

W2W's Gramheen विकास Picks



INDEX

Sr.	Sector	Company	CMP	Mcap (₹ crs)	Target (₹)	Potential Upside
1	Construction Vehicles	Action Construction Equipment Ltd.	1476.1	18078.7	1660-1680	14%
2	Fertilisers	Chambal Fertilisers and Chemicals Ltd.	525.4	22350.4	580-600	14%
3	Agricultural products	Kaveri Seed Company Ltd.	1008.1	5139.2	1120-1150	14%
4	Plastic Products – Industrial	Prince Pipes and Fittings Ltd.	682.4	7508.2	760-780	14%
5	Compressors, Pumps & Diesel Engines	Swaraj Engines Ltd.	3129.6	3527.3	3450-3500	12%
6	Animal feed	Godrej Agrovet Ltd.	631.2	12092.2	700-720	14%
7	Home finance	LIC Housing Finance Ltd.	734.7	40688.2	820-850	16%
8	Banking	Bank of Baroda Ltd.	280.9	147487.3	320-330	17%
9	Civil Construction	IRB Infrastructure Developers Ltd.	66.3	39646.0	75-80	21%
10	Power – Transmission	Power Grid Corp. of India Ltd.	333.05	301851.1	360-380	14%
11	Cement & Cement Products	Ultra-Tech Cement Ltd.	10784.9	314213.4	11500-12000	11%
12	Water & Waste Management	EMS Ltd.	580.4	3087.0	640-660	14%
13	Gems & Jewellery	Titan Company Ltd.	3421.35	304789.9	3750-3850	13%
14	Household Appliances	Crompton Greaves Consumer Electricals Ltd.	431.05	27584.8	470-490	14%
15	Personal Care	Emami Ltd.	717.95	30923.8	790-810	13%
Average						14%



"Strengthening of the rural economy is imperative to the creation of Viksit Bharat", our Prime Minister in his recent statement highlighted the government's motive to solve all the issues faced by villagers by providing them with financial support and thus strengthening the rural economy.

In the last few years, the rural economy has been adversely affected by rainfall deficit, leading to lower farm production and thus higher food inflation. This forced the rural households to cut down their expenses on both essentials and discretionary items. However, for the first time in the five quarters, rural demand has outpaced urban demand (source: NelsonIQ). Rural volume growth was 7.6% in Q1CY24 vs 5.7% Urban Volume growth in the same quarter which reflects evolving rural market dynamics. Expectation of better monsoon and rural policy push by government can lead to sustainable growth in the coming quarters, thus driving rural demand and economy.

Recognizing the significance of the rural market which still accounts for 65% of the country's population, various reforms, and a host of incentives are announced to assist the agricultural segment and to boost the rural demand.

Pradhan
Mantri Kisan
Samman
Nidhi (PM-
KISAN)

Pradhan
Mantri Kisan
MaanDhan
Yojana (PM-
KMY)

Pradhan
Mantri Fasal
Bima Yojana
(PMFBY)

Agriculture
Infrastructure
Fund (AIF)

National
Food
Security
Mission
(NFSM)

Sub-Mission
on Seed and
Planting
Material
(SMSP)

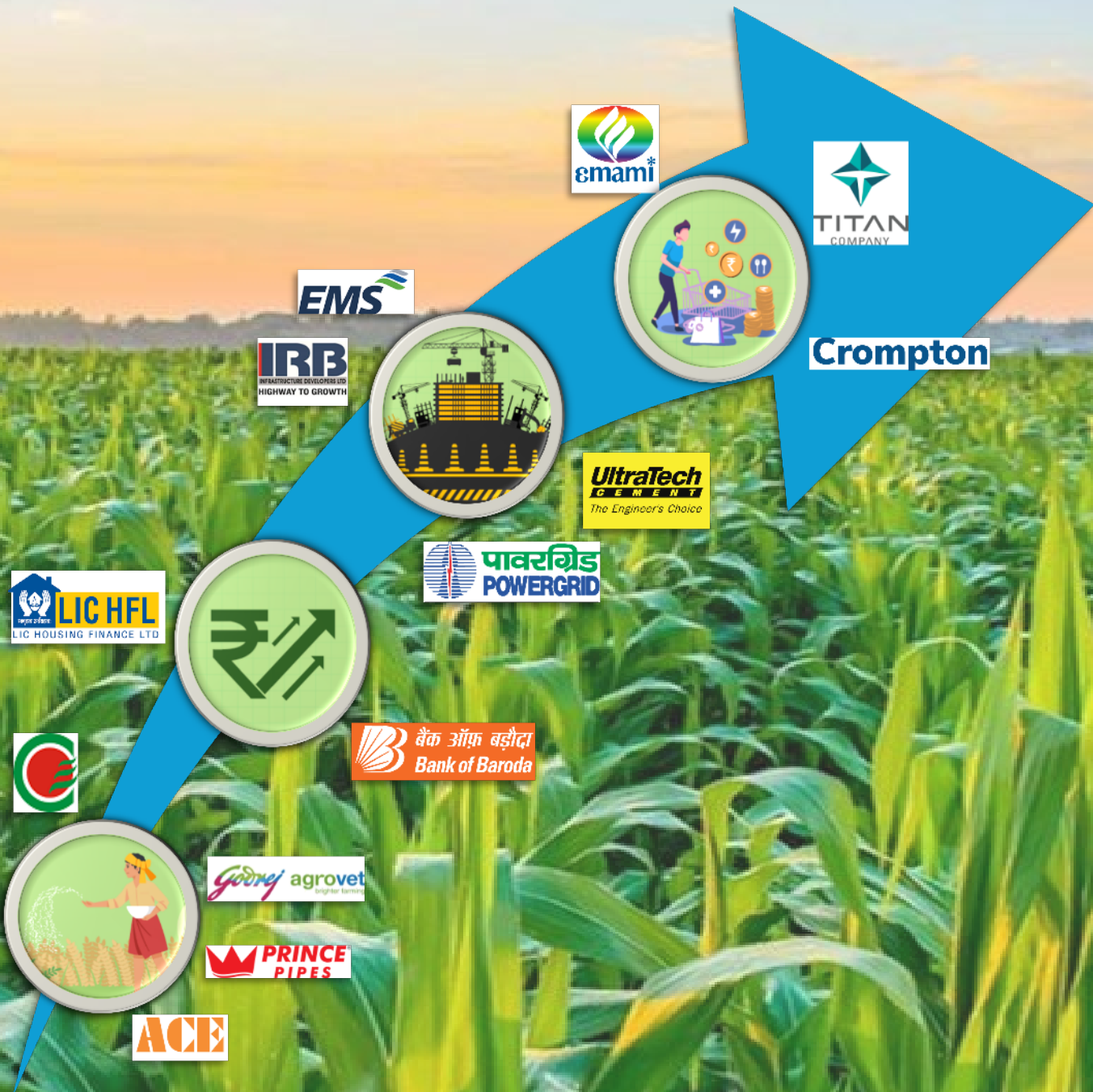
In addition to the above policies, our Union Cabinet recently have approved MSP hikes for all 14 kharif season crops, in alignment with "clear policy" of keeping MSPs at least 1.5 times above the cost of production, aimed at boosting farmers' income and improving their economic conditions.

