

Exhibit 1: Top Picks

Company	CMP (₹)	TP (₹)
Auto		
Ashok Leyland	124	145
Escorts	1204	1573
GNA Axles	462	550
Suprajit Engg.	285	360
Banking		
Federal Bank	87	110
IDFC First Bank	54	77
Shri.City Union.	1729	2100
Pharma		
Apollo Hospitals	3716	3900
IT		
L & T Infotech	4034	4585
Others		
Carborundum Uni.	669	740
Crompton Gr. Con	450	480
Godrej Propert.	1482	1600
Jindal Steel	400	550
Quess Corp	808	1060
Stove Kraft	740	950
Galaxy Surfact.	3144	3594

Source: Company, Angel Research

Note: Closing price as on 7th July, 2021

India economic recovery to pick up pace in July – The month of June witnessed sequential recovery in economic activity with gradual reopening across regions. This is seen in some of the indicators like mobility and recovery in June e-way bills generated, from the lows seen in May. With infection rate staying low (positivity rate of 2.4%, June-end) despite the unlocking, we believe that the economic activity should return to levels seen in January as we progress through July. Although the same is not yet reflected in the Manufacturing and Services PMI numbers for June. Services PMI contracted and registered the fastest rate of reduction to 41.2 (vs. 46.4 in May). Manufacturing PMI came in at 48.1 in June, below 50 for the first time since July 2020 owing to intensification of the pandemic and its impact on demand. However, next month's numbers are likely to move towards the neutral level.

Demand recovery and lower impact of the third wave to lend support – The June auto numbers and channel checks for consumer segments points that demand has recovered to some extent. Wholesale Auto numbers were ahead of expectations, retail registrations were up strongly on MoM basis and initial part of the month saw traction in sales for consumer durables. The timing of the third wave in India is predicted between August-October 2021 by various medical experts which provides some breathing room. The vaccination pace has already picked up with 19.7%/4.2% of population partially/fully vaccinated as at June-end, up from 12.1%/3.1% at the end of May. We expect this to improve to 42.5%/23% by Mid-September which will place us well for the festive seasons.

India Inflation is up but will be transient – The rising inflation, which was ahead of RBI's target band is causing concerns. The May CPI (reported in June) rose sharply to 6.3% YoY and 1.6% sequentially and Core Inflation was up 6.5% YoY and 1.5% sequentially. Core Inflation was broad based while headline inflation was led by Food inflation. We believe that large part of this due to global reflationary pressures on account of supply chain related issues. We believe that given the focus on growth, the RBI would maintain the accommodative stance for the next quarter.

Global cues remain strong– The US economy continues to gather momentum and inflation numbers have been ahead of Fed's targeted range. However, the same has been on account of the 2nd and the 3rd round of stimulus, effects of which are expected to wear off by Sep'21. Apart from strong demand, supply side constraints have led to increase in inflation at US and at global level. PMI numbers for major economies are strong and with easing of supply chain restriction, and hence inflation levels are expected to normalize over the course of 2021 as low base effect of last year wears off. We do not foresee any immediate action by the Feds that would be detrimental to emerging economies.

Top Picks Performance

	Return Since Inception (30th Oct, 2015)
Top Picks Return	143.7%
BSE 100	95.4%
Outperformance	48.3%

Source: Company, Angel Research

Top Picks

Stock Info

CMP	54
TP	77
Upside	43%
Sector	Banking
Market Cap (₹ cr)	33796
Beta	1.5
52 Week High / Low	69/24

3 year-Chart


Source: Company, Angel Research

IDFC First Bank

- The Ability to raise sufficient liquidity at Low cost would be The Key criteria for banks to navigate the current situation, as asset side inflow would be limited. IDFC First Bank, Post management change has clearly outperformed in building liability franchise and retail lending.
- Since new management took charge, every qtr. liability franchise has been strengthened. CASA ratio improved from 10.4% in Q3FY19 to ~43% In Q4FY21. NIM's have also been stable for the bank despite interest reversals in Q4FY21. Moreover, the bank is back on the growth path driven by strong growth in Retail AUM.
- The Bank had raised Rs. 3,000 crores of fresh equity capital during April 2021. Post the capital raise, the company will be able to continue expanding its high margin retail business aggressively.

