LIST OF PARTICIPATING COMPANIES

S.No.	Company	CMP (INR)	Mcap (INR Cr)
1	Hero MotoCorp Ltd.	2,674	53,434
2	Tech Mahindra Ltd.	991	96,382
3	Coforge Ltd.	3,692	22,492
4	CSB Bank	187	3,306
5	Ujjivan Small Finance Bank	14	2,402
6	Pitti Engineering Ltd.	280	897
7	HariOm Pipe Industries Ltd.	188	479
8	Arihant Superstructures Ltd.	123	507
9	Va Tech Wabag Ltd.	229	1,428
10	Puravankara Ltd.	82	1,941
11	Arvind Smartspaces Ltd.	165	710
12	KPI Green Energy Ltd.	688	1,243
13	Ashoka Buildcon Ltd.	71	1,984
14	Vascon Engineers Ltd.	19	413
15	Man Industries Ltd.	72	432
16	GMR Infrastructure Ltd.	34	20,583
17	Dodla Dairy Ltd.	481	2,859
18	Dollar Industries Ltd.	454	2,577
19	Raymond Ltd.	813	5,411
20	Prataap Snacks Ltd.	669	1,569
21	Mahindra CIE Ltd.	211	7,999
22	Talbros Automotive Components Ltd.	405	500
23	Sansera Engineering Ltd.	675	3,552
24	Indiamart Intermesh Ltd.	4,109	12,646
25	Mastek Ltd.	2,059	6,186
26	Birlasoft Ltd.	353	9,874
27	India Pesticides Ltd.	239	1,942
28	Best AgroLife Ltd.	817	1,942
29	Vishnu Chemicals Ltd.	1,416	1,696
30	Heranba Industries Ltd.	530	2,122
31	GHCL Ltd.	563	5,370
32	IG Petrochemicals Ltd.	570	1,750
33	Sakar Healthcare Ltd.	154	264
34	Chemplast Sanmar Ltd.	445	7,140
35	Windlas Biotech Ltd.	213	464
36	Greaves Cotton Ltd.	149	3,443

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Hero MotoCorp Ltd.

CMP: INR 2,674 | MCap: INR 53,434 Cr

- **EVs:** The company primarily focuses on quality and safety first, apart from providing core features. Following its tie-up with Gogoro, HMCL will launch its products in FY23. It will also introduce homegrown products during FY23 and more details are expected by early July. The company is seeing more sales in the low-speed range due to age groups that are not able to handle the hi-speed range.

- **Demand:** The April, May, and June continue to be robustly supported by better agriculture, exports, and semi-urban looking very strong which in turn is expected to improve cash flows in the rural sector. All these factors are likely to help in a steady recovery in consumer sentiments and market demand.

- **Margin:** The company will maintain a medium range. On the headwinds side - Commodity inflation and cost inflation. The company is doing a Leap- II savings program to offset the higher commodity prices and input costs and cash flow management. The operating leverage will come positive this year it was negative.

- **Exports:** The company is just made the start growth trajectory on the exports front and it will be robust going forward and better than its competitors. The company is on pretty much on track.

- **Outlook and valuation:** Going forward, HMCL has lined up multiple product launches in different segments with an aim to continue building the premium portfolio as well as premiumization of existing models, we believe, which will help the company to deliver growth and profitability and gain market share going ahead. We have a buy rating on the stock with target price of INR 3,323.

Tech Mahindra Ltd

CMP: INR 991 | MCap: INR 96,382 Cr

- **Key growth drivers**: Tech Mahindra continues to win US$1 bn net new deal wins on consistent basis. In addition, we believe traction in cloud, 5G and softwarisation of network will boost communication revenues (anticipate double digit growth).

- **Segment:** Tech Mahindra is witnessing growth in BFSI & Hi Tech within enterprise.

- **Deal:** 5G related deal pipeline remains strong and should result in higher deal wins.

- The need to be 5G ready would continue to drive 5G related deals.

- **NXT.NOW:** Started the year with NET.NOW that lead to business transformation and took some unique features on the communication, content, and also on commerce front. This really helps to grow their customer.

- **M&A:** BFSI, HLS, and corporate development at Tech Mahindra and total investment in M&A stood at $900 million in FY22. The company will be selective in new acquisitions and will be focused on integrating acquisitions, creating synergy, and offering new services to clients in FY23.

- **Outlook:** We believe, that going forward demand remains robust but there is potential worry about inflation and geopolitical scenarios. The company's structural profitability continues to be robust, and operational efficiency is backed by a comprehensive digital portfolio. The company has a lot confidence about the business momentum continuing in FY23 as well. The company expects its mainstay of communications, media, and entertainment, and also the upcoming metaverse offerings to be gaining traction in the new fiscal year.

Coforge Ltd

CMP: INR 3,692 | MCap: INR 22,492 Cr

- **Revenue:** As per management revenue guidance of 20% in FY23 cc is based on the demand scenario. The company guidance factors strong order book executable and jump in repeat business from 89% to 93% and tailwinds from TTH bouncing back, sales team increased to 280. Target to revenue milestone of $2Bn over the medium-term and confident of achieving it.

