

ET WEALTH TOP 50 STOCKS

Every week we put about 3,000 stocks through four key filters and rate them on a mix of factors. The end result of this exercise is the listing of the top 50 stocks based on the composite rating to help ease your fortune hunt.

RANK	PRICE	GROWTH%	VALUATION RATIOS				RISK		RATING				
			Revenue	Net Profit	PE	PB	Div Yield	PEG	Downside Risk	Bear Beta	No. of Analysts	Consensus Rating	
Power Grid Corporation	1	1	177.90	31.27	41.79	15.47	2.17	1.27	0.37	0.99	0.57	43	4.70
CESC	2	2	623.65	23.46	114.91	22.56	1.32	1.63	0.20	1.23	1.03	24	4.54
Oberoi Realty	3	3	323.50	62.81	93.54	25.47	2.07	0.64	0.27	1.47	1.04	20	4.65
Indian Oil Corporation	4	4	650.20	12.81	54.52	14.07	2.08	2.27	0.25	1.13	1.08	37	4.51
Mahindra & Mahindra	5	6	1,372.90	34.35	59.94	25.31	2.84	0.86	0.43	1.06	1.07	49	4.06
Techno Electric & Engineering	6	7	304.30	403.06	86.10	24.72	3.42	0.67	0.31	1.24	0.52	13	4.54
J Kumar Infraprojects	7	5	208.60	44.52	43.12	13.99	1.23	1.01	0.35	2.43	1.54	18	4.84
VA Tech Wabag	8	9	559.85	35.60	77.74	33.03	3.08	0.72	0.42	1.31	0.81	23	4.57
Shriram Transport Finance	9	10	1,206.40	28.13	58.39	23.12	2.69	0.81	0.39	1.54	1.38	41	3.98
SBI	10	NR	256.80	8.73	74.41	25.74	0.93	1.00	0.36	1.52	1.89	53	4.17
Sobha	11	8	307.50	31.87	43.94	19.67	1.18	0.65	0.44	1.30	1.16	19	4.53
South Indian Bank	12	11	24.80	21.23	40.64	10.04	0.87	2.00	0.26	1.16	1.85	16	4.06
ONGC	13	13	269.15	13.73	42.24	16.30	1.25	3.19	0.39	1.44	1.27	40	3.88
Kalpitaru Power	14	16	253.35	24.92	98.29	33.16	1.67	0.59	0.34	1.63	1.51	19	4.53
GAIL India	15	12	414.45	12.61	71.30	23.35	1.49	1.37	0.33	1.25	0.92	37	3.54
Ashoka Buildcon	16	15	176.30	23.29	102.80	55.97	1.77	0.87	0.58	1.91	1.34	24	4.75
JK Cement	17	14	911.65	22.36	395.29	100.62	3.92	0.45	0.26	1.32	0.65	24	4.87
Ambuja Cements	18	21	252.65	44.10	110.25	48.49	3.82	1.09	0.60	1.04	1.18	42	3.38
KEC International	19	20	125.25	14.54	44.17	16.81	2.13	0.81	0.38	1.50	1.44	26	4.62
HSIL	20	22	345.40	22.72	56.85	28.04	1.81	1.15	0.45	1.37	0.99	12	4.33
L&T Finance Holdings	21	17	94.90	36.57	35.53	25.04	2.31	0.83	0.39	1.28	1.25	12	4.33
Indiabulls Housing Finance	22	19	850.25	36.53	36.48	14.21	3.35	4.16	0.53	1.51	1.53	12	4.42
UPL	23	25	671.50	27.86	48.12	22.16	4.24	0.73	0.63	1.43	1.14	29	4.55
Granules India	24	24	120.35	24.29	62.14	21.00	3.92	0.66	0.41	1.67	1.36	14	4.71
Orient Cement	25	23	222.05	52.94	162.28	73.04	4.48	0.45	0.44	1.26	0.38	16	4.19
Glenmark Pharma	26	27	923.60	30.89	100.70	36.93	6.10	0.21	0.37	1.40	0.72	33	4.00
Grasim Industries	27	26	1,009.20	17.91	52.90	19.96	1.82	0.46	0.38	0.96	0.67	20	4.00
National Aluminium	28	18	47.95	15.05	28.15	16.88	0.96	4.16	0.24	1.60	1.31	15	3.47
NCC	29	28	86.00	12.19	108.19	43.22	1.36	0.71	0.40	1.73	1.91	19	4.79
Karur Vysya Bank	30	29	476.10	18.31	23.26	10.22	1.27	2.95	0.45	1.05	0.82	15	4.07
Cyient	31	33	484.90	22.18	24.15	16.67	2.85	1.96	0.70	1.48	0.79	25	4.04
Phoenix Mills	32	32	385.15	21.21	230.56	70.31	3.12	0.57	0.31	1.39	0.93	10	4.70
India Cements	33	30	157.30	19.80	127.10	38.00	1.41	0.63	0.28	2.02	2.72	20	3.85
ACC	34	34	1,629.75	18.33	103.66	52.07	3.63	1.04	0.50	0.93	0.87	41	3.24
NBCC India	35	31	272.70	45.09	70.61	52.59	10.87	0.71	0.07	1.38	1.25	11	4.36
Skipper	36	46	156.00	34.76	31.77	16.77	4.18	0.90	0.53	2.01	2.21	13	4.69
Engineers India	37	35	257.80	20.98	62.05	33.22	3.18	1.57	0.57	1.70	2.05	17	4.06
Maruti Suzuki	38	37	5,710.45	28.43	41.44	36.71	6.22	0.62	0.81	1.16	1.14	52	4.13
Lupin	39	43	1,486.90	32.32	40.81	29.47	6.10	0.50	0.71	1.46	0.73	48	3.81
Sun Pharma	40	40	752.90	22.14	65.87	38.41	5.77	0.13	0.58	1.17	0.60	44	4.00
Gateway Distriparks	41	39	264.00	18.49	33.18	26.19	3.05	2.65	0.76	1.63	1.08	20	4.35
Coromandel International	42	42	257.65	8.70	37.91	20.79	3.10	1.57	0.55	1.54	0.51	15	4.13
Petronet LNG	43	36	374.25	15.71	67.28	30.23	4.37	0.68	0.45	1.21	1.19	39	3.67
Natco Pharma	44	44	609.90	64.23	136.60	67.02	8.18	0.33	0.51	1.64	0.85	14	4.43
Magma Fincorp	45	38	116.25	14.66	35.76	13.08	1.27	0.67	0.35	1.82	1.51	10	4.50
Ultra Tech Cement	46	45	3,960.20	20.65	62.45	47.52	5.16	0.24	0.76	1.03	0.92	49	4.29
Oil India	47	41	412.10	9.19	7.87	12.36	1.10	3.90	0.74	1.09	0.58	35	3.63
Infosys	48	50	1,027.40	14.12	10.76	16.90	3.83	2.33	1.60	1.10	0.69	57	4.40
Tech Mahindra	49	47	420.75	12.92	7.21	12.39	2.38	2.82	0.99	1.07	0.86	52	3.83
Cox & Kings	50	49	224.50	2.55	627.41	70.38	1.55	0.45	0.12	2.11	1.92	12	4.67