Key Financials

Y/E	NII (₹ cr)	NIM (%)	PAT (₹ cr)	EPS (₹)	ABV (₹)	ROA (%)	ROE (%)	P/E (x)	P/ABV (x)
March									
FY2022E	8,488	4.9	1,425.8	2.5	29.8	0.8	7.7	21.8	1.9
FY2023E	9,792	4.9	1,778.8	3.1	32.7	0.8	8.8	17.6	1.7

Source: Company, Angel Research

Stock Info

CMP	86
TP	110
Upside	27%
Sector	Banking
Market Cap (₹ cr)	17418
Beta	1.7
52 Week High / Low	92/45

3 year-Chart


Source: Company, Angel Research

Federal Bank

- Federal bank is one of India's largest old generation private sector banks. At the end of FY2021 the bank had total assets of Rs. 1.9 lakh cr. with deposits of Rs. 1.56 lakh cr. and a loan book of Rs. 1.2 lakh cr.
- NPA's have remained steady for the bank over the past few years with GNPA for Q4FY21 at 3.41% while NNPA ratio stood at 1.19%. PCR at the end of FY21 stood at ~65% which we believe is adequate. Total restructured book stood at Rs. 1409 crore at the end of Q4FY21. This is against earlier expectations of total restructuring of Rs. 3,000-3,500 crore.
- The company has posted a decent set of numbers for Q4FY21 as the loan book grew by 7.9% YoY led by strong growth in retail portfolio. NIM's for the quarter was up by 1bps QoQ to 3.23% while NII grew by a strong 16.8% YoY to Rs. 1,437 crores.

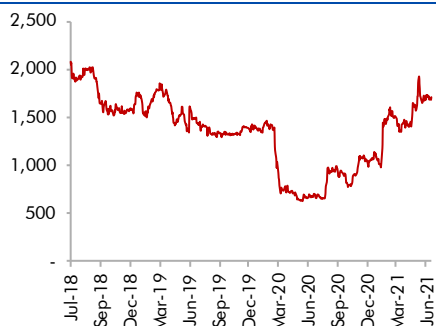
Key Financials

Y/E	NII (₹ cr)	NIM (%)	PAT (₹ cr)	EPS (₹)	ABV (₹)	ROA (%)	ROE (%)	P/E (x)	P/ABV (x)
March									
FY2022E	7,156	3.3	2,311.7	11.6	85.5	1.1	13.4	7.5	1.0
FY2023E	8,321	3.4	2,609.0	13.1	98.1	1.1	13.2	6.7	0.9

Source: Company, Angel Research

Stock Info

CMP	1729
TP	2100
Upside	21%
Sector	Banking
Market Cap (₹ cr)	11139
Beta	1.1
52 Week High / Low	1962/645

3 year-Chart


Source: Company, Angel Research

Shriram City Union

- Shriram City Union Finance is part of the Shriram group and is in the high margin business of lending to small businesses which account for 57.3% of the loan book as of end FY20. The company also provides auto, 2-wheeler, gold, and personal loans. The company posted a good set of numbers for the quarter due to positive surprise on the asset quality front. NII for Q4FY21 was up by 3.2% YoY to Rs. 928.5 crore while PPOP was up by 7.2% YoY to Rs. 551 crores. Provision during the quarter was down by 47.4% yoy to Rs. 163.8 crore while profits were up by 84% yoy to Rs. 282 crores.
- SCUF reported a strong 6.0% sequential growth in disbursement for the quarter which led to a 3.9% qoq growth in AUM to ~ Rs. 29,571 crore. SCUF surprised positively on the asset quality front Gross stage 3 loans decreased by 9bps qoq to 6.37% in Q4FY21. Net stage 3 for the quarter declined to 3.08% while PCR ratio stood at 51.6%.

Key Financials

Y/E	NII	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2022E	4,295	12.0	1,343.8	203.6	1315.7	3.8	15.3	8.3	1.2
FY2023E	5,019	12.5	1,582.4	239.8	1537.4	3.9	15.4	7.0	1.0

Source: Company, Angel Research

Stock Info

CMP	285
TP	360
Upside	26%
Sector	Auto
Market Cap (₹ cr)	3922
Beta	0.9
52 Week High / Low	318/147

3 year-Chart


Source: Company, Angel Research

Suprajit Engg.