- **Segment:** High inflation and CAT losses may impact the insurance vertical. But management sees significant demand for Coforge services. In insurance, license revenue grew 13% QoQ in Q4 which was down in Q2&Q3FY22.

- **Margin:** Adjusted EBITDA margins grew 20.4% QoQ in Q4 backed by: i) higher large deals and expanding book of managed services contracts driving the increase in the offshore mix (44% in FY22 against 38% in FY21), ii) improved pricing, iii) 6.7x higher fresher intake in FY22 against FY21, iv) revenue growth leverage, v) gradual return of gross margin in the travel vertical to pre-pandemic levels.

- **Deal:** The medium and large deals increased appreciable and the company signed 11 large deals during the year with one $100 Mn+ TCV deal and another 3 deals with $50 Mn+ TCV.

- **Outlook:** In FY23 revenue guidance of 20% YoY Constant currency is based on the demand scenario and margin guidance of 18.5%-19% for FY23 led by a robust deal win and improving employee pyramid. We have a Neutral rating on the stock with target price of INR 3,637.

CSB Bank

CMP: INR 187 | Mcap: INR 3,306 Cr

- **Long-term target of 1.5x of industry growth:** Management is targeting to grow the asset book at 1.5x of industry growth. In FY22, CSB Bank had reported advances growth of 9% YoY. SME, gold and Agri portfolio will be the key drivers for growth. Management sees MSME and corporate growth are likely to boost credit growth in the near term. Moreover, the management is also planning to get into the credit card business and launch of some other retail products. However, gold loan will remain mainstay for the growth of the bank.

- **GNPA reached at guided level:** Lower slippages, better recoveries, increase in PCR and negative credit cost has led to strong performance on asset quality front in Q4FY22. GNPA of the bank declined from 2.6% to 1.8% on a sequential basis. As guided by management, GNPA of the bank came down to below 2% and it has reached to its normalized level.

- **Technology is the near term focus area:** Bank is looking to make significant investment in technology and it remain high focus area for the next few quarters. Hence, cost/assets expected to rise in the medium term and operating leverage will come down. From FY25, real operating leverage will come in.

- At CMP, the stock is trading at 1x FY24E ABV. We have a positive outlook on the bank backed by its strong show on asset quality, better margins, adequate capitalized level. We expect bank to witness RoA/RoE of 1.4%/14.4% by FY24E.

Ujjivan Small Finance Bank

CMP: INR 14 | Mcap: INR 2,402 Cr

- Focusing on shift towards formal segment: Bank is likely to diversify its portfolio into non-mfi segment. Bank is looking to realign its AUM mix with Micro and non-microbanking shares at 50%-50% over the medium to longer term from currently 68%-32% respectively. Affordable housing and MSE segments to remain key non-microbanking growth drivers in the medium term with focus on the formal segment.

- Asset quality stress started declining: In Q4FY22, bank had reported sharp improvement in the asset quality with GNPA at 7.1% vs. 11.8% in Sep'21. Overall collection efficiency on same month dues improved to 100% in March compared to 97% in January. Collections in the restructured book stood at ~90% in April.

- AUM growth was at 20% YoY led by MFI as well as Non-MFI portfolio: Bank has recorded 20% growth in AUM during FY22. Microfinance portfolio of the bank increased by 14% YoY while non-MFI business increased by 36% YoY. The new management team is clearly focused on executing on growth while also spending efforts and resourced on driving collections as well.

- SFBs gaining credit market share at accelerated rate: India's Small Finance Banks (SFBs) have carved a niche in small-ticket lending (~8% of systemic credit) in a short span of 4 years. They command 6% market share in small loans and incremental market share of >20% pre-covid. Further, SFBs are improving their rural market share at an accelerated pace. Considering the government thrust on financial inclusion, there is a huge untapped lending opportunity and SFBs' experience in underwriting loans based on unstructured data, SFB's will dominate the small-ticket lending space going ahead.

Pitti Engineering Ltd

CMP: INR 280 | Mcap: INR 897 Cr

- The total sheet metal capacity stood at 46,000 tonnes per annum in FY22. The company is expected to reach 72,000 tonnes per annum by the end of FY23. The machining hours stood at 4,03,200 hours and expected to reach 6,48,000 machining hours going forward.

- The company has additional capex of INR 197cr which is expected to start from FY24. Out of INR 197cr, INR 70cr for refurbishing, INR 55cr for increase in machining hours and remaining amount will be utilized for automation and replacement of existing machines.

- The order book stood at INR 1,078cr as on 1st Apr, 2022. Around 30% of the order book comes from railways and locomotives. Out of INR 1,078cr, INR 200cr are long term orders and remaining INR 888cr worth of orders is executable in FY23.

