

Aditya Joshi, Co-founder and CEO

Akriti Swaroop, Co-founder and COO

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. AVG LOGISTICS LIMITED

Filing: (ORDER) AVG Logistics has secured a contract worth INR 50 Cr to be served over a period of 3 years from a renowned electrical appliance manufacturer to revolutionize the transportation of electrical appliances. Company will deploy rail transportation (Erstwhile Road Movement) to ensure the safe, reliable, and efficient movement of a range of appliances including washing machines, air conditioners, refrigerators, dishwashers, and other household appliances.

MCap: INR 658 Cr

PE: 43.9x

Number of LinkedIn Employees: 165 Members

Number of EPFO Employees: 399 as per Mar '24.

GSTR3B: Last filed Mar '24.

Clients: Nestle, NCERT, etc.

2. R S SOFTWARE (INDIA) LIMITED

Filing: (BULK DEAL) Guttikonda Vara Lakshmi bought 2.5L shares of RS Software at INR 287/share, aggregating to INR 7.2 Cr.

MCap: INR 694 Cr

PE: 38.3x

Number of LinkedIn Employees: 616 Members

Number of EPFO Employees: No Data Found.

GSTR3B: Last filed Mar'24.

Clients: Deloitte, ICICI Bank, VISA, American Express etc.

3. SHIVALIK BIMETALS CONTROL LIMITED

Filing: (LAND ACQUISITION) Shivalik Bimetals has approved the acquisition of an industrial building from M/s Kulja Industries Limited, located in District Solan, Himachal Pradesh. The transaction, valued at INR 6.5 Cr, includes the building with a constructed area of 2043 sqm and leasehold rights to land measuring 2236 sqm. It will enable the Company in its future expansion activities.

MCap: 3,330 Cr

PE: 41.6x

Number of LinkedIn Employees: 136 Members

Number of EPFO Employees: 475 as per Mar'24 data.

GSTR3B: Last filed Mar '24.

JV Partner: Metalor Technologies International SA (member of the Tanaka Group of Japan).

4. SHAKTI PUMPS (INDIA) LIMITED

Filing: (EXCELLENT RESULTS) For the quarter ending Mar-24 for Shakti Pumps, Sales up 3.3x YoY from INR 183 Cr in Mar-23 to INR 609 Cr in Mar-24. Similarly, Net Profit up 40x from INR 2.24 Cr to INR 89.6 Cr. On a QoQ basis, Sales up 23% and Net Profit up 98%.

MCap: 3,768 Cr

PE: 26.6x

Number of LinkedIn Employees: 958 Members

Number of EPFO Employees: 506 as per Mar '24 data.

GSTR3B: Last filed Mar '24.

Clients: Maharashtra Energy Department Agency (MEDA), Haryana Renewable Energy Department (HAREDA), etc.

5. CANARYS AUTOMATIONS LIMITED

Filing: (ACQUISITIONS) Canarys Automation has agreed to buy a controlling stake in a respected software services firm in North America. The target company works with big names in banking, finance, insurance, and pharmaceuticals. Company plans to use its own funds, debt and looking to issue 25.6L warrants at INR 41/warrant, aggregating to INR 10.5 Cr.

MCap: INR 288 Cr

PE: 32.0x

Number of LinkedIn Employees: 368 Members.

Number of EPFO Employees: 268 as per Mar '24 Data.

GSTR3B: Last filed Mar '24.

Clients: Microsoft, HP, Infosys, Wipro, etc.

1. AVG LOGISTICS LIMITED NSE: AVG (1st time covered: 21st Sep 2023)

Recent filing: (ORDER) AVG Logistics has secured a contract worth INR 50 Cr to be served over a period of 3 years from a renowned electrical appliance manufacturer to revolutionize the transportation of electrical appliances. Company will deploy rail transportation (Erstwhile Road Movement) to ensure the safe, reliable, and efficient movement of a range of appliances including washing machines, air conditioners, refrigerators, dishwashers, and other household appliances.

SUMMARY: 3y Operating Profit uptrend | PE 43.9x (Sector PE range 10-40) | Excellent Dec-23 results | Fund raise | Fleet expansion | Institutional entry | Promoter buying | Strategic JV | Logistics

- MCap of INR 658 Crore (share price = INR 559 / share) (as on 29th Apr '24)
- TTM PE 43.9x (as on 29th Apr '24) Retail float = 14.8% (Mar-24)

FOOD FOR THOUGHT: The Indian logistics sector is highly fragmented, with both large established companies and numerous small to medium-sized unorganized firms. Global competition further intensifies the market, limiting bargaining power and impacting profit margins.

Company Description: Incorporated in 2010, AVG Logistics is a third-party logistics service operator. It offers Full Truck Load and hub-and-spoke transportation model and warehousing services to select clients with the pan-India distribution network and automated technology systems. It offers its customers services in three key areas Transportation, Warehousing and Value-added Services. The Company specializes in two of the most important functions of logistics, Transportation and Warehousing, with over 50 fully computerized branches all over India. Some of the renowned brands are its clients, like Nestle, ITC, Mondelez, GSK, Amara Raja, Airtel, MRF, Mother Dairy, UltraTech Cement, Coca Cola, IGNOU, Patanjali, etc.