- Suprajit Engineering (SEL), is the largest supplier of automotive cables to the domestic OEMS with presence across both 2Ws and PVs. Over the years, SEL has evolved from a single product/client company in India to having a diversified exposure which coupled with its proposition of low-cost player has enabled it to gain market share and more business from existing customers.
- SEL has outperformed the Indian Auto industry in the recent years (posting positive growth vs low double-digit declines for the domestic 2W and PV industry in FY21). The company believes that consolidation of vendors and new client additions would help in maintaining the trend of market/wallet share gains.
- SEL has grown profitably over the years and as a result boast a strong balance sheet (net cash). We believe SEL is prime beneficiary of ramp-up in production by OEMs across the globe and is well insulated from threat of EV (is developing new products). Its premium valuations are justified in our opinion owing to strong outlook and top-grade quality of earnings.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	1,840	14.9	175	12.6	16.8	22.4	3.6	2.2
FY2023E	2,182	15.8	227	16.4	19.5	17.3	3.2	1.8

Source: Company, Angel Research

Stock Info

CMP	1204
TP	1573
Upside	31%
Sector	Auto
Market Cap (₹ cr)	16211
Beta	1.1
52 Week High / Low	1468/1041

3 year-Chart


Source: Company, Angel Research

Stock Info

CMP	462
TP	550
Upside	19%
Sector	Auto
Market Cap (₹ cr)	996
Beta	1.2
52 Week High / Low	482/170

3 year-Chart


Source: Company, Angel Research

Escort Ltd.

- Escort is a prominent tractor player domestically with market share of 11.3% for FY21. The company's brand of tractors is particularly strong in the northern as well as the eastern belt of India.
- Considering record food-grain procurement by government agencies as well expectation of good Kharif crop in 2021, we expect the tractor industry will continue to outperform the larger automobile space in FY22 with Escorts being a key beneficiary.
- Escorts in the recent past has also entered into a strategic partnership with Kubota Corporation of Japan (one of the global leaders in farm machinery and implements), which provides further visibility of growth for the company, going forward.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	7,843	14.7	874	86.4	14.6	13.9	2.0	2.5
FY2023E	8,840	15.3	1,034	102.2	14.8	11.8	1.7	2.3

Source: Company, Angel Research

GNA Axles Ltd

- GNA Axles is one of the leading suppliers of rear axles to the Auto industry. The company is a major supplier of rear axles to the CV industry and is expected to be one of the biggest beneficiaries of the revival in the CV cycle. The company derives 60% of its revenues from exports while the balance 40% of the company's revenues comes from the domestic markets.
- GNA is expected to be one of the biggest beneficiaries of strong growth outlook for truck sales in US and Europe markets which are witnessing strong recovery in demand. US which accounts for almost 40% of the company's revenues has been registering strong class 8 truck sales.
- The venture into the SUV axle would provide the company with new growth avenues while the recovery in the domestic CV cycle also bodes well for the company. At current level the stock is trading at a P/E multiple of 11.8x FY23E EPS estimate of Rs. 39.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)
FY2022E	1,026	15.5	76	35.4	13.6	13.1	1.8	1.0
FY2023E	1,140	15.0	84	39.3	13.3	11.8	1.6	0.9

Source: Company, Angel Research

Stock Info

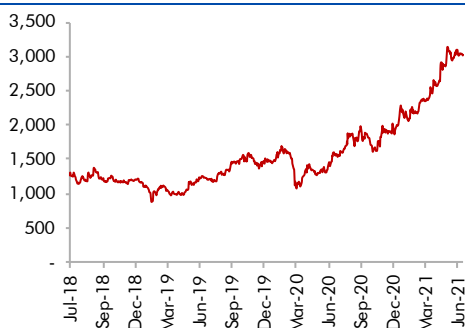
CMP	124
TP	145
Upside	17%
Sector	Auto
Market Cap (₹ cr)	36650
Beta	1.6
52 Week High / Low	139/48

3 year-Chart


Source: Company, Angel Research

Stock Info

CMP	3144
TP	3594
Upside	14%
Sector	Others
Market Cap (₹ cr)	11172
Beta	0.6
52 Week High / Low	1537/3294

3 year-Chart


Source: Company, Angel Research

Ashok Leyland Ltd.

