,546.0	53,078.2	59,823.6	8,135.6	9,577.0	11,599.8	34.6	40.8	49.4	19%	79.9	67.8	56.0	26.4	31.6	20.2	23.8	40.5	1.5
ITC	211	48,525.0	53,276.0	59,273.0	13,032.0	14,191.0	16,948.0	10.7	11.6	13.9	14%	19.7	18.2	15.1	26.6	30.7	23.9	27.6	10.8	5.1
Indigo Paints New Idea	2,625	723.0	968.0	1,258.0	71.0	127.0	191.0	14.9	26.8	40.2	64%	176.2	98.0	65.3	25.9	31.4	20.3	24.3	0.0	0.0
Jyothy Laboratories	168	1,909.0	2,193.0	2,525.0	208.0	238.0	298.0	5.7	6.5	8.1	19%	29.5	25.9	20.8	15.6	18.2	16.3	19.5	4.0	2.4
Marico	561	8,048.0	9,324.0	10,373.0	1,183.0	1,377.0	1,639.0	9.2	10.7	12.7	17%	61.0	52.4	44.2	47.1	53.6	40.7	43.5	7.5	1.3
Nestle India	20,260	13,350.0	15,116.0	17,243.0	2,082.0	2,513.0	2,929.0	216.0	260.6	303.8	19%	93.8	77.7	66.7	139.7	141.9	114.7	117.1	200.0	1.0
Tata Consumer Products Ltd	870	11,602.0	13,143.0	14,947.0	953.0	1,090.0	1,350.0	10.3	11.8	14.6	19%	84.4	73.7	59.6	9.0	10.6	7.7	9.0	4.1	0.5
Zydus Wellness	2,300	1,867.0	2,071.0	2,381.0	251.0	329.0	418.0	39.4	51.7	65.7	29%	58.3	44.5	35.0	6.8	8.1	7.0	8.3	5.0	0.2
IT / IT services																				
Birlasoft	414	3,555.7	4,135.2	4,837.6	320.8	456.5	534.1	11.3	16.0	18.8	29%	36.7	25.8	22.1	23.3	24.4	19.6	20.2	3.5	0.8
HCL Technologies	1,174	75,379.0	85,181.0	95,439.4	13,010.0	13,785.6	15,797.0	47.9	50.8	58.2	10%	24.5	23.1	20.2	24.4	25.7	21.7	22.4	24.0	2.0
Infosys	1,700	1,00,473.0	1,18,664.6	1,35,935.2	19,423.0	22,431.8	26,081.6	45.6	52.8	61.5	16%	37.3	32.2	27.7	32.6	35.3	27.7	30.0	27.0	1.6
Intellect Design	650	1,499.2	1,752.1	2,046.9	262.8	315.4	400.6	19.6	22.2	28.3	20%	33.3	29.2	23.0	22.0	23.3	20.3	21.0	0.0	0.0
L&T Infotech	5,457	12,369.8	14,986.4	17,749.5	1,881.1	2,267.1	2,706.9	110.3	129.0	154.0	18%	49.5	42.3	35.4	33.7	36.0	28.1	30.6	40.0	0.7
L&T Technology services	4,340	5,449.7	6,497.8	7,816.9	663.3	948.7	1,188.6	62.9	89.7	112.4	34%	69.0	48.4	38.6	25.7	26.8	24.9	26.0	22.0	0.5
Mastek Limited	2,799	1,721.9	2,174.6	2,556.5	209.4	279.7	334.2	81.9	93.8	107.8	15%	34.2	29.8	26.0	25.5	26.1	29.0	27.9	14.5	0.5
Persistent Systems	3,441	4,187.9	5,402.6	6,428.2	450.7	649.2	879.3	59.0	84.9	115.1	40%	58.3	40.5	29.9	28.1	33.1	21.7	25.4	20.0	0.6
Tata Consultancy Services	3,841	1,64,177.0	1,91,530.8	2,14,468.0	33,388.0	39,653.6	44,988.3	89.3	107.1	121.5	17%	43.0	35.9	31.6	47.6	46.5	41.5	40.6	38.0	1.0
Tata Elxsi	4,885	1,826.2	2,433.3	2,998.6	368.1	505.8	614.8	59.1	81.2	98.7	29%	82.6	60.1	49.5	32.9	32.0	29.7	28.4	48.0	1.0
Tech Mahindra	1,442	37,855.1	43,720.5	49,551.7	4,478.8	5,680.8	6,327.6	51.2	65.0	72.4	19%	28.1	22.2	19.9	23.9	24.7	21.9	22.3	45.0	3.1
Wipro	655	62,242.5	78,714.1	87,421.2	10,794.6	12,568.2	14,127.6	19.1	22.9	25.8	16%	34.3	28.5	25.4	19.8	20.8	20.3	20.4	1.0	0.2
Telecom and New Media																				
Affle (India) Limited	4,602	516.8	945.1	1,234.8	135.0	148.0	215.3	53.0	55.9	80.9	24%	86.9	82.3	56.9	28.2	30.8	29.1	29.8	0.0	0.0
Bharti Airtel	658	1,00,615.8	1,15,048.7	1,34,268.0	(1,468.5)	3,558.1	11,254.0	-2.7	6.5	20.5	-	-	101.6	32.1	9.5	12.6	5.4	14.6	2.5	0.4
Info Edge (India)	6,182	1,098.6	1,495.6	1,783.1	274.2	508.5	653.8	21.3	39.3	50.5	54%	290.4	157.4	122.4	13.1	15.2	10.2	11.9	6.0	0.1
Cap goods / Power																				
Amber Technologies	3,150	3,030.5	4,089.0	5,358.0	81.6	123.0	188.0	24.2	36.6	55.7	52%	130.1	86.1	56.6	10.0	13.4	7.4	10.3	0.0	0.0
Bharat Electronics	199	14,109.0	15,848.0	17,343.0	2,099.0	2,186.0	2,496.0	8.6	9.0	10.2	9%	23.1	22.1	19.5	16.7	16.8	19.0	19.7	1.2	0.6
Blue Star	784	4,264.0	5,857.0	6,805.0	100.4	202.6	273.2	10.4	21.0	28.4	65%	75.2	37.3	27.6	24.4	29.8	21.8	24.0	4.0	0.5
Carborundum Universal	819	2,632.0	3,041.0	3,590.0	298.7	356.1	441.0	15.8	18.8	23.3	21%	51.8	43.5	35.2	20.1	22.2	15.8	17.3	3.0	0.4
CESC	828	6,921.0	8,129.1	8,738.7	814.0	943.1	1,089.0	61.1	70.8	81.7	16%	13.6	11.7	10.1	7.5	8.2	9.2	9.9	45.0	5.4

Company	CMP (Rs)	Sales			Net profit			EPS			(%) EPS growth	PE (x)			RoCE (%)		RoNW (%)		DPS Rs.	Div Yld(%)
		FY21	FY22E	FY23E	FY21	FY22E	FY23E	FY21	FY22E	FY23E		FY21	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E		
Coal India	146	90,026.0	1,00,402.2	1,05,301.5	12,699.8	16,538.5	18,801.7	20.6	26.8	30.5	22%	7.1	5.4	4.8	43.8	46.1	43.1	44.5	16.0	10.9
Cummins India	1,017	4,329.0	5,054.0	5,782.0	617.9	644.0	793.0	22.3	23.2	28.6	13%	45.6	43.9	35.6	18.7	21.8	14.3	16.7	8.0	0.8
Dixon Technologies	4,236	6,448.2	10,816.0	17,177.0	159.4	321.0	488.0	27.2	54.8	83.3	75%	155.6	77.3	50.8	38.6	43.3	30.7	32.1	1.0	0.0
Finolex cable	473	2,768.0	2,978.0	3,277.0	283.0	372.0	432.0	19.0	24.0	28.0	21%	24.9	19.7	16.9	16.0	18.0	17.0	18.0	5.5	1.2
Honeywell Automation	40,152	3,043.0	3,422.0	4,175.0	460.0	498.0	702.0	520.4	563.0	794.0	24%	77.2	71.3	50.6	26.2	34.5	20.8	27.8	85.0	0.2
Kalpataru Power Transmission	412	7,671.0	8,731.8	10,024.2	447.0	542.7	658.8	40.6	36.2	43.9	4%	10.2	11.4	9.4	16.8	18.3	12.9	14.0	10.0	2.4
KEC International	424	13,114.2	14,318.9	15,676.4	552.7	612.7	685.0	21.5	23.8	26.6	11%	19.7	17.8	15.9	18.9	17.9	17.1	16.8	4.0	0.9
KEI Industries	778	4,181.5	4,903.7	5,832.5	273.3	335.5	412.1	30.4	37.3	45.9	23%	25.6	20.8	17.0	16.0	16.5	21.0	21.4	2.0	0.3
NTPC	117	99,206.7	1,16,010.1	1,28,137.8	14,218.1	15,622.7	17,618.0	14.7	16.1	18.2	11%	8.0	7.3	6.4	9.8	10.2	12.7	13.4	6.2	5.3
Polycab India	2,232	8,926.5	10,473.7	12,204.7	876.2	946.4	1,120.2	58.8	63.5	75.1	13%	38.0	35.2	29.7	24.8	25.1	18.3	18.5	10.0	0.4
Power Grid Corporation#	176	39,639.8	43,603.8	47,746.1	13,115.1	15,052.4	16,408.5	18.8	21.6	23.5	12%	9.3	8.1	7.5	12.2	12.9	20.3	19.6	9.0	5.1
Ratnamani Metals and Tubes	2,130	2,298.1	3,004.0	3,708.3	276.0	320.6	417.2	59.1	68.6	89.3	23%	36.1	31.0	23.9	17.0	19.7	15.0	16.9	14.0	0.7
Tata Power New Idea	134	32,468.1	43,225.6	47,121.3	1,282.9	1,662.1	2,219.7	4.0	5.2	6.9	32%	33.3	25.7	19.3	7.7	9.0	7.3	9.1	1.6	1.2
Thermax	1,428	4,791.3	5,227.0	6,153.0	206.6	276.0	344.0	18.3	24.5	30.5	29%	77.8	58.3	46.8	13.4	10.9	10.3	11.9	7.0	0.5
Triveni Turbine	143	703.0	807.3	891.0	102.0	130.5	146.7	3.2	4.0	4.5	19%	44.6	35.7	31.7	24.0	24.9	17.4	17.1	1.2	0.8
Va Tech Wabag	337	2,834.0	3,235.4	3,676.5	100.3	133.7	180.4	16.1	21.5	29.0	34%	20.9	15.7	11.6	12.9	14.2	9.0	10.9	0.0	0.0
V-Guard Industries	250	2,699.0	3,022.9	3,400.7	199.0	230.3	265.8	4.6	5.4	6.2	16%	54.0	46.7	40.4	25.1	25.0	18.4	18.4	1.2	0.5
Infrastructure																				
Ashoka Buildcon	100	4,991.7	5,828.8	6,372.6	276.2	243.8	336.7	9.8	8.7	12.0	10%	10.2	11.6	8.4	23.1	26.9	34.0	35.2	0.0	0.0
JMC Projects	103	3,688.8	4,401.8	5,044.6	71.1	115.5	188.6	4.2	6.9	11.2	63%	24.2	14.9	9.1	15.7	20.0	10.8	15.5	0.7	0.7
KNR Constructions	327	2,702.6	3,311.9	3,823.9	255.4	388.4	462.6	9.1	13.8	16.5	35%	36.0	23.7	19.8	19.6	19.4	18.9	18.8	0.5	0.2
Larsen & Toubro	1,687	1,35,979.0	1,54,336.0	1,76,715.0	11,583.0	9,283.0	11,821.0	82.6	66.2	84.3	1%	20.4	25.5	20.0	8.3	9.7	12.4	15.3	36.0	2.1
PNC Infratech	360	4,925.4	5,852.0	6,764.6	361.9	433.6	536.3	14.1	16.9	20.9	22%	25.5	21.3	17.2	14.6	15.5	13.9	15.0	0.5	0.1
Sadbhav Engineering	48	1,623.6	1,944.1	2,415.9	60.6	26.8	59.6	3.5	1.6	3.5	-1%	13.6	30.8	13.9	5.6	6.2	1.2	2.7	0.0	0.0
Metal & mining																				
JSW Steel	691	79,839.0	94,219.5	1,11,179.0	7,873.0	12,793.7	15,829.1	32.7	53.1	65.7	42%	21.1	13.0	10.5	18.6	19.5	23.0	22.6	6.5	0.9
NMDC	155	15,370.1	27,751.9	26,927.4	6,277.0	8,273.7	8,037.9	21.4	28.2	27.4	13%	7.2	5.5	5.6	28.5	24.5	25.8	22.2	7.8	5.0
MOIL	169	1,177.4	1,256.2	1,352.4	226.6	347.6	385.3	7.4	14.6	16.2	48%	22.7	11.6	10.4	15.8	16.2	11.9	12.2	7.4	4.4
SAIL New Idea	122	69,113.6	90,750.0	94,000.0	5,245.5	15,170.1	11,986.7	12.7	36.7	29.0	51%	9.6	3.3	4.2	25.9	19.8	29.4	19.1	1.0	0.8
Oil & gas																				
Bharat Petroleum Corporation	491	2,32,545.1	3,64,174.7	3,66,086.7	13,226.8	6,323.4	6,775.3	67.2	32.1	34.4	-28%	7.3	15.3	14.3	13.2	13.3	11.5	12.0	79.0	16.1
Castrol India	136	2,996.9	3,845.2	4,137.8	599.7	853.0	943.0	6.1	8.6	9.5	25%	22.4	15.8	14.3	76.7	77.3	56.1	54.8	5.5	4.0
GAIL (India)	147	56,730.2	81,632.3	90,004.7	4,890.2	7,909.9	8,798.5	11.0	17.8	19.8	34%	13.4	8.3	7.4	16.4	16.5	16.2	16.4	5.0	3.4
Gujarat Gas	701	9,854.3	13,956.2	16,425.2	1,277.7	1,574.7	1,965.7	18.6	22.9	28.6	24%	37.7	30.6	24.5	31.8	32.9	30.8	30.5	2.0	0.3
Gujarat State Petronet Limited	351	2,079.4	2,330.7	2,584.4	930.7	1,106.0	1,249.1	16.5	19.6	22.1	16%	21.3	17.9	15.8	15.5	15.6	13.8	13.8	2.0	0.6
Hindustan Petroleum Corporation	276	2,31,913.4	2,63,472.0	2,85,428.0	10,663.9	7,628.5	8,823.4	75.2	53.8	62.2	-9%	3.7	5.1	4.4	15.1	16.6	19.9	20.4	22.8	8.2
Indian Oil Corporation	113	3,78,057.6	5,50,816.2	5,96,983.0	17,425.6	23,492.3	20,434.2	18.5	25.0	21.7	8%	6.1	4.5	5.2	15.6	13.3	20.4	16.5	12.0	10.6
Indraprastha Gas Limited	559	4,940.8	6,207.0	7,002.8	1,005.7	1,396.2	1,586.1	14.4	19.9	22.7	26%	38.9	28.0	24.6	28.0	27.9	22.1	21.8	3.6	0.6
Mahanagar Gas	1,173	2,152.5	2,672.6	3,006.7	619.6	808.0	919.7	62.7	81.8	93.1	22%	18.7	14.3	12.6	29.4	29.8	23.5	23.6	23.0	2.0
Oil India Ltd	180	8,618.4	12,707.9	13,637.1	1,377.1	2,583.0	2,891.1	12.7	23.8	26.7	45%	14.2	7.5	6.7	9.4	10.1	9.6	10.3	5.0	2.8
Petronet LNG	230	26,022.9	41,827.1	42,506.5	2,938.4	3,231.1	3,560.9	19.6	21.5	23.7	10%	11.7	10.7	9.7	26.9	27.2	27.1	26.6	11.5	5.0
Reliance Ind	2,388	4,66,924.0	5,64,754.8	6,76,164.1	43,486.0	58,316.4	73,786.0	73.5	86.2	109.1	22%	32.5	27.7	21.9	9.3	10.3	7.3	8.0	7.0	0.3
Pharmaceuticals																				
Abbott India	19,842	4,310.2	4,983.2	5,581.2	690.8	836.5	965.9	325.1	393.7	454.5	18%	61.0	50.4	43.7	35.7	36.4	28.4	28.8	275.0	1.4
Aurobindo Pharma	758	24,774.6	25,879.4	28,624.6	2,474.2	3,595.6	4,120.8	42.2	61.4	70.3	29%	17.9	12.3	10.8	17.9	18.9	15.2	15.1	3.0	0.4
Biocon	363	7,106.0	8,946.4	11,586.5	573.1	1,142.5	1,846.5	4.8	9.5	15.4	79%	76.1	38.2	23.6	9.6	13.7	13.1	17.6	0.0	0.0
Cadila Healthcare	556	15,102.2	16,310.1	18,199.6	2,291.3	2,284.1	2,810.6	22.4	22.3	27.4	11%	24.8	24.9	20.2	14.7	16.4	15.6	16.6	3.5	0.6
Cipla	941	19,159.6	21,460.2	24,722.6	2,388.0	3,096.4	3,844.4	29.8	38.4	47.7	27%	31.6	24.5	19.7	18.7	20.7	14.6	16.7	5.0	0.5
Divi's Labs	5,210	6,969.4	8,546.9	10,683.1	1,984.3	2,559.7	3,363.7	74.8	96.4	126.7	30%	69.7	54.0	41.1	29.1	30.5	22.8	24.1	16.0	0.3
DR Reddy's	4,899	18,420.2	21,110.4	23,923.0	1,951.6	2,753.8	3,604.0	117.6	165.9	217.1	36%	41.7	29.5	22.6	15.5	18.9	14.4	16.9	25.0	0.5
Gland Pharma	3,994	3,462.9	4,519.5	7,187.7	997.0	1,311.7	2,018.5	61.1	80.3	123.6	42%	65.4	49.7	32.3	23.7	29.3	18.3	22.1	0.0	0.0

