

TOP 10 VALUE INVESTING STOCKS INDIA FUTURECAPS



JULY 2026

- 1 Angel One
- 2 Eco Recycling
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- 5 K.P. Energy



TOP VALUE
PICKS FOR 2026



MULTIBAGGER

TOP VALUE PICKS FOR 2026
STRATEGIES FOR LONG-TERM GROWTH

Top 10 Value Investing Stocks India

Expert Stock Analysis 2026

Stocks Covered

1. Angel One (Stockbroking & Allied)
2. Eco Recycling (Waste Management)
3. BLS International Services (Tour, Travel Related Services)
4. Emerald Finance (Non Banking Financial Company (NBFC))
5. K.P. Energy (Power Generation)
6. ICICI Prudential Asset Management Co (Asset Management Company)
7. Systango Technologies (Computers - Software & Consulting)
8. Arrow Greentech (Packaging)
9. Jeena Sikho Lifecare (Wellness)
10. Naapbooks (Computers - Software & Consulting)

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Executive Summary

If you've ever felt overwhelmed trying to separate genuinely great businesses from the noise of the Indian stock market, you're not alone. With over 5,000 listed companies on Indian exchanges, finding stocks that are both reasonably priced and fundamentally strong is a bit like finding a diamond in a riverbed — possible, but only if you know exactly what to look for. That's precisely what we've done for you here. 💎

Welcome to Futurecaps.com's curated list of the Top 10 Value Investing Stocks in India for 2026 . This isn't a list thrown together by chasing headlines or momentum. Every stock here has been selected through our in-house, multi-layered research methodology — one that stress-tests businesses across profitability, capital efficiency, earnings quality, sectoral tailwinds, and valuation sanity. We ask a simple but powerful question before any stock makes our cut: Is this business creating real wealth, and are we paying a fair price for it?

📊 The macro backdrop for 2026 makes this exercise especially exciting. India's GDP is on a sustained growth trajectory, domestic consumption is broadening, financial inclusion is accelerating, and the government's push toward clean energy, digital infrastructure, and formalisation of the economy is opening up entirely new addressable markets. Value investing, contrary to popular belief, isn't just about buying cheap stocks — it's about buying quality businesses at prices that still leave room for significant upside . In a market where euphoria often inflates certain pockets, disciplined value hunting across overlooked sectors can deliver outsized returns.

So how did these 10 stocks earn their place? Our Futurecaps research team filtered candidates against a strict framework:

- ✅ Return on Capital Employed (ROCE) consistently above industry peers — a sign that management is genuinely good at deploying your money
- ✅ Price-to-Earnings (PE) ratios that reflect fair-to-attractive pricing relative to growth potential and sector context
- ✅ Business model durability — recurring revenue, strong moats, or structural demand tailwinds
- ✅ Sector opportunity sizing — each company operates in a space with meaningful runway ahead
- ✅ Balance sheet discipline — low or manageable debt, healthy cash flows, and no accounting red flags

🚀 The 10 businesses that made this list span a wonderfully diverse range of sectors — from stockbroking and asset management riding India's financialisation wave, to waste recycling and

green packaging responding to the global sustainability shift, to niche software consultancies and wellness companies capturing entirely new consumer behaviours. Some names you'll recognise immediately; others are smaller, under-the-radar businesses that institutional money hasn't fully discovered yet — and that's often where the most rewarding opportunities live.

Consider the energy transition tailwind powering companies like K.P. Energy with a remarkable ROCE of 39.2%, or the compounding engine that ICICI Prudential AMC represents as Indian households shift savings from gold and fixed deposits into mutual funds. 📈 Look at how Eco Recycling and Arrow Greentech are quietly positioning themselves at the intersection of regulation and environmental urgency. Or how Systango Technologies and Naapbooks, with their lean structures and strong capital returns, are building scalable digital businesses in a world that is permanently more tech-dependent. Each story is different, but the common thread is the same — value creation backed by numbers that don't lie.

🌱 It's also worth noting that value investing in India in 2026 demands a broader lens than it once did. A PE of 44 might look expensive in isolation, but if the underlying business earns a ROCE of 115% — as one company on this list does — the price may in fact be a bargain relative to the wealth being generated. Our analysis always places raw numbers in proper context, because great investing is about judgment, not just arithmetic.

At Futurecaps.com, our mission is simple — to give serious Indian retail investors the same quality of research that was once accessible only to institutional desks. Every stock profile in this article includes a deep-dive into the business model, competitive positioning, financial health, and our forward-looking thesis. We believe an informed investor is a confident investor, and confident investors make better long-term decisions. 🏆

How to use this article: We recommend reading each stock profile in full rather than jumping straight to conclusions based on sector or name recognition. Pay attention to the ROCE and PE figures in context, the business narrative, and the risk factors we've flagged. This list is designed to inform your research process, not replace it. Use it as a starting point for deeper diligence, and always align any investment with your personal financial goals and risk appetite. Let's dive in. 🔍

#1 – Angel One

Sector: Stockbroking & Allied

About Angel One

Angel One Limited, formerly known as Angel Broking, traces its roots to 1987 when Dinesh Thakkar founded the firm as a sub-broker in Mumbai. Over three decades, the company evolved from a traditional full-service brokerage into one of India's most recognisable retail stockbroking franchises. It listed on Indian exchanges in 2020 and subsequently rebranded to Angel One in 2022, signalling a deliberate pivot from a broking identity to a broader fintech platform serving the aspirational Indian investor. Today, headquartered in Mumbai, Angel One is a SEBI-registered stockbroker, depository participant, and a registered investment adviser operating across equities, derivatives, commodities, currencies, mutual funds, and insurance.

 The company's core business revolves around its flagship Super App – an integrated digital platform that allows retail clients to open demat accounts, trade across asset classes, invest in mutual funds, access margin trade funding (MTF), and consume research and advisory content, all within a single ecosystem. This app-first architecture has been the single biggest driver of Angel One's explosive client growth: the company crossed 26 million registered clients by FY25, making it one of the top three brokers in India by active NSE client count. The zero-brokerage model on delivery trades and flat-fee structure on intraday and F&O positions have allowed it to aggressively capture first-time investors, particularly from Tier 2 and Tier 3 cities, who represent a disproportionate share of new demat account openings in India.

 Angel One's competitive moat is built on three pillars: technology depth, data assets, and brand trust. The management has articulated a clear strategy in the FY25 Annual Report around 'Angel Intelligence' – a suite of AI-driven tools for personalised stock recommendations, portfolio health scores, and nudge-based investor education. This proprietary technology stack makes client acquisition cheaper and retention stickier compared to peers. The MTF book, which earns net interest income, and the distribution of third-party financial products (mutual funds, insurance) further diversify revenues beyond pure transaction fees, providing some buffer against volume cyclicality. The company's cost-to-income ratio, while under pressure in FY26, remains competitive within the discount broking industry.

 On the growth strategy front, the FY25 Annual Report highlights management's intent to deepen penetration in underpenetrated geographies, expand the wealth management offering for high-net-worth segments, and grow the MTF loan book responsibly. Capex is directed primarily toward technology infrastructure – cloud migration, data engineering, and cybersecurity – rather than physical branch expansion, keeping the asset-light model intact. The report also underscores a focus on improving client activation rates, as a significant portion of registered clients remain dormant, representing a large internal monetisation opportunity without incremental acquisition

cost.

⚡ The near-term outlook is clouded by SEBI's regulatory tightening on F&O products, which has compressed industry volumes sharply from their FY24-FY25 peaks. However, the long-term structural story — India's rising financialisation of savings, a young demographic profile, and persistently low equity penetration relative to GDP — remains firmly intact. Angel One, with its digital-first DNA and large registered client base, is well-positioned to benefit as market activity normalises. The stock currently trades at a meaningful discount to its estimated intrinsic value, warranting close attention from patient, long-horizon investors.

🌐 Angel One Official Website

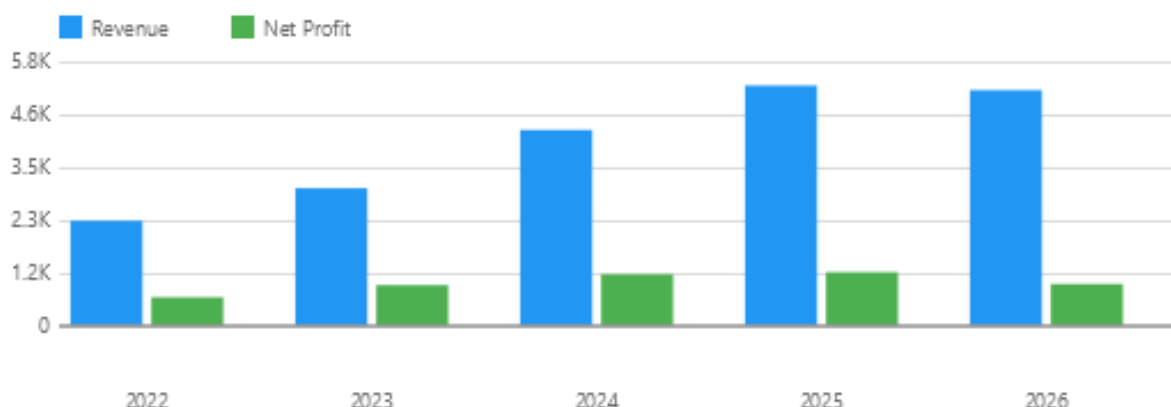
Website: <http://www.angelbroking.com/>

Value Parameters

Market Price	₹345	Intrinsic Value	₹667
PE Ratio	34.4	PB Ratio	5.1
ROCE %	14.8	ROE %	15.6
D/E Ratio	1.3	EPS	₹10.05
Pledging %	N/A	Growth Rate	40
Growth Rate	40%	Verdict	Undervalued

Profit & Loss

Angel One revenue grew from ₹2.3K Cr (Mar 2022) to ₹5.1K Cr (Mar 2026), a 22% CAGR. Net profit expanded from ₹625 Cr to ₹915 Cr (10% CAGR), reflecting strong operating leverage.