- The Ashok Leyland Ltd (ALL) is one of the leading player in India CV industry with a 32% market share in the MHCV segment. The company also has a strong presence in the fast growing LCV segment.
- Demand for MHCV was adversely impacted post peaking out due to multiple factors including changes in axel norms, increase in prices due to implementation of BS 6 norms followed by sharp drop in demand due the ongoing Covid-19 crisis. While demand for the LCV segment has been growing smartly post the pandemic, demand for the
- MHCV segment has also started to recover over the past few months before the 2nd lockdown while demand for buses are expected to remain muted due to greater preference for personal transportation. We believe that the company is ideally placed to capture the growth revival in CV segment and will be the biggest beneficiary of the Government's voluntary scrappage policy and hence rate the stock a BUY.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	22,491	7.8	558	1.9	7.6	65.8	4.9	1.8
FY2023E	30,700	10.1	1,560	5.3	19.6	23.5	4.4	1.3

Source: Company, Angel Research

Galaxy Surfact.

- Galaxy Surfactants is a market leader in Oleo-chemical-based surfactants, which is used in personal and home care products including skin care, oral care, hair care, cosmetics, toiletries and detergent products.
- The company has been increasing its share of high margin specialty care products in its' portfolio which now accounts for ~ 40% of its' revenues while the balance is accounted for by the performance surfactant business. Company has very strong relationships with MNC clients like Unilever, P&G, Henkel, Colgate-Palmolive and supplies raw materials to them not only in India but also in the US, EU and MENA region.
- Though the company's operations were impacted due to the Covid-19 outbreak in FY21 we expect revenues to register a strong growth from FY22 onwards given the company's exposure to the personal and home care segment and recovery in the specialty segment. We are positive on Galaxy Surfactant and recommend a BUY with a target price of Rs. 3594.

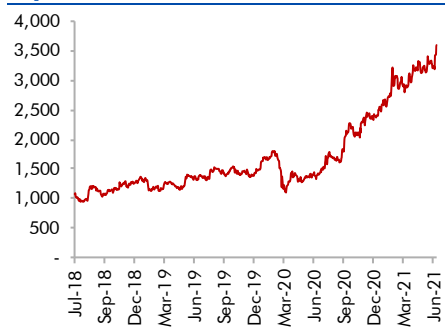
Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	3241	16	344.1	97.1	0.2	32.3	7	3.5
FY2023E	3646	16.2	398.1	112.3	0.2	27.9	5.9	3

Source: Company, Angel Research

Stock Info

CMP	3720
TP	3900
Upside	5%
Sector	Pharma
Market Cap (₹ cr)	53483
Beta	0.7
52 Week High / Low	3762/1368

3 year-Chart


Source: Company, Angel Research

Apollo Hospital

- Apollo hospitals is the largest private healthcare company in India. Company having 44 owned hospitals with Operational beds of 7500+. Company major revenue comes from Tamil Nadu and Andhra Pradesh region with 39% and 19% respectively.
- Better than expected recovery in revenue post Covid hit in Q1FY21. In Q3FY21 revenue was at 85% of pre Covid levels, we expect this quarter revenue to reach above pre covid levels. We expect occupancy levels and LOS to increase further in FY2022. Company having capacity of 10300+ beds out of which 7500 beds are operational only, if expect these beds to come in operation soon and start contributing in revenue.
- As daily covid cases are on the up move, this will increase the occupancy levels of hospitals and along with this pharmacy to do better than market expectations.

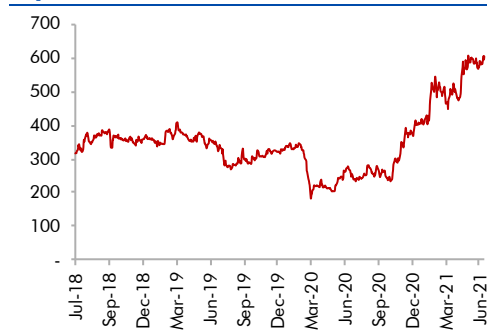
Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	12342	48.5	668	48	16.8	77.5	12.5	4.2
FY2023E	13180	48.5	830	60	17	62.3	11.7	3.9

