

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	
	Current Rank	Previous Rank	Stock Price	Revenue	Net Profit	PE	PB	Div Yield	PEG	Downside Risk	Bear Beta	No. of Analysts	Consensus Rating
Vedanta	1	1	340.80	28.14	118.21	18.32	2.09	5.66	0.25	1.57	1.36	22	4.82
Power Grid	2	2	215.20	30.70	34.81	15.11	2.26	2.07	0.42	0.86	0.61	37	4.43
Apollo Tyres	3	3	237.15	16.90	365.31	10.98	1.66	1.23	0.03	1.26	1.62	25	4.40
GSPL	4	4	209.30	38.91	67.34	21.89	2.65	0.73	0.32	1.37	1.22	28	4.07
GAIL	5	6	470.95	34.08	41.60	23.65	2.03	1.94	0.51	1.02	1.00	37	3.73
Petronet LNG	6	5	262.55	75.21	38.90	22.85	4.82	0.95	0.25	1.27	1.70	38	4.13
PTC India	7	7	127.00	41.19	29.16	9.06	0.98	2.41	0.30	1.41	2.26	12	4.67
LIC Housing Finance	8	NR	605.55	32.03	45.22	15.73	2.74	1.04	0.35	1.29	2.22	44	3.75
VA Tech Wabag	9	9	589.80	24.38	94.64	31.31	3.23	0.68	0.33	1.26	1.04	20	4.65
CESC	10	8	1,016.80	17.39	42.02	19.51	1.33	0.98	0.23	1.42	1.71	28	4.36
ONGC	11	10	188.00	10.56	25.01	11.77	1.09	3.17	0.48	0.90	0.71	37	4.32
JK Cement	12	11	1,008.30	24.30	74.53	31.13	4.01	0.80	0.42	1.26	1.56	25	4.60
J Kumar Infraproject	13	12	250.60	46.65	44.46	17.98	1.37	0.75	0.34	2.36	2.68	12	4.75
Hindalco Industries	14	13	270.80	15.40	159.77	29.38	1.31	0.40	0.21	1.50	1.70	30	4.50
Mahindra & Mahindra	15	14	1,335.35	1.24	48.64	19.54	2.43	0.96	0.54	0.92	1.27	45	4.56
Cyient	16	18	543.80	18.09	30.25	17.80	2.89	1.84	0.59	1.12	0.52	25	4.64
NTPC	17	17	180.25	21.95	17.77	13.87	1.52	2.64	0.77	0.87	0.99	34	4.44
NMDC	18	16	128.85	18.20	43.06	16.02	1.81	4.01	0.22	1.36	2.19	25	3.28
Tata Power	19	15	84.80	17.58	138.29	36.24	1.73	1.53	0.21	0.94	1.41	26	3.19
InterGlobe Aviation	20	23	1,247.95	36.48	58.43	27.16	11.94	2.73	0.57	1.27	1.15	19	4.32
Oberoi Realty	21	19	493.50	143.64	179.09	44.26	2.93	0.41	0.24	1.73	2.31	20	4.05
BHEL	22	20	97.65	19.20	219.37	78.75	1.11	1.07	0.36	1.28	1.87	43	2.16
JSW Steel	23	29	266.20	21.83	34.74	18.16	2.82	0.85	0.52	1.33	1.35	33	3.85
Jubilant Life Sciences	24	22	650.75	27.52	43.78	17.56	3.01	0.46	0.44	1.51	2.18	15	4.93
Kalpataru Power	25	21	389.35	11.01	53.82	32.04	2.47	0.53	0.39	1.15	1.38	20	4.65
ACC	26	28	1,799.40	29.93	91.54	55.90	3.91	0.93	0.67	1.04	1.63	41	3.29
Trident	27	27	100.95	17.72	34.97	15.25	1.87	1.30	0.44	1.70	3.07	12	4.83
Oil India	28	24	360.35	31.09	11.32	17.97	0.97	3.85	1.18	1.02	0.40	31	3.81
Jagran Prakashan	29	30	178.85	16.27	21.08	16.82	2.71	1.71	0.59	0.98	0.99	20	4.40
KEC International	30	26	306.30	23.05	43.03	25.83	4.96	0.53	0.59	1.45	1.14	29	4.45
Ambuja Cements	31	33	279.55	25.02	67.00	49.48	2.84	0.99	0.76	1.10	1.57	41	3.12
Engineers India	32	44	183.55	44.41	34.18	37.46	4.35	1.63	0.97	1.47	1.48	19	4.42
Cadila Healthcare	33	32	507.90	36.87	51.58	34.95	7.47	0.64	0.69	1.52	1.84	39	4.00
Cholamandalam Investments	34	NR	1,243.90	136.37	36.60	27.01	4.49	0.45	0.73	1.45	1.78	24	4.58
Cipla	35	31	636.00	23.31	94.30	50.80	4.09	0.32	0.53	1.00	0.80	42	3.60
DB Corp	36	25	369.95	17.78	21.90	18.15	4.27	1.11	0.74	0.83	0.29	22	4.50
IRB Infrastructure	37	34	241.20	7.29	23.88	11.85	1.61	3.12	0.47	1.54	3.08	24	4.29
Dr Reddy's Lab	38	35	2411.40	14.80	45.04	33.38	3.22	0.85	0.72	1.20	0.44	44	3.14
India Cements	39	36	189.45	15.27	136.76	38.66	1.13	0.52	0.23	2.02	3.85	21	4.00
JK Lakshmi Cement	40	38	434.95	34.13	198.39	59.66	3.65	0.17	0.32	1.42	2.06	26	3.73
Arvind	41	37	407.00	23.92	55.38	33.50	2.95	0.60	0.60	1.36	2.80	17	4.29
Reliance Industries	42	40	946.60	24.64	15.94	18.69	2.13	0.58	1.00	0.95	1.31	41	4.17
Container Corp. of India	43	39	1,379.45	21.24	30.88	49.08	3.82	1.09	0.71	1.10	0.90	31	3.48
Larsen & Toubro	44	45	1,210.95	19.42	19.32	28.03	3.37	1.15	1.39	0.77	0.92	41	4.32
Maruti Suzuki India	45	NR	8,225.80	30.84	25.24	33.05	6.69	0.91	1.30	0.91	1.64	55	4.29
Redington India	46	46	169.75	15.89	18.03	14.62	2.16	2.64	0.80	1.21	0.96	10	4.40
Dalmia Bharat	47	43	3,073.30	27.49	161.03	79.19	5.51	0.07	0.55	1.68	3.20	27	4.70
Persistent Systems	48	48	654.75	13.74	19.81	16.76	2.59	0.91	0.88	0.92	0.73	35	3.91
Gujarat Gas	49	41	922.40	31.71	127.93	57.58	7.63	0.33	0.44	1.04	0.66	19	3.84
Coromandel International	50	NR	507.40	21.54	54.52	31.01	5.12	0.98	0.57	1.50	2.63	14	4.21