Positives ✓

- Massive retail client base with over 26 million registered clients, growing at a rapid pace driven by a fully digital, paperless onboarding funnel that costs a fraction of traditional brokers.
- Diversified revenue streams beyond broking — including margin trade funding (MTF), distribution of mutual funds, and insurance products — reducing dependence on market-linked transaction volumes.

- Technology-led scalable business model with significant investment in AI-powered advisory tools (Angel Intelligence) and a Super App strategy that deepens client engagement and wallet share.
- Strong profitability trend with operating profit growing from ₹926 Cr in FY22 to ₹1,983 Cr in FY25, reflecting disciplined cost management and operating leverage across a largely fixed-cost digital infrastructure.
- Intrinsic value estimated at ₹667 against a current market price of ₹345, suggesting meaningful margin of safety for long-term investors if earnings normalise and growth re-accelerates.

Negatives ⚠️

- EPS has declined from ₹13.40 in FY24 to ₹10.05 in FY26 (TTM), and operating profit has contracted from ₹1,983 Cr in FY25 to ₹1,820 Cr in FY26, signalling near-term earnings pressure from SEBI's F&O regulatory tightening.
- D/E ratio of 1.3 reflects meaningful leverage, primarily from margin trade funding book; any credit stress or sharp market correction could pressure asset quality and profitability simultaneously.
- Heavy dependence on F&O volumes makes revenue highly cyclical and vulnerable to regulatory intervention — SEBI's October 2024 circular restricting weekly expiry contracts has materially impacted industry-wide F&O turnover, directly squeezing Angel One's top line.

#2 – Eco Recycling

Sector: Waste Management

About Eco Recycling

Eco Recycling Limited, widely recognised by its brand Ecoreco, was incorporated in 1999 and stands as one of India's earliest organised players in the formal electronic waste recycling industry. Headquartered in Mumbai, the company spent its formative years building awareness around responsible e-waste disposal at a time when the concept was virtually unknown in India. Over two and a half decades, it has evolved from a niche environmental services start-up into a credible, regulation-backed enterprise serving large corporates, original equipment manufacturers, and government agencies across the country. This long operating history has given Ecoreco a compliance track record and stakeholder trust that newer entrants simply cannot replicate overnight.

 The core business revolves around the collection, dismantling, segregation, and scientific recycling of end-of-life electronics — computers, servers, mobile phones, batteries, and allied IT assets. Ecoreco operates authorised processing facilities that extract precious and base metals while ensuring hazardous components are disposed of in an environmentally compliant manner. Crucially, the company also generates and trades Extended Producer Responsibility (EPR) certificates — a regulatory instrument mandated under India's E-Waste Management Rules that obligates electronics producers to recycle a defined volume of waste. This EPR certificate business has emerged as a significant and high-margin revenue stream, directly linked to regulatory enforcement intensity.

 Ecoreco's competitive moat rests on three pillars: regulatory authorisations that are both time-consuming and expensive to obtain, an established collection network built over decades, and brand credibility with blue-chip corporate clients who require auditable, compliant recycling certificates for their sustainability reporting. The formal e-waste recycling sector in India remains highly fragmented, with the vast majority of volumes still handled by the informal sector. As regulatory enforcement tightens — evidenced by the Ministry of Environment's progressively stricter EPR targets — organised players like Ecoreco are structurally positioned to capture a growing share of a mandated market. This regulatory tailwind is arguably the most powerful long-term demand driver for the business.

 On the financial front, the company's trajectory has been striking. Operating profit grew from ₹4 Cr in FY22 to ₹31 Cr in FY25 — nearly an eightfold increase in three years — reflecting the compounding effect of capacity additions and EPR certificate monetisation. EPS reached ₹34.15 in FY25 before moderating to ₹11.98 in FY26, suggesting FY25 may have included exceptional realisations. Management has focused on expanding processing throughput and deepening relationships with OEM clients who face escalating EPR compliance obligations. The near-zero debt on the balance sheet underscores that this growth has been self-funded, preserving equity value for shareholders.

🚀 Looking ahead, the outlook for organised e-waste recycling in India is structurally compelling. India is now the third-largest generator of e-waste globally, and urban electronics penetration continues to rise rapidly. Ecoreco's growth strategy centres on expanding collection reach, scaling EPR certificate volumes, and potentially adding battery recycling capabilities as electric vehicle adoption accelerates. The intrinsic value estimate of ₹1,173 against a market price of ₹538 suggests meaningful upside if earnings normalise and grow consistently. For investors with a long time horizon and comfort with a mid-cap ESG-linked business, Ecoreco represents a rare listed proxy on India's formalising waste economy.

🌐 Eco Recycling Official Website



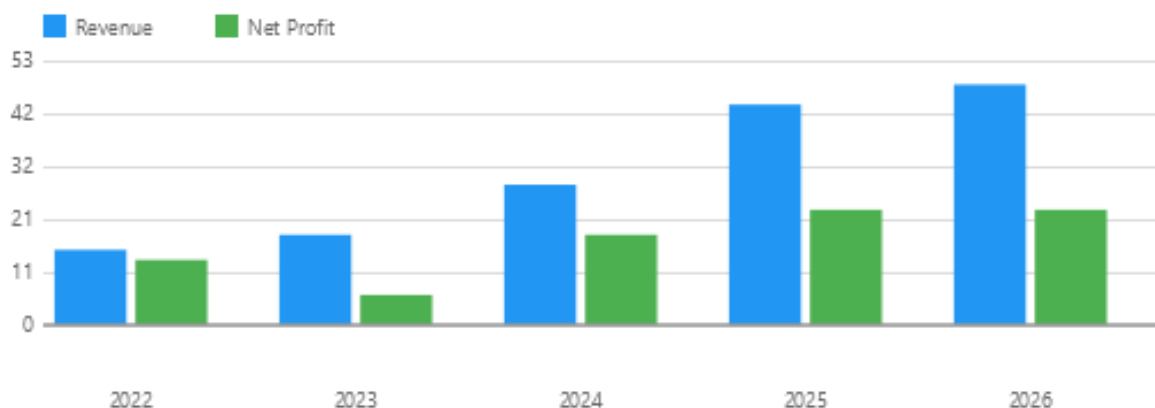
Website: <http://www.ecoreco.com/>

Value Parameters

Market Price	₹538	Intrinsic Value	₹1,173
PE Ratio	44.9	PB Ratio	9.4
ROCE %	30.0	ROE %	23.3
D/E Ratio	0.05	EPS	₹11.98
Pledging %	N/A	Growth Rate	61
Growth Rate	61%	Verdict	Undervalued

📊 Profit & Loss

Eco Recycling revenue grew from ₹15 Cr (Mar 2022) to ₹48 Cr (Mar 2026), a 34% CAGR. Net profit expanded from ₹13 Cr to ₹23 Cr (15% CAGR), reflecting strong operating leverage.



Positives ✓

- EPS surged from ₹9.24 in FY24 to ₹34.15 in FY25, reflecting an exceptional year of profitability driven by expanded processing capacity and EPR certificate monetisation.
- Operating profit nearly doubled from ₹16 Cr in FY24 to ₹31 Cr in FY25, signalling strong operating leverage as volumes scale on a largely fixed-cost infrastructure base.
- Near debt-free balance sheet with a D/E ratio of just 0.05 gives the company flexibility to fund capex from internal accruals without diluting equity or raising expensive debt.
- ROCE of 30% and ROE of 23.3% demonstrate disciplined capital allocation and a high-quality business model where returns on invested capital consistently exceed cost of capital.
- India's e-waste generation is projected to grow at a double-digit CAGR, and tightening EPR regulations by the Ministry of Environment are structurally expanding the formal recycling market where Ecoreco holds early-mover advantage.