Along with expectations of better monsoon and more likely populist measures to increase rural income will positively impact Agricultural/Agri-allied sectors such as Fertilisers, Agri-equipments, Automotive, Banking sectors, Fast-Moving Consumer Goods (FMCG), and Consumer Durables sector.

Rural Theme - Good Investment Option for Investors

- ✚ Increase in farm income and rural spending to benefit agri-related equipment like fertilisers, tractors, pipes and aspirational products like gold, electrical items, entry level vehicles etc.
- ✚ **Rural Infrastructure:** The recent Lok Sabha Election results reflect continuity in policies. Confederation of Indian Industry (CII), expects government to allocate a significant portion of the incremental expenditure for 2024-25 towards developing rural infrastructure in the forthcoming budget. This strategic approach would help to boost consumption in rural India.
- ✚ **Rural Housing:** One of the main promises of the current government is to construct 20mn new houses for the rural India. PMAY Gramin / PMAY rural aims at providing a pucca house with basic amenities to people living in kutchha and dilapidated houses, thus continuing policies like Housing for All schemes.

In summary, the rural India theme is likely to be central attention in the upcoming months on the back of favourable monsoon, and better farm production leading to moderation in inflation and higher disposable income. This will result in a revival of rural consumer spending and we expect W2W's Grameen Vikas Pick to be a good value creator for investors in the medium to longer term.



Action Construction Equipment Ltd.



Sector	CMP (₹)	Market Cap (₹ crs)	Target (₹)	Potential Upside
Construction Vehicles	1476.1	18078.7	1660-1680	14%

Action Construction Equipment Ltd. was established in 1995 and operates mainly in four segments i.e. Cranes (~70% of revenue), Construction Equipment (14%), Material Handling (6%) and Agri Equipment (10%). The company is the world's largest Pick & Carry cranes manufacturer with over 63% market share in the Mobile cranes segment in the country and a majority market share of more than 60% in Tower Cranes segment domestically.

Key Triggers

- The ongoing boom in both new projects in the commercial and residential real estate sector continues to be a strong driver of growth in the Indian Construction Equipment (CE) industry, also it is expected to grow 3x in the next 10 years on account of the rising investments in infrastructure development which will help ACE to grow significantly.
- Budgetary allocation to Rural Development, Irrigation Projects and Subsidies coupled with credit availability will induce increased demand. Management sees 15-20% revenue growth for FY25 with further margin expansion (FY24 margin at ~14%). The company is also hopeful to revise these projections by H2FY25 depending upon policy continuity and the onset and intensity of the monsoons.
- The infrastructure, construction and the real estate markets saw significant growth in the past financial year. The outlook for all these industries looks strong due to the government's focus on these sectors and various schemes like the smart city project, PM Awas Yojana, PLI Scheme etc. which will act as growth drivers for these industries. In addition to mentioned triggers, another push will come from the manufacturing growth driven by Make in India initiative supported by the China+1 strategy.

Financials

	(₹ crs)				
Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	1,630	2,160	2,914	3,619	4,553
EBITDA	151	221	403	528	699
EBITDA Margin	9%	10%	14%	15%	15%
PAT	105	173	328	417	542
EPS	8.82	14.41	27.56	35	45.5
P/E	167.6	102.6	53.6	42.2	32.5
RoCE	23%	30%	35%	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



After testing an all-time high of 1695 on 2nd April 2024, ACE experienced profit bookings at higher levels with holding above its key level of 1283. On the momentum indicators front, RSI and MACD on the daily chart are showing upside movements. Technically, ACE has been observed consolidating within a bullish flag chart pattern on the weekly chart with active lower-level buying, suggesting a positive bias. On the support and resistance front, ACE may encounter resistance at 1650/1695 levels. Breakout of 1695 would take the stock at 1850/1900 levels. Conversely, support for the stock can be seen at 1345/1283 levels.

INDEX

Chambal Fertilizers and Chemicals Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Fertilisers	525.4	22350.4	580-600	14%

Chambal Fertilizers and Chemicals Ltd. is one the leading agrochemical player in the country accounting for nearly 13% Urea domestic production. Operating out of three plants located at Kota district of Rajasthan, it has built 34 Lakh MTPA capacity. The company dealers also provide other agri-inputs like DAP, MOP, NPK, etc. to farmer under umbrella brand 'Uttam', sourcing from other supplier.

Key Triggers

- Indian Meteorological Department (IMD) anticipates above normal monsoon rains this year. This has raised expectations for agricultural output from kharif crops. Domestic fertilizer industry struggling to recover due to lackluster demand could see healthy revival this season.
- Demand tailwinds are also likely to be triggered by some of Govt. of India's key positive announcements. In first Union Cabinet meeting post general elections, Govt. of India cleared proposal to transfer 17th installment of PM-Kisan fund, worth ~₹20,000crs which would benefit more than 9cr farmers.
- In a key development, the Govt. of India approved Minimum Support Price for Kharif crops for Marketing Season 2024-25. Keeping in view of the need to boost rural economy, the government has increased MSP across the basket with significant delta. Oilseeds and pulses saw the highest increase.
- Chambal Fertilizers with ~13% market share in Indian Urea market is likely to benefit from pick-up in domestic fertilizer demand and more such positive announcement from Gol to boost rural economy. Additionally, the company is also undertaking significant capex to build ~2,40,000 MTPA Technical Ammonium Nitrate (TAN) plant.

