

Ramkrishna Forgings

Refer to important disclosures at the end of this report

Forging ahead toward a sustainable turnaround; initiate with Buy

- Ramkrishna Forgings is India's second-largest manufacturer and exporter of CV forgings. The company, founded in 1981, has been a growth leader with revenue/EBITDA CAGRs of 12%/13% in the past 10 years, outpacing the industry and its larger peer Bharat Forge.
- We believe RMKF is a play on CV upcycle in domestic and overseas markets. Improving macros, pick-up in infra-spending, and the recovery in replacement demand should drive a 30% volume CAGR in the underlying India MHCV industry in FY21-24E, along with a 16% CAGR in North America (NA) Class8 and 13% in Europe HCVs in CY20-23E.
- Historically, RMKF has outpaced industry growth, driven by customer additions and higher content per vehicle. The company has been able to meet the quality and cost requirements of marquee customers, resulting in market share gains in India, the US and Europe. RMKF is also expanding its presence in the LCV segment, and in the Industrial segments such as Railways, Oil & Gas and Construction Equipment.
- Backed by CV upcycle and a robust order book, we expect revenue/EBITDA CAGRs of 33%/43% in FY21-24E. Growing OCFs and moderating capex will drive B/S deleveraging. Net debt/EBITDA should reduce to 1.4x in FY24E from 5x in FY21. We initiate with a Buy rating and a DCF-based Dec'22E TP of Rs1,530, implying a forward EV/EBITDA of 9x.

We expect RMKF to deliver a topline CAGR of 33% with revenues reaching Rs30bn by FY24E on CV upcycle and improving share in the domestic and overseas markets. Incremental revenue of up to Rs5bn is expected in FY23E/24E from recent order wins.

- Domestic CVs (42% of revenues in FY21) should see a 37% CAGR, with revenue at Rs13.9bn by FY24E, backed by industry CAGR of 30%. RMKF has been gaining share with its largest domestic customer Tata Motors, and the trend is expected to persist due to the proximity of its manufacturing plants to TTMT's facilities.
- We estimate exports (40% of revenue) to see a 28% CAGR and revenues to reach Rs10.9bn by FY24E on growth in the underlying NA Class8 production (16% CAGR) and Europe HCVs (13% CAGR). The company is also gaining share with its largest international customer Dana Corp and other OEMs such as MAN, Scania and Iveco. It has won orders with customers like Caterpillar in the Oil & Gas segment as well.
- In domestic industrials (10% of revenue), we expect a 32% CAGR, with revenue touching Rs2.8bn by FY24E on order wins from Railways, Hitachi, International Tractors, etc.

Operating leverage, B/S deleveraging, diversification and continued order wins/flows are likely to put RMKF on a sustainable path of profitability. ROE is likely to rise from a low of 3% in FY21 to 23% in FY24E, driven by better margins and asset turnover. **Further upsides to our TP may come from: 1) continued order wins:** Rs3.5bn p.a. of fresh orders (50% below recent run-rate) may boost our Dec'23E EBITDA and the fair value by 10% (Exhibit: 7); **2) acquisition of ACIL** may add Rs32/sh (~2%) to the fair value. **Key downside risks:** Delay in auto sector/macro recovery, client concentration risk and adverse currency.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Automobiles & Auto Ancillaries \(Page 20\)](#)

Financial Snapshot (Standalone)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	11,118	12,884	19,713	26,314	29,995
EBITDA	2,037	2,299	4,241	5,861	6,744
EBITDA Margin (%)	18.3	17.8	21.5	22.3	22.5
APAT	96	280	1,458	2,586	3,184
EPS (Rs)	3.0	8.8	45.7	81.0	99.7
EPS (% chg)	(91.9)	196.9	421.2	77.4	23.1
ROE (%)	1.1	3.2	15.2	22.6	22.8
P/E (x)	404.3	136.1	26.1	14.7	12.0
EV/EBITDA (x)	23.7	21.5	11.4	8.2	7.0
P/BV (x)	4.4	4.3	3.7	3.0	2.5

Source: Company, Emkay Research

CMP	Target Price
Rs 1,193 as of (October 10, 2021)	Rs 1,530 12 months
Rating	Upside
BUY	28.3 %

Change in Estimates

EPS Chg FY22E/FY23E (%)	-/
Target Price change (%)	NA
Target Period (Months)	12
Previous Reco	NA

Emkay vs Consensus

	EPS Estimates	
	FY22E	FY23E
Emkay	45.7	81.0
Consensus	50.6	66.6
Mean Consensus TP (12M)	Rs 991	

Stock Details

Bloomberg Code	RMKF IN
Face Value (Rs)	10
Shares outstanding (mn)	32
52 Week H/L	1,209 / 313
M Cap (Rs bn/USD bn)	38 / 0.51
Daily Avg Volume (nos.)	187,565
Daily Avg Turnover (US\$ mn)	2.3

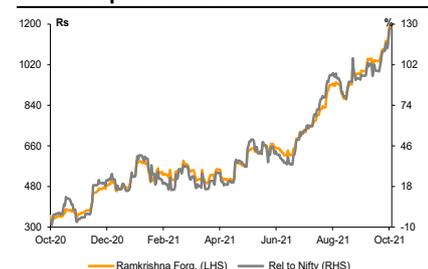
Shareholding Pattern Jun '21

Promoters	46.0%
FIIs	13.8%
DIIIs	6.9%
Public and Others	33.3%

Price Performance

(%)	1M	3M	6M	12M
Absolute	20	67	114	245
Rel. to Nifty	16	47	78	128

Relative price chart



Source: Bloomberg

This report is solely produced by Emkay Global. The following person(s) are responsible for the production of the recommendation:

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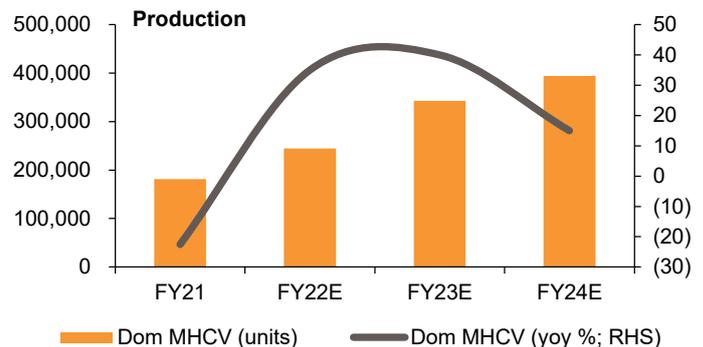
Story in Charts: Sales upcycle, higher wallet share to drive growth

Exhibit 1: Robust revenue growth over next three years driven by CV upcycle, order-wins and growth in industrials

(Rs mn)	FY21	FY22E	FY23E	FY24E	CAGR % FY21-24E
Domestic CVs	5,397	8,365	11,879	13,898	37
Domestic Industrials	1,236	2,148	2,480	2,835	32
Exports	5,179	7,634	9,869	10,889	28
Others	1,072	1,566	2,086	2,373	30
Total revenue	12,884	19,713	26,314	29,995	33
yoy (%)	16	53	33	14	

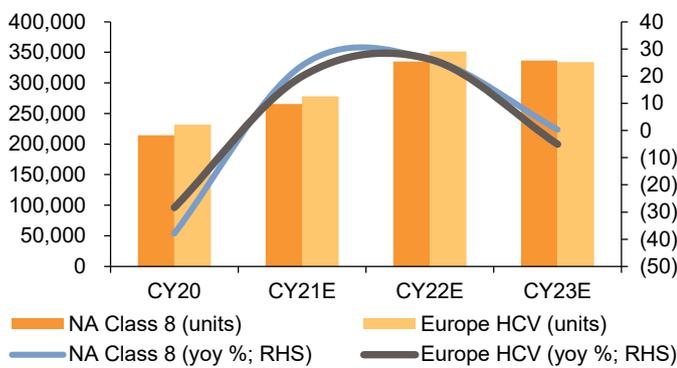
Source: Company, Emkay Research

Exhibit 2: Domestic MHCV upcycle: Expect robust growth over multiple years (30% CAGR over FY21-24E)



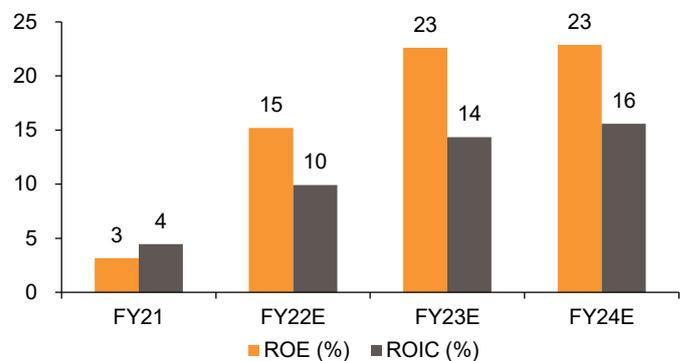
Source: SIAM, Emkay Research

Exhibit 3: NA Class8/ Europe HCVs CAGR at 16%/13% over CY20-23E



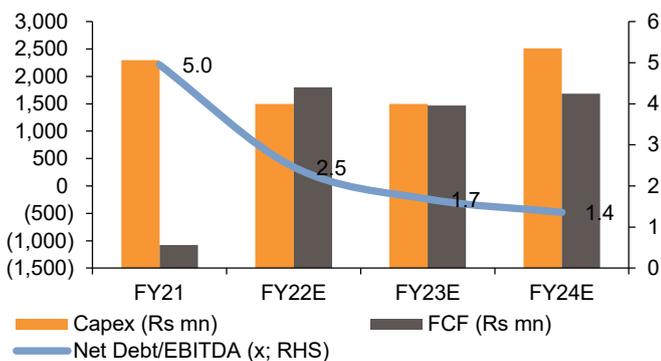
Source: Company, Emkay Research

Exhibit 4: ROE to improve to 20%+ in FY23E/24E



Source: Company, Emkay Research

Exhibit 5: Strong FCFs to drive net debt/ EBITDA to 1.4x by FY24E



Source: Company, Emkay Research

Exhibit 6: New order wins since Mar'21 at Rs4.8bn; implies over Rs7bn annual run-rate

