

Recommendations –November 2020

SCRIP	CMP*	Target	FV	P/E	BV	52 week	Industry
						High / Low	
HCL Tech	819	940	2	18	208	910/375	IT
SBI	242	285	1	10	271	351/149	Banking
Amararaja Batteries	858	965	1	26	229	859/348	Batteries
Laurus Lab	282	326	2	24	41	345/61	Pharma
GRSE	199	227	10	15	91	243/102	Shipping

*As on 20 Nov 2020 .Holding period is 6 months.

HCL Technologies Limited offers software development, business process outsourcing, and information technology infrastructure services worldwide. It provides application development and maintenance services; SAP landscape transformation, system conversion, and implementation services; Microsoft customer relationship management, cloud, analytics, infrastructure, and workplace innovation services; Oracle business consulting, implementation, upgrade, managed, and migration services; and business assurance and testing services, as well as autonomics and orchestration services, products, and platforms.HCL Technologies has posted a strong set of numbers, outperforming the mid-quarter revenue growth guidance on the back of digital transformation and cloud businesses.In the second-quarter the company reported a net profit of Rs 3,142 crore, up 18.5 per cent from the same period in FY20.The net profit rose 7.4 per cent on a sequential basis.

State Bank of India provides various banking products and services to individuals, commercial enterprises, corporates, public bodies, and institutional customers in India and internationally. The company operates through Treasury, Corporate/Wholesale Banking, Retail Banking, Insurance Business, and Other Banking Business segments. It offers personal banking services, and corporate banking services. Further, the company provides treasury, broking, bill payment, and MICR services; and credit cards, life and non-life insurance, mutual funds, merchant banking, trustee business, factoring, security trading, pension fund management, and custody services. It operates 22,141 branches and 58,555 ATMs.SBI Q2 PAT climbs 52% to Rs 4,574 cr.Total income rose 3.42% to Rs 75,341.80 crore in Q2 September 2020 over Q2 September 2019. The ratio of gross NPAs to gross advances stood at 5.28% as on 30 September 2020 as against 5.44% as on 30 June 2020 and 7.19% as on 30 September 2019. The ratio of net NPAs to net advances stood at 1.59% as on 30 September 2020 as against 1.86% as on 30 June 2020 and 2.79% as on 30 September 2019.

Amara Raja Batteries Limited manufactures and sells lead-acid storage batteries for industrial and automotive applications in India. The company also offers installation, commissioning, and maintenance services. It sells its batteries under the Amaron, PowerZone, Power Stack, AmaronVolt,

and Quanta brands. The company exports its products to various countries in the Indian Ocean Rim. It supplies its batteries to various customer groups, such as telecom, railways, power control, solar, and UPS; and automobile OEMs, replacement markets, and private label customers. Net profit of Amara Raja Batteries declined 7.93% to Rs 201.27 crore in the quarter ended September 2020 as against Rs 218.61 crore during the previous quarter ended September 2019. Sales rose 14.17% to Rs 1935.52 crore in the quarter ended September 2020 as against Rs 1695.31 crore during the previous quarter ended September 2019.

Laurus Labs Limited, together with its subsidiaries, engages in the research, development, manufacture, and sale of medicines and active pharmaceutical ingredients (APIs) in India and internationally. It operates through Generics APIs, Generics Finished Dosage Forms (FDF), and Synthesis segments. The company also manufactures and sells specialty ingredients used in the nutraceutical, dietary supplements, and cosmeceutical products. In addition, it offers chemistry, IP development, business support, and related services to the pharmaceutical community. Net profit of Laurus Labs rose 328.42% to Rs 242.27 crore in the quarter ended September 2020 as against Rs 56.55 crore during the previous quarter ended September 2019. Sales rose 59.86% to Rs 1138.84 crore in the quarter ended September 2020 as against Rs 712.42 crore during the previous quarter ended September 2019.

Garden Reach Shipbuilders & Engineers Limited operates as a shipbuilding company in India. The company offers frigates, anti-submarine warfare corvettes, missile corvettes, landing ship tanks, landing craft utilities, survey vessels, fleet replenishment tankers, fast patrol vessels, offshore patrol vessels, inshore patrol vessels, WJ-FAC, hover crafts, and fast interceptor boats to the Indian Navy, Indian Coast Guard, MHA, and other governments. It also provides portable bridges, deck machinery items, marine pumps, anchor and mooring capstans, anchor windlass, boat davits, and rail less helo traversing systems. In addition, the company engages in the testing and overhauling of marine propulsion engines, as well as assembly of semi-knocked down units of diesel engines.

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