Negatives ⚠

- Revenue visibility remains opaque — sales figures are not separately disclosed in public summaries, making it difficult to independently verify top-line consistency and assess revenue concentration risk across clients.
- EPS declined sharply from ₹34.15 in FY25 to ₹11.98 in FY26, and operating profit dipped from ₹31 Cr to ₹29 Cr, raising concerns about sustainability of peak earnings and possible one-off gains in FY25.
- At a PE of 44.9x and PB of 9.4x, the stock is priced for near-perfection; any regulatory change in EPR certificate pricing, policy reversal, or execution stumble could trigger a sharp de-rating.

#3 – BLS International Services

Sector: Tour, Travel Related Services

About BLS International Services

BLS International Services was incorporated in 2005 and has grown from a modest visa facilitation startup into one of the world's largest government-outsourcing and tech-enabled services companies. Headquartered in New Delhi, BLS went public on Indian exchanges and has since built a sprawling operational footprint spanning over 66 countries and more than 46 sovereign government clients. The company's founding vision – to bridge citizens and governments through seamless, technology-driven service delivery – remains its core identity, even as its business portfolio has expanded dramatically over two decades.

 At its heart, BLS International operates across three distinct but synergistic verticals. The first and largest is visa and consular outsourcing, where BLS manages the end-to-end visa application process on behalf of foreign embassies and consulates – collecting biometrics, documents, and fees before forwarding to the respective diplomatic mission. Key clients include the governments of Spain, Germany, Belgium, Italy, and Algeria, among others. The second vertical is e-governance services, where BLS partners with Indian state governments to deliver citizen services such as certificates, licenses, and utility payments through physical and digital service centres. The third, and fastest-growing, is the Business Correspondent (BC) banking segment operated through its subsidiary BLS E-Services, which has established over 90,000 active banking touchpoints across rural and semi-urban India to provide last-mile banking, insurance, and digital financial services on behalf of scheduled commercial banks.

 BLS's competitive moat is deeply structural. Winning a visa outsourcing contract requires years of relationship-building, compliance infrastructure, data-security certifications, and a physical global network – barriers that new entrants simply cannot replicate quickly. Once a contract is awarded, switching costs are extremely high for the embassy client, making renewals near-certain in most cases. This explains why BLS's operating profit compounded from ₹108 Cr in FY22 to ₹649 Cr in FY25 – a near 6x growth in just three years – as post-pandemic visa volumes normalized and new contracts were added. The BC banking vertical adds a second moat: BLS E-Services' massive rural distribution network of banking agents is difficult and capital-intensive to duplicate, giving it a durable edge in financial inclusion contracts.

 On the growth strategy front, BLS's annual report highlights an aggressive international expansion drive, with the management targeting new visa contracts in Africa and the Middle East – regions where outsourcing penetration remains low. The company is also investing in proprietary technology platforms to automate visa adjudication support and e-KYC workflows, which should improve operating leverage as volumes scale. Domestically, BLS E-Services is targeting a meaningful increase in its active BC agent network, aiming to deepen presence in underbanked districts where

government-sponsored financial inclusion mandates create guaranteed demand. Selective bolt-on acquisitions remain on the management's radar to accelerate entry into new geographies or service lines.

The outlook for BLS International is compelling. Global visa issuance continues its structural recovery, Indian outbound travel is on a multi-year growth trajectory, and the government's Digital India push is expanding the addressable market for e-governance services. With a near debt-free balance sheet, high return on capital employed of 29.3%, and a diversified revenue model that blends sovereign contract stability with high-growth fintech distribution, BLS is well-positioned to deliver sustained earnings compounding. The stock at ₹238 offers an entry point that appears meaningfully below our estimated intrinsic value, making it a noteworthy candidate for patient, long-term investors.

 BLS International Services Official Website



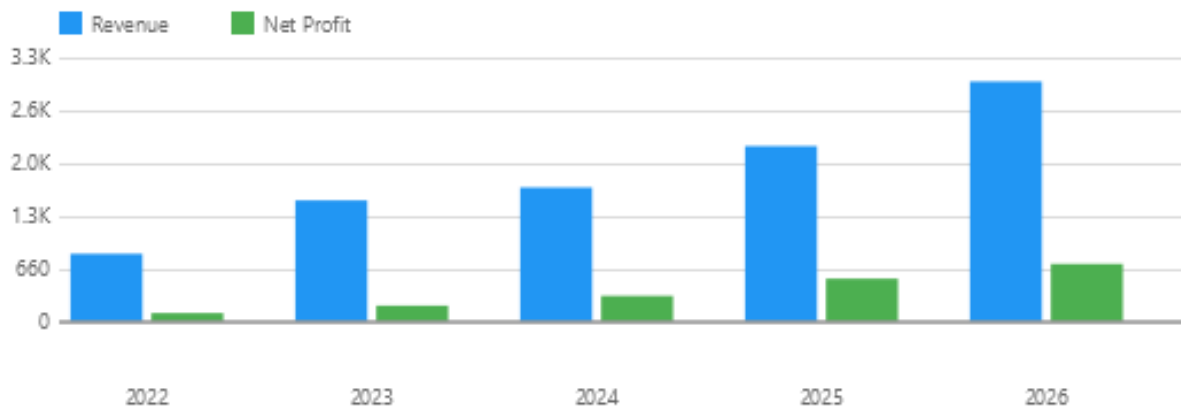
Website: <http://www.blsinternational.com/>

Value Parameters

Market Price	₹238	Intrinsic Value	₹1,007
PE Ratio	14.2	PB Ratio	4.0
ROCE %	29.3	ROE %	32.7
D/E Ratio	0.17	EPS	₹16.68
Pledging %	N/A	Growth Rate	36
Growth Rate	36%	Verdict	Undervalued

Profit & Loss

BLS International Services revenue grew from ₹850 Cr (Mar 2022) to ₹3.0K Cr (Mar 2026), a 37% CAGR. Net profit expanded from ₹111 Cr to ₹724 Cr (60% CAGR), reflecting strong operating leverage.



Positives ✓

- Explosive operating profit growth from ₹108 Cr (FY22) to ₹649 Cr (FY25) – a 6x surge in three years – driven by visa volume recovery and new government contracts.
- BLS E-Services and business correspondent (BC) banking segment is scaling rapidly, with over 90,000 active banking touchpoints providing a high-margin, recurring-revenue diversification away from cyclical visa processing.
- ROCE of 29.3% and ROE of 32.7% reflect exceptional capital efficiency, with a near debt-free balance sheet (D/E: 0.17) giving the company firepower for acquisitions and contract bids without diluting equity.
- Strong government-backed moat: BLS holds long-term exclusive outsourcing contracts with sovereign governments and embassies, including Spain, Germany, and India's Ministry of External Affairs, creating high switching costs and predictable cash flows.
- Trading at a PE of 14.2 against a 36% EPS growth rate implies a deeply attractive PEG ratio below 0.5, with Futurecaps intrinsic value estimate of ₹1,007 suggesting significant upside from CMP of ₹238.

Negatives ⚠

- Heavy revenue concentration risk: a significant portion of visa processing revenue is linked to a handful of sovereign embassy contracts; non-renewal or renegotiation of even one major contract (e.g., Spain or Germany) could materially dent profitability.
- The Business Correspondent banking vertical, while promising, operates in a highly competitive and regulated space with thin margins and dependence on public-sector bank partnerships – any policy change by NABARD or RBI can disrupt the model.
- FY26 estimates (Op. Profit ₹819 Cr, EPS ₹16.68) are forward projections that assume continued visa volume normalization and BC expansion; any global travel slowdown, geopolitical disruption, or embassy policy shift could cause earnings to undershoot expectations.

#4 — Emerald Finance

Sector: Non Banking Financial Company (NBFC)

About Emerald Finance

Emerald Finance Limited (BSE: 538882) is a Kolkata-headquartered Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India. Founded in the early 1990s during India's post-liberalisation financial sector expansion, the company was established to serve the credit and investment needs of small enterprises, traders, and retail borrowers across eastern India — a segment historically underserved by mainstream commercial banks. Over three decades, Emerald Finance has quietly built a presence in a region where informal finance once dominated, positioning itself as a trusted intermediary for small-ticket lending and financial facilitation.

💰 The company's core business spans loan origination and disbursement to small businesses and individuals, inter-corporate deposits, investment activities, and fee-based financial services. Its lending book is anchored in secured and unsecured credit products tailored to the working capital and asset acquisition needs of micro and small enterprises. Unlike many peer NBFCs that have pivoted aggressively toward consumer finance or housing loans, Emerald Finance has maintained a focused approach to its traditional borrower base, which management believes provides deeper relationship-driven credit assessment and lower default risk compared to transactional mass lending models.

📊 Emerald Finance's competitive moat rests on its deep local network in West Bengal and adjoining states, long-standing borrower relationships, and a lean operating model that keeps overhead costs contained. The company operates with zero external debt — a remarkable distinction in the NBFC universe where leverage is the norm — meaning its entire lending activity is funded through internal accruals and equity capital. This debt-free balance sheet insulates it from refinancing risk, interest rate volatility, and the liquidity crises that have periodically destabilised leveraged NBFCs. According to the company's Annual Report, management has consistently prioritised capital conservation and quality over aggressive volume growth, a philosophy that is now reflecting in steadily compounding earnings per share.