* The figures under this head are for expected growth. NR: Not in the ranking. Data as on 2 Nov 2017. 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 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 Nathan. A detailed explanation of the methodology is available at www.economicstimes.com/wealth

Fast Growing Stocks

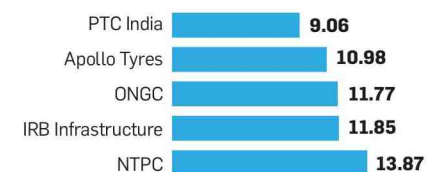
Top 5 stocks with the highest expected revenue % growth over the previous year.



See revenue column in the adjacent table.

Least Expensive Stocks

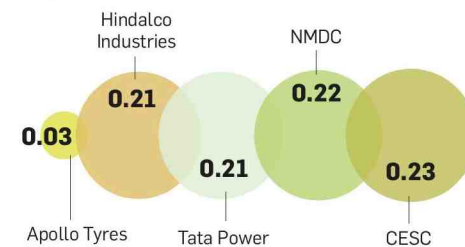
The 5 stocks with the lowest forward PE.



See PE column in the adjacent table.

Best PEGs

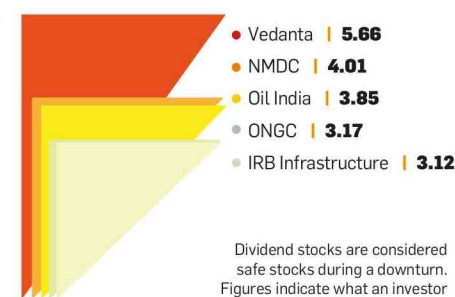
Top 5 stocks with the least price earning to growth ratio.



See PEG column in the adjacent table.

Income Generators

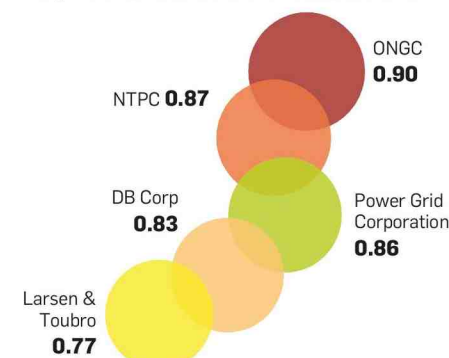
Top 5 stocks with the highest dividend yield.



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.