

Aditya Joshi, Co-founder and CEO

Akriti Swaroop, Co-founder and COO

SOVRENN TIMES

DISCLAIMER: This document is created for educational and informational purposes only and should NOT be construed as a Buy/Sell recommendation, investment advice or a research report. Although the document accurately reflects the personal views of the authors, there may be manual/ human errors in the document. The authors may also have equity shares in the companies mentioned in this report. Investor is advised to consult his/her investment advisor and undertake further due diligence before making any investment decision in the companies mentioned. Authors are not liable for any financial gains or losses due to investments made as per the information written in this document.

IMPORTANT: How to use Sovrenn Times

To begin your investment journey with Sovrenn, please watch the below education modules:

MODULE I:

English: <https://sovrenn.com/education/videos?module=1&lang=english&avail=true>

Hindi: <https://sovrenn.com/education/videos?module=1&lang=hindi&avail=true>

MODULE II:

English: <https://sovrenn.com/education/videos?module=2&lang=english&avail=true>

Hindi: <https://sovrenn.com/education/videos?module=2&lang=hindi&avail=true>

SOVRENN FRAMEWORK

Please look at the following parameters to assess any company for investment:

- (1) Company type: Evergreen or Seasonal sector is preferable over Cyclical. This is because it is difficult to predict upswing in Cyclical stocks.
- (2) Profit uptrend: The revenue, operating profit and net profit should ideally be following an increasing trajectory and company must not be loss making.
- (3) PE: TTM PE or Trailing 12m Price to Earnings ratio should ideally be on the lower side of the sector PE range, unless the growth prospects are compelling to justify a higher PE.
- (4) Futuristic Sector: A futuristic sector (eg: Solar, Wind EV, Railways, Defence, 5G, Electrification, New Age IT, etc.) enjoys sector tailwinds and usually has higher growth potential.
- (5) HNI / Institutional / Promoter Buying: If a known HNI enters the Company by picking equity stake in it, it can add to one's conviction building. Similarly, promoters buying their company's shares is generally a positive signal of them demonstrating confidence in their business.
- (6) Special Situation: If a company is raising funds through preferential issuance of shares to a select group of investors, or through Rights issuance where all the current shareholders have the right to buy additional shares in the company, it signals incoming cash into the company. This cash is generally used for future growth and hence signals increased possibility of higher future profits.
- (7) Future Information: If we have information about future growth drivers of a company, it can help build conviction before making investment decisions. Examples of such events include: (a) capacity expansion which indicates future increase in sales, (b) new product launches, (c) large orders, (d) partnerships and agreements, (e) acquisitions, etc.

1. REFEX INDUSTRIES LTD. NSE: REFEX (1st time covered: 3rd Feb 2023)

Recent filing: (FUND RAISE) Board of Directors of Refex Industries has considered and approved fund raise of INR 220 Cr through the issuance of (i) 50L equity shares at a price of INR 125 each aggregating to INR 63 Cr on a preferential basis (ii) 1.26 Cr warrants at a price of INR 125 each aggregating to INR 157 Cr. (**Share price and Warrant price are adjusted for upcoming stock split in the ratio 1:5).

SUMMARY: 2y Operating Profit uptrend | PE 13.5x (Sector PE range NA) | Business expansion (EV Leasing) | Fund raise | Promoter buying | EV Leasing

- MCap of INR 1,480 Crore (share price = INR 668 / share) (as on 4th Mar '24)
- TTM PE 13.5x (as on 4th Mar '24) Retail float = 29.5% (Dec-23)

Company Description: Refex Industries is the first mover in the Refrigerant Gas Vertical. It has an expertise in manufacturing & refilling of refrigerant gases replacing chloro-fluoro-carbons. It recently incorporated a wholly owned subsidiary in the name of 'Refex Green Mobility'. 'Refex eVeelz' is the brand under which the subsidiary operates. Refex eVeelz is one of India's all-electric 4-wheeler fleet, providing an eco-friendly and environmentally conscious transport solution to corporate employees and other commuters. It offers 100% EV fleet, drivers, infrastructure, and technology. Company is also into the space offering services to power plant like handling and disposal of Fly Ash, Round the clock services for coal yard management, crushing of uncrushed coal and Coal trading to power plants.

Share price and Volume (last 1 year):




Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Refex	238	324	544	546	845	673	636	555	530	602	694	647

(In INR Cr)	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Sales	177	265	353	380	630	382	352	306
Op Profit	22	22	37	40	74	36	34	34
Net Profit	24	14	25	26	51	21	21	17
OPM	12%	8%	10%	11%	12%	9%	10%	11%
NPM	14%	5%	7%	7%	8%	5%	6%	6%
Promoter %	50.2%	50.2%	52.7%	52.7%	52.7%	52.7%	53.3%	53.3%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	TTM
Sales	77	461	661	633	444	1,629	1,671
Op Profit	2	28	51	68	58	175	178
Net Profit	1	32	33	41	45	116	110

