

**Core Purpose** : To continuously delight our customers by offering trustworthy services for Wealth creation

**Core Values** : We meet Statutory and Non-statutory Obligations on Due date.  
We do not encourage speculation. Right attitude towards Clients.  
Client is always Right. Client deserves Trustworthy Advice. We are Trustee of Client's Assets when in our Custody.

**Our Mission** : To pursue Quality Advice and Ontime Services in Healthy Atmosphere leading to benefit of all Stakeholders

## Index and data indicators

\*Global indices corrected sharply in 2008 January, so the data prior to the month is taken for reference, FY23 GDP growth forecast at 7.2%

Time period	30/11/2022	31/10/2022	31/12/2007
Nifty	18758.35	18012.2	6138
<b>Valuation</b>			
Trailing PE	22.54	21.42	27.62
Trailing PB	4.4	4.23	6.39
Mcap/GDP	1.54	1.49	1.23
<b>Nifty return</b>			
1 year	10.45%	1.93%	54.77%
2 year	20.27%	24.38%	47.11%
3 year	15.88%	14.89%	43.43%
<b>EPS growth</b>			
1 year	14.81%	22.34%	19.13%
2 year	51.27%	51.79%	15.95%
3 year	24.71%	24.69%	17.85%
<b>Other data points</b>			
Credit growth	17.20%	17.90%	25%
10-year bond yield	7.28	7.45	7.57
Brent Oil Futures	86.97	94.83	93.25
USD/INR	81.35	82.77	39.23
Gold (oz/USD)	1759.9	1640.7	843.2

Source: RBI, NSE, ET, Prowess

## MARKET REVIEW

### Indices march up to hit new high!

Despite challenging macro-cues, Nifty hit a record high in November.

Key developments during the month were,

- ▶ India's industrial growth, as per the Index of Industrial Production (IIP), rose to 3.1% in September. The growth was primarily owing to a rise in manufacturing and mining outputs. The IIP had grown 4.4% in September 2021. The output of the manufacturing sector rose 1.8% in September 2022 as against a 4.3% growth recorded a year ago.
- ▶ India's wholesale price-based inflation declined to a 19-month low of 8.39% in October, on easing prices of fuel and manufactured items. This is the first time in 19 months that the WPI inflation print has come in single digits. Decline in the rate of inflation in October 2022 is primarily contributed by fall in the price of mineral oils, basic metals, fabricated metal products, except machinery and equipment; textiles; other non-

metallic mineral products; minerals etc. India's retail inflation, which is measured by the Consumer Price Index (CPI), fell to a three-month low of 6.77% in October, down from 7.41% in September. The overall food inflation, which accounts for nearly half the CPI basket, came in at 7.01% in October as against 8.60% in the preceding month.

- ▶ India's overall exports (merchandise and services combined) in October 2022 are estimated to be \$58.36 billion, exhibiting a positive growth of 4.03% over the same period last year. Overall imports in October 2022 are estimated to be \$73 billion, exhibiting a positive growth of 11.82% over the same period last year. India's trade deficit widened 50.25% to \$26.91 billion in October 2022 compared to a year ago, and was 4.66% higher than September 2022 deficit.
- ▶ India's gross Goods and Services Tax (GST) revenue collection in the last month was over Rs 1,45,000 crore. This is the straight ninth month when the monthly GST revenue collection is more than Rs 1,40,000 crore. The Finance Ministry said GST revenue collection in the month of November 2022 has registered a growth of 11% in comparison to the corresponding month of the last year.
- ▶ India's gross domestic product or GDP grew by 6.3% in Q2 on a year-on-year basis. S&P Global Ratings revised India's FY23 GDP growth forecast downwards by 30 bps to 7%. For FY24, the forecast has been revised by 50 bps to 6%.
- ▶ The central government's fiscal deficit widened to Rs 7.58 lakh crore in April-October, accounting for 45.6% of the full-year target. Net tax receipts rose to Rs 11.71 lakh crore while total expenditure was Rs 21.44 lakh crore.

With a slow start of the month, Indian indices outshined global markets in the last month. Investors cheered after the minutes of the latest US FOMC indicated that the Fed could dial down the quantum of rate hikes going forward. Positive global cues and softer crude oil prices supported the positive sentiments later on. Better-than-expected corporate earnings by index heavyweights augured well for the positive momentum. Nifty has gained 4.2% in the month. FIIs were seen buying as FIIs bought Rs. 22546 crore.