Share price and Volume (last 1 year):






Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
AVG	168	226	261	267	254	294	277	309	376	413	173	169

(In INR Cr)	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Sales	128.8	96.9	110.9	106.5	132.0	100.3	117.4	124.8
Op Profit	40.4	15.9	16.6	18.7	45.6	18.6	20.9	22.7
Net Profit	25.0	0.0	0.9	1.4	28.0	2.5	1.7	4.8
OPM	31%	16%	15%	18%	35%	19%	18%	18%
NPM	19%	0%	1%	1%	21%	2%	2%	4%
Promoter %	61.2%		61.2%		61.2%	61.2%	61.2%	61.2%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	TTM
Sales	227	313	322	333	432	427	475
Op Profit	25	28	24	15	29	75	108
Net Profit	8	9	5	-2	6	8	15

Website: <http://www.avglogistics.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	No		
PE 43.9 (Logistics: 10-40) Above sector range			
Futuristic Sector	No		
HNI / Institutional / Promoter Buying	Yes	<p>Mar '24: Vikasa India Eif I Fund- Emerging Giants Fund holding 1.58% stake.</p> <p>Dec '23: Meghana Keval Doshi bought 1L shares at INR 336/share, aggregating to INR 3.4 Cr. Sanjay Garg bought 1L shares at INR 330/share, aggregating to INR 3.3 Cr.</p> <p>Sep '23: India Emerging Giants Fund Limited bought 4.1L shares at INR 246/share, aggregating to INR 10.1 Cr. Blue Lotus Capital Multi Bagger Fund bought 1.9L shares at INR 246/share, aggregating to INR 4.7 Cr. Arnold Holdings bought 1.5L shares at INR 283/share, aggregating to INR 4.2 Cr.</p> <p>Sep '23: Directors of the Company bought 17k shares at INR 259/share, aggregating to INR 44L.</p>	
Special Situation	Yes	<p>Jan '24: BoD approved the issuance and allotment of 15.7L equity shares to non-promoters, 3L warrants to one of the Promoters and 5L warrants to Non-Promoters, at INR 371 each, aggregating to INR 88.2 Cr.</p> <p>Jul '23: BoD allotted 14.75L convertible warrants at INR 222.6 each, 8.5L to Promoter and 6.25L to non-promoters. Total inflow once warrants are exercised stands at INR 32.8 Cr.</p>	
Future Visibility	Yes	<p>Feb '24: Company has bagged long term contract worth INR 105 Cr over 6 years from Indian Railways for operations of Leased Parcel Express Train.</p> <p>Feb '24: Company is partially liquidating its investment from existing JV NDR AVG Business Park Private Limited which was a prime warehouse project in New Delhi. NDR Warehousing Private Limited (NDR) is the Joint Venture Partner of AVG Logistics through a Joint venture company namely NDR-AVG Business Park Private Limited formed in the year 2018. In this JV, AVG holds 35% shareholding and NDR holds 65% shareholding. In a significant development, AVG Logistics Limited has divested 69% of its investment at the consideration of INR 22 Cr and cost of which was INR 6.8 Cr and resultantly AVG has made a profit of INR 15.2 Cr in Q4 FY24 from this transaction, further AVG will retain an original investment of INR 3.06 Cr through units in NDR InvIT Trust, currently valued at INR 9.95 Cr. The proceeds from this transaction will</p>	

be utilized towards (i) working capital requirements to drive further business growth, towards paying down debt resulting in decrease in interest expenses & improve profitability and general corporate purposes.

Jan '24: Company Collaborates with Blue Energy Motors Private Limited ("BEM") in LNG-Powered Logistics, LNG powered vehicles will help in reducing carbon emissions and embracing innovative logistics solutions.

Dec '23: AVG Logistics strengthens its Cold Chain capability by acquiring fleet of 50+ Cold Chain vehicles. This greatly enhances AVG's ability to service recently signed long term contract with India's largest MNC FMCG Company both on the dry and frozen goods side. This fleet represents 20% of AVG's current cold chain fleet strength and takes up AVG's total cold chain fleet strength to 275+.

Dec '23: Company has bagged a contract worth INR 150 Cr over 6 years from Indian Railways for operations of Leased Parcel Express Train.

Oct '23: AVG Logistics announced Strategic Joint Venture with Sunil Transport - venturing into Liquid Transportation. AVG has 51% shareholding in the JV and the JV will carry out the business of Liquid Transportation through Rail and Road in India.

Sep '23: Received a new order from an existing multinational customer in the FMCG Industry of worth INR 72 Cr, to be executed over 3 years.

Jul '23: Company announced the development of a 45-ft temperature-controlled vehicle with a payload of 22 tonnes that will benefit AVG's customers in optimizing cost and moving towards sustainable transportation. This vehicle is equipped with state-of-the-art insulation, safety parameters and predictive alerts. It is an addition to AVG's existing fleet of 240+ high-quality premium reefer vehicles.

May '23: Company expands its Cold Chain Division - Ventures into QSR & Ice-Cream. The increased fleet size now comprises a diverse range of reefer vehicles, capable of maintaining temperatures ranging from - 25 degrees to +25 degrees Celsius. This enhanced capability allows AVG to cater to a variety of industry sectors, from the frozen segment such as ice-cream and dairy to the quick-service restaurant (QSR) and fruits and vegetables segment.

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

2. R S SOFTWARE (INDIA) LIMITED BSE: 517447

(1st time covered: 12th Feb 2024)

Recent filing: (BULK DEAL) Guttikonda Vara Lakshmi bought 2.5L shares of RS Software at INR 287/share, aggregating to INR 7.2 Cr.