Website: <https://www.refex.co.in/>

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	No	
PE 13.5		
Futuristic Sector	Yes (EV leasing)	
HNI / Institutional / Promoter Buying	Yes	 <p>Aug '23: Promoter bought 1.4L shares at INR 642/share, aggregating to INR 8.9 Cr.</p> <p>Sep '22: L7 Hitech Pvt Ltd bought 1.3L shares at INR 165/share, aggregating to INR 2.1 Cr.</p>
Special Situation	Yes	As stated above
Future Visibility	Yes	<p>Oct '23: Refex Green Mobility, the Wholly-owned Subsidiary of Refex Industries, has made an investment in O3 Mobility Private Limited by acquiring 49.99% stake in it for INR 1L. Target's FY23 topline was Nil (incorporated in Sep-22). The Target entity is engaged in the business of providing transport facility for passenger & logistics services and charging infrastructure facilities and other business.</p> <p>Sep '23: Refex Group is planning to invest INR 240 Cr to buy 2,000 electric cars over the next 6 months (currently it has 497 e-Cars) for third party office transportation services in Bengaluru, Chennai, Hyderabad, Pune and New Delhi. Currently it is providing transportation services to 8 corporate clients in Bangalore and has just started service in Chennai with 41 e-cars. During FY25, it will enter Hyderabad, Pune and New Delhi. It is hoping to procure 10,000 cars in 3 years at INR 1,350 Cr.</p> <p>Sep '23: BoD has considered and approved to further invest to the extent of INR 7.4 Cr in Refex Green Mobility Limited, a Wholly Owned Subsidiary (WOS) of Refex Industries Limited, by way of subscription to 74L fully paid up equity shares.</p> <p>Mar '23: BoD approved to incorporate a subsidiary in the name Refex Green Mobility Limited with the main purpose of offering environmentally sustainable services in the urban transportation and energy sectors.</p>

LT OP = Long-term operating profit; ST OP = Short-term operating profit

This page is created for information purpose. It is not a BUY/SELL recommendation.
Please do your own due diligence before making any investment decisions.

2. BALU FORGE INDUSTRIES LIMITED BSE: 531112

(1st time covered: 15th Feb 2023)

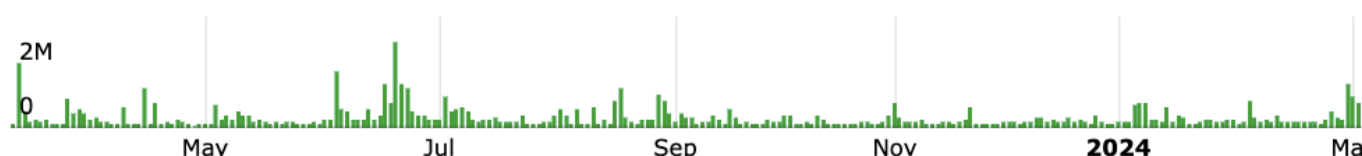
Recent filing: (BULK DEAL) Ebene Global Opportunity Fund bought 6L shares of Balu Forge Industries Limited at a price of INR 215 aggregating to INR 12.8 Cr.

SUMMARY: 3y Operating Profit uptrend | 6q Operating Profit uptrend | PE 27.2x (Sector PE range 30-50) | Excellent Dec-23 results | Capacity expansion | Fund raise | Ace Investor | Institutional Entry

- MCap of INR 2,192 Crore (share price = INR 214 / share) (as on 4th Mar '24)
- TTM PE 27.2x (as on 4th Mar '24) Retail float = 7.0% (Dec-23)

Company Description: Company is engaged in the manufacturing of fully finished and semi-finished crankshafts and forged components. It has the capability to manufacture components conforming to both New Emission Regulations & the New Energy Vehicles.

Share price and Volume (last 1 year):




Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Balu	88	94	100	165	173	204	220	242	238	246	279	209

(In INR Cr)	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Sales	82	50	62	89	124	112	139	147
Op Profit	10	5	5	18	21	22	30	33
Net Profit	11	7	5	11	15	17	23	25
OPM	12%	10%	8%	20%	17%	20%	22%	22%
NPM	13%	14%	8%	12%	12%	15%	17%	17%
Promoter %	66.2%	66.2%	65.4%	65.4%	65.4%	65.4%	57.5%	56.1%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	TTM
Sales	-	-	-	142	286	327	522
Op Profit	-	-	-	12	37	50	105
Net Profit	-	-	-	8	30	39	81

