

**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.

## Sovrenn Times Summary

### 1. GENSOL ENGINEERING LIMITED

**Filing:** (ORDER) Gensol Engineering has secured a significant EPC contract worth INR 1062 Cr from Renowned Public Sector Undertaking for Development of 275MW Solar PV Project at RE Solar Park, Khavda Rann of Kutch, Gujarat, including three years of O&M.

**MCap:** 2,811 Cr      **PE:** 34.5x

**Number of LinkedIn Employees:** 261 Members

**GSTR3B:** Last Filed Nov '24.

**Clients:** Trident Limited, Maharashtra State Power Generation Co. Ltd., Blu Smart, State Govt. of Gujarat etc.

### 2. UNIMECH AEROSPACE AND MANUFACTURING LIMITED

**Filing:** (LISTING GAIN) On December 31, 2024, Company's stock debuted on the BSE at INR 1,491, which was 89.9% higher than the upper IPO price. This resulted in a listing gain of INR 706 per share.

**MCap:** 6,861 Cr      **PE:** 100.1x

**Number of LinkedIn Employees:** 226 Members

**GSTR3B:** Last Filed Nov '24.

**Clients:** NPCL, DRDO, Brahmos etc.

### 3. SHELTER PHARMA LIMITED

**Filing:** (FUND RAISE) Board meeting of Shelter Pharma to be held on 7th Jan 2025 to consider fund raise.

**MCap:** 70.9 Cr      **PE:** 10.6x

**Number of LinkedIn Employees:** 26 Members

**GSTR3B:** Last Filed Nov '24.

**Clients:** AMUL, Jilla Panchayat Hospitals & Clinics, Government Institutions, Various Gaushala etc.

### 4. ROCKINGDEALS CIRCULAR ECONOMY LIMITED

**Filing:** (FUND RAISE & REVENUE GUIDANCE) Board meeting to be held on 8th Jan 2025 to consider fund raise.

Company plans to invest INR 100 Cr over the next 12 months to accelerate its expansion across India and internationally. Company expects this strategic investment to help achieve revenue of INR 400-500 Cr by FY27, with projected PAT margins of 10-15%.

**MCap:** 338 Cr      **PE:** 48.5x

**Number of LinkedIn Employees:** 96 Members

**GSTR3B:** Last Filed Nov '24.

**Clients:** Jindal Mega Mart, Brand Wala, VLE Bazaar Private Limited, HIC International etc.

**5. OSEL DEVICES LIMITED**

**Filing:** (APPROVAL FOR TESTING FACILITY & BREAKOUT) Company has received in-principle approval from the Department of Pharmaceuticals, Government of India, to set up a state-of-the-art hearing aid testing facility in Uttar Pradesh. This initiative is part of the "Medical Device Clusters" component of the Strengthening of Medical Device Industry scheme. The total project cost is estimated at INR 2.9 Cr, with a grant-in-aid covering up to 50% of the actual expenditure, capped at a maximum of INR 1.4 Cr, as per the scheme's guidelines. This project will help the company enhance its infrastructure by creating R&D labs, design centers, and testing facilities.

Company stock has given a 3-month breakout.

**MCap:** 543 Cr                      **PE:** 33.9x

**Number of LinkedIn Employees:** 67 Members

**GSTR3B:** Last Filed Nov '24.

**Clients:** Rado, Adidads, ISKCON, NBCC, Nalco, BPCL, HPCL, IOCL, Lulu, PVR etc.

# 1. GENSOL ENGINEERING LIMITED NSE: GENSOL

(1<sup>st</sup> time covered: 17<sup>th</sup> Feb 2023)

**Recent filing:** (ORDER) Gensol Engineering has secured a significant EPC contract worth INR 1062 Cr from Renowned Public Sector Undertaking for Development of 275MW Solar PV Project at RE Solar Park, Khavda Rann of Kutch, Gujarat, including three years of O&M.

**SUMMARY:** 5y Operating Profit uptrend | 7q Operating Profit uptrend | PE 34.5x (Sector PE range 50-90) | Fund raise | Institutional entry | Geographical Expansion | Large Orders | Orderbook of INR 10,382 Cr (Sep-24) (7.8x of TTM revenue) | Acquisitions | Promoter Buying | Solar + EV

**FUTURE OUTLOOK:** As per Q1FY25 Concall, Company had projected revenue guidance of INR 2,000 crore for FY25, a 2.1x increase from the FY24 revenue of INR 963 Cr | Consolidated EBITDA guidance for FY25 set at worth of INR 400 Cr.

