

Top Stock Basket – FUTURE LEADERS

A basket of Mid-cap stocks with diversified sector exposure

9 July 2021

Sr. No	Stock Name	Sector	CMP (₹)	Market Cap (₹ crore)	Weight	Company Description
1	Indian Hotels	Hospitality	₹ 150	₹ 17,892	5%	Indian Hotels Company Ltd (IHCL) – a Tata enterprise, is one of the renowned & iconic name in Indian hospitality business with popular brand names such as Taj, SeleQtions, Vivanta & Ginger. IHCL is South Asia's largest hospitality name by market capitalization. IHCL is reimagining itself by leveraging its strong brand equity to multiply its portfolio while aligning to high-growth segments. Also, the strong support by the parent Tata Group protects the downside risk.
2	Tata Power	Power	₹ 123	₹ 39,414	5%	Tata power is a large integrated power company with installed/managed capacity of ~12,800 MW. It has presence across the entire power value chain – generation of renewables as well as conventional power including hydro, thermal energy distribution. Mundhra plant that weighed on overall performance owing to its enormous debt and loss making has turned cash positive in FY20 with large portion of debt being repaid.
3	Whirlpool	Consumer Durables	₹ 2,220	₹ 28,158	5%	Whirlpool of India Limited is one of the leading manufacturers and marketers of major home appliances in the country. The business segment comprises refrigerators, air conditioning, laundry & purification. The refrigerator & washing machine wings are the largest revenue generators (more than 75%) and controls sizeable market share. Company receives synergistic benefits from its parent Whirlpool group of companies which is world's leading manufacturer of home appliances.
4	Gail India	Industrial Gases & Fuels	₹ 148	₹ 66,050	5%	GAIL (India) Limited is India's leading natural gas company operating with diversified business verticals of trading, transmission, LPG production & transmission, LNG re-gasification, petrochemicals, city gas, E&P, etc. GAIL commands ~70% market share in gas transmission and has a Gas trading share of over ~ 50% in India. GAIL and its Subsidiaries / JVs also have a formidable market share in City Gas Distribution. In the Liquefied Natural Gas (LNG) market, GAIL has significantly large portfolio.
5	Aarti Industries	Chemicals	₹ 848	₹ 30,767	10%	Aarti Industries Limited (AIL) is a leading Indian manufacturer of specialty chemicals and pharmaceuticals with a global footprint. AIL manufactures chemicals used in the downstream manufacturing of pharmaceuticals, agrochemicals, polymers, additives, surfactants, pigments and dyes. AIL has an astute understanding of chlorine derivative chemistry and operates the largest nitro-chlorobenzene capacity in India. It is considered as a proxy play for robust growth of specialty chemicals in India.
6	Exide Industries	Auto Ancillaries	₹ 183	₹ 15,601	10%	Exide Industries (EIL) is a leader in packaged power technology. EIL is currently considered as India's largest storage battery company with widest range of both conventional flooded as well as latest VRLA (valve regulated lead-acid) batteries. With wide experience of more than ten decades company has expanded its business operations across the globe backed by strong R&D, robust distribution network and strategic plant locations that are closer to OEMs for faster turnaround.

7	Escorts	Automobile - Tractors	₹ 1,200	₹ 16,203	15%	<p>Escort Ltd is a leading conglomerate in India with a presence across key sectors of agriculture, infrastructure and railways. It is hailed as one of India's foremost tractor manufacturers, offering from 12HP to 120HP under three esteemed brands. It is also among the world's largest manufacturers of Pick-and-Carry (PnC) hydraulic mobile cranes. Company has entered into a strategic manufacturing JV with Kubota Ltd. To achieve global footprint.</p>
8	IRCTC	Transport	₹ 2,193	₹ 35,090	15%	<p>IRCTC is a provider of travel, tourism and hospitality related services owned by GOI. Half of its revenue is generated from catering services and selling packaged water (Rail Neer) and perhaps the largest driver to its profits. It has seen its profits grow at a CAGR of 32.2% over the past 5 years. With strong government backing and pure monopoly in 2 out of 4 business verticals IRCTC is a probable candidate under long term compounder list, if found at moderate valuations.</p>
9	Mahanagar Gas	Gas Distribution	₹ 1,165	₹ 11,515	15%	<p>Mahanagar Gas is one of largest City Gas Distribution companies in India preferably operating in Mumbai & adjoining areas. The company has 5,630 kms of carbon steel (CS) & polyethylene (PE) pipeline supplying over a million customers. MGL enjoys infrastructure exclusivity in operations that assures a stable income generation. After holding the monopoly in Mumbai region the company is now eyeing to capture the underpenetrated regions of Mumbai suburb and adjoining districts of Mumbai. Strong entry barriers, lucrative growth prospects of CGD business provides ample business opportunities</p>
10	Nippon India	Finance - Investment	₹ 377	₹ 23,347	15%	<p>Nippon Life India Asset Management Limited (NAM India) is the asset manager of Nippon India Mutual Fund (NIMF). Nippon India is one of India's leading Mutual Fund player with Average Asset Under Management (AAUM) of ₹ 2.4 trn & almost 11.4 mn folios by June 2021. It is considered as one of the fastest growing MF house in India offering a wide-range of portfolio products that covers equity, fixed income, money market, ETF categories and managed assets. NAM India retrieves strong synergistic benefits from its parent Nippon Life Insurance Company that holds 74.5% stake.</p>

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Our Institutional Equities services are carried out in partnership with RCCR, a boutique Investment research and Corporate Advisory firm founded by a team with extensive experience in the Asset management industry.

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