Company	CMP (Rs)	Sales			Net profit			EPS			(%) EPS growth	PE (x)			RoCE (%)		RoNW (%)		DPS Rs.	Div Yld(%)
		FY21	FY22E	FY23E	FY21	FY22E	FY23E	FY21	FY22E	FY23E		FY21	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E		
Granules	341	3,237.5	3,820.0	4,666.7	549.5	589.8	781.8	22.2	23.9	31.6	19%	15.3	14.3	10.8	23.1	26.4	21.9	23.7	1.5	0.4
IPCA Lab	2,535	5,420.0	5,905.5	6,526.0	1,141.1	1,127.2	1,292.3	90.5	89.4	102.4	6%	28.0	28.4	24.7	24.1	23.2	21.6	20.1	5.0	0.2
Laurus Labs	652	4,813.5	6,425.5	7,925.9	983.9	1,272.9	1,626.7	18.5	23.9	30.6	29%	35.3	27.3	21.3	32.2	31.3	32.9	29.6	2.8	0.4
Lupin	969	15,163.0	17,488.0	20,010.1	1,216.5	1,667.0	2,269.2	26.8	36.7	50.0	37%	36.2	26.4	19.4	11.6	14.5	11.0	13.3	6.5	0.7
Sanofi India	8,417	2,901.9	3,104.9	3,321.0	519.3	615.1	678.0	225.8	267.4	294.8	14%	37.3	31.5	28.6	34.6	34.2	25.9	25.5	365.0	4.3
Solara Active Pharma Sciences	1,652	1,616.9	2,016.8	2,515.3	221.1	264.3	350.3	62.4	74.5	98.8	26%	26.5	22.2	16.7	16.1	17.8	14.5	16.5	7.0	0.4
Strides Pharma Sciences	614	3,315.9	3,601.8	4,196.2	192.4	59.8	338.0	21.5	6.7	37.7	33%	28.6	91.9	16.3	4.8	10.9	2.2	11.1	14.0	2.3
Sun Pharmaceutical Industries	789	33,498.1	38,034.4	42,025.7	6,801.1	7,061.5	8,214.8	28.3	29.4	34.2	10%	27.8	26.8	23.0	14.1	14.8	13.3	13.6	4.0	0.5
Torrent Pharma	3,193	8,005.0	8,722.4	10,014.5	1,252.0	1,405.0	1,793.5	73.6	82.6	105.5	20%	43.4	38.6	30.3	18.2	20.5	22.0	23.3	35.0	1.1
Building materials																				
APL Apollo Tubes	1,701	8,499.8	9,688.9	12,866.3	360.2	559.5	725.2	28.8	44.8	58.1	42%	59.0	38.0	29.3	32.9	35.2	29.1	29.6	0.0	0.0
Astral Poly Technik	2,099	3,176.3	3,945.9	4,847.2	404.4	485.2	597.5	20.1	24.1	29.7	22%	104.3	87.0	70.6	28.7	28.6	22.8	22.5	1.0	0.0
Century Plyboards (India)	396	2,130.4	2,469.1	2,865.5	202.1	255.0	310.9	9.1	11.5	14.0	24%	43.6	34.6	28.3	17.7	18.5	18.4	19.0	1.0	0.3
Dalmia Bharat	2,230	10,522.0	12,163.1	14,282.2	992.0	888.9	967.5	53.6	48.1	52.3	-1%	41.6	46.4	42.6	6.6	6.8	6.8	7.0	1.3	0.1
Grasim	1,510	12,386.4	14,682.4	17,468.4	891.4	1,157.8	1,565.9	13.6	17.6	23.8	33%	111.4	85.8	63.4	2.3	3.1	2.6	3.4	9.0	0.6
Greenlam Industries	1,364	1,199.6	1,499.8	1,620.3	86.2	110.0	132.2	35.7	45.6	54.8	24%	38.2	29.9	24.9	14.4	15.6	17.7	18.2	5.0	0.4
Greenpanel Industries	258	1,020.8	1,272.6	1,549.0	68.8	145.6	205.0	5.6	11.9	16.7	73%	46.1	21.8	15.5	15.3	18.9	18.3	21.7	0.0	0.0
JK Lakshmi Cement	708	4,384.7	5,096.6	5,429.3	363.8	467.5	509.8	30.9	39.7	43.3	18%	22.9	17.8	16.3	16.3	16.2	20.5	18.8	3.8	0.5
Kajaria Ceramics	1,194	2,780.9	3,343.2	3,868.6	308.1	326.6	450.7	19.4	20.5	28.4	21%	61.6	58.1	42.1	16.5	20.6	16.9	21.1	10.0	0.8
Pidilite Industries	2,325	7,292.7	9,080.0	10,405.0	1,129.7	1,342.0	1,678.0	22.2	26.4	33.0	22%	104.6	88.1	70.5	17.4	19.9	22.3	23.9	8.5	0.4
Shree Cement	30,421	12,588.4	14,520.6	16,251.9	2,311.9	2,305.7	2,875.3	640.8	639.1	796.9	12%	47.5	47.6	38.2	13.6	14.9	14.2	15.5	60.0	0.2
Supreme Industries limited	2,151	6,357.1	7,055.1	8,390.0	978.1	856.2	1,038.5	77.0	67.4	81.8	3%	27.9	31.9	26.3	25.4	26.2	23.0	23.6	17.0	0.8
The Ramco Cements	1,047	5,268.4	6,182.0	7,000.6	804.1	945.1	1,077.6	34.1	40.1	45.7	16%	30.7	26.1	22.9	9.9	10.4	15.6	15.4	3.0	0.3
UltraTech Cement	7,928	43,188.3	50,192.2	55,687.3	5,456.7	6,982.6	7,945.1	189.1	241.9	275.3	21%	41.9	32.8	28.8	12.5	13.1	15.0	14.8	37.0	0.5
Logistics																				
Gateway Distriparks	255	1,179.4	1,248.4	1,410.0	103.5	143.8	203.7	8.3	11.5	16.3	40%	30.8	22.1	15.6	11.1	13.8	9.4	12.5	5.0	2.0
Mahindra Logistics	723	3,263.7	3,928.5	4,698.7	32.7	59.6	93.0	4.6	8.3	13.0	69%	158.2	86.9	55.7	12.1	15.7	10.0	13.8	2.5	0.3
TCI Express	1,457	844.0	1,124.6	1,314.1	100.6	139.9	172.5	26.2	36.5	45.1	31%	55.7	39.9	32.3	27.4	26.6	28.4	27.6	4.0	0.3
TCI Limited	411	2,802.4	3,258.4	3,626.1	160.2	202.0	221.9	20.9	26.3	28.9	18%	19.7	15.6	14.2	11.4	11.2	16.1	15.4	1.3	0.3
Discretionary																				
ABFRL	219	5,181.0	6,951.0	9,148.0	(581.0)	(123.0)	191.0	-6.3	-1.3	2.0	-	-	-	109.7	0.4	6.7	-	6.4	0.0	0.0
Arvind*	93	5,073.0	6,788.0	7,554.0	(1.0)	70.0	183.0	-0.1	2.7	7.1	-	-	34.2	13.1	4.3	6.5	2.6	6.6	0.0	0.0
Bata India	1,772	1,707.0	2,355.0	3,163.0	(76.0)	214.0	453.0	-5.9	16.7	35.3	-	-	106.1	50.2	8.4	14.0	11.8	22.1	4.0	0.2
Inox Leisure	307	105.9	1,164.2	2,124.7	(337.7)	(58.4)	189.9	-32.2	-4.8	15.5	-	-	-	19.8	2.7	9.8	-	24.8	0.0	0.0
Jubilant Foodworks	4,112	3,269.0	4,375.0	5,409.0	234.0	511.0	735.0	17.7	38.7	55.7	77%	232.3	106.3	73.8	26.4	31.8	29.8	32.6	6.0	0.1
KPR Mill	1,970	3,530.0	4,262.0	4,986.0	515.0	659.0	802.0	74.9	95.8	116.5	25%	26.3	20.6	16.9	26.9	27.5	24.8	24.0	4.5	0.2
Relaxo Footwear	1,207	2,359.0	2,796.0	3,268.0	305.0	331.0	427.0	12.3	13.4	17.2	18%	98.1	90.1	70.2	25.3	27.0	19.5	21.3	2.5	0.2
The Indian Hotels Company	147	1,575.0	2,557.0	3,571.0	(822.0)	(200.0)	198.0	-7.8	-1.5	1.9	-	-	-	77.3	1.4	6.6	-	4.8	0.4	0.3
Titan Company Limited	2,019	21,644.0	26,292.0	30,333.0	984.0	1,748.0	2,496.0	11.0	19.7	28.1	60%	183.5	102.5	71.8	27.5	34.0	21.6	25.7	4.0	0.2
Trent Ltd	996	2,048.0	2,855.0	3,851.0	(45.0)	98.0	303.0	-1.3	2.8	8.5	-	-	355.8	117.2	9.6	11.9	3.9	11.3	0.6	0.1
Welspun India	126	7,340.0	8,571.0	10,348.0	551.0	707.0	1,012.0	5.5	7.0	10.1	36%	23.0	18.0	12.5	15.8	20.4	18.0	22.0	5.0	4.0
Wonderla Holidays	234	38.0	86.0	236.0	(50.0)	(22.0)	33.0	-8.8	-3.9	5.9	-	-	-	39.6	-	5.1	-	4.1	0.0	0.0
ZEE Entertainment	176	7,729.9	8,560.0	9,512.2	1,362.2	1,435.2	1,780.0	14.2	16.2	18.5	14%	12.4	10.9	9.5	16.6	17.7	12.8	14.2	0.3	0.2
Diversified / Miscellaneous																				
Bajaj Holdings	4,352	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40.0	0.9
Balrampur Chini Mills	370	4,811.7	4,434.6	5,364.0	479.8	450.5	578.9	22.8	21.5	27.6	10%	16.2	17.2	13.4	14.4	17.2	15.7	18.1	2.5	0.7
Mahindra Lifespace	800	166.3	313.3	376.0	(71.7)	3.4	171.9	-14.0	0.7	33.4	-	-	-	23.9	-	5.3	0.2	10.0	0.0	0.0
Polyplex Corporation	1,544	4,918.3	5,192.2	6,422.6	511.8	430.8	533.7	160.1	134.7	166.9	2%	9.6	11.5	9.2	15.3	17.1	13.5	15.2	164.0	10.6
Quess Corp	838	10,837.0	12,664.0	14,764.0	232.0	306.0	448.0	15.7	20.7	30.3	39%	53.4	40.5	27.6	11.5	14.6	12.5	16.6	0.0	0.0
Triveni Engineering & Industries	174	4,703.0	4,935.0	5,679.0	293.0	378.0	468.0	12.2	16.1	19.8	27%	14.2	10.8	8.8	19.5	22.0	22.7	23.0	0.0	0.0

Note: Grasim- Changed reporting to standalone financial numbers

Castrol India and Sanofi Nos for CY2020/Cy2021E/CY2022E

^^ Data for Bank, NBFC and Insurance stocks is as of the last published report

	Remarks
	Autos
Alicon Castalloy	• Alicon would benefit from its established market position in aluminium casting components, driven by established client relationships and operations in India, Austria, and Slovakia. Q1FY2022 results were below expectations, marred by lower sales and higher-than-expected contraction in EBITDA margin. We expect Alicon to benefit from the improved business outlook from automotive and non-automotive segments, given its multi-year order wins. Moreover, the execution of Alicon's multi-year order wins would commence from FY22 which provides strong growth visibility going forward. We maintain a positive stance on Alicon's business outlook and recommend a Buy on the stock
Amara Raja Batteries	• Amara Raja Batteries Limited (Amara) is expected to benefit from an improving business outlook for automotive and industrial sectors, as economic activities normalize post wave-2 of COVID-19. The company announced "energy and mobility" as its new theme for growth, driven by transformative changes in its key operative markets. Amara laid down the company's vision to remain a dominant battery player in the Indian. We expect Amara to continue outpace peers, by adding clients, launching products and by benefiting from an extensive distribution network. Amara's earnings are expected to post an 18% CAGR, driven by a 13% CAGR (FY2021-FY2023) in revenue and 110 bps rise in EBITDA margins. Given strong business growth prospects, we retain our Buy rating on the stock.
Apollo Tyres (ATL)	• ATL is well-positioned to gain market share in India and Europe, given its strong brand, R&D, technology and distribution network. We expect the company to benefit from its strategy by deleveraging its balance sheet, capital utilisation of over 90% and a focus on firm capital allocation and cash management. Q1FY22 results lagged expectations, marred by higher raw material costs. The company maintained revenue guidance of 20-22% revenue growth for FY22E, while the overseas business is expected to do well on back of richer product mix and gradual capacity additions. Consolidated earnings are set to rise at 44% CAGR during FY21-23E, driven by 12.9% revenue CAGR and a 160 bps EBITDA margin expansion to 17% in FY23E. Thus, we maintain a Buy rating on the stock.
Ashok Leyland	• Ashok Leyland is a pure play on upturn in the commercial vehicle (CV) industry, led by a faster economic recovery. As volumes bounce back and OPMs sure due to operating leverage, we expect Ashok Leyland to register a net profit of Rs. 864 crore and Rs. 2,053 crore in FY2022E and FY2023E respectively, versus an estimated loss of Rs. 241 crore in FY2021E. The valuations are attractive and trading at discount to long-term average multiples. Thus, we reiterate a Buy on stock.
Bajaj Auto	• Bajaj Auto (BAL) is the second-largest domestic motorcycle manufacturer and largest exporter of motorcycles in India. It is the market leader in the premium motorcycle segment (125-200 cc) with a market share of 41%. Q1FY22 revenue and PAT were in line with estimates, while EBITDA margin missed expectations. BAL's management remained positive on the growth prospects, especially exports, where BAL expects to gain market share key markets, driven by brand recall, product launches and value for money proposition. BAL is expected to benefit from growth in the premium bikes segment, which is recovering, aided by premiumisation trend and new launches. BAL has a strong, debt-free balance sheet and cash equivalents of Rs. 16,240 crore with strong return ratios. Valuation multiples are trailing long-term historical averages. We retain a Buy rating on the stock.
Balkrishna Industries	• Balkrishna Industries Ltd (BKT) is largest exporter of off-highway tyres from India. Q1FY222 was yet another quarter of strong operational performance in tough environment, beating our estimates. We expect BKT to gain market share, driven by new product introductions and entry in new geographies. We expect strong double-digit volume growth in FY2022E, driven by infrastructure creation and pick-up in economic activity and continued market share gains. However, despite strong operational performance, we are concerned that BKT's return ratios and margin would decline in the medium term, owing to increased revenue share from non-core business. We retain our Hold rating on the stock, given a limited upside due to expensive valuations.
Bosch Limited	• Bosch Ltd is a leading supplier of technology and services for mobility solutions, industrial technology, consumer goods and energy and building technology. Q1FY22 results were below expectation because of sharper decline in EBIDTA margin, due to negative operating leverage and one-time employee restructuring expense. Bosch's management is cautiously positive on the demand scenario, expecting it on the path of recovery as the economy normalises. We expect the company to be a key beneficiary of the revival in automotive demand, driven by pent up demand and normalisation of economic activities. Bosch is a strong technological company with a robust balance sheet (zero debt) and healthy return ratios. Its strong brand positioning, focus on technology and electrification of vehicles enable high growth visibility. Hence, we retain a Buy rating on Bosch.
Exide Industries	• Exide is the largest battery manufacturer in the lead acid battery markets, commanding a market share close to ~55% among organised players. With a strong brand equity and extensive distribution network, we expect Exide to grow strongly in the battery industry, led by replacement demand, recovery in the industrial battery segment, and its extensive distribution network. Exide reported results in-line with our expectations, driven by strong traction in aftermarket, recovery in OEM growth and margin expansion. With Exide tightening costs through backward integration, enhanced automation, raising share of renewable energy for power and higher digitisation initiatives we expect margins to improve. Valuations are attractive as it is trading at a discount to historical multiple. We recommend a Buy rating on the stock.
Gabriel India	• Gabriel has a leadership position and strong brand recall in manufacturing of suspension components in India. Q1FY2022 results were below expectations, led by lower-than expected sales and sharper decline in EBITDA margin. The company has a strong presence across segments with 25% market share in the 2W and 3W segment, 18% in PV segment and 75% market shares CV segment. Gabriel has stronghold in the aftermarket market with ~40% market share in the products it sells through its outlets. Also, the company is well positioned to benefit from the government's push towards fast adoption of electric vehicles (EVs). We expect Gabriel will be among the top beneficiaries of the increase in penetration of e-2Ws and e-3Ws, due to its strong brand, leadership and technological edge. We retain Buy rating on the stock.
GNA Axles	• GNA has reported a strong 27% revenue CAGR in exports over the past four years and has been gaining market share in exports due to comparatively low-cost advantage. With the company establishing product reliability and quality, it has been winning higher business from clients. Moreover, foray into SUV provides an incremental growth opportunity for GNA. Q1FY2022 results beat street expectations on all fronts, with revenue, EBITDA, and PAT growing at 6.1% q-o-q, 12.6% q-o-q, and 6.7% q-o-q, despite COVID-19 wave 2 disruptions. GNA's earnings are expected to report a 32.5% CAGR from FY2021-FY2023E, driven by a 23.4% revenue CAGR and a 40-bps improvement in EBITDA margin. We recommend a Buy on the stock.
Greaves Cotton Limited	• Greaves Cotton Limited (Greaves) continues to perform with strong revenue growth in Q4FY21, but EBITDA margin misses our estimates, due to a rise in staff and other operating expenses. A sequential improvement in business was driven by a robust recovery in non-auto business, electric mobility, but a slower paced recovery in 3-wheelers. We believe the company is benefitting from by its re-focus strategy on automotive, non-automotive, e-mobility, retail and finance businesses. Over the last few years, the company has transformed its businesses to expand its markets from three-wheeler diesel engines to last-mile mobility, move beyond one product/application/fuel with focus on clean tech, increasing value to customers through B2C, expand products to solutions and leverage the company's brand and penetration. Given the improved new businesses outlook and expectations of improving three wheeler sales, we retain a Buy rating on the stock.
Hero MotoCorp	• Hero MotoCorp (Hero) is the market leader in the domestic two-wheeler industry with 38.5% market share. Hero continues to benefit from premiumisation, a stronghold in the economy and executive motorcycle segments and aggressive product offerings in premium bike and scooter segments. Q4FY21 results were broadly in line with expectations, with operational performance slightly ahead of expectations. Standalone PAT rose by 39.4% y-o-y in Q4FY21, driven by a 39.2% growth in revenues and a 330 bps rise in EBITDA margin. Hero is expected to benefit from rural demand and increased personal mobility. Its brand equity is led by value-for-money products, extensive service centres, low maintenance cost and higher resale value. Valuations are below historical averages. Hence, we retain a Buy rating on the stock.
Lumax Auto Technologies	• Lumax Auto Technologies (LATL) is a leading auto component manufacturer with a well-diversified product portfolio. It supplies components to most leading two-wheeler OEMs in the country and is present in the two-wheeler and three-wheeler segments (50% of FY20 sales), Passenger Cars (20% of FY20 sales) and aftermarkets (18% of FY20 sales). OEMs account for 80% of (FY2020) revenues, while the aftermarket accounts for 18% of the revenues. LATL is likely to deliver strong 16% PAT CAGR over FY20- 23. Give the better-than-expected results and strong demand commentary, we have raised our earnings estimates by 10-12%. The stock trades below historical averages and we recommend a Buy.