- MCap of INR 2,811 Crore (share price = INR 740 / share) (as on 6<sup>th</sup> Jan '25)
- TTM PE of 34.5x (as on 6<sup>th</sup> Jan '25)      Retail float = 22.3% (Sep-24)

**FOOD FOR THOUGHT:** Leveraged capital structure attributed to debt funded acquisition of EVs for leasing to Blu-Smart

**Company Description:** Gensol is involved in the business of solar consulting & EPC. It provides concept to commissioning solar advisory, execution and operation services for solar projects in India and abroad. Expanding its operations, Gensol has also established an EV manufacturing facility in Pune, India, for the development and production of electric three wheelers and four wheelers. Alongside, Gensol offers comprehensive EV leasing solutions and is serving leading ride-hailing players with its buy-and-lease package of EV cars.

## Share price and Volume (last 1 year):




Price	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	LTP
Gensol	1172	881	917	919	1012	1009	959	830	798	799	758	740

(In INR Cr)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
Sales	51	164	145	199	220	399	295	346
Op Profit	15	29	37	49	63	79	88	107
Net Profit	-2	7	10	11	12	20	15	23
OPM	30%	18%	25%	25%	29%	20%	30%	31%
NPM	-	4%	7%	6%	6%	5%	5%	7%
Promoter %	64.7%	64.7%	64.7%	64.7%	62.6%	62.6%	62.8%	62.6%

(In INR Cr)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	TTM
Sales	83	81	64	160	398	963	1,328
Op Profit	9	4	6	19	58	228	323
Net Profit	7	2	3	11	23	53	81

Website: <https://www.gensol.in/>

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.

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 34.5 (Solar + EV: 50-90) Below sector range		
Futuristic Sector	Yes (Solar + EV)	
		Solar EPC
HNI / Institutional / Promoter Buying	Yes	Nov '24: Anmol Singh Jaggi (Promoter) bought 26.5k shares at INR 762/share, aggregating to INR 2 Cr.
		Sep '24: Anmol Singh Jaggi (Promoter) bought 12k shares at INR 851/share, aggregating to INR 1 Cr.
		Jun '24: Promoter bought 54k shares at INR 885/share, aggregating to INR 4.8 Cr.
		Mar '24: Promoter Group bought 11k shares at INR 795/ share, aggregating to INR 88L.
		Jul '23: Block Deal happened in the Company on 25th July '23 at 9:36am, wherein 2L shares were traded at the price of around INR 1,416/share, aggregating to INR 28.3 Cr, wherein the seller was Wellray Solar Industries Pvt. Ltd. There seems to be multiple buyers at less than 0.5% each of outstanding shares bought, as no buy bulk deals were reported.
		Jul '23: Block Deal happened in the Company on 24th July '23 at 2:48PM, wherein 60k shares were bought at the price of INR 1,386/share, aggregating to INR 8.3 Cr.
Special Situation	Yes	Aug '24: Board has approved the raising of funds for an amount not exceeding INR 500 Cr, this was modified to Amount not exceeding INR 750 Cr in Sep '24.
		Feb '24: BoD approved raising of INR 900 Cr of equity via issuance of 1 Cr warrants of the Company. The fundraise saw participation from distinguished domestic and international participants including FPIs like Elara India Opportunity Fund, Aries Opportunities Fund, Tano Investment Opportunities Fund, etc. This capital strengthens Gensol's financial position, facilitating new opportunities with funds being deployed for working capital, inorganic growth opportunities and further investment in subsidiaries.
Future Visibility	Yes	Dec '24: Company has secured a significant EPC contract worth INR 897.5 Cr from NTPC Renewable Energy Limited (NTPC REL). This contract entails the Development of 225MW-AC (Equivalent To 276 MWDC) Grid Connected Solar PV Projects at GSECL Solar Park (Stage-III), Khavda located in the Rann of Kutch, Gujarat, including operations and maintenance (O&M) for a duration of three years.

Dec '24: Company secured 22 MW Ground Mount Solar PV Project with order value of INR 88 Cr from a leading steel company in Punjab, to be executed over a 6-month period.

Nov '24: Company has secured a large turnkey EPC order worth INR 780 Cr, from a leading public sector utility in Maharashtra. The project involves the development of a 150 MWac ground-mounted solar PV power plant. Additionally, the contract includes three years of operation and maintenance (O&M) services for the project, inclusive of maintenance of the plant's switchyard and its extensive transmission infrastructure, needs to be executed over a 15-month period.

Oct '24: A consortium led by Matrix Gas & Renewables Ltd., along with Gensol Engineering Ltd., Indian Institute of Technology Bhubaneswar, and Metsol AB (Sweden), will develop India's first and largest Green Steel production facility, using 100% Green Hydrogen under the National Green Hydrogen Mission. The 50 TPD plant, supported by MECON, the Ministry of Steel, and MNRE, will utilize DRI vertical shaft technology to produce sponge iron with zero CO<sub>2</sub> emissions, replacing fossil fuels. The project, with an estimated capex of INR 321 Crore, is backed by 50% government incentives and aims to drive sustainable steel production in India.