Segment	Orders (Rs mn)
Exports CVs	3,306
Exports Industrials	550
Domestic CVs	120
Domestic Industrials	825
Total order-wins	4,801
Implied annual run-rate	>7,000

Source: Company, Emkay Research

Exhibit 7: Upside of 10% to Dec'22E fair value assuming new order-wins at Rs3.5bn per annum

(Rs mn)	Order-wins expected	Incremental revenues assuming a year lag in execution	Incremental EBITDA at 22%
H2FY22	1,750		
FY23	3,500	1,750	385
FY24	3,500	3,500	770
Incremental EV			5,727
Incremental investments/ WC			1,175
Incremental Equity value			4,889
Equity value/ share (Rs)			153

Source: Company, Emkay Research

Exhibit 8: Dec'22E fair value in upside scenario stands at Rs1,715/share

	Value (Rs/share)
Base case fair value at EV/E of 9x	1,530
Upside due to:	
Incremental order wins (Exhibit 7)	153
ACIL acquisition	32
Fair value in upside scenario	1,715

Source: Company, Emkay Research

Company background

Exhibit 9: Company has completed four decades of forging experience

Company Background	Ramkrishna Forgings is a supplier of open and closed die forgings of carbon and alloy steel, micro alloy steel and stainless steel. Company's strength lies in state-of-art press lines for axle beam, knuckles and other items.
About Promoters	Mr. Mahabir Prasad Jalan is the promoter of the company and has done his graduation in Mechanical Engineering in 1970 from BITS, Pilani and has more than 45 years of work experience in Forgings. His first independent venture was Tribeni Steel Forgings in 1974. He finally promoted Ramkrishna Forgings in 1981 and since its inception is heading the organization. Mr. Naresh Jalan is an MBA in Finance & Marketing. He possesses about 20 years of experience in Forging industry and presently the Managing director of the Company.
Geography revenue mix (FY21)	Domestic: 59%, Exports: 40%, Export incentives: 1%
Domestic revenue mix (FY21)	Commercial vehicle: 72%, Mining: 8%, Railways: 5%, Other Industrials: 3%, Others – Scrap: 12%
Export revenue mix (FY21)	North America: 73%, Europe: 18%, Others: 9%
Plants	Company has 7 plants across Jharkhand and West Bengal states.
Capacity	187,100 MT. Forging and Machining: 46,000 MT, Ring Rolling: 24,000 MT and Press Line: 117,100 MT
Employees	1,896 permanent employees
Credit rating	ICRA rating: Long term A, Short term A1
Auditors	S. R. Batliboi & Co. LLP and S. K. Naredi & Co.

Source: Company, Emkay Research

Exhibit 10: Segmental presence and key clients: Has marquee clients across major segments

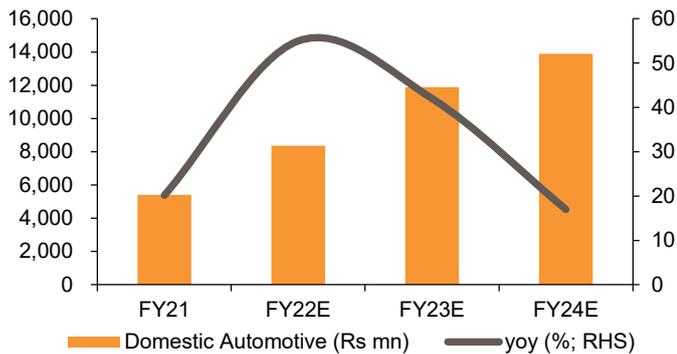
Segments	Products	Key Clients	Competitors
Automotive	I-beam, knuckle, crankshaft, connecting rod, diff case, steering arm, tie rod arm, pitman arm, spide/cross, wheel hub, brake flange, crown wheels/ ring gears	Tata Motors, Ashok Leyland, VECV, Bharat Benz, Eicher Motors, Automotive axle, Dana, Meritor, American axle & manufacturing, Iveco, Daimler, Scania, Albion Motors, Ford Otosan, Volvo, Man, DAF	Thyssenkrupp, Sumitomo, CIE, Bharat Forge, MM Forgings, Mahindra CIE, Suzuki and other regional players
Earth moving and mining sector	Tooth, Track link, Prop shaft	BEML, Tata Hitachi, Berco	
Farm equipment sector	Crown wheel	TAFE, International Tractors, Engrecon	
General engineering sector	Main bearing cap, counterweight	Renk, BHEL, NTPC, Ellwood National Crankshaft Co., Timken, NBC flexible solutions	
Railways	Center wedge, bracket, yoke	Electromotive, Indian Railways	
Steel plant		SAIL	
Oil & Gas		Caterpillar	

Source: Company, Emkay Research

Domestic CV revenues to see 37% CAGR in FY21-24E

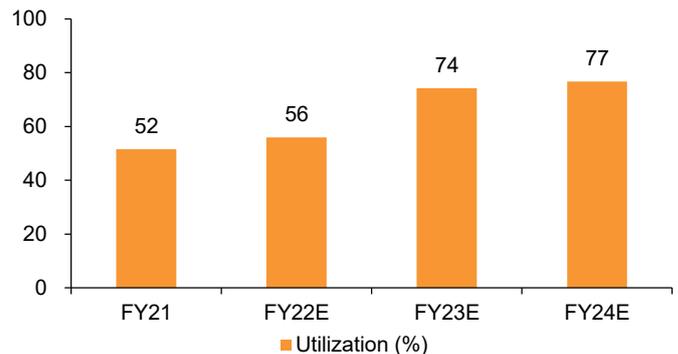
In domestic CVs (42% of revenues in FY21), we expect 37% CAGR, with the topline reaching Rs13.9bn by FY24E, supported by MHCV industry production CAGR of 30%. Industry growth should be driven by improving macros, government's thrust on infrastructure spending and gradual recovery in replacement demand. RMKF has been gaining share with its largest domestic customer TTMT, and this trend is expected to persist, owing to the proximity of its manufacturing plants to that of TTMT. The Jamshedpur plant's utilization stands at only ~50% currently, providing scope for further market share gains.

Exhibit 11: Domestic automotive: 37% CAGR over FY21-24E, driven by CV upcycle



Source: Company, Emkay Research

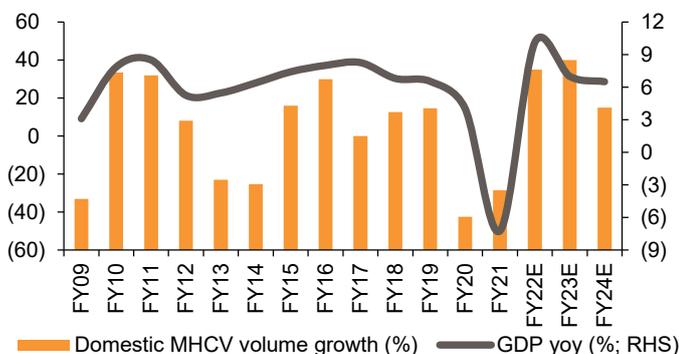
Exhibit 12: FY21 utilization at 52%; Low utilization at Jamshedpur plants provides scope for market share gains from TTMT



Source: Company, Emkay Research

Historically, domestic MHCV volumes have responded positively to industrial production and GDP growth. We expect economic activity to pick up from FY22E. Close to ~30% of the MHCV volume share is from Tippers, which have a direct correlation with infra spending. Tenders and awards activity has increased notably in recent months.

Exhibit 13: Expect MHCV production CAGR at 30% over FY21-24E



Source: SIAM, Mospi, Emkay Research

Exhibit 14: Strong pick-up in Infra spending supporting MHCV demand

Rs bn	YTFY19	YTFY20	YTFY21	YTFY22	YoY%	2-year CAGR
Tendering						
Road tenders	1,014	483	745	898	21%	36%
Total tenders	2,917	1,624	2,601	2,948	13%	35%
Awarding						
Road awards	435	49	105	286	173%	142%
Total awards	1,727	676	661	1,104	67%	28%

Source: Project Today, Emkay Research

Historically, the CV cycles tend to last at least for three years. A historical analysis of the past 20 years indicates that average growth from trough to peak is 140% and the highest growth rate is 240%. Generally, the upturns last for 3-6 years, resulting in the creation of new peaks. The new peak can be higher than the previous peak by a minimum of 12% and an average of 82%. Assuming the lowest growth of 12% and average upturn period of five years, MHCV volumes can reach ~440,000 units by FY26E, implying a strong volume CAGR of 22% over FY21-26E. The growth would be higher in tonnage terms, as the share of HCVs increase during upcycles.