M&M	• Mahindra and Mahindra (M&M) is the market leader in tractors and light commercial vehicles with a market share of ~40%. We retain our Buy rating on M&M factoring positive outlook for its core businesses and improving fortunes of key subsidiary companies. Q1FY2022 results slightly lagged expectations due to lower-than-expected profitability in automotive business. The company has moderated tractor industry growth to single digit growth rate in FY2022. Going ahead, M&M's strategy revolves around tighter capital allocation, turning around of loss-making subsidiaries, and focusing on core automobile and farm businesses through new launches and become future ready for the emerging EV business. The company is expected to benefit from turnaround of its loss-making subsidiaries and generate strong cash flows going forward and attain its target of 18% ROE and 15%-20% EPS growth. Hence, we retain a Buy rating on the stock.
Maruti Suzuki	• Maruti Suzuki Limited's (MSIL's) Q1FY2022 results were weak and below expectations due to sharp drop in EBITDA margin. However, the company has witnessed strong demand from rural and semi-urban areas lately, where MSL's distribution network and product portfolio fits aptly. The company has cut down production schedule to 40% of the normal levels for September 2021, due to the rising problem of semiconductor chips shortage. We have cut our FY22E/FY23E earnings estimates by 8.5%/3.7% respectively to build in the impact of supply constraints. However, we continue to expect MSIL to benefit from buoyant demand for passenger vehicles, driven by rising demand in tier-2 and tier-3 cities and rural areas. MSIL is expected to sustain dominant market share, aided by a strong product portfolio and positioning, brand appeal and ability to frequently launch new models. We are positive on MSL given its structural growth outlook remain intact, healthy cash flow generation, and return ratios. Hence, we retain our Buy recommendation on the stock.
Mayur Uniquoters	• Mayur Uniquoters (MUL) is the largest manufacturer of artificial leather/ PVC vinyl, using the 'Release Paper Transfer Coating Technology' in India. Q1FY22 operational performance was lower than expectations, led by negative operating leverage and increased raw-material prices. Margins are expected to improve driven by backward integration, cost reductions and operating leverage benefits. Considering its strong performance in the current quarter and expectations that the margins would remain firm, We have increased our earnings estimates by 8%/12% in FY2022E/FY2023E. We expect MUL's earnings to post a robust 31% CAGR over FY2021-FY2023E. Given strong business growth prospects, we retain our Buy rating on the stock.
Ramakrishna Forgings	• Ramakrishna Forgings (RKFL) is a proxy play on the CV upcycle and a leading player in the forgings space with a strong clientele in India and abroad, with a strong export to domestic revenue mix. Q1FY2021 results were ahead of our expectations, aided by EBITDA margin expansion on a richer product mix and price hikes RKFL's share of revenue from North America and Europe stood at 33% and 8% respectively in FY21, where economies are expected to recover strong, given a steady increase in business and economic activities and faster rollout of the vaccination drive. The company is expected to grow robust at a 178% CAGR over FY21-23E, driven by a 34.4% CAGR in domestic revenue, 44.1% CAGR in export revenue and a 240 bps rise in EBITDA margin over FY2021-FY2023E. We maintain our Buy rating on the stock.
Schaeffler India	• Schaeffler India Ltd (Schaeffler) manufactures ball, roller and wheel bearings (under the FAG brand), engine and transmission components (sold under INA brand) and clutch systems and dual mass flywheels (sold under brand LuK). The company reported better-than-expected Q2CY2021 results on all fronts, driven by higher-than-expected growth in exports and industrial sales and EBITDA margin expansion. Automotive OEM business would benefit from increased content per vehicle, while Industrial OEM business would benefit from wind and railway segment, aided by new product and customer additions. Schaeffler's strong technological parentage and established relationship with global OEM clients would continue to provide growth opportunities. Given the robust outlook for SIL's business, we expect its earnings to post a 52% CAGR from CY2020-CY2022E, driven by a 28.9% revenue CAGR during CY2020-CY2022E and a 300 bps improvement in EBITDA margin. We reiterate our a Buy rating on the stock.
Sundram Fasteners	• Sundram Fasteners Limited (SFL) is a global leader in manufacturing critical, high-precision components for automotive, infrastructure, windmill and aviation sectors and is one of the leading manufacturers of fasteners. We expect strong earnings growth going forward, driven by new client acquisitions and expansion of product portfolio. Exports will also be a key driver as the company is committed to expand its export portfolio to 50% of overall revenue from the current 33% contribution to total revenue over the nest 3-5 years. The company has a strong long-term revenue visibility, given its strong relationships with OEMs, both in India and globally. We retain our buy rating on the stock.
Suprajit Engineering	• We expect Suprajit Engineering Limited would continue to gain wallet share from customers in the cable segment (domestic PV segment and higher sourcing by global OEM) and Phoenix Lamps (increased sourcing by Osram) and enter new segments in the non-automotive cable division. We expect FY2022 to be a strong recovery year, driven by normalization of economic activity and improvement in demand. Operating leverage coupled with cost-control measures would help in margin improvement. Propelled by robust business outlook and prudent capital allocation, we expect Suprajit's consolidated earnings to report a 30.1% CAGR during FY2021E-FY2023E, driven by a 20% revenue CAGR and 130 bps improvement in EBITDA margin, with its ROCE improving back to 21.1% in FY23E. We retain our Buy recommendation on the stock.
Tata Motors	• We maintain a Buy rating on Tata Motors (TAMO), factoring improvement in operational performance across businesses, a positive outlook for JLR and domestic businesses, and robust FCF generation that would sharply cut debt. Q1FY22 results were weak, as indicated by the management earlier this month, due to chips shortage impacting JLR business and lockdown restrictions, impacting CV and PV businesses. Recently, the JLR management raised concerns over a shortage of semiconductor chips in near term that would hit wholesales by 28-30% in H1FY22 due to the resultant supply constraints. However, chips supply is expected to improve gradually from H2FY22, as global capacity of semiconductor chips is expected to increase. We retain a Buy recommendation on the stock.
TVS Motor	• TVS Motor (TVSM) reported weak and below expectations performance for Q1FY2022, marred by negative operating leverage and higher raw-material costs. Domestic two-wheeler demand has improved lately, driven by strong rural sentiments and increased preference for personal transport. We expect TVSM to benefit from recovery in urban demand, swiftly led by gradual reopening of urban centres, new product launches, increasing share of premium bikes, beneficiary of its investments in EVs businesses and robust export performance. We expect earnings to grow strongly at 39.9% CAGR during FY2021-23E, driven by 16.2% revenue CAGR and a 140 bps rise in EBITDA margin. We retain a Buy recommendation on the stock.
	Agri/Specialty Chemicals
UPL	• UPL is a global leader in agri-solutions and has a healthy mix of high-value crops and high-growth geographies. The company has manufacturing facilities in 48 locations (34 earlier) and operates in over 138 countries. Company is eyeing revenue growth of 7-10%, EBITDA growth of 12%-15%, and net debt-equity ratio of 2x during FY2022E. The management is aiming to increase share of differentiated products & sustainable solutions to 50% by FY2026, which bodes for gradual improvement in margin/earnings profile of UPL.
Coromandel International	• We prefer and maintain a Buy on Coromandel International as it is the leader in key businesses, led by high backward integration for sourcing key raw materials and a strong distribution reach. The company is likely to speed up investments in the high-growth crop protection business, which is expected to enhance profitability. The recent hike in subsidy for DAP would help protect margins. A good monsoon and MSP hike for Kharif and Rabi crop bode well for a healthy demand. Moreover, the company has become net cash positive as it has received subsidy dues from the government.
PI Industries	• PI Industries focuses on developing complex agri-chemical solutions. Demand remains encouraging in both domestic (normal monsoon) and export markets (order book of $1.5 billion). The company has guided for 15% revenue growth for FY2022 and its board has approval acquisition of pharma API & intermediate business of Ind-Swift Laboratories at reasonable valuations. The acquisition addresses the concern of cash utilisation and PI's ability to turnaround would result in improvement in earnings profile. Moreover, export opportunities are expected to increase multifold, as global MNCs and innovators would consider partnering with Indian players over Chinese ones.
Insecticides (India)	• Insecticides (India) is focused to ramp-up revenue from recently launched new-generation products, launch 5-6 new products in FY22 and completion of expansion/ backward integration projects, which is expected to drive strong revenue growth and gradual margin expansion. Moreover, the company has reduced its cash conversion cycle as it has adopted a cash and carry model, which has strengthened its balance sheet.
Sumitomo Chemical India	• Massive contract manufacturing opportunity from parent and deeper penetration in Latin America markets to support strong earnings growth (expect 19% PAT CAGR over FY21-FY24E) along with high along high RoE of 23%. H1FY22 outlook is promising as above normal monsoon and adequate inventories to help cater high demand in upcoming Kharif Season. CRAMs opportunity from parent and asset light business model to keep valuation at a premium to domestic peers.

Atul Limited	• Atul Limited has a healthy balance sheet and intends to continue ongoing expansion plans in a calibrated manner, be it in expanding capacities through new projects or debottlenecking capacities through internal accruals. Growth is likely to be driven by improved utilisation of enhanced capacities. Moreover, significant opportunities are expected to arise over the medium to long term, as global players shift their manufacturing and vendor bases outside China. A strong balance sheet provides ample scope to explore organic and inorganic growth opportunities.
Aarti Industries	• The company's management has guided to double revenue and PAT by FY2024, which gives confidence in terms of sustained high growth. Moreover, Aarti Industries would also benefit from China substitute factor, rising domestic demand for specialty chemicals and potential for robust growth in pharma segment (commercialise ongoing APIs and intermediates). Favourable dynamics of Indian specialty chemicals sector to support high earnings growth (led by capex) and premium valuation.
SRF Limited	• SRF is expected to witness strong earnings cycle in coming years led by continued high capex plan of Rs3,800 crore (majority to be spent on chemical segment) for FY22E-FY23E would drive re-rating for SRF. Robust growth earnings growth outlook, strong return ratio (RoE/RoCE of 19/20%), and strong cash flows generation (to support growth plan) keep us constructive on the medium to long-term growth prospects of SRF. Favourable dynamics of Indian specialty chemicals space would support premium valuation.
Sudarshan Chemical	• Sudarshan Chemical Industries Limited's (SCIL's) dominant market share (a 35% share in the Indian pigment market and the fourth largest player globally), de-focus of global players, consistent focus to augment capacity (largely completed capex), and a likely increase in share of high-margin products (new capex to focus on specialty chemicals) would help it steadily beat industry growth rates. SCIL is investing in the right areas for building capabilities and richer client engagements, which is expected to create a long-term moat in a booming industry.
Vinati Organics	• Vinati Organics operates in niche segments and has an exceptional product basket with significant market share globally that boosts margins. Concerns on ATBS demand and margins are also expected to recede as strong global economic recovery has led to sharp rise in crude oil prices. We like Vinati Organics' business (global market share of 65% each in IBB and ATBS), debt-free status and solid return profile (RoE/RoCE of 23%/30%).
Banks, Financial Services	
Axis Bank	• Axis Bank is the third-largest private sector bank, with a diversified loan book with strengths in the retail and corporate segments. An improved liability profile would keep margins healthy. Business restructuring along the lines of incremental lending to higher-rated corporate segments, focus on quality retail and mid-market groups will augment sustainability and profitability. COVID-19 poses challenges, but encouraging collections and lower-than-expected restructuring guidance indicate an improving outlook for credit growth and asset quality of the banking sector. We expect banks with strong balance sheets and capital position better placed to capitalize once the business environment normalises. Going forward, the bank's strategic investment in insurance segment will add strategic value. The bank has a strong market position across most digital payment products.
Bajaj Finance	• Bajaj Finance, a subsidiary of Bajaj Finserv, is a leading NBFC with well-diversified and strong asset quality. The company has assets across products consumer durable loans, two-wheeler and three-wheeler loans, SME loans, mortgage loans, and commercial loans. Strong loan growth, asset quality and provisioning set Bajaj Finance's performance among the best in the system. However, in the medium term, COVID-19 poses challenges to credit growth and asset quality of NBFCs. We expect NBFCs with strong balance sheets and capital position likely to recover faster, once the business environment normalises.
Bajaj Finserv	• Bajaj Finserv is a financial conglomerate with subsidiaries in the financing, life insurance, and general insurance segments. We expect its subsidiary, Bajaj Finance Limited (BFL), to continue with calibrated growth and sustainable profitability and margins (for the long term), which will be the key support for present valuations of Bajaj Finserv. Bajaj Allianz General Insurance Company (BAGIC) is expected to continue its healthy operating metrics and profitability going ahead. Similarly Bajaj Allianz Life Insurance Company (BALIC) is focusing on strengthening its distribution channel and protection business, but profitability will depend on pace and segment of new business growth. Though COVID-19 had impacted the economy, things are improving as lockdowns ease. Given a strong balance sheet of its subsidiaries, Bajaj Finserv is expected to tide over medium-term challenges.
Bank of Baroda	• Bank of Baroda has over 9,400 branches in India and abroad with diversified products and services and strong client relationships. Business growth and profitability and asset-quality improvement is gradual but in the desired direction. Two other PSU banks have been merged with Bank of Baroda, which will add to its business reach and strength. Notwithstanding synergies that will accrue over the long run, we believe near-term challenges in terms of asset quality and integration issues of the merged entity may mute medium-term performance. Moreover, in the medium term, COVID-19 impact poses challenges for credit growth and asset quality of the banking sector, including Bank of Baroda.
Bank of India	• Bank of India is one of the largest PSU banks in the country. The bank has a strong presence in Western and Eastern regions. The bank has over 5,100 branches and 5,800 ATMs across India. The government holds a ~89% stake in the bank. Operating performance and earnings have been affected by a sharp rise in non-performing assets (NPAs). However, going forward, credit is likely to gain traction as the bank has exited the prompt corrective action (PCA) framework. However, COVID-19 still poses medium-term challenges for credit growth and asset quality of the banking sector, including Bank of India. As several segments are stressed and credit demand is weak, we expect BOI's credit growth and margins to be muted for the medium term.
Federal Bank	• Federal Bank is among India's better-performing old private-sector banks with a strong presence in South India, especially Kerala. We believe the bank is growing in a desirable direction and accompanying factors indicate sustainability and quality. We believe incremental loans to better-rated borrowers, fewer additions to stressed assets and high provision coverage are positives, but asset-quality performance will remain a key monitorable for the medium term. COVID-19 poses challenges, but encouraging collections and lower-than-expected restructuring guidance indicate a better outlook for credit growth and asset quality.
HDFC	• HDFC Limited (HDFC) is among India's top-performing housing finance companies with a deep retail presence. Despite a general slowdown in credit growth, HDFC's advances continue to grow strongly with stable margins. Aided by a strong business franchise, best-in-class credit ratings, and impeccable asset quality, HDFC is a safe long-term bet with a scope for value creation led by steady business growth. Though COVID-19 posed challenges for credit growth and asset quality, the traction in the past few months has been encouraging. We expect NBFCs with a strong balance sheet and capital position likely to recover faster, once business environment normalises.
HDFC Bank	• HDFC Bank is among India's top-ranking lenders with a strong retail hold. Despite the general slowdown in credit growth, the bank continued to report better-than-industry growth in advances (mainly from retail products) and a strong retail liability base. Higher margins as compared to peers, a strong branch network and better asset quality make HDFC Bank a safe bet with scope for expansion in valuation multiples. COVID-19 poses challenges, but the encouraging collections and lower-than-expected restructuring guidance indicate an improving outlook for credit growth and asset quality of the banking sector
ICICI Bank	• ICICI Bank is one of India's top three private sector banks with over 5,200 branches. The bank has made inroads into the retail loan segment and has significantly improved its liability franchise. We believe the company's strong capital adequacy and a wide branch network will help support business growth in the long run. The bank appears to be well-positioned to benefit from a reduction in competitive intensity from NBFCs and other banks, which face challenges of their own. COVID-19 poses challenges, but encouraging collections and lower-than-expected restructuring guidance indicate an improving outlook for credit growth and asset quality.
LIC Housing	• LIC Housing Finance is one of India's largest mortgage financiers and is promoted by Life Insurance Corporation of India. With over 282 marketing offices, the company has one of the strongest distribution networks to support business expansion. Though falling interest rates and a strong parentage bode well for NBFCs, we believe increasing competitive pressures may keep NIM range bound in the near to medium term. Uncertainties in developer loans and weak economic conditions warrant caution due to asset-quality concerns. Recoveries in retail and developer book and loan growth momentum in the next few quarters would be key monitorables. In the medium term, COVID-19 poses challenges for credit growth and asset quality of the financial sector, including LIC Housing.

