

**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. ZEN TECHNOLOGIES LIMITED

**Filing:** (EXCELLENT RESULTS) For the quarter ending Mar-24 for Zen Technologies, Sales up 47% YoY from INR 96 Cr in Mar-23 to INR 141 Cr in Mar-24. Similarly, Net Profit up 65% from INR 23 Cr to INR 38 Cr. On a QoQ basis, Sales up 41% and Net Profit up 27%.

**MCap:** INR 8,693 Cr

**PE:** 68.9x

**Number of LinkedIn Employees:** 361 Members

**Number of EPFO Employees:** 338 as per Mar '24 Data.

**GSTR3B:** Last filed Mar '24.

**Clients:** Ministry of Defence, Govt. of India, etc.

## 2. APTUS VALUE HOUSING FINANCE INDIA LIMITED

**Filing:** (GOOD TO EXCELLENT RESULTS) For the quarter ending Mar-24 for Aptus Value Housing Finance, Sales up 25% YoY from INR 299 Cr in Mar-23 to INR 375 Cr in Mar-24. Similarly, Net Profit up 23% from INR 135 Cr to INR 166 Cr. On a QoQ basis, Sales up 7% and Net Profit up 5%.

(FUND RAISE) BoD of Aptus Value Housing Finance has considered and approved the issuance of Non-Convertible Debentures (NCDs) aggregating upto INR 2,250 Cr through private placement.

**MCap:** INR 16,150 Cr

**PE:** 26.4x

**Number of LinkedIn Employees:** 747 Members.

**Number of EPFO Employees:** 2,961 as per Mar '24 Data.

**GSTR3B:** Last filed Mar '24.

**Lender Relationship:** National Housing Bank, HDFC Bank, Axis Bank, etc.

## 3. CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

**Filing:** (EXCELLENT RESULTS) For the quarter ending Mar-24 for Central Depository Services, Sales up 93% YoY from INR 125 Cr in Mar-23 to INR 241 Cr in Mar-24. Similarly, Net Profit up 2x from INR 63 Cr to INR 129 Cr. On a QoQ basis, Sales up 13% and Net Profit up 21%.

**MCap:** INR 22,591 Cr

**PE:** 53.8x

**Number of LinkedIn Employees:** 247 Members

**Number of EPFO Employees:** 337 as per Mar '24 Data.

**GSTR3B:** Last filed Mar '24.

**CDSL is a Govt. registered share depository, promoted by BSE & SBI, regulated by SEBI.**

## 4. MADHUSUDAN MASALA LIMITED

**Filing:** (EXCELLENT RESULTS) For the half year ending Mar-24 for Madhusudan Masala, Sales up 25% YoY from INR 86.2 Cr in Mar-23 to INR 108 Cr in Mar-24. Similarly, Net Profit up 49% from INR 3.95 Cr to INR 5.9 Cr. On a HoH basis, Sales up 99% and Net Profit up 78%.

**MCap:** INR 205 Cr

**PE:** 22.3x

**Number of LinkedIn Employees:** No data found.

**Number of EPFO Employees:** 18 as per Mar '24 Data.

**GSTR3B:** Last filed Mar '24.

**Clients:** Double Hathi Brand Products are listed on India Mart.

**5. TRIDENT TECHLABS LIMITED**

**Filing:** (EXCELLENT RESULTS) For the half year ending Mar-24 for Trident Techlabs, Sales up 7.2x YoY from INR 8.9 Cr in Mar-23 to INR 64.2 Cr in Mar-24. Similarly, Net Profit up from loss of INR 10.1 Cr to profit of INR 12.5 Cr. On a HoH basis, Sales up 7.7x.

**MCap:** INR 578 Cr

**PE:** 61.7x

**Number of LinkedIn Employees:** 229 Members

**Number of EPFO Employees:** 104 as per Mar '24 Data.

**GSTR3B:** Last filed Apr '24.

**Clients:** South Bihar Power Distribution Co. Ltd and North Bihar Power Distribution Co. Ltd

# 1. ZEN TECHNOLOGIES LIMITED NSE: ZENTEC

(1<sup>st</sup> time covered: 30<sup>th</sup> Jan 2023)

**Recent filing:** (EXCELLENT RESULTS) For the quarter ending Mar-24 for Zen Technologies, Sales up 47% YoY from INR 96 Cr in Mar-23 to INR 141 Cr in Mar-24. Similarly, Net Profit up 65% from INR 23 Cr to INR 38 Cr. On a QoQ basis, Sales up 41% and Net Profit up 27%.

**SUMMARY:** 2y Operating Profit uptrend | PE 68.9x (Sector PE range 50-100) | Excellent Mar-24 results | Capacity expansion | Institutional entry | Fund raise | Orderbook INR 1,402 Cr (Mar '24), 3.2x of FY24 Revenue | Defence

- MCap of INR 8,693 Crore (share price = INR 1,034 / share) (as on 6<sup>th</sup> May '24)
- TTM PE 68.9x (as on 6<sup>th</sup> May '24)      Retail float = 28.8% (Mar-24)

**FOOD FOR THOUGHT:** Company is exposed to risks in tender-based operations

**Company Description:** Incorporated in 1996, Zen Technologies designs, develops and manufactures combat training solutions for the training of defense and security forces. It is actively involved in the indigenization of technologies, which are beneficial to Indian armed forces, state police forces, and paramilitary forces.