Exhibit 15: Historical cycles indicate an average growth during upturn at 140% in volume terms...

Historical Sales Cycles	FY00-07	FY07-12	FY12-19	Average
Trough to Peak	236	90	95	140
Peak to Peak	206	27	12	82
Previous Peak to Trough	(23)	(33)	(43)	(33)
Duration (years)				
Trough to Peak	6	3	5	5
Peak to Peak	7	5	7	6

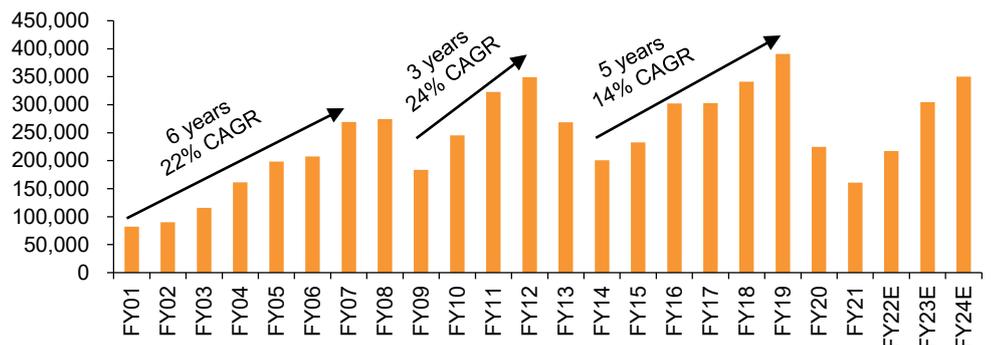
Source: SIAM, Emkay Research

Exhibit 16: ... and 205% in tonnage terms

Historical Sales Cycles	FY00-07	FY07-12	FY12-19	Average
Trough to Peak	289	133	192	205
Peak to Peak	254	24	53	110
Previous Peak to Trough	(23)	(47)	(48)	(39)
Duration (years)				
Trough to Peak	6	3	5	5
Peak to Peak	7	5	7	6

Source: SIAM, Emkay Research

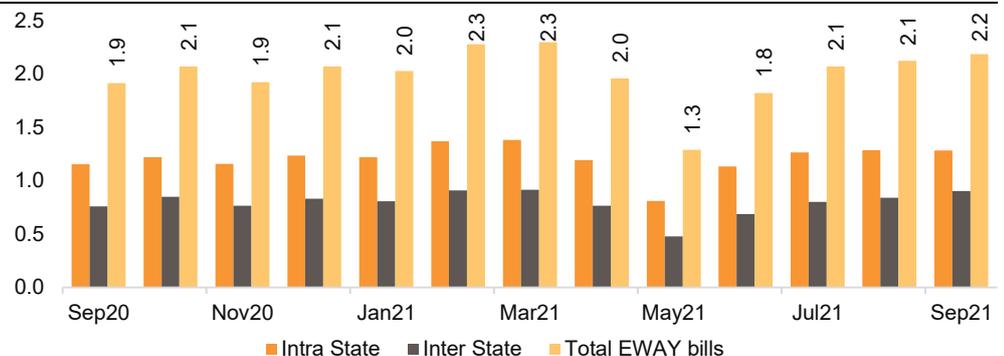
Exhibit 17: MHCV Industry volumes: Upcycles last for 3-6 years, resulting in new peaks



Source: SIAM, Emkay Research

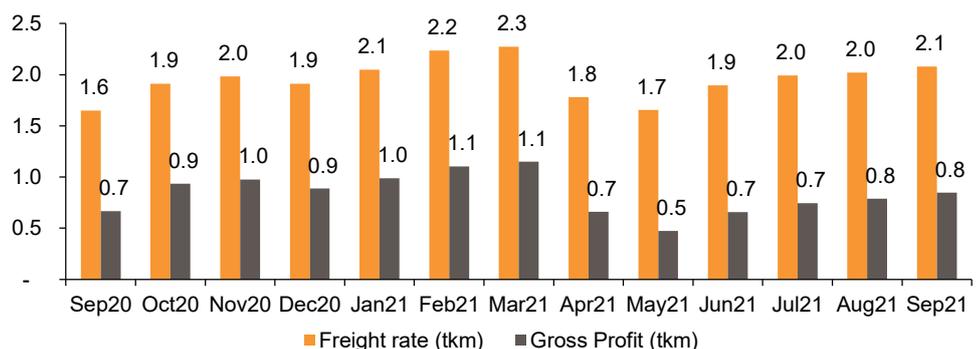
MHCV replacement cycle has been delayed by 1-2 years, and our channel checks indicate signs of a revival. Replacement demand is expected to improve ahead, supported by better freight availability, which is being supported by an improvement in industrial production and better agri output. In the near term, freight availability is being supported by segments such as E-commerce, Agri, Pharma, FMCG, Automobiles, Base metals and Petroleum products. It is also visible in metrics such as strong E-way bill generation, increase in resale values and better freight rates.

Exhibit 18: E-way bill generation has improved to almost 2.2mn per day



Note: September data is up to 26th. Source: GSTN, Emkay Research

Exhibit 19: Freight rates and transporter profitability have improved sequentially in recent months

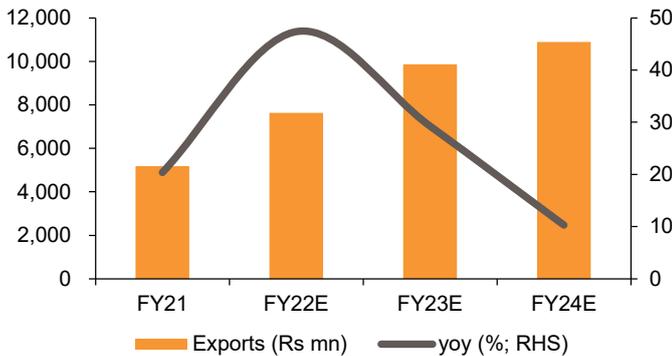


Source: IFTRT, Emkay Research

Export revenues to witness 28% CAGR in FY21-24E

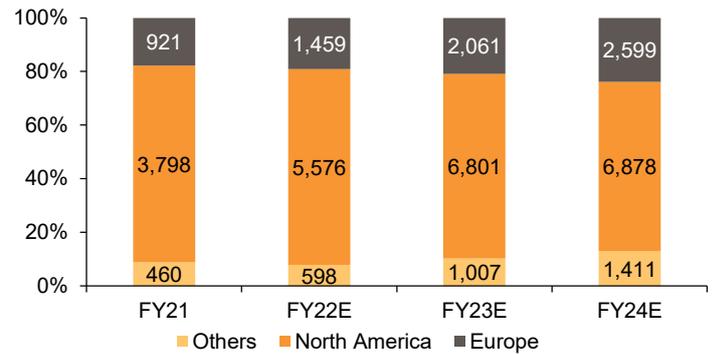
We expect exports (40% of revenue in FY21) to see a 28% CAGR, with its revenue reaching Rs10.9bn by FY24E, supported by growth in underlying NA Class8 production (16% CAGR) and Europe HCVs (13% CAGR). The company is also gaining share with its largest export customer Dana Corp and other OEMs such as MAN, Scania and Iveco. It has also won orders with customers like Caterpillar in the Oil & Gas segment. Incremental revenue of up to Rs4bn is expected in FY23E/24E from recent order wins in overseas markets.

Exhibit 20: Exports: 28% CAGR over FY21-24E, driven by CV upcycle



Source: Company, Emkay Research

Exhibit 21: Geography mix: Increasing share of Europe/ CIS countries, driven by new orders (Rsmn)



Source: Company, Emkay Research

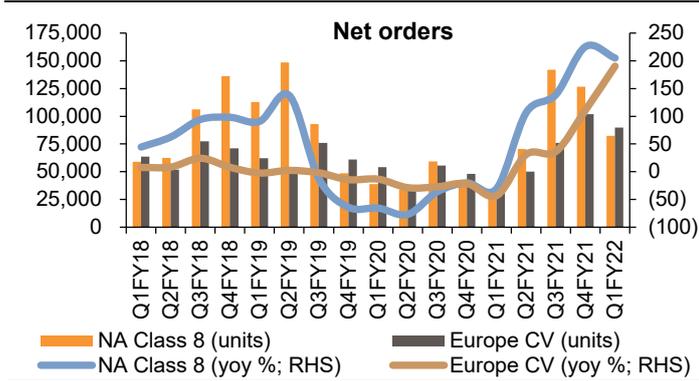
Exhibit 22: New orders in Overseas and India markets

