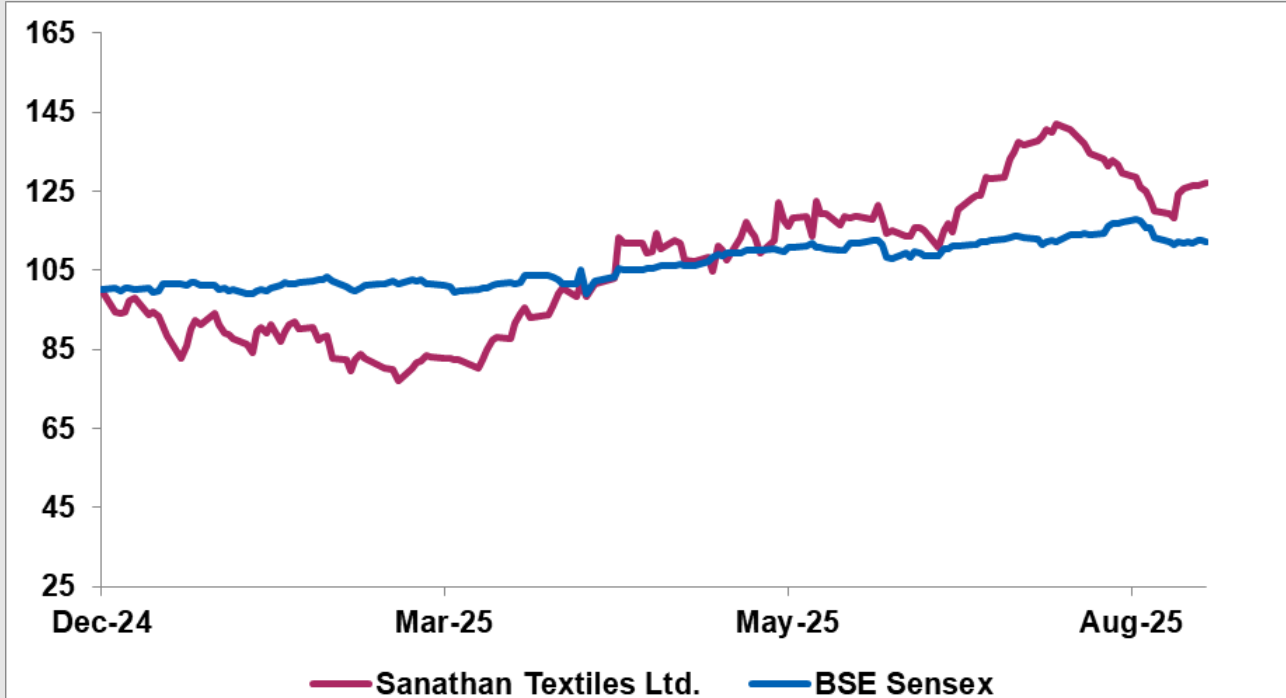


CMP: 493

Stop Loss: 468

Duration: 30 Days



- We recommend a **BUY** on Sanathan Textiles Ltd Ltd with a Target Price of Rs. 542, an upside of 10% from CMP of Rs. 493 and Stop Loss Rs. 468.
- Incorporated in 2005, Sanathan Textiles Ltd manufactures and exports polyester yarn, cotton yarn, and yarn for technical textiles. The company was listed on both the NSE and BSE in Dec'24. A majority of its revenue comes from polyester yarn. It currently operates with an installed capacity of 223,750 MTPA at its Silvassa facility and is in the process of more than doubling the capacity with expansion in Punjab. Sanathan's clientele includes a number of major textile players across India.
- Most of the customers for Polyester yarn are concentrated in the North, and Sanathan is expected to gain a significant cost advantage due to reduced transportation costs.
- The company is also likely to be benefitted from recently announced GST reforms expected by Diwali as the companies involved in the manufacture of yarn and fabric, as well as those in the ready-made garment sector, could see positive impacts.
- Based on these we expect the company to see considerable improvement in EBITDA margins coupled with revenue/volume growth. Accordingly, we recommend a BUY on the stock.