Financials

	(₹ crs)				
Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	16069	27773	17966	18594	19210
EBITDA	2265	1822	2043	2503	2710
EBITDA Margin	14%	7%	11%	13%	14%
PAT	1566	1034	1276	1576	1748
EPS	37.62	24.85	30.84	39.0	43.3
P/E	14.4	21.7	18.1	13.2	11.9
RoCE	23%	16%	14%	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



CHAMBLFERT has given a clear breakout from the symmetrical triangle pattern on weekly chart which is a bullish pattern. The stock is trading above the short-term moving average of 20 days EMA & 50 days EMA suggesting positive outlook. Momentum Oscillators like – the 14 days RSI is sloping upwards and placed above 70 on the weekly chart, indicating strength in the short-term positive outlook of the stock. The short-term chart structure looks positive, and it can move towards 610/640 levels. On the lower side, the support lies at 520/470 levels.

INDEX

Kaveri Seed Company Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Agricultural products	1008.1	5139.2	1120-1150	14%

Kaveri Seeds Company Ltd (KSCL) is a four decade old agri-inputs company and is one of India's fastest growing seed companies with a wide portfolio, large network of distributors and dealers and a very wide customer base spanning the country.

Key Triggers

- The company has a pan-India presence with a strong distribution network of ~60,000 distributors (direct & in-direct) and retailers across 29 product locations in distinct agro-climatic zones of India.
- The company had a significant exposure towards cotton seeds 6-7 years back (Over 60% of its revenues was coming from cotton seeds in FY15) but gradually KSCL with its extensive R&D investments diversified into other crops as the hybridization of cotton seeds gained traction. It is now contributing 35% to its overall seeds business and other crops like Maize, Rice and Vegetables have grown at a rapid pace. Revenue from cotton seeds between FY19- 24 grew at a CAGR of -6% whereas Hybrid rice, Selection rice, Maize, Vegetables seeds revenue grew by 37%/16%/10%/36% CAGR which shows KSCL's impressive diversification from Cotton seeds owing to its robust R&D and comprehensive network that spans various agro climatic and soil conditions.
- On the back of new products introduced in their Non-Cotton portfolio as the company continues to reduce its dependence on Cotton seeds. Owing to its Non-cotton portfolio mainly Vegetables, Maize & Rice with tremendous potential to grow as far as Hybridization is concerned KSCL will continue to improve its realizations in its Non-cotton portfolio as hybridization gains pace. Additionally government support in the form of Adoption of Hybrid seeds, PM Kisan Scheme, Agriculture Infrastructure Fund, PM Fasal Bima Yojana, increase in MSP and in all likelihood of increased budgetary allocation in the upcoming Budget 2024 towards agriculture and farmer welfare post 2024 Lok Sabha elections on the back of good monsoon makes itself in a strong position in coming years.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	970	1,070	1,148	1,283	1,410
EBITDA	261	268	286	324	368
EBITDA Margin (%)	26.9	25.1	24.9	25.2	26.1
PAT	271	272	299	317	357
P/E (x)	19.2	19.2	17.4	16.4	14.6
RoCE (%)	16.8	20.3	24.9	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



The KSCL has been consolidating over the past three to four years on monthly chart and the stock has given a breakout on the upper trading range with good volumes which is suggesting more upside is on cards and it can move towards 1075/1180 or even 1240 levels. On the momentum indicators front, the weekly MACD and RSI for the KSCL are also moving upwards in sync with the movement in price indicating that upside momentum. The technically chart set-up is likely to remain positive and it has support @ 890/856 levels.

INDEX

Prince Pipes & Fittings Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Plastic Products - Industrial	682.4	7508.2	760-780	14%

Prince Pipes and Fittings Limited, founded in 1987 in Mumbai, is a leading Indian piping solutions provider. It manufactures in CPVC, UPVC, HDPE, and PPR, and has partnered with Lubrizol for advanced CPVC plumbing systems, marking significant growth in the multi-polymer industry.

Key Triggers

- Highest quarterly sales volume of 51,444 metric tonnes achieved in Q4FY24.
- The acquisition of the esteemed bathware brand Aquel aligns seamlessly with Prince's expansion strategy in the rapidly developing Indian bathware sector. On track to penetrate key Tier-2 and 3 markets of across West and Northern India. Plan to launch in East and South market in H1FY25.
- Prince Pipes stands to gain from the NDA 3.0 government through enhanced demand in the plumbing and bathware sectors, driven by stable economic policies and a focus on infrastructure and real estate development.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	2657	2711	2569	2897	3372
EBITDA	416	250	307	378	462
EBITDA Margin (%)	15.6	9.2	12	13	13.7
PAT	249	121	182	212	269
EPS	22.6	11	16.5	19	24
P/E (x)	28	49	33	36	28
RoCE (%)	27	12	15	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



PRINCEPIPE has been making a very good bullish candlestick pattern on the monthly charts. It has also managed to close above the psychological level of 600-650 helped by strong buying. On the monthly chart, the stock has been consolidating between 520 and 790 levels since May 2021 and breakout of 790 with good volumes can indicate new uptrend. The oscillators are picking up momentum, with RSI showing good strength above 55 levels. The chart set-up on PRINCEPIPE expects sustainable up move from current levels. On weekly chart the stock has immediate resistance at 729/758/785. Breakout of 785-790 levels would take the stock at 890/910 levels in medium to long term scenario. On the downside the support will be at 645/620 levels.

Swaraj Engines Ltd.

SWARAJ

Sector	CMP (₹)	Mcaps (₹ crs)	Target (₹)	Potential Upside
Compressors, Pumps & Diesel Engines	3129.6	3527.3	3450-3500	12%

Swaraj Engines Limited, established in 1985 in Mohali, specializes in producing diesel engines ranging from 22 to over 65 HP, primarily for Mahindra's Swaraj tractors, with over 1.6 million units supplied. It also manufactures hi-tech engine components.

