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SOVRENN TIMES

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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. LLOYDS ENGINEERING WORKS LIMITED

Filing: (PREFERENTIAL FOR ACQUISITION) Company approved the issuance of 1.76 Cr equity shares at INR 85/each, aggregating to INR 150 Cr to acquire 66% stake in Techno Industries Private Limited (TIPL) to carry out the business of developers, builders, masonry, General Construction Contractors, including designing, engineering, electrical engineering, Construction, and execution of infrastructure projects, fabrication, erection, buildings.

MCap: INR 8,348 Cr

PE: 94.6x

Number of LinkedIn Employees: 190 Members.

GSTR3B: Last filed Jul' 24.

Clients: Coromandel, GAIL, Finolex, Goa Shipyard, Bharat Petroleum Indian Oil, HP etc.

2. EFC(I) LIMITED

Filing: (BULK DEAL) On 4th Sep '24, Miv Investment Services Private Limited bought 3.76L shares at INR 473/share, aggregating to INR 18 Cr, some of these shares were sold by Aegis Investment Fund.

MCap: INR 2,539 Cr

PE: 37.4x

Number of LinkedIn Employees: 187 Members.

GSTR3B: Last filed Jul' 24.

Clients: 3i Infotech, Conneqt, EOS, Kalyani Forge Access Healthcare, Conneqt etc.

3. SHARP CHUCKS AND MACHINES LIMITED

Filing: (FUND RAISE) BoD of Sharp Chucks and Machines has approved the issuance of 11.7L Fully Convertible Warrants at INR 124/each, aggregating to INR 14.5 Cr, on a Preferential basis to the persons belonging to non-promoter, public category. Allotees includes Citrus Global Arbitrage Fund.

MCap: INR 142 Cr

PE: 22.9x

Number of LinkedIn Employees: 89 Members.

GSTR3B: Last filed Jun' 24.

Clients: Mahindra & Mahindra Limited (M&M), Escorts Kubota Limited, Swaraj Engines Limited etc.

4. QUALITEK LABS LIMITED

Filing: (FUND RAISE) On 31st Aug '24, BoD of Qualitek Labs approved the allotment of 26L equity shares at INR198/each, aggregating to INR 51.7 Cr. Subscribers include Ashish Rameshchandra Kacholia, Himalaya Finance & Investment etc.

MCap: INR 240 Cr

PE: 55.6x

Number of LinkedIn Employees: 81 Members.

GSTR3B: Last filed Jul' 24.

Clients: Volkswagen, Hyundai India, Ford India, Mahindra & Mahindra, Tata Group Companies etc.

5. S J LOGISTICS (INDIA) LIMITED

Filing: (FUND RAISE) Board Meeting to be held on 11-Sep-2024 to consider Fund raising.

MCap: INR 939 Cr

PE: 41.5x

Number of LinkedIn Employees: 46 Members.

GSTR3B: Last filed Jul' 24.

Clients: Trident Group, Sterling & Wilson.

6. RBM INFRACON LIMITED

Filing: (ORDER) RBM Infracon has received a work order worth INR 3,498 Cr including INR 3,371 Cr for Crude and 127 Cr for Gas at Nandej, from ONGC Limited, needs to be completed within 15 years.

MCap: INR 809 Cr

PE: 59.5x

Number of LinkedIn Employees: 171 Members

GSTR3B: Last filed Jul'24

Clients: L&T, TATA Projects, etc.

1. LLOYDS ENGINEERING WORKS LIMITED NSE: LLOYDSENGG

(1st time covered: Today)

Recent filing: (PREFERENTIAL FOR ACQUISITION) Company approved the issuance of 1.76 Cr equity shares at INR 85/each, aggregating to INR 150 Cr to acquire 66% stake in Techno Industries Private Limited (TIPL) to carry out the business of developers, builders, masonry, General Construction Contractors, including designing, engineering, electrical engineering, Construction, and execution of infrastructure projects, fabrication, erection, buildings.

SUMMARY: 4y Operating Profit uptrend | PE 94.6x (Sector PE range 30-60) | Fund raise | Acquisition | Orderbook of INR 899 Cr (Jun-24) (1.4x of TTM Revenue) | Capital Goods – Non-Electrical Equipment

- MCap of INR 8,348 Crore (share price = INR 74/ share) (as on 09th Sep '24)
- TTM PE 94.6 (as on 09th Sep '24) Retail float = 25.9% (Jun-24)

FOOD FOR THOUGHT: PE is above sector range.

Company Description: Company specializes in the design and manufacture of heavy equipment, machinery, and systems tailored to meet the stringent requirements of various industries. From the Hydro Carbon sector to Oil & Gas, Steel Plants, Power Plants, Nuclear Plant Boilers, and Turnkey Projects, it's comprehensive portfolio of products and solutions caters to diverse needs and applications.

Share price and Volume (last 1 year):



Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
LLOYDS	42	46	41	48	59	49	68	65	71	86	80	74

(In INR Cr)	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Sales	30	58	174	113	122	201	188	135
Op Profit	7	20	13	15	24	36	27	25
Net Profit	8	13	6	13	19	27	21	21
OPM	23%	34%	7%	13%	20%	18%	14%	19%
NPM	27%	22%	3%	12%	16%	13%	11%	16%
Promoter %	57.7%	57.7%	57.7%	60.6%	59.8%	59.8%	57.3%	57.3%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	TTM
Sales	122	98	114	70	50	313	624	647
Op Profit	-30	-6	-3	-10	5	53	101	112
Net Profit	2	3	2	0	6	37	80	88

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

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Please do your own due diligence before making any investment decisions.