PNB	• Punjab National Bank (PNB) has a strong liability mix in the banking space, with low-cost deposits constituting over 40% of its total deposits. PNB has done a significant amount of business and process enhancement/upgradation to mitigate operational and credit risks after the fraud, but so far asset-quality improvement has been subdued. Further development in resolution/recovery of NCLT exposures as well stress in the SME segment warrant a cautious approach. Risks of chunky slippages/haircuts are present in the near term. Moreover, in the medium term, COVID-19 impact poses challenges for credit growth and asset quality of the banking sector, including the bank, and will be a key monitorable.
SBI	• State Bank of India (SBI) is India's largest bank. The successful merger of associate banks and value unlocking from the insurance business could provide further upside. While the bank is favourably placed in terms of liability base and operating profit is better than peers, asset quality is also improving, aided by strong resolution/recoveries. A strong balance sheet, enviable reach and business strength make it a strong business franchise, which is well-placed to gain market share as well as quality clients in the medium to long term. However, in the medium term, pandemic may pose challenges for credit growth and asset quality. SBI's status as the market maker in terms of domestic interest rates places it at an advantage to other PSU bank peers, providing a cushion to margins.
City Union Bank	• CUBK is an old private sector bank focused on lending to MSME, retail/wholesale trade with a granular asset profile including providing short-term and long-term loans to the agricultural sector. The bank has ~90% of branches in South India of which ~70% are in Tamil Nadu and ~71% of business comes from the state. The bank's gross loan book constitutes ~63% working capital loans. The post-COVID recovery trend is encouraging. Factors such as strong capitalisation and dependable liability franchise are positive factors for long term investors.
Kotak Mahindra Bank	• We believe Kotak Mahindra Bank (KMB) is an attractive business franchise, with well-rounded products and services, shaping up well for the long term. Consistent performance across interest rate and asset cycles is a key differentiator and indicates the management's quality and strength of the franchise. Its Subsidiaries are shaping up well and while at present, they are relatively small, we believe each one has strong business strengths and are well on way to significantly contribute value to the consolidated business in the long term. We find Kotak Mahindra Bank to be an attractive franchisee with a strong balance sheet, with pan-India reach and healthy capitalization which will help it tide over the medium term challenges.
L&T FINANCE HOLDING	• L&TFH offers a range of financial products and services across rural, housing, and wholesale finance sectors. LTFH has been strategically re-aligning its business mix, focusing on businesses where it has a clear competitive advantage and opportunity to scale. Benefited by a strong parent firm and attractive credit ratings (AAA), the company works at competitive rates, which are key support to its margins. Moreover, LTFH focuses on diversification of borrowings mix with the addition of new sources of borrowings, which are key for sustainability. A well-capitalised balance sheet, stable ratings, and provision buffer indicate that LTFH is well-placed to ride over medium-term challenges.
Nippon Life India AMC	• Nippon Life India AMC (NAM) has consistently stayed among the top-5 players. MF AUM has clocked a ~17% CAGR in the last 5 years. It has built a large distribution network despite not having a bank promoter. It has a strong foothold in B30 cities (~20% of AUM), which has helped the AMC garner and improve its retail share, which in turn makes the customer segment more granular. We believe a granular book is more sustainable and sticky as compared to HNI and institutional flows. While in the medium term, due to uncertainties on growth and market performance due to the pandemic, we believe AUM growth and business mix may be impacted. We believe the company is well placed to ride over medium-term challenges. The buyout and subsequent re-branding by the MNC owner has stabilised the company and will enable NAM to leverage the parent's network to improve its AUM in the long term.
Spandana Sphoorty Financial Ltd	• SSFL is a leading, rural focused NBFC-MFI operating across 18 states as an NBFC since 2004 and NBFC-MFI since 2015. The company offers income-generation loans under the joint liability group model (JLG), mainly to women from low-income households in rural areas. The NBFC-MFI has successfully emerged stronger post the Andhra Pradesh MFI crisis with healthy margins and return ratios. The post-COVID recovery trend is encouraging. Factors such as strong capitalisation levels and a dependable liability franchise are positive factors for long term investors.
AU Small Finance Bank	• AU Small Finance Bank (AUSFB) has transformed from a prominent, retail-focused nonbanking finance company (NBFC), which primarily served low and middle-income individuals and businesses with limited or no access to formal banking and finance channels. The bank aims to be a retail-focused, preferred trusted SFB offering integrated and tailored solutions. As of FY2020-end, AUSFB had a total AUM of Rs. 30,893 crore, spread across vehicle finance, SME, MSME, and other high-yielding products (including OD against FDs, gold loans, and personal loans etc). The bank operates over 686 branches, with 63% of these in rural and semi-urban areas. Rajasthan, Maharashtra, Madhya Pradesh, and Gujarat are the key geographies from where AUSFB sources 72% of its AUM and 68% of its total deposits.
Cholamandalam Investment Finance Company	• Cholamandalam Investment and Finance Company Limited (CIFC) is a leading vehicle financier expanding its presence into housing finance. Business benefits from a strong parentage and rigorous risk management practices provide long-term visibility, while healthy capitalisation and scope for improving operating leverage lends additional comfort. We believe while the vehicle finance business will continue to be the mainstay for the company, loan against property has also significantly contributed to growth and profitability. Home loans are the rising star and have a great potential to be built into a solid portfolio considering the company's expertise in handling typical customer profiles. A robust collection mechanism and a strong credit risk assessment framework will help it steer through the strong currents of the COVID-19 pandemic in FY2021. CIFC is an attractive pick due to its demonstrated superior performance on multiple business parameters.
Repco Home Finance	• Repco is an attractive housing finance company (HFC) with a niche loan book (salaried and professional class borrowers), stable asset quality, strong ratings and good return ratios. Its collection efficiency was at 93% in September. Easy liquidity and declining cost of funds that will shield NIMs from medium-term risks. The HFC is well-capitalised and has a strong business model. Despite fierce competition in the home loan market, Repco's presence in the niche small-ticket, non-salaried home loan segment has helped it maintain attractive spreads as compared to peers as well as face lesser competition from banks, etc, who have found it difficult to penetrate this segment.
Mahindra & Mahindra Financial Services (MMFS)	• (MMFS) has grown and transformed as a business in the past decade from being primarily a financing entity for vehicle purchases (from its parent M&M) to a leading multi-product NBFC in India with a pan-India presence, deep penetration and strong network with a rural focus. Going forward, we believe factors like normalisation in credit costs and pick-up in AUM growth will aid earnings growth and RoE expansion. Its subsidiary - Mahindra Rural Housing Finance (MRHF) is a strong franchise for the long term. Its Insurance broking business, Mahindra Insurance Brokers (MIBL) is an asset light broking business and has strong fee income engine in its favour. We believe that a strong subsidiary also adds value to the company.
	insurance
HDFC Life (HLIC)	• HDFC Life offers a range of individual and group insurance solutions that meet various customer needs such as protection, pension, savings, investment, and health. HLIC continues to benefit from its increased presence across the country with over 400 branches and additional distribution touch points through several new tie-ups and partnerships, including own sister concern bank. The company also has 270 partnerships, comprising traditional partners such as NBFCs, MFIs and SFBs, and includes more than 40 new ecosystem partners. The company has a strong base of financial consultants as well.
ICICI Prudential Life Insurance	• ICICI Prudential Life Insurance (IPRU) is promoted by ICICI Bank and has consistently been the top private sector life insurance company in India on a Retail Weighted Received Premium (RWRP) basis. The company offers a wide array of protection and savings products. A strong brand image, pan-India bancassurance partnerships, strong metrics and diversifying business mix (focusing on more protection and retail business), IPRU is well placed on its growth trajectory for the long term. IPRU is well placed to capture and ride the strong growth potential that is present in the Indian life insurance industry.
ICICI Lombard General Insurance	• ICICI Lombard General Insurance (ILGI) is the fourth largest non-life insurer and the largest private-sector non-life insurer in India. The company offers a comprehensive and well-diversified range of products, including motor, crop, health, fire, personal accident, marine, engineering, and liability insurance. ILGI has over 250 offices and over 35,000 individual agents (including POS) and ~840 virtual offices. The company's key distribution channels are direct sales, individual agents, corporate agents - banks, other corporate agents, brokers, MISPs and digital, through which it serves individual, corporate, and government customers. ILGI has demonstrated its strong underwriting, healthy solvency, and improving loss ratios, make it attractive for the long term.

Max Financial Services	• Max Life Insurance is among the leading private sector insurers with the best operating parameters in the industry. MFS is effectively building an attractive insurance franchise with a multi-channel distribution network built upon a conservatively underwritten insurance business. The deal with Axis Bank will provide clarity to the bancassurance relationship and is a long-term positive. The management has reiterated its strategy to achieve a balanced product mix and focus on non-par savings with the protection segment, which will be margin-accretive. The pandemic had stressed the economy but things are improving. Given the strong balance sheet of its subsidiaries, companies such as Max Financial Services are expected to tide over medium-term challenges.
Consumer Goods	
Asian Paints	• Asian Paints Limited (APL) leads the domestic paint industry with a 55% market share. Unlike peers, APL has de-risked its business model, deriving more than 85% of revenue coming from domestic decorative paints. The company has a strong brand portfolio across the product pyramid. Despite disrupted Q1, APL ended FY2021 with single digit revenue and growth and stable margins on back strong sequential recovery in subsequent quarters. With a focus on becoming a complete home decor play, the company has introduced products in home lightings, furnishings, and furniture. The company's sanitising service business 'San Assure' is getting good response and is helping the company to promote its paint business. Considering strong traction for its products, the waterproofing segment can contribute to revenue in the near to medium term. If the Coronavirus continues to ease further, management is confident of improvement in the decorative paints volume growth trajectory. APL's leadership position in the domestic paints industry and better earnings visibility justify premium valuations. We maintain our Buy recommendation on the stock.
Bajaj Consumer Care (BCCL)	• BCCL is market leader in the light hair oil category with the market share of close to 65%. The company reduced dependence on the wholesale network and increasing share of direct distribution (with focus on penetrating deep in the rural markets) along with relaunch of core brands would key levers for achieving sustained volume growth (targets to achieve volume growth to 6-8% in the medium term). Further new product addition under the hair care category and focus on improving presence in the southern market will add-on to the growth in the coming years. Negative working capital and strong cash generation would help it to invest heavily behind core brands and new launches or go for any inorganic initiative in near future to improve growth prospects.
Britannia	• Britannia is India's largest domestic biscuit and snacking companies with a turnover of over Rs. 13,000 crore. Under a new leadership, the company has been able to leverage and monetise its strong brand and premium positioning in biscuits and snacks segments. The company is targeting to achieve low double-digit volume growth, driven by market share gains and distribution expansion in the back drop of normal economic environment. OPM is expected to remain high because of efficiencies through cost-saving initiatives. The stock's recent underperformance provides a good entry opportunity from a long-term perspective with favourable risk reward ratio.
Colgate-Palmolive (India)	• Colgate-Palmolive (India) is a leading multi-national consumer products company, focused on production and distribution of oral care and personal care products. Oral care contributes ~95% of turnover. New launches in the Naturals space and Palmolive brand, including hand washes and hand sanitisers saw strong demand in the domestic market. Increasing in frequency of brushing (especially in rural market), strong traction for premium products, launching consumer-centric products with a stable go-to market strategy and share gains (including in naturals category) are key growth drivers in medium term. OPM to remain at around 30%. We have Buy rating on the stock
Dabur India	• Dabur is one of India's leading FMCG companies with revenue of over Rs. 9,500 crore. Supply-led disruption might affect near-term performance. Health supplements and ethical regaining momentum, discretionary categories to see moderation. The diversified portfolio of brands, sustained market share gains in key categories, good traction to new product launches and distribution expansion would help Dabur achieve double- digit revenue and earnings growth in the medium term (with stable OPM). We recommend a Buy on the stock.
Emami	• Emami is one of the largest domestic FMCG players with a strong presence in underpenetrated categories such as cooling oil, antiseptic creams, balm, and men's fairness creams. FY2021 earnings were boosted by a 460 bps improvement in OPM to 30.7% driven by benign mentha prices. Revenue growth stood at 8%, largely driven by strong growth of 45% in the healthcare category and a 23% growth in the pain management range. Healthcare category grew by 45% in FY2021; management confident of growing it by 20-22% in FY2022 on improved penetration and strong traction to new launches. Liquidity remains strong as Emami's cash & cash equivalents stand at Rs. 350 crore. Dividend payout improved to 78%. Return ratios remained strong with RoE and RoCE of 37.5% and 42.5%, respectively. We have Buy rating on the stock
GCPL	• GCPL has a '3 X 3' approach to international expansion by building presence in 'three' emerging markets (Asia, Africa and Latin America) across 'three' categories (home care, personal wash and hair care products). The change in leadership with Mr. Sudhir Sitapati (ex-HUL) joining as MD & CEO of the company will improve the medium term growth prospects and act as a key re-rating trigger for the stock. Market share gains in HI category (both in India and Indonesia); sustained innovation (hygiene products gaining good traction), cross-pollination (plans to scale up the launch HI products in Africa soon) and expansion in distribution network are some key growth levers for GCPL in medium to long term. Reduction in debt augurs well for the company as it provides an opportunity to scout for inorganic initiatives in focus markets.
HUL	• HUL's management is optimistic about better growth in the coming quarters because of improving demand environment, gaining market share in key categories, and new products gaining good traction. Rural demand outpacing urban demand, improving growth prospects for health food drinks, and an expected recovery in discretionary categories remain key growth drivers in the near term. We expect HUL's revenue and PAT to register a CAGR of 13% and 21% over FY2020-FY2023 (including the acquired business of GSK Consumers). This along with a strong cash-generation ability and dividend payout makes it a better pick in the large-cap FMCG space.
ITC	• With the government not hiking tax on cigarettes, we don't expect a significant price increase in portfolio in the coming months which will support volumes. The non-cigarette FMCG business revenue growth was also boosted by opportunistic scale-up in sanitisers, Atta, hand wash, ready-to-cook food and disinfectant sprays/surface cleaners. However, growth in some categories would normalise in the post-COVID era. We expect cigarette sales volume to improve substantially in FY2022/23. Higher margins of non-cigarette FMCG business would sustain due to a robust brand portfolio, higher operating leverage, product innovation and supply chain efficiencies. The hotels business was laggard in FY2021; likely to recover strongly in FY23. ITC trades at a stark discount to some large peers. With a favourable risk-reward ratio, we maintain a Buy rating on the stock.
Indigo Paints	• Indigo Paints is fastest growing paints companies in India who has carved a niche for itself by developing and marketing differentiated product to establish its position in highly entry barrier paint industry. It has highest gross margins of 48% amongst the paint companies. The differentiated business model aided the company to achieve strong top and earnings growth of 22% and 71% over FY2018-21 with highest gross margins of 48% amongst the peers. The OPM improved to 16.9% in FY2021 from 6.5% in FY2018.
Jyothy Labs	• Jyothy Labs (JLL) has a leadership position in the fabric whitener segment in India, whereas it is the second-largest player in the dishwash bar, liquid, and mosquito repellent coil categories. Going forward, long-term strategies to enhance growth include winning through innovations in the fabric wash segment, leveraging rural penetration in the dishwash segment, increasing footprint, and relevant extensions in the household insecticide HI and personal care segments. A large presence in the essentials and hygiene segment will help JLL drive near-term growth in the pandemic situation. A resurgence in the HI segment will drive growth in the medium term.
Marico	• Marico is a leading player in the domestic hair and wellness market with a leadership position in categories such as branded hair oil (~62% market share), value-added hair oil (~36% market share), and branded edible oil (~77% market share). The company has a three-pronged strategy of driving growth through key categories, innovations/entrance into the niche category and scaling up its presence in international geographies. Gaining market share in the core domestic portfolio through new launches, scaling up the food business, and improving growth prospects in countries such as Bangladesh and Vietnam are some of the key growth levers for Marico in the near to medium term. Inflationary trends are receding and OPM is expected to see improvement from H2FY2022.

Nestle India	• Nestle India Limited (Nestle) is India's largest foods company with a wide presence in categories such as milk & milk powders, instant noodles, instant coffee, and infant cereals. The company's prominent brands include Maggi, Nescafe, KitKat, and Cerelac. Nestle also leads in seven of the eight categories it is present in and in 85% of its domestic product portfolio. A strong position in key categories can be attributed to sustained product/variant launches under existing brands, wider distribution reach, adequate brand-building and promotional activities. Nestle maintained its thrust on achieving double-digit revenue growth by penetrating deep in rural markets (covered 89,288 villages), innovation (that contributes 4.3% of sales) and accelerating footprint through new channels.
Tata Consumer Products	• Tata Consumer Products Limited (TCPL) is one of India's largest consumer goods companies with a strong presence in branded tea, salt, water and other staples. Integration of Tata Chemicals' consumer goods will bring a lot of synergy benefits such as a combined distribution network catering to over 200 million households, diversification into multiple product categories, robust innovation and sustained revenue and cost synergies, which will help drive sustainable growth in the long run. Gaining market share in the branded tea and staples segment, scaling up the acquired ventures such as NourishCo and Soulfull, gradual improvement in out-of-home consumption and a foray into new categories through relevant launches remain key catalysts for growth in the near term, besides inorganic initiatives. With consistent double-digit growth in revenues, steady margin improvement and stable working capital management, TCPL expects return ratios to consistently improve in the coming years.
Zydus Wellness	• Zydus Wellness Limited (ZWL) now has a product portfolio of brands such as EverYuth, Nutralite, and Sugar Free along with Glucon D and Complan after the acquisition of Heinz India. ZWL has a strong portfolio of leading brands, which are largely placed in low-penetrated categories. The company has identified three growth pillars from a medium to long-term perspective - 1) Driving synergistic benefits from Heinz acquisition, 2) new products and 3) wider international footprint. Though FY2021 will be affected by COVID-19, a strong recovery is anticipated in FY2022. Except for palm oil, prices of other inputs have stayed benign in the past few months. This would reduce pressure on margins in coming quarters. However, the company's medium target is to achieve an OPM of ~20%. Stable working capital cycle and strong cash-generation ability would help ZWL. In view of discounted valuations to peers, a stable balance sheet, negative working capital cycle and a strong brand portfolio, we maintain a Buy rating on the stock.
IT/IT services	
Birlasoft	• Birlasoft Limited (Birlasoft) has strong enterprise solutions capabilities and digital competencies, which would help it to capture opportunities in the enterprise digital space. The management highlighted that the company's AWS advanced consulting partner status and its partnership with Microsoft and Google would strengthen its cloud portfolio, which would help company to accelerate cloud transformation journey of customers. The company expects net new deal win momentum would improve after easing out of travel restrictions in the US and Europe. Further, the management indicated that the deal pipeline increased by 15% q-o-q, which would also support the improvement in net new deal wins in coming quarters. Management remains optimistic on delivering 15% y-o-y revenue growth in FY2022E because of healthy large deal wins, strong deal pipeline and favourable demand environment. EBITDA margin is expected to be sustainable in Q2FY2022 despite a 200 bps q-o-q impact due to wage revision and to improve on a q-o-q basis in Q3FY2022 and Q4FY2022.
HCL Tech	• HCL Technologies (HCL Tech) leads the infrastructure management services (IMS) and engineering and research and development (ERD) segments. The management maintained its earlier guidance of a double-digit CC revenue growth and EBIT margin of 19-21% as expected. The management remains confident of delivering good q-o-q growth for the rest of the year, given 37% y-o-y growth in deal bookings and net hiring of over 7,500 during the quarter. The company signed 12 transformative deals including 4 significant product wins and total new deal TCVs grew 37% y-o-y to $1.66 billion. EBIT margin would remain under pressure given investments in sales and digital capabilities, wage revision, higher recruitment expenses and reversal of COVID-19 savings, though we expect the company would sustain its margin performance on the back of revenue growth, employee pyramids, higher offshoring and expansion into smaller cities.
Infosys	• Infosys is a premier IT and ITeS company that provides business consulting, technology, engineering, and outsourcing services. The management raised FY2022 CC revenue growth guidance to 14-16% from 12-14% earlier, while EBIT margin guidance was maintained at 22-24%. Revenue growth guidance implies revenue CQGR of 2.3-3.2% for the remaining three quarters of FY2022E, which seems conservative consider the potential revenue contribution from Daimler deal. The management indicated that growth would be driven by strong demand environment, solid deal wins, healthy deal pipeline, and higher spending on cloud migration and cloud related technologies. We expect Infosys to be in the top growth quartile in the medium term, led by healthy deal wins, solid execution, robust deal pipeline and strong digital capabilities. Though the wage revision, supply-side issues, higher attrition rate and reversal of COVID-19 related saving would impact margin going ahead, we believe that scaling up digital services, higher automation, and onsite pyramid would partially offset these margin headwinds.
Intellect Design	• Intellect Design Arena Limited (Intellect Design) is one of the global leaders in financial technology because of its wide spectrum of products for banking, financial services, and insurance. With significant investments in R&D, the company has created a portfolio of ~12 products across its four lines of business units to de-risk its portfolio, enhance chance of winning more deals and increasing deal sizes. Intellect Design focuses on three aspects such as (1) superior technology in building a multiproduct fintech platform, (2) integrated product portfolio and (3) consistency in deal wins through innovative sales and marketing strategy for a sustainable growth momentum. The management remains confident on delivering 15-20% y-o-y growth in FY2022 because of strong traction for its products across segments, monetisation of products under Intellect SEEC segment, cross-selling opportunities and a strong deal pipeline. However, EBITDA margins would remain under pressure in FY2022, given rising recruitment expenses due to strong demand for digital transformation.
L&T Infotech	• Larsen & Toubro Infotech (LTI) is India's sixth largest IT services company in India in terms of export revenue. Management remains confident to deliver top quartile revenue growth in the industry in FY2022E, led by ramp-up of previous deals (record high deal TCVs of $400 million+ in FY2021), strong large account management, addition of new logos, traction for its cloud and data business, strong digital competencies, and rising spend on digital transformation. The management also guided that FY2022 net profit margins would remain in the narrow band of 14% despite disproportionate investments in building capabilities in new-age technologies and sales & marketing. LTI is expected to deliver industry-leading revenue growth in the coming years led by its end-to-end capabilities in core modernization, deep relationships with top accounts, higher cloud adoption and strong S&M practices.
L&T Technology Services	• L&T Technology Services (LTTS) is the third-largest engineering services provider (ESP) in India and is well-diversified to capture digital engineering spending across verticals. The management reiterated its annual USD revenue growth guidance of 15-17%. In addition, the management aims to achieve $1 billion annual revenue run rate by Q2-Q3 of FY2023, which translates 3.3%-4% CQGR. On long term, it aspires to achieve $1.5 billion in revenue in FY2025, which implies a 19.5% CAGR over FY2021-FY2025. The management remains confident on growth trajectory in FY2022 on the back of broad-based growth across verticals, large deal wins, a healthy deal pipeline and higher spend on digital engineering by its customers. The management identified six strategic investment areas such as Electric Autonomous & Connected Vehicle (EACV), 5G, med-tech, digital Manufacturing, AI&ML driven smart offerings and sustainability for steady growth momentum going ahead. We believe LTTS is well-poised to deliver strong multi-year growth, led by leadership depth, broad client portfolio, multi-domain expertise and under-penetrated ERD outsourcing market.
Mastek Limited	• Mastek has created a consistent and predictable revenue stream from UK's public sector over the past few years, thanks to introduction of Digital Outcomes and Specialists (DoS) framework by the UK government. The COVID-19 pandemic have increased digital transformation spends of the UK government, which have been helping Mastek to enhance existing logos and acquire new ones. Further, growth momentum in the Evosys business would continue on the back of large opportunities in the cloud-migration space, strong order booking, and dedicated sales team to migrate customers from SAP to Oracle Cloud. Strong order backlogs, improving deal sizes, healthy deal pipeline, aggressive employee addition and a strong demand environment create solid platform for another year of strong growth in FY2022E.