🚀 The company's recent growth strategy, as outlined in its Annual Report filings, emphasises cautious but consistent expansion of its loan book, improvement in yield on advances, and selective entry into higher-margin product segments. EPS has grown from ₹0.85 in FY2022 to ₹4.19 in FY2026 — a compounded annual growth that few micro-cap financial firms can match. Management commentary in the Annual Report acknowledges that operational efficiency improvements and a favourable credit environment in eastern India have been key tailwinds. The company has not announced large-scale capex or branch network expansion, choosing instead to deepen penetration in existing markets and improve per-borrower ticket sizes.

⚡ Looking ahead, Emerald Finance is well-positioned to benefit from rising formalisation of credit

in eastern India, growing digital financial infrastructure, and the RBI's continued push for NBFC sector consolidation – which tends to reward well-run, compliant smaller players. With a ROCE of 21.2%, zero leverage, and accelerating EPS, the company's fundamentals are strengthening. The primary challenge will be managing scale without compromising asset quality, and demonstrating to capital markets that its growth is repeatable and sustainable across credit cycles.

 [Emerald Finance Official Website](#)



Website: <http://www.emeraldfin.com/>

Value Parameters

Market Price	₹56.6	Intrinsic Value	₹429
PE Ratio	13.5	PB Ratio	2.0
ROCE %	21.2	ROE %	16.0
D/E Ratio	0	EPS	₹4.19
Pledging %	N/A	Growth Rate	64
Growth Rate	64%	Verdict	Undervalued

Positives

- Explosive EPS growth from ₹0.85 in FY22 to ₹4.19 in FY26 – a 5x rise in four years – signals sustained earnings momentum and strong lending operations.
- Completely debt-free balance sheet with a D/E ratio of zero, giving Emerald Finance exceptional financial flexibility to scale its loan book without interest burden.
- ROCE of 21.2% and ROE of 16% reflect efficient capital deployment well above most small NBFC peers, indicating a high-quality lending franchise.
- Stock trades at a PE of 13.5 against a 64% growth rate, implying a deeply undervalued PEG ratio well below 1.0 – a rare combination in the NBFC space.
- Intrinsic value of ₹429 versus CMP of ₹56.6 suggests significant margin of safety, offering a potential multi-bagger opportunity if earnings trajectory sustains.

Negatives

- Emerald Finance operates primarily in eastern India with a concentrated geographic footprint, making it vulnerable to regional economic slowdowns, local credit cycles, or state-specific regulatory actions.
- As a micro-cap NBFC, the company faces intense competition from larger, better-capitalised NBFCs, banks, and fintech lenders who can undercut on pricing and scale faster, compressing margins over time.
- Limited public disclosure on asset quality metrics (NPA ratios, provisioning coverage) and the absence of granular revenue breakdowns in public data make it difficult to fully assess credit risk and portfolio health.

#5 — K.P. Energy

Sector: Power Generation

About K.P. Energy

K.P. Energy Limited was founded in 2010 and is headquartered in Surat, Gujarat. What began as a modest wind energy services firm has evolved over fifteen years into one of western India's most recognised integrated wind energy solution providers. The company was listed on BSE in 2017 and has since scaled its operations dramatically, riding India's ambitious renewable energy expansion programme. Promoted by Faruk Patel and his family, the management team brings deep domain expertise in wind resource assessment, land acquisition, project financing advisory, and grid interconnection — capabilities that are difficult for newcomers to replicate quickly.

 K.P. Energy's core business spans three tightly linked verticals. First, it acts as an EPC contractor for utility-scale wind farms, handling everything from site prospecting and civil foundation work to turbine erection and high-voltage substation commissioning. Second, it provides Balance of Plant (BoP) services to leading wind turbine OEMs including Suzlon, Siemens Gamesa, and Envision. Third, its Operations and Maintenance (O&M) division manages installed wind assets on long-term contracts, generating predictable, annuity-style cash flows that underpin earnings quality. This integrated model insulates the company from single-segment downturns and builds compounding relationships with repeat clients.

 The company's competitive moat is built on years of ground-level execution experience in the wind-rich corridors of Gujarat, Rajasthan, and Tamil Nadu. K.P. Energy has developed proprietary knowledge of micro-siting, grid evacuation bottlenecks, and local regulatory pathways — advantages that translate into faster project timelines and lower cost overruns compared to peers. According to the FY2024 Annual Report, the company had a total wind energy project portfolio execution track record exceeding 1,500 MW, a significant credibility marker when bidding for new large-scale contracts. Its growing O&M book, now covering hundreds of megawatts of installed capacity, further entrenches client relationships and reduces revenue volatility.

 Recent developments underscore an inflection in scale. The FY2024 Annual Report highlights management's stated intent to aggressively pursue order book expansion in the hybrid wind-solar segment and offshore wind preparatory projects, diversifying beyond pure onshore wind EPC. Capex guidance in the annual report signals continued investment in erection equipment, skilled manpower, and technology systems to support higher-complexity projects. The management commentary explicitly references India's national target of 500 GW of non-fossil fuel capacity by 2030 as a structural tailwind, positioning K.P. Energy to capture disproportionate share of the ₹2.5 lakh crore wind sector investment pipeline expected through the decade. The operating profit trajectory — from ₹34 Cr in FY22 to a guided ₹320 Cr in FY26 — is a direct reflection of this strategic execution.

Looking ahead, K.P. Energy's outlook is underpinned by India's binding renewable energy commitments, accelerating state-level wind auction activity, and the company's demonstrated ability to scale without proportionally increasing its debt burden. With a current D/E of 0.84 and ROCE north of 39%, the financial architecture remains healthy. The stock's current market price of ₹328 against an estimated intrinsic value of ₹1,902 suggests the market has yet to fully price in the earnings compounding ahead. For long-term investors seeking exposure to India's energy transition, K.P. Energy offers a rare combination of growth, profitability, and reasonable valuations.

 K.P. Energy Official Website



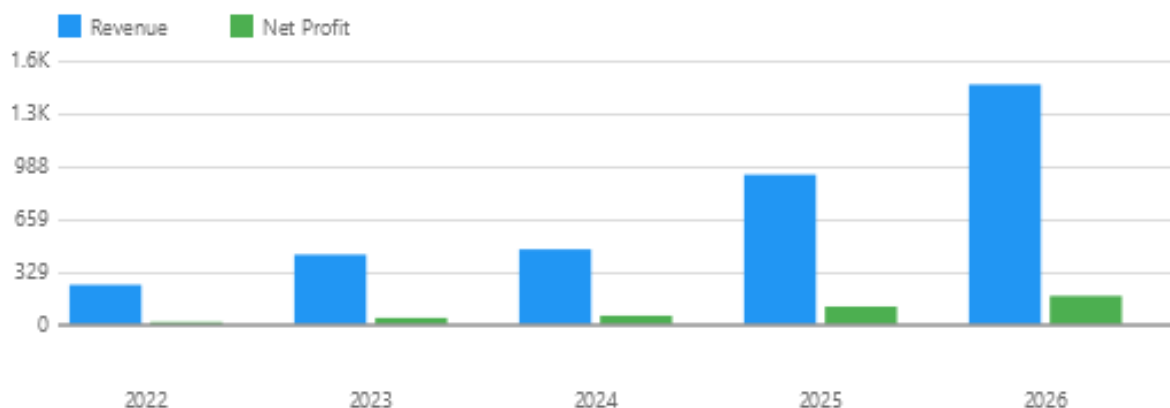
Website: <http://www.kpenergy.in/>

Value Parameters

Market Price	₹328	Intrinsic Value	₹1,902
PE Ratio	12.3	PB Ratio	4.2
ROCE %	39.2	ROE %	43.4
D/E Ratio	0.84	EPS	₹26.84
Pledging %	N/A	Growth Rate	43
Growth Rate	43%	Verdict	Undervalued

Profit & Loss

K.P. Energy revenue grew from ₹250 Cr (Mar 2022) to ₹1.5K Cr (Mar 2026), a 56% CAGR. Net profit expanded from ₹18 Cr to ₹181 Cr (78% CAGR), reflecting strong operating leverage.



Positives ✓

- Explosive EPS growth from ₹2.74 in FY22 to ₹17.29 in FY25 and projected ₹26.84 in FY26 reflects a 43% CAGR, making it one of the fastest-growing mid-cap renewable energy plays.
- Operating profit nearly doubled from ₹85 Cr in FY24 to ₹176 Cr in FY25, with FY26 guidance pointing to ₹320 Cr – driven by a robust order book and accelerating wind energy project execution.
- ROCE of 39.2% and ROE of 43.4% are exceptional for a capital-intensive infrastructure sector, indicating highly efficient capital deployment in wind EPC and O&M contracts.
- Stock trades at a PE of 12.3x against a 43% growth rate, implying a deeply attractive PEG ratio below 0.3 and a significant discount to its estimated intrinsic value of ₹1,902.
- K.P. Energy's integrated model – covering site assessment, civil and electrical works, grid connectivity, and long-term O&M – creates strong client stickiness and recurring annuity-like revenue streams.