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




Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Zen	372	418	618	840	765	718	772	794	840	866	957	1110

(In INR Cr)	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	37	33	52	96	132	66	100	141
Op Profit	11	10	17	35	69	19	42	50
Net Profit	7	8	12	23	48	14	30	38
OPM	30%	30%	33%	36%	52%	29%	43%	36%
NPM	19%	24%	23%	24%	36%	21%	30%	27%
Promoter %	60.2%	60.2%	60.2%	60.1%	57.5%	57.5%	55.1%	55.1%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	-	92	149	55	70	219	440
Op Profit	-	17	63	7	5	73	181
Net Profit	-	13	59	3	3	50	130

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

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	No	
PE <b>68.9</b> (Defense: 50-100) Lower end of sector range		
Futuristic Sector	Yes (Defence)	
HNI / Institutional / Promoter Buying	Yes	 <p>Mar '24: Director bought 1k shares at INR 896/share, aggregating to INR 8L.</p> <p>Dec '23: Tata AIA Life Insurance Co. Ltd. bought 20L shares at INR 725/share, aggregating to INR 145 Cr. Promoter Group sold 20L shares at the same price, aggregating to INR 145 Cr.</p> <p>Jun '23: Employees Welfare Trust bought 60k shares at INR 388/share, totaling to INR 2.3 Cr.</p> <p>May '23: Employees Welfare Trust bought 1L shares at INR 371/share, aggregating to INR 3.7 Cr.</p> <p><b>Mar '23: Ravi Kumar Midathala (Promoter &amp; Director) sold 40k shares at INR 328/share, aggregating to INR 1.3 Cr</b></p> <p>Feb '23: Employees Welfare Trust bought 2L shares at INR 243/share, aggregating to INR 4.9 Cr.</p>
Special Situation	Yes	<p>Jan '24: BoD has considered and approved the raising of INR 1,000 Cr of funds.</p> <p>May '23: BoD approved the allotment of 4.7L equity shares on conversion of convertible warrants to the Promoters (warrants were allotted in Nov '21 at INR 213/warrant). Amount paid will be INR 7.5 Cr (75% of INR 213/warrant).</p>
Future Visibility	Yes	<p>Feb '24: Company has received order worth of INR 93 Cr from Ministry of Defence, Govt. of India for tactical training simulators.</p> <p>Feb '24: Company announced its participation in the 2<sup>nd</sup> India Kenya Mini Defense Exhibition and Seminar in Nairobi, Kenya, from 30<sup>th</sup> to 31<sup>st</sup> January 2024. During the event, Hon'ble Aden Bare Duale, Kenya's Cabinet Secretary for Defence, commended Zen Technologies for its exceptional contributions to the Kenya Army's training facilities, setting an industry standard. He highlighted Zen's pivotal role in enhancing the Kenya Defence Forces' capabilities and extending benefits to friendly regional forces through advanced training systems.</p> <p>Jan '24: Company receives 15<sup>th</sup> Patent Grant for innovative "LASER TRANSMITTER UNIT" in Defense Simulation. This accomplishment further enriches the Company's portfolio of patented technologies, solidifying its position as a pioneer in defense simulation solutions.</p>

Nov '23: Company has signed an MoU with the Govt. of Goa for setting up of new R&D and Manufacturing facility in Goa. The new facility, to be set up at the Electronic Manufacturing Cluster Tuem, Goa, represents an investment of up to INR 50 Cr and is expected to create employment opportunities for 800 individuals. This move aligns with the Company's vision to enhance its manufacturing capabilities, particularly in cutting-edge simulators and drone-related technologies.

Nov '23: According to Ashok Atluri, CMD of Zen Technologies, current order book of the Company stands at around INR 1,500 Cr. Out of this, FY24 would see order execution of around INR 450 Cr, while FY25 would see execution of INR 900 Cr+. EBITDA margin is expected to be 35% or more.

Nov '23: Company received an export order of worth INR 42 Cr. The order comprises of state-of-the-art simulators.

Oct '23: Company has been awarded an order valued at INR 100 Cr by the Ministry of Defence, India, for its state-of-the-art Force-On-Force Tank training system. This innovative system empowers Tank Units and Sub-Units to engage in training on real terrains under authentic conditions using their equipment, without the necessity for live ammunition.

Sep '23: Company has received order worth of INR 227.6 Cr from Ministry of Defence, Govt. of India. Order book as of Jun '23 was INR 542 Cr. During the current quarter, Company has won new orders worth INR 961 Cr, raising total order book to INR 1,503 Cr.

Sep '23: Company won an order worth INR 123 Cr from the Ministry of Defence.

Aug '23: Won an order worth INR 72 Cr from Ministry of Defence.

Aug '23: Received order worth INR 65 Cr from Ministry of Defence.

Jul '23: Company received a significant order worth INR 340 Cr, in the export market.

Jul '23: Company received a large order from the Government of India, valued at INR 160 Cr. The contract comes under the Government's Indigenous Design and Development (IDDM) initiative, which requires Indian IP and over 60% indigenous content.

Jun '23: Company secured an order worth INR 202 Cr from the Ministry of Defence. Company looks forward to securing additional sizeable contracts within the next quarter.

Mar '23: Company secured new order worth INR 127 Crore.

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

## 2. APTUS VALUE HOUSING FINANCE INDIA LIMITED

NSE: APTUS (1<sup>st</sup> time covered: Today)

**Recent filing:** (GOOD TO EXCELLENT RESULTS) For the quarter ending Mar-24 for Aptus Value Housing Finance, Sales up 25% YoY from INR 299 Cr in Mar-23 to INR 375 Cr in Mar-24. Similarly, Net Profit up 23% from INR 135 Cr to INR 166 Cr. On a QoQ basis, Sales up 7% and Net Profit up 5%.

(FUND RAISE) BoD of Aptus Value Housing Finance has considered and approved the issuance of Non-Convertible Debentures (NCDs) aggregating upto INR 2,250 Cr through private placement.

**SUMMARY:** 6y Operating Profit uptrend | 7q Operating Profit uptrend | PE 26.4x (Sector PE range 20-50) | Excellent Mar-24 results | Fund Raise | Institutional Entry | Financial Services

- MCap of INR 16,150 Crore (share price = INR 324 / share) (as on 6<sup>th</sup> May '24)
- TTM PE 26.4x (as on 6<sup>th</sup> May '24)      Retail float = 2.54% (Mar-24)

**FOOD FOR THOUGHT:** Negative Operating cashflow in FY24.

**Company Description:** Aptus Value Housing Finance India Ltd is a Home Loan Company. Aptus has been formed to primarily address the housing finance needs of self-employed, belonging to Low- and Middle-Income Families primarily from semi urban and rural markets.