Date of order announcement	Annual revenue potential (Rs mn)	Customer
Mar'21	1,825	US Tier-1 ancillary
Jul'21	440	European OEM
Aug'21	170	Overseas OEM
Aug'21	438	European Tier-1 ancillary
Aug'21	120	India Tier-1 ancillary
Sep'21	433	CIS OEM
Sep'21	250	NA Oil & Gas ancillary
Sep'21	325	Hitachi, India
Sep'21	300	NA Oil & Gas ancillary
Oct'21	500	International Tractors, India
Total orders won since Mar'21	4,801	
Implied annual run-rate	>7,000	

Source: Company

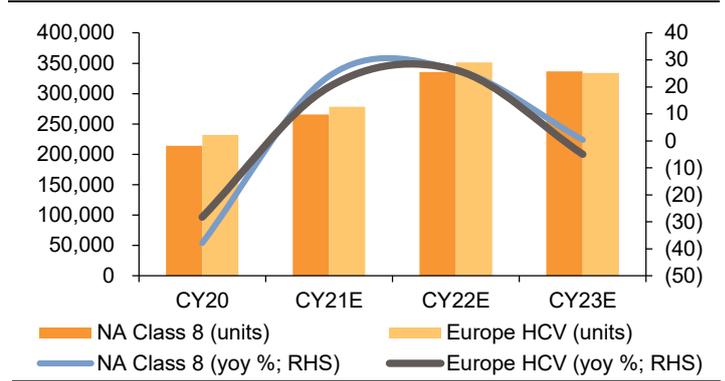
Strong orders for NA Class trucks and Europe HCVs have been driven by expectations of an economic recovery, pick-up in infra spending and recovery in replacement demand. Robust production growth is expected by OEMs and industry associations (*Exhibit 24*). The NA Class 8 backlog is at 277,631 units – the highest since Feb'19. Given robust market demand, OEMs extending horizons for booking orders, and with the ongoing production struggles, backlogs could soon close to the record 302,000 units reached in Oct'18. In the near term, demand conditions are favorable, driven by: 1) **Economic recovery**: The US economy is expected to expand by 5%+ in CY21 and CY22. Led by higher GDP growth, freight can grow by 8-10% for next few years; 2) **Manufacturing**: ISM and IHS Markit surveys are reporting robust activity for manufacturing and services, indicating positive momentum; 3) **Stimulus**: The passage of Biden administration's \$1tn infrastructure bill passage should support construction activity; 4) **Consumer Spending**: Increased inoculation of the population, high savings rates and added fiscal stimulus should support improvement; and 5) **Housing market**: Low interest rates, an increased emphasis on remote work, and a decade of housing under build have energized the market. North America Class 8 CY23 production should also hold onto CY22 peak levels on pre-buying in advance of tightened California Air Resources Board (CARB, plus states following CARB's lead) emissions standards in CY24.

Exhibit 23: NA Class8/Europe HCV orders in an uptrend



Note: Europe orders are addition of Volvo, Daimler and Scania; Source: Company, Emkay Research

Exhibit 24: NA Class8/Europe HCVs to grow at CAGR of 16%/13% over CY20-23E



Source: Company, Emkay Research

Exhibit 25: Demand outlook by OEMs and industry associations

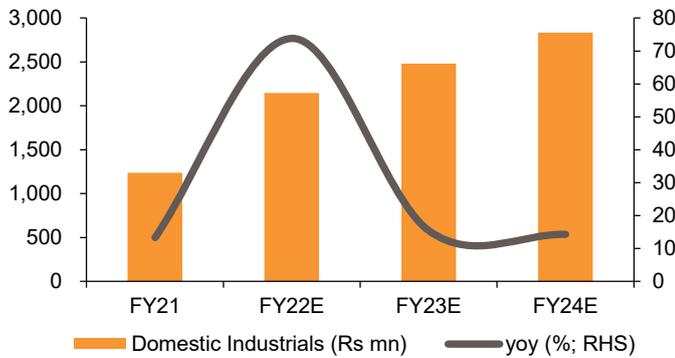
Segment	Company/Association	CY21 outlook
North America Class 8 trucks	Volvo	23%
	Daimler	Significant increase
	Paccar	20%
	NADA	13%
	Ramkrishna Forgings	35%
North America CV (>6T)	Traton	10-30%
Europe HCV	Volvo	26%
	Daimler	Significant increase
	Paccar	25%
	CNH	35-40%
	Ramkrishna Forgings	18%
Europe CV (>6T)	Traton	10-25%

Source: Company announcements, Emkay Research

Domestic industrials to see 32% CAGR in FY21-24E

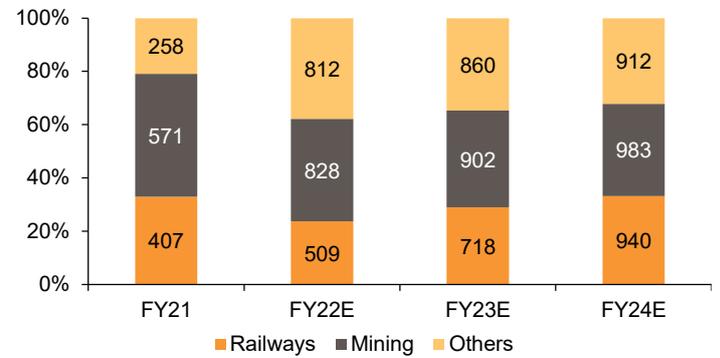
In domestic industrials (10% of revenue in FY21), we expect a 32% CAGR, with the topline touching Rs2.8bn by FY24E, supported by order wins from Indian Railways, Hitachi, International Tractors, among others.

Exhibit 26: Domestic Industrials: 32% CAGR over FY21-24E, driven by order-wins



Source: Company, Emkay Research

Exhibit 27: Segmental mix: Increasing share of Tractors (classified in others)



Source: Company, Emkay Research

Exhibit 28: Demand outlook by OEMs

Segment	Company/Association	CY21 outlook
India Construction Equipment	JCB India	25%
Tractors Europe	CNH	15%
Tractors India	Escorts	Low single digit in FY22
	Mahindra & Mahindra	Low to mid-single digit in FY22

Source: Company, Emkay Research

In the Railways segment, RMKF has received development orders for manufacturing of locomotive shells and total industry requirement is estimated at Rs2.5bn. Over FY21-24E, we expect 32% CAGR to Rs940mn. It has presence in mining and construction equipments segment with annual revenues of ~Rs550mn. Driven by the pick-up in the underlying industry and order wins from Hitachi, we expect a 20% CAGR over FY21-24E. Order wins from Hitachi stands at Rs650mn to be executed over FY22/23. In Tractors, RMKF has received orders from International Tractors for annual business of Rs500mn. We believe that increasing focus on industrial segment should reduce cyclicalities and support diversification over the medium term.

Robust margin expansion and free cash-flow generation over FY21-24E

ROE is likely to expand from low of 3% in FY21 to 23% in FY24E, led by better margins and asset turnover. PAT margin to expand from 2.2% in FY21 to 10.6% in FY24E, led by operating/financial leverage and cost savings. Cost reduction efforts include better procurement planning, design/process improvement leading to material/wastage reduction, in-house development of spares/fixtures and reduction in tooling costs through reuse of inserts. Capex/revenue is expected to reduce from 19% over FY19-21 to 8% over FY22-24E on robust revenue growth and moderate capex.

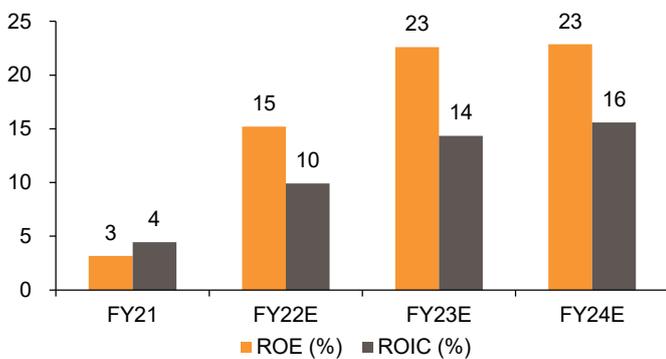
Over FY22-24E, average FCF is expected to be healthy at Rs1.7bn. Net debt-to-EBITDA is expected to reduce from 5x in FY21E to 1.4x in FY24E on strong FCF generation.