Oct '24: Company has incorporated three new wholly-owned subsidiaries—Hari Shakti Energy Private Limited, Innogrid Energy Private Limited, and Shakti Sangini Energy Private Limited—to carry out the business of generating, developing, accumulating, producing, manufacturing, processing, and distributing all forms of power or electrical energy, including wind, solar, renewable energy, and battery storage.

Oct '24: Company has been awarded a prestigious contract worth INR 186 Cr by UAE's leading sustainable development and clean energy development Company for the design, construction, and long-term operation and maintenance of rooftop solar photovoltaic (PV) systems for the engineering facilities of a leading aviation company in Dubai. With a total installed capacity of 23,178 kWp (23 MWp), the project underscores company's commitment to driving sustainability in the Middle East by contributing to the region's transition to cleaner energy sources, need to be executed over a 20-month period.

Oct '24: As of 30th Sep 2024, the company's solar EPC unexecuted order book stands at INR 4,097 crore, representing 1.5 GW, with execution expected within 12 to 18 months. Additionally, the company has revenue visibility of INR 3,138 crore from its Battery Energy Storage System over the next 12 years and INR 1,820 Cr from Solar Power Generation over the next 25 years, bringing the total order book to INR 9,055 Cr.

Oct '24: Company achieved revenue of INR 314 Crores in Q2 FY25, reflecting a 58% YoY growth compared to INR 199 Crores in Q2 FY24. Company maintains its INR 2,000 Cr topline guidance for FY25, with the bulk of revenue expected in H2.

Sep '24: Company has won the project to setup India's first Green Hydrogen Valley project in Pune. Gensol – Matrix will set up Green Hydrogen production plant on Build Own and Operate (BOO) basis to supply Green Hydrogen to Specialty Chemical sector with the firm offtake for 20 years.

Sep '24: Gensol Engineering and Matrix Gas & Renewables Limited consortium has emerged as the lowest bidder for EPC of India's first Biomass to Green Hydrogen project valued at INR 164 Cr, scheduled for completion within 18 months, marks a significant milestone on aligning with the National Green Hydrogen Mission for biomass to green hydrogen generation. In this project, they will convert 25 tons of bio-waste into 1 ton of hydrogen per day. The company has strategically partnered with Westinghouse, USA who has patented technology and has commissioned multiple plants globally. The scope of work includes developing the establishment of a 25 Tons per day (TPD) Bio-waste processing and producing 1 TPD Green Hydrogen Infrastructure from Pre-Gasification Plasma Induced Radiant Energy-Based Gasification System (GH2-PREGS) technology.

Aug '24: Scorpius Trackers Inc., a subsidiary of Scorpius India, has entered the U.S. market, launching its first office in California. The company will debut its advanced solar tracker technology at the RE+ Conference in Anaheim from September 9-12, 2024, with further showcases planned in Austin and San Diego. The U.S. solar tracker market, the largest in the world with an annual deployment of over 25,000 MW, is growing at a CAGR of over 20%. Scorpius aims to supply over 2,000 MW annually by 2028, leveraging its decade of experience and existing contracts in India, Africa, Japan, and the Middle East.

Aug '24: Company has received the Letter of Award (LOA) for execution of 16 MWp turnkey EPC rooftop solar project worth Rs. 40 Crore under commercial and industrial (C&I) segment from a leading textile company. This is a repeat order for Gensol, which will be installed in Madhya Pradesh and Gensol will commission the project in six months.

Aug '24: Company is in collaboration with Matrix Gas & Renewables Ltd has announced that it has emerged as a winning bidder for 237 MW annual capacity under Production Linked Incentive (PLI) scheme for setting up electrolyser manufacturing plant. This bid was secured through a competitive tender by Solar Energy Corporation of India (SECI). Gensol-Matrix consortium has secured a cumulative 300 MW capacity, including a prior 63 MW awarded in the first tranche of the SECI tender that equates to INR 450 Cr cumulatively incentive under the PLI scheme.

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



## 2. UNIMECH AEROSPACE AND MANUFACTURING LIMITED

BSE: 544322 (1<sup>st</sup> time covered: Today)

**Recent filing:** (LISTING GAIN) On December 31, 2024, Company's stock debuted on the BSE at INR 1,491, which was 89.9% higher than the upper IPO price. This resulted in a listing gain of INR 706 per share.