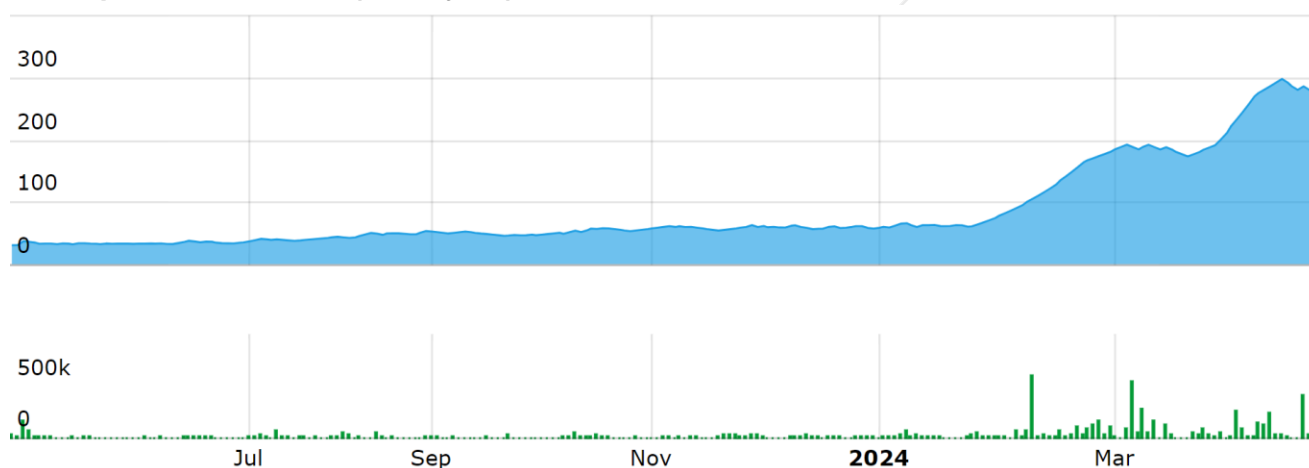
SUMMARY: 6y Operating Profit uptrend | PE 38.3x (Sector PE range 30-50) | Ace Investor | IT

- MCap of INR 694 Crore (share price = INR 270 / share) (as on 29th Apr '24)
- TTM PE of 38.3x (as on 29th Apr '24) Retail float = 37.4% (Mar-24)

FOOD FOR THOUGHT: FIIs reduced stake from 1.95% in Dec-23 to 0.99% in Mar-24.

Company Description: RS Software is a global software and payment solution provider. The company primarily focuses on delivering technology solutions for the payments industry. Its services include designing, developing, and implementing software solutions for various aspects of electronic payments, including credit and debit card processing, mobile payments, and other financial transactions.

Share price and Volume (last 1 year):





Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
R S	32	34	36	40	55	48	57	62	59	75	182	192

(In INR Cr)	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	4.8	4.7	8.4	12.3	11.1	10.9	19.3	18.2
Op. Profit	-3.3	-4.2	0.2	2.3	2.6	1.0	9.4	5.8
Net Profit	-4.1	-4.9	-0.7	0.9	1.4	1.9	8.4	6.7
OPM	-68%	-89%	2%	19%	23%	9%	49%	32%
NPM	-85%	-104%	-8%	8%	13%	17%	43%	37%
Promoter %	40.7%	40.7%	40.7%	40.7%	40.7%	40.7%	40.7%	40.7%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	63	65	60	35	28	30	60
Op. Profit	-45	-37	-37	-18	-12	-5	19
Net Profit	-26	-28	-74	-21	-16	-9	18

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

Company Type	Evergreen	
LT OP uptrend	Yes	
ST OP uptrend	No	
PE 38.3 (IT: 30-50) Middle of sector range		
Futuristic Sector	Yes (New-Age IT)	
HNI / Institutional / Promoter Buying	Yes	Mar '24: Bijal Pradip Desai bought 1.86L shares at INR 190 each, aggregating to 3.5 Cr Feb '24: Anil Kumar Mukherjee bought 1.45L shares at INR 166 each, aggregating to INR 1.5 Cr
Special Situation	No	
Future Visibility	No	

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

3. SHIVALIK BIMETALS CONTROL LIMITED NSE: SBCL

(1st time covered: 18th May 2023)

Recent filing: (LAND ACQUISITION) Shivalik Bimetals has approved the acquisition of an industrial building from M/s Kulja Industries Limited, located in District Solan, Himachal Pradesh. The transaction, valued at INR 6.5 Cr, includes the building with a constructed area of 2043 sqm and leasehold rights to land measuring 2236 sqm. It will enable the Company in its future expansion activities.

SUMMARY: 4y Operating Profit uptrend | PE 41.6x (Sector PE range 30-60) | Partnership | Land acquisition | Promoter buying | Institutional Entry | Electronic Component Manufacturing

- MCap of INR 3,330 Crore (share price = INR 578 / share) (as on 29th Apr '24)
- TTM PE of 41.6x (as on 29th Apr '24) Retail float = 29.5% (Mar-24)

FOOD FOR THOUGHT: Metals like nickel and copper constitute approximately 50% of the total cost, fluctuations in commodity prices can significantly impact the operating margin's stability.

Company Description: Shivalik Bimetals Control Limited specializes in joining of material through various methods such as Diffusion Bonding / Cladding, Electron Beam Welding etc. The product portfolio includes Precision Stainless Steel, Snap Action Disc, Resistors, Bimetal Strips, Bimetal Coils etc. The products of the company are primarily used in sectors including Automotive, Electronics, Domestic Appliances, Industrial, Medical, and Agriculture.