The recently released minutes from the last FOMC monetary policy meeting showed FOMC members saying it would soon be appropriate to slow the pace of US interest rate increases. Global stock markets advanced after the



### Performance of key sectoral indices

Nifty Auto	-1.77%	Nifty FMCG	2.42%
Nifty India Consumption	-1.00%	Nifty Infrastructure	3.40%
Nifty Pharma	-0.83%	Nifty Bank	4.04%
Nifty Energy	1.61%	Nifty IT	5.07%
Nifty MNC	1.87%	Nifty Metal	12.00%
Nifty Realty	2.24%		

Federal Reserve Chair Jerome Powell indicated that the US central bank could slow down its pace of interest rate hikes going forward, starting as soon as next month. The People's Bank of China announced it would cut the reserve requirement ratio for banks by 25 basis points to 7.8% and inject around 500 billion yuan in long-term liquidity.

#### Market Outlook

The US annual inflation data showed that inflation declined to 6% in October - lowest so far this year. The volatility index cooled down by another 6.53%, indicating at some stability in global markets. It remains to be seen if this positivity sustains in global markets.

- ▶ China's producer price index fell 1.3% in October on an annualized basis after rising 0.9% in September. Consumer price index rose 2.1% in October compared to a year ago, easing after climbing 2.8% in September. China's industrial production grew 5% in the month of October compared with a year ago, slowing from an increase of 6.3% seen in September. Separately, retail sales in China fell 0.5% in October from a year ago, missing expectations. Industrial profits for the first 10 months of the year fell 3% from the same period in 2021. The Caixin/Markit Manufacturing Purchasing Managers' Index for China came in at 49.4. The reading marks a fourth consecutive month of contraction, after a reading of 49.2 from October and dipping to 48.1 in September.
- ▶ Producer price inflation fell to its lowest in over a year in October as the index rose 0.2% in October. On a year-over-year basis, PPI rose 8% compared to an 8.4% increase in September. Retail sales in the US jumped 1.3% in October to \$694.5 billion, led by higher gas prices and auto sales. Sales were up 0.9% when excluding gas and auto sales. Existing-home sales fell 5.9% in October, slumping for a ninth straight month. That's

down 28.4% from a year earlier. Meanwhile, the US leading economic index fell 0.8% in October, an eighth straight monthly decline. The Conference Board's Consumer Confidence Index, the latest indicator of the strength of the U.S. economy, fell to 100.2 in November from a revised 102.2 reading in October. The US economy witnessed a stronger-than-expected 261,000 new jobs in October, emphasizing the persistent strength of the labor market.

- ▶ Japan's economy unexpectedly contracted in the third quarter from a year ago, official preliminary estimates showed. GDP shrank 1.2% in the July-to-September quarter compared with the same period last year. Japan's core consumer price index for October rose 3.6% compared to a year ago, higher than expected and at the fastest pace in 40 years. Core consumer inflation accelerated to a 40-year high in October. The nationwide core consumer price index (CPI) was up 3.6% on a year earlier, exceeding the 3% gain seen in September.
- ▶ In Europe, UK inflation jumped to a 41-year high of 11.1% in October, exceeding expectations as food, transport and energy prices continued to squeeze households and businesses. Inflation in the Eurozone soared past 10% at the end of last month, up from 9.9% in September. Speaking at a financial event in Milan, de Guindos said inflation was likely at its peak or anyway close to it. Euro zone November flash PMI reaffirmed that the 19-member currency bloc has entered recession, but the downturn in business slowed slightly. S&P Global's flash composite PMI, which encompasses services and manufacturing and is seen as a reliable gauge of economic health, rose to 47.8 in November from 47.3 in October.
- ▶ India's manufacturing sector activity rose at the fastest pace in three months, as output and new orders grew at sharper rates amid easing price pressures. The manufacturing Purchasing Managers' Index rose to 55.7 in November from 55.3 in September. The seasonally adjusted S&P Global India Services PMI Business Activity Index rose from 55.1 in October to 56.4 in November, indicating a sharp increase in output that was the quickest in three months even amid higher operating expenses. The S&P Global India Composite PMI Output rose from 55.5 in October to 56.7 in November.

Investors will keep their eyes on liquidity flow, inflation scenario which will further affect the central bank decisions.

## TECHNICAL VIEW

In the month of November, indices began on a stable note and slowly moved higher. After facing some resistance near 18200-18300 level, Nifty went on to hit a record high above 18800. Nifty closed the month at 18758.

Nifty is placed above all its key averages on daily, weekly as well as monthly chart and is also placed along in line with the monthly trendline. Weekly as well as monthly RSI is placed above respective average.