- **Outlook:** PEL has prepone the capex plan to reach 72,000 tonnes per annum by end of FY23 and additional capex of INR 197cr for modernizing the plant, continuous improvement in realization, focused on domestic demand, order execution and getting new orders from customers. The company has integrated manufacturing plants with cutting edge technology, differentiated product offerings, marquee clients, diversified end industries with higher demand would lead the growth going forward. Based on DCF, we have a "BUY" rating with a Target Price of INR 436 per share

Hariom Pipe Industries Ltd

CMP: INR 188 | Mcap: INR 479 Cr

- The Iron ore is purchased from an auctioned platform and converted into sponge iron at Unit II manufacturing plant which is located in Anantapur, Andhra Pradesh. The sponge iron are transmitted to Unit I manufacturing plant which is located in Mahabubnagar to make finished steel products. The company has using ore to produce sponge iron which is then processed across various stages to manufacture final products. This helps to MS Pipes and Scaffolding manufacturing process cost effective. All finished products in various stages acts as an inputs for next process and provides flexibility in alteration of product mix as per the market demand and supply.

- The total installed capacity is around 3 lakh MT and expected to reach around 9.5 lakh MT by FY24.

- The material is sold to dealers and sub-dealers instead of stockists. Stockists generally sell to dealers that sell to sub-dealers by adding their own margins. This gives the advantage of providing proper material as per requirements to the dealers, plus they also get to keep the margin benefits. The dealer network comprises 200+ distributors, with ~1,500 selling points in south India.

Outlook: HPIL has witnessed strong revenue growth (47.7% CAGR) from FY19-FY22, strategically located plants with integration, competitive pricing of the products, cost effectiveness, expanding network, experienced management and capacity expansion would drive the growth going forward. At the CMP of INR 199 per share, the stock is trading at a EV/EBITDA multiple of 5.6x/3.4x its FY23E/FY24E EBITDA of INR 101cr/186cr respectively. We have a BUY rating at a TP of INR 403 per share; valued at EV/EBITDA multiple 4.2x and its FY24E EBITDA of INR 186cr.

Arihant Superstructures Ltd

CMP: INR 123 | Mcap: INR 507 Cr

- ASL's ongoing and upcoming projects have an ~INR 7,000 cr revenue potential over next 7 to 8 years.

- The company received approvals for two affordable housing projects; 1) Arihant Akarshan at Taloja on 10 acres; 2) Arihant Aaradhaya at Kalyan extension on 7 acres. The above two projects have revenue potential of INR 1,100cr and both projects benefiting from Sec 80- IB resulting in income tax exemption for the projects.

- In MMR Region; The company stands top five in terms of units and top 20 in terms of sales. The company gained market share and continues to penetrate micro markets going forward.

- The company has taken price hikes 5% to 10% across projects to maintain the profitability and margin levels.

- The fund raising of INR 45cr from ICICI ventures group companies through Non-Convertible Debentures via private placement basis. The cost of debentures is 16.43%.

- The free cash flows come from sales and collections; contributing from new affordable housing launches at Taloja, Kalyan and Shilphata.

Outlook: Arihant Superstructures Ltd has achieved healthy sales units, sales bookings and collections. The company has revenue potential of more than INR 6,500cr, utilization of funds allocation to new multiplier projects, margin protection through appropriate price hikes, gaining market share from micro markets and free cash flows from existing & new projects which is expected to create value going forward. We have a BUY rating at a Target Price of INR 261 per share based on DCF.

Va Tech Wabag Ltd

CMP: INR 229 | Mcap: INR 1,428 Cr

- The order book stood at INR 10,000cr including framework contracts. In FY22, the revenue stood at INR 2,979cr. Based on the current order book, the company have 3x revenue visibility.

- Net working capital days improved to 87 days from 125/95 days in FY20/FY21 respectively.

- The efficient execution and deployment of resources reflected in the margins front and topline growth in the environments of cost headwinds.

- The company is executing projects through Hybrid Annuity Model (HAM). The company has funding the contributions of equity to HAM SPV established for KMDA Howrah project.

Puravankara Ltd

CMP: INR 82 | Mcap: INR 1,941 Cr

- In FY22, The company has achieved highest ever sales value of INR 2,406cr with total sales volume of 3.52 msft comprising 2,616 units.

- The sales realization improved to 7% YoY to INR 6,838.

- The company reduced debt from INR 2,299cr to INR 1,857cr in FY22.

- The company has ongoing projects consists of 24.99 msft and pipeline for launches around 16.28 msft.

- The profitable execution and leverage on the rich land bank would create a sustained growth trajectory to gain market share across key residential market.

Arvind Smartspaces Ltd

CMP: INR 165 | Mcap: INR 710 Cr

- In FY22, the company achieved higher sales & collections and deleveraged the balance sheet. The sales grew 14% YoY to INR 601cr and collections grew by 83% YoY to INR 595cr.

- The company has completed over 12 projects comprising a total developed area of 4.9 msft and currently executing 8 projects comprising 14 msft; projects yet to be launched measures approx. 6.5 msft.

- The company has a 10% to 15% cost advantage through the contracting model and has a 100% track record for on-time delivery.

- The land parcel in Devanahalli in Bangalore and strategic projects in Pune and Bangalore would enable strong sales momentum going forward.

KPI Green Energy Ltd

CMP: INR 688 | Mcap: INR 1,243 Cr

- Under IPP Segment, KPI develops and maintains grid connected solar power projects as IPP and generates revenue by selling power units generated from solar plants through Power Purchase Agreements ('PPA') with reputed business houses. company has commissioned 69 MW and 27 MW is in advanced stage of execution which will be executed by 31st March 2022.

