

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	
Indian Oil Corporation	1	1	385.75	25.57	85.00	16.66	2.46	5.83	0.17	1.24	1.45	35	4.88	
Power Grid Corporation	2	2	197.20	45.62	51.82	17.11	2.40	1.29	0.33	0.94	0.61	40	4.47	
HCL Technologies	3	3	853.50	71.41	58.98	16.31	4.29	2.62	0.28	1.07	0.99	50	4.10	
ONGC	4	4	187.55	26.77	77.37	16.98	1.30	3.98	0.20	1.05	0.73	37	3.73	
CESC	5	5	837.50	32.52	163.32	30.22	1.77	1.18	0.18	1.08	1.06	26	4.00	
Mahindra & Mahindra	6	7	1,288.90	38.07	63.72	23.67	2.66	0.93	0.39	0.96	1.31	47	4.32	
Manappuram Finance	7	6	94.35	106.68	131.27	22.70	2.91	1.53	0.17	2.36	2.81	11	5.00	
Oberoi Realty	8	8	384.00	90.37	126.88	30.28	2.46	0.53	0.24	1.74	1.77	18	4.67	
GAIL India	9	10	386.65	18.57	108.29	28.88	1.84	2.26	0.27	0.99	0.92	38	3.50	
Petronet LNG	10	12	411.75	49.70	88.61	33.13	4.79	0.61	0.37	1.32	1.02	40	4.03	
Techno Electric & Engineering	11	9	392.25	423.23	110.95	31.80	4.41	0.25	0.28	1.09	0.39	16	4.69	
VA Tech Wabag	12	11	702.40	44.00	92.88	41.46	3.86	0.57	0.45	1.21	0.84	22	4.77	
Indiabulls Housing Finance	13	15	977.00	71.79	51.96	16.34	3.85	3.65	0.40	1.41	1.84	13	4.54	
Oil India	14	28	333.65	19.43	36.81	13.36	1.19	4.66	0.34	0.90	0.62	33	3.55	
South Indian Bank	15	13	21.45	30.63	50.19	9.64	0.84	2.10	0.28	1.24	1.72	14	4.14	
Lakshmi Vilas Bank	16	14	170.65	48.89	62.36	17.06	1.75	1.75	0.36	1.42	1.42	10	3.90	
Engineers India	17	17	150.80	35.88	80.19	39.05	3.74	2.32	0.48	1.60	1.72	21	4.38	
Cyient	18	19	486.40	32.33	33.61	16.83	2.88	1.14	0.50	1.13	-0.36	22	4.27	
Glenmark Pharma	19	21	867.35	38.23	115.12	34.67	5.73	0.23	0.30	1.09	1.42	38	4.26	
Shriram Transport Finance	20	18	1,094.00	25.33	52.19	21.00	2.44	0.80	0.40	1.51	2.32	40	3.90	
HSIL	21	16	352.95	23.64	73.20	28.79	1.86	1.15	0.39	1.43	1.58	10	4.50	
DB Corp	22	23	392.55	25.93	50.08	24.40	5.38	2.12	0.50	0.83	0.72	21	4.43	
Ashoka Buldoon	23	20	211.55	28.56	127.65	66.41	2.10	0.77	0.53	1.88	1.73	22	4.82	
KEC International	24	24	217.70	17.16	66.90	29.26	3.71	0.45	0.44	1.32	0.85	29	4.69	
J Kumar Infraprojects	25	31	250.50	46.18	41.55	16.97	1.48	0.78	0.49	2.49	2.37	17	4.88	
Maruti Suzuki India	26	25	6291.65	37.14	72.81	40.41	6.84	0.55	0.54	1.06	1.59	55	4.38	
Cholamandalam Investment	27	27	986.70	89.80	56.85	26.00	4.20	0.56	0.52	1.41	1.30	24	4.13	
Sun Pharma	28	32	686.90	24.05	66.81	35.11	5.27	0.14	0.53	1.15	0.03	46	4.59	
