

**Top Picks**

Company	CMP (₹)	TP (₹)
<b>FMCG</b>		
Colgate-Palmolive	1,343	1,772
Nestle India	17,420	20,687
P&G Hygiene	10,063	12,230
Britannia Industries	2,978	3,550
<b>Other Consumer Goods</b>		
Avenue Supermarts	2,205	2,735
Bata India	1,266	1,561
Hawkins Cookers	4,956	6,200
<b>Healthcare &amp; Pharma</b>		
IPCA Laboratories	1,575	1,900
Alkem Laboratories	2,670	3,300
<b>IT</b>		
Infosys	675	841
L&T Infotech	1,529	1,803
<b>Chemicals/Agrochemicals</b>		
PI Industries	1,529	1,785
Galaxy Surfactants	1,356	1,610
Aarti Industries	1,138	1,284
Dhanuka Agritech	434	520
<b>Telecom/Others</b>		
Bharti Airtel	528	594
Reliance Industries	1,461	1,626

Source: Company, Angel Research

Note: Closing price as on 5th May, 2020

**Market recovers in April as FPI outflows slow down** – Post sharp correction in Mar'20 due to rapid spread of Covid – 19 globally sentiments turned positive in April due to intervention by global central banks who pumped in unprecedented liquidity from the second half of March. As a result FPI outflows from India abated significantly in April to ₹6,884 cr. as compared to ₹61,973 cr. in March 2020.

**Global lockdowns have slowed the spread of Covid – 19** – Rapid spread of Covid – 19 globally had led to Governments resorting to unprecedented measures including nationwide shutdowns across the world including Europe and India, while the US issued strict social distancing guidelines. The global lockdowns have clearly slowed the spread of the Covid – 19 as daily net new additions have slowed down significantly by the end of April and most of the countries are formulating exit strategies and are in the midst of restarting their economy gradually.

**Government and central banks have responded with unprecedented stimulus to counter the economic fall out** – Though lockdowns have slowed the spread of the virus it has come at a significant economic cost. Central banks and Governments globally have responded with unprecedented monetary and fiscal stimulus in the aftermath of Covid 19 in order to contain the economic damage. The US Fed has pumped in record USD 2.5tn into the economy through its quantitative easing program in the past two months while most Governments globally have also announced significant fiscal packages.

**Calibrated opening of economies to be the norm gives fear of outbreak** – Though most of the countries including India are now opening up their economies, it is being done in a slow and calibrated manner given fear of a second outbreak if economies are opened up too fast. So far there has been a mixed result with China leading the way as not only have they been able to bring the outbreak under control but have been able to reopen a significant part of their economy. Singapore on the other hand reported a surge in new infections in the middle of April and had to resort to a lockdown in order to bring down new cases.

**High quality businesses to out-perform in difficult market environment** - The Indian Government has announced an extension of the lockdown till the 17<sup>th</sup> of May though with reasonable relaxations. The proactive measure by the Indian Government to shut the economy early has so far prevented a widespread Covid - 19 epidemic. However opening up of the economy is coinciding with acceleration in new cases which is a cause for worry. Therefore given the increasing uncertainties on the domestic front we would recommend to avoid vulnerable sectors and invest in high quality business in 3-4 tranches.

**Top Picks Performance**

	Return Since Inception (30th Oct, 2015)
Top Picks Return	36.2%
BSE 100	14.1%
Outperformance	22.1%

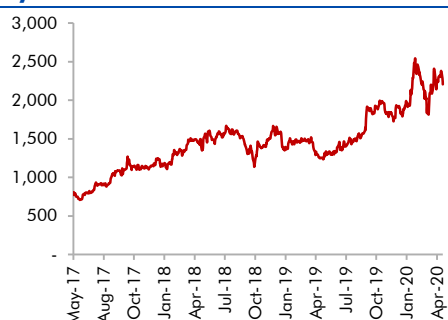
Source: Company, Angel Research

# Top Picks

### Stock Info

CMP	2,205
TP	2,735
Upside	24.0%
Sector	Retail
Market Cap (₹ cr)	142,847
Beta	0.8
52 Week High / Low	2,560/1,226