Website: <https://www.baluindustries.com/>

Company Type	Evergreen	 Crankshafts
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 27.2 (Auto Ancillaries: 30-50) Below sector range		
Futuristic Sector	Yes (Railways Modernization)	
HNI / Institutional / Promoter Buying	Yes	<p>Jun '23: Ecotek General Trading LLC bought 14.5L shares at INR 109/share, aggregating to INR 15.8 Cr.</p> <p>Apr '23: Discovery Buildcon Pvt Ltd. bought 6L shares at INR 91/share, aggregating to INR 5.5 Cr. Moneyplant Gold & Jewellery bought 4.3L shares at INR 92/share, amounting to INR 4 Cr.</p> <p>Mar '23: Dream Achiever Consultancy bought 5.7L shares at INR 90, aggregating to INR 5.1 Cr. Silvertoss Shoppers bought 9.5L shares at INR 85/share, aggregating to INR 8 Cr. Sawarnbhumi Vanijya Pvt. Ltd. bought INR 7.6 Cr of shares of the Company at INR 85/share.</p>
Special Situation	Yes	<p>Oct '23: BoD considered and approved the allotment of 25L equity shares to Sixteenth Street Asian Gems Fund (Non-promoter) and 50L warrants to Promoter Group, at INR 183.6 per unit, aggregating to INR 138 Cr. The issuance of these units were earlier approved by the Board in Sep 2023.</p> <p>Jun '23: BoD considered and approved the issuance of up to 1.37 Cr equity shares on preferential basis to non-promoters at INR 115.45/share and aggregating to INR 158 Cr. It also approved the issuance of up to 30L warrants to promoters, each at INR 115.45 per warrant, aggregating to INR 35 Cr. Mr. Ashish Kacholia will be subscribing up to 21.7L shares at the set price, aggregating to INR 25 Crore, and equivalent to 2.2% post subscription shareholding on a fully diluted basis.</p>
Future Visibility	Yes	<p>Mar '23: Balu Forge won order to supply Powertrain Sub-assemblies to a tractor manufacturer based out of the middle east. Company has already started the supply under the said contract and expects to generate further revenues in upcoming quarters.</p> <p>Feb '23: Company has proposed to set up a new manufacturing facility at Belgaum, Karnataka. This new facility will house a state-of-the-art precision engineering center that will increase efficiency in production and enable an extension of the existing product portfolio to enhance the company's offering in both the ICE & the new energy sphere.</p>

LT OP = Long-term operating profit; ST OP = Short-term operating profit

This page is created for information purpose. It is not a BUY/SELL recommendation.
Please do your own due diligence before making any investment decisions.

3. MANOJ CERAMICS LIMITED BSE: 544073

(SME: Lot Size = 2,000 shares) (1st time covered: 11th Jan 2024)

Recent filing: (NEW SHOWROOMS) Manoj Ceramic Limited has entered into a lease agreement for the establishment of new showroom located at Ghatkopar (East), Mumbai.

SUMMARY: 3y Operating Profit uptrend | PE 21.7x (Sector PE range 30-60) | Fund raise (IPO) | Ace Investor | New Showroom

- MCap of INR 104 Crore (share price = INR 125 / share) (as on 4th Mar '24)
- TTM PE 21.7x (as on 4th Mar '24) Retail float = NA (Sep-23)

Company Description: The Company specializes in Ceramic Tiles and Tile Adhesive. The Ceramic Tiles collection boasts diverse design, colours and sizes. Working closely with manufacturers, the finalizes designs are supplied to dealers, retail showrooms, exported and sold in B2B dealings with architects, builders and contractors.


Share price and Volume (last 1 year):



Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
manoj	-	-	-	-	-	-	-	-	-	-	-	120

(In INR Cr)	Mar-21	Mar-22	Mar-23	Sep-23 (HY)	TTM = Mar-23/2 + Sep-23
Sales	35.6	43.1	73.5	43.2	79.9
Op Profit	4.2	4.0	8.6	7.0	11.3
Net Profit	0.1	1.0	3.6	3.0	4.8
OPM	12%	9%	12%	16%	14%
NPM	0%	2%	5%	7%	6%

Website: <https://www.mcplworld.com/>

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 21.7 (Building material: 30-60) Below sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	<p>Feb '24 and Jan '24: Viney Equity Market Llp bought 8.4L shares at an average price of INR 110/share and aggregating to INR 9.3 Cr.</p> <p>Jan '24: Manoj Agarwal bought 60k shares at INR 74/share, aggregating to INR 44L.</p>
Special Situation	Yes	IPO in Jan '24
Future Visibility	Yes	As stated above

LT OP = Long-term operating profit; ST OP = Short-term operating profit

4. THAAI CASTING LIMITED

NSE - ST : TCL (SME: Lot Size = 1600 shares) (1st time covered: 26th Feb 2024)