Going ahead, 19000 is a psychologically important resistance level for Nifty if it sustains near 18800. At higher levels, resistance is placed near 19200-19250 zone. On the other hand, 18500 is the immediate support below which support is placed near 18250-18100 zone. We maintain a cautiously optimistic outlook.



# MUTUAL FUNDS PERFORMANCE

NAV as on 30 November 2022

Return %

Liquid Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
Axis Liquid Fund (G)	2429.24	0.54	1.49	2.76	4.59
Franklin India Liquid Fund Super Ins (G)	3286.60	0.53	1.50	2.75	4.57
Canara Robeco Liquid Fund Reg plan (G)	2626.98	0.54	1.50	2.75	4.57
Arbitrage Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
SBI Arbitrage Opp Fund Reg (G)	28.07	0.43	1.27	2.12	4.03
Kotak Equity Arbitrage Fund (G)	31.06	0.40	1.19	2.03	3.96
Nippon India Arbitrage Fund (G)	22.22	0.51	1.24	2.04	3.79
Hybrid Aggressive Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Equity & Debt Fund (G)	246.39	15.57	32.19	21.11	14.01
Kotak Equity Hybrid (G)	42.43	8.54	20.23	17.12	11.81
UTI Hybrid Equity Fund (G)	267.97	9.27	21.89	16.90	9.53
HDFC Hybrid Equity Fund (G)	86.97	12.34	21.27	16.46	10.99
Hybrid Balanced Advantage Funds	NAV	1 YR	2 YR	3 YR	5 YR
Edelweiss Balanced Advantage Fund (G)	37.43	5.56	14.08	14.88	11.16
Tata Balanced Advantage Fund (G)	15.54	8.20	13.82	12.81	N/A
ICICI Pru Balanced Advantage Fund Reg (G)	53.11	9.41	13.78	11.95	9.93
Kotak Balanced Advantage Fund Reg (G)	15.14	5.59	10.63	10.63	N/A
Equity Value Funds	NAV	1 YR	2 YR	3 YR	5 YR
IDFC Sterling Value Fund Reg (G)	94.59	12.52	35.48	25.58	10.85
ICICI Pru Value Discovery Fund (G)	282.28	19.12	31.82	25.53	14.65
Templeton India Value Fund (G)	464.64	18.95	35.30	24.04	11.32
Nippon India Value Fund (G)	131.87	11.39	27.13	20.86	12.25
Equity Focused Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Focused Equity Fund Reg (G)	53.85	11.44	26.76	22.45	13.34
Nippon India Focused Equity Fund (G)	84.94	13.42	28.98	21.82	11.45
HDFC Focused 30 Fund (G)	137.33	25.45	36.24	20.74	10.26
Franklin India Focused Equity Fund (G)	72.97	13.31	30.25	19.56	12.46
Tax Saving Schemes (ELSS)	NAV	1 YR	2 YR	3 YR	5 YR
Quant Tax Plan (G)	254.53	17.49	43.13	38.11	22.24
Parag Parikh Tax Saver Fund (G)	20.50	12.76	25.21	24.01	N/A
IDFC Tax Advantage Reg (G)	104.21	12.06	30.87	23.56	12.69
Canara Robeco Equity Tax saver Fund Reg (G)	121.25	6.44	22.67	21.55	15.85
Mirae Asset Tax Saver Fund Reg (G)	32.41	6.12	22.00	19.58	14.57
SBI Long Term Equity Fund Reg (G)	244.92	11.82	24.65	19.42	11.15
Large Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Bluechip Fund Reg (G)	71.68	12.46	23.85	17.64	12.60
Canara Robeco Bluechip Equity Fund (G)	43.32	6.52	18.11	17.30	14.42
Nippon India Large Cap Fund (G)	56.85	16.83	28.62	17.08	11.90
SBI Blue Chip Fund Reg (G)	65.54	9.59	20.48	16.59	11.67
Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
PGIM India Mid Cap Opp Fund Reg (G)	45.11	6.85	32.88	35.96	17.51
SBI Magnum MidCap Fund Reg (G)	148.22	7.45	30.98	27.49	12.17
Edelweiss Mid Cap Fund Reg (G)	53.79	9.02	28.49	25.87	13.31
Motilal Oswal Midcap Fund Reg (G)	52.09	19.06	36.09	25.22	14.25
Other FoFs Domestic	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Asset Allocator Fund (FOF) (G)	84.07	8.45	14.67	12.82	11.36