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	No	
PE 94.6 (Capital Goods: 30-60) Above sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	No	Promoter, Designated Person, KMP, & Employee sold INR 1.4 Cr worth of shares in May '24.
Special Situation	Yes	As stated above. Jul '24: BoD considered and approved the issuance of equity shares of the Company for an amount not exceeding INR 1050 Cr by way of a rights issue.
Future Visibility	Yes	Apr '24: Company has received significant orders worth INR 81 Cr for naval equipment, encompass Ship steering gears System and Ship stabiliser systems, and are slated for execution over the course of three years.

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

2. EFC(I) LIMITED BSE: 512008 (1st time covered: Today)

Recent filing: (BULK DEAL) On 4th Sep '24, Miv Investment Services Private Limited bought 3.76L shares at INR 473/share, aggregating to INR 18 Cr, some of these shares were sold by Aegis Investment Fund.

SUMMARY: 2y Operating Profit uptrend | PE 37.4x (Sector PE range 30-50) | Leasing of Office Space | Institutional Entry | Acquisitions | Diversified Commercial Services

FUTURE OUTLOOK: As per the Q1FY25 concall, the Company is geared up to double its top line by FY25.

- MCap of INR 2,539 Crore (share price = INR 510 / share) (as on 9th Sep '24)
- TTM PE 37.4x (as on 9th Sep '24) Retail float = 14.8% (Jun-24)

FOOD FOR THOUGHT: Designated person sold 71L worth of shares in Dec '23.

Company Description: Entrepreneurial Facilitation Centre, EFC Limited is a leading real estate enterprise offering transformative managed office space solutions for entrepreneurs, small and medium enterprises (SMEs), and large corporations. Company possess leasing solutions for co-working spaces, managed offices, and enterprise offices that deliver desirable services for all business needs.

Share price and Volume (last 1 year):



Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
EFC (I)	232	347	372	436	410	330	395	406	552	539	479	510

(In INR Cr)	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Sales	15	26	60	56	98	172	93	102
Op Profit	3	5	35	29	40	61	52	46
Net Profit	1	2	9	3	11	21	28	16
OPM	20%	19%	58%	52%	41%	35%	56%	45%
NPM	7%	8%	15%	5%	11%	12%	30%	16%
Promoter %	76.0%	66.1%	67.0%	65.4%	56.8%	56.8%	45.6%	45.6%

(In INR Cr)	Mar-22	Mar-23	Mar-24	TTM
Sales	-	103	419	465
Op Profit	-	55	183	200
Net Profit	-	4	63	76

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

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Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	No	
PE 37.4 (Commercial Diversified Services: 30-50) Lower end of sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	<p>Jun '24: Aegis Investment Fund is holding 1.7% stake. Forbes EMF is holding 3.1% stake. Sageone- Flagship Growth 2 fund is holding 1.5% stake. Vanaja Sunder Iyer is holding 1.8% stake. Nav Capital Vcc is holding 1.3 % stake.</p> <p>Jul '24: Société Generale bought 3.5L shares at INR 565/share, aggregating to INR 19.8 Cr.</p> <p>Dec '23: Designated person sold 21k shares at INR 341/share, aggregating to 71 L.</p>
Special Situation	No	
Future Visibility	Yes	<p>Aug '24: Company announced the execution of a Letter of Intent (LOI) for the acquisition of a prime property worth over 80 cr. encompassing 49,556 square feet of floor space with a seating capacity over 1,500 in a strategic location within Pune City.</p> <p>Aug '24: Company announced the execution of a Letter of Intent (LOI) for a significant Design and Build contract with Tata Consultancy Services (TCS).</p> <p>Aug '24: Company secured leases totaling over 1,94,748 square feet across key locations: Mumbai (16,457 sq. ft.), Pune (28,300 sq. ft.), New Delhi (45,875 sq. ft.), Noida (71,408 sq. ft.), Kolkata (13,165 sq. ft.), and Ahmedabad (19,543 sq. ft.).</p> <p>Jul '24: BoD approved the acquisition of 100% stake in Degwekar Industries Private Limited for Manufacturing and designing of furniture. Turnover of target company for FY23 is 0.8 Cr.</p> <p>Jul '24: BoD approved the acquisition of 51% stake in Bigbox Ventures Private Limited for INR 5.1 Cr to manage office and Co-working space business. Turnover of target company for FY23 is 4.1 Cr.</p> <p>Mar '24: Company has formalized a Design and Build Services contract worth INR 24.5 Cr with Coforge Limited, a leading global digital services and solutions provider with presence in 21 countries.</p>

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

3. SHARP CHUCKS AND MACHINES LIMITED NSE – SME: SCML

(SME: Lot Size = 2,000 shares) (1st time covered: Today)

Recent filing: (FUND RAISE) BoD of Sharp Chucks and Machines has approved the issuance of 11.7L Fully Convertible Warrants at INR 124/each, aggregating to INR 14.5 Cr, on a Preferential basis to the persons belonging to non-promoter, public category. Allotees includes Citrus Global Arbitrage Fund.