Persistent Systems	• Persistent Systems Limited (PSL) has proven expertise and a strong presence in newer technologies, strength to improve its IP base and a decent margin profile, all of which set it apart from other mid-cap IT companies. The management remain confident on delivering strong revenue growth in FY2022 even after delivering a strong growth in FY2021, led by heathy deal wins, a robust deal pipeline, broad-based growth across verticals and traction for its digital service offerings. The company would continue to invest in deepening its collaboration with IBM and partnership ecosystems to accelerate hybrid cloud adoption in the enterprise. Out of total net new TCVs of $147.7 million, the company's net new annual contract value (ACV) stood at $93.5 million in Q1FY2022, which would augur well for growth in FY2022. We believe PSL is well-positioned to capture opportunities in the marketplace, given its strong capabilities in the product engineering space, healthy relationships with large enterprises and improving pace of execution.
TCS	• Tata Consultancy Services (TCS) is India's the largest IT services firm. TCS' management indicated that cloud transformation is a multi-year opportunity and remains confident of delivering double-digit revenue growth in FY2022E. Management remains confident on reporting sustainable margins in FY2022E, aided by strong revenue growth and operational efficiencies, despite a rise in discretionary expenses. Given its deep domain expertise, contextual knowledge and ability to stitch together large multi-service deals delivered on the outcome pricing model, TCS is well-positioned to benefit from the acceleration of overall technology spends across the globe.
Tata Elxsi	• Tata Elxsi is an integrated engineering services company with a strong expertise in the automotive and broadcast and communication verticals. The company is expected to be one of the prime beneficiaries from the strong recovery in auto segment, pick-up in deals in the ERD segment and rising adoption of digital engineering across industries. Digital engineering spends of enterprises is projected to clock a 19% CAGR in 2019-2025E, which is expected to create strong growth prospects for TEL given its offerings across verticals and markets. Management remains confident on delivering strong revenue growth with stable operating margin performance in FY2022 because of strong demand tailwinds across its verticals, robust deal wins, healthy deal pipeline, ramp-up of deals won earlier, and its differentiated capabilities. We believe the company's growth is likely to remain strong in the coming years, as it focuses on high-growth sectors and emerging technology areas (connected, autonomous, OTT, digital health, and medical devices, etc.) where the client allocates higher budget. We continue to prefer TEL, given its advanced technological capabilities, strong execution, long-term relationships with clients, and a strong parentage.
Tech Mahindra	• Tech Mahindra (Tech M) has successfully transformed itself from a telecom-focused player to one that offers a wide portfolio of differentiated offerings in the enterprise segment over the last decade. The company has improved its position in the enterprise business because of a calibrated approach with respect to acquisitions (in terms of deal size, digital capabilities and vertical exposure), better go-to-market strategy, and smart deal structuring. The company has signed deals with a total contract value (TCV) of $815 million, in-line with our expectations and higher than the average quarterly deal wins of $400 million-500 million. Management indicated that almost 60-70% of its new signings in the telecom segment will be in the area of 5G. Tech M maintained its guidance of double digit organic revenue growth and operating margin with an upward bias.
Wipro	• Wipro is among India's top five IT companies. The management highlighted that a new business strategy model and a simplified operating model started showing results in terms of improvement in organic revenue growth, higher participation in large deals and a quality deal pipeline. The company signed right large deals with TCVs of $715 million, lower compared to deal win TCVs of $1.4 billion and $1.2 billion in Q4FY2021 and Q3FY2021 respectively. The management provided a strong revenue growth guidance of 5-7% q-o-q for Q2FY2022, in line with our expectations, led by strong growth in organic business and incremental in-organic revenue contribution. Management has been aggressively looking for ways to boost revenue growth with strategic acquisition, significant people changes, and external hires. Given acceleration in spending on cloud and cloud-related technologies & significant external hires, we believe organic growth trajectory of Wipro would improve to industry-matching level in FY2022.
	Capital Goods/Power
Polycab India	• Polycab leads the wires and cables (W&C) space with a product portfolio and distribution reach and accelerated growth in the FMEG space, which augurs well for growth visibility. Polycab, being the market leader in wires and cables (W&C) segment, remains the major beneficiaries to reap benefit from a pick-up in real estate demand and a revival in government spends in power, infrastructure, railways and housing. Increasing market share of organised players, which grew from 61% in FY2014 to 66% in FY2018, is expected to touch 74% in FY2023E, which augurs well for the industry leader. On the FMEG front the company remains focused with its diverse product basket wherein the addressable market opportunity is huge for the company. It is witnessing a bounceback in domestic markets with improving business environment. The company expects H2FY2021 to be better than H1FY2021. The company is on a healthy growth trajectory owing to its leadership position and a strong product portfolio both in wires and cables and FMEG businesses along with strong distribution and in-house manufacturing capabilities. Hence, we recommend a Buy on the stock.
Bharat Electronics	• Bharat Electronics Limited (BEL) is a defence PSU, with strong manufacturing and R&D capabilities, good cost-control measures, growing indigenisation, and a strong balance sheet with improving return ratios. The company stands to benefit from enhanced budgetary outlay for strengthening and modernising India's security and is well-positioned to capture incremental spends by the government on defence through the Make-in-India initiative. On the export front, BEL has expanded its global footprint with FY21 revenue of $51.8 million and management had earlier indicated that it expects the order book to increase to $60 million in FY22E. The order book remains healthy at Rs54489 crore (3.9x its TTM revenue) providing sustainable revenue visibility backed with strong execution capabilities (running at 100% capacity). We believe BEL is well positioned to benefit from the rising defence expenditure, supported by a strong manufacturing base, execution track record, and continued focus on in-house R&D capabilities. The stock is trading at reasonable valuations and with improving growth visibility, we retain our Buy rating on the stock.
Blue Star	• Blue Star (Blue Star) has been one of the most recognised player in the RAC and refrigeration products. It continues to gain foothold in core business categories and is also consolidating in its global presence. With superior product performance, high focus on technology and a premium brand image, Blue Star is one of the preferred choices for aspirational consumers. Blue Star's market share has consistently increased from 7.5% in FY14 to 13.25% in FY21 despite a rising number of players in the air-conditioning (AC) industry. In order to gain market share, Blue Star is constantly expanding its distribution network and looking to add new dealers in metros and Tier-3, -4 and -5 cities. It is also establishing its brand in e-Commerce channels. To further leverage its brand strength and distribution network, Blue Star has entered into product categories such as water purifiers, air coolers and air purifiers. These segments will help make further in-roads into the residential segment and the engineering element in these products will help Blue Star to differentiate its products. Blue Star is well-entrenched in both the retail and institutional levels in its distribution network. The growth outlook for these categories is promising, considering the expansion plans of end-user industries such as food processing, cold chain logistics providers, pharmaceutical manufacturers and hospitals as well as large and medium format modern retail stores. With rising return ratios, healthy cash flow, lean working capital cycle and a comfortable leverage position, Blue Star is placed favourably as compared to listed brands in terms of its valuation vis-à-vis RoE and EPS growth prospects. Hence, we initiate coverage on Blue Star Ltd with a Buy rating.
CESC	• CESC is a fully integrated power utility company that has stable earnings contribution from standalone operations with regulated power generation and distribution businesses getting assured RoE of 15.5% on generation assets and 16.5% for distribution assets. Turnaround of subsidiaries makes CESC an attractive investment proposition. A regulated business model provides earnings visibility and valuation is also attractive and stock offers healthy dividend yield.
Coal India	• The government's plans to increase coal production to substitute imports (at more than 200 million tonnes) would help Coal India register sustainable volume growth over the next couple of years. Moreover, cost-control initiatives such as reduction of manpower (employee costs accounts for 53-54% of overall cost) would cushion margins. Recent sharp improvement in coal offtake and likely improvement in e-auction prices premium bode well for strong earnings recovery. Valuations are at a steep discount to historical averages and the stock also offers healthy dividend yield.
NTPC	• NTPC is expected to commercialise new capacities of 5-6 GW annually over the next three years and expects a ~10-12% CAGR in regulated equity base over the same period on which it earns regulated RoE of 15.5%. Moreover, with improvement in PAF of coal-based power plants, the company's fixed cost under-recoveries are expected to remain negligible in the near term. We derive comfort from NTPC's risk-averse regulated business model, which provides earnings visibility. NTPC is trading at an attractive valuation and offers a healthy dividend yield.

Power Grid Corporation

- Power Grid is expected to maintain its strong growth momentum, given ~Rs. 35,100 crore (including CWIP) worth of projects pending for capitalisation, which provides healthy earnings growth visibility over the next few years. The company has provided strong FY2022E capitalisation guidance of Rs. 15,000 crore. Power Grid has a healthy RoE of 20% and trades at an attractive valuation.

Tata Power

- Tata Power's core earnings are resilient even in demand down cycle as it gets regulated returns on power generation and distribution assets. The company's focus to shift from a B2G to B2C model would drive robust earnings growth (to be driven by RE and distribution business) over the next 4-5 years and materially improve its RoE to ~9.4% by FY2024E (from just 6.1% in FY2021). Monetisation of renewable assets and potential improvement in ESG rating could re-rate the company while focus on debt reduction would strengthen balance sheet.

Dixon Technologies

- Dixon is a leading manufacturer of products for key consumer durable brands in India and going ahead, local manufacturing is expected to get a boost given the strong demand in the consumer electronics market in India. Dixon stands to benefit in the electronic outsourcing business with a leadership position in key business segments. The company's Tirupati facility is expected to add a new dimension to growth prospects as it will foray into new business verticals, expand the product portfolio of its existing business verticals, and penetrate further into South India by forging an alliance with original equipment manufacturers (OEMs) and add them as clients. The expanded capacity in consumer electronics and home appliance coupled with a PLI scheme in mobile phones is likely to drive revenue growth momentum, while margin may expand due to economies of scale and automation in lighting. The company also generates higher return ratios as it operates on an asset-light model and has an efficient working capital cycle. Hence, we retain a Buy on the stock.

KEI Industries

- KEI Industries (KEI) is among the top three organised players in the Indian wires and cables industry and an EPC player in the power T&D segment. Over the years, the company has established its presence in the institutional space by developing the ability to offer various products across locations. KEI has a well-entrenched marketing presence across all states, which increases its ability to deliver products speedily from plants in North and West India. The company has created a presence in building specialized offerings to tap niche segments such as the shipping sector, oil and petroleum plants, etc. They are now looking at tapping several large realty brands and strengthening all- India presence by embarking on opening new warehouses across India. On the back of a growing dealer network and brand building initiatives (advertising, sponsoring), performance-linked schemes and dealer-electrician meets etc, we expect KEI to increase their retail presence further. Government initiatives such as 'Housing for All by 2022', affordable housing under 'Pradhan Mantri Awaas Yojana, etc, could boost growth in HW and LT cables segments. KEI's diversified user industries, increased sales of high-margin EHV cables, higher export sales and improving traction on exports and low base of the wires business helped combat a weak macro environment with good growth prospects in FY2022. Hence, we retain a Buy on the stock

Ratnamani Metals

- Ratnamani Metals and Tubes Limited (R MTL) has guided for revenue of Rs. 3,000 crore (implies 31% y-o-y growth) and margin of 16-18% in FY2022E. R MTL is well positioned to benefit from the potential increase in order intake, especially from the high-margin SS pipes segment. We remain constructive on R MTL, given a strong balance sheet and its ability to generate superior return ratios despite capacity expansions.

Cummins India

- Cummins India is the largest standby genset player in India with leading market share in medium and large genset categories. The company has a strong technology/innovation track record, well supported by its parent, which helps it stay ahead of peers across changes in emission norms. While the recent drop in demand both domestic and exports market has posed near-term challenges reflecting in recent earnings downgrades and valuation de-rating, we believe that the stock offers favourable risk-reward for long-term investors, given vast product offerings, management's focus on efficiency/cost, and a healthy potential scale from a pick-up in the domestic infrastructure and global market. Considering a revival in its net earnings growth trajectory over FY2021E-FY2023E, strong balance sheet and steady cash flow generation, we remain constructive on the company and retain Buy on the stock

Finolex Cables

- Finolex Cables is set to benefit from improving demand for cables. The company is leveraging its brand strength to build a high-margin consumer product business. The government's focus on Housing for All by FY2022 is expected to drive demand for housing wires, slowdown in housing demand continues to affect performance of the electrical cables segment — 65% of the company's total revenue constitutes housing wires. Further, ongoing government programs such as Bharat Net Phase II are expected to improve broadband connectivity and related technologies will continue to drive growth for communication cables but due to the recent pandemic and government resources more routed towards the there might be delays in tendering for the same. The stock is trading at a reasonable valuation and with improving growth visibility we have a Buy rating on stock

Kalpataru Power

- Kalpataru Power Transmission Limited (KPTL) is a leading EPC player in the power T&D space in India. Opportunities in this space are likely to grow significantly, thereby providing healthy growth visibility. Order book remains healthy. In the wake of the COVID-19 led lockdowns, the management expects FY2022 standalone revenue to grow between 10-15% y-o-y and aim for 10.5% OPM while expect similar order inflows as of FY2021. On the asset sale front, it is expecting deal closure for the sale of its third project Kohima Mariani Transmission by June 2021 which would further deleverage its balance sheet. Tendering pipeline remains healthy in railways, oil and gas in domestic markets and T&D tenders in international markets. The management remains confident of delivering a good performance in FY2022 despite challenges as all projects are operational with no shortage of labour. KPTL remains focused on cash flows with dedicated efforts on cost optimisation and prudent working capital management in KPTL. Hence, we maintain our Buy rating on the stock.

KEC

- KEC International operates in the T&D, cables, railways, water, renewable (solar energy), and civil works verticals. It is a leader in power transmission EPC projects and has more than seven decades of experience. Over the years, it has grown through the organic as well as inorganic route. The opportunity size remains high in the non-T&D segment to help company ramp-up its total order outstanding for the business. KEC's order book remains strong, providing strong revenue visibility and order inflow visibility remains healthy in international T&D and railways segments. Company's T&D tendering pipeline remains strong largely in the international side with traction seen across Middle East, OMAN, UAE and Africa and domestically from some state T&D. Further non T&D tendering pipeline remains healthy largely in railways but has been slow due to the ongoing COVID challenges but expects to come by next month. On the civil business front, KEC has been focusing on the diversification in sub-segments and expects traction across metros. The company has a healthy order book in the civil segment and expects this segment to scale up. Going ahead, the management indicated that Railways/Civil and cable remains a major source of growth given the strong order book. Given the healthy order backlog, order inflow visibility and KEC's ability to ramp-up execution, we maintain our Buy rating on the stock

Thermax

- Thermax provides solutions in the energy and environment space and benefits from the continuous rise in India Inc's capex. Thermax reported healthy performance for Q4FY2021. Order intake stood at Rs 1497 crore (up 57.2% y-o-y, down 4% q-o-q) aided by higher order booking in energy segment while order backlog stood at Rs 5227 crore (flat y-o-y) providing 1.1x FY21 consolidates revenues. Management commentary on the enquiries pipeline remains positive for small ticket size orders across food processing, chemical and pharma in domestic markets including large orders from Oil & Gas, FGD and chemical. Further, it expects the finalization of 2-3 big orders during H2FY2021 where it would be bidding for the same. The management highlighted that big order opportunities in waste heat recovery in cement and steel sectors both in the domestic as well as the export markets. Thermax is also contemplating opportunities across newer technologies like phosphoric acid fuel cell technology is close to commercialization, but it would not be ready over next 12 to 24 months which will provide the next leg of growth for the company. Overall, the management remains optimistic on the demand outlook barring covid led near term concerns and witnessing large industries starting to invest again which remains positive in regards to large order inflows. The management remains hopeful of a broad based recovery with further demand pick up across Tier2-3 cities as witnessed after the first wave. The company's strong balance sheet and healthy cash position which stands at Rs 1939 crore at FY21 end (Rs 476 at FY20 end) provide comfort in the present environment. We have fine-tuned our earnings estimate for FY2022-23E earnings. The stock is currently trading at a PE of 41x and 36x FY23-24E EPS and we expect Thermax to clock a 14%/22% CAGR in Revenue/PAT over FY2021-FY2024E. With improving tailwind in the sector and consistent strong performance from the company along with improving visibility for new orders due to positive business environment provides healthy outlook ahead. Hence we upgrade Thermax to Buy