Exhibit 29: Robust revenue growth at 33% CAGR over FY21-24E

Key assumptions (Rs mn)	FY21	FY22E	FY23E	FY24E	CAGR % FY21-24E
Domestic Automotive	5,397	8,365	11,879	13,898	37
yoy (%)	20	55	42	17	
Domestic Industrials	1,236	2,148	2,480	2,835	32
yoy (%)	13	74	15	14	
Exports	5,179	7,634	9,869	10,889	28
yoy (%)	20	47	29	10	
Exports incentives	157	115	148	163	1
yoy (%)	(19)	(27)	29	10	
Others (incl. scrap)	915	1,452	1,938	2,210	34
yoy (%)	(12)	59	34	14	
Total revenues	12,884	19,713	26,314	29,995	33
yoy (%)	16	53	33	14	

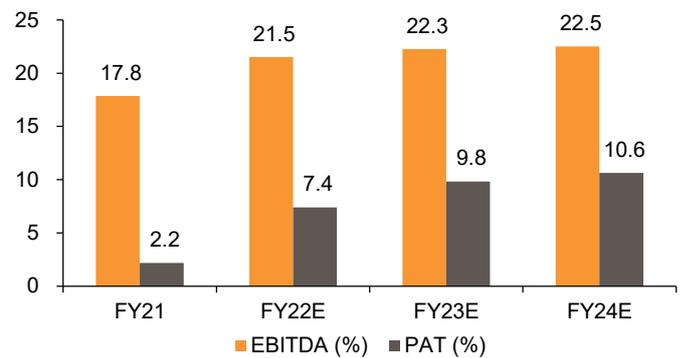
Source: Company, Emkay Research

Exhibit 31: Return ratios to expand notably on higher margins and asset turnover



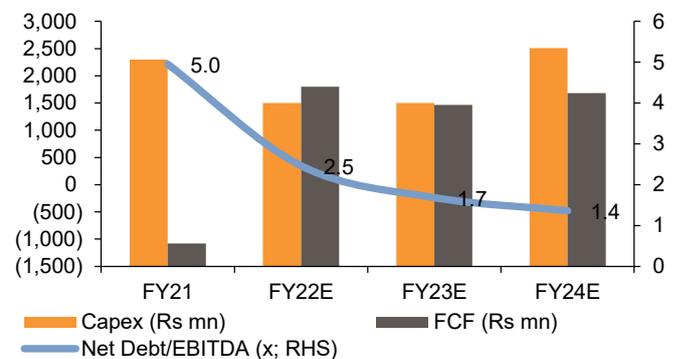
Source: Company, Emkay Research

Exhibit 30: EBITDA/ PAT margin to expand to 22.5%/ 10.6% by FY24E



Source: Company, Emkay Research

Exhibit 32: Strong FCF generation expected to drive net debt-to-EBITDA improvement



Source: Company, Emkay Research

Exhibit 33: ROE: Margin expansion and asset turnover to drive expansion to 23% by FY24E

	FY21	FY22E	FY23E	FY24E
PAT margin (%)	2.2	7.4	9.8	10.6
Total asset turnover (x)	0.6	0.9	1.2	1.2
Equity multiplier (x)	2.3	2.3	2.0	1.8
ROE (%)	3.2	15.2	22.6	22.8

Source: Company, Emkay Research

Outpacing larger peer Bharat Forge on order wins

Historically, RMKF has been a growth leader with revenue/EBITDA CAGRs of 12%/ 13% over the past 10 years, outpacing underlying industry and its larger peer Bharat Forge. It has outpaced industry growth on customer additions and improving content. It has been able to meet quality and cost requirements of marquee customers, resulting in market share gains in India, US and Europe. In addition, it is expanding presence in LCVs and other industrial segments such as Railways, Oil & Gas and Construction Equipment.

Exhibit 34: RMKF has witnessed higher growth in revenue/EBITDA over 5/10 years ending FY20

	5 years	10 years
Revenue CAGR (%)		
Bharat Forge	0	9
Ramkrishna Forgings	8	15
Export revenue CAGR (%)		
Bharat Forge	1	14
Ramkrishna Forgings	4	39
EBITDA CAGR (%)		
Bharat Forge	(5)	9
Ramkrishna Forgings	10	17
EBIT CAGR (%)		
Bharat Forge	(9)	9
Ramkrishna Forgings	(2)	11
PAT CAGR (%)		
Bharat Forge	(5)	14
Ramkrishna Forgings	(32)	(1)

Source: Company, Emkay Research

However, despite higher financial leverage (Assets/Equity), RMKF's return ratios have significantly lagged that of BHFC; this has been due to lower margins on account of relatively lesser exposure to industrial segment. Nonetheless, in comparison with FY21, we expect improvement in ROEs of RMKF (from 3% in FY21 to 23% in FY24E), driven by better margin and asset turnover.

Exhibit 35: BHFC has better return ratios, working capital cycle and balance sheet over 5/10 years ending FY20; Expect RMKF to improve on these parameters over next 3 years

	5 years	10 years
Average cash conversion cycle (days)		
Bharat Forge	125	91
Ramkrishna Forgings	133	138
Average Net Debt/EBITDA (x)		
Bharat Forge	1.3	1.2
Ramkrishna Forgings	4.2	4.4
Average ROE (%)		
Bharat Forge	17	18
Ramkrishna Forgings	9	10
Average PAT margin (%)		
Bharat Forge	15	14
Ramkrishna Forgings	4	5
Average asset turnover (x)		
Bharat Forge	0.9	1.0
Ramkrishna Forgings	0.8	0.8
Equity multiplier (x)		
Bharat Forge	1.2	1.2
Ramkrishna Forgings	2.5	2.4

Source: Company, Emkay Research

We initiate coverage with Buy and a TP of Rs1,530

RMKF is a play on CV upcycle in domestic and overseas markets, with industry-leading performance in the past 5/10 years, and we expect this outperformance to continue. We recommend Buy with a Dec'22E TP of Rs1,530, which is based on DCF and implies a forward EV/EBITDA of 9x. **Upside triggers:** Order-wins are expected to continue with at least Rs3.5bn/annum (assuming 50% discount to current rate), which can incrementally add 10% each to Dec'23E EBITDA and fair value (*Exhibit: 7*) and proposed acquisition of ACIL can add Rs32 (2%) to fair value as per our calculations.

Exhibit 36: Expect robust cash flows ahead; PV of FCF over FY22-31E at Rs14bn

(Rs mn)	FY21	FY22E	FY23E	FY24E	FY25E	FY31E	CAGR (%) FY22-31E
Revenues	12,884	19,713	26,314	29,995	33,948	62,562	14
EBIT	1,169	2,773	4,222	4,973	5,655	8,691	14
NOPAT	876	2,080	3,166	3,730	4,241	6,518	14
Depreciation	1,163	1,502	1,674	1,808	2,007	3,894	11
WC changes	(939)	(532)	(2,110)	(1,588)	(1,783)	(1,632)	13
Capex	(2,300)	(1,500)	(1,500)	(2,510)	(2,968)	(4,911)	14
FCFF	(1,200)	1,550	1,230	1,440	1,497	3,868	11
ROIC (%)	4	10	14	16	16	15	

Source: Emkay Research

Exhibit 37: DCF implies a target EV/E multiple of 9x in Dec'22

Parameter	Value (Rs mn)	Parameter	Value
PV of FCF in Stage 1 (FY22-31E)	13,707	Risk-free rate (Rf)	6.25%
PV of Terminal value	44,626	Equity risk premium (Rm)	5.50%
EV (existing business)	58,334	Beta (x)	0.92
Net debt (adj. for dividends)	9,593	Cost of equity (%)	11.31%
Equity value -- Dec'22E	48,741	Equity (%)	85%
Equity value/share -- Dec'22 (Rs)	1,527	WACC (%)	10.74%
Implied EV/EBITDA (x)	9x	Terminal growth rate (%)	6.75%

Source: Emkay Research

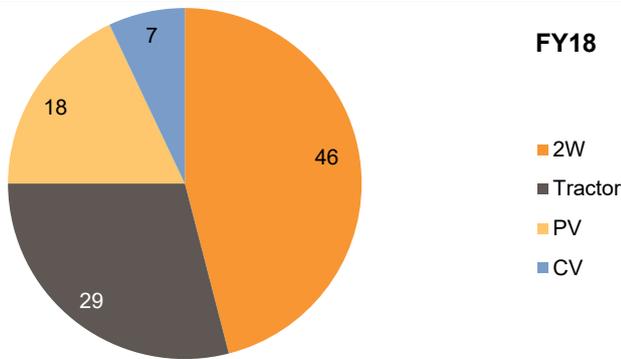
RMKF would be spending ~ Rs850mn on ACIL acquisition and ~ Rs250mn on upgradation of facilities. Management expects to get regulatory approvals and complete the acquisition process by Q4FY22. Established in 1997, ACIL has manufacturing capabilities of high precision engineering automotive components such as crankshafts, connecting rods, wheel hubs and steering knuckles for Tractors, 2Ws, CVs and PVs. It has high-end machinery and equipment from reputed manufacturers like Toyota and Komatsu (Japan), Heller and Landis (Germany), etc. It has capacity of 7.9mn pieces for 2W crankshafts, 0.3mn pieces for 4/6 cylinder crankshafts, 0.5mn connecting rods and 0.5mn hubs. ACIL had revenues/EBITDA of Rs1.4bn/Rs112mn in FY18 and has achieved a peak revenue/EBITDA of ~Rs5.7bn/~Rs1.3bn in FY12. Management expects the deal to be completed by Q4FY22. **Considering high-end equipment and industry upcycle, we expect RMKF to turn around ACIL in the coming years with revenue of Rs5bn and EBITDA margin of 20% in FY27E, resulting in positive contribution to our fair value.**