Key Triggers

- Achieved its highest sales volume and PBT for the Q4FY24. The PBIT margin increased by 50 basis points in Q4FY24, marking the 8th consecutive quarter of YoY profit growth.
- From FY14 to FY24, the domestic tractor industry grew at a CAGR of 3.2%, compared to Swaraj's engine sales CAGR of 6.5% and a revenue CAGR of 8.9%. Despite an 18.1% industry contraction, Swaraj Engines sold 35,344 engines, achieving 1.4% growth YoY and continuing to exceed industry performance.
- Tractor dealers are optimistic about tractor sales due to expected good monsoons, revising growth from negative to stable. Subsidies and favorable 2024 rainfall may boost rural market growth making Swaraj Engines a good investment at current levels.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	1138	1422	1419	1533	1656
EBITDA	155	186	188	200	216
EBITDA Margin (%)	13.6	13.1	13.2	13	13
PAT	109.5	133.6	138	150	165
EPS	90	110	113	123	136
P/E (x)	18	14	21	25	22.6
RoCE (%)	37	41	39	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



The stock price has broken out on the weekly chart by surpassing the multiple top resistance levels and tested an all-time high with steady volumes and indicating uptrend may continue and can move towards 3150/3280. RSI also exhibits strength in the short term and has been successful in holding above the levels of 50. Technically SWARAJ is likely to remain positive and investors are advised to apply buy on dips strategy for long term gains. The support for the stock is seen at 2572/2496 levels.

INDEX

Godrej Agrovet Ltd.



Sector	CMP (₹)	Market Cap (₹ crs)	Target (₹)	Potential Upside
Animal Feed	631.2	12092.2	700-720	14%

Godrej Agrovet Ltd., part of prestigious Godrej Group, is a leading player in Dairy, Poultry, Aqua and animal feed. It has presence in FMCG segment through brands like Real Good and Yummies. Crop protection segment constitute ~12% of revenue and subsidiary Astec Lifesciences operates in the field of manufacturing Agrochemical Active and CDMO.

Key Triggers

- In interim Union Budget presented on 1st Feb. 2024, Government of India's announcements for Agricultural sector highlighted that its key focus would remain on increasing agro productivity, undertake R&D activities, set up new and digital supportive infrastructure and promote agri-start-ups.
- It also involved government's focus on improving animal husbandry, dairy and fisheries with an aim to achieve credit target of ₹2.93tn. Godrej Agrovet would certainly be the key beneficiary from this structural boost as it is the leading animal feed provider in India.
- Animal feed (49.5% of FY24 revenue), Dairy (15.5%) and Poultry & Processed food (9.7%) will be the key segments to benefit from rising exports (e.g. Shrimps) and growing domestic demand. Godrej has maintained market leading position in many of these segments.
- Crop protection segment fared well rising 37% YoY in revenue during FY24. Bottom-line profitability was driven by higher sales of in-house and in-licensed product portfolio with segmental result rising 242% YoY.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	8306	9374	9561	10758	11880
EBITDA	665	523	702	858	1035
EBITDA Margin	8.0%	5.6%	7.3%	8.0%	8.7%
PAT	415	250	360	461	582
EPS	21.6	13.0	18.7	23.9	31.0
P/E	28.4	47.2	32.8	26.4	20.4
RoCE	12.6%	7.6%	10.3%	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



GODREJAGROVET has signalled breakout from Inverted head and shoulder pattern on second week of June 2024. After giving breakout from the bullish pattern on the weekly chart, the stock has been trading above its short term 21 days @ 55 days EMAs over the past five to six trading session. This means the stock can manage to test 688/714 or even 746 levels on the higher side. The stock has support at 582/565 levels. Investors are advised to buy accumulate for medium to long term gains.

INDEX

LIC Housing Finance Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Home finance	734.7	40688.2	820-850	16%

LIC Housing Finance Ltd. is backed by Life Insurance Corp. of India (45% stake), largest life insurer of India. Building a loan portfolio of ₹2,86,844cr, it is one the largest sole housing financier in the country, on the back of strong distribution network of 310 branches. Supported by strong parentage, it enjoys highest rating from CRISIL & CARE.

Key Triggers

- Govt. of India approved proposal to provide financial assistance for the construction of houses under Pradhan Mantri Awas Yojana (PMAY) for three crore more houses. This decision taken by the union cabinet is likely to rejuvenate demand in Affordable Housing segment and LIC Housing would be one of the key beneficiary as it the largest sole housing financier now.
- Loan book growth which was subdued last year (4% YoY) due to technological implementation and organizational restructuring would pick up from this year. It would be driven by company's wide branch distribution across the country and strong network of agents especially in non-Urban region.
- LIC Housing Finance undertook several initiatives such as introduction of centralized processing centers and setting up of new branches to improve its turn-around-time. This would expedite loan processing and support to achieve its stated objective of 10-12% growth in FY25.
- While interest rate cuts could moderate the NIM profile from current levels. Banking on healthy recoveries and resolution of NPA accounts during FY24, management is confident of further reduction in credit cost for FY25, which would significantly improve bottom-line performance

Financials

	(₹ crs)				
	FY22	FY23	FY24	FY25E	FY26E
Net Interest Income	5742	6471	8838	8459	8891
NIM	2.4%	2.5%	3.2%	2.9%	2.8%
PPoP	4800	5500	7698	7286	7657
Provisions	2022	1943	1644	1316	1368
PAT	2287	2891	4765	4806	5063
BVPS	450	494	572	646	737
P/Bk	1.7	1.5	1.3	1.1	1.0

Source: Company, Way2Wealth

Technical View



LICHSGFIN has bounced back strongly after testing an intraday low of 544.80. The stock has been trading above its upward sloping channel which is suggesting uptrend mode. MACD and RSI are showing strength in the current scenario. The stock is likely to remain positive and it has immediate resistance at 759/794. Breakout of 794 levels, the stock can move towards 840 and 865 levels. The stock has found the support levels of 691 and 683.

INDEX

Bank of Baroda Ltd.



Sector	CMP (₹)	Mcaps (₹ crs)	Target (₹)	Potential Upside
Banking	280.9	147487.3	320-330	17%

Bank of Baroda is the second largest public sector bank with advances worth ₹10,90,506cr and deposit book of ₹13,26,958cr. In year 2019, BoB merged with Vijaya Bank and Dena Bank, which strengthened its presence across the country and now has 8,200 domestic and 93 overseas branches.