- KPI Green aspires to achieve annuity-based income through Own IPP, the cumulative portfolio target for the same being 250 MW by 2025.

- The company is on road to achieving one time as well as annuity-based OMS and Lease income from CPP.

- Synergies with KP group KP Buidcon private Limited is involved in EPC activity has acquired manufacturing expertise of steel structures and has provided the company with required manufacturing expertise of steel structure thereby optimizing the cost maintaining excellent quality and enhancing the speed execution.

Ashoka Buildcon Ltd

CMP: INR 71.1 | Mcap: INR 1,984 Cr

- The company has registered highest ever revenue till date and has achieved highest order intake in any financial year and recorded highest closing order.

- The total income for Q4 FY22 stands at INR 1,622.7cr as compared to INR 1,433cr in corresponding quarter last fiscal, registering a growth of 13.2%.

- The company has executed a share purchase agreement with National Investment and Infrastructure Funds for the sale of 100% equity of Chennai ORR for an aggregate financial consideration of INR 686 cr.

- The companies current order book, including the projects received post March stands at INR 14,633 cr.

Vascon Engineers Ltd

CMP: INR 19 | Mcap: INR 413 Cr

- Vascon Engineers Ltd is an engineering procurement and construction services and real estate development company in India with operations in several states and union territories.

- The company has strengthened its balance sheet by raising INR 70 Crores through issue of preferential shares to marquee clients which has helped the company to be in a better position.

- Company has also reduced its debt by INR 98 Crores over the past two fiscal years with our total gross debt standing at INR 157.2 Crores as of March 2022 as against INR 255.3 Crores as on March 2020.

- The company's emphasis continues towards debt repayment and building a robust order book with reliable clientele.

Man Industries Ltd

CMP: INR 71.8 | Mcap: INR 432 Cr

- The main business line includes manufacturing & coating of Large Diameter Carbon steel pipes, Infrastructure, Realty & Trading. They cater to International clients in the oil & gas industry, petrochemicals, water, dredging & fertilizers.

- Man intends to focus on all aspects of operational efficiencies – better utilizations, better absorption fixed costs, reduced wastage - to strengthen competitive position and improve margins and plan on moving from a project to a product-based company.

- Man Industries planning to enter new sectors with existing product offerings, including developing capabilities to diversify the application of current product offering and exploring opportunities in the clean fuel transportation space.

- Man aims to reach a revenue CAGR of 18%-20% over the next 3 years on the back of better utilization of existing facilities and addition of new products

GMR Infrastructure Ltd

CMP: INR 34.1 | Mcap: INR 20,583 Cr

- GMR Infrastructure (GMRI) is one of the largest Indian airport developers and operators with a large portfolio of assets across the energy, transport and urban infra sectors.
- Positive outlook for the future as domestic traffic levels recover in Delhi and Hyderabad airports to near 100% pre-covid levels. Future projects progress as scheduled with Goa Airport's inauguration planned in Aug 2022.

- Poised for breakout growth as a pure airport player. GMR intend to build and scale ancillary business platforms with presence across the airport value chain, scaling platform presence across network airports and expand presence to external and open market opportunities.

Dodla Dairy Ltd

CMP: INR 481 | Mcap: INR 2,859 Cr

- In FY22, Dodla had a 15% YoY revenue growth led by strong volumes and VAP (Value Added Product) sales in FY22. Milk procurement volumes for FY22 stood at 12.5 LLPD, and sales volumes were 12.2 LLPD for FY22. The company registered a healthy 11% YoY and 3% QoQ revenue growth for Q4FY22. Average milk procurement in Q4FY22 was 12.3 LLPD vs 10.8 LLPD in Q4FY21. This was primarily led by growth in distribution channels and healthy VAP sales volumes.

- Dodla successfully acquired Shri Krishna Milk Pvt (SKM) Ltd in 2022, to grow inorganically and to expand the market through geographical penetration in Karnataka and Goa. This will also expand the existing product range offered and improve profitability. SKM mainly produces value-added products and sweets. Dodla plans to expand the distribution and procurement network by joining synergies with SKM's business model.

Dollar Industries Ltd

CMP: INR 454 | Mcap: INR 2,577 Cr

- Dollar expects a 15-17% growth in FY23 with an 8-9% Volume growth. Operating costs may grow at a 7-8% CAGR to FY25. Sustainable margins are 18-18.5% in FY25 and 17-17.5% in FY23. The expected ROE is ~26%.

- They plan to open 25-30 stores on a FOFO model. The franchisees are opened on an outright model or a rent+20% model. The average revenue per store per month is INR 2.5-3 Lakhs, which will increase going forward. 1 new store was opened in Delhi and 3-4 new ones are lined up across north and west India. Teams of agents and officers on the ground, research and assess the geography before approving it for an EBO.

- Project Lakshya currently has 154 distributors (60-70% of the total distributor network), with ~150 active retailers under each distributor. A new system of dealer finance is being implemented, and a digital DMS (dealer management system) is in place. The DMS allows dealers to keep a proper record of all retailers and their orders and has helped the integration of the supply chain, bringing the inventory days down significantly. All data is fed to the company at the end of the week which is when touchdowns with retailers are conducted by field officers and agents. Project Lakshya distributors replenish retailers within 24 hrs. Receivables under the project are ~45 days.

