



Corona Crisis

Time To Re-Organize Your Investment Briefcase



The markets have encountered such circumstances in the past and significantly improved from it, though over changing time periods. Recent pandemic of the novel coronavirus around the globe has increased worries about the virus' control. This intensified fear sent global stocks rapidly lower over a few trading days as investors evaluate the potential influence of the virus on the global economy. While we don't know how many people the virus will affect, the duration and extent of this viral cycle and what impact it will have in the long run on the economy.

Equities at present offer a good margin of safety and long-term investors would do well to buy into the instability and safeguard to add quality stocks during this period. Here we came with some stock recommendation which will work as wealth creation in your portfolio during this highly uncertain period in such highly volatile market.

(1) Amber Enterprise

Amber Enterprise			
Buying Level	1085	ROCE (%)	12.57
TGT Rate	1450	Stock ROE (%)	9.97
SL Rate	900	PEG Ratio	0.66
EV/EBITDA	16.81	EPS	48.43

Amber Enterprises India Pvt Ltd, a part of Amber Group, is one of the largest original equipment manufacturers of white goods in India. Its product list includes Split & Window Air Conditioners for commercial and residential use, Heat Exchangers, Multi Flow Condensers, Home appliances like Washing Machines, Refrigerators & Microwaves, Auto Parts, etc. The company is also engaged in the business of Consumer durable products.

(2) Heidelberg Cement India Limited

Heidelberg Cement India Ltd.			
Buying Level	155	ROCE (%)	23.36
TGT Rate	210	Stock ROE (%)	18.84
SL Rate	125	D/E Ratio	0.33
EV/EBITDA	8.02	EPS	9.74

Heidelberg Cement India Ltd with their core products being cement, ready mixed concrete, aggregates and related activities, is one of the leading producers of building materials worldwide. The company markets and its products under the brand name Mycem. The product range of the company includes Portland slag cement and Portland pozzolana cement.

(3) Ultratech Cement

Ultratech Cement			
Buying Level	3100	ROCE (%)	8.02
TGT Rate	4200	Stock ROE (%)	7.99
SL Rate	2700	PEG Ratio	29.90
EV/EBITDA	15.99	EPS	126.43

Ultratech Cement Ltd is engaged in the manufacture and marketing of Ordinary Portland Cement, Portland Blast Furnace Slag Cement and Portland Pozzalana Cement. They also manufacture ready mix concrete (RMC). The company is also the country's largest exporter of cement clinker.

(4) ITC Limited

ITC Ltd.			
Buying Level	180	ROCE (%)	31.88
TGT Rate	240	Stock ROE (%)	21.50
SL Rate	140	D/E Ratio	0.00
EV/EBITDA	18.19	EPS	10.13

ITC is one of India's foremost private sector companies with a market capitalisation of US \$ 45 billion and a turnover of US \$ 7 billion. ITC ranks among India's Top 10 Most Valuable (Company) Brands, in a study conducted by Brand Finance and published by the Economic Times. ITC also ranks among Asia's 50 best performing companies compiled by Business Week. ITC has a diversified presence in FMCG, Hotels, Paperboards & Specialty Papers, Packaging, Agri-Business, and Information Technology. While ITC is an outstanding market leader in its traditional businesses of Cigarettes, Hotels, Paperboards, Packaging and Agri-Exports, it is rapidly gaining market share even in its nascent businesses of Packaged Foods & Confectionery, Branded Apparel, Personal Care and Stationery. The company also in the business activities of Hotels, FMCG - Others, Agri Business, FMCG - Cigarettes, Paperboards, Paper and Packaging.

(5) LT Limited

LT Ltd.			
Buying Level	850	ROCE (%)	11.13
TGT Rate	1100	Stock ROE (%)	14.31
SL Rate	730	Interest Coverage Ratio	8.91
EV/EBITDA	17.32	EPS	63.40

L&T is a technology, engineering, construction and manufacturing company. It is one of the largest and most respected companies in India's private sector. More than seven decades of a strong, customer-focused approach and the continuous quest for world-class quality have enabled it to attain and sustain leadership in all its major lines of business. The company also in the business activities of Power, Infrastructure, Electrical & Electronics, Engineering Construction, Metallurgical & Material Handling.

(6) Sudarshan Chemicals Industries

Sudarshan Chemicals Industries			
Buying Level	390	ROCE (%)	18.38
TGT Rate	550	Stock ROE (%)	26.35
SL Rate	330	Interest Coverage Ratio	8.13
EV/EBITDA	15.61	EPS	22.87

Sudarshan Chemical Industries is engaged in the manufacture of organic and inorganic pigments, mica-based effect pigments, chemical intermediates and pesticides. The product range of the company includes: Color products Plastics, Industrial coatings, Decorative paints, Powder castings, Liquidinks, Offset inks, Textile and Cosmetics. Effect product-Industrial coatings, Powder castings, Offset inks, Textile, Cosmetics, Architectural coatings, Automotive coatings, Leather coatings, Seed coatings and Bead coatings. The company also in the business segment of Pigments, Agro Chemicals.

(7) Biocon Limited

Biocon Ltd.			
Buying Level	350	ROCE (%)	11.90
TGT Rate	450	Stock ROE (%)	14.84
SL Rate	280	D/E Ratio	0.30
EV/EBITDA	24.72	EPS	15.20

Biocon Ltd manufactures biotechnological products catering to the healthcare segment. The company is engaged in all phases of the product cycle from discovering to development & then commercializing the same drugs. They use fermentation-based technology, creating cost effective drugs.

Disclosure:

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