Axis Alpha Performance Tracker

Recommendation date	Stock name	Recommendation	Recommended Price	Target	Status	Closure price	Profit/Loss after brokerage
21-10-2024	Biocon Ltd	Buy	340	374	Closed	323	-5,500
23-10-2024	Sunteck Realty Ltd	Buy	559	615	Closed	531	-5,509
05-11-2024	Hindustan Zinc Ltd	Buy	559	614	Closed	531	-5,509
05-11-2024	Bank of India	Buy	110	121	Closed	105	-5,391
06-11-2024	KEC International	Buy	959	1,050	Closed	1,016	5,444
11-11-2024	G R Infraprojects Ltd	Buy	1,605	1,760	Closed	1,670	3,550
25-11-2024	Jyoti Structures Ltd	Buy	29	32	Closed	31	4,619
27-11-2024	Rites Ltd	Buy	293	323	Closed	275	-6,643
04-12-2024	Bajaj Finserv Ltd	Buy	1,616	1,780	Closed	1,680	3,460
05-12-2024	Waaree Energies Ltd	Buy	2,835	3,119	Closed	2,960	3,909
09-12-2024	Welspun India Limited	Buy	167	184	Closed	177	5,488
16-12-2024	Ajanta Pharma Ltd	Buy	2,800	3,080	Closed	2,900	3,071
20-12-2024	Fortis Healthcare	Buy	680	750	Closed	708	3,618
31-12-2024	Vijaya Diagnostic Centre Ltd	Buy	1,050	1,155	Closed	1,095	3,786
08-01-2025	Lemon Tree Hotels Ltd	Buy	146	161	Closed	137	-6,664
20-01-2025	Dalmia Bharat Sugar and Industries Ltd	Buy	372	410	Closed	353	-5,608
27-01-2025	UltraTech Cement Ltd	Buy	11,250	12,375	Closed	11,750	3,944
30-01-2025	Endurance Technologies Ltd	Buy	1,975	2,155	Closed	1,875	-5,563
03-02-2025	J K Cement Ltd	Buy	4,780	5,260	Closed	4,978	3,642
04-02-2025	Genus Power Infrastructure Ltd	Buy	300	330	Closed	322	6,833
05-02-2025	KEC International Limited	Buy	816	900	Closed	765	-6,750
05-02-2025	Ratnamani Metals and Tubes Ltd	Buy	2,875	3,163	Closed	2,731	-5,509
07-02-2025	J Kumar Infraprojects Ltd	Buy	761	840	Closed	715	-6,545
12-02-2025	Lupin	Buy	2,060	2,265	Closed	2,132	2,995
17-02-2025	Max Healthcare Institute Ltd	Buy	1,000	1,100	Closed	1,038	3,300
04-03-2025	Laurus Labs Ltd.	BUY	533	586	Closed	554	3,437
04-03-2025	Godrej Properties Ltd	BUY	2,041	2,245	Closed	2,115	3,123
05-03-2025	Dalmia Bharat Ltd	BUY	1,705	1,875	Closed	1,601	-6,800
05-03-2025	GE Vernova T&D India Limited	BUY	1,395	1,535	Closed	1,470	4,873
05-03-2025	Astral Ltd	BUY	1,315	1,446	Closed	1,242	-6,051
21-04-2025	Sterling and Wilson Renewable Energy Ltd	BUY	290	320	Closed	311	6,741
21-04-2025	National Fertilizers Ltd	BUY	86	95	Closed	82	-5,151
22-04-2025	Max Healthcare Institute Ltd.	BUY	1,115	1,226	Closed	1,171	4,522
29-04-2025	Moil Ltd	BUY	323	355	Closed	346	6,621
02-05-2025	Star Cement Ltd	BUY	221	243	Closed	209	-5,930
14-05-2025	Birla Corporation Ltd.	BUY	1,328	1,460	Closed	1,395	4,545
14-05-2025	Techno Electric & Engineering Company Ltd.	BUY	1,182	1,300	Closed	1,243	4,661
14-05-2025	Laurus Labs Ltd.	BUY	605	666	Closed	635	4,459
20-05-2025	Bharat Electronics Ltd	BUY	365	402	Closed	383	4,432
23-05-2025	Polyplex Corporation Ltd	BUY	1,311	1,442	Closed	1,377	4,534
27-05-2025	Suzlon Energy Ltd	BUY	64	70	Closed	68	5,789
29-05-2025	J. Kumar Infraprojects Ltd	BUY	700	770	Closed	755	7,357
29-05-2025	Prestige Estates Projects Ltd	BUY	1,485	1,630	Closed	1,580	5,897
06-06-2025	KEC International Limited	BUY	878	965	Closed	924	4,739
09-06-2025	Afcons Infrastructure Limited	BUY	444	490	Closed	419	-6,131
10-06-2025	Jindal Saw Ltd	Buy	240	264	Closed	253	4,917
11-06-2025	Godrej Consumer Products Ltd	Buy	1,225	1,350	Closed	1,264	2,684
30-06-2025	Hindustan Zinc Ltd	Buy	449	494	Closed	427	-5,400
09-07-2025	Kitex Garments Ltd	Buy	295	325	Closed	280	-5,585
14-07-2025	Laxmi Dental Ltd	BUY	451	495	Closed	478	5,487

Note: Notional investment of Rs 1,00,000; Cumulative Strike rate 66.59%

About Axis Alpha



OBJECTIVE:

The objective of Axis Alpha is to generate absolute return for investors and traders. Axis Alpha is fundamental short term stock call based on the events, valuations, market direction or a mix of these. The duration of the call can be as short as a week to as long as a month (30 days). These short term calls are generated by the fundamental research team of Axis securities and the calls can differ from the fundamental long-term recommendation on the stock. The average expected returns for these calls will be 5%. All the calls will be provided with Stop Losses.



EVENTS BASED:

The calls are based on the following factors. While this is not a complete list of factors but most of the calls will be based on the following:

- Quarterly results: Results are likely to be better or worse than expectations resulting in a +/-5% move for the stock
- Mergers and acquisition: Mergers or acquisitions by companies can result in significant price movements in either directions
- Major blocks or capital raising programs results in significant price movements
Regulatory announcements affecting the industry
- Competition announcements impacting the industry as a whole. Example Jio cutting tariffs impacts all the telecom players
- Others



VALUATIONS BASED:

Significant run up or compression can result in short term opportunities for corrections in either direction.



MARKET MODES:

Risk on or risk off mode of market has impact on stocks depending on stocks beta, leverage and nature of industry. These provide opportunities.



SUITABILITY:

This product is suitable for seasoned investors and traders as we stop losses get triggered based on market conditions. Also there can be high degree of volatility as some months can be very bad and some could be exceptionally good. However, the endeavour will be to deliver solid absolute returns.

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