* The figures under this head are for expected growth. NR: Not in the ranking. Data as on 6 Oct. 2016. Source: Bloomberg

Methodology

The four filters used to arrive at the Top 50 stocks

Only traded stocks: Of the about 7,000 listed stocks, only actively traded stocks were considered.

Only big stocks: Only companies with an average market capitalisation and revenue of over ₹1,000 crore were considered.

Only well tracked: We picked stocks that are tracked by at least 10 analysts.

Only profitable and growing: We considered only those stocks that are

expected to show growth in revenue, net profit and EPS (earnings per share) in the next four quarters. The final two filters were that the companies should have made profits in the past four quarters and have a positive net worth.

Rating rationale

Having arrived at the final stocks universe, we ranked them using the following four principles. A percentile rating (on a 1-100 scale) is given to each parameter and the composite ranking is arrived at using the weighted average of these parameters.

1. Growth is the key...

Total weight: 30%, which comprises 10% weight to revenue growth, 10%

weight to net profit growth and 10% to growth in EPS (the higher, the better, for each parameter). Growth is calculated by comparing the 'consensus estimate' for the next 12 months with the historical 12-month values.

2. ... but only at reasonable valuation.

Total weight: 40%, which comprises 10% weight to PE ratio, 10% to PB ratio, 10% to PEG ratio (the lower, the better, for all three parameters) and 10% to dividend yield (the higher, the better).

3. Analysts' views matter...

Total Weight: 20%, which comprises 10% weight to the total number of

analysts covering the stock (the higher, the better) and 10% to consensus rating (a composite rating based on the recommendations by all analysts who track a stock. Again, the higher, the better).

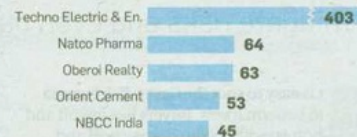
4. ... and so do the risks.

Total weight: 10%. Two kinds of risks were considered. A 5% weight was assigned to downside risk and bear beta each (the lower, the better, in both cases).

The ranking methodology has been developed by Narendra Nathani. A detailed explanation of the methodology is available at www.wealth.economicstimes.com

Fast Growing Stocks

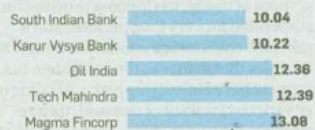
Top 5 stocks with the highest expected revenue % growth over the previous year.



See revenue column in the adjacent table.

Least Expensive Stocks

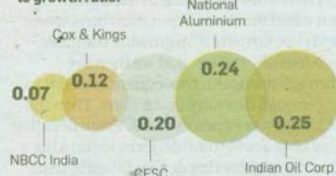
The 5 stocks with the lowest forward PE.



See PE column in the adjacent table.

Best PEGs

Top 5 stocks with the least price earning to growth ratio.



See PEG column in the adjacent table.

Income Generators

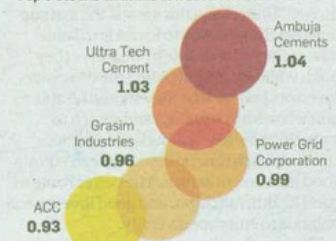
Top 5 stocks with the highest dividend yield.



Dividend stocks are considered safe stocks during a downturn. Figures indicate what an investor can earn as dividend for every ₹100 invested.

Least Risky

Top 5 stocks with the lowest downside risk.



See downside risk and bear beta columns in the adjacent table.