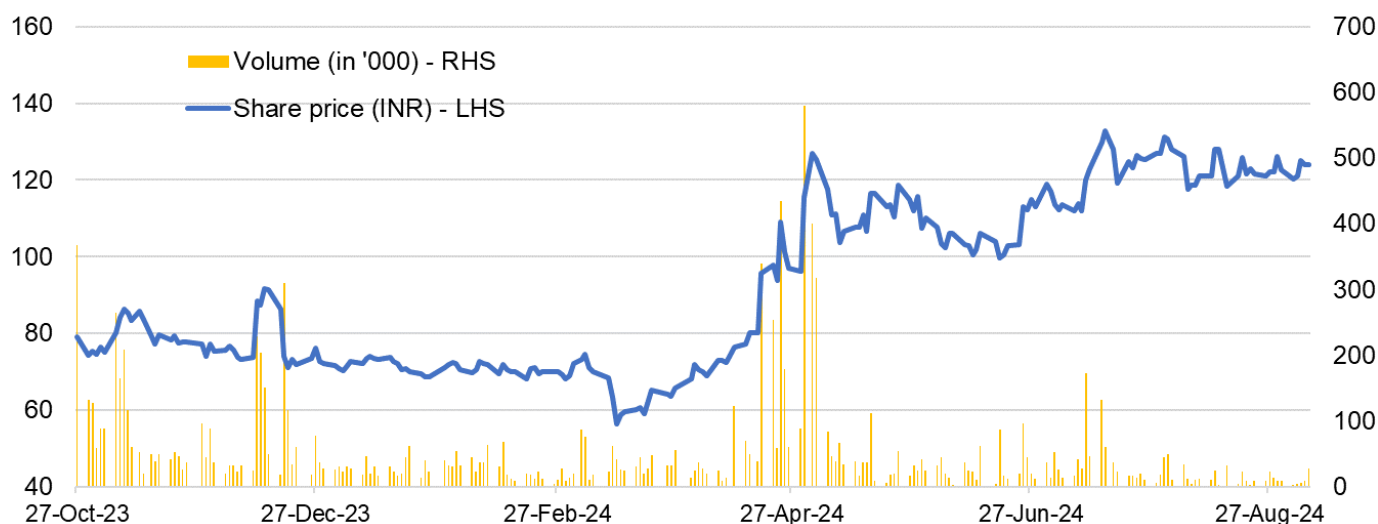
SUMMARY: 5y Operating Profit uptrend | PE 22.9x (Sector PE range 30-60) | Fund raise | Capital Goods – Non-Electrical Equipment

- MCap of INR 142 Crore (share price = INR 130 / share) (as on 09th Sep '24)
- TTM PE 22.9 (as on 09th Sep '24) Retail float = 18.7% (Jul-24)

FOOD FOR THOUGHT: Lower double digit operating profit margin.

Company Description: Company is well known in the Indian and Overseas Markets as manufacturers and exporters of Hand Tools & Machine Tools along with 'Fully Finished Forged and Graded Casting Parts & Assemblies being supplied to Major OEMs in Tractor and Automobile Industries in India.


Share price and Volume (last 1 year):



Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
SCML	75	77	72	72	68	66	115	110	113	131	123	130

(In INR Cr)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Sep-23*	Mar24*
Sales	105	111	134	151	174	202	97	105
Op Profit	12	13	15	17	19	24	11	13
Net Profit	3	3	3	5	5	6	2	4
OPM	11%	12%	11%	11%	11%	12%	11%	12%
NPM	3%	3%	2%	3%	3%	3%	2%	4%
Promoter %	-	-	-	-	-	-	-	73.0%

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

Company Type	Evergreen			
LT OP uptrend	Yes			
ST OP uptrend	Yes			
PE 22.9 (Capital Goods: 30-60) Below sector range				
Futuristic Sector	No			
HNI / Institutional / Promoter Buying	Yes	Jul '24: Oregano Life Private Limited is holding 1.5% stake.		
Special Situation	Yes	As stated above. Apr '24: BoD approved the issuance of 7.5L equity shares and 36.3L warrants at INR 76/share, aggregating to INR 33.4 Cr to non-promoters.		
Future Visibility	No			

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

Check out Large Order Bucket under Sovrenn Discovery!!!

<https://www.sovrenn.com/discovery/large-order-receipts>

4. QUALITEK LABS LIMITED BSE: 544091 (SME: Lot Size = 1,200 shares)

(1st time covered: 12th Mar 2024)

Recent filing: (FUND RAISE) On 31st Aug '24, BoD of Qualitek Labs approved the allotment of 26L equity shares at INR198/each, aggregating to INR 51.7 Cr. Subscribers include Ashish Rameshchandra Kacholia, Himalaya Finance & Investment etc.

SUMMARY: 3y Operating Profit uptrend | 2h Operating Profit uptrend | PE 55.6x (Sector PE range 30-50) | Excellent Mar-24 results | Ace Investor | Fund Raise | IPO | Consulting Services

- MCap of INR 240 Crore (share price = INR 325 / share) (as on 09th Sep '24)
- TTM PE 55.6x (as on 09th Sep '24) Retail float = 15.2% (Mar -24)

FOOD FOR THOUGHT: PE is above sector range

Company Description: Company offers complete one stop end-to-end testing solutions to evaluate automotive material, components, assemblies and full vehicle as per Indian and International standards like ASTM, IS, ISO, JIS, BS, EN, SAE, FMVSS, DIN, VDA, Specific OEM Standards etc.