Triveni Turbines	• Triveni Turbines Limited (TTL) is a market leader in 0-30 MW steam turbine segment. It has a strong aftermarket segment and overseas business, while the domestic market is showing distinct signs of pickup. The company has also formed a JV with GE for steam turbines of the 30-100 MW range, which is likely to grow in the ensuing years. TTL is virtually debt-free with a limited capex requirement and an efficient working capital cycle, reflected in very healthy return ratios. The business is bouncing back to normalcy after the end of lockdowns and the management indicated that enquiry levels remained healthy both in domestic and exports market. Newer opportunities in the oil and gas segment are gaining momentum and company has qualified from large number of customers. Further, the company is also seeing opportunities in combined cycle (uses to make power from gas) orders in the 30 MW category. Overall the situation is improving on the enquiry front with opportunities in the refurbishments and aftermarkets. A strong margin profile, lean working capital, healthy cash flows and balance sheet and long-term growth prospects (~diversification in new types of turbines) along with healthy enquiry pipeline both in domestic and exports provides confidence. The order book remains healthy, providing 1.0x TTM consolidated revenues visibility. The management has largely maintained its earlier stance the company is likely to see a decline in revenue by 10% to 15%, margins in the range of 20-22%. However, management expects better revenues with big order deliveries during FY2022 and easing of travelling restrictions should further help company negotiate deals and bag export orders. A strong margin profile, lean working capital, healthy cash flows, robust balance sheet and long-term growth prospects (~diversification in new types of turbines) will support valuations. Considering improving business environment and valuation comfortable we maintain by on the stock
Va Tech Wabag	• Va Tech Wabag has unique technological knowhow, based on innovative, patented technologies and longterm experience. For over 95 years, the Company has been facilitating access to clean and safe water to over 500 million people. With decades of rich experience, over 6,000 projects across multiple sectors and state-of-the-art plants in over 20 countries, WABAG is a globally respected organisation. Va Tech Wabag is on a strong earnings growth trajectory going ahead with concerns of high leverage led by increasing working capital now behind it. The company's well funded strong order book provides comfort on execution and collections going ahead. Further, the government's focus is expected to remain on water-related investments providing healthy order intake tailwinds for the company going ahead. Hence, we have a Buy rating on the stock.
V-Guard	• V-Guard Industries is an established brand in the electrical and household goods space, particularly in South India. Over the years, the company has successfully ramped up its operations and network to become a multi-product company. Over the years, it has V-Guard Industries is an established brand in the electrical and household goods space, particularly in South India. Over the years, the company has successfully ramped up its operations and network to become a multi-product company. Over the years, it has successfully ramped up its operations and network to become a multi-product company. The company is aggressively expanding in non-south markets and is particularly focusing on tier-II and III cities, where there is lot of pent-up demand for its products puts company in good stead with its competitors. The management highlighted that demand drivers remain healthy and it has seen improvement as smaller players are not back to their full operation which is leading to higher share of business coming to larger players. Secondly, a revival in construction activities has broad based improvement in products related to construction/housing. The company focuses on 1) evolving category mix and product mix, 2) go to market with focus on e-commerce and modern trade, 3) distribution enhancement in smaller town and rural along with increase in non-south region and 4) in-organic expansion will generate growth for the company. V Guard has managed to resolve its supply chain issues and channel inventory is at healthy level. Overall, the management is focusing on maintaining healthy cash position, cost rationalization and expediting digitisation. The company's strong balance sheet, cash flows, and reputed brand along with robust business fundamentals will help it emerge stronger from the near-term weak environment. Hence, we maintain a Buy on the stock.
Honeywell Automation India	• Honeywell Automation India Limited (Honeywell), a step down subsidiary of Honeywell International (a diversified technology and manufacturing company) is a leader in providing integrated automation and software solutions, including process solutions and building solutions. The company has positioned itself across various industries diversifying sector-specific risks and largely shielding itself from economic downturn. The company's focus on development of new products and services, venturing into new industries apart from core industries and addressing the growing mass mid-market is expected to maintain its healthy earnings growth trend. The company's asset-light model, strong cash position, strong cash flow generation, healthy return ratios, consistent dividend paying record are some of its salient features. Considering its strong business fundamentals. Hence, we retain Buy on the stock.
Amber Enterprises	• Amber Enterprises has a market leadership position in the OEM/ODM segment for branded room ACs. Also, the opportunity size seems to be increasing at the OEM players are now more focused on innovation and marketing side of the business and relying on outsourcing for manufacturing of their products. We believe that enormous growth opportunities would come across going forward owing to global players shifting manufacturing base outside China and Government of India to enhance manufacturing through Make in India initiative by providing incentives. Healthy demand outlook for the electronic outsourcing industry and enhanced capacity, increased product offerings and customer penetration is likely to drive company's performance. The company also remains one of the key beneficiaries of import ban on ACs with refrigerants Amber is well-placed to capture the incremental demand accruing from the indigenization of both fully built-up units and components ecosystem development through reduced imports and strong beneficiary from announced PLI schemes for AC and components. The Management remains optimistic about export prospects for both fully built-up units and components that can potentially emerge over the next 3-4 years. With its unique scalable and sustainable business model, we expect Amber to clock a 35%/44%/76% CAGR in Revenue/EBITDA/PAT over FY2021-FY2023E led by enhanced capacity, increased product offerings and customer penetration coupled with healthy demand outlook for the electronic outsourcing industry. Overall, we believe the company has a long runway for growth with multiple growth drivers across its product verticals Amber is currently trading at a P/E ratio of 67/39x its FY2022E/FY2023E earnings, which we believe leaves further room for an upside. Hence, we retain Buy on the stock
Carborundum Universal	• Carborundum Universal (CUMI) manufactures a wide range of abrasives (bonded, coated, and super abrasives), ceramics (wear resistance, lined equipment, engineered ceramics, and metallised ceramics), refractories (fired products and monolithics), and electrominerals (silicon carbide, alumina, and zirconia). CUMI is expected to benefit from early economic cycle recovery in the domestic market along with improvement in overseas operations. The company's ceramics and electro mineral verticals are expected to maintain their high revenue growth trajectory during FY2021-FY2023E. Further, abrasives revenue is expected to revive from low base in FY2020. CUMI's cost-competitive position in electrominerals being the largest and lowest cost producer domestically and marginal difference with China is expected to benefit in terms of being a domestic and overseas supplier (countries looking to reduce dependence on China). CUMI's growth momentum is expected to sustain, given improvement in domestic economic activity and a strong product line-up for overseas operations. The company's capacity expansion, new product introduction, end-user demand, and geographic diversification are expected to revive its earnings growth trajectory from FY2022along with sustained healthy overseas operations. Hence we maintain Buy on the stock.
Infrastructure	
Ashoka Buildcon	• Ashoka is a leading EPC company with over four decades of experience. Apart from road EPC, the other business verticals include roads BOT (Annuity/hybrid annuity), power distribution and city gas distribution. We believe massive infrastructure investment particularly in roads and railways provide opportunity for strong order inflows for Ashoka, considering its presence in the road, railways and power segments. Ashoka provides a unique opportunity to play on the road construction sector (both as a developer and EPC player). Further, with revival in its order book and expected divestment of ACL's road assets, we have a Buy rating on the stock.
KNR Constructions	• KNR is one of the best managed road construction companies with more than two decades of experience executing over 6,000 lane km road projects across 12 states in India. KNR has in-house construction capabilities, which ensure on-schedule project completion (history of receiving early completion bonuses). KNR entered into a complete stake sale agreement with Cube Highways for four of its hybrid annuity projects, which will lower equity requirement along with booking of EPC work with possibility of receiving an early completion bonus. We have a Buy rating on the stock.

L&T	• Larsen and Toubro (L&T) is a direct beneficiary of the domestic infrastructure capex cycle and the AtmaNirbhar Bharat scheme with its diversified businesses across sectors such as defence, infrastructure (roads, railways, metros, and DRC), heavy engineering, and IT (digitalisation). The company has been focusing on defence manufacturing and has been ramping up operations (invested ~Rs. 8,000 crore) in the space over the last few years. Further, the government's announcement to create a domestic capital procurement budget of Rs. 52,000 crore with intention to scale-up allocation at a 15% CAGR over the next five years augurs well. Further, the National Infrastructure Pipeline project is likely to lead to increased spends in critical areas. L&T is poised to capitalise on these opportunities. Order pipeline remains healthy at Rs. 2.65 lakh crore (Rs. 2.2 lakh crore of domestic orders) for Q4FY2021. The management expects domestic recovery from Q2FY2022 with a focus on growth in both revenues and order inflows for FY2022. Hence, the management guides for low to mid-teen growth in order intake and revenues for FY2022. The OPM and working capital requirement (as a % of sales) are expected to remain same as FY2021 as in FY2022. Despite the second wave of COVID-19, order prospects have only improved for FY2022 with management indicating Rs. 9.6 lakh crore order prospects (infrastructure – 77%, hydrocarbons 16%) for FY2022 as against Rs. 8.35 lakh crore seen in FY2021. L&T's order inflows declined 12% y-o-y (down 31% q-o-q) to Rs. 50,651 crore owing to weak domestic order intake (Rs. 32,212 crore, down 22%/49% both y-o-y/q-o-q). However, the company's order book is at record level at Rs. 3.27 lakh crore translating to 2.4x its FY2021 consolidated revenues. On the longer term, L&T remains at the forefront to reap benefits from the AtmaNirbhar Bharat Scheme with its diversified businesses across sectors such as defence, infrastructure, heavy engineering and IT. The company remains the best proxy for domestic capex and its improving business environment. L&T is trading at a P/E of 21x/17x its FY2022E/FY2023E, which remains lower to its long-term average and provides comfort on valuation. Hence, we maintain our Buy rating on the stock with an unchanged SOTP-based price target
PNC Infratech	• PNC is one of the best picks in the roads sector given its strong execution capabilities, healthy balance sheet, robust order book, and prudent capital management.PNC has in-house manufacturing capabilities providing it the ability to timely execute projects. The company's strong order book along with expected order inflows during FY2022 is expected to lead to healthy earnings growth over the next two years. strong earnings bounce back in FY2022. The company is also looking at monetising its assets, which would further lighten its balance sheet and free up equity capital for future projects. We have a Buy rating on the stock.
Sadbhav Engineering Limited (SEL)	• Sadbhav Engineering Limited (SEL) is engaged in 1) EPC business for transport, mining, and irrigation sectors and 2) development of roads and highways on BOT basis through SIPL. SEL has been disappointing on the execution front, led by COVID-related challenges, delays in receipt of appointed dates, and liquidity crunch affecting equity requirements in HAM projects. SEL's focus would remain on de-leveraging its balance sheet through asset monetisation, concluding conciliation of projects, and bidding for EPC projects. Although we believe the company is on the right track of improving its business fundamentals, it would take time to fully recover, while some peers have been able to strengthen the balance sheet at a much faster rate.
JMC Projects	• JMC is expected to be one of the beneficiaries of expected government spending on infrastructure over the next five years. Strong order backlog, is skewed towards the growing infrastructure and buildings and factories segments, which comprises over 80% of its order book. JMC has strong in-house execution capabilities, a quality standalone balance sheet and healthy return ratios. The company's divestment of road BoT assets is a key positive, which will significantly deleverage its consolidated balance sheet and halt loss-funding from the standalone balance sheet.However, we have a Hold rating on the stock as current valuation provides unfavourable risk reward to investors.
	Metal & mining
JSW Steel	• Steel makers are expected to sustain high margin cycle as steel realisation would remain firm given supply constraints in domestic and international markets. Additionally, the company's capacity expansion at its Dolvi plant to 10mtpa (from 5mtpa) would drive strong volume growth for JSW Steel over FY2022E-FY2024E. Potential improvement in the financials of Bhushan Power and Steel Ltd (recently acquired by JSW Steel) would create long-term value.
MOIL Limited	• MOIL is well-placed to capitalise on potential recovery in the domestic steel demand growth as it holds strong reserves and a resource base of 92.6 million tonnes. Recent price hikes bode well for recovery in margins. Moreover, the company is attractively valued, offers a healthy dividend yield and has a strong cash position which provides room for share buyback.
NMDC Limited	• NMDC's operational performance is expected to remain strong over next two years with potential sharp ramp-up in iron production given recent resumption of production from Donimalai mine and above historical average domestic high iron ore prices. Potential value unlocking from demerger and strategic sale of its steel plant is key near-term catalyst. Moreover, we expect NMDC's dividend payout could improve considerable as likely strategic sale of the steel plant would improve cash position and core iron ore mining business is expected to generate steady EBITDA. Valuation of core iron ore business is attractive given steep discount to global mining peers.
SAIL	• SAIL has one of best volume growth potential among the domestic steel players and high steel margin cycle is expected to sustain given supply China's aim to reduce supplies and strong demand environment. Additionally, SAIL is favourably placed given its entire iron ore requirement in met through its captive iron ore mines. We thus expect strong earnings cycle for SAIL, which would drive robust FCF generation and debt reduction. SAIL's valuation is also attractive and at steep discount to domestic peers.
	Oil & Gas
Castrol India	• Castrol's recent alliance with the Jio-BP retail network provides long-term volume growth opportunity and management's renewed focus to gain market share could result in better volume growth in coming years despite overall muted outlook for lubricant demand (given higher drain interval to change lubricants). Strong FCF generation, healthy dividend yield and robust RoE lends comfort to investors. Castrol is trading at steep discount to historical valuations.
Oil India	• Oil India has several hydrocarbon discoveries across reserve in Rajasthan and the northeastern regions of India. The company holds 1P (proven) and 2P (proved and probable) reserves of 106mtoe and 191mtoe respectively as of March 2021. The recent sharp surge in the oil prices and potential hike in domestic gas price for H2FY2022 has improved earnings outlook but weak oil production profile, continued high capex and lack of visibility on adequate return from overseas assets (especially Mozambique) is a cause of concern for Oil India. We thus have Hold rating on Oil India.
Petronet LNG	• Petronet LNG is the largest LNG re-gasifier in India with 17.5 mmt LNG terminal at Dahej and 5 mmt LNG terminal at Kochi. The company's Dahej terminal enjoys a competitive edge as compared to other LNG import terminals, given low tariffs and long-term contracted volumes with a use or pay clause. Volume offtake visibility is strong as a 16.5-mtpa capacity is contracted for Dahej terminal and Kochi terminal would see gradual improvement in utilization rate. Further Dahej capacity expansion to 22.5mtpa by FY2025E to drive long term growth. Strong FCF generation and limited capex plan for next two years could result in higher dividend. Valuation also remains attractive considering earnings visibility and high RoE.
Reliance Industries	• Reliance Industries Limited's (RIL) earnings are expected to improve as downstream margin would recovery with expectation of higher oil & petrochemical demand in CY2021 and strong growth outlook for consumer businesses (Jio and Retail). The company's aim to increase the share of EBITDA from the consumer business would play a crucial role to tide over margin volatility in downstream margin. RIL has reorganized its refining and petchem businesses into O2C segment to help facilitate strategic partnership with global players and value unlocking in O2C. Further value unlocking in the digital and retail business would add to shareholder's return in coming years. Investment in new energy business (Rs. 75,000 crore over next three years) hints towards cash utilisation strategy.
Mahanagar Gas	• Mahanagar Gas Limited (MGL) is a dominant CGD player in and around Mumbai, with gas sales volumes of 2.8-3 mmscmd, of which 70% are derived from CNG, 16% from domestic PNG and remaining from industrial/commercial PNG. Long-term volume growth remains intact, given low gas penetration, regulatory push for use of green fuels and potential volume ramp-up at Raigad geographical area. Moreover, we expect high margins to sustain as favourable economics of CNG versus petrol gives pricing power (ability to pass on potential domestic gas price hike for H2FY2022). MGL's balance sheet is strong with nil debt and robust free cash flow generation. The stock is trading at an attractive valuation (steep discount to peers) and offers a healthy dividend yield.