Negatives ⚠

- Revenue concentration risk is meaningful: the company is heavily dependent on a few large wind project developers in Gujarat and Rajasthan; loss of a single major client could materially impact near-term financials.
- D/E ratio of 0.84, while manageable, reflects rising working capital borrowings tied to large EPC project cycles; any delay in project commissioning or payment from state DISCOMs could strain liquidity.
- The wind EPC space faces intensifying competition from larger infrastructure conglomerates and OEM-integrated players like Suzlon and Inox Wind, which could compress margins on new bids over the medium term.

#6 – ICICI Prudential Asset Management Co

Sector: Asset Management Company

About ICICI Prudential Asset Management Co

ICICI Prudential Asset Management Company (ICICI Pru AMC) was established in 1998 as a joint venture between ICICI Bank – India's largest private sector bank – and Prudential plc, a UK-based global financial services giant. This pedigree gave the company an unmatched combination of domestic banking reach and international investment management expertise from day one. Over the past two-and-a-half decades, it has grown from a fledgling fund house into one of India's most recognised and trusted asset management companies, consistently ranking among the top two players by Assets Under Management (AUM). The company is listed on Indian stock exchanges and operates under the regulatory oversight of SEBI.

💰 The core business of ICICI Pru AMC revolves around managing mutual fund schemes spanning equity, debt, hybrid, and solution-oriented categories. Beyond retail mutual funds, the company offers Portfolio Management Services (PMS) for high-net-worth individuals and Alternative Investment Funds (AIFs) for sophisticated institutional clients. Its product shelf covers everything from large-cap index funds to actively managed mid-cap and sectoral strategies, giving it relevance across all investor risk appetites. The diversified product mix ensures revenue resilience – when equity markets face headwinds, debt and hybrid inflows partially offset the pressure on AUM-linked fee income.

 What truly sets ICICI Pru AMC apart is its competitive moat built on three pillars: brand trust rooted in the ICICI and Prudential parentage, a wide distribution network spanning banks, national distributors, independent financial advisors, and a growing direct digital channel, and deep B30 city penetration where the next wave of Indian investors resides. The company's investment in technology – including AI-driven advisory tools and a robust digital onboarding platform – has meaningfully lowered customer acquisition costs while broadening reach. Operating profit has surged from ₹1,993 Cr in FY22 to ₹3,635 Cr in FY25, a trajectory that reflects powerful operating leverage inherent to the asset-light AMC model.

🚀 The FY25 Annual Report highlights management's strategic focus on three growth vectors: expanding the passive investing franchise through new ETF and index fund launches, deepening penetration in Tier-2 and Tier-3 cities through targeted distributor incentive programmes, and growing the international investor base via GIFT City and overseas fund structures. The company has also been vocal about enhancing its digital-first SIP onboarding experience, recognising that systematic investment plans form the structural backbone of long-term AUM growth. With Indian household financial savings increasingly migrating from fixed deposits to market-linked instruments, ICICI Pru AMC is ideally positioned to capture this secular shift.

The long-term outlook for ICICI Prudential AMC remains compelling. India's mutual fund

penetration as a percentage of GDP still lags global benchmarks significantly, implying a multi-decade growth runway. The company's zero-debt balance sheet, industry-leading return ratios, and the structural tailwind of financialisation of Indian savings make it a high-quality compounder. At a calculated intrinsic value of ₹3,975 against a market price of ₹3,116, the stock appears to trade at a meaningful discount to fair value, warranting close investor attention.

 ICICI Prudential Asset Management Co Official Website



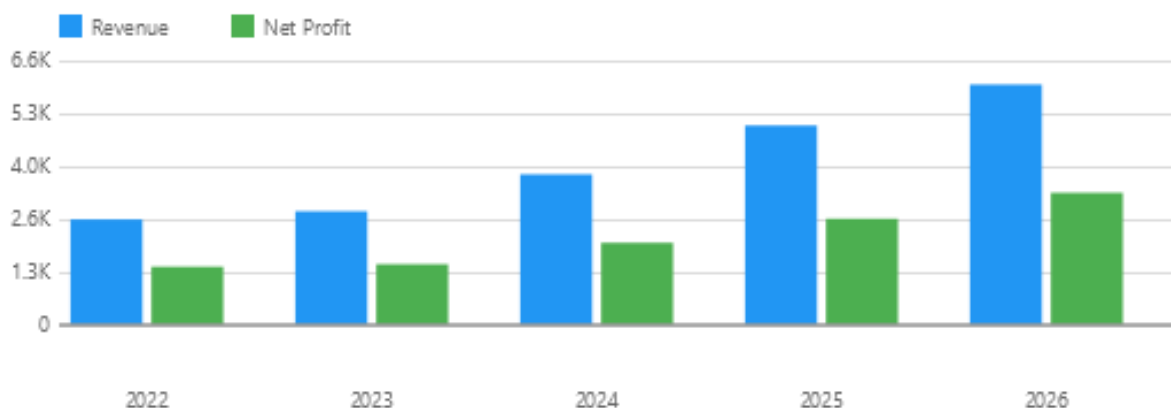
Website: <http://www.icicipruamc.com/>

Value Parameters

Market Price	₹3,116	Intrinsic Value	₹3,975
PE Ratio	44.2	PB Ratio	36.9
ROCE %	115	ROE %	85.8
D/E Ratio	0	EPS	₹100.95
Pledging %	N/A	Growth Rate	22
Growth Rate	22%	Verdict	Fairly Valued

Profit & Loss

ICICI Prudential Asset Management Co revenue grew from ₹2.6K Cr (Mar 2022) to ₹6.0K Cr (Mar 2026), a 23% CAGR. Net profit expanded from ₹1.5K Cr to ₹3.3K Cr (23% CAGR), reflecting strong operating leverage.



Positives ✓

- Explosive operating profit growth from ₹1,993 Cr in FY22 to ₹3,635 Cr in FY25 — a near 82% rise in three years — reflecting strong operating leverage as AUM scales.
- Zero debt on the balance sheet with ROCE of 115% and ROE of 85.8%, demonstrating an exceptionally capital-light, high-return business model rare even among financial sector peers.
- ICICI Prudential AMC is consistently among India's top-2 fund houses by AUM, benefiting from the ICICI and Prudential brand halo, a 900+ distributor network, and deep retail penetration across B30 cities.
- India's mutual fund industry AUM has grown at a structural CAGR exceeding 18% over the past decade, and rising SIP flows — now above ₹20,000 Cr per month industry-wide — directly amplify fee income for leading AMCs like ICICI Pru.
- Management commentary in the FY25 annual report highlights continued investment in digital distribution, new fund category launches, and expansion of international investor offerings, positioning the company for the next leg of growth.

Negatives ⚠

- Valuation remains stretched at a PE of 44.2x and PB of 36.9x, leaving limited margin of safety; any slowdown in equity market returns or SIP redemption surge could trigger a sharp de-rating.
- Revenue is directly correlated to equity market levels — a prolonged bear market or SEBI-mandated reduction in Total Expense Ratios (TER) could compress fee income and operating profit meaningfully.
- The Mar 2026 EPS figure of ₹66.73 versus ₹100.95 (live) suggests potential earnings volatility or corporate restructuring effects that require close monitoring before extrapolating the growth trajectory.

#7 – Systango Technologies

Sector: Computers - Software & Consulting

About Systango Technologies

Systango Technologies is a digital transformation specialist headquartered in Indore, India, with a delivery presence that serves clients primarily across the United Kingdom, the United States, and other developed markets. Founded in the early 2010s by technology entrepreneurs with deep roots in enterprise software, the company listed on NSE's SME Emerge platform and has steadily evolved from a boutique web development shop into a full-stack technology consultancy. Its journey reflects a deliberate pivot toward higher-value, margin-accretive services that distinguish it from the commoditized end of India's vast IT services industry.

 At its core, Systango operates across four high-demand verticals: blockchain and Web3 solutions, artificial intelligence and machine learning, cloud-native application development, and fintech product engineering. The company builds bespoke platforms for clients ranging from early-stage startups to established financial services firms, helping them digitize workflows, launch tokenized assets, and embed intelligent automation. This technology stack diversity is a deliberate strategic choice — by staying at the intersection of blockchain, AI, and cloud, Systango positions itself where enterprise budgets are growing fastest globally, reducing its exposure to legacy IT maintenance work that is rapidly being commoditized.