Share price and Volume (last 1 year):




Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
Qualite	-	-	-	180	163	152	159	159	186	289	319	325

(In INR Cr)	Sep-22	Mar-23	Sep-23	Mar-24
Sales	-	11.1	12.5	16.7
Op Profit	-	3.1	3.8	4.3
Net Profit	-	1.6	2.0	2.3
OPM	-	27.6%	30.0%	25.8%
NPM	-	15%	16%	14%
Promoter %	-	-	-	73.4%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales				6.4	12.0	19.1	29.2
Op Profit				1.0	2.3	5.3	8.1
Net Profit				0.5	1.1	3.0	4.3

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

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Please do your own due diligence before making any investment decisions.

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 55.6 (Consulting Services: 30-50) Above sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	Mar '24: Jitendra Kumar Jain bought 45.6k shares at INR 176 each, aggregating to INR 80L. In Jan '24, he had bought 51.6k shares at INR 197 each, aggregating to INR 1 Cr.
Special Situation	Yes	Aug '24: As stated above
Future Visibility	Yes	<p>Mar '24: Company has received work order of INR 10 Cr per annum for sampling and quality certification of coal dispatch at various coal mines. The validity of these work orders will be 3.5 years. Company has also received work order of INR 3.2 Cr for its Automobile and Defence segments. These work order may increase or decrease as per the production and consumption side.</p> <p>Company will use IPO proceeds of INR 6.2 Cr towards capital expenditure towards installation of plant and machinery for new & existing laboratories and for expansion of laboratories and INR 8.2 Cr for repayment of loan to Promoter.</p>

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

5. S J LOGISTICS (INDIA) LIMITED NSE: SJLOGISTIC

(SME: Lot Size = 1,000 shares) (1st time covered: 5th Jan 2024)

Recent filing: (FUND RAISE) Board Meeting to be held on 11-Sep-2024 to consider Fund raising.

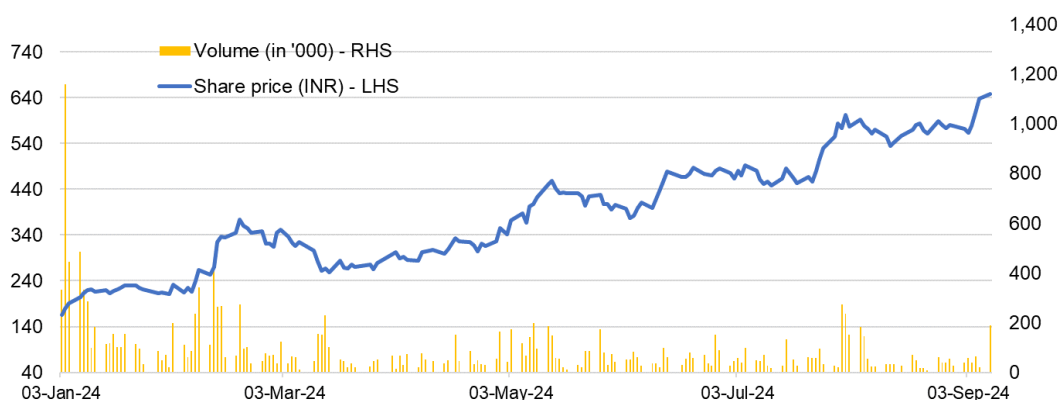
SUMMARY: 3y Operating Profit uptrend | 1q Operating Profit uptrend | PE 41.5x (Sector PE range 10-40) | Excellent Jun-24 results | Ace Investor | Institutional Entry | Fund Raise | Logistics

- MCap of INR 939 Crore (share price = INR 648/share) (as on 09th Sep '24)
- TTM PE of 41.5x (as on 09th Sep '24) Retail float = 20.7% (Jun '24)

FOOD FOR THOUGHT: PE is above sector range

Company Description: The Company specializes in logistics and supply chain solutions, offering services like freight forwarding, custom clearance, and transportation handling.

Share price and Volume (last 1 year):



Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
S J Lo	-	-	164	213	314	279	355	406	486	574	579	648

(In INR Cr)	Dec-22	Mar-23	Jun-23	Sep-23*	Dec-23	Mar-24	Jun-24
Sales	-	-	-	103	79	88.5	101
Op Profit	-	-	-	13	8.7	7.6	14
Net Profit	-	-	-	9.3	6.2	7.1	11
OPM	-	-	-	13%	11%	9%	14%
NPM	-	-	-	9%	8%	8%	11%


*half year data

(In INR Cr)	Mar-21	Mar-22	Mar-23	Mar-24
Sales	124	104	134	271
Op Profit	4	5	12	29
Net Profit	0.8	1.7	7.6	23
OPM	3%	5%	9%	11%
NPM	1%	2%	6%	9%