Large & Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Large & Mid Cap Fund Reg (G)	598.51	15.10	31.34	21.73	12.81
SBI Large & Midcap Fund Reg (G)	408.17	13.65	28.68	21.49	13.50
HDFC Large And Mid Cap Fund Reg (G)	205.76	12.06	30.15	20.95	13.19
Canara Robeco Emerging equities Reg (G)	167.70	4.88	21.21	20.52	12.25

Small Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Small Cap Fund (G)	142.52	12.56	47.59	51.73	22.71
Canara Robeco Small Cap Fund Reg (G)	25.13	14.02	40.25	38.36	N/A
Nippon India Small Cap Fund (G)	94.73	15.58	42.23	35.04	16.02
Kotak Smallcap Fund (G)	165.06	0.21	33.52	31.80	15.50

Flexicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Parag Parikh Flexi Cap Fund Reg (G)	49.13	-2.24	20.41	22.67	16.50
Franklin India Flexi Cap Fund (G)	1044.15	10.87	27.40	20.80	12.49
HDFC Flexi Cap Fund Reg (G)	1182.28	23.72	34.41	20.64	13.22
Canara Robeco Flexi Cap Fund (G)	232.68	4.72	19.43	18.38	13.93
UTI Flexi Cap Fund Reg (G)	241.87	-8.21	14.67	17.22	13.87

Multicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Active Fund (G)	466.42	14.27	39.31	34.41	21.68
Nippon India Multi Cap Fund (G)	170.41	19.19	36.77	20.43	12.40
Sundaram Multi Cap Fund (Formerly Principal Multi Cap Growth) Reg (G)	246.12	5.06	25.90	19.71	10.84
ICICI Pru Multicap Fund Reg (G)	479.52	9.90	25.60	17.26	11.98

Sector & Thematic Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Technology Fund (G)	141.53	-12.47	26.82	35.85	25.72
Aditya Birla SL Digital India Fund Reg (G)	123.29	-11.13	25.73	31.86	24.57
Mirae Asset Healthcare Fund (G)	22.13	-4.84	11.71	26.45	N/A
ICICI Pru Pharma Healthcare And Diagnostics Fund (G)	19.83	-1.78	9.85	24.03	N/A
ICICI Pru India Opportunities Fund (G)	20.60	22.84	41.15	25.41	N/A
Sundaram Services Fund (G)	22.45	6.90	29.29	21.87	N/A
IDFC Infrastructure Fund Reg (G)	25.37	5.85	36.27	21.85	5.76
DSP India T.I.G.E.R. Fund Reg (G)	164.75	16.56	36.66	21.35	10.24
Aditya Birla SL India Gen Next Fund Reg (G)	148.10	8.49	22.80	17.56	13.59
SBI Banking & Financial Services Fund Reg (G)	26.83	12.92	15.47	10.49	12.29
Tata Banking and Financial Services Fund Reg (G)	28.71	13.85	17.07	10.87	11.29

Index	NAV	1 YR	2 YR	3 YR	5 YR
S&P BSE Sensex	63099.65	10.58	19.46	15.62	13.73
NSE - Nifty 50	18758.35	10.45	20.18	15.85	12.89

### CORPORATE ACTIONS IN NOVEMBER 2022

COMPANY	RECORD DATE	PURPOSE
Aptus Value Hou.	09/12/2022	Rs.2.0000 per share (100%) Interim Dividend
Can Fin Homes	09/12/2022	Rs.1.5000 per share (75%) Interim Dividend
Netwrk.18 Media	15/12/2022	Redemption of Commercial Paper
R C F	16/12/2022	Rs.1.6000 per share (16%) Interim Dividend
R C F	16/12/2022	Rs.2.5000 per share (25%)Final Dividend

**SAJAG STOCK HOTLINE 020 2530 24 00**

# COMPANY ANALYSIS

## EICHER MOTORS LIMITED

CMP (As on 30 November 2022) – 3484

INDUSTRY - AUTOMOBILES

DECEMBER 2022

SENSEX – 63099 NIFTY – 18758

Mkt. Cap.	:	95293.42 Cr
Equity	:	27.35
Trading Vol.	:	1151772
52 Week High/Low	:	3886/2110
Face Value	:	1

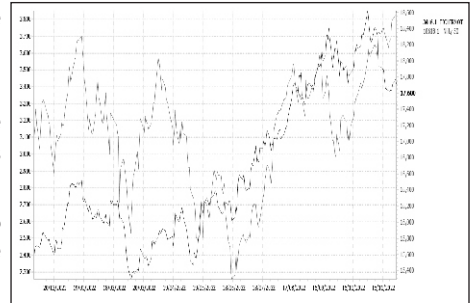
BSE Group	:	A
BSE Code	:	505200
NSE Symbol	:	EICHERMOT
Bloomberg	:	EIMIN
Reuters	:	EICH.BO

Shareholding Pattern		
Promoters	:	49.21
Institutions	:	10.52
Public	:	30.85
Others	:	9.42

Eicher Motors Limited (EML) is a globally reputable automobile company engaged in the manufacture of motorcycles and commercial vehicles.