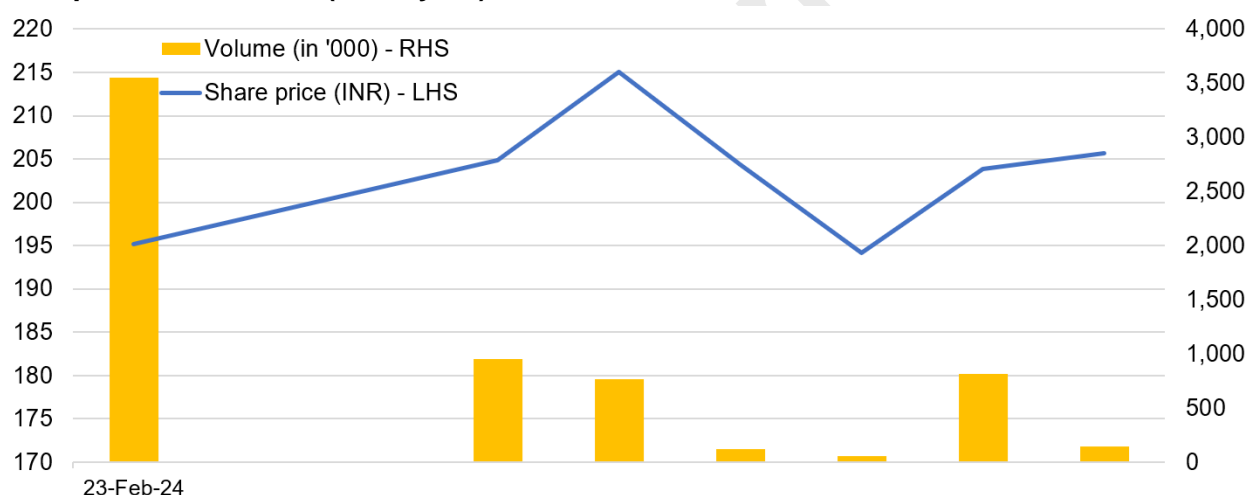
Recent filing: (BUSINESS UPDATE AND ORDER) Thaaai Casting Limited has secured domestic orders amounting to INR 220 Cr, slated for execution over the next 60-80 months, with a monthly run rate of approximately INR 4 Cr dedicated specifically to this order. Company is also fulfilling orders totaling approximately INR 8 Cr per month. With the introduction of a streamlined workflow, the company foresees supplying work orders worth around INR12 Cr monthly. As part of the Company's forward-looking strategy and capital expenditure plans, there is an opportunity for a substantial increase in capacity.

SUMMARY: 3y Operating Profit uptrend | PE 46.6x (Sector PE range 30-50) | Capacity expansion | Ace Investor | Large Order | IPO

- MCap of INR 499 Crore (share price = INR 216 / share) (as on 4th Mar '24)
- TTM PE 46.6x (as on 4th Mar '24) Retail float = NA

Company Description: Company specializes in High-Pressure Die Casting, as well as the precision machining of both Ferrous and Non-Ferrous materials and induction heating and quenching. Company Business model is based on B2B approach, catering to leading entities in the automotive component sector.

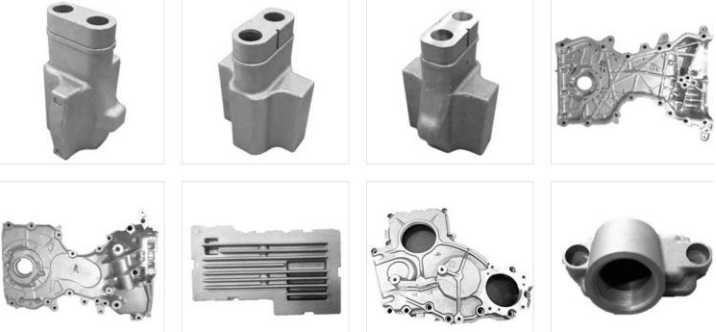
Share price and Volume (last 1 year):



Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
thaaai	-	-	-	-	-	-	-	-	-	-	-	194

(In INR Cr)	Mar-21	Mar-22	Mar-23	Apr-Jul23	Aug-Oct23	TTM=(5/12*Mar23) + Jul23+Oct23
Sales	20.4	38.3	49.0	19.6	28.9	68.9
Op. Profit	2.7	5.1	12.4	6.8	9.2	21.2
Net Profit	0.4	1.2	5.0	3.0	5.6	10.7
OPM	13%	13%	25%	35%	32%	31%
NPM	2%	3%	10%	15%	19%	16%

Website: <https://www.thaaicasting.com/>

Company Type	Structural				
LT OP uptrend	Yes				
ST OP uptrend	Yes				
PE 46.6 (Auto Ancillary: 30-50) Upper end of sector range					
Futuristic Sector	No				
		Pressure Die casting products			
HNI / Institutional / Promoter Buying	Yes	Feb '23: Selvamurthy Akilandeswari bought 1.2L shares at INR 180 each, aggregating to INR 2.1 Cr.			
Special Situation	Yes	IPO in Feb '24			
Future Visibility	Yes	Above + Company will use INR 37.3 Cr of the IPO Proceeds towards Capital expenditure, which includes purchase of machineries for manufacturing of products relating to die casting.			