Share price and Volume (last 1 year):




Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
SBCL	491	513	617	702	588	531	518	551	550	588	539	519

(In INR Cr)	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Sales	89	111	118	118	124	127	128	126
Op Profit	19	25	27	27	28	30	29	25
Net Profit	14	22	19	17	22	21	20	17
OPM	21%	23%	23%	23%	23%	24%	23%	20%
NPM	16%	20%	16%	14%	18%	17%	16%	14%
Promoter %	60.6%	60.6%	60.6%	60.6%	60.6%	60.6%	51.1%	51.1%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	TTM
Sales	158	193	187	204	324	470	505
Op Profit	26	36	21	36	73	109	112
Net Profit	17	25	13	25	55	79	80

Website: <https://www.shivalikbimetals.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	No	
PE: 41.6 (Industrial Products: 30-60) Lower end of sector range		
Futuristic Sector	Yes (Electronic Component Manufacturing)	
HNI / Institutional / Promoter Buying	Yes	Mar '24: Promoter of Shivalik Bimetals Control bought 20k shares at INR 503/share, aggregating to INR 1 Cr in the month of Mar '24. Aug '23: Promoters sold 55L shares at an average price of INR 544/share, aggregating to INR 300 Cr. Societe Generale bought 14.4L shares and Bofa Securities Europe SA bought 5.1L shares, both at INR 540/share and aggregating to INR 78 Cr and INR 28 Cr respectively.
Special Situation	No	
Future Visibility	Yes	Nov '23: Company has signed an MoU with Metalor Technologies International SA (Swiss Corporation) for setting up a JV in India for manufacturing and sale of electrical contacts. Aug '23: Labour Department, Himachal Pradesh Government has granted Factory License to the Company.

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

4. SHAKTI PUMPS (INDIA) LIMITED NSE: SHAKTIPUMP

(1st time covered: 20th Mar 2023)

Recent filing: (EXCELLENT RESULTS) For the quarter ending Mar-24 for Shakti Pumps, Sales up 3.3x YoY from INR 183 Cr in Mar-23 to INR 609 Cr in Mar-24. Similarly, Net Profit up 40x from INR 2.24 Cr to INR 89.6 Cr. On a QoQ basis, Sales up 23% and Net Profit up 98%.

SUMMARY: 1y Operating Profit uptrend | 3q Operating Profit uptrend | PE 26.6x (Sector PE range 30-60) | Excellent Mar-24 results | Fund raise | Capacity Expansion | Orderbook as of Mar '24 stands at INR 2,400 Cr, 1.8x of TTM Revenue | Promoter Buying | Institutional Entry | Capital Goods

- MCap of INR 3,768 Crore (share price = INR 1,881 / share) (as on 29th Apr '24)
- TTM PE 26.6x (as on 29th Apr '24) Retail float = 21.7% (Mar-24)

FOOD FOR THOUGHT: Company's revenue heavily relies on government tenders in the solar pumps market, with growth tied to government initiatives.

Company Description: Company is involved in the manufacturing of energy-efficient pumps and motors. Its latest series of new advanced solar energy-operated pumps has emerged as a prestigious brand in domestic and international markets. These pumps are used for a variety of purposes, including cutting and grinding, fire-fighting, managing sewage, and heating and cooling systems.

Share price and Volume (last 1 year):




Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Shakti	437	541	595	723	854	860	1036	1005	1024	1478	1315	1334

(In INR Cr)	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	254	216	314	183	113	153	496	609
Op Profit	21	12	22	11	8	15	71	131
Net Profit	9	2	11	2	1	6	45	90
OPM	8%	6%	7%	6%	7%	10%	14%	21%
NPM	4%	1%	4%	1%	1%	4%	9%	15%
Promoter %	54.8%	54.8%	56.0%	56.1%	56.2%	56.2%	56.2%	51.6%

(In INR Cr)	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	435	544	383	930	1,179	968	1,371
Op Profit	78	89	12	142	110	67	225
Net Profit	35	45	-14	76	65	24	142

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

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

Company Type	Evergreen	 <p>Solar Pumps</p>
LT OP uptrend	Yes	
ST OP uptrend	Yes	
PE 26.6 (Capital Goods: 30-60) Below sector range		
Futuristic Sector	Yes (Solar pumps)	
HNI / Institutional / Promoter Buying	Yes	<p>Mar '24: SBI MF and LIC MF are holding 4.1% stake each.</p> <p>Promoter Buying: May '23: Bought 15k shares at 422/share, aggregating to INR 63 L. Mar '23: Bought 34k shares at 400/share, aggregating to INR 1.4 Cr. Dec '22: Bought 15k shares at 384/share, aggregating to INR 57 L. Nov '22: Bought 1.7L shares at 404/share, aggregating to INR 6.8 Cr.</p>
Special Situation	Yes	<p>Mar '24: BoD approved the issuance and allotment of 16.5L equity shares at INR 1,208/share, aggregating to INR 200 Cr to qualified institutional buyers. Subscribers include DIIs like LIC MF and SBI funds.</p>
Future Visibility	Yes	<p>Mar '24: Company has received its 13th for Method and apparatus for soft starting and stopping a motor. This introduces a method for gently starting and stopping motors, reducing wear and extending lifespan. It prevents sudden damage and reduces power spikes, improving efficiency and minimizing breakdowns. It also works well with generator-fed motors, saving fuel and space.</p> <p>Mar '24: Received Letter of Award worth INR 93 Cr from Maharashtra Energy Department Agency for Designing, Manufacturing, Supplying, transporting, Installing, Testing and Commissioning 3,500 Solar Photovoltaic Water Pumping System at various locations across Maharashtra under Component-B of PM-KUSUM scheme, to be completed within 120 days period.</p> <p>Mar '24: Received 4th work order worth INR 73 Cr under the KUSUM-3 scheme from Haryana Renewable Energy Department (HAREDA) for supplying, installing and commissioning of 2,130 solar water pumping systems.</p> <p>Feb '24: Company has received 3rd work order worth INR 84 Cr under the KUSUM-3 scheme from Haryana Renewable Energy Department (HAREDA) for supplying, installing and commissioning of 2,443 solar water pumping systems.</p> <p>Feb '24: Company has received 12th Patent for "Impeller seal arrangement for multistage sheet metal casing" from the Patent Office, Government of India. This patent is set to maintain its validity for duration of 20 years, addressing critical issues in pump design and operations by minimizing friction losses between the impeller and neck ring, the patented technology enhances pump efficiency, enabling more effective fluid movement and improved performance. This innovation also offers cost-effectiveness compared to traditional materials (like stainless steel (SS), gun metal and brass), resulting in lower electric consumption and increased efficiency.</p>

Jan '24: Madhya Pradesh Industrial Development Corporation Limited (MPIDC) has sanctioned 46 Acres land to the Company. This land will be utilized for future expansion.