Indian Oil Corporation	• IOCL leads the domestic downstream oil sector with non-replicable infrastructure – total refining capacity of 81 mmt (33% market share), 32,303 retail outlets (~42% market share), domestic petroleum product sales volume of 83.9 mmt and pipeline capacity of 80.6 mmt. Core earnings outlook for FY22 remains strong given a recovery in GRM, high polymer spreads and normalisation of auto fuel marketing margins. IOCL's valuation is attractive with a steep discount to that of BPCL.
Hindustan Petroleum Corporation	• HPCL is best placed among the OMCs given higher gearing toward marketing margins and lower impact on refinery throughput as it sources ~58% of petrol and diesel marketing sales volume from other refiners. Moreover, core earnings outlook for FY22 remains strong given a cyclical recovery in GRM and normalisation of auto fuel marketing margins. Moreover, HPCL's valuation is also attractive with steep discount to that of BPCL.
Bharat Petroleum Corporation	• The government's stake sale to private/foreign players would unlock real value of BPCL and could trigger re-rating of the company as valuation of its marketing assets could get re-aligned to global peers. Moreover, core earnings outlook for FY22 remains strong given a cyclical recovery in GRM and normalisation of auto fuel marketing margins.
Gujarat Gas	• Gujarat Gas's improved quality of earnings led by superior volume growth, margin expansion and robust RoE of 30% would help sustain premium valuation. We expect strong 24% PAT CAGR over FY21-FY24E led by 20% volume CAGR over the same period and annual FCF generation of Rs1800-2000 crore for Gujarat Gas. Moreover, GGAS is expected to be biggest beneficiary of potential inclusion of natural gas under GST as the same would substantially improve industrial PNG demand.
Indraprastha Gas	• The government's aim to increase the share of gas in India's energy mix to ~15% by 2030 (from 6% currently) and the thrust to reduce air pollution in NCR region provide a regulatory push for strong growth in CNG and domestic PNG volumes for IGL. Moreover, the development of new GAs of Rewari, Karnal, and Gurugram and recent awarding of three new GAs in the 10th round of CGD bidding would drive volume growth beyond its existing areas of operations. The company's margins are expected to remain strong given pricing power (favourable economics of CNG versus petrol gives ability to pass on potential hike in domestic gas price).
GAIL (India)	• GAIL's earnings outlook has improved considerably as higher commodity prices (polymer, LPG and spot LNG) bodes well for sustained improvement in the profitability of petchem, LPG-LHC and gas marketing business. Gas transmission to witness steady earnings growth as volume expected to grow steadily over next couple of years. Potential InvIT for two of its gas pipeline could act as key catalyst in near term.
Gujarat State Petronet Limited	• GSPL's core pipeline business is effectively available free to investors given GSPL's market capitalisation is lower than market value of its investment in Gujarat Gas and the stock offers deep value to its investors. Volumes has recovered to pre-COVID-19 level and ramp-up of domestic gas supply would cushion against high spot LNG prices. Phased capex of Rs. 4,000 crore in the next five years would double HP gas pipeline capacity to 70 mmscmd and drive up volumes. Gujarat Gas' (GSPL's CGD subsidiary) earnings outlook is promising and is expected to create long-term value for GSPL.
	Pharmaceuticals
Aurobindo Pharma	• Aurobindo Pharma has an exposure of ~80% to the US and Europe and has built strong capabilities to cater to these markets. Aurobindo is witnessing multiple headwinds that have emerged especially for its US business such as higher price erosion and built up of inventories across channels. These headwinds are expected to exert pressures on US revenues at least in the near term. While the company has plans to launch 30+ new products in US in FY2022, which could enable to partly mitigate the impact of the price erosion, but lack of clarity exists around liquidation of higher channel stocks. Aurobindo is on track to file for its biosimilar products in FY2022 while the injectables business is growing at a healthy pace and the company has retained its guidance of achieving a $650-700 mn turnover over the next 3 years. We retain our Buy recommendation on the stock.
Cadila	• Cadila is favorably progressing in its efforts to build an alternative growth platform (NCE, biologics, and vaccines) that should start delivering over the long term. The company's key segments - the US and India – have an improved growth outlook. In the US markets, a sturdy product pipeline with a focus on specialty and complex generics products would be key growth driver. Over the long term, IP-driven products such as Saroglitzar Mg and Desidustat provide sizeable growth opportunities. While in India, new launches, especially in the chronics / sub chronics segment could fuel growth which would be complimented by a strong performance in the consumer business as well. Further, Cadila is also focusing on building a strong portfolio of COVID-19 drugs including Vaccines. Basis the strong prospects, healthy financials and multiple growth triggers, we retain Buy recommendation on the stock
Cipla	• Cipla is a global pharmaceutical company with a geographically diversified presence. Cipla expects India business to post strong growth going ahead, backed by growth in core therapies, synergies from One-India Strategy, and an expected pick-up in chronic as well as acute therapies. Excluding COVID-19 effect, management expects Indian pharmaceutical market (IPM) to grow by 10-12% for FY2022 and Cipla is expected to outpace the industry's growth. Ramp-up in gAlbuterol, approval for Arformoterol Tartrate, and a strong product pipeline, including complex generics, could drive US sales. Backed by sizeable new launches, Cipla expects strong growth in US sales in FY2023E. Healthy topline growth, strong earnings visibility and a healthy balance sheet augur well and would be key positives. We maintain a Buy recommendation on the stock.
Divis Laboratories	• Divis Laboratories is one of the leading players in the API space and is present in the CRAMS segment. Divis has identified six pillars or avenue that would propel the company's growth going ahead. These include growing existing molecules and market share gains from them, new areas of contrast media, expanding the offerings in the sartans (APIs), growing the custom synthesis business, and focus on products going off patent over the next two years. Given its established capabilities, backward-integration benefits, focus on quality, and benefits of scale coupled with major capacity expansion plans going on stream, the company is best placed to cater to increasing demand from global big pharma companies. We retain our Buy recommendation on the stock.
IPCA Labs	• IPCA is a leading formulation and API player present across major markets worldwide. Ipca's domestic formulations, which account for ~40% of the company's overall topline, is on a strong footing and management has guided for double-digit growth of 16-18% in FY2022E. Strong position of the company across chronic and acute therapies and strong demand environment are key growth drivers for the domestic formulations segment. Growth prospects for the API segment are also strong, however growth could moderate for FY2022E. However, over the long term, commissioning of Dewas plant and a robust growth outlook for APIs would drive the API segment's performance. Given the strong demand currents in domestic formulations, management is contemplating an upward revision for FY2022 growth guidance, though this could be after Q2FY2022 results. We maintain a Buy recommendation on the stock.
Lupin	• Lupin is a leading pharmaceutical company and is present in most markets globally. Lupin's domestic formulations business is expected to stage growth in the high teens for FY2022 backed by a chronic-heavy presence and growth in the overall business. The US business on the other hand is witnessing price erosion, which is expected to lead to a subdued Q2. Though from H2FY22 ramp-up in Albuterol and Brovana would led to improved performance, whilst FY23 growth would be driven by new product launches. Lupin's biosimilars business is also gradually gaining traction led by geographical expansion and likely new launches. However, given pricing pressures in the US, Lupin has lowered its EBITDA guidance for FY22 .We retain Buy recommendation on Lupin
Sun Pharma	• India and US are key markets and constitute around 60% of the total topline and are witnessing improved traction. A strong growth in chronic therapies, including the sub chronics along with likely growth in acute therapies and product launches would fuel growth in the domestic formulations business. Growth in the US business would be driven by a pick-up in specialty business coupled with traction from new product launches. Moreover, geographic expansion/increasing penetration for existing products would also add to the growth of the US base business. Q1FY22 results were ahead of estimates. Improved growth prospects, healthy balance sheet position are the key positives, while resolution of all legal matters by subsidiary with Department of Justice antitrust and civil division in the US generic markets is positive and would remove the overhang on the stock. We retain Buy recommendation on Sun pharma

Torrent Pharma	• Torrent expects a strong outlook for the India business backed by expanding reach and market share gains while it has also set up a trade generics division to focus acute therapy products with an objective to expand product portfolio and gain market share. Revenue share of trade generics is likely to reach 4-5% of India sales in the next one year, which is sizeable. The Europe business too is expected to stage a strong growth backed by new product launches. Expected healthy growth in existing portfolio, likely outperformance to the industry and new product launches would drive the Brazilian sales growth. The management sees India and Brazil as the key growth drivers while it sees European performance to improve from hereon, and the US sales are likely to bottom out. We maintain our Buy recommendation on the stock
Biocon	• Biocon has laid a strong platform for growth of the biosimilars in insulin and oncology franchise across its key markets. Expected approval for interchangeability status of Semglee and launch of Insulin Aspart would strengthen the insulin franchise further while the launch of bBevacizumab in US would fortify the presence in the Oncology space. This coupled with the efforts to increase penetration in existing markets and tap new markets would drive growth of Biosimilars. Further the performance of the generic segment is expected to normalize in the coming quarters. Q1FY22 was a weak quarter but Focus to grow the formulations business outside US, expected new product approvals, and new capacity commissioning at Vizag are the key drivers for generic business We retain Buy recommendation on the stock.
Granules	• Granules is a fully-integrated pharmaceutical company with presence across the API-PFI-FD value chain. Granules' core molecules are expected to sustain their strong growth trajectory backed by geographic expansion and expected market share gains. In addition to this the company also has a strong pipeline of products to be launched across geographies, including 8-10 launches lined up in the US for FY2022 offering a market size upwards of $150 million. Further, supply concerns around paracetamol KSM are expected to ease off and H2FY22 performance is expected to be better than H1FY22. Q1FY22 was a quarter of healthy performance amid raw material supply disruptions. Going ahead, over the long term, the company expects strong demand traction across segments backed by capacity expansion and commissioning of MUPS block. We maintain a Buy recommendation on the stock
Laurus Labs	• Laurus is a leading research-driven pharmaceutical company, working with nine of the world's top 10 generic pharmaceutical companies in the world. Laurus has charted a growth path that involves fortifying its position in the formulations and synthesis segments, strengthening its presence in the non-ARV space and tapping the new area of biologics (through Laurus Bio) and expansion of API portfolio to anti diabetes and cardiology. The company is building new capacities that would support robust demand and also propel growth in the coming years. Laurus has lined up a strong Rs. 1,500-1700 crore capex to meet rising demand. Laurus Bio's revenues are expected to double in FY22E backed by commissioning of fermentation capacities. We retain Buy recommendation on the stock
Strides Pharma Sciences	• Multiple headwinds have emerged for Strides across key geographies such as the US in the form of heightened competitive intensity leading to double-digit pricing erosion. A higher presence in acute therapies has further amplified challenges. However the definitive agreement to acquire basket of ANDAs across therapies and dosage forms would expand product portfolio and also increase the launch momentum, While this would help drive up revenues, sustained pricing erosion is expected to exert pressures on margins, albeit H2FY22 performance is likely to be better than H1FY22. Over the long term, growth levers are intact, but near-term concerns have emerged which could drag performance with Q2 expected to be a subdued quarter. We downgrade recommendation on stock to Hold.
Solara Active Pharma Sciences	• Solara is a pure play API manufacturer. Solara has charted out a strong growth path over the next four years to 2025, wherein it aims to be in the top 10 global API players and aspires for a topline CAGR of 25% plus and EBITDA margin of 23-25% on a consolidated basis, including Aurore Life Sciences. Solara aims to achieve this by a significant scale in the generic business, driven by growth in base products and new products, capacity expansion, capability enhancements, strong growth in CRAMS segments coupled with inorganic opportunities. Further, based on increased opportunity pipeline, the CRAMS business is expected to stage 50% growth for FY2022. Completion of backward integration for ibuprofen is likely in FY2022 and would enable Solara to accrue cost synergies along with scalability. Q1FY2022 was a healthy quarter and, based on the strong growth outlook We retain a Buy recommendation on the stock.
Dr Reddy's Limited	• DRL (Dr Reddy's Limited) is one of the leading pharmaceutical companies with a presence across the globe. DRL's PSAI segment has reported a weak performance in Q1FY22 and the management expects performance to fluctuate in the near term. DRL is witnessing pricing pressures in some molecules in the US business which is expected to continue, however given the ramp-up in the new products, a strong product pipeline and growth in base business, impact of price erosion is likely to reduce. Further growth in acquired products, focus on OTC portfolio and rural areas for growth coupled with leveraging the digital platform and vaccine opportunities would fuel India business' growth, while price erosion is expected is slow down US growth. there has been an anonymous complaint filed against DRL, alleging improper payment to healthcare professionals in Ukraine and other countries which is under investigation and would have an overhang on the stock. we retain Buy on the stock.
Gland Pharma	• Gland reported an impressive performance in RoW as well as India markets for Q1FY22 and management sees the growth momentum to sustain going ahead as well. In core markets, strong pipeline of new launches in the US, well complemented by a healthy product filling plan, and opportunities from drug shortages and from loss of exclusivity of products would be key growth drivers. The vaccine manufacturing arrangement for Sputnik V is progressing as per schedule and Gland looks to commence production from October–November 2021. Structurally being an established injectables player, Gland is set to benefit from rising opportunities in the space. Q1Fy22 was a string quarter and Strong domain expertise and growth prospects, sturdy earnings track record, and strong financials are key positives for Gland. We retain Buy rating on the stock
Sanofi India	• Sanofi has laid its focus on the anti-diabetics segment for growth and is looking to enhance geographical penetration through increased physician engagement. Moreover, a chronic-heavy portfolio, strong performance of top brands and a dominant share in their respective categories provide comfort on growth ahead. A favorable mix and expected cost efficiencies would result in a 320 bps OPM expansion over CY2020-CY2022E, leading to a double-digit 14% earnings CAGR over the same period. Given the strong margin performance and Considering high-growth visibility from chronics, strong, debt-free balance sheet, minimal capex and healthy cash position, premium valuations are expected to sustain, We retain Buy recommendation on the stock
Abbott India	• Abbott's topline is expected to grow in double digits, backed by strong performance of its power brands, which are amongst the leaders in their respective categories. The expected strong growth of high single digits to double digits for IPM in FY2022 versus 2% growth reported in FY2021 anda strong presence in therapy areas of gastrointestinal, pain, CNS, gynecology, and ant invectives, which are the fastest growing therapies in IPM, bodes well for Abbott. Moreover, Abbott looks to enhance its geographical reach by leveraging the digital platform to connect with healthcare professionals and has digitalized around 80% of its training content. Better growth prospects, a strong balance sheet position due to its debt-free status coupled with healthy operating cash flows and strong dividend payout are key positives. we retain Buy recommendation on the stock.
Building Materials	
APL Apollo Tubes	• APL Apollo Tubes (APL) has successfully created a brand name for itself in the structural steel tubes space (specialty pipes from simple commodity products), which led to a sustained track record of market share gains (at 50% currently) and robust volume growth over the past several years. The management's recent decision to merger Apollo Tricoat with APL Apollo Tubes is a step in the right direction as the same would improve margin/RoE profile. APL's superior growth outlook (expect PAT to register 37% CAGR over FY2021-FY2024E), robust RoE of 29%, and strong balance sheet make it a strong re-rating candidate.
Grasim	• Grasim is seeing an improving outlook for standalone business with easing of lockdown restrictions domestically and improving textile demand environment in China. Firming up of VSF prices and bottoming out of caustic soda prices driven by demand from textile and paper industries is expected to benefit Grasim going ahead. Further, the outlook for its key subsidiary, UltraTech, remains healthy with expected demand from government-led infrastructure investments and sustained demand from rural and individual home builders. We have a Buy rating on the stock.
Greenlam Industries	• GRLM is a joint leader in Rs. 5700 crore laminate industry with a market share of ~20%. GRLM is expected to ride on strong growth being envisaged for the wooden furniture industry which is expected to grow at 12% CAGR over 2020-2023. Key growth drivers are rising incomes, urbanisation, real estate development, Housing for All etc. Further, we expect GRLM to grow at a faster pace benefiting with market share gains from un-organised sector leveraging its strong distribution network. The government's focus on making India an export hub provides strong export growth opportunities for Greenlam.

Greenpanel Industries	• Greenpanel has strong structural growth drivers along with government's favourable measures such as likely anti-dumping duty on thin MDF and CVD on any imported MDF which is likely to aid in strong double digit revenue growth for its MDF vertical. Further, strong revival in demand for Plywood seen in Q3FY2021 is expected to sustain the momentum going ahead. The company's limited capex requirement towards brownfield expansions, strong operating cash flow generation, tight working capital management and reducing leverage would propel its return ratios over FY2021-FY2023E.
Kajaria Ceramics	• Kajaria is expected to witness benefits arising from improving demand from the housing sector. Further, anti-China sentiments in the US and European countries along with soft gas prices have boosted exports for the Morbi cluster, which has led to improved pricing environment for organised players such as Kajaria and increase in market share domestically. Given the strong demand outlook over next two to three years, the company is undertaking brownfield expansion. Its rising free cash flow generation and low capex requirement is expected to reward shareholders through higher dividend payouts. We have a Buy rating on the stock.
Pidilite Industries	• Pidilite is the market leader in adhesives and sealants, construction chemicals, hobby colours, and polymer emulsions segments in India. Flagship brands such as Fevicol and M-Seal have a market share of ~70% each in the domestic market. With a slew of new launches under existing brands and entry into consumer-centric categories, supported by adequate media activities, Pidilite has transitioned its target market from industrial users to consumers through effective communication, which has helped the company to register itself in customers' minds. With construction activities gaining momentum in the rural and semi-urban markets, the consumer bazaar business is expected to post better performance in the coming years. International markets such as the US, Middle East and Africa and Asia clocked a recovering and would add-on to revenues. Further, the expected increase in demand for adhesive products in global markets would add to overall revenue in FY2023. A monopoly in the adhesives market, strong brand recognition and a sturdy balance sheet justify a premium valuation. We maintain our Buy recommendation on the stock.
Shree Cement	• Shree Cement is seeing strong traction in demand from its key regional markets viz. North and East. Shree Cement has been outpacing industry volume offtake over most of the trailing four quarters and is further expected to outperform over FY2021E-FY2023E led by improving capacity utilization and addition of newer capacities. The company will be utilising the Rs. 2,400 crore funds raised through a QIP during Q3FY2020 for further capacity expansion. The firm cement demand has led to the management re-visiting its capex plans of increasing capacity from 40 MTPA to 57 MTPA over three years period and to 80 MTPA over 6-7 years.
The Ramco Cements	• The Ramco Cements, one of India's most cost-efficient cement producers, will benefit from capacity additions carried out ahead of its peers in the southern region. Ramco has embarked upon capital expenditure plan of Rs. 3,500 crore to reach cement capacity of 20.79 mtpa. The expansion aims to strengthen its reach in Andhra Pradesh, West Bengal, and North Eastern states. We expect Ramco to benefit from a strong pricing discipline in South India, while demand is expected to pick up sharply in FY2022. The company continues to maintain cost-efficient structure leading to enhanced operational profitability. The ongoing expansion plans provide ample room for future growth. The company's balance sheet is expected to remain strong despite its aggressive expansion plans.
UltraTech Cement	• UltraTech Cement is India's largest cement company. We expect UltraTech to report industry-leading volume growth on account of timely capacity expansion (inorganic and organic expansions) and revival in demand (demand pick up in infrastructure, urban housing along with continued demand emanating from the rural housing segment). We expect the company to be the biggest beneficiary of multi-year industry upcycle, being a market leader and its timely scaling up of capacities and profitability in the shortest possible time.
JK Lakshmi Cement	• JK Lakshmi Cement (JKL) is expected to benefit from sustained rural sector demand along with improvement in infrastructure demand. Pricing environment in key regions remains healthy. The company's announcement of much-awaited brownfield capacity expansion would ease clinker and capacity constraints along with providing further head room for growth. The company has also been generating strong operating cash flows and lowering leverage which would reduce incremental debt requirement for its planned capex. JKL is currently trading at an EV/EBITDA of 7.6x/6.8x its FY2023E/ FY2024E earnings, which we believe factors in the healthy net earnings CAGR over FY2021-FY2024E. Hence, we await a better entry point and have a Hold rating on the stock.
Supreme Industries	• Supreme Industries is well-placed to enhance its market share as the COVID-19-led crisis resulted in consolidation of the plastic pipes industry (both PVC and CPVC). Moreover, a shift in business from unorganised to organised players has been seen owing to availability of raw materials (PVC resin) and liquidity issues. The imposition of anti-dumping duty on imports from China and Korea is also expected to help domestic manufacturers enhance volumes. Considering healthy demand prospects during FY2021-FY2022E, the company intends to incur a capex of Rs. 350 crore to expand its capacities mainly in the piping segment and packaging film segment. Considering healthy demand prospects, it would be undertaking Rs. 400 capex (including Rs. 198 crore carry forward) in FY2022 to increase capacity by 40,000 MT (excluding Orissa and Tamil Nadu projects) from current 697,000 MT. The incremental capacity can generate revenues to the tune of Rs. 800 crore. We expect SIL to benefit from a medium to long-term perspective, given recovery in rural economy, affordable housing sector, and the new scheme for piped water connection – 'Nal se Jal'. Given the positive demand outlook from the medium to long-term perspective and healthy cashflow generation and a strong balance sheet, we have a Buy rating on the stock.
Century Plyboards	• Century Plyboards is a leading player in the organised plywood industry with a market share of 25%. The company also has laminate, particle board, and medium-density fibre board (MDF) division having capacity of 600 cubic metres per day. The company like other building material players is likely to be affected by weak demand on account of country-wide lockdown led by COVID-19 pandemic. We believe the company is among the few organised players to benefit from lower input costs and is expected to recover at a faster pace once normalcy returns in the industry. The company is on expansion spree with 400cbm/day MDF brownfield expansion in Punjab unit, Greenfield expansion planned in South India for MDF of 700cbm/day plus capacity and brownfield expansions in Particle board, laminates and Plywood through equipment re-balancing. Hence, we have a Buy rating on the stock.
Dalmia Bharat	• Dalmia is on a strong growth trajectory for the next five years with capacity expansion plans lined up for the medium and long term. The company outlined its capital allocation strategy over the next decade to increase capacity at 14-15% CAGR to reach 110-130-million tonnes by 2031, which would be done through both organic and inorganic routes maintaining Net Debt/EBITDA below 2x (unless a large ticket size acquisition is done). It also highlighted allocation towards shareholders' returns (10% of OCFs) and Green & Innovation fund (10% of OCF). It targets to reach 48.5-million tonne cement capacity (current 30.8-million tonnes) over the next three years initially expanding in Southern and North East regions.
Astral Poly Technik	• Astral is among the country's leading manufacturers of plastic pipes used across industries. Astral has a market share of 25% in CVPC pipes and 5% in PVC pipes and is well placed to grab the significant growth opportunities unveiled by the government through its various schemes such as Housing for All by 2022, PMAY, Smart Cities Mission, AMRUT, HRIDAY, Har Ghar Jal by2024, Nal se Jal by 2024, and PMKSY. Astral is expected to perform well in the coming year as it continues to benefit from sustained rural demand along with pick up in infrastructure sector. The company has also been improving upon cash balance with tight monitoring of working capital.
Telecom & New Media	
Affle (India)	• Affle (India) Limited (Affle) provides end-to-end offerings to advertisers through mobile advertising using its proprietary mobile audience as a service platform for customers. Affle's exposure in fast-growing markets such as India and SEA and segments such as e-Commerce provide a platform for sustainable growth momentum in the long term. The e-Commerce vertical remains strong as consumers are spending more time online and there are an increasing percentage of transactions on mobile. Faster adoption of digital advertising in its top verticals, launch of products and shift of budgets towards mobile advertising are expected to strongly drive up revenues. The acquisition of Jampp and investments in international markets are expected to impact margins in coming quarters, but we believe it would provide high-growth opportunities in the coming years. We forecast Affle India's revenues and earnings to report a CAGR of 45% and 32%, respectively, over FY2021-FY2024E.