- Once the Integrated warehouse becomes functional in the next year (around Feb-Mar), the company expects INR 2-3 Cr of saving from it.

Raymond Ltd

CMP: INR 813 | Mcap: INR 5,411 Cr

- Ethnix is a very promising brand, expected to be a huge grower under branded apparel. Revenues from Ethnix are expected to be 4-5x in the next 3-4 years. The current revenues are in the range of INR 70-75 Cr, but the margins are pretty high.
- The company expects consumer demand to remain positive due to the upcoming wedding season, offices opening up, etc. Footfalls and secondary sales are expected to pick up from FY23.
- Branded Textile growth expectations are high and expected to be led by the suiting and shirting business as the strength of Raymond. They expect great opportunities with shirting as it can grow exponentially over the next 3-4 years with more wholesalers being on-boarded and new collections being introduced. It can attain 2-digit growth. Suiting is also likely going to undergo more premiumization.

Prataap Snacks Ltd

CMP: INR 669 | Mcap: INR 1,569 Cr

- Capex Plans INR ~100 Cr over the next 2 years. INR 85 Cr of this will be completed in FY23, dedicated toward setting up new facilities and making the 3P model more robust. The remaining will be for maintenance.
- There has been a rapid spread of the DDM (Direct Distribution Model) over the last 2 months. PSL has set up the DDM model all over India for maximum cost optimization which has resulted in a substantial reduction in channel margins.
- The company has guided for double-digit margins and revenue growth will be in the high teens (~20%) for FY23E.
- Demand conditions are expected to remain stable as schools continue to open up.

Mahindra CIE Ltd

CMP: INR 211 | MCap: INR 7,999 Cr

- Mahindra CIE (MCIE) is one of the top global forging players with a strong presence in both Europe and India. Currently, the company's two third of the revenue comes from Europe, while the rest is from India.

- **Order book**: The company has new business from big OEMs in Europe and US due to overachieve the industry growth. Current order book continue to be strong till October.

- **Segment:** Mahindra CIE consolidated revenue stood at INR 2,588 Cr growth of 18.2%YoY/25% backed by strong growth from India and Europe business. Despite the semiconductor shortage, European business margin came at 10.2% positive on QoQ.

- **Capacity utilization:** Indian operations are running close to 100% capacity with the company adding capacities in this domain. While European operations are running at ~70-75% utilisation levels with improvement envisaged in coming quarters.

- **Outlook:** The company has a robust balance sheet with debt to Equity ratio of 0.3x and positive cash flow on CY21. We believe that the supply side issue have been factored in the price and looks for a revival on quarterly basis.

Talbros Automotive Components Ltd

CMP: INR 405 | MCap: INR 500 Cr

- **Heat shield** - The company has seen very good traction and in 6 months will catch revenue between INR 40-45 cr. The demand environment is good, and also Hyundai model launch is coming with a heat shield product.

- **Order book:** The company has a healthy order book for commercial, Agriculture, and exports. The JVs like Marugo has good orders from Maruti, Nippon Leakless Corporation has good orders from HeroHonda.

- **Capacity:** The gasket, is around 84-85%, forging, it's about 65-70%, and Magnite Merilli, 85%.

- **Expansion:** The company is expanding its plant Gasket & forging expansion plant of INR 8 Cr.

- **Capex:** Gasket, INR 20 Cr and forging INR 14 Cr.

- **Outlook:** The company is continuously looking to increase share with existing customers and add new customers across geographies which will help them grow and gain market share in the coming years. Going ahead, once the shortage reduces, the company aims to grow at an even faster rate. The company has been closely monitoring the commodity market and continuously working with customers in the pass. Some green shoot has been seen in 2W and the company is likely to benefit from it as Talbros 26% domestic revenue comes from the 2W & 3W.

Sansera Engineering Limited (SEL)

CMP INR 675 | MCap INR 3,552 Cr

- **Revenue by Geographies:** India revenues 63%, Europe 24% and US 8% and Other Foreign Countries 5%. International; exports from 29% and Sweden sales 8%.

- **Connecting Rod:** The rod connects the piston to a crankshaft, with the smaller end connected to the piston and the bigger one to the crankshaft. SEL is the largest supplier in 2-W connecting rod. The size of the connecting rod market (catering to OEM demand) is estimates to be ~inr 1,060 crore as of FY21.

- **Market share:** Sansera plans to continue to improve its market share, participate in the growing xEV opportunity and diversify into technology-agnostic components and non-auto sectors.

- **Double digit revenue:** The company is expecting a reduction on the margin front in FY23 and revenue will see in double-digit by FY24. The company constructed a greenfield manufacture facility in Bangalore dedicated to Aerospace and defense and this will come on live by Q2FY23. Management believes will see an uptick in this sector Aerospace and defense by FY24 onwards.

- **Order Wins:** The company has already been supplying components to multiple locations of this customer for several years. This ~INR 30 Bn order further strengthens our relationship with them. This INR 3 Bn order from BMW shows Sansera's prowess in Aluminium Forged and Machined Parts. The company has already been supplying components to multiple locations of BMW for the past 3 years and this order further strengthens our relationship with them.