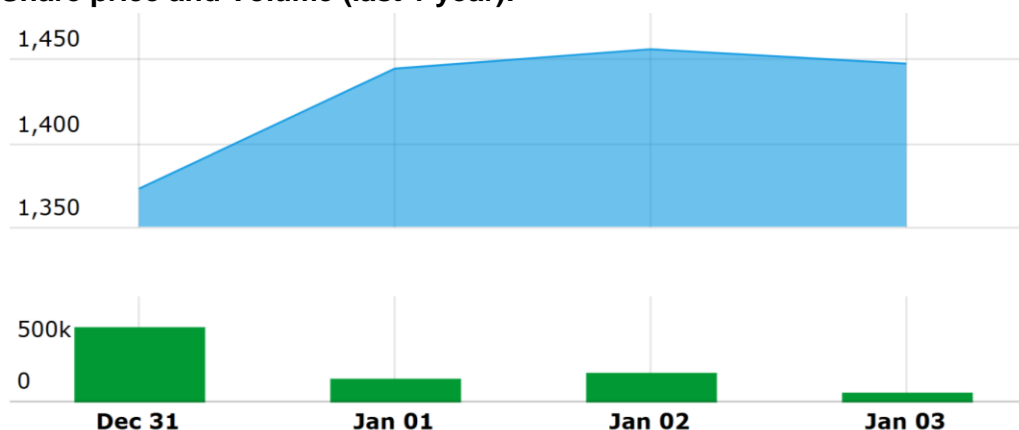
**SUMMARY:** 4y Operating Profit uptrend | PE 100.1x (Sector PE range 30-70) | IPO | Capital Goods – Electrical equipments

- MCap of INR 6,861 Crore (share price = INR 1,349 / share) (as on 6<sup>th</sup> Jan '25)
- TTM PE 100.1x (as on 6<sup>th</sup> Jan '25)      Retail float = 6.0% (Dec-24)

**FOOD FOR THOUGHT:** Highly competitive sector.

**Company Description:** Company specializing in manufacturing of complex products with “build to print” and “build to specifications” offering, which involves machining, fabrication, assembly, testing and creating new products basis the specific requirements of its clients for the aerospace, energy and semi-conductor industries.

### Share price and Volume (last 1 year):



Price	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	LTP
Unimec	-	-	-	-	-	-	-	-	-	-	1376	1349

(In INR Cr)	Mar-23	Sep-23	Mar-24	Sep-24
Sales	-	-	-	121
Op Profit	-	-	-	49
Net Profit	-	-	-	39
OPM	-	-	-	40%
NPM	-	-	-	32%
Promoter %	-	-	-	-

As of Dec-24 Promoter holding is 79.8%

(In INR Cr)	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	TTM
Sales	-	-	36	94	209	225
Op Profit	-	-	8	35	79	88
Net Profit	-	-	3	23	58	68

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

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE <b>100.1</b> (Capital Goods: 30-70) Above sector range		
Futuristic Sector	Yes	
HNI / Institutional / Promoter Buying	Yes	Dec '24: Valuequest S C A L E Fund is holding 2.9% stake.
Special Situation	Yes	IPO in Dec-24
Future Visibility	Yes	Dec '24: Funding of capital expenditure for expansion 36.3 Cr

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

### 3. SHELTER PHARMA LIMITED NSE: VILAS

(SME: Lot Size = 3000 shares) (1<sup>st</sup> time covered: Today)

**Recent filing:** (FUND RAISE) Board meeting of Shelter Pharma to be held on 7th Jan 2025 to consider fund raise.

**SUMMARY:** 4y Operating Profit uptrend | 1h Operating Profit uptrend | PE 10.6x (Sector PE range 20-40) | Fund raise | Pharma

- MCap of INR 70.9 Crore (share price = INR 61.4 / share) (as on 6<sup>th</sup> Jan '25)
- TTM PE 10.6x (as on 6<sup>th</sup> Jan '25)      Retail float = 33.1% (Sep-24)

**FOOD FOR THOUGHT:** Negative operating cash flow for FY24.

**Company Description:** Company specializing in the production of high-quality herbal medicines and healthcare products. Established with a commitment to integrating traditional knowledge with modern science, the company focuses on creating innovative solutions for various health conditions. Shelter Pharma is known for its rigorous research and development, ensuring that its products are safe, effective, and meet international standards.

#### Share price and Volume (last 1 year):



Price	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	LTP
ShelterP	60	49	57	51	49	54	53	47	59	53	56	61.4

(In INR Cr)	Sep-22	Mar-23	Sep-23	Mar24	Sep-24
Sales	17.0	19.1	19.3	20.7	24.1
Op Profit	3.3	4.3	4.3	4.3	4.9
Net Profit	2.4	2.8	3.1	3.1	3.5
OPM	19%	23%	22%	21%	20%
NPM	14%	15%	16%	15%	15%
Promoter %			56.9%	56.9%	55.0%

(In INR Cr)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	TTM
Sales	-	30.1	22.5	30.1	36.2	39.9	44.8
Op Profit	-	0.2	0.2	3.1	8.2	8.9	9.2
Net Profit	-	0.1	0.0	2.1	5.2	6.2	6.7

Website:

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE <b>10.6</b> (Pharma: 20-40) Below sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	Sep '24: Zubedabibi Nisarahned Sabugar (Promoter Group) sold 2.2L shares at INR 47.9/share, aggregating to INR 1.06 Cr.
Special Situation	Yes	As stated above
Future Visibility	Yes	<p>Dec '24: Company has secured a noteworthy order worth INR 19.7L from FIRSTVET Veterinary Medicines Trading LLC, For Lactic Acid Buffer Bottles, needs to be completed within 2 months.</p> <p>Oct '24: Company has secured a noteworthy order worth INR 5.7L from FIRSTVET Veterinary Medicines Trading LLC For Feed Supplement and Herbal Medicine, needs to be completed within 2 months.</p> <p>Oct '24: Company has secured a noteworthy order worth INR 10.7L from Genet International For Preparation of A Kind Animal Feeding, needs to be completed within 2 months.</p> <p>Oct '24: Company has secured a noteworthy order worth INR 68.5L from Taha Drugs &amp; Chemical Co. Ltd For Nutraceutical Products, needs to be completed within 2 months.</p> <p>Sep '24: Company has ssecured a noteworthy order worth INR 15.2L from Al-Saqr Agro For Agricultural And Veterinary Entries of Super Vltamas, needs to be completed within 2 months.</p>

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

## 4. ROCKINGDEALS CIRCULAR ECONOMY LIMITED

NSE: SME: ROCKINGDCE (SME: Lot Size = 250 shares) (1<sup>st</sup> time covered: Today)

**Recent filing:** (FUND RAISE & REVENUE GUIDANCE) Board meeting to be held on 8th Jan 2025 to consider fund raise.

Company plans to invest INR 100 Cr over the next 12 months to accelerate its expansion across India and internationally. Company expects this strategic investment to help achieve revenue of INR 400-500 Cr by FY27, with projected PAT margins of 10-15%.

**SUMMARY:** 2y Operating Profit uptrend | PE 48.5x (Sector PE range 30-70) | Fund raise | Institutional entry | Ace Investor | Consumption

**FUTURE OUTLOOK:** Company plans to invest INR 100 Cr over the next 12 months to accelerate its expansion across India and internationally. Company expects this strategic investment to help achieve revenue of INR 400-500 Cr by FY27, with projected PAT margins of 10-15%.

- MCap of INR 338 Crore (share price = INR 598 / share) (as on 6<sup>th</sup> Jan '25)
- TTM PE 48.5x (as on 6<sup>th</sup> Jan '25)      Retail float = 14.4% (Sep-24)

**FOOD FOR THOUGHT:** Negative operating cash flow for FY24.

**Company Description:** Company is a leading Indian B2B re-commerce company specializing in excess inventory management and sustainable procurement solutions. Company specializes in bulk trading of surplus and refurbished inventory across various categories like mobile phones, electronics, home appliances, apparels etc.

### Share price and Volume (last 1 year):



Price	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	LTP
Rockdce	575	365	486	487	611	620	660	608	548	408	553	598

(In INR Cr)	Mar-23	Sep-23	Mar24	Sep-24
Sales	-	15.6	34.0	21.4
Op Profit	-	2.3	5.3	5.2
Net Profit	-	1.4	3.8	3.2
OPM	-	14%	16%	24%
NPM	-	9%	11%	15%
Promoter %	-		65.0%	65.0%

(In INR Cr)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	TTM
Sales	-	-	-	-	15.0	49.6	55.3
Op Profit	-	-	-	-	2.5	7.5	10.5
Net Profit	-	-	-	-	1.5	5.2	7.0

Website: <https://rockingdeals.in>

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.

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE <b>48.5</b> (Consumption: 30-70) Middle of sector range		
Futuristic Sector	Yes	
HNI / Institutional / Promoter Buying	Yes	Dec '24: Rajesh Kumar Singhla bought 40k shares at INR 423/share, aggregating to INR 1.7 Cr.  Sep '24: Alternate Investment Funds is holding 0.2% stake.
Special Situation	Yes	As stated above
Future Visibility	Yes	Oct '24: Company has entered into Sales or Return agreement with M/s Fabindia Limited for the period of three years to permit Fabindia to use a certain defined area in the present and upcoming new stores, for the purpose of co-retailing on revenue sharing basis.  Sep '24: Company has announced the incorporation of its new subsidiary, Sustainquest Private Limited (SQPL). This incorporation aligns with RDCEL's strategy to diversify and expand its operations by entering the preowned products market. Sustainquest Private Limited will focus on the wholesale of preowned goods from leading brands, using DIGI2L's advanced digital platform to enhance operations. As a technology partner for major brands like LG, Samsung, Godrej, and Croma, DIGI2L will streamline trade-ins and assist Sustainquest in refurbishing high-quality preowned white goods. RDCEL holds a 58% stake in the company, while UTC Digital Technologies Private Limited (DIGI2L) owns the remaining 42%.