Jan '24: INVESTOR PRESENTATION HIGHLIGHTS -

- In December, Company has received work order worth INR 258 Cr under the KUSUM-3 scheme from Haryana Renewable Energy Department (HAREDA) for supplying, installing and commissioning of 6,408 solar water pumping systems.
- Company has INR 2,250 Cr worth of orders to be executed over the next 21 months.
- The company received 4 new patents from Government of India for its innovations. The total number of patents awarded to SPIL is now 11.
- SPIL has invested Rs. 13.16 Crores in Shakti EV Mobility Private Limited (formerly known as Shakti Green Industries Private Limited), to initiate and expand the business of the wholly owned subsidiary. The consolidated investment of SPIL in the subsidiary has now reached Rs. 26.92 Crores.
- SPIL has been honored with the “Star Performer Award” in the product group category of “Miscellaneous Electrical Machinery and Apparatus (Including Electricity Distribution and Control Apparatus), Large Enterprise” at the 53rd Engineering Export Promotion Council (EEPC) India National Awards for FY 2020-21.

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

5. CANARYS AUTOMATIONS LIMITED NSE-SM: CANARYS

(SME: Lot Size = 4,000 shares) (1st time covered: 15th Apr 2024)

Recent filing: (ACQUISITIONS) Canarys Automation has agreed to buy a controlling stake in a respected software services firm in North America. The target company works with big names in banking, finance, insurance, and pharmaceuticals. Company plans to use its own funds, debt and looking to issue 25.6L warrants at INR 41/warrant, aggregating to INR 10.5 Cr.

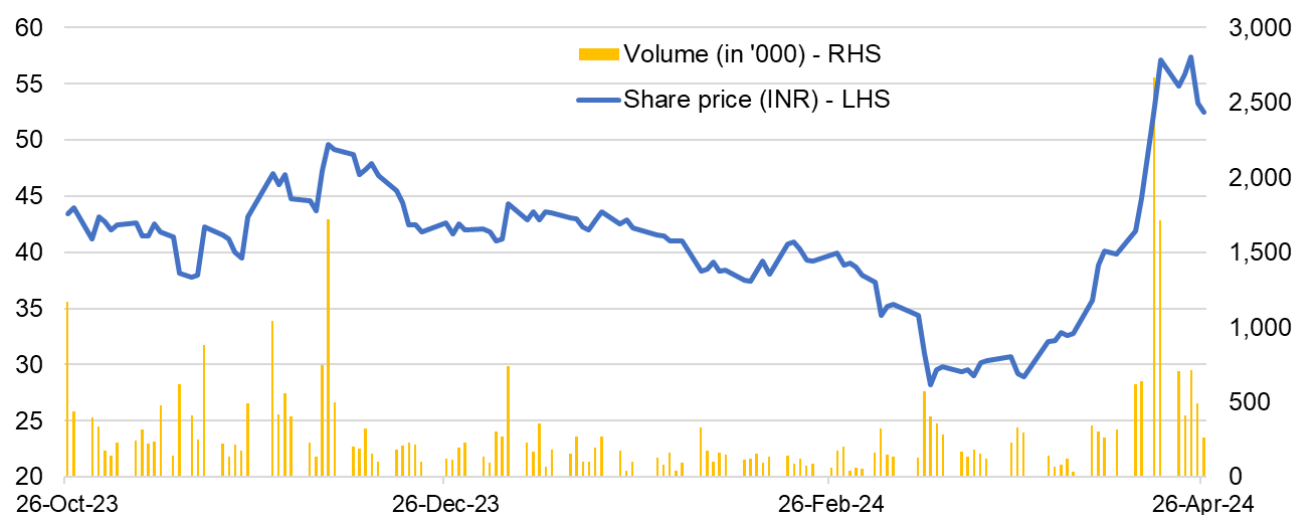
SUMMARY: 3y Operating Profit uptrend | PE 32.0x (Sector PE range 30-50) | Fund raise | Promoter Buying | Order Book INR 58 Cr (Aug-23) | Acquisitions | IT

- MCap of INR 288 Crore (share price = INR 51.3 / share) (as on 29th Apr '24)
- TTM PE 32.0x (as on 29th Apr '24) Retail float = 20.5% (Mar-24)

FOOD FOR THOUGHT: Saurabh Tripathi sold INR 1.4 Cr worth of shares in Oct 2023

Company Description: Canarys is a leading IT solutions & consulting company specialized in providing Technology Solutions and Water Resource management Solutions to clients across the world.