### 3 year-Chart



Source: Company, Angel Research

## Avenue Supermarts

- Avenue Supermarts owns and operates the supermarket chain 'D-MART'. Focused on value retailing, it offers a wide range of fast-moving consumer (food and non-food) products, general merchandise and apparel.
- Currently, the company has 196 D-MART stores and it expects to open 30 stores every year through its cluster approach.
- DMART offers significant discount compared to e-commerce, Modern trade (~6%) and General trade (~18%), which would drive revenue growth.
- Operating margin is higher compared to its peers due to the company's low cost structure.
- We expect DMART to report consolidated revenue/PAT CAGR of 18%/26%, respectively over FY2019-22E.

### Key Financials

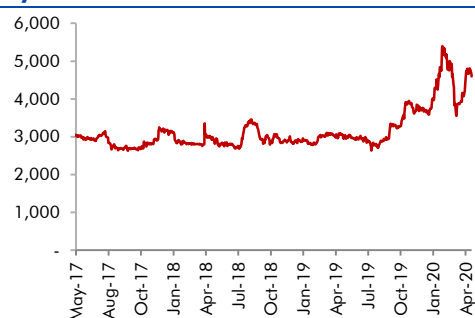
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	27208	9.0	1470	23.6	17.5	87.8	17.6	5.5
FY2022E	33238	9.0	1800	28.8	17.7	71.7	14.5	4.5

Source: Company, Angel Research

### Stock Info

CMP	4,956
TP	6,200
Upside	25.1%
Sector	Houseware
Market Cap (₹ cr)	2,440
Beta	0.7
52 Week High / Low	5,539/2,606

### 3 year-Chart



Source: Company, Angel Research

## Hawkins Cookers Ltd

- Hawkins Cookers Ltd (HCL) operates in two segments i.e. Pressure Cookers and Cookware. Over the last two years, the company has outperformed TTK Prestige (market leader) in terms of sales growth ~13% vs. ~4% in Cookers & Cookware segment.
- Cooking gas (LPG) penetration has increased from 56% in FY2014 to 80% in FY2019, which would drive higher growth for Cookers & Cookware compared to past.
- Going forward, we expect HCL's margins to improve 80-100bps on the back of falling raw material prices and also because the company had already taken a price hike previously.

### Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	768	15.1	82	154.2	45.0	30.4	13.7	3.2
FY2022E	876	15.1	94	177.0	42.2	26.4	11.2	2.8

Source: Company, Angel Research

**Stock Info**

CMP	528
TP	594
Upside	12.5%
Sector	Telecom
Market Cap (₹ cr)	287,971
Beta	0.9
52 Week High / Low	569/312

**3 year-Chart**


Source: Company, Angel Research

**Bharti Airtel**

- There is going to be some impact on subscribers from the low income group especially daily wage earners due to the lockdown. However a sharp increase in data consumption should make up for a significant portion of the loss. Therefore we expect limited impact on Bharti from the lockdown.
- Bharti has raised capital of USD 2bn from a QIP at ₹445 per share along with FCCB issues of USD 1bn in January 2020. Therefore Bharti is much better placed as compared to Vodafone Idea in terms of liquidity.
- Telecom operators have increased tariffs by ~35% in Nov'19. There is a possibility of another round of tariff hikes by telecom companies in FY21 given that tariffs are still very low. If this were to happen then it would lead to further upsides to our estimates for FY21 and FY22.
- Even if there is no major tariff hike in FY21 and Vodafone Idea goes out of business, Bharti would benefit significantly from addition of subscribers.