LPL	29	29	729.10	38.30	63.79	24.06	4.60	0.68	0.58	1.31	1.82	29	4.45	
Kalpitaru Power	30	34	328.05	23.93	77.71	42.78	2.16	0.46	0.55	1.17	1.24	23	4.70	
Natco Pharma	31	26	859.50	100.58	211.58	92.96	11.35	0.78	0.45	1.39	0.38	19	4.18	
L&T Finance Holdings	32	30	123.20	47.03	54.53	32.49	3.00	0.65	0.38	1.53	2.78	13	4.46	
Hindustan Zinc	33	33	298.15	53.95	27.72	14.83	3.24	18.33	0.54	1.37	1.23	28	3.36	
Lupin	34	40	1,448.40	39.92	44.06	28.82	5.92	0.52	0.66	1.17	0.74	47	4.06	
JK Cement	35	36	927.80	22.92	401.40	103.44	4.03	0.43	0.26	1.37	1.75	23	4.48	
Gateway Distriparks	36	35	261.05	22.81	33.40	26.00	3.03	2.34	0.67	1.41	0.91	21	4.43	
India Cements	37	38	164.75	20.04	138.67	37.48	1.47	0.61	0.30	1.89	3.14	23	3.74	
Aurobindo Pharma	38	39	670.45	31.03	39.38	19.73	5.55	0.29	0.50	1.30	1.55	40	4.68	
Minda Inds	39	41	444.80	60.18	84.00	31.80	7.54	0.45	0.42	1.51	2.28	12	4.75	
NMDC	40	43	137.10	42.01	10.58	18.45	1.81	3.05	0.48	1.49	2.22	26	2.85	
Granules India	41	45	141.05	24.72	65.20	24.84	4.59	0.80	0.49	1.55	1.85	14	4.64	
IRB Infrastructure	42	46	244.90	30.42	18.14	13.62	1.79	0.83	0.67	1.43	2.58	24	4.54	
NTPC	43	49	167.70	18.96	10.49	13.47	1.54	2.62	1.31	0.97	1.02	37	4.30	
Skipper	44	42	185.75	38.42	33.93	19.96	4.98	0.73	0.59	1.27	1.74	15	4.73	
Sobha	45	44	398.50	35.35	30.34	25.81	1.55	0.50	0.82	1.33	1.18	18	4.56	
Grasim Industries	46	NR	1,069.10	18.37	54.74	21.07	1.92	0.42	0.44	1.30	1.52	19	3.95	
Tech Mahindra	47	48	446.90	13.32	9.49	12.89	2.46	2.88	1.18	1.09	1.05	51	4.28	
Orient Cement	48	50	145.25	62.84	59.21	47.45	2.91	0.89	0.73	1.58	1.08	14	3.79	
BPCL	49	NR	646.20	22.94	8.82	11.59	3.30	6.12	1.04	1.14	0.46	36	3.81	
Larsen & Toubro	50	NR	1,683.20	23.34	26.23	30.79	3.57	1.08	1.18	0.95	1.19	42	4.48	

* The figures under this head are for expected growth. NR: Not in the ranking. Data as on 6 April 2017. Source: Bloomberg

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

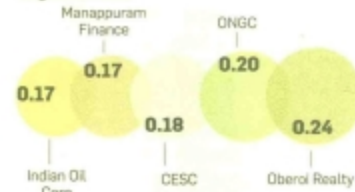
The 5 stocks with the lowest forward PE.



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

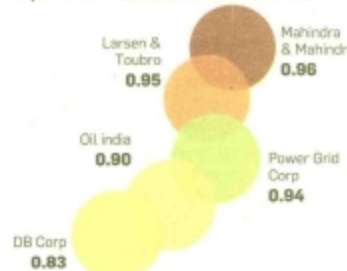
Top 5 stocks with the highest dividend yield.



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.

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 Nathan. A detailed explanation of the methodology is available at www.economicstimes.com/wealth