Share price and Volume (last 1 year):




Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Canary	-	-	-	-	-	-	43	47	42	41	39	29

(In INR Cr)	Mar-21	Mar-22	Mar-23	Sep-22*	Mar-23*	Sep-23*	TTM
Sales	25.6	51.5	74.5	28.8	45.8	31.0	76.8
Op Profit	3.3	6.8	12.9	3.2	9.7	4.3	14.0
Net Profit	2.1	4.6	8.5	2.2	6.3	2.7	9.0
OPM	13%	13%	17%	11%	21%	14%	18%
NPM	8%	9%	11%	8%	14%	9%	12%

*Semi-annual, rest is Annual

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

Company Type	Evergreen	<div>Design, Supply, Install and Commissioning of automation components (IoT) –Canal Flow volume Measurement and Telemetry Station – unique very accurate system accepted by Irrigation institutes.</div> 
LT OP uptrend	Yes	
ST OP uptrend	No	
PE 32 (IT: 30-50) Lower end of sector range		
Futuristic Sector	Yes (New Age IT)	
HNI / Institutional / Promoter Buying	Yes	<div>Apr '24: Promoters and Senior Management Persons are subscribing to 25.6L warrants at INR 41 each, aggregating to INR 10.5 Cr.</div> <div>Mar '24: Negen Undiscovered Value Fund is holding 3.18% stake.</div>
Special Situation	Yes	<div>Apr '24: BoD approved the issuance of 25.6L warrants at INR 41 each, aggregating to INR 10.5 Cr. Subscribers include Promoters and Senior Management Persons.</div>
Future Visibility	Yes	<div>Oct '23: Company will use IPO proceeds of INR 11 Cr towards the expenditure relating to solutions development for digital transformation and water resources management solutions and INR 9 Cr for the creation of new delivery centre including infrastructure thereof and upgrading existing facilities.</div>

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

Others

ADITYA VISION LIMITED

(NEW STORE) Company has opened its 146th Showroom at Kishanganj, Bihar and is now present in all 38 districts of Bihar with its showrooms.

- Cap of INR 4,487 Cr (share price = INR 3500 /share); TTM PE 59x (as on 29th Apr '24)

Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
AVL	1,436	1,394	1,619	2,351	2,472	2,382	2,753	3,206	3,477	3,911	3,474	3,436

SATIN CREDITCARE NETWORK LIMITED

(GOOD TO EXCELLENT RESULTS) For the quarter ending Mar-24, Sales up 50% YoY from INR 429 Cr in Mar-23 to INR 642 Cr in Mar-24. Similarly, Net Profit up 30% from INR 98.6 Cr to INR 128 Cr. On a QoQ basis, Sales up 8% and Net Profit up 13%.

- Cap of INR 2,864 Cr (share price = INR 260 /share); TTM PE 6.7x (as on 29th Apr '24)

Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Satin	144	175	172	203	209	229	240	240	257	258	235	210

KILBURN ENGINEERING LIMITED

(ORDER) Company has received various orders worth INR 35.4 Cr since 12th Mar 2024. Orders include - Rotary Dryers & Fluid Bed Cooler for INR 19.4 Cr, Paddle Dryers for INR 11.2 Cr, Tea Dryers and others for INR 3.3 Cr. Orders worth INR 23.7 Cr have been received in April 2024. Company bagged INR 276 Cr worth of orders in FY24.

- MCap of INR 1,600 Cr (share price = INR 383 /share); TTM PE 40.2x (as on 29th Apr '24)

Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Kilburn	103	134	127	163	159	178	228	287	286	275	293	335

TRIDENT LIFELINE LIMITED

(WEAK RESULTS) For the half year ending Mar-24, Sales up 46% YoY from INR 17.87 Cr in Mar-23 to INR 26.05 Cr in Mar-24. Similarly, Net Profit down 29% from INR 3.99 Cr to INR 2.83 Cr. On a HoH basis, Sales up 40% and Net Profit down 9%.

- MCap of INR 188 Cr (share price = INR 164 /share); TTM PE 31.7x (as on 29th Apr '24)

Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Trident		146	145	162	216	187	193	198	188	194	177	164

KFIN TECHNOLOGIES LIMITED

(GOOD RESULTS) For the quarter ending Mar-24, Sales up 25% YoY from INR 183 Cr in Mar-23 to INR 228 Cr in Mar-24. Similarly, Net Profit up 31% from INR 57.0 Cr to INR 74.5 Cr. On a QoQ basis, Sales up 4% and Net Profit up 12%.

- MCap of INR 12,071 Cr (share price = INR 706 /share); TTM PE 49.1x (as on 29th Apr '24)

Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
KFIN	336	371	386	448	469	452	529	483	621	686	614	693

PHANTOM DIGITAL EFFECTS LIMITED

(ORDER) Company has received new orders worth INR 17 Cr for VFX Services to be executed in the next 4 to 5 months.

- MCap of INR 661 Cr (share price = INR 486 /share); TTM PE 29.5x (as on 29th Apr '24)

Price	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Phant	225	309	456	465	509	453	460	407	520	485	494	455