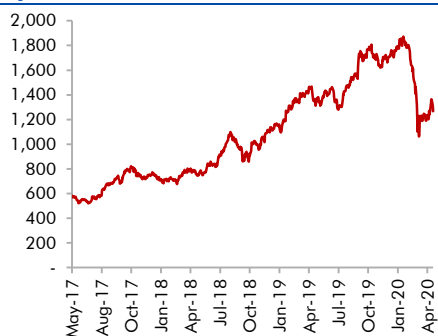
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	99530	44.4	4405	6.1	3.7	79.5	2.9	3.3
FY2022E	111755	45.6	8171	12.7	7.1	38.5	2.7	2.8

Source: Company, Angel Research

**Stock Info**

CMP	1,266
TP	1,561
Upside	23.3%
Sector	Footwear
Market Cap (₹ cr)	16,283
Beta	0.9
52 Week High / Low	1,897/1,017

**3 year-Chart**


Source: Company, Angel Research

**Bata India**

- The Indian footwear industry is valued at ₹50,000-55,000, which is expected to grow at a CAGR of ~15% going ahead. Two third of the industry is mainly dominated by the unorganized sector which suggest huge untapped opportunity.
- Strong retail stores expansion plan to boost growth (500 stores for next 5 years).
- Currently, women's footwear segment accounts for ~30-35% of Bata sales, which the company is targeting to increase to ~40% over the 3 years.
- Currently, Bata's 35-40% sales come from premium products like Hush Puppies, Power, Marie Clarie, etc. Bata has plans to increase premium product sales from current level of total revenue over next two years
- Stock has corrected significantly from peak, providing good buying opportunity.

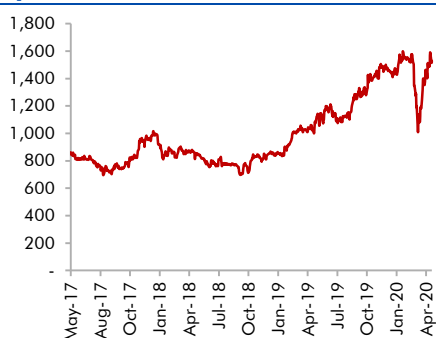
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(x)	(%)	(%)	(x)
FY2021E	3359	27.7	434	33.8	17.9	38.9	6.9	4.5
FY2022E	3762	27.7	518	40.3	18.1	32.6	5.9	3.9

Source: Company, Angel Research

**Stock Info**

CMP	1,529
TP	1,785
Upside	16.7%
Sector	Agro Chemicals
Market Cap (₹ cr)	21,126
Beta	0.8
52 Week High / Low	1,626/974

**3 year-Chart**


Source: Company, Angel Research

**PI Industries Ltd.**

- PI Industries is a leading player in providing Custom synthesis and manufacturing solutions (CSM) to global agrochemical players. The CSM business accounted for 66% of the company's revenues in FY19 and is expected to be the key growth driver for the company in future
- The company has been increasing its share of high margin CSM business driven by strong relationship with global agrochemical players. PI is leveraging its chemistry skill sets and is looking to diversify its CSM portfolio to electronic chemicals, Pharma API, fluoro chemicals, etc. which will help drive business.
- Though the company's operations have been impacted due to the Covid-19 outbreak we expect that PI Industries would be amongst the least impacted in the sector given that the company is a pure play agrochemical player which are part of essential commodities.

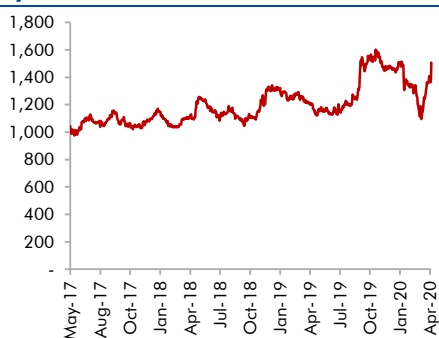
**Key Financials:**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	3877	21.5	555	40.2	17.4	38.0	3.3	5.3
FY2022E	4992	22.5	770	55.8	20.0	27.4	2.7	4.1

Source: Company, Angel Research

**Stock Info**

CMP	1,343
TP	1,772
Upside	31.9%
Sector	FMCG
Market Cap (₹ cr)	36,545
Beta	0.6
52 Week High / Low	1,642/1,065

**3 year-Chart**


Source: Company, Angel Research

**Colgate-Palmolive (India)**

- Colgate-Palmolive India Ltd (CPIL) is engaged in manufacturing & selling of oral care products such as toothpastes and toothbrushes.
- CPIL has leadership position in both toothpastes (52% market share) and toothbrushes (45% market share).
- CPIL continuously invests on ad-spends to strengthen the Colgate brand. Colgate is India's No. 1 Most Trusted Oral Care Brand.
- CPIL has increased its distribution 2.3x over the last 6-7 years and is continuously making efforts to deepen its penetration.
- We believe that CPIL should ultimately be able to see sharper market share gain in toothpastes segment on the back of higher ad-spend and re-launch of Colgate Strong Teeth (decent traction seen in last quarter).