- **Outlook:** The company constructed a greenfield manufacture facility in Bangalore dedicated to Aerospace and defense and this will come on live by Q2FY23.Management believes will see uptick in this sector Aerospace and defense by FY24 onwards. We believe, above factors will drive the growth going forward.

Indiamart Intermesh Ltd

CMP: INR 4,109 | MCap: INR 12,646 Cr

- **Broad-based Growth:** Indiamart has reported consistent growth in registered buyers, grew to 149 Mn showed a growth of 4.2% QoQ. Indiamart has also expanded its foothold on the number of the products live on the platform, total products live on the platform stood at INR 83mn grew 3.75% QoQ.

- **ARPU:** Total business enquiries delivered stood at 120 Mn demostrated a growth of 2.6% QoQ. The company's annualized ARPU for Q4 FY22 declined to INR 47,400 but likely to improve with better offering mix.

- **Acquisition**: IndiaMART announced the 100% acquisition of BUSY Infotech accounting software company, completed on the 6th of April 2022. BUSY Infotech did a collection of roughly about INR 45 crores and generated cash from operations of roughly about INR 10 crores, both of which essentially showed a growth of about 10% from what was done in the last financial year. IndiaMART also completed the acquisition of a 51.09 % stake in Finlite.

- The company is now more focus toward the strategic investment done so far. Going forward less of new business and more focus on the old business.

- **Attrition:** The company has done aggressive salary hike. As of Q4FY22, the company has total 200 people which is >10 years old. IndiaMart is the first company in India to excute successfully to pay salary as weekly basis.

- **Outlook**:We believe Indiamart has built a robust business structure from a long-term perspective, supported by multiple segment and higher penetrations in the rural areas of the country. Going forward, we also believe Indimart to be well-positioned to capture the huge growth opportunity supported by robust technology backup supporting business platform; strong and consistent traffic improvement and margin tailwinds led by cost efficiencies, lower input costs, and higher realization. The company has healthy cash flow generation.

Mastek Ltd

CMP: INR 2,059 | MCap: INR 6,186 Cr

- **Financial performance:** Mastek envisions $1bn revenue by 2026-27. They showcased strong financial growth in recent quarters. Mastek recorded a 27% increase in sales revenue from INR 1,722 Cr. in FY21 to INR 2,184 Cr. in FY22. Debt reduced from INR 262 Cr. in FY21 to INR 203 Cr. in FY22. QoQ revenue increased by 5.4% with INR.581.5 crore revenue in Q4FY22. Profit after Tax was INR 88.2 Cr in Q4FY22, a 5.7% increase. Mastek will have a comfortable 21.2% EBITDA going into FY23.

- UK government's current wallet share is 10-15%, which is a big opportunity for Mastek.In the UK, the company is seeing a huge opportunity for client mining.50% of Oracle's business in the UK is in the Public sector. 3-year Multi-Million deal with Home Office in the UK.

- Mastek is a partner with AWS and Microsoft. The company will bring more partners like Salesforce UiPath and scale them up in different areas across engineering digital space AI, data automation e-commerce, etc.

- **Outlook:** Going forward, we expect Mastek's growth trajectory to be supported by a strong footing in the UK government business and cloud migration, transformation agenda, which is driving Evosys growth. An expected recovery in UK private, based on deal wins and continued growth in the US geography. The deal pipeline is healthy and Mastek closed a USD 65mn. We expect the next phase of growth to be driven by the US geography as the company is looking for an M&A to gain a head start there. We believe margin could face headwinds due to an increase in discretionary cost, attrition, and fresher hiring.

Birlasoft Ltd

CMP: INR 353 | MCap: INR 9,874 Cr

- **Revenue:** Growth for FY23 will be higher than the FY22. The goal of $1 bn revenue run-rate. The pipeline is strong and traction from both new and existing customers.

- **Deal:** Signed deals of TCV $ 696 M during the year. TCV new deal wins of $ 444 M and renewals of $ 252 M for FY22. > $ 5 M customers at 25, up by 3 YoY 7.6% YoY due to normalizing growth one of the life science customer.9 customers in $10mn bucket. The company continues to be getting good demand. The company is looking one large deal vs multiple small deals.

- **Offshore revenue** continues to show momentum and revenue from fixed price 60.7% vs 58.2% from previous.
-
- **Demand:** Demand is a healthy and robust pipeline. The company is confident to achieve the $1bn goals.

- **ERP:** 8-9% growth YoY. ERP is going to help to gain more and more deals. ERP growth has high single-digit growth.

- **Outlook:** The company expects to achieve US$1bn revenue by 2025 and its likely to continue to sustain margins above 15% which will lead to a healthy deal pipeline going forward. We believe growth in ERP and improving price will lead to strong revenue growth in FY23E. As Birlasoft has a strong partnership with hyperscalers like AWS, Microsoft Azure, and Google Cloud due to which revenue growth is expected to be healthy going ahead. We have a BUY rating on the stock with the target price of INR 443.