Key Triggers

- Bank of Baroda's strong presence in RUSU region (Rural & Semi-Urban), with branch mix at 60.25% increasing from 57.57% in FY20 (Post amalgamation), makes it one of the leading public sector bank to benefit from pick up in rural economic activity.
- RAM (Retail, Agri. And MSME) share increased from 48.59% in FY20 to 57.7% in FY24 in-line with bank's strategic focus on ramping up RAM share. Led by strong branch distribution network in non-urban region, share of agriculture lending rose from 14.42% to 15.40% over the same period.
- In a positive development, the regulator in May 2024, lifted the ban on acquiring new customers digitally through bank's mobile app 'BoB World'. It would act as key catalyst for an accelerated loan book growth in retail segment which would be key driver for management's guidance of double-digit loan growth
- Anticipation of reduction in restructured book would aid margin improvement for the bank, with credit cost likely to remain below 1%. While operating expenses may remain slightly on the higher side, treasury gains could make up for it and aid bottom-line profitability.

Financials

Particulars	FY22	FY23	FY24	FY25	FY26E
Net Interest Income	32622	41355	44722	48657	54488
NIM	2.7%	3.2%	3.1%	3.0%	3.0%
PPoP	22389	26864	30965	34542	40043
Provisions	13002	7137	6076	6950	8520
PAT	7272	14110	17789	20402	23284
BVPS	158	183	211	244	283
P/Bk	1.8	1.6	1.3	1.1	1.0

Source: Company, Way2Wealth

Technical View



After given a breakout from the 'V' shape recovery, BANKBARODA has been trading with in rising upward sloping channel on weekly chart since May 2023. Also, RSI & MACD signals buying pressure on the weekly chart and the bullish support line continues to remain strong which suggests buying pressure in BANK OF BARODA during dips. The weekly chart structure looks positive, and it can move towards 340/365 levels in medium to long term scenario. On the downside, the support will be at 260/236 levels.

INDEX

IRB Infrastructure Developers Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Civil Construction	66.3	39646.0	75-80	21%

IRB Infrastructure Developers Ltd. is a leading and the largest integrated multinational player in India's highways infrastructure with a staggering operational expansion, poised to bolster its already impressive footprint in the sector.

Key Triggers

- The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, and accelerate economic growth. The total order book stands at ₹35,000crs. Within this, the EPC order book is at ₹5,700crs. The next two years executable order book including EPC and O&M is close to ₹8,000crs. Thus, providing good construction revenue visibility for the next 2 years.
- The construction progress on the Ganga Expressway project has exceeded 50%, making the project eligible for transfer to a Private Infrastructure Investment Trust (InvIT), subject to the necessary approvals.
- Also the company has a cash on books close to ₹2,700crs. This provides enough scope to bid for new upcoming projects which according to NHAI estimates amounts to more than 2 trillion 53 BOT projects. Further, there is pipeline of 33 TOT projects. We believe IRB Infra as one of the key beneficiaries of the return of the Modi government to power and its subsequent push on infra capex.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	5,804	6,402	7,409	8,256	8,972
EBITDA	2,575	3,130	3,331	3,878	4,271
EBITDA Margin	44%	49%	45%	47%	48%
PAT	361	720	606	1026	1296
EPS	0.6	1.19	1	1.7	2.1
P/E	110.5	55.7	66.3	39.0	31.6
RoCE	9%	9%	8%	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



IRB has signalled breakout from Inverted head and shoulder pattern on first week of September 2023. After giving breakout from the bullish pattern on the monthly chart, the stock has been moving in a bullish Price channel which is a continuation pattern that slopes up and is bound by an upper and lower trend line. This indicates the stock is in uptrend mode and it can move towards 80/95 levels. The support will be at 59/56 levels.

INDEX

Power Grid Corporation of India Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Power - Transmission	333.05	301851.1	360-380	14%

POWERGRID primarily operates in the power transmission sector, utilizing its extensive EHVAC/HVDC network. The company has expanded into the telecommunications sector by making use of its nationwide transmission infrastructure to install optical ground wire. Additionally, POWERGRID offers consultancy services both within India and abroad, drawing on its expertise and proficiency in areas such as power transmission, sub-transmission, distribution management, load dispatch, and communications.

Key Triggers

- The current portfolio of work in hand has expanded to ₹86,700crs. This includes ₹11,200crs for ongoing Real Time Market (RTM) projects, ₹24,700crs for new RTM projects, and ₹50,800crs for other ventures. Over 80% of these projects are dedicated to the evacuation of renewable energy
- By 2032, the company plans a ₹2,07,500crs CAPEX for enhancing transmission, solar generation, smart metering, and data centers. Initiatives including green energy evacuation in Rajasthan and Andhra Pradesh and joining the "One Sun One World One Grid" with potential international links provides good earning visibility.
- NDA 3.0's focus on fiscal correction, increased capex, and private investment could benefit Powergrid Corporation with new projects, partnerships, and economic stability. Tax reforms and higher dividends from asset sales may further enhance profitability and growth opportunities.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	41616	45581	45843	48779	50873
EBITDA	36572	39500	39903	41990	43591
EBITDA Margin (%)	87.9	86.7	87	86	85.6
PAT	16824	15417	15573	16554	17558
EPS	18	16.6	16.7	18	19
P/E (x)	22	19.2	19	18.3	17.3
RoCE (%)	11.2	12	12.4	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



POWERGRID has bounced back strongly from the major demand levels of 270-280, showing a V-shaped recovery on the daily chart and sustaining the bullish momentum. Adding to the optimism, the stock has respected its adjacent upward sloping trendline with active buyer's participation at lower levels. Technically the stock is likely to remain an uptrend and buy on dips would be advisable for long term gains. On the upside, resistance for POWERGRID can be anticipated at the 345/350 levels. A break above 350 could lead the stock towards the 380/410 levels. On the downside, support for the stock can be seen at the 317/292 levels.

INDEX

UltraTech Cement Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Cement & Cement Products	10784.9	314213.4	11500-12000	11%

UltraTech Cement Limited is the cement flagship company of the Aditya Birla Group. A USD 8.4 billion building solutions powerhouse, largest manufacturer of grey cement and ready mix concrete (RMC) and one of the largest manufacturers of white cement in India. Third largest cement producer in the world, excluding China and the only cement company globally (outside of China) to have 100+ MTPA of cement manufacturing capacity in a single country. The Company's business operations span UAE, Bahrain, Sri Lanka and India.