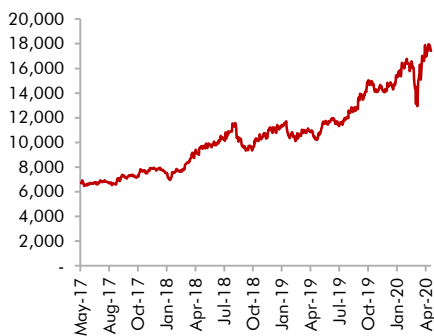
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	4827	27.4	855	31.7	40.4	43.7	17.8	7.7
FY2022E	5213	27.9	938	34.7	37.7	39.9	15.1	7.2

Source: Company, Angel Research

**Stock Info**

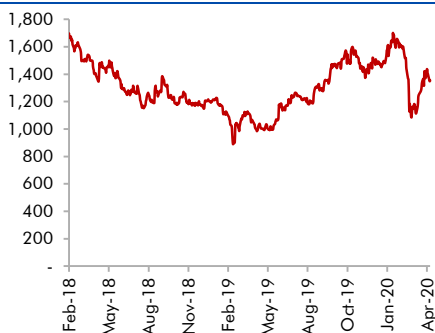
CMP	17,420
TP	20,687
Upside	18.8%
Sector	FMCG
Market Cap (₹ cr)	167,957
Beta	0.7
52 Week High / Low	18,301/10,127

**3 year-Chart**


Source: Company, Angel Research

**Stock Info**

CMP	1,356
TP	1,610
Upside	18.7%
Sector	Chemicals
Market Cap (₹ cr)	4,806
Beta	0.6
52 Week High / Low	1,790/975

**3 year-Chart**


Source: Company, Angel Research

**Nestle (India)**

- Nestle India Ltd (Nestle) manufactures and sells a variety of food products such as Milk & Nutrition, Prepared Dishes & Cooking Aids, Powdered & Liquid Beverages and Confectionery.
- Nestle enjoys market leadership position in ~85% of its Portfolio. Nestle has wide distribution network (4.6mn outlets) across India and strong brand recall.
- Strong balance sheet coupled with free cash flow and higher profitability.
- Going forward, we expect healthy growth and profitability on the back of strong brand, wide distribution network and new product launches.

**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(x)	(%)	(%)	(x)
CY2021E	13235	23.3	2151	223.0	66.9	67.7	52.3	12.6
CY2022E	14558	23.4	2382	247.0	50.4	61.2	35.6	11.5

Source: Company, Angel Research

**Galaxy Surfactants**

- 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 relationship with MNC clients like Unilever, P&G, Henkel, Colgate-Palmolive and supplies raw materials to them not only in India but also in US, EU and MENA region.
- Though the company's operations have been impacted due to the Covid-19 outbreak we expect that Galaxy Surfactants would be amongst the least impacted in the sector given the company's exposure to the personal and home care segment.

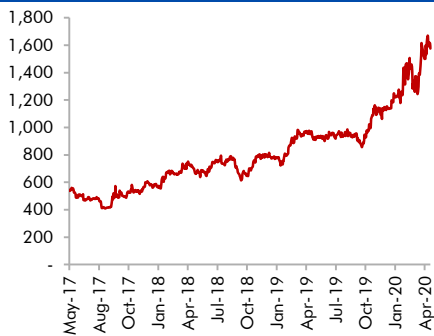
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	2672	3.0	221	62.2	0.2	21.6	4.0	1.8
FY2022E	2886	8.0	223	62.8	0.2	19.4	3.5	1.7