LT OP = Long-term operating profit; ST OP = Short-term operating profit

5. ACCENT MICROCELL LIMITED BSE: 505872

(SME: Lot Size = 1,000 shares) (1st time covered: 22nd Dec 2023)

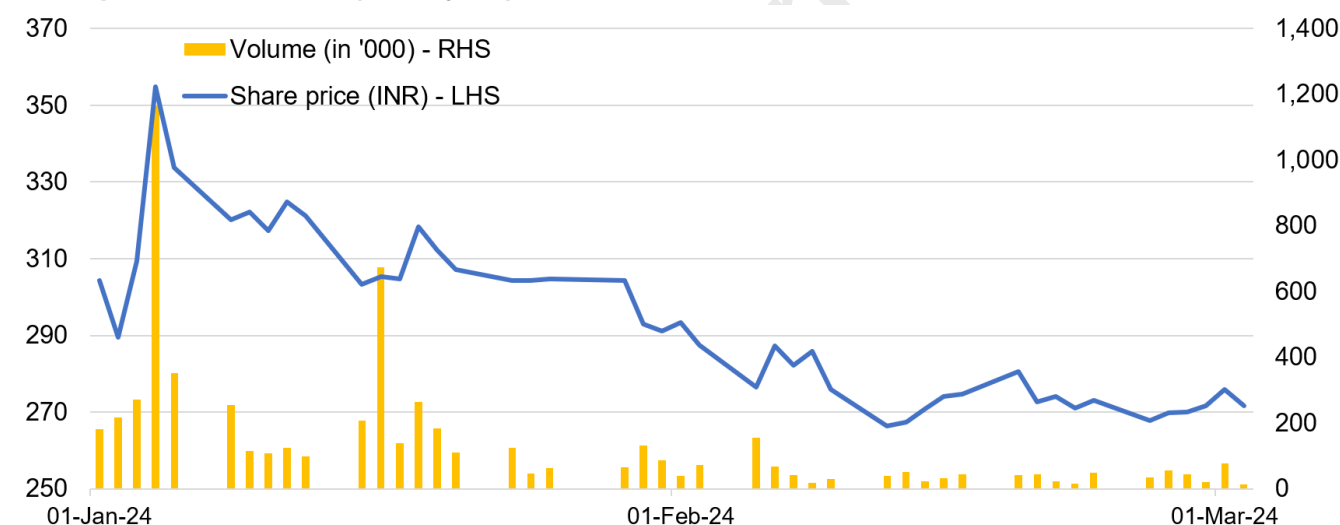
Recent filing: (ORDER) Accent Microcell has received a purchase order from world renowned corporate N. G. P Tobacco ApS, Denmark for its prime product called Cellulose Microcrystalline ACCEL-112. This order signifies Company's strategic foray into the new segment of selling its premium product into Tobacco Industries. The order size is 24,000 Kgs (24 Tonne) for each order. Total 3 orders received, aggregating to 72,000 Kgs (72 Tonne).

SUMMARY: 4y Operating Profit uptrend | PE 29.6x (Sector PE range 20-30) | Capacity expansion | Ace Investor | Business expansion

- MCap of INR 607 Crore (share price = INR 289 / share) (as on 4th Mar '24)
- TTM PE 29.6x (as on 4th Mar '24) Retail float = NA (Sep-23)

Company Description: The Company primarily manufactures Microcrystalline Cellulose ("MCC"). MCC is an odourless, fine white powder, a purified form of cellulose derived from refinement of highly purified wood pulp. It is widely used as texturizer, anticaking agent, binder, lubricant, a bulking agent, diluent which finds a wide range of applications in Pharmaceutical, Nutraceutical, Food, Cosmetic and other industries.

Share price and Volume (last 1 year):




Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Accent	-	-	-	-	-	-	-	-	-	292	291	271

(In INR Cr)	Jun-23 (Q)	Sep-23 (Q)	Sep-23 (HY) = Jun-23 + Sep-23
Sales	60	49	109
Op Profit	9.8	10.5	20.3
Net Profit	7.1	7.0	14.1
OPM	16%	21%	18%
NPM	12%	14%	13%

(In INR Cr)	Mar-20	Mar-21	Mar-22	Mar-23	TTM = $\frac{1}{2}$ *Mar-23 + Sep-23 (HY)
Sales	131	133	166	204	211
Op Profit	9	11	13	19	30
Net Profit	4	5	6	13	20.5
OPM	7%	8%	8%	9%	14%
NPM	3%	4%	4%	6%	10%
Promoter %	-	-	-	-	53.7%

Website: <https://accentmicrocell.com/>

Company Type	Evergreen	Application
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 29.6 (Pharma: 20-30) Higher end of sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	Dec '23: Manoj Agarwal bought 1.2L shares, INR 299/share, aggregating to INR 3.6 Cr.
Special Situation	Yes	IPO in Dec '23
Future Visibility	Yes	Above + INR 54 Cr of IPO proceeds will be used for funding of Capital Expenditure Requirements To Set up plant at Navagam Kheda for manufacturing Croscarmellose Sodium ("CCS"), Sodium Starch Glycolate and Carboxymethylcellulose (CMC)

LT OP = Long-term operating profit; ST OP = Short-term operating profit

Others

DRONEACHARYA AERIAL INNOVATIONS LIMITED

(PARTNERSHIP) DroneAcharya Aerial Innovations Limited and ITC Limited have launched the All Women's Namo Drone Didi Batch. This initiative, sponsored by ITC as part of its Corporate Social Responsibility, trains women from Self Help Groups in Maharashtra as drone pilots. Supported by ITC subsidiaries, the program spans 5 days, providing participants with a 10-year drone operation license in India. The comprehensive curriculum covers drone fundamentals, DGCA regulations, failsafe mechanisms, and emergency protocols. The initiative is led by a master trainer, an experienced DGCA certified Drone Instructor, emphasizing its commitment to gender inclusivity and empowerment in the drone industry.