Exhibit 38: Proposed acquisition of ACIL can add Rs32/share (2%) to fair value

(Rs mn)	FY23E	FY24E	FY25E	FY26E	FY27E	FY31E
Revenues	1,500	2,160	2,984	3,939	4,982	6,055
EBIT	(163)	(92)	143	490	891	1,085
NOPAT	(163)	(92)	36	124	225	273
Depreciation	88	92	96	101	105	126
WC changes	150	66	82	95	104	29
Capex	250	50	53	55	58	70
FCFF	(475)	(116)	(3)	74	168	300
PV of FCFF	(463)	(102)	(2)	53	109	129
PV of FCF in Stage 1 (FY23-31E)	157					
PV of Terminal value	1,723					
Enterprise Value	1,880					
Acquisition price	850					
Equity value	1,030					
Equity value/share (Rs)	32					

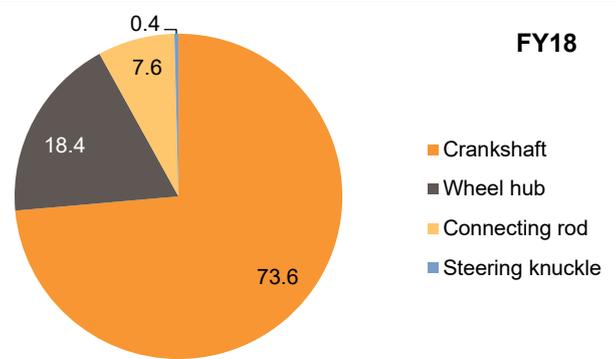
Source: Emkay Research

Exhibit 39: ACIL: Sectoral mix



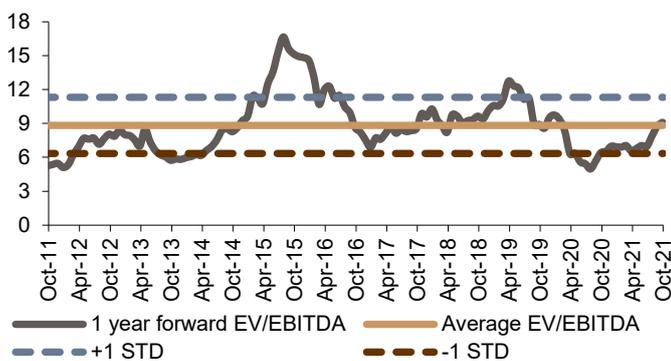
Source: ACIL presentation, Emkay Research

Exhibit 40: ACIL: Product mix



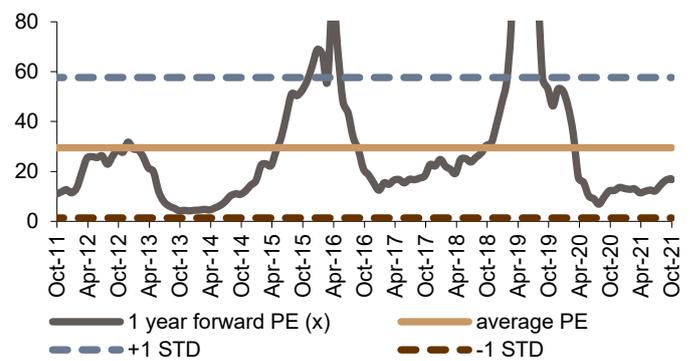
Source: ACIL presentation, Emkay Research

Exhibit 41: RMKF: One year forward EV/EBITDA (10-year avg. at 9x)



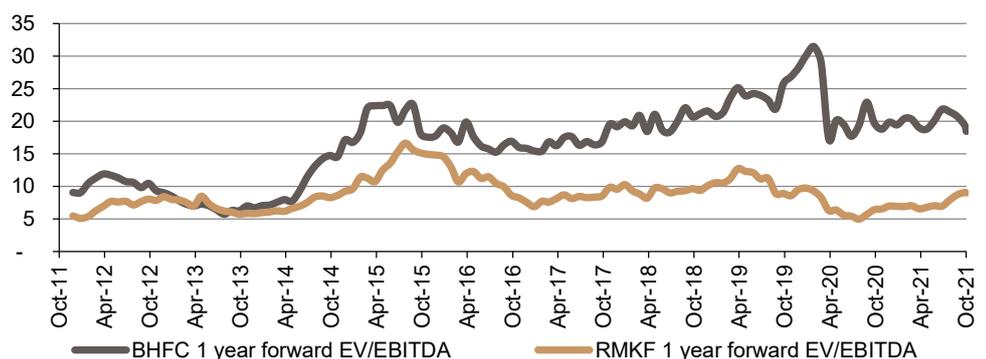
Source: Company, Emkay Research

Exhibit 42: RMKF: One year forward P/E (10-year median at 21x)



Source: Company, Emkay Research

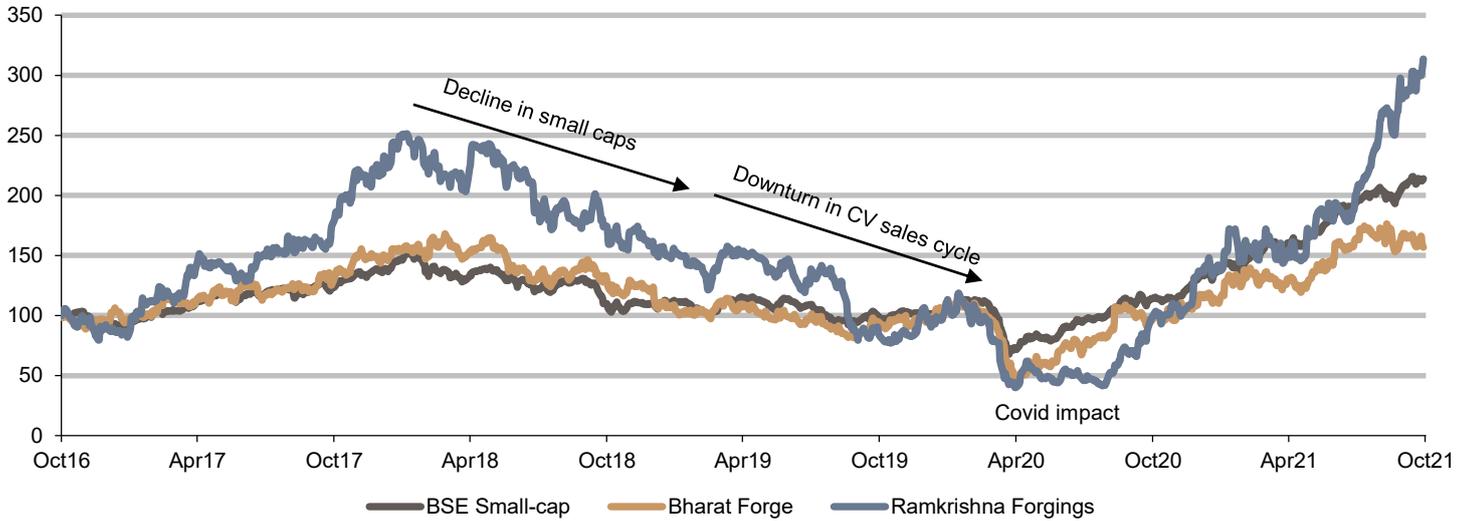
Exhibit 43: Bharat Forge has historically traded at a premium due to higher ROEs and stronger balance sheet; RMKF to improve on both parameters in future



Source: Emkay Research

RMKF's stock prices has outpaced BSE small-cap index by a massive ~100% since 2016. Also, it has outpaced larger peer Bharat Forge by 150%+ during the same period. In the recent correction in 2020, management also initiated a small buy-back exercise worth Rs129mn, which indicates commitment to supporting stock price and also future confidence towards growth of business.

Exhibit 44: RMKF has notably outperformed BSE small-cap index and Bharat Forge over the past five years



Note: Indexed to 100. Source: Bloomberg, Emkay Research

Exhibit 45: Peer valuation: RMKF is attractively valued on growth-adjusted P/E vs. peers like Bharat Forge