### Investment rationale

- ▶ Eicher Motors manufactures the iconic Royal Enfield brand of motorcycles, which leads the premium motorcycle segment in India. Royal Enfield is the oldest motorcycle brand in continuous production world-wide since 1901.
- ▶ Royal Enfield is the global leader in the 250cc - 750cc, mid-segment motorcycles. With ~90% market share in the Indian mid-size segment, Enfield has rapidly grown its presence across the world with nearly 850 retail touchpoints across 60+ countries. Top of Mind Awareness (first brand that comes to mind) is the highest in the category of 200cc+ at 47% while the closest competitor is at 17%.
- ▶ EML's 50-50 joint venture with the Sweden's AB Volvo, VE Commercial Vehicles Limited (VECV), designs, manufactures and markets reliable, fuel-efficient trucks and buses is one of India's leading manufacturer of trucks, buses, engines and engineering components. VECV has a wide product range from 5t to 40t GVW trucks and 15 to 65 seater buses. The buses are sold under the Skyline and Starline brands.
- ▶ A near zero debt company, it has been generating positive CFO consistently. It has grown net-worth at a CAGR of 21%, PAT at 18%. In last 2-3 fiscals, however, RONW has declined to 14%, PBDITA margins have been maintained above 25%.



India's growing economy, favourable demographics, rising income level will drive RE's growth in coming years. RE has a strong pipeline of new products for next 5 years and beyond for the global consumer. As per CMIE, 2/3wheelers industry's financials are likely to improve in December 2022 quarter while commercial vehicle industry is likely to register 20% growth in sales volumes in 2022-23. We recommend investing with a long term perspective.

### Consolidated Financial Performance (Rs. Crore)

Year End	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18
Equity	27.34	27.33	27.3	27.28	27.26
Networth	12,608.00	11,438.08	9,980.93	8,918.72	7,030.07
Debt	107.71	219.25	249	186.76	150.84
Sales	10,297.83	8,720.35	9,153.58	9,797.06	8,964.96
Other Income	500.97	484.32	574.96	701.79	536.66
Operating profit	2,673.22	2,265.57	2,755.31	3,604.90	3,344.29
PAT	1,679.82	1,347.96	1,829.18	2,203.36	1,960.17
Book Value (Rs)	461.16	418.52	365.6	326.93	257.89
EPS (Rs.)	61.32	49.28	66.94	80.75	71.89
Dividend (%)	2,100	1,700	1,250	1,250	1,100
Payout (%)	27.72	0	38.83	13.51	12.49

### Latest Results (Rs. Crore)

Quarter Ended	202209	202109	Var. (%)
Sales	3453.43	2216.4	55.81
Other Income	192.74	118.46	62.70
PBIDT	1014.35	588.33	72.41
PBT	880.17	475.76	85.00
PAT	656.86	373.2	76.01

## LIFE INSURANCE CORPORATION OF INDIA LIMITED

CMP (As on 30 November 2022) – 636

INDUSTRY - INSURANCE

DECEMBER 2022

Mkt. Cap.	:	402469.60 Cr
Equity	:	6325.00
Trading Vol.	:	647345
52 Week High/Low	:	920/588
Face Value	:	10

BSE Group	:	A
BSE Code	:	543526
NSE Symbol	:	LICI
Bloomberg	:	LICIIN
Reuters	:	LIFI.BO

Shareholding Pattern		
Promoters	:	96.50
Institutions	:	1.33
Public	:	0.21
Others	:	2.05

Life Insurance Corporation of India (LIC), owned by Government of India, is India's largest life insurance company with the history of more than 65 years.

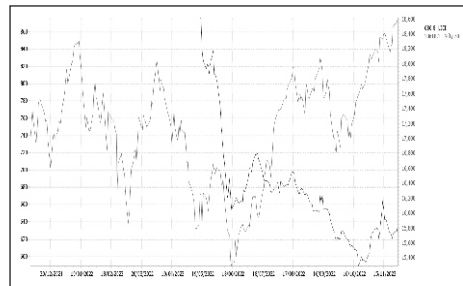
### Investment rationale

- ▶ LIC has a 63.25% market share in terms of premiums, 68% in New Business Premium, 74% in number of individual policies issued, 88.8% in number

of group policies. LIC has largest base of individual agents, which comprised 55% of all individual agents in India.