Source: Company, Angel Research

Stock Info

CMP	669
TP	740
Upside	11%
Sector	Others
Market Cap (₹ cr)	12066
Beta	0.6
52 Week High / Low	667/232

3 year-Chart


Source: Company, Angel Research

Carborundum Universal

- Carborundum Universal (CUMI) is part of the Murugappa group and is a leading manufacturer of abrasives, industrial ceramics, refractories, and electro minerals in India having application across diversified user industries. The company is expected to benefit from improving demand scenarios across its end user industries such as auto, auto components, engineering, basic metals, infrastructure, and power.
- While demand from the Auto sector has been good and we expect demand from metal industry pick up given increased economic activity. The company has posted a robust set of numbers for Q4FY21 with revenues increasing by 27% YoY to Rs. 757 crore driven by domestic growth.
- Overseas operations recovered in Q4 and operations are expected to be at normal levels. EBIDTA for the quarter was up by 55% YoY to Rs. 158 crore while EBIDTA margins also improved to 20.9%. Adj. Net profit for the quarter was up by 18% YoY to Rs. 111 cr.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	3,060	17.3	345	18.2	14.9	34.9	5.2	3.8
FY2023E	3,519	17.6	414	21.8	15.7	29.1	4.6	3.2

Source: Company, Angel Research

Stock Info

CMP	400
TP	550
Upside	37%
Sector	Others
Market Cap (₹ cr)	40209
Beta	1.5
52 Week High / Low	502/153

3 year-Chart


Source: Company, Angel Research

Jindal Steel

- Jindal Steel & Power Ltd. (JSPL) is one of India's largest Iron & steel companies with an installed capacity of 8.6mn Tonne at the end of FY2021. Global steel cycle has turned around due to normalization of demand in developed economies due to reopening of the economies.
- This has led to significant increase in demand for steel which in turn has led to record high international steel prices. Moreover, China's focus on limiting domestic production and removing export rebates for various categories of steel has also led to fall in Chinese exports which has led to lower domestic prices in China but has led to firming of international steel prices.
- JSPL has posted a very strong set of numbers for Q421 due to firm domestic prices and availability of low cost iron ore from Sarda mines. The company has also been deleveraging its balance sheet with net debt expected to come down to ~Rs. 12,600 cr by FY2022 which should lead to a rerating in the stock. At current levels the stock is trading at EV/EBIDTA of 4.0x FY2022 EBIDTA and offers value given the upturn in global steel cycle.

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	47159	31.1	6658	69	18	5.7	1.1	4
FY2023E	46857	28.5	6178	64	17.2	6.2	1.02	4.0

Source: Company, Angel Research (Standalone nos.)

Stock Info

CMP	450
TP	480
Upside	7%
Sector	Others
Market Cap (₹ cr)	28280
Beta	0.5
52 Week High / Low	467/235

3 year-Chart


Source: Company, Angel Research

Crompton Gr. Electricals

- Crompton Greaves Consumer Electrical (CGCEL) is of India's leading fast moving electrical goods (FMCG) company with a strong presence in the fan and residential pump category. The company is the market leader in the domestic fan and residential water pump business with value market share of 24% and 28%, respectively.
- Over the years' company has built a strong distribution network of over 3500+ dealers. The company is leveraging its strong distribution network to expand into other product categories like water pump, lightings and small appliances.
- The company has posted a strong set of numbers for QFY21 with revenue growing by 48.3% YoY to Rs. 1,522 crores. EBITDA for the quarter increased by 61.4% YoY to Rs. 228 crores while margins expanded by 122 bps yoy to 15.0%. PBT for the quarter was up by 68.9% yoy at Rs. 231 crores. Given the strong operating performance and expected growth rate we are positive on Crompton Consumer and rate the stock as a BUY.

Key Finances

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	5,572	14.8	646	10.3	30.8	43.7	11.6	4.3
FY2023E	6,408	14.8	737	11.8	29.3	38.2	9.6	3.8

Source: Company, Angel Research

Stock Info

CMP	1482
TP	1600
Upside	8%
Sector	Others
Market Cap (₹ cr)	40103
Beta	1.0
52 Week High / Low	1573/821

3 year-Chart


Source: Company, Angel Research

Godrej Propert.