## 5. OSEL DEVICES LIMITED NSE: SME: OCELDEVICE

(SME: Lot Size = 800 shares) (1<sup>st</sup> time covered: Today)

**Recent filing:** (APPROVAL FOR TESTING FACILITY & BREAKOUT) Company has received in-principle approval from the Department of Pharmaceuticals, Government of India, to set up a state-of-the-art hearing aid testing facility in Uttar Pradesh. This initiative is part of the "Medical Device Clusters" component of the Strengthening of Medical Device Industry scheme. The total project cost is estimated at INR 2.9 Cr, with a grant-in-aid covering up to 50% of the actual expenditure, capped at a maximum of INR 1.4 Cr, as per the scheme's guidelines. This project will help the company enhance its infrastructure by creating R&D labs, design centers, and testing facilities.

Company stock has given a 3-month breakout.

**SUMMARY:** 4y Operating Profit uptrend | 2q Operating Profit uptrend | PE 33.9x (Sector PE range 30-70) | Consumption

- MCap of INR 543 Crore (share price = INR 337 / share) (as on 6<sup>th</sup> Jan '25)
- TTM PE 33.9x (as on 6<sup>th</sup> Jan '25)      Retail float = 12.3% (Sep-24)

**FOOD FOR THOUGHT:** Highly competitive sector.

**Company Description:** Company manufactures a comprehensive range of LED display systems and is equipped with both software and hardware capabilities. Its LED display systems come with a content management system, allowing connection to phones or computers for screen display. Utilizing the latest technology and following strict quality control standards, the company produces high-performance components and systems. This vertical integration ensures consistency and excellence in every product delivered.

### Share price and Volume (last 1 year):



Price	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	LTP
OCEL	-	-	-	-	-	-	-	187	196	198	295	337

(In INR Cr)	Mar-22	Sep-22	Mar-23	Sep-23	Mar-24	Sep-24
Sales	-	-	-	51	81	87
Op Profit	-	-	-	9	13	13
Net Profit	-	-	-	5	8	8
OPM	-	-	-	17%	16%	15%
NPM	-	-	-	10%	10%	9%
Promoter %	-	-	-	-	-	71.5%

(In INR Cr)	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	TTM
Sales	-	57	65	82	132	168
Op Profit	-	3	4	9	22	26
Net Profit	-	1	2	5	13	16

Website:

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.

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE <b>33.9</b> (Consumption: 30-70) Lower end of sector range		
Futuristic Sector	Yes	
HNI / Institutional / Promoter Buying	Yes	Sep '24: Invicta Continuum Fund I is holding 3.5% stake.
Special Situation	Yes	IPO in Sep-24
Future Visibility	Yes	Sep '24: Company has entered into a Memorandum of Understanding (MOU) with Earkart Private Limited (Earkart) appointing Earkart as exclusive hearing aids retail distributor for the Indian territory for an initial period of two years. Earkart shall be undertaking distribution and selling OSEL's hearing aid products through its retail network across India and shall be responsible for marketing, sales support and training to ensure effective distribution. As of now, OSEL is selling the hearing aids only in B2B segment. Now OSEL's OSEL's hearing aid products will be available to the end-users Earkart through network across India.

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



## Others

### **ALFA TRANSFORMERS LIMITED**

(ORDER) Company has received a INR 5.4 Cr order for transformers from three Odisha-based distribution companies, with deliveries due within 120 days and 3 months.

- MCap of INR 108 Cr (share price = INR 119/share); TTM PE 101x (6<sup>th</sup> Jan 2025)

### **SUNGARNER ENERGIES LIMITED**

(ORDER) Company has been awarded a new contract aggregating to 13.5 MW Solar power plant costing to INR 32 Cr including GST in the state of Rajasthan.

- MCap of INR 120 Cr (share price = INR 516/share); TTM PE 73.8x (6<sup>th</sup> Jan 2025)

### **GSM FOILS LIMITED**

Company reported net sales of INR 13.3 Cr for the month of December 2024, representing a YoY growth of 133.914% compared to INR 5.7 Cr in December 2023.

- MCap of INR 152 Cr (share price = INR 118/share); TTM PE 34.3x (6<sup>th</sup> Jan 2025)

### **TRIDENT TECHLABS LIMITED**

(AGREEMENT) Techlabs Semiconductor Private Limited, a wholly-owned subsidiary of the listed entity, has entered into a consultancy agreement with Mr. Kizhepat Raghunathan Panicker as a Strategic and Business Development Advisor on January 6, 2025, for an initial period of 60 months, to accelerate the semiconductor business of the Company.

- MCap of INR 2,498 Cr (share price = INR 1,445/share); TTM PE 157x (6<sup>th</sup> Jan 2025)

### **EXHICON EVENTS MEDIA SOLUTIONS LIMITED**

(ORDER) Company has received a Notice to Proceed (NTP) worth INR 46.6 Cr (inclusive of GST) from Dakshin Gujarat Vij Company Limited (DGVCL) under PM-KUSUM Scheme (Component B) for the design, manufacture, supply, transport, installation, testing, and commissioning of off-grid standalone solar photovoltaic water pumping systems in Gujarat State, to be completed within 120 days from the date of NTP.