Source: Company, Angel Research

**Stock info**

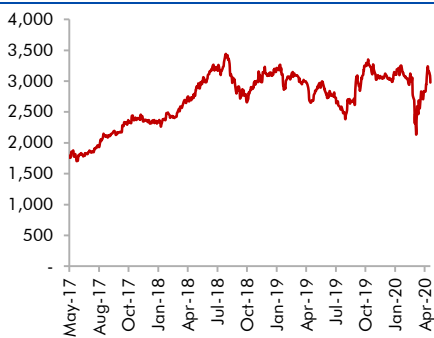
CMP	1,575
TP	1,900
Upside	20.6%
Sector	Pharmaceuticals
Market Cap (₹ cr)	19,578
Beta	0.4
52 Week High / Low	1,821/844

**3 year-Chart**


Source: Company, Angel Research

**Stock Info**

CMP	2,978
TP	3,550
Upside	19.2%
Sector	FMCG
Market Cap (₹ cr)	71,630
Beta	1.0
52 Week High / Low	3,444/2,100

**3 year-Chart**


Source: Company, Angel Research

**IPCA Laboratories**

- IPCA's 54% of revenue comes from domestic generic and API business. Generics and API continues to provide revenue growth for Ipca. Expected to outperform the Indian Pharmaceutical market (IPM) by 8%-10% p.a in FY 22.
- EU generic & branded which account for 15% of the company's revenues are on growth trajectory along with higher margins (40% EBITDA margins). Current capacity utilization of plants which supply to Europe is at 20% which is expected to ramp up from current levels. We expect the European business to show 30-35% PAT growth.
- Ipca manufacture over 350 formulations and 80 APIs for various therapeutic segments like Pain management. Currently the company has 18 ANDA approvals, 46 ANDA filled with authorities while 8 products are in clinical trials.

**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	5360	22.5%	821	65.7	18.8	24.6	4.8	3.9
FY2022E	6111	23.0	976	78.1	18.6	20.7	4.1	3.4

Source: Company, Angel Research

**Britannia Industries**

- Britannia Industries (BRIT)'s principal activity is manufacture and sale of biscuits, bread, rusk, cakes and dairy products.
- BRIT has brands like Tiger, Good-Day, and 50:50 under its fold with an estimated market share of 33% in the Indian biscuits industry. Biscuits contribute more than 80% of the company's turnover.
- BRIT has an overall distribution reach of 5.5 million outlets. With consistent focus on distribution expansion, BRIT has narrowed the gap with the No. 1 player. The gap with largest distributed brand is now just 0.8 million outlets, which it expects to bridge soon and thereby, become the largest player over the medium to long term.

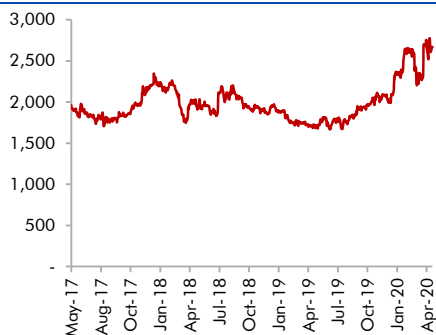
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	13,255	16.3	1622	67.5	30.2	44.4	12.7	9.3
FY2022E	14,863	16.7	1901	78.8	29.6	37.9	9.8	8.3

Source: Company, Angel Research

**Stock Info**

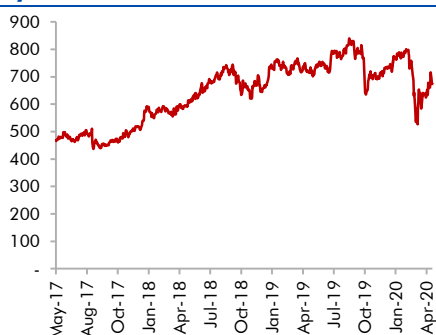
CMP	2,670
TP	3,300
Upside	23.6%
Sector	Pharmaceuticals
Market Cap (₹ cr)	31,923
Beta	0.3
52 Week High / Low	2,882/1660