- Godrej property are amongst India's largest developer by residential sales. As of 31st March 2021, the company has a total salable area of 187 msf in total 85 different projects across India. Company has done a pre-sale of 4.17 msf in Q4FY21 up by 16% and booking values of ₹2632 crores up by 10%. Company received a very good response for the new launched property
- As Godrej Property having a very robust pipeline of 12.3 msf for upcoming years, further new launches in Mumbai once relaxation in lockdown.
- We are expecting a strong recovery in residential market in 2nd half of 2022, company to get benefit of shift from unorganized to organized market as well as company have a great brand recognition.

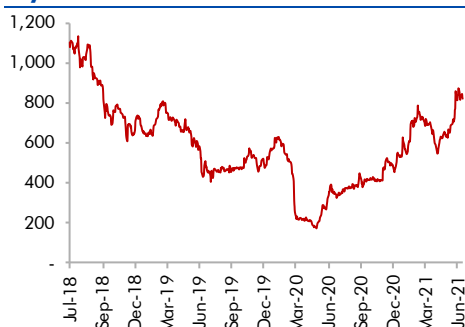
Key Finances

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BVEV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)
FY2022E	1520	10.6	493	17.7	5.80%	81.5	4.6
FY2023E	1951	31.7	880.6	31.7	9.50%	45.5	4.5

Source: Company, Angel Research

Stock Info

CMP	808
TP	1060
Upside	31%
Sector	Others
Market Cap (₹ cr)	11943
Beta	0.9
52 Week High / Low	888/307

3 year-Chart


Source: Company, Angel Research

Quess Corp

- Quess Corp is one of India's leading human resource companies offering a range of solutions to employers for fulfilling their hiring requirement. The company is in the fast growing field of providing staffing solutions to companies and has registered a revenue CAGR of 52.6% between FY16 to FY21.
- Revenues for the company were impacted due to the lockdowns in 1HFY21. However, the company has registered a strong growth in 2HFY21 due to increased demand for staffing as lockdowns were eased. Though there could be some impact on revenues in Q1FY22 due to the second Covid wave we feel that it will be temporary in nature and the company should register strong growth for the rest of FY22 as there is a growing trend of outsource some of the non-core positions post the pandemic.
- Moreover, Quess Corp is trading at a P/E multiple of 20.0x FY23 EPS which is at a significant discount to Team Lease despite having similar return ratios. Given similar growth profile and return ratios we feel that Quess Corp offers value at current levels and rate it a BUY.

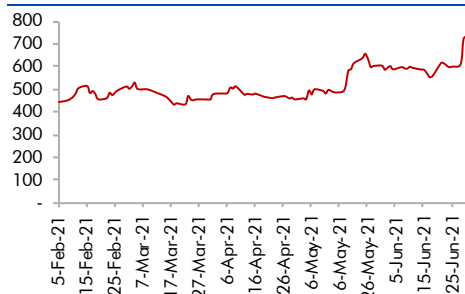
Key Finance

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	13037	5.4	442	29.9	16.4	27.0	3.4	0.9
FY2023E	15905	5.5	627	42.4	17.5	19.1	2.8	0.8

Source: Company, Angel Research

Stock Info

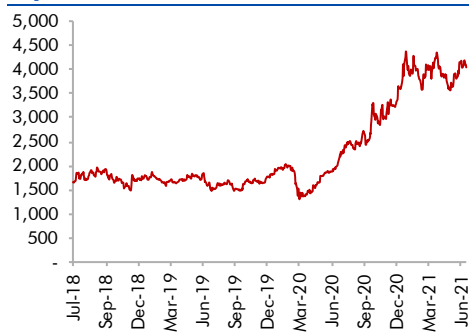
CMP	740
TP	950
Upside	28%
Sector	Others
Market Cap (₹ cr)	2412
Beta	0.8
52 Week High / Low	787/400

5 Month-Chart


Source: Company, Angel Research

Stock Info

CMP	4035
TP	4585
Upside	14%
Sector	IT
Market Cap (₹ cr)	70695
Beta	0.6
52 Week High / Low	4500/1958

3 year-Chart


Source: Company, Angel Research

Stove Kraft

- Stove Kraft Ltd (SKL) is engaged in the business of manufacturing & selling Kitchen & Home appliances products like pressure cookers, LPG stoves, non-stick cookware etc. under the brand name of 'Pigeon' and 'Gilma'.
- In the Pressure Cookers and Cookware segment, over the last two years, the company has outperformed Industry and its peers. Post Covid, organized players are gaining market share from unorganized players which would benefit the player like SKL.
- Going forward, we expect SKL to report healthy top-line & bottom-line growth on the back of new product launches, strong brand name and wide distribution network.