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



Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
APTUS	262	248	283	269	292	289	290	320	375	352	309	327




(In INR Cr)	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	240	268	286	299	306	334	351	375
Op Profit	200	217	239	243	261	277	293	309
Net Profit	119	123	126	135	142	148	158	164
OPM	83%	81%	84%	81%	85%	83%	83%	82%
NPM	50%	46%	44%	45%	46%	44%	45%	44%
Promoter %	62.4%	62.2%	62.2%	62.2%	62.2%	62.1%	62.1%	61.1%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	201	325	500	640	815	1,093	1,365
Op Profit	154	258	414	539	670	902	1,139
Net Profit	67	112	211	267	370	503	612

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

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	<div> <b>Home Loans</b> Aptus offers home loan for<ul style="list-style-type: none"><li>• Home Construction</li><li>• Home Purchase</li><li>• Home Renovation</li><li>• Home Extension</li></ul></div>	<div> <b>Loan Against Property (LAP)</b><ul style="list-style-type: none"><li>• LAP for Construction</li><li>• LAP for Purchase</li></ul></div>	<div> <b>Insurance</b> Aptus is currently offering products pertinent to housing finance viz credit shield insurance &amp; property insurance.</div>
ST OP uptrend	Yes			
PE 26.4 (Financial Services: 20-50) Lower end of sector range				
Futuristic Sector	No			
HNI / Institutional / Promoter Buying	Yes	As per Mar '24 Shareholding data:  SBI Mutual Fund is holding 3.7% stake. Malabar India Fund Limited is holding 3.9% stake. Malabar Select Fund is holding 2.5% stake. Steadview Capital Opportunities Fund is holding 2.6% stake. ICICI Prudential Life Insurance Company is holding 3.6% stake. Smallcap World Fund is holding 5.31% stake. Wf Asian Reconnaissance Fund is holding 3.1% stake.		
Special Situation	Yes	As stated above		
Future Visibility	No			

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

### 3. CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

NSE: CDSL (1<sup>st</sup> time covered: Today)

**Recent filing:** (EXCELLENT RESULTS) For the quarter ending Mar-24 for Central Depository Services, Sales up 93% YoY from INR 125 Cr in Mar-23 to INR 241 Cr in Mar-24. Similarly, Net Profit up 2x from INR 63 Cr to INR 129 Cr. On a QoQ basis, Sales up 13% and Net Profit up 21%.

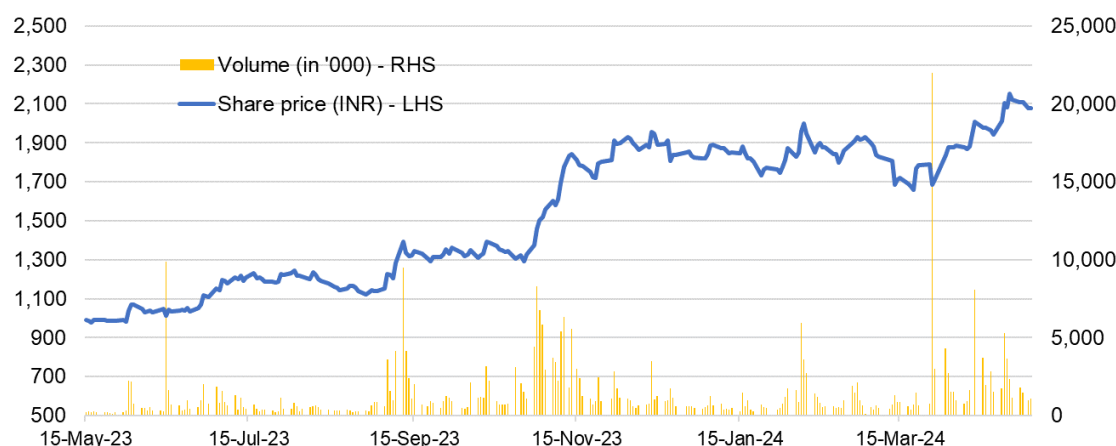
**SUMMARY:** 1y Operating Profit uptrend | 4q Operating Profit uptrend | PE 53.8x (Sector PE range 20-50) | Excellent Mar-24 results | Institutional Entry | Acquisition | Financial Services

- MCap of INR 22,591 Crore (share price = INR 2,162 / share) (as on 6<sup>th</sup> May '24)
- TTM PE 53.8x (as on 6<sup>th</sup> May '24)      Retail float = 40.7% (Mar-24)

**FOOD FOR THOUGHT:** PE above sector range

**Company Description:** Company is a Market Infrastructure Institution (MII) and a crucial part of the Capital market structure, providing services to all Market participants - Exchanges, Clearing Corporations, Depository Participants (DPs), Issuers and Investors.

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



Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
CDSL	1038	1111	1231	1138	1360	1456	1894	1824	1775	1917	1712	2109

(In INR Cr)	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	140	149	141	125	150	207	214	241
Op Profit	75	91	85	68	80	128	130	148
Net Profit	58	80	75	63	74	109	107	129
OPM	54%	61%	60%	54%	53%	62%	61%	61%
NPM	41%	54%	53%	50%	49%	53%	50%	54%
Promoter %	20.0%	20.0%	20.0%	20.0%	15.0%	15.0%	15.0%	-

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	188	196	215	344	551	555	812
Op Profit	110	109	89	212	365	319	488
Net Profit	104	115	107	201	312	276	420