Key Triggers

- With a vast network of 3900 stores, the company has seen double-digit volume growth for three consecutive years. Cement sales rose from 94 million tons in FY22 to nearly 119 million tons in FY24, with Q4FY24 experiencing a 30% increase from the previous quarter and an 11% YoY growth in volume.
- In Q4FY24, the company reached 98% capacity utilization and aims to boost capacity by approximately 15-17 million tonnes in FY25. Over the next three years, it anticipates cutting operating costs by ₹200-300 per tonne, supported by a higher blended cement ratio, more green energy, shorter transport routes, greater use of alternative fuels, and operational leverage.
- UltraTech Cement may see growth under NDA 3.0 due to infrastructure initiatives, rural development schemes, consistent economic policies, and increased investor confidence in the market.

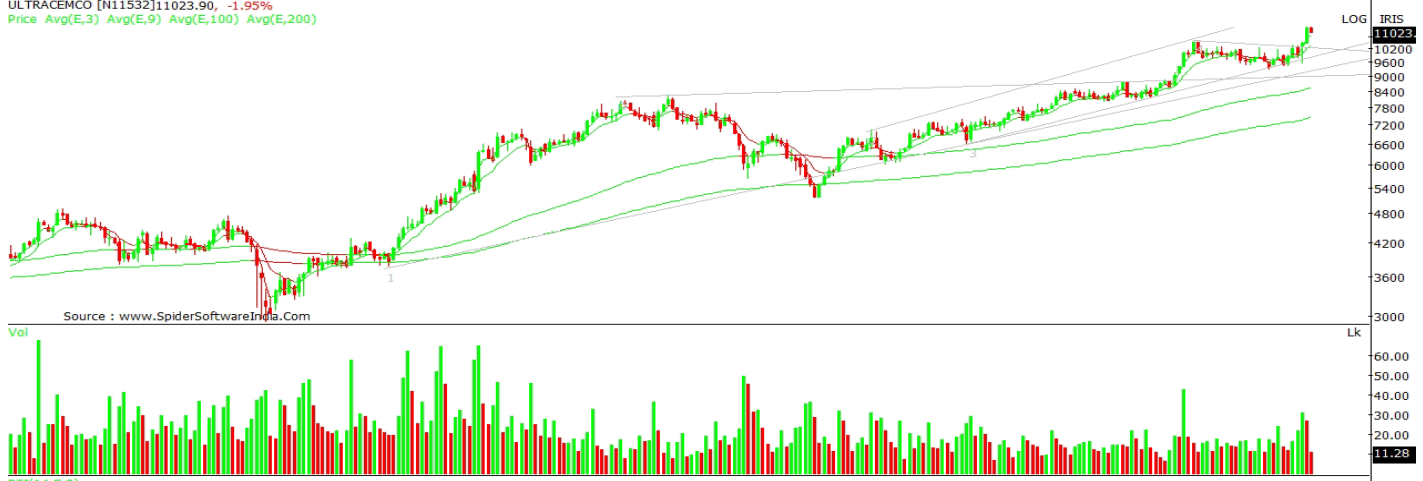
Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	52599	63240	70908	78066	88628
EBITDA	12022	11123	12968	15714	19055
EBITDA Margin (%)	22.9	17.6	19.2	20	21.4
PAT	7334	5073	7004	8761	11030
EPS	255	176	243	300	380
P/E (x)	26	43	40	36	28
RoCE (%)	15	13	15	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View

ULTRACEMCO [N11532]11023.90, -1.95%
Price Avg(E,3) Avg(E,9) Avg(E,100) Avg(E,200)



Technically, the overall structure of ULTRACEMCO appears to be highly bullish in nature marked by consistent formations of higher highs and higher lows, culminating in the creation of fresh all-time highs. Recently, the stock has given a positive breakout of the downward sloping trendline and a consolidation range on the daily chart accompanied by good volume growth, suggesting a positive bias. On the support and resistance front, ULTRACEMCO may encounter resistance at 11800/12200 levels. Conversely, support for the stock can be seen at 10830/10520 levels.

INDEX

EMS Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Water & Waste Management	580.4	3087.0	640-660	14%

EMS Ltd provides various services, ranging from EPC and O&M, in sewerage solutions, water supply systems, and wastewater schemes for government authorities and local bodies, Electricity transmission and distribution & Building and manufacturing of own items which are used for construction purpose. Headquartered in Ghaziabad, the company offers water and sewerage infra solutions, including laying the sewerage network to building sewerage and water treatment plants in the states of Uttar Pradesh, Maharashtra, Bihar, Uttarakhand and Rajasthan.

Key Triggers

- Operates projects under Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Project under Namami Gange Program which are likely to see increased budgetary allocation for the Full year budget of 2024. Focus remains on capitalizing on Government policy initiatives in Waste Water Treatment Plant (WWTP) and Wastewater scheme projects (WSSP) sector.
- Development of Rural Infra:** To provide basic amenities and improve rural canal works for irrigation and drainage by offering comprehensive suite of services to address local government and bodies needs.
- The Company bids for tenders issued by Central Public Works Department (CPWD), State Governments and Urban Local Bodies (ULBs) for developing WWSPs and WSSPs on EPC or HAM basis. The business model relies on the strength of its brand, project execution and management capabilities as well as its well-established relationships with its clients, architects and contractors. Leveraging these capabilities and relationships, it seeks to transition to a combination of designing and execution based business model.
- The company gradually expanding its business operations to other regions of the country, especially North-East and South India. EMS plans to continue its strategy of diversifying and expanding its presence in these regions for the growth of business.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	360	538	793	987	1,124
EBITDA	113	155	220	276	322
EBITDA Margin (%)	31.4	28.8	27.7	28.0	28.6
PAT	79	109	153	201	245
P/E (x)	40.7	29.5	21.1	16.0	13.1
RoCE (%)	28.7	26.9	24.2	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



The weekly chart suggests sustainable move past 569 can extend rally in the counter towards upper Bollinger band levels of 595/599. RSI is also showing rising trend indicating accumulation can be witnessed on buyer surface. Moreover, the stock is placed well above its long-term daily Exponential Moving Averages, namely, 100(364) and 200(323), which support the uptrend argument and also going forward these averages could act as a good long term support for the stock.

INDEX

Titan Company Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Gems & Jewellery	3421.35	304789.9	3750-3850	13%

Founded in 1984 as a joint venture between the Tata Group and Tamil Nadu Industrial Development Corporation Limited (TIDCO), Titan Company Ltd (Titan) has emerged as a leader in the integrated lifestyle space with prestigious brands across each business with 3035 stores having retail space area of 4.14mn sq.ft. in 428 towns.