- MCap of INR 606 Cr (share price = INR 551/share); TTM PE 46x (6<sup>th</sup> Jan 2025)

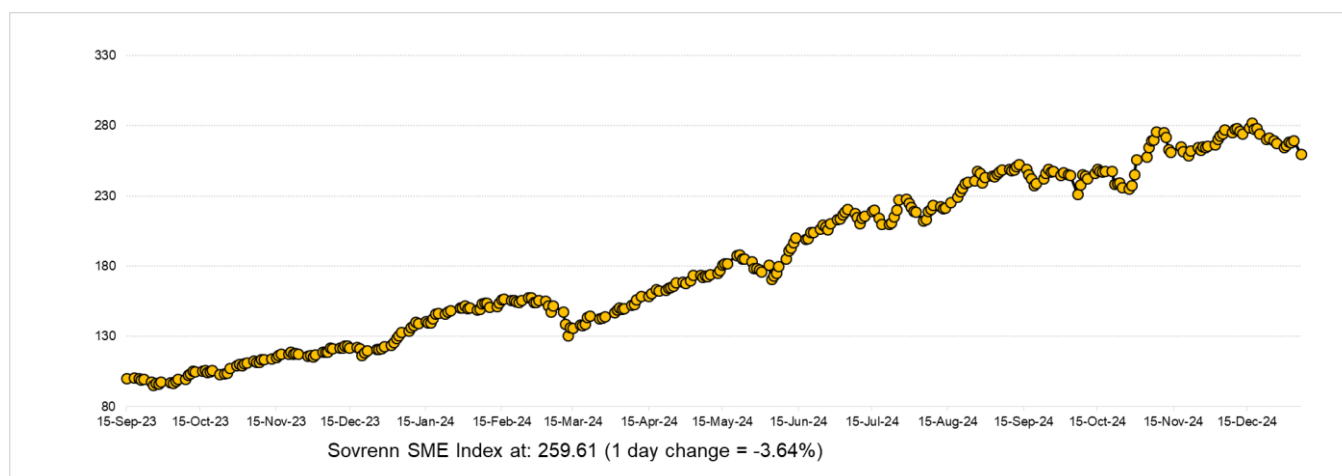
### **TRUST FINTECH LIMITED**

(ORDER) Company has received three significant orders. The first order, worth INR 29.1 L, is from Samata Co-operative Development Bank Ltd for the supply, implementation, and commissioning of Trust Bank CBS Software on a CAPEX model for five branches and the Head Office, second order worth INR 63 L from Hanumanthanagar Co-operative Bank Ltd for the supply, implementation, and maintenance of a Core Banking Solution, third order worth INR 55L from Aradhna Private Limited for a Loan Origination System, Loan Management, and Loan Recovery System, with a contract period of five years.

- MCap of INR 369 Cr (share price = INR 155/share); TTM PE 35.2x (6<sup>th</sup> Jan 2025)

## Sovrenn SME Index: -3.64%

Sovrenn SME Index was down -3.64% 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.



## IPO

Company	SME / Mainboard	Status	Open	Close	Listing	GMP	Subs (x)
Barflex Polyfilms	SME	Upcoming	10-Jan-25	15-Jan-25	20-Jan-25	0%	NA
Sat Kartar Shopping	SME	Upcoming	10-Jan-25	14-Jan-25	17-Jan-25	0%	NA
B.R. Goyal	SME	Upcoming	7-Jan-25	9-Jan-25	14-Jan-25	26%	NA
Avax Apparels And Ornaments	SME	Upcoming	7-Jan-25	9-Jan-25	14-Jan-25	30%	NA
Delta Autocorp	SME	Upcoming	7-Jan-25	9-Jan-25	14-Jan-25	65%	NA
Quadrant Future Tek	Mainboard	Upcoming	7-Jan-25	9-Jan-25	14-Jan-25	59%	NA
Standard Glass Lining	Mainboard	Open	6-Jan-25	8-Jan-25	13-Jan-25	66%	14
Indobell Insulation	SME	Open	6-Jan-25	8-Jan-25	13-Jan-25	0%	2
Fabtech Technologies	SME	Open	3-Jan-25	7-Jan-25	10-Jan-25	94%	171
Parmeshwar Metal	SME	Closed	2-Jan-25	6-Jan-25	9-Jan-25	66%	607
Davin Sons	SME	Closed	2-Jan-25	6-Jan-25	9-Jan-25	9%	121
Leo Dry Fruits and Spices	SME	Closed	1-Jan-25	3-Jan-25	8-Jan-25	38%	182
Technichem Organics	SME	Closed	31-Dec-24	2-Jan-25	7-Jan-25	29%	425
Indo Farm Equipment	Mainboard	Closed	31-Dec-24	2-Jan-25	7-Jan-25	36%	228
Company	Sector	Revenue growth (YoY)		Profit growth (YoY)		Issue PE	
Barflex Polyfilms	Packaging	1%		25%		8x	
Sat Kartar Shopping	Healthcare	14%		25%		17x	
B.R. Goyal	Infrastructure	-21%		-73%		19x	
Avax Apparels And Ornaments	Apparels	36%		31%		5x	
Delta Autocorp	Electric Vehicles	40%		22%		39x	
Quadrant Future Tek	Railways	-14%		—		—	
Standard Glass Lining	Engineering	14%		21%		42x	
Indobell Insulation	Insulation Products Manufacturers	-38%		-18%		31x	
Fabtech Technologies	Building Material	27%		87%		13x	
Parmeshwar Metal	Wire & Cables	60%		35%		11x	
Davin Sons	Consumption	-5%		-10%		19x	
Leo Dry Fruits and Spices	Consumption	-43%		-44%		18x	
Technichem Organics	Chemicals	27%		19%		19x	
Indo Farm Equipment	Capital Goods	-20%		-37%		73x	