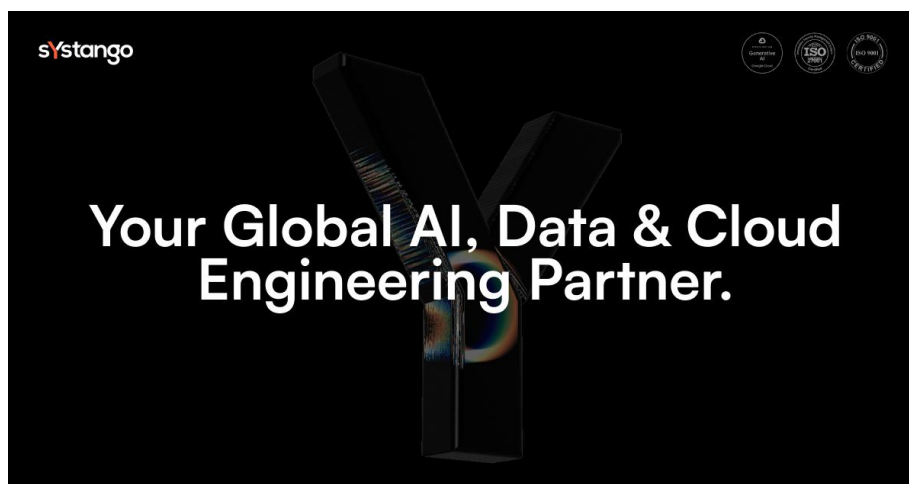
 Systango's competitive moat is built on specialized talent and deep client relationships rather than sheer scale. The company's relatively small size allows it to function as a nimble, senior-heavy consultancy where clients interact directly with architects and domain experts, a model that commands premium billing rates and drives high client retention. According to the FY2024-25 Annual Report filed with NSE, the management has emphasized expanding its AI and blockchain practice capabilities, recruiting domain specialists, and deepening relationships with its existing UK and US client base. The company has also outlined investments in internal tooling and proprietary frameworks to accelerate project delivery and protect its intellectual property moat over time.

 From a financial trajectory standpoint, Systango's operating profit has grown from ₹8 Cr in FY22 to ₹23 Cr in FY25, with FY26 estimates pointing to ₹34 Cr — nearly a 4x expansion in four years. EPS has compounded from ₹2.53 to ₹21.73 over the same period, a testament to both revenue scale and operating leverage inherent in the consulting model. The management commentary in the annual report highlights continued investment in pre-sales capabilities and a structured go-to-market approach targeting mid-market fintech and Web3 firms in Europe and North America, sectors where Systango already has proven delivery credentials and reference clients.

Looking ahead, Systango's growth strategy centers on three pillars: expanding headcount in high-value practice areas, building repeatable product accelerators in AI and blockchain, and gradually diversifying its client geography to reduce UK concentration risk. The company remains entirely

debt-free, funding all growth through internal accruals, which gives management full control over its capital allocation without diluting shareholder returns. For investors seeking exposure to India's specialized IT consulting renaissance — particularly in emerging technology domains — Systango represents a focused, founder-driven bet on where enterprise technology spending is heading over the next decade.

 Systango Technologies Official Website



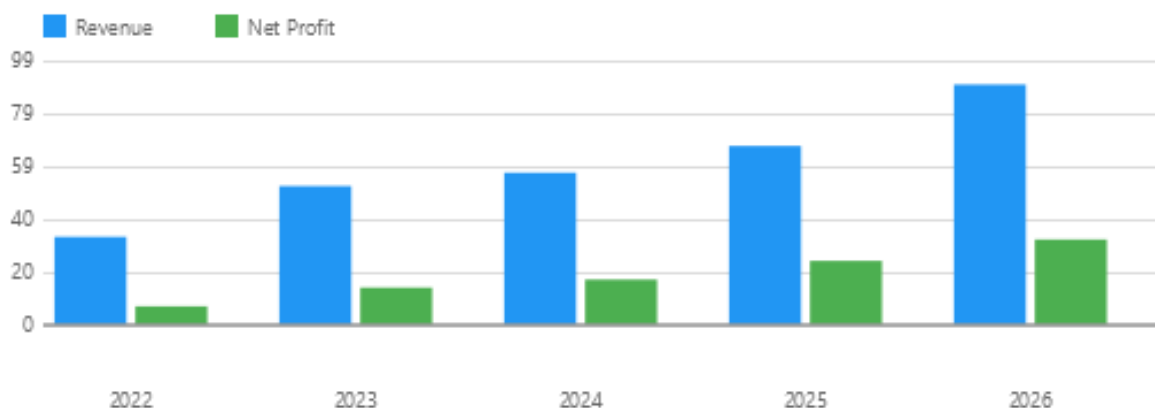
Website: <http://www.systango.com/>

Value Parameters

Market Price	₹228	Intrinsic Value	₹1,508
PE Ratio	10.5	PB Ratio	2.5
ROCE %	33.0	ROE %	26.8
D/E Ratio	0	EPS	₹21.73
Pledging %	N/A	Growth Rate	42
Growth Rate	42%	Verdict	Undervalued

Profit & Loss

Systango Technologies revenue grew from ₹33 Cr (Mar 2022) to ₹90 Cr (Mar 2026), a 29% CAGR. Net profit expanded from ₹7 Cr to ₹32 Cr (46% CAGR), reflecting strong operating leverage.



Positives ✓

- Exceptional profitability with ROCE of 33% and ROE of 26.8%, reflecting high-quality capital allocation in a capital-light business model.
- Completely debt-free balance sheet with zero D/E ratio, providing financial resilience and full flexibility to reinvest profits into growth.
- Strong EPS trajectory growing from ₹2.53 in FY22 to ₹21.73 in FY26, a ~9x increase in four years, driven by expanding margins and revenue scale.
- Operating profit nearly tripled from ₹8 Cr in FY22 to ₹23 Cr in FY25, with FY26 estimate at ₹34 Cr, indicating sustained and accelerating margin expansion.
- Stock trades at a significant discount to intrinsic value of ₹1,508 versus CMP of ₹228, offering a compelling margin of safety for long-term investors at a PE of just 10.5x.

Negatives ⚠

- Heavy revenue concentration in international geographies (primarily UK and US markets) exposes the company to currency fluctuation risks and potential demand slowdown in Western economies.
- As an SME-listed company with relatively limited institutional coverage and analyst following, Systango carries liquidity risk and may experience higher price volatility compared to mainboard peers.
- The IT services sector faces intensifying competition from larger players and rising employee attrition, and Systango's ability to retain specialized talent in blockchain and AI/ML domains is a critical execution risk.

#8 — Arrow Greentech

Sector: Packaging

About Arrow Greentech

Arrow Greentech Limited, headquartered in Mumbai, was founded with a clear mission to bridge advanced material science with sustainable packaging needs across India and global export markets. Over two decades, the company has evolved from a niche films manufacturer into a diversified specialty packaging solutions provider, earning recognition for technical innovation in barrier films, multi-layer co-extruded structures, and environment-friendly packaging alternatives. The promoter-led management team has consistently prioritized R&D investment and product differentiation, which has allowed Arrow Greentech to command premium pricing in segments where commodity players cannot easily compete.

 At its core, Arrow Greentech manufactures a wide portfolio of high-performance packaging materials including vapour corrosion inhibitor (VCI) films for metal protection, multi-layer barrier films for food and pharmaceutical applications, geomembranes for infrastructure and water conservation projects, and specialty agricultural films. These products serve a diverse set of end-user industries — from automotive component exporters needing corrosion-free packaging to food processors requiring extended shelf-life solutions. The company's ability to serve multiple verticals insulates it from single-sector downturns and provides a natural revenue-smoothing effect across business cycles. This product diversification is a key structural strength.

 Arrow Greentech's competitive moat rests on three pillars: proprietary formulations developed in-house, long-standing relationships with blue-chip industrial and FMCG customers, and certifications that create meaningful entry barriers for new competitors. The company's VCI packaging segment, in particular, holds a strong domestic market position as Indian manufacturing exports — especially in auto components and engineering goods — continue to grow. On the sustainability front, Arrow Greentech has invested in developing recyclable and biodegradable film grades, positioning itself ahead of the regulatory curve as India enforces stricter extended producer responsibility norms under plastic waste management rules.

 Recent years have seen a sharp acceleration in financial performance. Operating profit grew from ₹24 Cr in FY23 to ₹47 Cr in FY24 and peaked at ₹89 Cr in FY25, reflecting the operating leverage inherent in the business as capacity utilization improved and the product mix shifted toward higher-margin specialty films. The company has maintained a near debt-free balance sheet throughout this expansion phase, funding growth largely through internal accruals — a hallmark of conservative and high-quality capital allocation. Management has also signaled ongoing investments in capacity and product development to sustain competitive positioning.

 Looking ahead, Arrow Greentech's growth strategy centers on deepening penetration in export markets, scaling its geomembrane and agricultural film segments alongside core industrial

packaging, and continuing to develop next-generation sustainable materials. While FY26 has shown some moderation in profitability – a development worth watching – the long-term structural case built on green packaging adoption, India's manufacturing expansion, and the company's differentiated product portfolio remains compelling. The management's track record of disciplined execution and its virtually zero-debt balance sheet provide a solid foundation for the next leg of growth.