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

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>53.8</b> (Financial Services: 20-50) Above sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	As per Dec '23 shareholding Data: Parag Parikh Flexi Cap Fund is holding 4.7% stake. LIC is holding 4.4% stake. Nippon Life India is holding 2% stake. ICICI Prudential Life Insurance Company is holding 3.6% stake. Invesco India Focused 20 Equity Fund is holding 2% stake
Special Situation	No	
Future Visibility	Yes	<p>Feb '24: Company has invested INR 10 Cr (1.54%) towards share application in ONDC by way of subscription to 10L equity shares.</p> <p>Jan '24: Company announced two unique multi-lingual initiatives</p> <ol style="list-style-type: none"> <li>1. Company introduces a revolutionary upgradation in investor CAS, enabling investors to receive their statements in their preferred language amongst 23 diverse Indian languages. This 'Apka CAS – Apki Zubaani' initiative is a testament to easier accessibility, offering investors a consolidated view of their securities held in demat account in a language of their choice.</li> <li>2. A unique multi-lingual chatbot on CDSL website, 'CDSL Buddy Sahayta 24*7,' aims to simplify investors' journeys toward 'Atmanirbharta' or self-sufficiency.</li> </ol> <p>Nov '23: Company has become the first depository to open 10 Cr active Demat accounts.</p> <p>Jul '23: Company has become the first depository to open 9 Cr active Demat accounts.</p>



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

## 4. MADHUSUDAN MASALA LIMITED NSE-SM: MADHUSUDAN

(SME: Lot Size = 1,000 shares) (1<sup>st</sup> time covered: Today)

**Recent filing:** (EXCELLENT RESULTS) For the half year ending Mar-24 for Madhusudan Masala, Sales up 25% YoY from INR 86.2 Cr in Mar-23 to INR 108 Cr in Mar-24. Similarly, Net Profit up 49% from INR 3.95 Cr to INR 5.9 Cr. On a HoH basis, Sales up 99% and Net Profit up 78%.

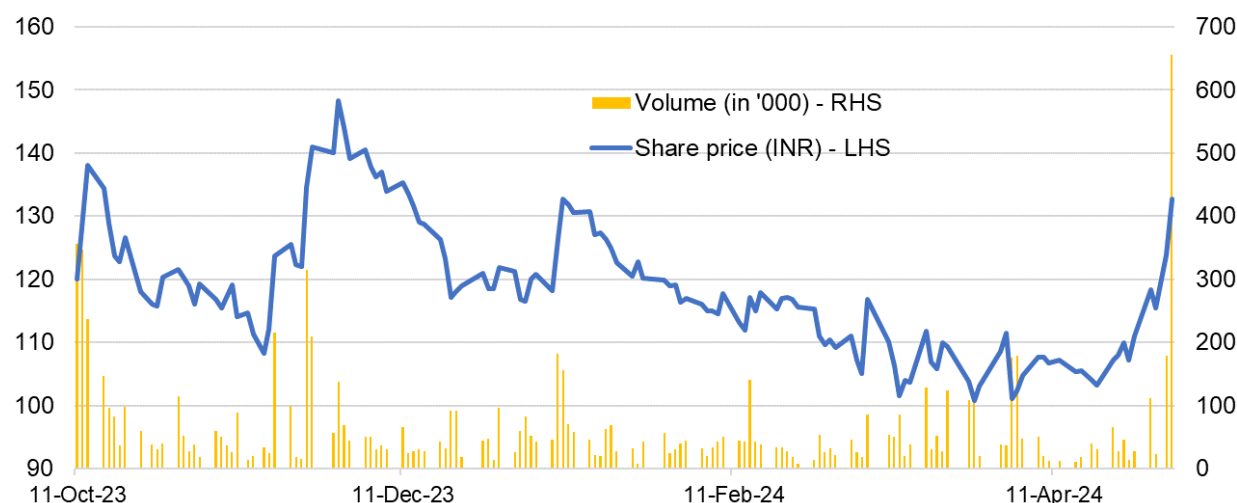
**SUMMARY:** 2y Operating Profit uptrend | PE 22.3x (Sector PE range 30-100) | Excellent Mar-24 results | Acquisition | Consumption

- MCap of INR 205 Crore (share price = INR 159 / share) (as on 6<sup>th</sup> May '24)
- TTM PE 22.3x (as on 6<sup>th</sup> May '24)      Retail float = 15.9% (Mar-24)

**FOOD FOR THOUGHT:** Negative Operating cashflow in FY24.

**Company Description:** Company manufactures more than 32 types of spices and other food products like Papad, Tea and Soya products under brand names "DOUBLE HATHI" & "MAHARAJA" in different types of packing sizes of more than 276 SKUs.

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





Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Madu	-	-	-	-	116	120	144	122	119	110	103	115

(In INR Cr)	Mar-21	Mar-22	Mar-23	Mar-24	Sep-23*	Mar-24*
Sales	69	65	127	162	54	108
Op Profit	3	2	11	17	6	11
Net Profit	0	1	6	9	3	6
OPM	4%	3%	9%	10%	11%	10%
NPM	0%	2%	5%	6%	6%	6%
Promoter %				73.7%	73.6%	73.7%

\*Semi-annual, rest are annual

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

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 22.2 (FMCG: 30-100) Below sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	No	
Special Situation	No	<p>Feb '24: Company has acquired 100% stake in the Vitagreen Products Private Limited. Target Company is engaged in the business of Spices Manufacturer and exporter of Spices, turnover in FY23 is INR 20.9 Cr.</p>
Future Visibility	Yes	

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

## 5. TRIDENT TECHLABS LIMITED NSE:

(SME: Lot Size = 500 shares) (1<sup>st</sup> time covered: Today)

**Recent filing:** (EXCELLENT RESULTS) For the half year ending Mar-24 for Trident Techlabs, Sales up 7.2x YoY from INR 8.9 Cr in Mar-23 to INR 64.2 Cr in Mar-24. Similarly, Net Profit up from loss of INR 10.1 Cr to profit of INR 12.5 Cr. On a HoH basis, Sales up 7.7x.