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 Macro

## Service PMI Hits a Four-Month High: A Glimpse into India's Economic Resilience

### Robust Services Sector Drives Growth in December

India's services sector witnessed a remarkable upswing in December, as business activity surged to a four-month high. This growth was propelled by buoyant demand, even as manufacturing exhibited signs of slowing. According to the HSBC India Services Purchasing Managers' Index (PMI), compiled by S&P Global, the index climbed to 59.3 in December, up from 58.4 in November, indicating robust expansion. Notably, the PMI has consistently remained above the critical 50-point threshold, marking 41 consecutive months of expansion.

### Key Drivers Behind the Momentum

The surge in December was attributed to strong demand, as evidenced by a significant rise in new orders. The survey highlighted that:

New orders grew at the fastest pace since August 2024.

Firms responded to increased demand by hiring additional workers.

Softer cost inflation, despite higher outlays on food, labor, and materials, further supported growth.

Ines Lam, an economist at HSBC, remarked, "India's services companies expressed strong optimism in December, underpinned by forward-looking indicators such as new business and future activity, suggesting sustained growth momentum."

### Services: A Cornerstone of India's Economy

The services sector, which contributes more than half of India's GDP, continues to be a linchpin for economic resilience. In FY 2023-24, India's economy grew by an impressive 8.2%, surpassing the Reserve Bank of India's forecast of 7%. However, recent quarters have seen a deceleration:

**Q1 FY 2024-25 GDP growth slowed to 6.7%, marking a five-quarter low.**

Q2 FY 2024-25 growth further dipped to 5.4%, the slowest in nearly two years, driven by weaker manufacturing and urban consumption.

Despite these challenges, the services sector remains a bright spot, with strong contributions from exports and rural consumption projected to sustain growth at 6.5%-6.6% in FY 2024-25.

### Manufacturing Slows, But Composite Growth Holds Firm

In contrast to services, India's manufacturing sector showed signs of cooling. The HSBC India Manufacturing PMI fell to 56.4 in December, marking a 12-month low. Slower factory orders and production were key contributors to the decline. Nonetheless, the HSBC India Composite Output Index, which combines services and manufacturing data, rose to 59.2 in December, reflecting faster aggregate output growth driven by the robust services sector.

**Optimism for 2025**

The easing of input price inflation and strong demand in the services sector bode well for India's economic outlook. Analysts believe the services sector's sustained momentum will play a crucial role in counterbalancing the challenges faced by manufacturing.

# Annexure

## Sector specific PE classification:

Sector	PE Range
5G	30-60
Advertising	30-50
Agri Products	15-30
Alcoholic Beverages	30-70
Automobile and Ancillaries	30-50
Biofuels	30-60
Building Material	30-60
Capital Goods - Electrical Equipment	30-70
Capital Goods - Non Electrical Equipments	30-60
Clean Energy	50-90
Commodity Chemicals	10-40
Consulting Services	30-50
Consumption	30-70
Cyber Security	50-100
Data center	50-100
Defence	50-100
Diversified Commercial Services	30-50
Drones	70-120
Electric Vehicle	80-120
EMS	50-100
Entertainment	20-40
EPC	30-60
Event Management	25-50
Financial Services	20-50
Gas Infra	10-50
Healthcare - Hospitals / Diagnostics	40-80
Hotels and Hospitality	30-60
HR Services	30-50
Infrastructure	10-50
IT	30-50
Marine Services	30-50
Microfinance	10-20
NBFC	20-40
Oil and Gas	10-30
Packaging	20-50
Pharma	20-40
Plastic Products	30-50
Railways	40-70
Realty	30-40
Shipping / Logistics	10-40
Speciality Chemicals	30-50
Steel Products	10-50
Sustainability and Recycling	30-50
Tech Platform	50-100
Telecom / Solar / Power Infra	30-50
Trading	NA
Travel Services	30-60
VFX	30-60
Water Infra	10-50
Wires and Cables	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.