**3 year-Chart**


Source: Company, Angel Research

**Stock Info**

CMP	675
TP	841
Upside	24.6%
Sector	IT
Market Cap (₹ cr)	21,125
Beta	0.8
52 Week High / Low	847/511

**3 year-Chart**


Source: Company, Angel Research

**Alkem Laboratories**

- Alkem's 67% of revenue comes from domestic generic and API business. Anti-infective and Chronic business continues to provide revenue growth for Alkem. Expected to outperform the Indian Pharmaceutical market (IPM) by 1.5x growth rate for the next 2 years.
- Company is ranked number one in Anti-infective with a market share of 9.6%, Anti-infective is one of the oldest therapy for Alkem. Anti-diabetic, Vitamins, CNS and derma are the key therapy products for Alkem
- Company has incurred large capex in infrastructure and MR team in the last couple of years, which will give organic growth to Alkem. At present the company has 11400 MRs with the productivity of 45lakhs PA
- New product launches and volume growth will help US business to grow by 15% p.a for next couple of years. Currently, Alkem has 81 approved ANDA out of which 40 yet to be commercialized

**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	9860	17.5%	1279	106.0	18.3	25.1	4.8	2.6
FY2022E	11309	18%	1419	118.0	17.8	22.6	4.5	2.3

Source: Company, Angel Research

**Infosys**

- Infosys is amongst the top three IT services company based out of India and provides a vast gamut of services like ADM, Enterprise solutions, Infrastructure management services etc.
- Under the new management of Mr. Salil Parekh Infosys has become aggressive in terms of signing new deals, which is expected to drive growth for the company. New deal wins has clearly accelerated with the company winning deals worth USD 6.3bn and USD 9.0bn in FY19 & FY20 respectively as against deal wins of USD 3.1bn in FY18.
- We expect the company to post revenue/EBITDA/PAT growth of 7.5%/3.7%/5.1% between FY19-FY22 despite Covid-19 outbreak affecting FY21 numbers. Rupee depreciation from ~71 levels to ~76 to the US dollar will have a positive impact on top line and bottom-line and will mitigate the adverse impact due to Covid-19 outbreak to a large extent.

**Key Financials**

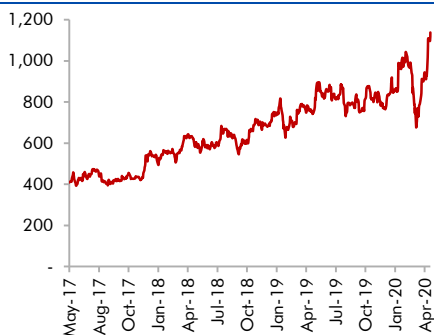
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	90650	21.3	16200	38.2	28.1	16.8	4.7	2.8
FY2022E	102857	20.5	17870	42.1	30.5	15.2	4.5	2.5

Source: Company, Angel Research



**Stock Info**

CMP	1,138
TP	1,284
Upside	12.8%
Sector	Chemicals
Market Cap (₹ cr)	19,834
Beta	0.8
52 Week High / Low	1,192/662

**3 year-Chart**


Source: Company, Angel Research

**Aarti Industries**

- Aarti Industries is the lowest cost producer in Benzene based derivatives. Company accounts for 20% of world's Nitrochloro Benzene (NCB) and 10% of dichloride benzene (DCB) capacity.
- Company has been constantly increasing its share of high margin downstream products which now accounts for 70% of the company's revenues. Company is expanding its NCB capacity which would be utilized for manufacture of high margins downstream products.
- Company is well diversified across product, customer, geography and end user industry and is not likely to be impacted too much from the Covid-19 outbreak. Exports account for 40% of revenues while balance 60% is from domestic sales. Significant opportunity for company arising from environmental related issues in China and companies looking to diversify supply chains.