- MCap of INR 403 Cr (share price = INR 168 /share); TTM PE 57.5x (as on 4th Mar '24)

Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Drone	123	131	135	172	145	158	178	188	184	192	190	166

PRITIKA ENGINEERING COMPONENTS LIMITED

(ORDER) Company has secured a substantial order from a prominent multinational tractor manufacturer, amounting to INR 24 Cr annually. This significant order is for the production of five new components.

- MCap of INR 102 Cr (share price = INR 77.2 /share); TTM PE 26.6x (as on 4th Mar '24)

Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
PECL	25	41	34	36	38	77	65	82	68	65	84	83

DIGIKORE STUDIOS LIMITED

Company announced the forthcoming launch of the World's First Cloud-based Marketplace of Virtual Production Sets. This revolutionary platform, meticulously developed over 16 months, promises to redefine the landscape of filmmaking worldwide, offering unprecedented opportunities for creators across the World.

- MCap of INR 339 Cr (share price = INR 535 /share); TTM PE 41.3x (as on 4th Mar '24)

Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Digiko	-	-	-	-	-	-	-	285	332	331	514	489

JTL INDUSTRIES LIMITED

(LOAN REPAYMENT AND BUSINESS UPDATE) Company has repaid the outstanding term debt of approximately INR 36 Cr and has become a term and net debt-free company.

The Company is on track with its earlier announced capex plan with the initiation of the dispatch and timely delivery of DFT machines in the upcoming weeks before closure of Q4FY24 and commissioning of the same by Q1FY25. Through this commissioning of DFT plant, company would be able to elevate plant capacity utilization. Company will be able to manufacture higher diameter pipes which would increase its kitty by 300+ SKUs of value-added products. This strategic move is anticipated to significantly boost its EBITDA margins.

- MCap of INR 4,364 Cr (share price = INR 255 /share); TTM PE 36.3x (as on 4th Mar '24)

Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
JTL	160	165	165	179	188	204	230	216	217	238	270	260

ELECTRONICS MART INDIA LIMITED

(NEW STORE) Company has commenced the commercial operations of a new Multi Brand Store under the brand name 'BAJAJ ELECTRONICS' at Jangaon, Telangana.

- MCap of INR 8,233 Cr (share price = INR 212 /share); TTM PE 45.2x (as on 4th Mar '24)

Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
EMIL	66	77	74	84	113	142	138	190	225	204	218	207

K.P. ENERGY LIMITED

(PROMOTER BUYING) Affan Faruk Patel, Director of K. P. Energy has bought 6k share at a price of INR 415 each, aggregating to INR 25L.

- MCap of INR 2,542 Cr (share price = INR 381 /share); TTM PE 52.7x (as on 4th Mar '24)

Price	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
KPEL	50	63	67	114	119	164	188	183	180	224	336	412