Current Promoter Holding = 49.6%

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

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Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 41.5 (Logistics: 10-40) Above sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	<p>Jun '24: India-Ahead Venture Fund is holding 1.1% stake. Ashika Global Finance is holding 1.1% stake. Lenus Finvest Private Limited is holding 1.2%, Sandeep Singh is holding 1% stake.</p> <p>May '24: Ankush Kedia bought 1L shares at INR 435/share, aggregating to INR 4.3 Cr.</p> <p>Jan '24: Sandeep Singh bought 75k shares at INR 177/share, aggregating to INR 1.3 Cr.</p> <p>Dec '23: Viney Equity Market Llp bought 2.15L shares at INR 168/share, aggregating to INR 3.6 Cr.</p>
Special Situation	Yes	Sep '24: As stated above
Future Visibility	Yes	<p>Aug '24: Company has seen an increase in EBITDA margins because of the increased contribution of project cargo shipments, which carry higher EBITDA margins. 2. Company is also exploring strategic partnerships and acquisitions to strengthen its market position.</p> <p>Jul '24: International Air Transport Association ("IATA") has issued the License to SJ Logistics (India) Limited to promote, sell and handle International Air Cargo transportation.</p> <p>Jul '24: Company has received a work order worth INR 52 Cr for Turnkey Projects in Power Sector, from T&D Player, needs to be executed within 8 months.</p> <p>May '24: Company has received two orders totalling INR 78 Cr from a T&D player. The first order is to complete within 9 months, worth INR 62 Cr for end-to-end logistics service, and the second one is to be completed in 10 months, worth INR 16 Cr for port-to-port logistics service.</p> <p>Top of Form</p> <p>Feb '24: Company has reduced its borrowings. Earlier, the Company had availed Term Loan from Federal Bank, a portion of which was paid off using the proceeds from the IPO, as outlined in the IPO document and communicated on 29th Dec 2023. Additionally, on 20th Feb 2024, Company made a further payment of INR 3.1 Cr, resulting in the complete repayment of the term loan from Federal Bank. As a result, the term loan from Federal Bank is now closed.</p>

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

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6. RBM INFRACON LIMITED NSE: SM: RBMINFRA

(SME Lot Size = 1,000 shares) (1st time covered: 9th Aug 2023)

Recent filing: (ORDER) RBM Infracon has received a work order worth INR 3,498 Cr including INR 3,371 Crores for Crude and 127 Cr for Gas at Nandej, from ONGC Limited, needs to be completed within 15 years.

SUMMARY: 4y Operating Profit uptrend | PE 59.5x (Sector PE range: 30-60) | Ace Investor | Large Order | Order book of INR 1,384 Cr as on Jun 2024 (9.2x of TTM revenue) | EPC

FUTURE OUTLOOK: As per Q1FY25 Concall, Company is projecting a CAGR of 57-65% in revenue from FY24 to FY26, with operating margins expected to range between 13-15% | For FY25, company is targeting for a revenue of INR 400 crore, a net profit (PAT) of INR 40 Cr.

- MCap of INR 809 Crore (share price = INR 800 / share) (as on 9th Sep '24)
- TTM PE 59.5x (as on 9th Sep '24) Retail float = 14.5% (Sep-23)

FOOD FOR THOUGHT: Negative operating cash flow for FY24.

Company Description: RBM Infracon is engaged in the business engineering, execution, testing, commissioning, operation and maintenance particularly in the field of mechanical and rotary equipment for Oil & Gas Refineries, Gas Cracker Plants, Coal/Gas/WHR based Power Plants, Petrochemicals, Chemicals, Cement industries.

Share price and Volume (last 1 year):




Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
RBM In	229	278	443	631	720	573	464	489	568	448	738	800

(In INR Cr)	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Sales	19.5	20.2	33.4	57.3	38.9
Op Profit	1.3	2.3	7	7.7	4.8
Net Profit	0.9	1.4	4.9	4.1	3.3
OPM	6.8%	11%	21%	14%	12%
NPM	4.8%	7%	14.7%	7%	8%
Promoter %	-	72.5%	-	72.5%	-

(In INR Cr)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	TTM
Sales	-	35.1	38.7	47.5	83.2	130	150
Op Profit	-	0.9	-0.4	3.4	4.7	19	22
Net Profit	-	-0.1	-1.3	1.9	2.2	11	14

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

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	No	
PE 59.5 (EPC: 30-60) Higher end of sector range		
Futuristic Sector	No	
HNI / Institutional / Promoter Buying	Yes	<p>As stated above.</p> <p>Jul '24: Ankush Kedia is holding 1.8%, Manickam Ravichandran is holding 2%, Akilandeswari Selvamurthy is holding 2.4%, Divyashri Ravichandran is holding 1.9% stake.</p> <p>Oct '23: Laroia Mona bought 99k shares at INR 178/share, aggregating to INR 1.8 Cr.</p> <p>Sep '23: Divyashri Ravichandran bought 1.2L shares at INR 126/share, aggregating to INR 1.5 Cr.</p> <p>Aug '23: Selvamurthy Akilandeswari bought 2L shares at an average price of INR 93 / share, aggregating to INR 1.9 Cr.</p> <p>Jan '23: Sanjay Popatlal Jain bought 60k shares at INR 53/share, aggregating to INR 31.3L. Selvamurthy Akilandeswari bought 87k shares at INR 52/share, aggregating to INR 45L.</p>
Special Situation	Yes	<p>Dec '23: BoD considered and approved the issuance and allotment of 16.6L shares 5.3L warrants, each at INR 386 per unit and aggregating to INR 84.6 Cr. Subscribers include Manickam Ravichandran, Rakesh Laroia, Bengal Tiger Capital Advisors, Moneystone Consultants.</p>
Future Visibility	Yes	<p>Sep '24: Company has received Order of worth INR 69L for Repairs and maintenance at Redi Port, Taluka Vengurla, District Sindhudurg, Maharashtra.</p> <p>Aug '24: Company has received Work Order worth INR 1.9 Cr from Kalpataru Projects International Limited, Noida for Cleaning and rubbing-Infra Work and Embankment fill with suitable soil.</p> <p>Aug '24: Company has Secures Multiple Contracts from Industry Giants worth INR 4.5+ Cr from Yara Fertilisers India Pvt Ltd, Larsen & Toubro Limited, Kalpataru Projects International Ltd, and Paushak Limited for hiring services for Borewell Piping, area grading and levelling services, cleaning, grubbing, infrastructure work, and embankment fill with suitable soil, providing Repair & Maintenance Services.</p>

Aug '24: Company has received an order worth INR 1 Cr for Providing Repair & Maintenance Services from Paushak Limited.