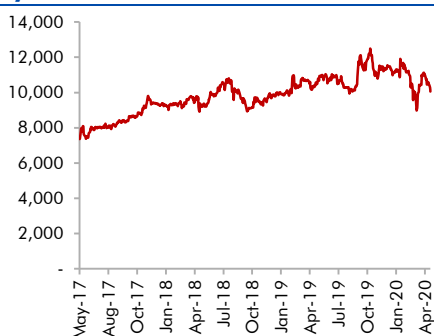
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	4822	21.7	538	30.3	16.8	37.6	6.0	4.1
FY2022E	5886	22.2	711	40.1	19.6	28.4	5.2	3.3

Source: Company, Angel Research

**Stock Info**

CMP	10,063
TP	12,230
Upside	21.5%
Sector	FMCG
Market Cap (₹ cr)	32,666
Beta	0.4
52 Week High / Low	12,700/8,500

**3 year-Chart**


Source: Company, Angel Research

**P&G Hygiene & Healthcare Ltd.**

- P&GHH manufactures, distributes and markets three major brands in India – Whisper (sanitary napkins), Vicks (balm, cough drops and tablets), and Old Spice (aftershave lotion and deodorants).
- Whisper being market leader with market share of 56% in Sanitary pad segment contributes ~69% of total revenue. Sanitary Pads having less than 20% market penetration leaves immense growth opportunity for Whisper. Vicks being market leader with market share of ~30% contributes 30% of Total Revenue.
- Going forward, we expect healthy growth and profitability on the back of strong brand, wide distribution network and new product launches.

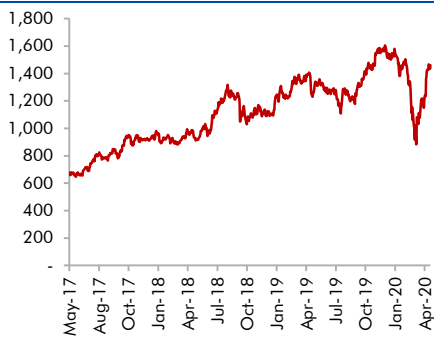
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	3472	24.6	596.0	183.5	29.0	54.9	15.9	9.6
FY2022E	3889	24.7	670.0	206.3	24.6	48.7	12.0	8.5

Source: Company, Angel Research

**Stock Info**

CMP	1,461
TP	1,626
Upside	11.3%
Sector	Diversified
Market Cap (₹ cr)	926,176
Beta	1.1
52 Week High / Low	1,617/875

**3 year-Chart**


Source: Company, Angel Research

**Reliance Industries**

- Reliance Industries Ltd. (RIL) is India's largest company with dominant presence in Refining, Petrochemicals, Telecom and Retail businesses.
- RIL has built up a dominant telecom business and has already attained market leader status with 38.5 cr. subscribers at the end of Q3FY20. Telecom business to witness robust growth over next few years due to tariff hikes and shift of subscribers from Vodafone Idea to other telecom players.
- RIL has also built a very strong retail business which is the largest organized retailing company in India. We expect the retail business to be a key value driver for Reliance over the long run though there would be some impact on business in FY21 due to the Covid 9 outbreak.
- Refining and petrochemicals business would be a stable low growth business for RIL going forward but will be a major cash generator for the company as there will be negligible capex requirements. The cash flows would be used to fund expansion into other businesses.

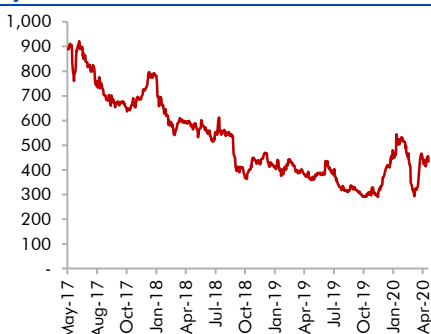
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	373215	13.8	30272	59.2	6.4	30.6	2.0	5.0
FY2022E	457539	13.3	37510	47.8	7.8	24.7	1.9	4.0

Source: Company, Angel Research

**Stock Info**

CMP	434
TP	520
Upside	19.8%
Sector	Agro Chemicals
Market Cap (₹ cr)	2,065
Beta	0.8
52 Week High / Low	566/261

**3 year-Chart**


Source: Company, Angel Research

**Dhanuka Agritech**

- Dhanuka Agritech is a 100% domestic market focused Agrochemical Company. It has an asset light business model with a clear focus on marketing and creating brands. It has international collaboration with the world's nine leading agro chemical companies to introduce latest technology in Indian fa
- Whisper It has a pan India presence with ~7,000 distributors & ~80,000 dealers. IMD forecasts of normal monsoon bode well for its business. Coronavirus impact on business is minimal as it falls under essential service.
- Company has better return ratios, working capital cycle and cash flow compared to its peers. We are positive on the long term prospects of the company owing to high industry growth rate, management capability and wide & diversified product portfolio as well as reach.