IPO

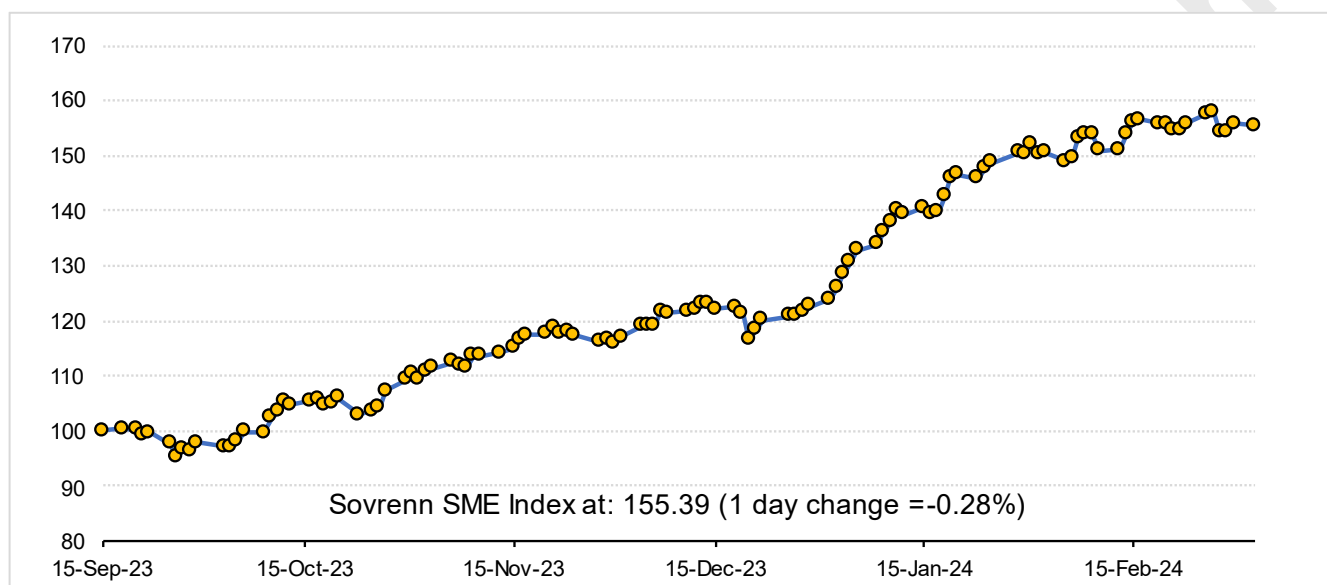
Company	SME / Mainboard	Status	Open	Close	Listing	GMP	Subs (x)
Shree Karni Fabcom	SME	Upcoming	6-Mar-24	11-Mar-24	14-Mar-24	132%	NA
Signoria Creation	SME	Upcoming	12-Mar-24	14-Mar-24	19-Mar-24	0%	NA
Pratham EPC Projects	SME	Upcoming	11-Mar-24	13-Mar-24	18-Mar-24	87%	NA
Koura Fine Diamond	SME	Upcoming	6-Mar-24	11-Mar-24	14-Mar-24	100%	NA
Gopal Snacks	Mainboard	Upcoming	6-Mar-24	11-Mar-24	14-Mar-24	30%	NA
JG Chemicals	Mainboard	Upcoming	5-Mar-24	7-Mar-24	13-Mar-24	23%	NA
Sona Machinery	SME	Upcoming	5-Mar-24	7-Mar-24	13-Mar-24	50%	NA
Pune E-Stock Broking	SME	Upcoming	7-Mar-24	12-Mar-24	15-Mar-24	100%	NA
V R Infraspac	SME	Open	4-Mar-24	6-Mar-24	12-Mar-24	35%	4
R K Swamy	Mainboard	Open	4-Mar-24	6-Mar-24	12-Mar-24	31%	2
M. V. K. Agro Food	SME	Close	29-Feb-24	4-Mar-24	7-Mar-24	4%	9
Mukka Proteins	Mainboard	Close	29-Feb-24	4-Mar-24	7-Mar-24	125%	60
Bharat Highways Invlt	Mainboard	Close	28-Feb-24	1-Mar-24	6-Mar-24	2%	7
Platinum Industries	Mainboard	Close	27-Feb-24	29-Feb-24	5-Mar-24	50%	99
Exicom Tele-Systems	Mainboard	Close	27-Feb-24	29-Feb-24	5-Mar-24	102%	134
Purv Flexipack	SME	Close	27-Feb-24	29-Feb-24	5-Mar-24	183%	422

Company	Sector	Revenue growth (YoY)	Profit growth (YoY)	Issue PE
Shree Karni Fabcom	Fabrics	-10%	2.2x	NA
Signoria Creation	Apparel	-35%	-32%	15x
Pratham EPC Projects	Integrated EPC to oil & gas	39%	37%	15x
Koura Fine Diamond	Gems & Jewellery	2.2x	2.5x	84x
Gopal Snacks	FMCG	-3%	-1%	45x
JG Chemicals	Chemicals	-18%	-57%	26x
Sona Machinery	Capital Goods	-20%	-42%	31x
Pune E-Stock Broking	Broking	13%	14%	13x
V R Infraspac	Real Estate	-22%	-32%	34x
R K Swamy	Consulting / Data Analytics	-5%	-49%	62x
M. V. K. Agro Food	Sugar and related prod.	29%	2.3x	30x
Mukka Proteins	Fish Protein Products	27% (FY22 vs. FY21)	2.4x	33x
Bharat Highways Invlt	Infrastructure Trust	-49%	-62%	7x
Platinum Industries	Petrochemical	6%	22%	23x
Exicom Tele-Systems	Electrical Equipment	29%	8.6x	56x
Purv Flexipack	Plastic Products	-18%	4%	18x

Note: GMP keeps updating till listing on exchange. Subscription (x) keeps updating till Issue is Open. Revenue and Profit growth is calculated after annualizing last period growth.

Sovrenn SME Index: **-0.28%**

Sovrenn SME Index was down 0.28% today. Please note that the constituents of the Index are private. Also, the Index is only an indication of the movement of the broader SME market and not available for replication or commercialization in any form. Sovrenn has the right to make changes to Index constituents or change weightages of the constituents as per its own discretion.



Sovrenn Macro

India PMI Feb 2024: Manufacturing Sector Demonstrates Resilience Amidst Key Developments

The seasonally adjusted HSBC India Manufacturing Purchasing Managers' Index™ (PMI) rebounded from December's 18-month low, rising from 56.5 in January to 56.9 in February. This latest reading marked the strongest improvement in the health of the sector since September 2023. A reading above 50 is considered a sign of expansion and a reading below of 50 is a sign of contraction.