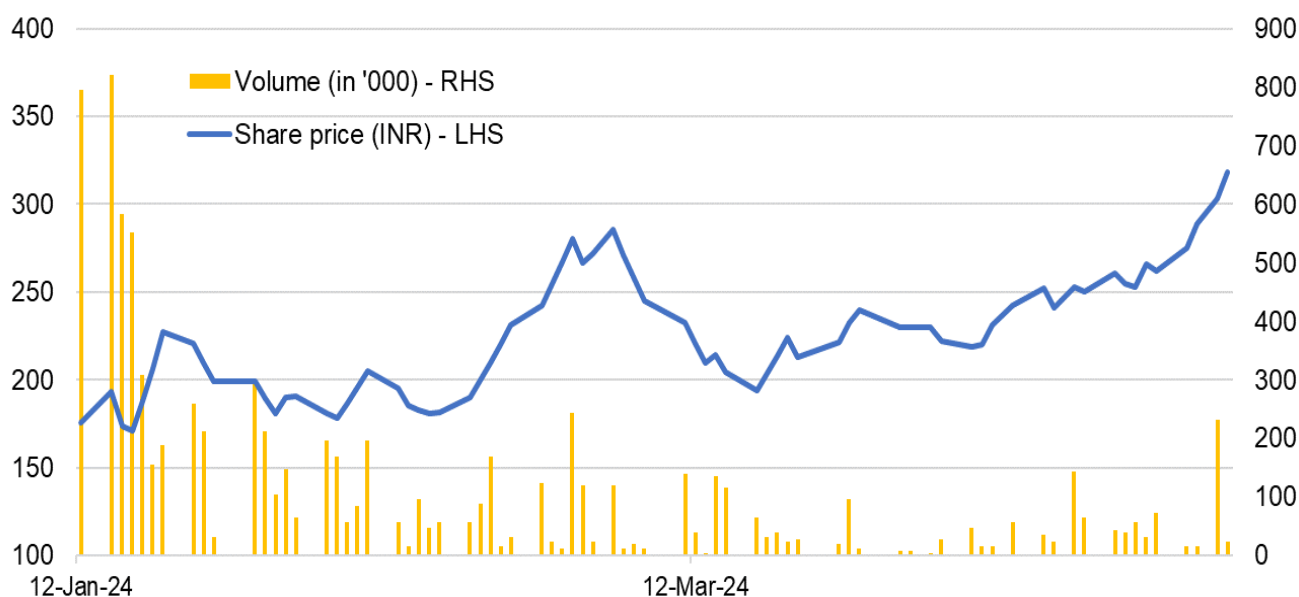
**SUMMARY:** 3y Operating Profit uptrend | PE 61.7x (Sector PE range 30-50) | Excellent Mar-24 results | IPO | IT

- MCap of INR 578 Crore (share price = INR 334 / share) (as on 6<sup>th</sup> May '24)
- TTM PE 61.7x (as on 6<sup>th</sup> May '24)      Retail float = 11.3% (Mar-24)

**FOOD FOR THOUGHT:** Negative Operating cashflow in FY24.

**Company Description:** Founded in the year 2000, Company provides engineering system solutions and Power system solutions to various industries like aerospace, defense, automotive, semi-conductor and power sector.

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



Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Trident	-	-	-	-	-	-	-	103	181	280	240	289

(In INR Cr)	Mar-21	Mar-22	Mar-23	Mar-24	Mar-23*	Sep-23*	Mar-24*
Sales	28.2	29.74	67.35	72.62	8.92	8.38	64.24
Op Profit	4.59	4.67	10.16	15.97	-8.14	-1.52	17.48
Net Profit	-0.33	0.64	5.55	9.37	-10.1	-3.09	12.46
OPM	16%	16%	15%	22%	-91%	-18%	27%
NPM	-1%	2%	8%	13%	-113%	-37%	19%
Promoter %	-	-	-	68%	-	-	68%

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

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>61.7</b> (IT: 30-50) Above sector range		
Futuristic Sector	Yes (New Age IT)	
HNI / Institutional / Promoter Buying	Yes	Mar '24 shareholding shows Mona Laroia holds 1.2% stake. Dec '23: Selvamurthy Akilandeswari bought 1.2L shares at INR 98.2/share, aggregating to INR 1.2 Cr.
Special Situation	Yes	IPO in Dec '23
Future Visibility	Yes	Feb '24: Company has been awarded a work order worth INR 42.2 Cr for development and implementation of an Enterprise Network Analysis solution with 1-year warranty and 2-years of Annual Technical Support and Facility Management Services, along with training to Distribution Companies' engineers at Headquarters and Filed Offices of South Bihar Power Distribution Co. Ltd and North Bihar Power Distribution Co. Ltd.

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



## Others

### **KPT INDUSTRIES LIMITED**

(GOOD TO EXCELLENT RESULTS) For the quarter ending Mar-24, Sales up 11% YoY from INR 35.4 Cr in Mar-23 to INR 39.2 Cr in Mar-24. Similarly, Net Profit up 2.1x from INR 1.75 Cr to INR 3.65 Cr. On a QoQ basis, Sales up 5% and Net Profit up 29%.

- MCap of INR 279 Cr (share price = INR 822 / share); TTM PE 23.2x (as on 6<sup>th</sup> May '24)

Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
KPT	301	287	326	398	425	448	543	566	579	508	647	689

### **INFOLLION RESEARCH SERVICES LIMITED**

(GOOD TO EXCELLENT RESULTS) For the half year ending Mar-24, Sales up 36% YoY from INR 19.6 Cr in Mar-23 to INR 26.6 Cr in Mar-24. Similarly, Net Profit up 2.3x from INR 1.86 Cr to INR 4.34 Cr. On a HoH basis, Sales up 6% and Net Profit up 3%.