Key Triggers

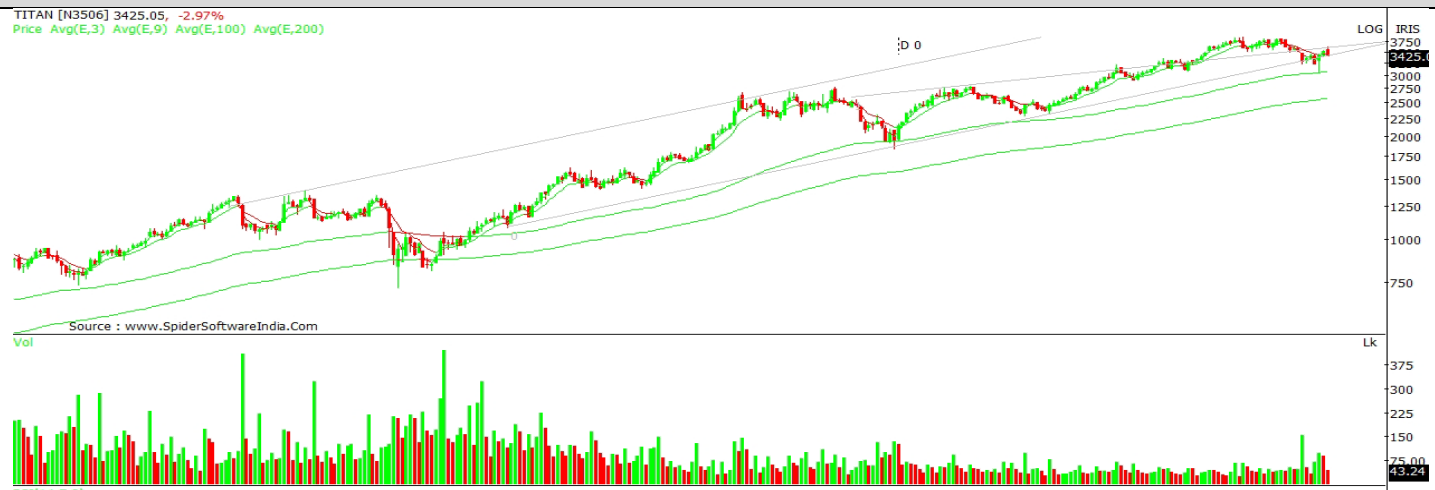
- Titan's management is now eyeing 15-20% domestic jewellery sales CAGR (FY24-27) led by retail network expansion to 1,250 stores/+300 towns from about 900/265 (Tanishq: 564+ from 464 stores, CaratLane: 420 from 270, Mia 300- 350 from 180). Company plans to address +300 geographies mainly in Tier 1 & 2 towns and transforming smaller stores by adding more retail space as expansion strategy.
- Good traction in Tier 2/3/4 markets (contributing 30% to sales); double-digit growth in new buyers which is likely to be +50% of jewellery customers as the ASP is witnessing single digit increase;
- Premiumisation due to growing traction in high-value studded (formalization at play), gold exchange program, GHS scheme, etc and 10-11% market share from 8.6%, aided by continued share gains in TN, AP, WB and Hindi belt on the back of hyper regionalization strategy

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	28,799	40,575	51,084	57,547	67,487
EBITDA	3,341	4,879	5,292	6,634	8,026
EBITDA Margin (%)	11.6	12.0	10.4	11.5	11.9
PAT	2,198	3,274	3,496	4,404	5,555
P/E (x)	134.3	92.5	86.6	69.0	54.7
RoCE (%)	22.0	24.1	20.1	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



TITAN has been moving in a rising upward sloping channel with steady volumes since November 2016 and tested new all time high of 3886.95. The stock has been witnessing above both 100 days & 200 days EMA (1864 & 1227) with steady volumes on monthly chart and suggesting long term trend on TITAN is likely to remain uptrend. The momentum indicators like MACD & RSI for the stock is signalling buying pressure on dips at key support levels. The medium-term trend on TITAN is up and a sustained close above 3625 is likely to take the stock 3880/3950/4000 levels. The support lies at 3310/3215 levels.

INDEX

Crompton Greaves Consumer Electricals Ltd.

Crompton

Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Household Appliances	431.05	27584.8	470-490	14%

Crompton Greaves Consumer Electricals Ltd is a +80 year old Electrical Consumer Durables (ECD) brand with a wide portfolio of products across categories and a pan-India footprint with 5 Manufacturing facilities and +6700 channel partners and 269,794 retail touchpoints. Additionally, it is ranked 3rd in the Lighting & LED market space.

Key Triggers

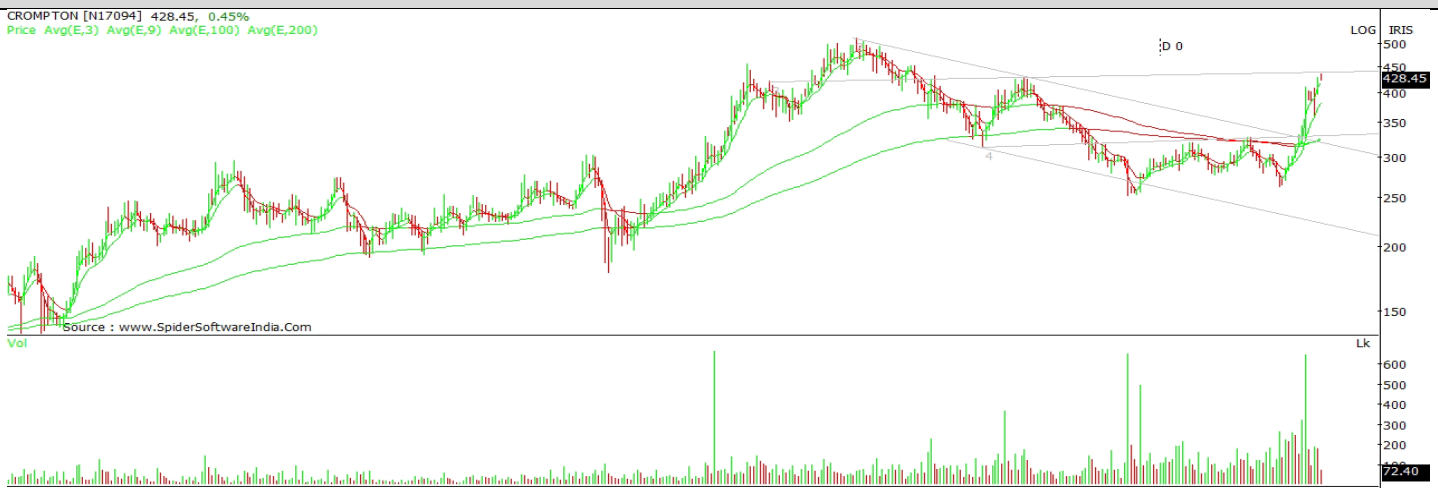
- Anticipated good 2024 Monsoon augers well for demand of Kitchen and small domestic appliances products. Witnessed market share growth in ceiling fans and in the sub category of premium fans. In fans, industry volume growth of 15% is expected in FY25. Demand for Fans to be robust in Q1FY25 due to extreme Heat in Apr-May24
- Several solar pump orders executed during the year with total empanelment of ₹1.2bn/ 870mn in FY24/Q4 across key states. In agricultural pumps, Crompton maintained its market share of ~7-8%. Profit profile and cash flows in the pumps business are healthy. Likely to participate in KUSUM scheme for solar pumps.
- Initial efforts to make Butterfly a pure play brand (to de-risk presence in corporate and institutional channels) have been largely completed along with aligning Crompton and Butterfly policies. Butterfly numbers to improve going forward as company completes rationalisation of channel mix.

Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	5,394	6,870	7,313	8,283	9,334
EBITDA	770	771	714	896	1,076
EBITDA Margin (%)	14.3	11.2	9.8	10.8	11.5
PAT	578	463	440	583	728
P/E (x)	47.4	59.0	62.5	47.6	38.2
RoCE (%)	23.1	16.9	15.9	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



Technically, CROMPTON has given a positive breakout of the symmetrical triangle chart pattern on the weekly chart with a rise in volumes, indicating a positive near-term outlook. Additionally, CROMPTON. Long-term investors view the stock favorably as it trades above its 100-day and 200-day moving averages, signaling confidence in its trajectory. On the higher side, CROMPTON can anticipate resistance at 480/493 levels. If CROMPTON continues to be above 493, then it can move towards a new all-time high 520/550 levels. In contrast, support for the stock can be seen at 400/360 levels.

INDEX

Emami Ltd.



Sector	CMP (₹)	Mcap (₹ crs)	Target (₹)	Potential Upside
Personal Care	717.95	30923.8	790-810	13%

Emami Ltd, founded in 1974, is one of India's leading FMCG companies engaged in manufacturing & marketing of personal care & healthcare products. Emami's products are available in ~ 4.9mn retail outlets across India through its network of 4000+ distributors and its global footprint spans over 70 countries including SAARC, MENAP, SEA, Africa etc.

Key Triggers

- The Company's prominent brands comprise Navratna, Zandu, BoroPlus, Kesh King, Fair and Handsome, Mentho Plus, 7 Oils in One and Dermicool, among others. Emami's focus on investments behind power brands, expanding distribution network and enhancing capabilities positions favorably to seize market opportunities. With a strong summer season and forecast of a good monsoon, Emami will continue to be focused on objective of achieving sustainable and profit-led, volume driven growth and amplifying new growth engines.
- Increased distribution through project KHOJ resulted in additional coverage of more than 20,000 towns in rural regions. Since the launch of the project more than 15% of direct rural sales were achieved from these newly activated coverage towns.
- Additionally Union Cabinet recently has approved Minimum Support Prices (MSP) for Kharif crops for marketing season 2024-25. Companies with rural focus are set to reap the benefits of various reforms like higher MSP, farm loan waiver schemes, direct transfer of government subsidies and so on.

Financials

	(₹ crs)				
Particulars	FY22	FY23	FY24	FY25E	FY26E
Revenue	3192	3406	3758	3919	4283
EBITDA	938	855	946	1058	1178
EBITDA Margin	29%	25%	26%	27%	28%
PAT	837	627	724	846	953
EPS	19.02	14.5	16.58	19.5	22.1
P/E	37.9	49.7	43.4	36.9	32.6
RoCE	31%	34%	35%	-	-

Source: Bloomberg, Company, Way2Wealth

Technical View



From a technical standpoint, EMAMILTD has experienced a positive breakout from its multiyear resistance range with impulse market participation, resulting in a potential bullish trend continuation. Additionally, the stock has given a V-shaped recovery on the daily as well as weekly chart. In the short-term scenario, the stock may retrace to 685-700 levels to complete its price cycle. Momentum indicators such as OBV and RSI on the daily chart confirm the stock's potential continuation of the uptrend, with possible resistance at the 762 level. A breakout above 762 could potentially lead the stock to create its fresh all-time highs of 840/900 levels. Conversely, EMAMILTD has support at 685/620 on the downside.

INDEX

Team

Fundamental Analysts	Designation	Sector	Email
Jayakanth Kasthuri	Research Analyst	Capital Goods, Consumer Durables & Auto-Auto Ancillaries	jayakanthk@way2wealth.com
Ashwini Sonawane	Research Analyst	FMCG	ashwinisonawane@way2wealth.com
Dhananjay Mahendra Kansara	Research Analyst	Midcaps	dhananjay.k@way2wealth.com
Prasad Hase	Research Analyst	BFSI, Chemicals	Prasadhase@way2wealth.com

Technical Analysts	Designation	Email
Devarajan Sadasivam	Head – Technical & Derivatives Research	devarajan.s@way2wealth.com
Jebaris Anthonyraj Nadar	Research Associate	jebarisn@way2wealth.com

Disclaimer

Analyst Certification: I, the research analysts and authors of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that the authors of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or

markets; increased competition; unfavourable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

To enhance transparency, Way2Wealth has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Disclosure of Interest Statement as on 25th June 2024

Analysts' ownership of any stock related to the information contained	NIL
Financial Interest	No
Analyst:	No
Analyst's Relative: Yes / No	No
Analyst's Associate/Firm: Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

This information is subject to change without any prior notice. Way2Wealth reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, Way2Wealth is committed to providing independent and transparent recommendations to its clients and would be happy to provide information in response to specific client queries.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.