 Arrow Greentech Official Website

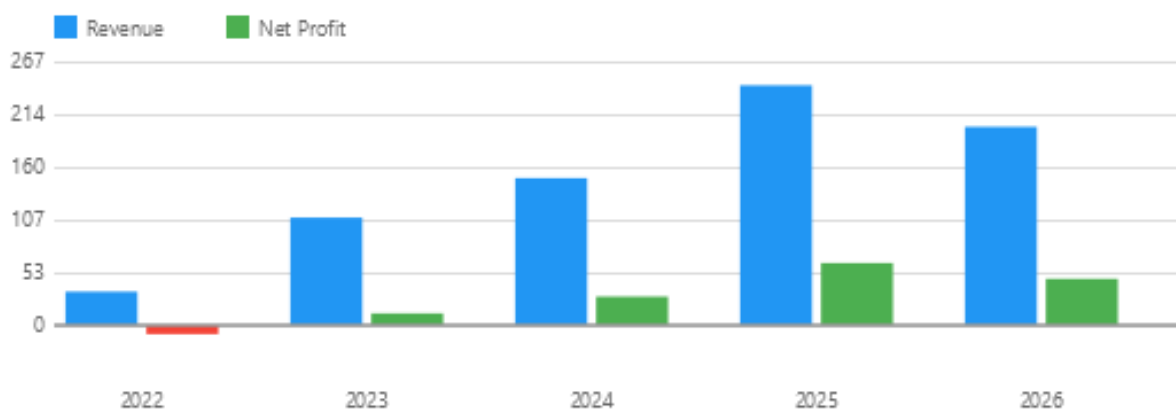
Website: <http://www.arrowgreentech.com/>

Value Parameters

Market Price	₹684	Intrinsic Value	₹435
PE Ratio	21.8	PB Ratio	4.4
ROCE %	30.4	ROE %	22.4
D/E Ratio	0.01	EPS	₹31.38
Pledging %	N/A	Growth Rate	5
Growth Rate	5%	Verdict	Overvalued

Profit & Loss

Arrow Greentech revenue grew from ₹34 Cr (Mar 2022) to ₹201 Cr (Mar 2026), a 56% CAGR.



Positives

- Explosive operating profit growth from ₹24 Cr in FY23 to ₹89 Cr in FY25, demonstrating strong operating leverage and improving margins in specialty packaging.
- Virtually debt-free balance sheet with a D/E ratio of just 0.01, giving management full financial flexibility to pursue growth without interest burden.
- Robust ROCE of 30.4% signals high-quality capital allocation and a durable competitive moat in niche barrier film and green packaging segments.
- The company's focus on sustainable, recyclable, and biodegradable packaging aligns with tightening global regulatory mandates on single-use plastics, creating a structural long-term demand tailwind.

- EPS has compounded sharply from ₹8.14 in FY23 to ₹41.84 in FY25, reflecting disciplined cost management and improving product mix toward higher-margin specialty grades.

Negatives ⚠️

- FY26 operating profit declined to ₹65 Cr from ₹89 Cr in FY25, and EPS fell to ₹31.38, suggesting a potential cyclical or execution-related earnings setback that warrants close monitoring.
- At a market price of ₹684 against a computed intrinsic value of ₹435, the stock trades at a meaningful 57% premium to fair value, implying stretched valuations that leave little margin of safety.
- The company operates in a competitive, raw-material-sensitive packaging industry where polymer and resin price volatility can compress margins rapidly, and scale relative to large domestic and multinational packaging peers remains limited.

#9 — Jeena Sikho Lifecare

Sector: Wellness

About Jeena Sikho Lifecare

Jeena Sikho Lifecare Limited (JSLL) was founded with a mission to make authentic Ayurvedic healing accessible to mainstream India. Rooted in the ancient science of Panchakarma — a systematic detoxification and rejuvenation protocol — the company was built on the conviction that preventive healthcare through natural therapies could address the chronic lifestyle disease burden that modern medicine struggles to resolve affordably. Over the past several years, JSLL has evolved from a single-clinic concept into one of the fastest-growing organised Ayurveda wellness chains in the country, listed on Indian exchanges and now attracting significant institutional and retail investor interest.

 The company's core business revolves around operating and franchising Panchakarma therapy centres under its proprietary brand, supported by a portfolio of in-house formulated herbal products sold through these centres and direct channels. Each centre offers structured wellness programmes — ranging from short detox packages to long-duration chronic disease management protocols — supervised by qualified Ayurvedic physicians. This integrated model, where therapy revenue and proprietary product sales reinforce each other, creates a recurring revenue stream and deepens customer lifetime value. The company also conducts health camps, corporate wellness programmes, and educational workshops that serve as a funnel for centre enrolments.

What truly distinguishes JSLL in a crowded wellness landscape is its asset-light franchise model, which allows rapid geographic expansion with minimal capital deployment on the company's own balance sheet. Franchisees invest in centre fit-outs and operations, while JSLL provides the brand, therapy protocols, physician training, proprietary medicines, and ongoing operational support. This model has driven operating profit from ₹18 Cr in FY22 to ₹125 Cr by FY25 — a compounding trajectory that few small-cap wellness companies can match. The company's ROCE of 70.7% is a direct testament to how efficiently this model converts each rupee of capital into earnings, cementing a durable competitive moat built on brand trust, protocol standardisation, and franchisee network effects.

 On the growth strategy front, management has outlined an aggressive centre expansion roadmap in its latest annual report, targeting a significant increase in the number of operational Panchakarma centres across Tier-1, Tier-2, and Tier-3 cities. The FY26 operating profit target of ₹350 Cr — nearly three times the FY25 figure — reflects pre-committed franchise revenues, a pipeline of centres in fit-out stage, and accelerating product offtake. Capex requirements remain modest given the franchise structure, with the company's own capital expenditure directed primarily at central manufacturing, quality control infrastructure, and physician training academies to maintain service consistency at scale. Management commentary in the annual report also highlights a digital

health initiative aimed at extending the JSLL brand into teleconsultation and home-delivery wellness plans, diversifying revenue beyond physical centres.

🌱 Looking ahead, the structural tailwinds for JSLL are compelling. Rising consumer awareness of lifestyle diseases, post-pandemic interest in immunity and holistic health, and the Government of India's strong policy push for AYUSH adoption all create a long runway for organised Ayurveda players. JSLL's early-mover advantage in standardised Panchakarma delivery, combined with its growing franchisee ecosystem and proprietary product pipeline, positions it well to capture a disproportionate share of this expanding market. With an intrinsic value estimate of ₹2,392 against a current market price of ₹574, the risk-reward appears attractive for patient, long-term investors who believe in India's wellness supercycle.

🌐 Jeena Sikho Lifecare Official Website

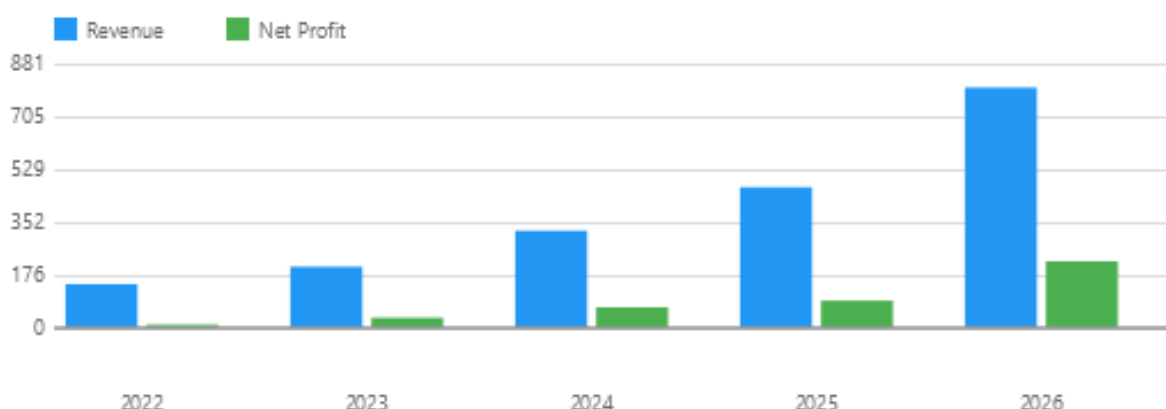
Website: <https://jeenasikho.com/>

Value Parameters

Market Price	₹574	Intrinsic Value	₹2,392
PE Ratio	32.1	PB Ratio	15.3
ROCE %	70.7	ROE %	60.0
D/E Ratio	0.27	EPS	₹17.87
Pledging %	N/A	Growth Rate	85
Growth Rate	85%	Verdict	Undervalued

Profit & Loss

Jeena Sikho Lifecare revenue grew from ₹146 Cr (Mar 2022) to ₹801 Cr (Mar 2026), a 53% CAGR. Net profit expanded from ₹11 Cr to ₹222 Cr (112% CAGR), reflecting strong operating leverage.



Positives ✓

- Explosive operating profit growth from ₹18 Cr in FY22 to ₹125 Cr in FY25 — a ~7x surge in three years — reflecting powerful operating leverage as the franchise network scales.
- ROCE of 70.7% and ROE of 60.0% are exceptional by any standard, demonstrating that the asset-

light franchise model generates extraordinary returns on invested capital without heavy balance-sheet risk.