- MCap of INR 203 Cr (share price = INR 209 / share); TTM PE 23.6x (as on 6<sup>th</sup> May '24)

Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Infollio	-	181	180	213	180	176	264	223	234	224	191	222

### **CHOICE INTERNATIONAL LIMITED**

(GOOD RESULTS) For the quarter ending Mar-24, Sales up 57% YoY from INR 137 Cr in Mar-23 to INR 215 Cr in Mar-24. Similarly, Net Profit up 30% from INR 30 Cr to INR 39 Cr. On a QoQ basis, Sales up 4% and Net Profit down 3%.

- MCap of INR 6,808 Cr (share price = INR 342 /share); TTM PE 52.8x (as on 6<sup>th</sup> May '24)

Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Choic	185	180	177	182	211	205	217	230	271	275	273	325

### **FUSION MICRO FINANCE LIMITED**

(GOOD RESULTS) For the quarter ending Mar-24, Sales up 29% YoY from INR 501 Cr in Mar-23 to INR 646 Cr in Mar-24. Similarly, Net Profit up 16% from INR 115 Cr to INR 133 Cr. On a QoQ basis, Sales up 9% and Net Profit up 6%.

- MCap of INR 5,235 Cr (share price = INR 521 / share); TTM PE 10.4x (as on 6<sup>th</sup> May '24)

Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Fusi	519	549	662	630	595	590	564	576	648	549	463	518

### **KABRA EXTRUSION TECHNIK LIMITED**

(AVERAGE TO GOOD RESULTS) For the quarter ending Mar-24, Sales down 6% YoY from INR 178 Cr in Mar-23 to INR 168 Cr in Mar-24. Similarly, Net Profit up 58% from INR 12 Cr to INR 19 Cr. On a QoQ basis, Sales up 35% and Net Profit up 6.3x.

- MCap of INR 1,425 Cr (Share Price = INR 407 / Share); TTM PE 42.1x (as on 6<sup>th</sup> May '24)

Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Kabra	428	451	425	442	440	429	421	426	412	357	294	370

### **SYSCHEM (INDIA) LIMITED**

(POOR RESULTS) For the quarter ending Mar-24, Sales up 53% YoY from INR 48.9 Cr in Mar-23 to INR 74.7 Cr in Mar-24. Similarly, Net Profit down from INR 0.4 Cr to loss of INR 0.26 Cr. On a QoQ basis, Sales up 71%.

- MCap of INR 237 Cr (share price = INR 59.5 / share); TTM PE 86x (as on 6<sup>th</sup> May '24)

Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Sysche	42	41	41	48	57	52	50	50	64	56	60	62



**KPI GREEN ENERGY LIMITED**(FUND RAISE) BoD Meeting to be held on May 13<sup>th</sup>, 2024 to consider the fund raise.

- MCap of INR 11,834 Cr (share price = INR 1,964 /share); TTM PE 73.1x (as on 6<sup>th</sup> May '24)

Price	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
KPI	328	544	553	596	549	546	770	979	1,214	1,740	1,523	1,808

**IPO**

Company	SME / Mainboard	Status	Open	Close	Listing	GMP	Subs (x)
ABS Marine Services	SME	Upcoming	10-May-24	15-May-24	21-May-24	7%	NA
Premier Roadlines	SME	Upcoming	10-May-24	14-May-24	17-May-24	—	NA
Aztec Fluids	SME	Upcoming	10-May-24	14-May-24	17-May-24	37%	NA
Energy-Mission Machineries (INDIA)	SME	Upcoming	09-May-24	13-May-24	16-May-24	43%	NA
Aadhar Housing Finance	Mainboard	Upcoming	08-May-24	10-May-24	15-May-24	17%	NA
TGIF Agribusiness	SME	Upcoming	08-May-24	10-May-24	15-May-24	—	NA
TBO Tek Limited	Mainboard	Upcoming	08-May-24	10-May-24	15-May-24	58%	NA
Silkflex Polymers	SME	Upcoming	07-May-24	10-May-24	15-May-24	10%	NA
Finelistings Technologies	SME	Upcoming	07-May-24	09-May-24	14-May-24	18%	NA
Refractory Shapes	SME	Open	06-May-24	09-May-24	14-May-24	16%	5
Winsol Engineers	SME	Open	06-May-24	09-May-24	14-May-24	56%	30
Indgene	Mainboard	Open	06-May-24	08-May-24	13-May-24	45%	2
Slone Infosystems	SME	Open	03-May-24	07-May-24	10-May-24	51%	77
Rack & Rollers	SME	Close	30-Apr-24	03-May-24	08-May-24	12%	279
Amkay Products	SME	Close	30-Apr-24	03-May-24	08-May-24	64%	748
Sai Swami Metals	SME	Close	30-Apr-24	03-May-24	08-May-24	58%	544

Company	Sector	Revenue growth (YoY)	Profit growth (YoY)	Issue PE
ABS Marine Services	Marine Services	21%	2.5x	15x
Premier Roadlines	Logistics	0%	23%	24x
Aztec Fluids	Printing Services	27%	84%	17x
Energy-Mission Machineries (INDIA)	Industrial Product	18%	42%	17x
Aadhar Housing Finance	Housing Finance	24%	34%	20x
TGIF Agribusiness	Fruits & Vegetables Cultivator	11%	-6%	19x
TBO Tek Limited	Travel Services	28%	38%	52x
Silkflex Polymers	Textile Printing Inks	28%	38%	22x
Finelistings Technologies	Luxury Car Reseller & IT	60%	2x	18x
Refractory Shapes	Building Material	1%	2.4x	21x
Winsol Engineers	EPC	6%	74%	11x
Indgene	Digital services	11%	21%	35x
Slone Infosystems	IT	49%	5x	14x
Rack & Rollers	Storage Solution Provider	12%	12x	26x
Amkay Products	Healthcare	13%	90%	19x
Sai Swami Metals	Stainless Steel	7x	62x	22x