Jul '24: Company has received a work order worth INR 1.5 Cr for cleaning grubbing- Infra Work from Kalpataru Projects International Ltd.

Jul '24: Company has received a work order worth INR 1.5 Cr for Area grading & levelling includes, Cleaning, Clearing of vegetation, Disposal, Earth filling, Excavation, transportation, from Larsen & Toubro Limited, Construction.

Jul '24: Company has acquired State-of the Art SANY Truck Crane worth INR 3.3 Cr of capacity 110 MT.

Jul '24: Company has received work order worth INR 5.9 Cr from Thyssenkrupp Industrial Solutions India Private Limited, IOCL Gujarat Refinery.

Apr '24: Company has received Letter of Intent worth INR 9.5 Cr from Mundra Petrochem Limited for Structural Fabrication job at Fabrication Shop for Green PVC Project and has validity period of 20 Months from date of Notice to Proceed (NTP) Notified.

Apr '24: Company has received Service Order worth INR 5.9 Cr from L&T for Removal of Flooring, Demolition / Dismantling, Demolition of existing structures. On 5th April, it had received Service Order worth INR 22.2 Cr from Nayara Energy Ltd. for supply of ARC for Crude Tank (2 Nos.) M&I jobs at COT area over 1.75 years.

Apr '24: Company had received Service Order worth INR 22.2 Cr from Nayara Energy Ltd. for supply of ARC for Crude Tank (2 Nos.) M&I jobs at COT area over 1.75 years.

Dec '23: Company received Letter of Intent worth INR 81.75 Cr from BN Agritech Ltd. for a 1 year EPC contract.

Sep '23: Company has received Letter of Intent worth INR 958 Cr from Epitome Industries India Limited for an EPC contract to be executed before Oct 2025.

Aug '23: Company has received Service Order from Nayara Energy Limited for INR 40.6 Cr. Order has to be completed till 31st Jul 2024.

Aug '23: Company has received service orders from Naraya Energy Limited worth INR 49 Cr for the supply of Arc for Static, Rotary & Heat Exchanger Maintenance Jobs at Refinery Site. Order valid from 1st Oct 2023 to 30th Sep 2026.

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

Others

NIBE LIMITED

(MoUs) Nibe Space Private Limited, Subsidiary of Nibe Limited has signed Memorandum of Understanding with leading infra & Defence Companies and Startups of India (L&T, Centrum Electronics, Space Field, Thales, etc.) to collaborate as a consortium for supply of equipment, services, skills, systems and support services etc. for its aim to build and operate a Private Earth Observation Constellation & corresponding ground segment to provide constellation on lease basis, offer images and analytics as a service. These MOUs are valid for a period of 12 to 24 months.

- MCap of INR 2,551 Cr (share price = INR 1,942 /share); TTM PE 89.1x (as on 9th Sep '24)

Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
NIBE	520	696	630	912	1,529	1,288	1,493	1690	1960	1886	1,817	1,942

ORIANA POWER LIMITED

(ORDER) Company subsidiary named Truere Surya Private Limited has been awarded a prestigious contract worth INR 520 Cr by Dalmia Cement (Bharat) Limited. This contract is for the development of a solar power plant with a capacity of 128 MW in Tamil Nadu under the Open Access Segment and support Dalmia group's commitment towards RE 100 by 2030 and carbon negative by 2040.

Dalmia Cement Bharat Limited, WOS of Dalmia Bharat Limited has entered into Share Subscription and Shareholders agreement to acquire 26% of equity share capital of Truere Surya Private Limited aggregating to INR 44.8 Cr. The transaction is expected to be completed within 4-6 months.

- MCap of INR 4,188 Cr (share price = INR 2,183 /share); TTM PE 77.2x (as on 9th Sep '24)

Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
Oriana	335	362	470	661	793	742	1,527	2,198	2,474	2,007	2089	2183

MARINE ELECTRICALS (INDIA) LIMITED

(ORDER) Company has received an order worth INR 12.1 Cr from Arcelor Mittal Nippon Steel for LV Power and motor control centers capable to integrate with automation systems. The Delivery shall be over a period of 6 Months.

- MCap of INR 3,281 Cr (share price = INR 247/share); TTM PE 114x (as on 9th Sep '24)

Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
Marin	77	91	102	107	105	90	103	110	156	261	262	247

SATIN CREDITCARE NETWORK LIMITED

(FUND RAISE) Board meeting is scheduled to be held on 11-09-2024 to consider fund raising.

- MCap of INR 2,316 Cr (share price = INR 210/share); TTM PE 5.1x (as on 9th Sep '24)

Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
SATIN	240	240	240	258	236	210	262	220	220	227	214	210

SHRIRAM PISTONS AND RINGS LIMITED

(INSTITUTIONAL ENTRY) DSP Mutual Fund bought 4.4 L shares and Theleme India Master Fund bought 4.8L shares at an avg price of INR 2,186/share, aggregating to INR 202 Cr. Promoters sold 13.2 L shares at INR 2,190/share, aggregating to INR 289 Cr.