India Pesticides Ltd

CMP: INR 239 | MCap: INR 1,942 Cr

- The company is the sole Indian manufacturer and leading manufacturers globally for Captan, Folpet and Thiocarbamate Herbicide, in terms of production capacity.

- It will be launching one intermediate and one herbicide in the coming quarters and the total revenue potential from these products launches would be about INR 100 – 150 crores (about 10%-15% of FY22 revenues).

- The company has plant facility at Dewa Road and Sandila. The capacity for Technicals and Formulations at Dewa Road is 2,100 MTPA and 3,000 MTPA respectively, while at Sandila, it is 19,400 MTPA and 3,500 MTPA respectively. The Sandila plant facility is further expanded for Technicals.

- A new capacity is coming up at Hamirpur and plant is likely to commence operations in FY23-24.

- It spent about INR 70 Cr in FY22 and has planned further capital expenditure of INR 70 Cr in FY23. It has backward integration, which supports its operating margins. For FY22, EBITDA margins stood at 30%.

- The future growth drivers include new product launches and capacity expansion with asset-turnover of about 2.5x. At CMP and on TTM basis, the stock is trading at a P/E multiple of 17x.

Best Agrolife Ltd

CMP: INR 817 | MCap: INR 1,942 Cr

- The company is primarily into the manufacturing of formulations for crop protection. The products manufactured include Herbicides, Insecticides and Fungicides. It has 3 manufacturing facilities with formulation capacity of 30,000 MTPA.

- It received patent for RONFEN, which is a three-way insecticidal combination that controls pests. The addressable market for RONFEN is about INR 9,000 crores. Best Agro Life will look to capture about 4-5% of the market share in FY23.

- It has also received patent for another product for a term of 20 years. It has a herbicidal composition of Haloxyfop, Imazethapyr and Chlorimuron and is a one-shot solution for Soyabean. The company targets to launch the product Pan – India in FY23.

- It has guided for 30% Revenue growth and 20% EBITDA growth in FY23, backed by revenues from launch and ramp up from its patented products.

- It has also increased its diversification into synthetic pyrethroids.

- In FY23, the company is expected to garner sales of ~INR 1,600 crores with net profit of INR 130 crores. We, therefore remain positive on the company. At CMP, the shares are trading at a P/E multiple of 16x based on its FY23E EPS of INR 55.

Vishnu Chemicals Ltd

CMP: INR 1,416 | MCap: INR 1,696 Cr

- The company is in the business of manufacturing, marketing and export of chromium chemicals and other specialty chemicals. The Company's principal product include Basic Chromium Sulphate, Sodium Dichromate and Barium Carbonate.

- It has recently completed its backward integration in the Chromium chemical segment, which will improve its operating margins in FY23 and beyond.

- It has also commissioned the expanded capacity for its Barium chemical segment. Compared to Chromium, Barium products have higher margins. Going forward, barium segment will contribute more to the revenue mix, thus further improving the margin profile.

- Along-side, the company is looking to expand its Chromium facility to cater to rising demand. The facility is likely to be on-stream by H1FY23.

- It is also introducing value-added derivative products within Barium segment with focus on auto sector. The launch is expected in Q1FY24.

- Given the growth drivers, we value the company at a P/E multiple of 15x its FY24E EPS of INR 141.1 with a target price of INR 2,116 per share.

Heranba Industries Ltd

CMP: INR 530 | MCap: INR 2,122 Cr

- The company is engaged in the crop protection business and is a market leader in the pyrethroids segment.

- It is expanding its capacity by about 30% and the facility is likely to come on-stream in the third quarter of FY23. This will facilitate volume growth for the company going forward.

- It is looking to ramp up its international operations, which have higher margins compared to the domestic sales. Also, the company entered the US market in late 2021 and is looking to expand its sales in the region. This will support higher margin growth for Heranba Industries Ltd.

- The company has a strong product portfolio mix comprising of technical and formulations. This gives the company a strategic advantage to diversify its customer base and cater to different regions. The contribution of top 10 clients to its overall revenues is less than 25%, which reduces its dependency on any particular client.

- Considering the volume and margin growth drivers, we value the company at a P/E multiple of 15x its FY24E EPS of INR 71.6 and arrive at a Target Price of INR 1,073 per share.

GHCL Ltd

CMP: INR 563 | MCap: INR 5,370 Cr

- The company is a major player in the domestic soda ash segment and also has a textile division for spinning.

- The global soda ash industry is facing demand-supply imbalance with a supply shortfall of about 3 million tonnes.

- Global and domestic prices of soda ash are moving northwards which is helping companies to sustain higher operating margins and robust EBITDA per ton.

- GHCL has also increased the capacity of sodium bicarbonate and looking to expand soda ash capacity through greenfield project.

- Limestone, salt and lignite are important raw materials used for the manufacture of soda ash. The company has captive mines for limestone and lignite and sources about 30%-40% of salt requirement internally. Consequently, the company will benefit from raw material security.

- We appraise the base business of Chemicals on EV/EBITDA multiple of 7x its FY24E EBITDA and arrive at a fair value of INR 800 per share. The Textile business is valued by applying 25 discount to its replacement cost, yielding per share value of INR 98 Accordingly, we have a Target Price of INR 898 /share for GHCL Ltd.