- LIC has a broad, diversified product portfolio covering various segments across individual products and group products. An omni-channel distribution platform for individual products currently comprises (i) individual agents, (ii) bancassurance partners, (iii) alternate channels (corporate agents, brokers and insurance marketing firms), (iv) digital sales (through a portal on Corporation's website), (v) Micro Insurance agents and (vi) Point of Salespersons-Life Insurance scheme.
- LIC is ranked fifth globally by life insurance GWP and 10th globally in terms of total assets. With a total AUM of Rs 42,93,778 crore, it is the largest asset manager in India. LIC has the largest individual agent network among life insurance entities in India, comprising approximately 13.35 lakh agents. It has 2,048 branch offices and 1,559 satellite offices in India, covering 91% of all districts in India.
- In addition to domestic operations, LIC has one branch in each of Fiji, Mauritius and the United Kingdom and subsidiaries in Bahrain, Bangladesh, Nepal, Singapore and Sri Lanka in the life insurance industry. The subsidiaries include LIC Pension Fund, which is one of the three companies appointed as a pension fund sponsor and LIC Cards Services Limited, which operates a credit card business.

In Q2FY23, LIC reported a 27% y-o-y growth in net premium, led by a 53% growth in the New business and 2% in renewal business. Embedded Value (EV) of LIC was at Rs 5.44 trillion at the end of September 2022. RONW was 45% in FY22. With a strong legacy and parentage, LIC stands tall in the insurance business. We recommend investing with a long term perspective.



### Consolidated Financial Performance (Rs. Crore)

Year End	Mar-22	Mar-21	Mar-20	Mar-19
Equity	6,325.00	100	100	100
Networth	11,336.36	6,882.00	999.86	809.38
Capital Employed	4,182,414.07	3,746,303.22	3,414,076.32	3,366,246.56
Operating Income	723,606.29	690,913.83	628,042.79	571,507.92
Other Income	1,138.03	12,819.51	20,869.96	2,615.04
Operating Profit	12,574.07	12,567.50	13,923.44	8,535.55
PAT	4,124.71	2,974.14	2,710.48	2,627.38
Book Value (Rs)	17.92	10.88	1.58	1.28
EPS (Rs.)	6.52	4.70	4.29	4.15
Dividend (%)	15	0	42.7	42
Payout (%)	0.67	0	99.6	103.86

### Latest Results (Rs. Crore)

Quarter Ended	202209	202109	Var. (%)
Sales	132631.72	104913.92	26.42
Other Income	6833.05	5471.46	24.89
PBIDT	20772.46	4928.61	321.47
PBT	20772.46	4928.61	321.47
PAT	15320.22	1711.66	795.05

## UFLEX LIMITED

### INDUSTRY - PACKAGING

CMP (As on 30 November 2022) – 607

Mkt. Cap.	: 4388.65 Cr
Equity	: 72.21
Trading Vol.	: 65485
52 Week High/Low	: 811/484
Face Value	: 10

BSE Group	: A
BSE Code	: 500148
NSE Symbol	: UFLEX
Bloomberg	: UFLEXIN
Reuters	: UFLX.BO

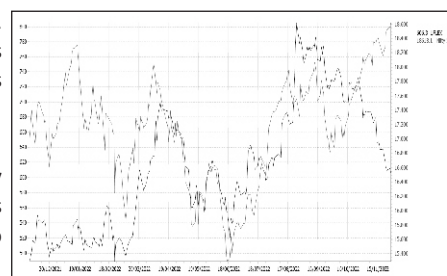
DECEMBER 2022

Shareholding Pattern	
Promoters	: 44.58
Institutions	: 14.30
Public	: 25.31
Others	: 15.81

Uflex Ltd, the flagship company of the Flex group is an India-based flexible packaging company. Integrated within its core business profile of Flexible Packaging & Packaging Films are allied businesses like Aseptic Liquid Packaging, Engineering, Cylinders, Holography and Chemicals which further gives Uflex a superior edge over competition.