- MCap of INR 9,718 Cr (share price = INR 2,206 /share); TTM PE 21.5x (as on 9th Sep '24)

Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
Shriram	1000	1074	1456	1652	1641	1961	2047	1934	1911	2029	2149	2206

TILAKNAGAR INDUSTRIES LIMITED

(FURTHER INVESTMENT) Company announced a follow-on investment of INR 13 Cr to be invested over a period of 18 months, in Spaceman Spirits Lab Private Limited (SSL). With this funding, Company stake in SSL, maker of premium Indian craft gin Samsara and craft rum Sitara, will increase from 10% to 20% on a fully diluted basis. Previously, Company had made an investment of INR 9.75 crore in Spaceman Spirits Lab Private Limited for a 10% stake.

- MCap of INR 5,792 Cr (share price = INR 301 /share); TTM PE 37.3x (as on 9th Sep '24)

Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
Tilakna	209	266	241	244	215	211	237	230	251	252	274	301

ANNAPURNA SWADISHT LIMITED

(FUND RAISE Company is acquiring 100% of Madhur Confectioners Private Limited (MCPL) which manufactures wide range of products i.e. flavoured candies, Candy lollipop, Toy Confectionery, Chocolates, etc. The acquisition of MCPL brings significant synergies, particularly in distribution, cost management, and product offerings. Annapurna currently has a distribution network of 550 distributors for its snacks segment, while MCPL adds another 300 distributors for confectionery products. This expanded network is expected to further boost sales volumes through cross-selling, thereby increasing market reach and share.

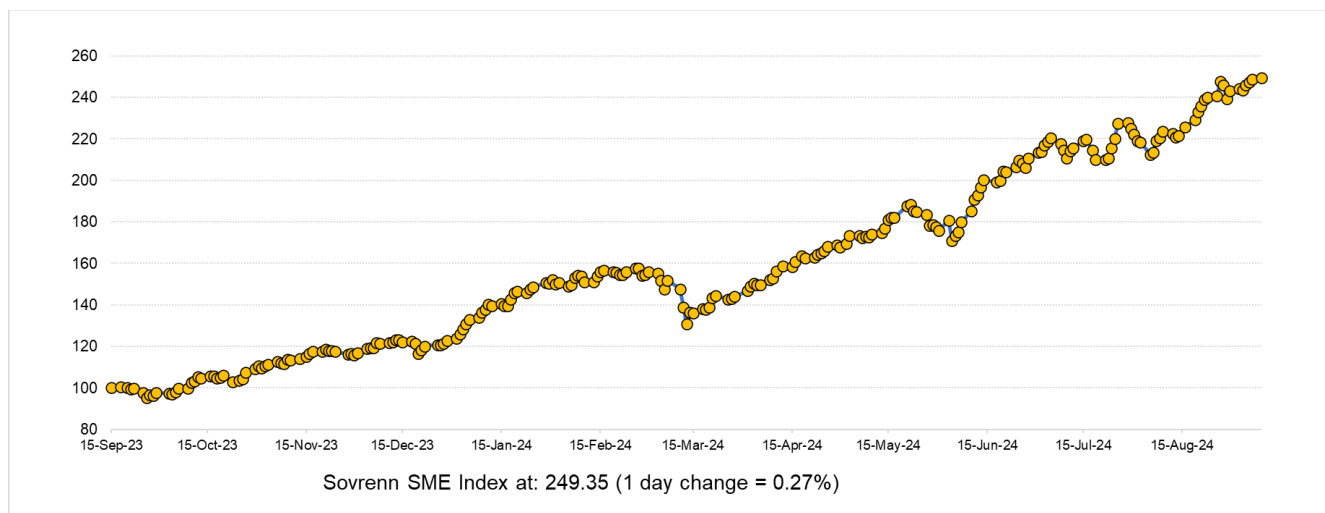
Company operating with an EBITDA margin of 11%, acquired MCPL, which has a higher adjusted EBITDA margin of 17.6%, to reduce per-unit costs, improve margins, and diversify its SKU portfolio by adding 75 SKUs from snacks and 31 from confectionery. Madhur Confectioners plans to scale by 3.5x-4x in the next 2-3 years, benefiting from bulk purchasing and logistics efficiencies. In FY24, Annapurna reported revenue of ₹265 crore with a 10.6% EBITDA margin, while MCPL earned ₹107 crore with a 17.6% EBITDA margin. Annapurna aims to increase MCPL's capacity utilization, targeting ₹400 crore revenue by FY27, underscoring its expansion and market presence.

- MCap of INR 766 Cr (share price = INR 436 /share); TTM PE 53.9x (as on 9th Sep '24)

Price	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	LTP
Anna	302	315	342	302	394	382	373	287	341	354	481	436