Key Finance

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	970.6	0.132	79.7	24.5	21.0	30.2	5	4.7
FY2023E	1125.9	0.133	97.6	30	20.5	24.7	3.9	3.5

Source: Company, Angel Research

L&T Infotech

- L&T Infotech (LTI) is one of the fastest growing mid cap IT companies in India. IT is part of the L&T group and provides services like ADM, Enterprise solutions, Infrastructure management services etc.
- The company has a very strong presence to the BFSI & manufacturing verticals which accounts for ~45% and 17.5% of the company's revenues and are amongst the least impacted verticals due to the shutdown on account of Covid - 19. The company doesn't have a very large exposure to service oriented verticals like travel & Tourism which are amongst the worst impacted due to the Covid - 19 outbreaks.
- LTI has been growing significantly faster than both mid and large cap peers over the past few years on the back of strong deal wins and we expect the outperformance to continue for the company. We expect the company to post revenue/EBITDA/PAT growth of 17.9%/20.5%/20.5% between FY20-FY23 given a strong deal pipeline and increased demand for digital solutions.

Key Finance

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2022E	15013	19.6	2209	127	0.254	31.8	8.2	4.4
FY2023E	17847	19.9	2660	153	0.254	26.5	6.8	3.6

Source: Company, Angel Research

Stock bought in Last 6 Month

Stock	Date	Reco	Price
Apollo Hospitals	20-Apr-21	BUY	3,242
Carborundum Universal	5-Feb-21	BUY	452
Crompton Gr. Con	3/17/2021	BUY	402
Galaxy Surfact.	7-Jul-21	BUY	3,135
GNA Axles	17-Feb-21	BUY	406
Godrej Propert.	6/4/2021	BUY	1,420
HCL Technologies	11-Feb-21	BUY	965
Jindal Steel	6/14/2021	BUY	420
L & T Infotech	6/11/2021	BUY	4,060
Metropolis Healt	3/22/2021	BUY	1,944
PNC Infratech	4-Feb-21	BUY	231
PVR	4-Mar-21	BUY	1,494
Quess Corp	16-Jun-21	BUY	840
Shri.City Union	8-Feb-21	BUY	1,468
Stove Kraft	21-Jun-21	BUY	578
Suprajit Engg.	6/8/2021	BUY	288

Source: Company, Angel Research

Stock sold in last 6 Month

Stock	Date	Reco	Price
Ashok Leyland	11-Feb-21	EXIT	134
Atul	1-Feb-21	EXIT	6,470
Galaxy Surfact.	15-Jun-21	EXIT	3,086
Hawkins Cookers	4-Feb-21	EXIT	5,710
HCL Technologies	4/28/2021	EXIT	926
JK Lakshmi Cem.	3/17/2021	EXIT	419
Metropolis Healt	11-Feb-21	EXIT	2,120
Metropolis Healt	4/27/2021	EXIT	2,354
Mindtree	5-Feb-21	EXIT	1,707
Narayana Hrudaya	3-Mar-21	EXIT	430
NRB Bearings	8-Jun-21	EXIT	131.600
PNC Infratech	3/16/2021	EXIT	253
PVR	29-Jun-21	EXIT	1,355
Whirlpool India	4-Feb-21	EXIT	2,465

Source: Company, Angel Research

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1. Financial interest of research analyst or Angel or his Associate or his relative	No
2. Ownership of 1% or more of the stock by research analyst or Angel or associates or relatives	No
3. Served as an officer, director or employee of the company covered under Research	No
4. Broking relationship with company covered under Research	No

**Ratings (Based on Expected Returns:
Over 12 months investment period)**

Buy (> 15%)

Accumulate (5% to 15%)

Neutral (-5 to 5%)

Reduce (-5% to -15%)

Sell (< -15%)

Hold (Fresh purchase not recommended)