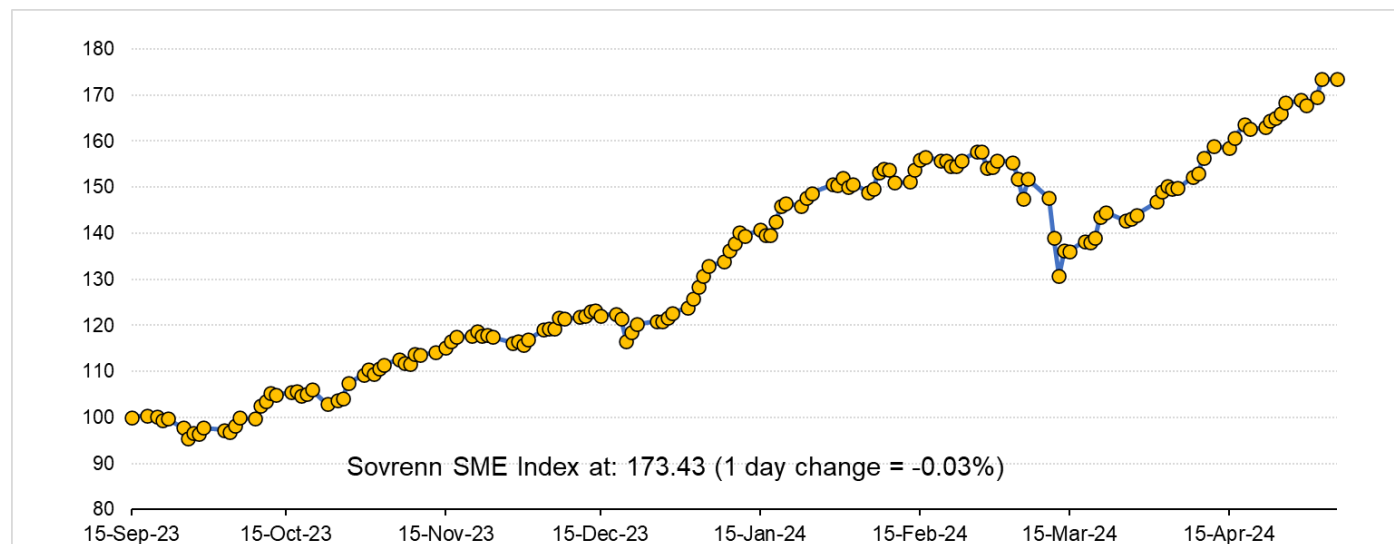
Note: GMP keeps updating till listing on exchange. Subscription (x) keeps updating till Issue is Open.

Revenue and Profit growth is calculated after annualizing last period growth.

## Sovrenn SME Index: **-0.03%**

Sovrenn SME Index was down 0.03%

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 Services: Softening Growth in Indian Services Sector, Yet Remains Robust

- The HSBC final India Services Purchasing Managers' Index (PMI), compiled by S&P Global, dropped to 60.8 in April from 61.2 in March.
- This figure contradicted the preliminary estimate, which anticipated a rise to 61.7.
- Despite the dip, April's reading still represented one of the fastest growth rates in nearly 14 years.

#### Consistent Growth Trajectory:

- Activity in the services sector has consistently remained above the 50-mark, which signifies growth rather than contraction since August 2021.

#### New Business Sub-index:

- Favourable market conditions and robust demand propelled the new business sub-index to a three-month high, the third-highest level recorded in approximately 14 years.
- Notable strength was observed in domestic demand, although there was a slight moderation in new export orders from March.

#### Employment and Business Optimism:

- Despite growing business optimism, job creation remained sluggish. However, there has been a continuous sequence of job growth for nearly two years.
- Operating costs surged due to elevated raw material and labor costs, yet the rate at which firms passed on these costs to clients softened from March's near seven-year high.

#### Forecast and Monetary Policy Implications:

- A Reuters poll conducted in April forecasted quarterly inflation in India to average 5.0% or below for the fiscal year.
- This projection suggests room for the Reserve Bank of India (RBI) to cut rates, with economists anticipating a 50-basis points reduction in the key repo rate by year-end.
- The slight dip in the manufacturing index combined with the retreat in services activity led to a decrease in the overall Composite PMI to 61.5 from March's eight-month high of 61.8.
- Despite this, the aggregate output across both manufacturing and service sectors rose significantly in April, albeit at a slightly slower pace, indicating sustained health in these sectors.

#### Conclusion:

- India's services sector continues to exhibit resilience despite the challenges, with robust domestic and foreign demand driving growth.

While there are concerns such as sluggish job creation and rising operating costs, the overall outlook remains positive, with forecasts suggesting room for monetary policy adjustments to sustain economic momentum.

## Companies declaring results on 6<sup>th</sup> & 7<sup>th</sup> May 2024

Sl. No.	Name of the Company	Date
1	Adinath Exim Resources Ltd	06-May-24
2	Aeroflex Industries Ltd	06-May-24
3	Allsec Technologies Ltd	06-May-24
4	Alphalogic Industries Ltd	06-May-24
5	Apcotex Industries Ltd	06-May-24
6	Arvind Ltd	06-May-24
7	Arvind SmartSpaces Ltd	06-May-24
8	Asarfi Hospital Ltd	06-May-24
9	Automotive Stampings & Assemblies Ltd	06-May-24
10	Bombay Dyeing & Manufacturing Company Ltd	06-May-24
11	Capital Trade Links Ltd	06-May-24
12	Cartrade Tech Ltd	06-May-24
13	CG Power & Industrial Solutions Ltd	06-May-24
14	Chemcrux Enterprises Ltd	06-May-24
15	Choice International Ltd	06-May-24
16	Clara Industries Ltd	06-May-24
17	DCM Shriram Ltd	06-May-24
18	Evexia Lifecare Ltd	06-May-24
19	Fusion Micro Finance Ltd	06-May-24
20	GHCL Ltd	06-May-24
21	GHCL Textiles Ltd	06-May-24
22	Godrej Consumer Products Ltd	06-May-24
23	Grindwell Norton Ltd	06-May-24
24	Gujarat Fluorochemicals Ltd	06-May-24
25	Gujarat Gas Ltd	06-May-24
26	Gujarat Poly Electronics Ltd	06-May-24
27	Gujarat Toolroom Ltd	06-May-24
28	Happiest Minds Technologies Ltd	06-May-24
29	IDream Film Infrastructure Company Ltd	06-May-24
30	Indian Acrylics Ltd	06-May-24
31	Indian Bank	06-May-24
32	Indian Bright Steel Company Ltd	06-May-24
33	Infollion Research Services Ltd	06-May-24
34	Kamdhenu Ltd	06-May-24
35	Kartik Investments Trust Ltd	06-May-24
36	Kody Technolab Ltd	06-May-24
37	KPT Industries Ltd	06-May-24
38	Lupin Ltd	06-May-24
39	Marico Ltd	06-May-24
40	Mishka Exim Ltd	06-May-24
41	Moschip Technologies Ltd	06-May-24
42	Muthoot Microfin Ltd	06-May-24
43	Orbit Exports Ltd	06-May-24
44	Prudent Corporate Advisory Services Ltd	06-May-24