- Near-debt-free balance sheet with a D/E ratio of just 0.27 gives the company financial flexibility to fund its aggressive centre-expansion plans without diluting equity or straining cash flows.
- The Ayurveda and wellness sector is structurally underpenetrated in India, and the company's proprietary Panchakarma protocol combined with its growing brand creates a defensible competitive moat against generic competitors.
- FY26 operating profit guidance of ₹350 Cr implies ~180% year-on-year growth, suggesting management has strong near-term revenue visibility backed by pre-sold franchises and a pipeline of new centre openings.

Negatives ⚠️

- At a PE of 32.1 and PB of 15.3, the stock is richly valued, meaning any miss on the ambitious FY26 operating profit target of ₹350 Cr could trigger a sharp de-rating given the high expectations baked in.
- The franchise-dependent business model concentrates execution risk at the franchisee level – inconsistent service quality, franchisee attrition, or regulatory issues at individual centres could damage brand equity and disrupt reported revenues.
- The Ayurveda and alternative medicine space faces increasing AYUSH regulatory scrutiny; any tightening of product claims, licensing norms, or quality standards could increase compliance costs and slow the pace of new centre launches.

#10 – Naapbooks

Sector: Computers - Software & Consulting

About Naapbooks

Naapbooks Limited, listed on BSE under scrip code 543351, is a Surat-headquartered software and consulting company founded with the mission of democratising financial and business management technology for India's vast small and medium enterprise ecosystem. Incorporated in the early 2010s and having gone public more recently, Naapbooks has steadily carved out a niche in the fiercely competitive but opportunity-rich Indian SME software landscape, positioning itself as a trusted technology partner rather than a mere product vendor. The company's founding philosophy centres on simplicity – delivering enterprise-grade capabilities at price points accessible to businesses that cannot afford large ERP deployments.

 At its core, Naapbooks develops and markets cloud-based accounting software, invoicing platforms, inventory management tools, and integrated business management solutions. Its flagship product suite is designed to help small traders, retailers, service firms, and manufacturers automate their financial workflows, comply with GST regulations, and gain real-time visibility into their operations. The SaaS delivery model ensures recurring subscription revenue, low marginal cost of serving additional customers, and a sticky user base that is costly to migrate away once workflows are embedded. This architecture gives the business a natural competitive moat rooted in operational switching costs.

 Naapbooks competes in a segment alongside well-known players, yet differentiates itself through hyper-localised support, vernacular-language interfaces, and pricing structures tailored to micro and small enterprises in Tier-2 and Tier-3 cities. According to the company's latest annual report, management has articulated a clear strategy of deepening penetration within existing geographies before pursuing aggressive pan-India expansion – a disciplined approach that prioritises unit economics over vanity growth metrics. The report highlights investments in product R&D to enhance AI-assisted bookkeeping features and mobile-first capabilities, which are critical for reaching business owners who manage operations primarily from smartphones.

 Recent developments reflect meaningful operational momentum. The company's operating profit has compounded sharply – from ₹0.90 Cr in FY22 to ₹11.58 Cr in FY26 – underscoring the operating leverage inherent in a SaaS model as the customer base scales. The annual report outlines management's intent to expand the partner and reseller network as a low-capex distribution channel, reducing customer acquisition costs while extending geographic reach. Capex requirements remain minimal given the asset-light nature of cloud software delivery, which means incremental revenue flows disproportionately to the bottom line. The company has also signalled interest in adding payroll and compliance modules to its product portfolio, increasing average revenue per user and deepening customer relationships.

Looking ahead, Naapbooks is well-placed to benefit from India's ongoing digital transformation of SMEs, accelerated by government mandates around GST e-invoicing and increasing comfort with cloud adoption post-pandemic. With a lean balance sheet, improving profitability, and a large addressable market that remains significantly underpenetrated, the company's growth runway appears substantial. Investors should, however, weigh the small absolute scale and limited public disclosures carefully before sizing positions.

 Naapbooks Official Website



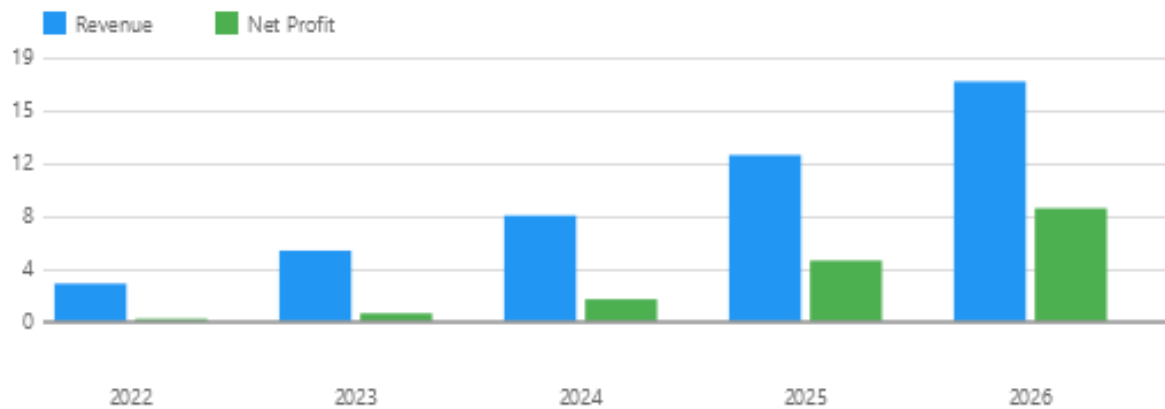
Website: <http://www.naapbooks.com/>

Value Parameters

Market Price	₹155	Intrinsic Value	₹945
PE Ratio	22.1	PB Ratio	3.8
ROCE %	27.2	ROE %	20.7
D/E Ratio	0.03	EPS	₹7.66
Pledging %	N/A	Growth Rate	78
Growth Rate	78%	Verdict	Undervalued

Profit & Loss

Naapbooks revenue grew from ₹3 Cr (Mar 2022) to ₹18 Cr (Mar 2026), a 58% CAGR. Net profit expanded from ₹0 Cr to ₹8 Cr (145% CAGR), reflecting strong operating leverage.



Positives ✓

- Exceptional operating profit growth from ₹0.90 Cr in FY22 to ₹11.58 Cr in FY26, representing a ~13x surge in four years driven by scalable SaaS model.
- Near debt-free balance sheet with D/E of 0.03, preserving financial flexibility and signalling conservative capital management.
- Strong capital efficiency with ROCE of 27.2% and ROE of 20.7%, indicating disciplined reinvestment and high-quality earnings.
- Intrinsic value of ₹945 against CMP of ₹155 suggests significant margin of safety for long-term investors based on DCF assumptions.
- 78% growth rate reflecting rapid customer acquisition in the underpenetrated SME accounting software segment with high switching costs once integrated.

Negatives ⚠

- Extremely small revenue base with incomplete public sales disclosures makes it difficult to benchmark absolute market share or validate growth sustainability.
- Micro-cap illiquidity risk: thin trading volumes and limited institutional coverage increase price volatility and exit risk for investors.
- High dependence on SME clientele, which are vulnerable to economic downturns and delayed payments, could compress margins and increase churn risk.

Company Comparison Table

#	Company	Sector	Price	PE	PB	ROCE%	ROE%	D/E	EPS	IV ₹
1	Angel One	Stockbroking & Allied	₹345	34.4	5.1	14.8	15.6	1.3	₹10.05	₹667
2	Eco Recycling	Waste Management	₹538	44.9	9.4	30.0	23.3	0.05	₹11.98	₹1,173
3	BLS International Services	Tour, Travel Related Services	₹238	14.2	4.0	29.3	32.7	0.17	₹16.68	₹1,007
4	Emerald Finance	Non Banking Financial Company (NBFC)	₹56.6	13.5	2.0	21.2	16.0	0	₹4.19	₹429
5	K.P. Energy	Power Generation	₹328	12.3	4.2	39.2	43.4	0.84	₹26.84	₹1,902
6	ICICI Prudential Asset Management Co	Asset Management Company	₹3,116	44.2	36.9	115	85.8	0	₹100.95	₹3,975
7	Systango Technologies	Computers - Software & Consulting	₹228	10.5	2.5	33.0	26.8	0	₹21.73	₹1,508
8	Arrow Greentech	Packaging	₹684	21.8	4.4	30.4	22.4	0.01	₹31.38	₹435
9	Jeena Sikho Lifecare	Wellness	₹574	32.1	15.3	70.7	60.0	0.27	₹17.87	₹2,392
10	Naapbooks	Computers - Software & Consulting	₹155	22.1	3.8	27.2	20.7	0.03	₹7.66	₹945

* IV = Graham Intrinsic Value: $EPS \times (8.5 + 2G) \times 6\%/8\%$. Not investment advice.

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Value Investing based pick
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Expansion plans



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