Key Changes Observed:

1. **Production Surge:** Production levels surged, marking the quickest pace of growth in five months. This upturn was particularly driven by increased adoption of advanced technology and favourable demand conditions, with the capital goods category leading the way.
2. **Sales Momentum:** Sales saw a remarkable increase, signalling a shift towards stronger demand conditions. Enhanced marketing efforts translated into expanded factory orders, indicating a favourable response from consumers.
3. **Export Expansion:** New export orders experienced a sharp uptick, reaching the highest rate of growth in nearly two years. Demand emanated from diverse markets including Australia, Bangladesh, Brazil, Canada, China, Europe, Indonesia, the US, and UAE.
4. **Cost Dynamics:** Input costs witnessed fractional increases, resulting in the weakest inflation rate since August 2020. Notably, there were fluctuations in prices, with certain commodities such as iron, paper, and plastics experiencing higher costs while others like cotton and steel saw reductions.
5. **Purchasing Activity:** Manufacturers significantly ramped up purchasing activity to meet burgeoning production needs and to buffer safety stocks. This surge resulted in the fastest growth in buying levels since September 2023.
6. **Stable Supplier Delivery Times:** Despite heightened purchasing activity, supplier delivery times remained stable, ensuring consistent and timely material deliveries.
7. **Employment and Capacity:** Employment levels in manufacturing remained largely stable, indicating sufficient workforce for current operations. Capacity pressures remained mild, with a slight uptick in work pending completion compared to previous periods.
8. **Optimism Levels:** Manufacturers expressed sustained optimism regarding future production prospects, marking the second-highest level of confidence since December 2022.

Conclusion

The February HSBC India PMI® data revealed significant changes in the manufacturing landscape, characterized by increased production, sales, and export orders. Despite challenges such as fluctuating input costs, the sector remains resilient and adaptable, with manufacturers expressing confidence in future growth prospects. These developments highlight the sector's ability to navigate evolving market dynamics effectively.

Annexure

Sector specific PE classification:

Sl. No.	Sector	PE range
1	Information Technology	30 - 50
2	Pharma	20 - 30
3	Commodity Trading/Metal/ Paper	5 - 15
4	Consumer Retail/ FMCG	30 - 100
5	Consumer Discretionary	30 - 70
6	Gems and Jewellery	30 - 70
7	Capital Goods - Electrical Equipment	30 - 60
8	Capital Goods - Non Electrical Equipments	30 - 60
9	Industrial Products	30 - 60
10	Wires and Cables	30 - 60
11	Infrastructure	8 - 25
12	Telecom / Solar / Power Infra	30 - 50
13	Realty	30 - 40
14	Building Material	30 - 60
15	NBFCs	20 - 40
16	Banking	10 - 20
17	Financial Services	20 - 50
18	Microfinance	10 - 20
19	Brokerage	20 - 40
20	Power generation	20 - 30
21	Electric Vehicles	30 - 90
22	Automobile Manufacturing	30 - 50
23	Automobile Ancillaries	30 - 50
24	Railways	40 - 70
25	Clean Energy	30 - 50
26	Hydro Engineering	30 - 50
27	Smart Meter	30 - 70
28	Recycling	30 - 50
29	Waste Management	25 - 50
30	Healthcare - Hospitals/ Diagnostics	40 - 80
31	Speciality Chemicals	30 - 50
32	Commodity Chemicals	10 - 40
33	FMCG	30 - 70
34	Packaging	20 - 50
35	Defence	50 - 100
36	Drone	70 - 120
37	Contract Manufacturing	40 - 100
38	EMS	50 - 100
39	Logistics	10 - 40
40	Travel Services	30 - 60
41	HR Services	30 - 50
42	Tech Platform	50 - 100
43	Steel products	10 - 50
44	EPC	20 - 50
45	Stationery	20 - 40
46	Education	15 - 40
47	Agro-processing	15 - 30
48	Agri products	30 - 50
49	Alcoholic beverages	30 - 70
50	Event management	25 - 50
51	Entertainment	20 - 40
52	VFX	30 - 60
53	Biofuels	30 - 60

Retail float calculation:

Shareholding percent for resident individuals holding nominal share capital up to INR 2L.

Special Situation:

Special Situation refers to any form of capital raise by the Company – Preferential issuance or allotment of equity shares, Preferential issuance or allotment of equity warrants, Rights issuance, recently conducted IPO / FPO or issuance of any debt security like NCDs, commercial papers, etc.

Future Visibility:

Future Visibility refers to a piece of information / event that positively impacts future revenues. Examples: a large order win by the company, partnership / acquisition, new factory setup, expansion in existing factory, new stores, launch of a new brand, etc.

Futuristic Sector:

Futuristic Sector refers to those sectors where high growth is expected. Examples: Green Energy (solar, wind, etc.), Electric Vehicle, Railways (through railways modernization), Defence (through increasing self-reliance), New-Age IT (Cloud, AI, ML, big data), 5G, Electrification, etc.