### Investment rationale

- It has a vast production capacity for Biaxially Oriented Polyethylene Terephthalate (BOPET), Biaxially Oriented Polypropylene (BOPP) films, Cast Polypropylene (CPP) films. Under flexible packaging it has flexible laminates, pouches, bags, flexitubes, etc. Under Aseptic packaging it has brick, pillow & trio packs, holography packs, foil stamping packs, embossing packs and others.
- Uflex serves as one-stop-shop flexible packaging solution provider serving varied sectors spanning FMCG, Consumer Product Goods, Pharmaceuticals, Building Materials, Automobile and much more.
- The company offers technologically superior packaging for a wide variety of products such as snack foods, candy and confectionery, sugar, rice & other cereals, beverages, tea & coffee, dessert mixes, noodles, wheat flour, soaps and detergents, shampoos & conditioners, vegetable oil, spices, marinates & pastes, cheese & dairy products, frozen food, sea food, meat, anti-fog, pet food, pharmaceuticals, contraceptives, garden fertilizers and plant nutrients, motor oil and lubricants, automotive and engineering components etc. Since COVID-19 pandemic, it has also been manufacturing consumer facing products like N-95 masks and sanitizers.
- Some of Uflex' clients on the global turf include P&G, PepsiCo, Coca-Cola, Nestle, Mondelez, L'Oreal, Britannia, Haldiram's, Amul, Kimberly Clark, Reckitt, Dabur, ITC, Perfetti, GSK, Agrotech Foods, Mars Wrigley, Amcor, Mondy, UPM Raflatac amongst others.
- 60% revenue is from packaging films, 40% from flexible packaging and aseptic packaging. Domestic sales contribute 39% whereas 61% sales are from outside India. Overall Sales Volume for the H1 FY23 is 3,04,548 MTPA up by 8% YoY. The debt/equity ratio is 0.72, RONW is 18%. CFO has been consistently positive.



UFlex via its aseptic liquid packaging brand Asepto is making its contribution to sustainable packaging solutions with every move. According to the management, the aseptic packaging market is growing at 18-20% range annually, and offers a huge potential for growth. The company is commissioning capacities across its verticals. According to the management, demand for packaging films in India is growing at over 10%, and so added capacity will boost the segment. The overall margin guidance for H2FY23 and FY23 is 17% and 16%, respectively. We recommend investing with a long term perspective.

### Consolidated Financial Performance (Rs. Crore)

Year End	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18
Equity	72.21	72.21	72.21	72.21	72.21
Networth	6,695.84	5,556.62	4,697.11	4,304.33	3,979.61
Debt	4,786.63	4,040.75	3,626.07	2,105.08	2,079.40
Sales	13,127.13	8,888.90	7,404.84	7,957.22	6,801.76
Other Income	109.65	25.97	28.47	20.71	23.19
Operating profit	2,241.88	1,826.99	1,108.83	1,007.53	902.58
PAT	1,128.92	844.79	365.83	314.82	311.47
Book Value (Rs)	927.25	769.49	650.47	596.07	551.11
EPS (Rs.)	152.09	116.73	51.21	43.46	43
Dividend (%)	30	25	20	20	20
Payout (%)	1.64	1.71	4.48	4.58	8.09

### Latest Results (Rs. Crore)

Quarter Ended	202209	202109	Var. (%)
Sales	3737.55	2983.9	25.26
Other Income	81.06	8.84	816.97
PBIDT	493.2	424.51	16.18
PBT	242.2	214.68	12.82
PAT	190.75	171.05	11.52

Source: Company, Prowess, Capital line, Saja Research

### Systematic investment in different equity oriented Mutual funds at the rate of Rs. 10000/- p.m. and its values at different time intervals.

Scheme	Value & Return (3 Yr)	%	Value & Return (5 Yr)	%	Value & Return (8 Yr)	%	Value & Return (10 Yr)	%	Value & Return (15 Yr)	%
<b>Total Investment :</b>	<b>360000</b>	<b>%</b>	<b>600000</b>	<b>%</b>	<b>960000</b>	<b>%</b>	<b>1200000</b>	<b>%</b>	<b>1800000</b>	<b>%</b>
Aditya Birla SL India Gen Next Fund Reg (G)	497,447	22.2	939,365	18.0	1,848,285	15.9	2,895,266	16.8	7,423,796	17.1
Canara Robeco Emerging equities Reg (G)	495,645	21.9	935,385	17.8	1,856,127	16.0	3,250,732	18.9	9,235,490	19.6
Kotak Emerging Equity (G)	538,352	27.9	1,028,765	21.7	2,001,117	17.8	3,378,703	19.6	8,198,652	18.3
Kotak Equity Opportunities Fund (G)	499,952	22.5	942,649	18.1	1,806,443	15.4	2,764,878	15.9	6,117,140	14.9
SBI Small Cap Fund Reg (G)	572,093	32.5	1,102,585	24.6	2,313,445	21.3	4,269,014	24.0	N/A	N/A

\*Past performance of Mutual Funds is not an indicator for future performance.