IPO

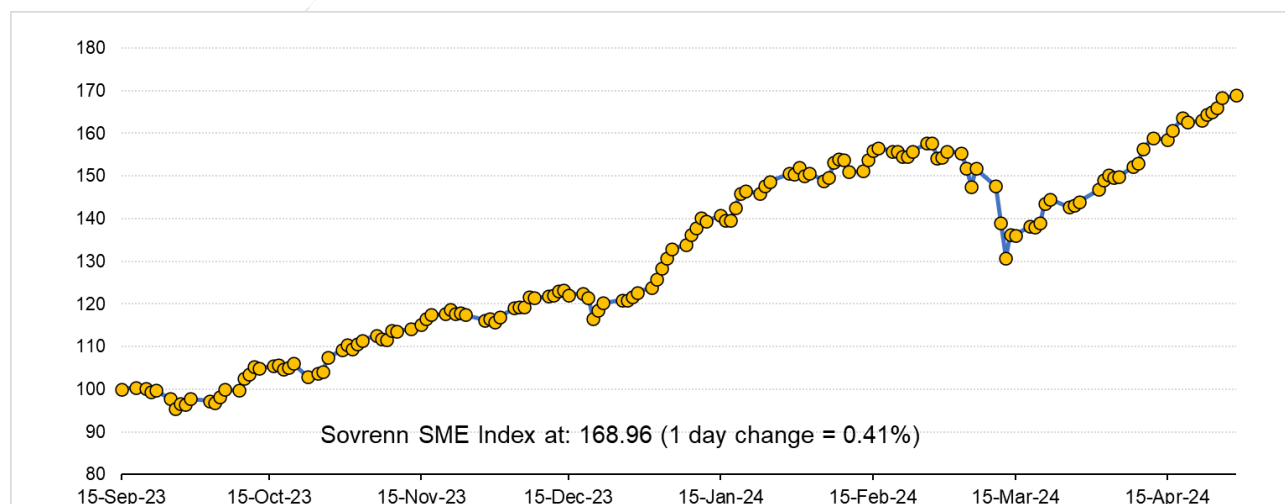
Company	SME / Mainboard	Status	Open	Close	Listing	GMP	Subs (x)
Refractory Shapes	SME	Upcoming	06-May-24	09-May-24	14-May-24	—	NA
Winsol Engineers	SME	Upcoming	06-May-24	08-May-24	14-May-24	—	NA
Indgene	Mainboard	Upcoming	06-May-24	08-May-24	13-May-24	36%	NA
Slone Infosystems	SME	Upcoming	03-May-24	07-May-24	10-May-24	32%	NA
Rack & Rollers	SME	Upcoming	30-Apr-24	03-May-24	08-May-24	—	NA
Amkay Products	SME	Upcoming	30-Apr-24	03-May-24	08-May-24	45%	NA
Sai Swami Metals	SME	Upcoming	30-Apr-24	03-May-24	08-May-24	40%	NA
Shivam Chemicals	SME	Close	23-Apr-24	25-Apr-24	30-Apr-24	5%	7
Emmeforce Autotech	SME	Close	23-Apr-24	25-Apr-24	30-Apr-24	122%	364
JNK India	Mainboard	Close	23-Apr-24	25-Apr-24	30-Apr-24	24%	28
Vaarya Creations	SME	Close	22-Apr-24	25-Apr-24	30-Apr-24	0%	4

Company	Sector	Revenue growth (YoY)	Profit growth (YoY)	Issue PE
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
Shivam Chemicals	Chemicals	-9%	-74%	47x
Emmeforce Autotech	Auto Ancillary	68%	2x	29x
JNK India	Capital Goods	-17%	33%	40x
Vaarya Creations	Trader- Gold, Silver, Precious stones	6.6x	8.9x	18x

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

Sovrenn SME Index: 0.41%

Sovrenn SME Index was up 0.41% 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

Forecast: Above-Normal Monsoon to Ease Inflationary Concerns

The forecast of above-normal monsoon rains in 2024 has emerged as a promising sign, potentially alleviating concerns over inflation in the coming months, as per the latest monthly economic review by the finance ministry.

Global and National Inflationary Trends

While global inflation has largely remained stable or even decreased in many regions, the recent surge in inflationary pressures worldwide, coupled with sustained core inflation, necessitates careful observation, according to the finance ministry's March Monthly Economic Review.

Efforts by the Indian government and the Reserve Bank of India (RBI) to manage inflation have shown effectiveness through strategies like calibrated policy rates, bolstering food reserves, and facilitating imports.

Noteworthy Decline in Retail Inflation

India witnessed a significant decline in retail inflation for the fiscal year 2023-24, reaching its lowest point since the onset of the COVID-19 pandemic. Core inflation notably dropped to 3.3% in March 2024.

Encouraging Monsoon Forecast

The India Meteorological Department (IMD) recently predicted an above-normal south-west monsoon for June-September, raising hopes for a resurgence in agricultural growth after last year's erratic rainfall adversely affected the sector.

Potential Impact on Food Prices

With the anticipated above-normal rainfall during the monsoon season, the finance ministry anticipates further relief in food prices, assuming favorable spatial and temporal distribution of rainfall, thus likely leading to increased agricultural production.

Positive Trade Balance Outlook

India's merchandise trade deficit is estimated to have decreased to \$240 billion in FY24 from \$265 billion in the preceding year, driven by robust exports and resilient remittances. International agencies, along with the RBI, expect the current account deficit to GDP ratio to have moderated below 1% in FY2023-24.

Optimistic Growth Projections

India continues to maintain its status as the fastest-growing major economy, with optimistic growth projections for FY25 by various international organizations and the RBI. Notable revisions in GDP growth forecasts have been made by entities such as the IMF, World Bank, Asian Development Bank, and S&P Global.

Conclusion

India's economic landscape presents a promising picture with a favorable monsoon forecast, effective inflation management strategies, and positive growth outlooks. Amid global challenges, India stands out for its resilient economic performance and its pivotal role in supporting global growth trajectories.