Company	Mcap (Rs bn)	Mcap (US\$ bn)	CMP (Rs/share)	Target price (Rs/share)	P/E			EPS CAGR (%)	ROE (%)			PEG ratio (x)
					FY22E	FY23E	FY24E	FY22-24E	FY22E	FY23E	FY24E	FY22E
Consensus estimates												
SKF India (NC)	163	2.2	3,301		42.4	35.1	30.4	18	22.1	22.5	22.8	2.3
Timken India (NC)	128	1.7	1,708		55.6	40.0	33.7	28	15.8	19.3	20.3	2.0
Sundaram Fasteners (NC)	199	2.6	945		37.3	28.7	23.6	26	20.7	22.4	22.7	1.4
Wabco India (NC)	137	1.8	7,241		64.4	37.5	31.7	43	10.1	15.3	16.0	1.5
Bosch India (NC)	522	7.0	17,697		41.0	32.3	37.2	5	14.0	15.4	11.9	8.3
Fiem Industries (NC)	15	0.2	1,142		19.3	14.5			13.2	15.9		
Jamna Auto (NC)	37	0.5	94		31.3	21.7	16.4	38	19.3	24.2	28.0	0.8
Lumax Industries (NC)	14	0.2	1,457		22.1	12.8	13.0	31	12.7	19.2	17.8	0.7
Suprajit Industries (NC)	48	0.6	350		27.2	20.6	17.6	24	17.1	19.5	19.6	1.1
Minda Corporation (NC)	32	0.4	133		19.5	13.4	11.0	33	13.3	16.5	17.7	0.6
Endurance Technologies (NC)	229	3.0	1,626		33.6	26.6	24.5	17	17.4	19.0	17.9	2.0
Sona BLW Forging (NC)	368	4.9	631		103.9	69.3	52.8	40	22.1	25.4	27.0	2.6
GNA Axles (NC)	22	0.3	1,039		24.5	23.0			16.8	14.7		
Mahindra CIE (NC)	94	1.2	247		32.0	15.5	13.6	53	6.7	11.0	12.0	0.6
MM Forging (NC)	20	0.3	839		23.9	15.5	13.8	47	15.4	20.3		0.5
Emkay estimates												
Ramkrishna Forgings (BUY)	38	0.5	1,193	1,530	26.1	14.7	12.0	48	15.2	22.6	22.8	0.5
Bharat Forge (BUY)	353	4.7	759	920	37.6	25.2	21.2	33	15.0	19.9	20.4	1.1
Amara Raja Batteries (HOLD)	130	1.7	760	830	18.0	14.7	12.9	18	16.2	17.6	17.7	1.0
Apollo Tyres (BUY)	149	2.0	235	305	17.5	12.8	10.5	29	7.2	9.3	10.5	0.6
Exide Industries (HOLD)	157	2.1	185	210	21.4	17.7	15.4	18	7.9	7.4	8.1	1.2
Motherson Sumi (BUY)	749	10.0	237	300	28.9	20.1	16.6	32	22.5	27.2	27.4	0.9
Minda Industries (BUY)	223	3.0	781	840	58.9	34.8	26.0	50	13.6	17.9	20.3	1.2
Average					37.2	25.9	22.6	30	15.6	18.8	19.4	1.7

Note: PEG ratio = FY22E P/E/EPS CAGR (FY22-24E). Source: Bloomberg, Company, Emkay Research

Exhibit 46: Comparison with Consensus (FY22/23E): Recent order-wins provide upside potential to FY23 consensus estimates

(Rs mn)	FY22E			FY23E		
	Emkay	Consensus	Difference (%)	Emkay	Consensus	Difference (%)
Revenue	19,713	19,485	1	26,314	23,050	14
EBITDA	4,241	4,342	(2)	5,861	5,069	16
EBITDA margin (%)	21.5	22.3		22.3	22.0	

Source: Bloomberg, Emkay Research

Key risks to our view

Commodity inflation: Although steel prices are market-driven, the company has a complete pass-through agreement with customers with some lag.

Adverse currency: Company derives 40% of revenues from exports. It has exposure mainly towards USD/Euro currency. Partially risks are hedged due to foreign currency debt and imports.

EV transition: The company has ~1% revenue exposure to engine components. It has received orders for assemblies of components for EVs from a domestic customer. Going forward, the company is expecting more orders from domestic and overseas OEMs. The company has recently signed an MOU (Memorandum of Understanding) with a USA based technology partner for development of EV powertrain components.

Client concentration risk: RMKF derives ~25% of its revenues from Tata Motors. Due to the high exposure to domestic CVs and large market share of Tata Motors, the company's dependence on Tata Motors is at elevated levels. RMKF derives ~25% of revenues from Dana Corp. Further, considering increasing acceptance of the company's products by Dana in MHCVs/LCVs, procurement is expected to further increase.

Annexure

Exhibit 47: History

Year	Particulars
1981	Company was incorporated
1984	Started with the manufacturing of forging items for Railways
1985	Received approval from the Indian railways as 'Critical Safety Item Supplier' for products like hanger, draw gear arrangement, etc
1995	Became a supplier to Tata Motors, Jamshedpur
1997	Undertook major expansion whereby it increased forging & die making capacity at Jamshedpur. Also purchased a unit at Liluah Industrial Area Howrah which had a machine shop for the rough machining of components. This acquisition helped the company to supply finished components to Railways & Body Builders directly from local unit
2002	Approval from the Defence Research and Development Organization for producing defence related products
2004	Setup a new gear line at their unit
2004	Launched its initial public offer and got listed on the stock exchanges
2005	Installed two double acting ram type drop hammers of 6 ton and 3 ton capacity
2006	Entered into the machining industry
2006	Set up a new CNC unit in close proximity to its existing unit at Jamshedpur
2007	Received investment from UTI Venture Funds (Ascent Capital)
2008	Commencement of 2,000T Press line with machining for Ring rolled Products
2012	Entered into an agreement for the acquisition of Globe Forex and Travels
2013	Received equity funding from Wayzata for its automated press project
2013	Received equity and debt funding from International Finance Corporation for its automated press project
2013	Acquired 100% shareholding of Globe Forex and Travels
2014	Commissioned two press lines with capacities of 3,150T and 4,500T
2015	Company commissioned two press lines with capacities of 6,300T and 12,500T
2021	Commissioned Hollow Spindle Line, 7,000T and additional press line of 2,000T (warm forging)

Source: Company

Exhibit 48: Profile of directors

Board of Directors	Designation	Profile
Mahabir Prasad Jalan	Chairman	He is the promoter of the company and has done his graduation in Mechanical Engineering in 1970 from BITS, Pilani and has more than 45 years of work experience in Forgings. This experience eventually culminated into his first independent venture as Managing Partner of Tribeni Steel Forgings in 1974. He finally promoted Ramkrishna Forgings in 1981 and since its inception is heading the organization.
Naresh Jalan (Son of Mahabir)	Managing Director	Has done MBA in Finance & Marketing. He possesses about 20 years of experience in Forging industry and presently the Managing director of the Company.
Chaitanya Jalan (Son of Naresh)	Wholetime Director	He is a Commerce (Hons.) graduate from St. Xavier's College, Kolkata. He is also pursuing CFA and FRM. He has been associated with the company since 2016 and had been actively involved in the areas of acquisition, pricing, CSR activities. He is currently part of the Executive management team and looking after Cost control, Project management and Quality systems.
Lalit Kumar Khetan	Wholetime Director, CFO	He is a Chartered Accountant and Cost Accountant by qualification. He has experience of more than 25 years in handling Finance Progressive Accounting, Compliance, Auditing, Reporting & Commercial Function experience with large EPC and manufacturing companies. He is CFO of the company.
Pawan Kumar Kedia	Director (Finance)	He has done B.Com (Calcutta university) & Diploma in Taxation. He possess experience of more than 30 years in various companies handling the commercial affairs, Taxation, Accounts, Import & Export activities of the company.
Padam Kumar Khaitan	Non-Executive, Independent Director	He started his career as an Article clerk in Khaitan & Co., leading Advocates, Notaries, Patent & Trademark Attorneys and graduated to become a partner of Khaitan & Co. He has experience of more than 31 years in the legal profession.
Ram Tawakya Singh	Non-Executive, Independent Director	He has done B.Sc. Engineering in Metallurgy from R.I.T. Jamshedpur. He joined Tata Motors, Jamshedpur as graduate trainee in 1969 and rose to the level of Vice President. As a Consultant & Advisor, helped Tata Motors to enhance the Defence Business.
Yudhisthir Lal Madan	Non-Executive, Independent Director	He has done MBA (Finance)-FMS, Delhi University, MSc (Physics), Delhi University, B.Sc. (Hons.) (Physics), Delhi University. CAIIB, Indian Institute of Bankers, Mumbai. A retired banker with 38 years of experience in the field of general banking, with expertise in corporate finance, retail finance, SME lending, risk management with focus on credit monitoring, nursing and recovery of assets. He is good in Human Resources Development, Corporate Lending with special focus on SME lending, Retail Lending, Management, monitoring and recovery of distressed assets.
Amitabha Guha	Non-Executive, Independent Director	He has done M.Sc. He has been a banker throughout his life. He was appointed as Chief Manager (Personal Administration) in July 1987 in State Bank of Saurashtra. Thereafter he served various banks from the post of Asst. General Manager in State Bank of Saurashtra in 1992 to Managing Director in State Bank of Travancore in 2004. He finally retired as Deputy Managing Director of State Bank of India in Nov'08. He is presently the Non – Executive Chairman of South Indian Bank.
Aditi Bagri	Non-Executive, Independent Director	She has done LLB from Mumbai University, Certificate course in General IP from World Intellectual Property Organisation and Diploma in Intellectual Property rights from Mumbai University. She has created a dissertation as part of the curriculum on the criteria for Patentability analysed with respect to reported UK and Indian Cases. She started her career as intern in Pangea 3 in 2007, worked as Attorney Associate in Integreon Managed Solutions from 2010 to 2013 and is presently working as Senior Associate in Juris Corp.
Sandipan Chakravorty	Non-Executive, Independent Director	He has done Mechanical Engineering and MTech in Industrial Engineering in Operations Research from IIT Kharagpur. He has spent more than 40 years in Tata Steel and its Group Companies. He has held positions like Materials Controller, Executive In-charge – Raw Materials, Director – Sales, etc., in Tata Steel. He has wide experience in materials management, mines & minerals, steel business – especially commercial activities, steel value added supply chain business, logistics, etc.
Partha Sarathi Bhattacharyya	Non-Executive, Independent Director	He has done MSc (Physics), FICMA. He is the ex-Chairman, Coal India Ltd (CIL). He joined CIL as management trainee in 1977 to become Chairman in Oct'06.
Ranaveer Sinha	Non-Executive, Independent Director	He has done B.E. (Mechanical), PGDBM (XLRI). He retired as MD of Tata Hitachi Construction Machinery. He is was also the Chairman of Serviplem SA and Compolesa Lebrero SA, Spain, and North Baryval Special Vehicles in China. He has been mentoring a number of companies and helping them in Business excellence.