Sovrenn SME Index: 0.27%

Sovrenn SME Index was up 0.27% 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)
Envirotech Systems	SME	Upcoming	13-Sep-24	17-Sep-24	20-Sep-24	0%	NA
Innomet Advanced Materials	SME	Upcoming	11-Sep-24	13-Sep-24	18-Sep-24	0%	NA
Excellent Wires and Packaging	SME	Upcoming	11-Sep-24	13-Sep-24	19-Sep-24	0%	NA
Trafiksol ITS Technologies	SME	Upcoming	10-Sep-24	12-Sep-24	17-Sep-24	114%	NA
P N Gadgil Jewellers	Mainboard	Upcoming	10-Sep-24	12-Sep-24	17-Sep-24	48%	NA
SPP Polymer	SME	Upcoming	10-Sep-24	12-Sep-24	17-Sep-24	42%	NA
Share Samadhan	SME	Open	10-Sep-24	12-Sep-24	17-Sep-24	0%	1
Kross	Mainboard	Open	09-Sep-24	11-Sep-24	16-Sep-24	20%	1
Aditya Ultra Steel	SME	Open	09-Sep-24	11-Sep-24	16-Sep-24	0%	2
Subhashree Biofuels Energy	SME	Open	09-Sep-24	11-Sep-24	16-Sep-24	0%	2
Tolins Tyres	Mainboard	Open	09-Sep-24	11-Sep-24	16-Sep-24	17%	2
Bajaj Housing Finance	Mainboard	Open	09-Sep-24	11-Sep-24	16-Sep-24	85%	2
Gajanand International	SME	Open	09-Sep-24	11-Sep-24	16-Sep-24	0%	1
Vision Infra Equipment Solution	SME	Open	06-Sep-24	10-Sep-24	13-Sep-24	0%	3
My Mudra Fincorp	SME	Close	05-Sep-24	09-Sep-24	12-Sep-24	36%	97
Shree Tirupati Balajee Agro Trading Company	Mainboard	Close	05-Sep-24	09-Sep-24	12-Sep-24	36%	119
Namo eWaste Management	SME	Close	04-Sep-24	06-Sep-24	11-Sep-24	59%	226
Mach Conferences and Events	SME	Close	04-Sep-24	06-Sep-24	11-Sep-24	98%	197
Naturewings Holidays	SME	Close	03-Sep-24	05-Sep-24	10-Sep-24	41%	383

Company	Sector	Revenue growth (YoY)	Profit growth (YoY)	Issue PE
Envirotech Systems	Noise Measurement and Control Solutions	63%	4.4x	9x
Excellent Wires and Packaging	Wires	6%	7x	57x
Innomet Advanced Materials	Powder Metallurgy	9%	-22%	51x
Trafiksol ITS Technologies	Smart Transport	80%	2.5x	14x
P N Gadgil Jewellers	Jewellery	34%	65%	42x
SPP Polymer	Bulk Packaging	23%	3.7x	55x
Share Samadhan	Financial Services	3.6x	8.2x	17x
Kross	Auto Ancillary	27%	45%	34x
Aditya Ultra Steel	Steel Products	11%	2.9x	19x
Subhashree Biofuels Energy	Bio-Fuel	47%	13%	24x
Tolins Tyres	Tyre Manufacturing	–	–	34x
Bajaj Housing Finance	Housing Finance	16%	12%	–
Gajanand International	Cotton Production	-5%	2.1x	28x
Vision Infra Equipment Solution	Construction Machinery	-16%	2.5x	21x
My Mudra Fincorp	Financial Services	33%	2.4x	15x
Shree Tirupati Balajee Agro Trading Company	Agri Trading	16%	74%	19x
Namo eWaste Management	Waste Management	73%	2.8x	28x
Mach Conferences and Events	Event Management	68%	3x	18x
Naturewings Holidays	Travel Services	86%	72%	21x

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

Japan's Revised GDP Growth Slows, But BOJ Rate Hike Still on the Table

Japan's economic expansion in the second quarter of 2024 has been revised downward, signaling a slower pace of growth than initially estimated. However, the overall strength of the economy continues to suggest that the Bank of Japan (BOJ) may still consider raising interest rates later this year.

GDP Growth Revised Down to 2.9%

According to the Cabinet Office, Japan's gross domestic product (GDP) grew at an annualized rate of 2.9% from April to June 2024. This is slightly below the preliminary estimate of 3.1%. Despite the slight reduction, the figure still reflects a significant recovery, driven by resilient consumer spending and capital investment. In real terms, Japan's economy grew 1.8% quarter-on-quarter, reaffirming that the total value of the economy surpassed ¥600 trillion (\$4.2 trillion) for the first time in history.

Consumption and Investment Adjusted Lower

The revision came as private consumption and capital investment, key pillars of domestic demand, were both adjusted downward. Consumer spending increased by 0.9%, marking a recovery from a period of four consecutive quarters of decline that ended in March. While these components showed weaker performance than initially expected, their overall contribution still reflects a positive economic trend.

Inflationary Pressures and BOJ's Outlook

Persistent inflation continues to challenge Japan's households. Consumer inflation has remained above the BOJ's 2% target for 28 consecutive months, and August data is expected to continue this trend. Although real wages have stabilized after more than two years of decline, consumer demand remains below pre-pandemic levels.

Political Considerations Amid Economic Uncertainty

The cost of living and consumer demand will likely shape Japan's political landscape, especially as the ruling Liberal Democratic Party (LDP) prepares for its leadership election on September 27, 2024. The outcome of this race is expected to determine Japan's next prime minister, with economic policies at the forefront of the debate.

Economic Outlook for Q3 2024

Looking ahead, economists surveyed by Bloomberg forecast an annualized growth rate of 1.7% for the third quarter of 2024. While this projection suggests a slowdown from the previous quarter, it remains above the BOJ's top-end potential growth estimate of 1%. This indicates that inflationary pressures will likely persist, keeping monetary policy tightening in play.

Conclusion

Japan's second-quarter growth, though slightly weaker than initially reported, is robust enough to support the BOJ's potential rate hikes later this year. With inflationary pressures still present, the bank faces a complex challenge in managing both economic recovery and price stability. The political landscape will also be closely watched as Japan navigates its post-pandemic recovery.

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

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.