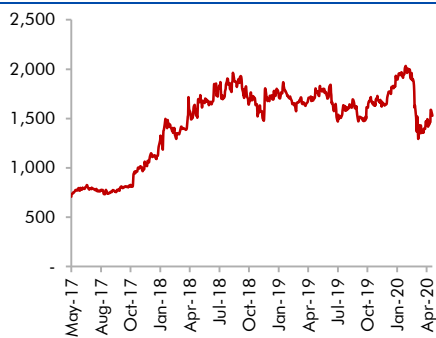
**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	1218	16.0	150	31.4	22.6	13.8	3.0	1.7
FY2022E	1304	16.4	165	34.6	22.8	12.5	2.7	1.6

Source: Company, Angel Research

**Stock Info**

CMP	1,529
TP	1,803
Upside	17.9%
Sector	IT
Market Cap (₹ cr)	26,687
Beta	0.7
52 Week High / Low	2,050/1207

**3 year-Chart**


Source: Company, Angel Research

**L&T Infotech**

- L&T InfoTech (LTI) is one of the fastest growing mid cap IT Company in India. IT is part of the L&T group and provides services like ADM, Enterprise solutions, Infrastructure management services etc.
- 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 vertical 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 outbreak
- LTI has been growing significantly faster than both mid and large cap peers have over the past few years on the back of strong deal wins and we expect the outperformance to continue for the company.

**Key Financials**

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)
FY2021E	11304	18.1	1479.2	85.0	0.2	18.0	3.9	2.1
FY2022E	12631	19.0	1742.9	100.2	0.2	15.3	3.3	1.8

Source: Company, Angel Research

### Changes in Recommendation

#### Stocks on hold

Hold Date	Stock name	Hold Price
5/10/2019	Jindal Steel	94
1/4/2020	GMM Pfaudler	2,498

#### Stocks sold in last 6 months

Effective date	Stock	Sell Price
6/11/2019	M&M	580
8/11/2019	TTK Prestige	6,075
29/11/2019	Yes Bank	65
6/12/2019	Ashok Leyland	76
9/12/2019	Blue star	813
21/01/2020	HDFC Bank	1,246
27/01/2020	Siyaram Silk Mills	229
28/01/2020	Maruti Suzuki	7,065
29/01/2020	Music Broadcast	29
30/01/2020	GIC Housing	154
1/2/2020	Parag Food Milks	137
7/2/2020	Bata India	1,856
25/02/2020	Larsen & Turbo	1,250
6/3/2020	Aditya Birla Capital	75
9/3/2020	Dr Lal Pathlabs	1,462
15/4/2020	RBL Bank	121
15/4/2020	Shriram Transport Finance	685
16/4/2020	Safari Industries	402
16/4/2020	KEI Industries	279
16/4/2020	Amber Enterprises	1,116
21/4/2020	Ultratech Cement	3,409
24/4/2020	Inox Wind	27
4/5/2020	Hindustan Unilever	2,121
5/5/2020	ICICI Bank	340
6/5/2020	Dabur India	450
7/5/2020	Asian Paints	1,610

**Hold** – While we recommend to Hold on to existing positions at current level, we would await for further data points before recommending any fresh purchases.

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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

<b>Ratings (Based on Expected Returns: Over 12 months investment period)</b>	Buy (> 15%)	Accumulate (5% to 15%)	Neutral (-5 to 5%)
		Reduce (-5% to -15%)	Sell (< -15%)
		Hold (Fresh purchase not recommended)	