Source: Company

Key Financials (Standalone)**Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	11,118	12,884	19,713	26,314	29,995
Expenditure	9,081	10,584	15,472	20,453	23,251
EBITDA	2,037	2,299	4,241	5,861	6,744
Depreciation	1,202	1,163	1,502	1,674	1,808
EBIT	836	1,137	2,739	4,186	4,936
Other Income	60	46	73	70	81
Interest expenses	752	768	863	800	761
PBT	144	415	1,948	3,456	4,255
Tax	48	135	490	870	1,071
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	96	280	1,458	2,586	3,184
Adjusted PAT	96	280	1,458	2,586	3,184

Balance Sheet

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	326	319	319	319	319
Reserves & surplus	8,438	8,580	9,965	12,293	15,000
Net worth	8,764	8,900	10,285	12,612	15,319
Minority Interest	0	0	0	0	0
Loan Funds	9,511	12,052	10,973	10,359	9,935
Net deferred tax liability	595	659	669	686	707
Total Liabilities	18,870	21,610	21,926	23,658	25,961
Net block	11,666	12,327	14,295	14,121	14,318
Investment	193	194	194	194	194
Current Assets	7,753	11,551	13,466	17,059	19,607
Cash & bank balance	23	668	527	508	741
Other Current Assets	605	709	1,085	1,448	1,650
Current liabilities & Provision	2,906	5,182	6,779	8,466	9,412
Net current assets	4,847	6,369	6,687	8,593	10,195
Misc. exp	0	0	0	0	0
Total Assets	18,870	21,610	21,926	23,658	25,961

Cash Flow

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
PBT (Ex-Other income) (NI+Dep)	84	369	1,876	3,386	4,175
Other Non-Cash items	0	0	0	0	0
Chg in working cap	668	(939)	(522)	(2,093)	(1,566)
Operating Cashflow	2,451	1,219	3,301	2,968	4,187
Capital expenditure	(2,243)	(2,300)	(1,500)	(1,500)	(2,510)
Free Cash Flow	208	(1,081)	1,801	1,468	1,677
Investments	(22)	25	0	0	0
Other Investing Cash Flow	16	13	(73)	(70)	(81)
Investing Cashflow	(2,189)	(2,216)	(1,500)	(1,500)	(2,510)
Equity Capital Raised	0	(156)	0	0	0
Loans Taken / (Repaid)	559	2,544	(1,079)	(614)	(424)
Dividend paid (incl tax)	(59)	0	0	(73)	(259)
Other Financing Cash Flow	(35)	1	0	0	0
Financing Cashflow	(264)	1,642	(1,942)	(1,486)	(1,444)
Net chg in cash	(1)	645	(141)	(19)	233
Opening cash position	25	23	668	527	508
Closing cash position	23	668	527	508	741

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY20	FY21	FY22E	FY23E	FY24E
EBITDA Margin	18.3	17.8	21.5	22.3	22.5
EBIT Margin	7.5	8.8	13.9	15.9	16.5
Effective Tax Rate	33.3	32.6	25.2	25.2	25.2
Net Margin	0.9	2.2	7.4	9.8	10.6
ROCE	4.8	5.8	12.9	18.7	20.2
ROE	1.1	3.2	15.2	22.6	22.8
RoIC	5.0	6.6	14.2	19.6	21.5

Per Share Data (Rs)	FY20	FY21	FY22E	FY23E	FY24E
EPS	3.0	8.8	45.7	81.0	99.7
CEPS	39.8	45.2	92.7	133.4	156.3
BVPS	268.8	278.7	322.1	395.0	479.8
DPS	0.0	0.0	2.3	8.1	15.0

Valuations (x)	FY20	FY21	FY22E	FY23E	FY24E
PER	404.3	136.1	26.1	14.7	12.0
P/CEPS	30.0	26.4	12.9	8.9	7.6
P/BV	4.4	4.3	3.7	3.0	2.5
EV / Sales	4.4	3.8	2.5	1.8	1.6
EV / EBITDA	23.7	21.5	11.4	8.2	7.0
Dividend Yield (%)	0.0	0.0	0.2	0.7	1.3

Gearing Ratio (x)	FY20	FY21	FY22E	FY23E	FY24E
Net Debt/ Equity	1.1	1.3	1.0	0.8	0.6
Net Debt/EBIDTA	4.7	5.0	2.5	1.7	1.4
Working Cap Cycle (days)	158.4	161.5	114.1	112.1	115.0

Growth (%)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	(38.5)	15.9	53.0	33.5	14.0
EBITDA	(46.3)	12.9	84.5	38.2	15.1
EBIT	(67.7)	36.0	141.0	52.8	17.9
PAT	(91.9)	190.7	421.2	77.4	23.1

Quarterly (Rs mn)	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22E
Revenue	2,525	4,022	5,179	4,129	5,272
EBITDA	456	782	1,077	953	1,108
EBITDA Margin (%)	18.1	19.4	20.8	23.1	21.0
PAT	21	167	357	246	386
EPS (Rs)	0.7	5.2	11.2	7.7	12.1

Source: Company, Emkay Research

Shareholding Pattern (%)	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Promoters	45.5	45.9	45.9	45.9	46.0
FIs	9.7	10.3	12.3	13.1	13.8
DIs	12.0	10.3	10.1	7.9	6.9
Public and Others	32.8	33.5	31.7	33.0	33.3

Source: Capitaline

Emkay Alpha Portfolio – Automobiles & Auto Ancillaries



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Sector

Automobiles and Ancillaries

Analyst bio

Raghu holds an MBA and comes with total 12 years of research experience. His team currently covers 14 stocks in the Indian Automobiles and Ancillaries space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Auto & Auto Ancillaries	4.64	4.64	0%	0	100.00
Amara Raja Batteries	0.06	0.04	-25%	-2	0.97
Apollo Tyres	0.00	0.00	NA	0	0.00
Ashok Leyland	0.19	0.21	10%	2	4.47
Atul Auto	0.00	0.00	NA	0	0.00
Bajaj Auto	0.48	0.48	0%	0	10.41
Bharat Forge	0.18	0.18	0%	0	3.96
Eicher Motors	0.38	0.38	0%	0	8.21
Escorts	0.00	0.00	NA	0	0.00
Exide Industries	0.08	0.06	-21%	-2	1.39
Hero Motocorp	0.36	0.36	0%	0	7.71
Mahindra & Mahindra	0.81	0.81	0%	0	17.55
Maruti Suzuki India	0.96	0.96	0%	0	20.79
Motherson Sumi	0.27	0.27	0%	0	5.91
Tata Motors	0.64	0.64	1%	0	13.91
Tata Motors DVR*	0.09	0.10	12%	1	2.12
TVS Motor	0.12	0.12	0%	0	2.60
Cash	0.00	0.00	NA	0	0.00

Source: Emkay Research

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

Sector portfolio NAV

	Base					Latest
	1-Apr-19	8-Oct-20	8-Apr-21	8-Jul-21	7-Sep-21	7-Oct-21
EAP - Auto & Auto Ancillaries	100.0	94.8	118.9	124.9	119.5	131.5
BSE200 Neutral Weighted Portfolio (ETF)	100.0	97.0	119.1	124.3	118.9	130.8

*Performance measurement base date 1st April 2019

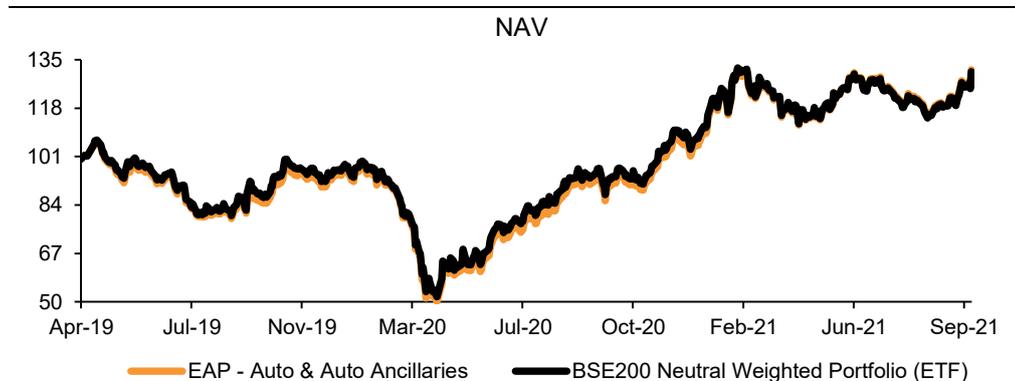
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Auto & Auto Ancillaries	10.1%	5.3%	10.6%	38.8%
BSE200 Neutral Weighted Portfolio (ETF)	9.9%	5.2%	9.8%	34.8%

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 10 Oct 2021 23:54:23 (SGT)

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