## INVESTMENT IDEAS - MEDIUM TERM (3-6 MONTHS)

### ASTRAL LIMITED

**CMP (AS ON 30 NOVEMBER 2022) - 1885 TARGET - 2280**

Astral Limited (Astral Poly Technik Limited) is a leading manufacturer of Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) plumbing systems for residential and industrial use. The Company has a commanding market share in the domestic CPVC and PVC pipe industry. It is the third largest piping company with a value market share of 9%. In addition to being a leader in the piping segment, it has expanded into the adhesives and sealants segment, infrastructure products, and water tanks. It has pipe manufacturing facilities in Gujarat, Tamil Nadu, Rajasthan, Maharashtra, Uttarakhand, and Orissa. In FY22, piping, adhesive contributed 77%, 23% to total revenues respectively. Capacity addition, launch of new products (water tank, valve) and diversification in sanitary ware and paint business are likely to drive overall revenue.

### INDUSIND BANK LIMITED

**CMP (AS ON 30 NOVEMBER 2022) - 1167 TARGET - 1350**

IndusInd Bank Ltd is one of the new generation private sector banks in India. The Bank's business lines include corporate banking, retail banking, treasury and foreign exchange, investment banking, capital markets, non-resident Indian/high-net-worth individual banking, and information technology. The business of the bank has increased 16% YoY to Rs 576050 crore end September 2022, driven by 18% surge in advances to Rs 260129 crore. Deposits moved up 15% to Rs 315921 crore. The CASA deposits increased 15% y-o-y to Rs 133525 crore and CASA ratio rose to 42.3% compared to 42.1% at end September 2021. Advances growth was driven by retail loans rising 14% y-o-y to Rs 138363. The corporate credit has surged 36% to Rs 68668 crore. The NIM has improved 17 bps y-o-y to 4.24%. The bank has added 34 branches and 24 ATMs in Q2FY2023, taking overall tally to 2320 branches and 2807 ATMs end September 2022.

### GAINERS AND LOSERS OF THE MONTH (NIFTY-50)

GAINERS			
COMPANY	OPEN	CLOSE	%
Adani Enterprises Ltd.	3361.9	3917.9	16.54%
Britannia Industries Ltd.	3780	4362.3	15.40%
Bharat Petroleum Corpn. Ltd.	303.65	341.15	12.35%
Hindalco Industries Ltd.	406	450.7	11.01%
J S W Steel Ltd.	670	743.4	10.96%

LOSERS			
COMPANY	OPEN	CLOSE	%
Eicher Motors Ltd.	3889.65	3484.5	-10.42%
Coal India Ltd.	247	227.25	-8.00%
Maruti Suzuki India Ltd.	9635	8974.15	-6.86%
Bajaj Finance Ltd.	7196.95	6720.95	-6.61%
Divi'S Laboratories Ltd.	3626	3404.7	-6.10%

*We have the authorised persons at following locations*

Area	Contact Person	Tel. No.	Area	Contact Person	Tel. No.
Aundh	Mr. Jaydeep Doshi	25890824	Paud Road	Mr. Sadanand Damle	9850845567
Boat Club Road	Mr. Naresh Karpe	41204584	Phadke Haud	Mr. Jayant Mundada	9850990766
Camp	Mr. Naresh Karpe	26346310	Sadashiv Peth	Mr. C. V. Sane	24475457 (Res.)
Dahanukar Colony	Mr. Abhay Oak	25444744	Sahakar Nagar	Mr. Tejas Jaykar	9765173434
ITI Road, Aundh	Mr. Ravi Jadhav	25888511	Aurangabad	Mr. Amit Vaidya	0240-2347584
Kalyani Nagar	Ms. Bernadette Dias	9422449266	Aurangabad	Mr. Abhijit Bhaiwal	0240-2361421
Karve Nagar	Ms. Prajakta Bedekar	8600993930	Sangli	Mr. Dattaji Gaikwad	0233-6600566
Kondhwa	Mr. Santosh Gupte	26836366	Satara	Mr. Vinod Jhamvar	02162-233906
Koregaon Park	Mr. Ajit Godbole/Mr. Ninad Parundekar	26158889	Shrirampur	Mr. Amit Somani	02422-228111

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