

# Equity Research Desk

# Stock SCREENER

12 AUG 2022

## Undervalued Stocks

### Criteria:

- P/E Ratio - The stocks with less than 20x P/E multiple which are fairly undervalued.
- 5Y Avg. EBITDA Margin - The stocks with more than 20% of Average EBITDA Margin for the past 5 years.
- 5Y Avg. RoE - The stocks with more than 20% of Average Return on Equity for the past 5 years.

05th May'22 to 10th Aug'22	
Constituents	Returns
Nifty	5%
Previous Screener	-0.2%

➤ The previous screener on Undervalued Stocks has underperformed the Nifty by 5%.

**New Entry** - CHEMPLASTS, HAL, GLAXO, OFSS, GRAPHITE **Exit** - NMDC, JUBLPHARMA, KRBL, FINPIPE, FINCABLES

Name	Sub-Sector	Mcap (in Crs.)	PE Ratio	5Y Avg RoE	5Y Avg EBITDA Margin
Coal India Ltd	Mining - Coal	135488	7.81	48%	24%
Gujarat State Petronet Ltd	Gas Distribution	13014	7.94	22%	27%
Chemplast Sanmar Ltd	Chemicals	7133	11.00	26%	22%
Sun TV Network Ltd	Broadcasting	18315	11.16	26%	68%
Mahanagar Gas Ltd	Gas Distribution	8024	13.44	23%	36%
Hindustan Aeronautics Ltd	Aerospace & Defense	72505	14.27	23%	24%
GlaxoSmithKline Pharmaceuticals Ltd	Pharmaceuticals	24494	14.45	29%	24%
Castrol India Ltd	Lubricants	11345	14.97	58%	29%
Oracle Financial Services Software Ltd	Software Services	28819	15.26	28%	47%
Graphite India Ltd	Electrical Components	7827	15.51	28%	28%

- **Coal India Ltd** - Coal India is the largest coal producer in the world and accounts for ~80% of the domestic coal production in FY22. It has strategic importance in meeting India's energy requirement as ~51% (as of May'22) of the country's power generation capacity is derived from coal-based thermal power plants.
- **Gujarat State Petronet Ltd** - Gujarat State Petronet Ltd (GSPL) is India's second largest Natural Gas Infrastructure and Transmission Company. Presently, the company transports over 35 MMSCMD of natural gas to around 133 customers including Refineries, Steel Plants, Fertilizer Plants, Petrochemical Plants, Power Plants, Glass industries, Textiles, Chemical, City Gas Distribution (CGD) Companies and other industries.
- **Chemplast Sanmar Ltd** - CSL is one of India's leading manufacturers of specialty paste PVC resin on the basis of installed production capacity and it is also the third largest manufacturer of caustic soda and the largest manufacturer of hydrogen peroxide in South India.
- **Sun TV Network Ltd** - Sun TV Network, one of India's largest media Conglomerates has power packed Thirty Three TV Channels with the reach of more than 95 million households in India. Sun TV Network's channels can be viewed throughout the World including U.S.A, Canada, Europe, Singapore, Malaysia, Sri Lanka, South Africa, Australia and New Zealand.
- **Mahanagar Gas Ltd** - Mahanagar Gas Ltd is engaged in the business of City gas distribution (CGD), presently supplying natural gas in the city of Mumbai including adjoining areas and the Raigad District in the state of Maharashtra. The company supplies Piped natural gas (PNG) for domestic, industrial and commercial uses. It has a wide network of 5,900+ kms of carbon steel and polyethylene pipeline.
- **Hindustan Aeronautics Ltd** - The company manufactures aircrafts under license such as the MiG-21, MiG-27, Jaguar, etc. and helicopters such as the Cheetah and Chetak. Further, the company has recently secured its largest ever contract of 83 LCA Tejas MkIA aircraft with MoD for Rs.36,486 crs which further demonstrates its strong position in the defence avionics sector.
- **GSK Pharma Ltd** - GlaxoSmithKline Pharmaceutical is a part of GlaxoSmithKline plc (GSK), a British multinational pharmaceutical company headquartered in London. The company is market leader in therapy areas of anti-infectives, respiratory, dermatology, nutrition, gastrointestinal, and rare diseases.
- **Castrol Ltd.** - Castrol India Ltd is principally engaged in the business of manufacturing & marketing of automotive and industrial lubricants and related services. The company has a market share of 21-22% in the retail automotive segment
- **OFSS Ltd.** - Oracle Financial Services Software Ltd provides financial software, custom application development, consulting, IT infrastructure management, and outsourced business processing services to the financial services industry. High cash balance and debt free status results in a strong balance sheet.
- **Graphite India Ltd** - GIL is the leading graphite electrode manufacturer in the domestic market, and along with its German subsidiary, Cova, is the fourth largest non-Chinese electrode manufacturer globally with a combined manufacturing capacity of 98,000 tonnes per annum (tpa).

**Warm Regards,**  
**Equity Research Desk**

**Abeshak C V**

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