IG Petrochemicals Ltd

CMP: INR 570 | MCap: INR 1,750 Cr

- The company is a leading manufacturer of phthalic anhydride in India. It also produces maleic anhydride and other value added products, used in the plasticizer industry.
- It is currently expanding its phthalic anhydride capacity which will come on-stream by 2024 and will support volume growth for the company.
- Currently, the contribution of value-added products to the total sales is about 10%. The management is targeting to increase the contribution of value-added products to 30% in the next 2-3 years. This will support margin expansion for the company.
- The phthalic anhydride industry also has favourable demand-supply dynamics and there is no major capacity coming up in the near term.
- At CMP and on TTM basis, the shares are trading at a P/E multiple of 6.5x, which is attractive from long term point of view.

Sakar Healthcare Ltd

CMP: INR 154 | MCap: INR 264 Cr

- It is engaged in the formulation of pharmaceutical products and caters to domestic as well as international markets.
- It has recently commissioned an oncology facility which will manufacture oral solids and injectables. The oral solids has been commercialized, while injectable facility will be mobilized in early 2023.
- Revenue is likely to triple in about 3-4 years, driven by the oncology segment. The company has received orders from domestic client.
- It has marquee clients with strong relationship with domestic pharmaceutical manufacturers with global presence.
- Factoring in the robust growth drivers, we have a Target Price of INR 375 per share.

Chemplast Sanmar Ltd

CMP: INR 445 | MCap: INR 7,140 Cr

- It is a leading manufacturer of suspension PVC (Poly Vinyl Chloride) and specialty paste PVC in India.
- The company is adding 41,000 tons of PVC capacity at Cuddalore, which will come on board in FY24. Most orders have been placed and the construction is expected to commence very soon.
- In the Custom Manufacturing Segment, the first phase of the multi-purpose plant is expected to be completed by Q1FY24.
- The Chloromethane market in India is expected to remain buoyant driven by demand from refrigerated and air-conditioner clients.
- The caustic soda capacity will be fully restored to maximum capacity of 119,000 tons by FY24.
- The long-term growth in the company will be driven by capacity expansion across segments. Immediate debottlenecking in PVC segment will increase volumes in FY23. Going forward, realization is expected to remain stable, given the demand-supply imbalance in the PVC segment. At CMP and on TTM basis, the stock is trading at a P/E multiple of 11.6x.

Windlas Biotech Ltd

CMP: INR 213 | MCap: INR 464 Cr

- It is a major player in the CDMO space with exposure in Trade Generics and Exports.
- CDMO is the major revenue generator and contributes about 80% of the total sales, while trade generics and export contribute about 15% and 4% respectively.
- It has marquee client relationship and serves CDMO services to 7 out of top 15 Indian Formulation pharmaceutical companies.
- Future growth drivers include expanding in the injectable portfolio, focus on non-CDMO SBVs like high growth domestic trade generic brands.
- At CMP and on TTM basis, the shares are trading at a P/E multiple of 11x.

Greaves Cotton Ltd.

CMP: INR 149 | MCap: INR 3,443 Cr

- About Current Investment: Abdul Latif Jameel, an independent, family-owned, diversified global investor and operator has announced its commitment to invest $220 mn (INR 1700 cr) in GEM. Abdul Latif Jameel will initially invest $150 mn (INR 1160 cr) for a 35.8% fully diluted stake making it the 2nd-largest shareholder in Greaves Electric Mobility.

- Strategic Rationale: 1) GEM will utilize the proceeds for investment in E2W/E3W for new products, 2) Associated technologies, 3) Money will be used for the brand building for the Ampere and to enhance manufacturing capacity, 4) Scaling up the business on the international and domestic, 5) Manufacturing capacity up to desire of $1mn level, 6) Leverage Abdul Latif Jameel's extensive global experience in the automotive market and early-stage growth journey.

- EV capacity 1) The company has ramped up 250k units and is today able to deliver 250k and as per the demand 250k-500k and when its need can go to the mn units and running in one shift. 2) The company has gone through localization and the company has sourced through localization.3) The only changes on the chip side that the company is managing very well.•Non-automotive engine: 12k+ in terms of volume post-Covid coming back due to farm equipment, and infrastructure construction. Challenges on the raw material side. In Q4FY22 revenue mix, ~30% and growth will be healthy going ahead

- Outlook: We believe, a strong traction rival in e-mobility, reviving traditional business and a sound balance sheet makes Greaves cotton well focused on a faster ramp-up and gaining the first-mover advantage in EV space. After the current investment, expecting a positive surprise on the volume front, with additional capital coming in expected accelerate EV penetration of 2W and 3W segments. Also, semiconductor availability is likely to hit in the H2FY23 which, would help the company to grow its margin going ahead. However, it will face competition from other industry players like HeroMotoCorp, Bajaj Auto, and TVS Motors, who are likely to launch EVs in 6 weeks to one month. We expect GCL to deliver a ~6-7% revenue growth CAGR over FY21-FY24E with an EBITDA margin of 7%-7.5% over FY21-Y24E. We have an Accumulate rating on the stock with the target price of INR 186.

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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