45	Punjab Chemicals & Crop Protection Ltd	06-May-24
46	Rajkamal Synthetics Ltd	06-May-24
47	Rapicut Carbides Ltd	06-May-24
48	Route Mobile Ltd	06-May-24
49	Selan Explorations Technology Ltd	06-May-24
50	Shera Energy Ltd	06-May-24
51	Smruthi Organics Ltd	06-May-24
52	SPS International Ltd	06-May-24
53	Styrenix Performance Materials Ltd	06-May-24
54	Suven Life Sciences Ltd	06-May-24
55	Syschem (India) Ltd	06-May-24
56	Uttam Sugar Mills Ltd	06-May-24
57	Ashirwad Steels & Industries Ltd	07-May-24
58	BDR Buildcon Ltd	07-May-24
59	BIGBLOC Construction Ltd	07-May-24
60	Century Textiles & Industries Ltd	07-May-24
61	Chambal Fertilisers & Chemicals Ltd	07-May-24
62	CreditAccess Grameen Ltd	07-May-24
63	Delta Corp Ltd	07-May-24
64	Dr Reddy's Laboratories Ltd	07-May-24
65	Elantas Beck India Ltd	07-May-24
66	Fredun Pharmaceuticals Ltd	07-May-24
67	Graphite India Ltd	07-May-24
68	G-Tec Janix Education Ltd	07-May-24
69	Hil Ltd	07-May-24
70	Hindustan Media Ventures Ltd	07-May-24
71	IBL Finance Ltd	07-May-24
72	IDFC Ltd	07-May-24
73	Indo Euro Indchem Ltd	07-May-24
74	Indraprastha Gas Ltd	07-May-24
75	InfoBeans Technologies Ltd	07-May-24
76	IRB Infrastructure Developers Ltd	07-May-24
77	Jindal Saw Ltd	07-May-24
78	JSW Energy Ltd	07-May-24
79	Jupiter Wagons Ltd	07-May-24
80	K E C International Ltd	07-May-24
81	Kajaria Ceramics Ltd	07-May-24
82	Kamat Hotels (India) Ltd	07-May-24
83	Kamdhenu Ventures Ltd	07-May-24
84	KJMC Corporate Advisors (India) Ltd	07-May-24
85	Kore Digital Ltd	07-May-24
86	Latent View Analytics Ltd	07-May-24
87	Mangal Credit & Fincorp Ltd	07-May-24
88	Max Financial Services Ltd	07-May-24
89	Navin Fluorine International Ltd	07-May-24
90	Nivi Trading Ltd	07-May-24
91	Orient Bell Ltd	07-May-24

92	PB Fintech Ltd	07-May-24
93	Pidilite Industries Ltd	07-May-24
94	Protean eGov Technologies Ltd	07-May-24
95	Rane Engine Valve Ltd	07-May-24
96	Sasken Technologies Ltd	07-May-24
97	Shekhawati Poly-Yarn Ltd	07-May-24
98	Shri Balaji Valve Components Ltd	07-May-24
99	Sonata Software Ltd	07-May-24
100	Spectrum Electrical Industries Ltd	07-May-24
101	SRF Ltd	07-May-24
102	Suraj Estate Developers Ltd	07-May-24
103	United Breweries Ltd	07-May-24
104	Vaghani Techno-Build Ltd	07-May-24
105	Vivanta Industries Ltd	07-May-24
106	V-Marc India Ltd	07-May-24
107	Voltas Ltd	07-May-24

## 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	Oil & Gas field services	10 - 30
16	NBFCs	20 - 40
17	Banking	10 - 20
18	Financial Services	20 - 50
19	Microfinance	10 - 20
20	Brokerage	20 - 40
21	Power generation	20 - 30
22	Electric Vehicles	30 - 90
23	Automobile Manufacturing	30 - 50
24	Automobile Ancillaries	30 - 50
25	Railways	40 - 70
26	Clean Energy	30 - 50
27	Hydro Engineering	30 - 50
28	Smart Meter	30 - 70
29	Recycling	30 - 50
30	Waste Management	25 - 50
31	Healthcare - Hospitals/ Diagnostics	40 - 80
32	Speciality Chemicals	30 - 50
33	Commodity Chemicals	10 - 40
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	Diversified Commercial Services	30 - 50
41	Consulting Services	30 - 50
42	Travel Services	30 - 60
43	HR Services	30 - 50
44	Tech Platform	50 - 100
45	Steel products	10 - 50
46	EPC	20 - 50
47	Stationery	20 - 40
48	Education	15 - 40
49	Agro-processing	15 - 30
50	Agri products	30 - 50
51	Alcoholic beverages	30 - 70
52	Event management	25 - 50
53	Entertainment	20 - 40
54	VFX	30 - 60
55	Biofuels	30 - 60

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.

**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.