Companies declaring results on 29th & 30th Apr 2024

Sl. No.	Name of the Company	Date
1	Ador Fontech Ltd	29-Apr-24
2	Antarctica Ltd	29-Apr-24
3	Aurum PropTech Ltd	29-Apr-24
4	Birlasoft Ltd	29-Apr-24
5	Can Fin Homes Ltd	29-Apr-24
6	CNI Research Ltd	29-Apr-24
7	Consolidated Construction Consortium Ltd	29-Apr-24
8	Eastern Sugar & Industries Ltd	29-Apr-24
9	eMudhra Ltd	29-Apr-24
10	Fedbank Financial Services Ltd	29-Apr-24
11	GCCL Construction & Realities Ltd	29-Apr-24
12	Gillette India Ltd	29-Apr-24
13	Grand Foundry Ltd	29-Apr-24
14	Indostar Capital Finance Ltd	29-Apr-24
15	Invigorated Business Consulting Ltd	29-Apr-24
16	Jana Small Finance Bank Ltd	29-Apr-24
17	Jumbo Bag Ltd	29-Apr-24
18	KFin Technologies Ltd	29-Apr-24
19	KPIT Technologies Ltd	29-Apr-24
20	L G Balakrishnan & Bros Ltd	29-Apr-24
21	Lagnam Spintex Ltd	29-Apr-24
22	PNB Gilts Ltd	29-Apr-24
23	PNB Housing Finance Ltd	29-Apr-24
24	Poonawalla Fincorp Ltd	29-Apr-24
25	Quest Capital Markets Ltd	29-Apr-24
26	Rossari Biotech Ltd	29-Apr-24
27	Satin Creditcare Network Ltd	29-Apr-24
28	Shipping Corporation of India Land & Assets Ltd	29-Apr-24
29	Shoppers Stop Ltd	29-Apr-24
30	Spandana Sphoorty Financial Ltd	29-Apr-24
31	Sumeru Industries Ltd	29-Apr-24
32	Tata Chemicals Ltd	29-Apr-24
33	Tips Industries Ltd	29-Apr-24
34	Trent Ltd	29-Apr-24
35	UCO Bank	29-Apr-24
36	UltraTech Cement Ltd	29-Apr-24
37	Vardhan Capital & Finance Ltd	29-Apr-24
38	Veefin Solutions Ltd	29-Apr-24
39	Vesuvius India Ltd	29-Apr-24
40	Adani Energy Solutions Ltd	30-Apr-24
41	Adani Total Gas Ltd	30-Apr-24
42	Ador Welding Ltd	30-Apr-24
43	Ascom Leasing & Investments Ltd	30-Apr-24
44	Basilic Fly Studio Ltd	30-Apr-24
45	Bharat Wire Ropes Ltd	30-Apr-24
46	Bombay Oxygen Investments Ltd	30-Apr-24
47	Castrol India Ltd	30-Apr-24
48	Central Bank of India	30-Apr-24
49	Chaman Metallica Ltd	30-Apr-24
50	Cholamandalam Investment & Finance Company Ltd	30-Apr-24
51	Cybertech Systems & Software Ltd	30-Apr-24
52	DB (International) Stock Brokers Ltd	30-Apr-24
53	DE Nora India Ltd	30-Apr-24

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.

54	Dwarikesh Sugar Industries Ltd	30-Apr-24
55	Essen Speciality Films Ltd	30-Apr-24
56	Exide Industries Ltd	30-Apr-24
57	FGP Ltd	30-Apr-24
58	Filatex India Ltd	30-Apr-24
59	Fino Payments Bank Ltd	30-Apr-24
60	Five-Star Business Finance Ltd	30-Apr-24
61	Foseco India Ltd	30-Apr-24
62	Geojit Financial Services Ltd	30-Apr-24
63	Golkonda Aluminium Extrusions Ltd	30-Apr-24
64	Gravita India Ltd	30-Apr-24
65	Gretex Industries Ltd	30-Apr-24
66	Havells India Ltd	30-Apr-24
67	IFCI Ltd	30-Apr-24
68	India Gelatine & Chemicals Ltd	30-Apr-24
69	Indiamart Intermesh Ltd	30-Apr-24
70	Indian Oil Corporation Ltd	30-Apr-24
71	Indra Industries Ltd	30-Apr-24
72	Indus Towers Ltd	30-Apr-24
73	International Travel House Ltd	30-Apr-24
74	IRB InvIT Fund	30-Apr-24
75	ISF Ltd	30-Apr-24
76	Jayaswal Neco Industries Ltd	30-Apr-24
77	Jindal Hotels Ltd	30-Apr-24
78	Loyal Equipments Ltd	30-Apr-24
79	Mangalam Global Enterprise Ltd	30-Apr-24
80	Mold-Tek Technologies Ltd	30-Apr-24
81	Navkar Corporation Ltd	30-Apr-24
82	NDL Ventures Ltd	30-Apr-24
83	Neogen Chemicals Ltd	30-Apr-24
84	Newgen Software Technologies Ltd	30-Apr-24
85	Nuvoco Vistas Corporation Ltd	30-Apr-24
86	Oxford Industries Ltd	30-Apr-24
87	Procter & Gamble Hygiene and Health Care Ltd	30-Apr-24
88	REC Ltd	30-Apr-24
89	Regency Fincorp Ltd	30-Apr-24
90	RPG Life Sciences Ltd	30-Apr-24
91	RR Metalmakers India Ltd	30-Apr-24
92	Sarda Proteins Ltd	30-Apr-24
93	Shaival Reality Ltd	30-Apr-24
94	Shilchar Technologies Ltd	30-Apr-24
95	Sona BLW Precision Forgings Ltd	30-Apr-24
96	Stanpacks (India) Ltd	30-Apr-24
97	Star Health & Allied Insurance Company Ltd	30-Apr-24
98	Swastik Safe Deposit & Investments Ltd	30-Apr-24
99	Symphony Ltd	30-Apr-24
100	Teesta Agro Industries Ltd	30-Apr-24
101	Tips Films Ltd	30-Apr-24
102	Vedant Fashions Ltd	30-Apr-24
103	Vertex Securities Ltd	30-Apr-24
104	Vivanza Biosciences Ltd	30-Apr-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

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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.