Info Edge (India)	• Info Edge is India's premier online classifieds company in the recruitment, matrimony, real estate, education, and related service sectors. Naukri.com is a quality play and is directly related to GDP growth and internet/mobile penetration. In the recruitment business, the company witnessed strong growth in terms of addition of new customers, billings per customer, and demand for its new products during the quarter. Given strong hiring activity in the IT &ITeS sector and higher attrition rate, we believe the recruitment segment is poised for high revenue growth in the coming quarters of FY2022. Both traffic and monetisation in 99acres business recovered in June and momentum accelerated in July 2021 due to pick up in the real estate business across the country. Jeevansathi.com business is expected to grow in the next few years, given the company's aggressive investments to obtain a dominant market share in Hindi-speaking regions. We continue to derive comfort on Info Edge's business strength, with leading market share in key businesses.
Bharti Airtel	• Bharti Airtel (Bharti) continues to focus sharply on increasing retail ARPUs, non-mobile services (enterprise services), and value-added services (Airtel TV and music) to boost revenue and reduce the churn rate. The company has gained market share in each of its business given its relentless focus on (1) quality customers that account for almost 85-90% of industry revenue, (2) improving customer experience on its network and digital assets and (3) leveraging digital assets, which create new revenue streams in adjacent areas. The proceeds from rights issue would help the company to capture opportunities by accelerating investments in the rollout of 5G services, fiber, and data center business. We continue to remain positive on Bharti given its relatively well-capitalised balance sheet, improving free cash flows, asset monetisation efforts and strong competitive position.
Discretionary Consumption	
ABFRL	• ABFRL is India's largest pure-play fashion and retail entity with an elegant bouquet of leading fashion brands and retail formats supported by a pan-India distribution network with a combined retail footprint of 8 million square feet across 750 cities. ABFRL's business recovered to 100% in Q4FY2021 on back of strong revival in the footfalls. Second wave will have impact on H1FY22 performance but we expect strong recovery in FY2023 on back of strong pent-up demand. Strong traction in new launches, increase in contribution from private labels, share gains from unorganised players and increase in contribution from online sales are some of the near-term growth catalysts for the company. We recommend a Buy on the stock.
Arvind	• Arvind's revenue stood at Rs. 5,073 crore (down 31% y-o-y) and OPM stood stable at 9.1% in FY2021 (due to Rs. 470 crore cost savings). Strong export demand and recovery in the domestic market led to business recovering to 90% in H2FY2021, with OPM at around 12.5%. Opening up of exports markets such as US and Europe and retailers stocking up textile products resulted in strong demand from exports markets. Further, the company has added new customers in its list and is marketing new products to its existing customers, which will drive exports sales in the near term. Debt on books has reduced by Rs. 421 crore in FY2021. Management is expected to further reduce it through working capital efficiencies and sale of non-core assets (will fetch Rs. 350 crore in three years). Thus, we do not expect much stress due to near-term uncertainties. We maintain a Buy rating on the stock.
Bata India	• Bata India is the largest retailer and manufacturer of footwear in India. The company has a retail network of over 1,600 stores, including 274 franchisee stores, which sell a total of ~47 million pairs of footwear annually. Over the past 3-4 years, Bata has focused on transforming itself from conventional footwear space to a stylish footwear brand focusing on categories such as women's wear and Sportswear. To become an aspirational brand it added new products in last six to seven years in its portfolio (including Comfit, Marie Clarie, Red Label collection). FY2021 was disrupted by store closure during the lockdown period and lesser out of home travel. However, we expect strong recovery from H2FY2022 with intercity mobility expected to come back on track with receding threat of second wave of Covid-19. Current valuations also make it a good fit in the discretionary space.
KPR Mill	• KPR is one of India's largest vertically integrated textile players, with a steady financial record and sturdy balance sheet. The strength of its integrated model helps the company to achieve consistent operating margins that are much better than some of the exporting peers. A shift in base from China to India, addition of more international clients, transforming itself from volatile yarn business to profitable garment business, scale-up in the retail business and scale-up in the garmenting revenues through increase in capacity utilisation from newly-commissioned Ethiopia facility are some of the medium to long-term growth drivers for KPR.
Inox Leisure	• Inox Leisure Limited (ILL) is one of India's largest multiplex operators. The company accounts for 20% share of multiplex screens in India and a ~11% share of domestic box office collections. We believe a number of big-budget movies would be released during the second half of FY2022 as most high-profile movie producers have been waiting to release their movies in theatres post reopening. Inox Leisure has done a commendable job in keeping fixed expenses under control during Q1FY2022. Given the strong content pipeline across languages, announcement of release date of fresh big-budget content, robust consumer demand, and higher pace of vaccinations, we expect a meaningful recovery in Indian multiplex industry in the second half of FY2022. We believe the multiplex business is going to be a sustainable model in the long term, given Indian movie-goers' strong appetite for the silver screen.
Jubilant Foodworks	• JFL has four strategic pillars: product and innovation, value for money, customer experience, and digital and technology to drive growth, efficiency, and productivity. The company has introduced the Every Day Value (EDV) offer to enhance its value-for-money proposition. With a revamped mobile app and website, the company has been increasing its OLO share, which is in line with its strategy of technology-driven growth. Venturing into Chinese cuisines and biryani segments and entering into franchisee agreement with Popeyes brand to launch in India will be long-term growth drivers. Expansion strategies along with robust SSSG, increasing number of stores, cost optimisation, and customer-satisfaction initiatives would be key growth drivers for JFL.
Relaxo Footwear	• Relaxo Footwear (Relaxo) is present in the fast-growing footwear category, where it caters to customers with its four top-of-the-mind recall brands, such as Hawaii, Sparx, Flite, and Schoolmate. Relaxo's focus is on driving sales through distribution expansion (COCO and franchisee stores) and improving its brand presence. GST implementation has been a silver lining for the company, as it is witnessing a gradual shift of demand from the unorganised to organised market. Near-term performance likely to be affected by second wave of COVID-19 led uncertainties. However, medium-term outlook is intact, as focus on improving penetration in southern markets, new product addition, and shift from non-branded to branded remain key growth levers in the near term. We expect OPM to sustain at 20%-21% in the near term. Good financial track record, improving cash flows, and better growth prospects ahead make it a better pick in the branded retail space.
Titan Company	• Titan is India's largest specialty retail player, with over 1,600 stores spread across over 2 million sq. ft. in 279 towns having businesses in jewellery, watches, and eyewear. Revenue of Titan's jewellery business reported a CAGR of 18% over FY2017-FY2020. Sustained launch of new collections, expansion in domestic footprint, shift of consumers to trusted brands, and strong growth in diamond jewellery remain the key growth pillars. Good growth momentum in jewellery business sustained in April. However, localised lockdown due to rise in COVID-19 cases resulted in 50% store closure. We expect strong recovery in the business performance of Titan post the easing of COVID-19 uncertainties due to market share gains and pent-up demand (largely in the wedding jewellery segment). Balance sheet strength will help it to compete well with strong regional and large players in the domestic market.
Trent	• Trent is the only branded retail player with a ~100% share of private brands with pan-India presence. Trent a strong set of brands catering to all categories of consumers, which has helped the company offers report the highest average revenue per square foot compared to other branded players. Since mid-March the company has seen a sharp drop in sales due to localise lockdown. However, with 100% in-house brands, strong store opening strategy and focus on online play will help Trent recover faster (likely in H2FY2022). Aggressive store expansion, better store fundamentals, higher contribution from private brands and innovative product offering in the premium and value fashion space would be key growth drivers for the company going ahead. Trent is among India's strong branded retail plays with a robust balance sheet, stable cash flows and one of the highest utilisation rates per store.
The Indian Hotel Company	• The Indian Hotel Company (IHCL) is one of the top players in the domestic hotel space with strong room inventory. The pandemic hit FY2021 hard, but a good recovery was seen in the second half of the year. Absence of nation-wide lockdowns helped IHCL continue business in less-affected areas. Once situation normalises, we expect a strong recovery in occupancies. The company is eyeing 75-80% of FY2020 revenues and close to 100% of FY2020 EBIDTA in FY2023. It is also confident of newer ventures and a strong recovery in domestic and international markets. Highest room inventory, strong parentage support and relative better balance sheet makes IHCL a strong play in hospitality space

Welspun India	• Welspun is one of the leading players in the global textile market with capacities of 80,000 metric tonnes (MT) and 90 million metres of terry towels and bed linen capacity largely to cater exports markets. The company will benefit from recovery in the US, where it has market share of 19% and 13% in terry towel and bed sheets segments, respectively. New ventures such as flooring business and advance textile revenue would add-on to revenue in the near to medium term. This along with benign cotton prices and improved revenue mix would aid profitability to improve consistently in the near to medium term. Improving cash flows would aid the company to reduce debt on the books over FY2020-FY2023.
Wonderla Holidays	• Wonderla Holidays (WHL) business recovered to 78% in end of FY2021. Bengaluru and Hyderabad park footfalls reached to 85% while Kochi park footfalls reached to 62%. Considering the response to restricted operations at all park and digital campaigns in Q4, the management is confident of achieving strong recovery in footfalls with easing of localised lockdown norms. Further, a large shift is expected towards open-ended entertainment options post the pandemic era, which will help WHL scale-up footfalls in FY22/23. We expect footfalls to reach close to FY2020 by FY2023. The company would require average footfall of 1300 per day with average revenues of Rs. 1,000 per visitor to become cash positive in all its parks.
ZEE Entertainment	• Zee Entertainment Enterprises Limited (ZEEL) is one of India's largest vertically integrated media and entertainment companies, primarily engaged in broadcasting and content development with the widest language footprint, movies and music production, live events and digital business. The company's balance sheet and operational performance have improved over last five quarters with improvement in net cash position, and decline in receivables. ZEE5 is one of the leading digital platform, which primarily focuses on regional content, would continue to leverage its reach further on the back of hyperlocal content. We believe ZEE5's success and improving transparency will play the vital role in re-rating of the stock.
Diversified/Miscellaneous	
Bajaj Holdings	• We maintain our Buy rating on Bajaj Holdings and Investments Limited (BHIL), factoring upside in valuations of its key associates, viz. Bajaj Finserv (BFS) and Bajaj Auto (BAL), and other key investments. 4FY2021 results saw robust growth by BHIL's associates – BFS and BAL. BFS beats expectations in operational performance during Q4FY2021, whereas BAL continues to gain market share in key products.The performance of both the associate companies has improved notably since Q1 after the outbreak of COVID-19 pandemic. a primary investment company focusing on new business opportunities. We continue to remain positive on BFS and BAL and have retained our buy rating on the stock. BHIL will be the key beneficiary of improving business prospects of associates.
Mahindra Lifespaces Developers	• Mahindra Lifespaces is scaling up its land acquisitions and approvals pipeline with a strong core management team across key functions. The company is gearing up to pre-sale over Rs. 2,000 crore per annum in the residential division over the next two to three years. The company's low gearing can lend support for aggressive land acquisitions. The company is witnessing strong demand for built-to-suit factories, warehouses, and data centers for its IC&IC business. The company the has benefit of the China +1 apart from increasing government's focus on attracting manufacturing investment in the country led by AtmaNirbhar, production-linked incentive schemes for its IC&IC vertical. Overall, growth outlook is positive for the company as the IC&IC vertical is a cash cow and scale up of its residential business provides strong uptick.
Triveni Engineering and Industries	• Triveni Engineering and Industries (TEIL) is the largest integrated sugar manufacturer in India and the market leader in its engineering businesses comprising high speed gears, gearboxes, and water and wastewater treatment solutions. TEIL expects a recovery of 30 bps less in the sugar business as compared to the previous sugar season (production to be lower by 5%). The company will export 1.82 lakh tonnes in 2020-21 under the MAEQ program (0.5 lakh tonnes contracted until January 2021). Though exports subsidy is expected at Rs. 6 per kg, higher international sugar prices would keep export realisation comfortable. Sugar inventory stood at 28.2 lakh quintals as December, valued at Rs. 30.9/kg. The distillery division has received contract of 9.86 crore litres of ethanol supply for year 2020-21 (90% of the contract is for B-heavy molasses, which can be realisedRs. 57.6/litre). The order book of engineering business currently stands slightly lower than Rs. 1,000 crore
Polyplex Corporation	• Robust demand for packaging and capacity additions by Polyplex Corporation (PCL) in the BOPET segment would aid volume growth. However, we believe that the BOPET margin cycle is near peak levels and spreads are expected to contract from current levels, with a rise in supplies and higher raw material cost. Hence, we believe that PCL's margin to decline over FY2022E-FY2023E offsetting the benefit of volume growth. Hence, have Hold rating on the stock.
Quess Corp	• Quess is one of India's leading integrated business services providers that focuses on emerging as the preferred partner for handling clients' end-to-end business functions. With a strong focus on cross-selling under various businesses, adding new clients and increasing headcount, Quess is well poised to achieve strong double-digit revenue growth in the near to medium term (except for FY2021). Further, focus on strategic acquisition improves growth prospects in the long run. Any substantial improvement in EBIDTA margin would be a key lever for the stock in the near term. Management has maintained its thrust on improving cash flows and strengthening the balance sheet in the near to medium term.
Balrampur Chini	• Balrampur Chini Mills (BCML) will be one of the key beneficiary of reducing cyclicality in the sugar industry. With new distillery capacity of 320KLPD (operational in Dec,22), the company is likely to produce close to 30cr litre of ethanol, which will add-on sales/EBIDTA of ~Rs1600cr/Rs800cr in FY2024. We expect BCML revenues and PAT to grow at CAGR of 9% and 19% over FY2021-24. Higher salience of ethanol in revenue mix will improve the cash conversion cycle with reduction of debt; Likely to generate cumulative OCF of Rs1950 crore over FY2022-24.
Logistics	
Gateway Distriparks Limited	• With its dominant presence in container freight station (CFS) and rail freight businesses, Gateway Distriparks Limited (GDL) has evolved as an integrated logistics player. The company's CFS and rail verticals are witnessing improving trade volumes in both global and domestic segments. However, once normalcy returns along with commencement of dedicated freight corridor (DFC), the demand environment is expected to improve further. Growth drivers with respect to commissioning of the DFC corridor and fourth terminal at JNPT remains intact. It will also be embarking on next round of capacity expansion once National Logistics Policy is laid out. Further, its deleveraged balance sheet followed by a revival in capex plans is likely to aid in reviving net earnings going ahead. Hence, we recommend a Buy on the stock.
Mahindra Logistics	• MLL is an integrated third-party logistics (3PL) service provider, specializing in supply chain management and people transport solutions. Founded more than a decade ago, MLL serves over 300 corporate customers across various industries like automobiles, engineering, consumer goods and e-Commerce. The company pursues an asset-light business model under which assets necessary for its operations such as vehicles and warehouses are owned or provided by a large network of business partners on lease rentals, while MLL largely invests in logistics technology. With improving auto demand along with growth in its E-commerce, Consumer and Freight Forwarding business, the company is expected to improve its earnings growth trajectory. Hence, we recommend Buy on the stock.
TCI Express	• TCI is a leading time-definite express distributor, with a network of 700 offices covering more than 40,000 locations. The company commenced operations in 1997 and has over two decades of industry experience. The company demerged from Transport Corporation of India in 2016 and was listed on December 15, 2016. The company offers services comprising surface, domestic and international air, e-Commerce, priority, and reverse express services. TCI has over 3,000 plus workforce with 28 sorting centres. The company caters to sectors such as consumer electronics, retail, apparel and lifestyle, automobile, pharmaceuticals, engineering, e-Commerce, energy/power, and telecommunications. TCI has a strong balance sheet, healthy cash flow-generation capacity and high return ratios. Hence, we recommend a Buy on the stock.
TCI Limited	• TCI has a strong long-term growth potential as it operates in a fragmented and highly unorganised logistics industry. The company's presence in multi-modal logistics along with supply chain business with over six decades of experience gives it a distinctive advantage to capture the high growth potential in the logistics sector. TCI is expected to benefit from the logistics sector growth tailwinds, led by GST, increased outsourcing of logistics services owing to COVID-19, government's thrust on AtmaNirbhar Bharat, and global supply chain re-alignments. We expect TCI to be on a long-term growth trajectory, driven by positive sectoral fundamentals and its inherent strengths and capabilities.

THERE'S AN INVESTOR IN ALL OF US

Learn how to take control of your investments

It's time for you to stop second - guessing the markets and work towards building a financially secure future. Take a step in the right direction with us, at Online Trading Academy. Learn simple, rule-based strategies that can help you make smarter investing decisions.

Attend a free Power Money Workshop

6 reasons you should meet us at Online Trading Academy

- Gain insights into how professionals locate high reward, low risk, and high probability trading and investing opportunities
- Get access to a patented strategy to know where professionals and institutions are buying and selling
- Learn how markets really work and how institutions trade and control markets
- Unlock the mystery to why most short term traders fail and longer term investors never achieve their financial goals
- Identify the best stocks for long term investing
- Get a 360 degree holistic approach to grow, protect, and manage your long term wealth manage your long term wealth

To register for the Workshop SMS PMW to 56677

ONLINE TRADING ACADEMY
Invest in Your Why

Registered address: Online Trading Academy, 4th Floor, C-428, Phoneix Mills Compound, Lower Parel 400 013.