

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 6.8%

Time period	30/12/2022	30/11/2022	31/12/2007
Nifty	18105.3	18758.35	6138
Valuation			
Trailing PE	21.79	22.54	27.62
Trailing PB	4.25	4.4	6.39
Mcap/GDP	1.51	1.54	1.23
Nifty return			
1 year	4.33%	10.45%	54.77%
2 year	13.79%	20.27%	47.11%
3 year	14.16%	15.88%	43.43%
EPS growth			
1 year	15.44%	14.81%	19.13%
2 year	51.16%	51.27%	15.95%
3 year	24.56%	24.71%	17.85%
Other data points			
Credit growth	17.40%	17.20%	25%
10-year bond yield	7.30	7.28	7.57
Brent Oil Futures	85.91	86.97	93.25
USD/INR	82.74	81.35	39.23
Gold (oz/USD)	1826.2	1759.9	843.2

Source: RBI, NSE, ET, Prowess

MARKET REVIEW

Indices correct!

In the last month of calendar year, indices corrected from their record highs. Key developments during the month were,

- ▶ Ministry of Statistics & Programme Implementation stated that for the month of October 2022, the Index of Industrial Production (IIP) with base 2011-12 stands at 129.6, marking a 4% drop compared to October 2021. The IIP has turned negative for first time in four months.
- ▶ India's consumer price inflation moderated to 5.88% in November on an annual basis - marking an 11 month low. The inflation stood at 6.77% in October. The number has dropped within RBI's tolerance band after 10 months. The Food inflation eased sharply to 4.67% in November compared to 7.01% in previous month. The annual rate of inflation based on all India Wholesale Index (WPI) number is 5.85% (provisional) for the month of November 2022 over November 2021. WPI inflation

rose by 8.39% y-o-y in October 2022. Decline in rate of inflation in November, 2022 is primarily contributed by fall in prices of food articles, basic metals, textiles, chemicals & chemical products and paper & paper products as compared to the corresponding month of the previous year.

- ▶ India's Net Direct Tax collections for the FY23, as in December 2022 are at Rs 11,35,754 crore, compared to Rs 9,47,959 crore in the corresponding period of FY22, representing an increase of 19.81%.
- ▶ India's GDP at constant prices in the H1FY23 (April to September 2022) is recorded as Rs 75.02 lakh crore, which is 9.7% higher than Rs 68.36 lakh crore in the same period last year H1FY22. However, in the pre-Covid era, during the first six months of FY20, India's GDP was Rs 70.95 lakh crore.
- ▶ India received \$13.74 billion in foreign investment inflow in the first ten months (January to October) of the year 2022. In 2021, India received foreign investments worth \$33.2 billion. Also, before Covid, in 2019, India received \$62.1 billion in foreign investments.
- ▶ In December 2022, GST collections reached Rs. 1,49,507 crore, a 2.5% increase from the Rs. 1,45,867 crore collected in November 2022.

Indian indices witnessed profit-booking after RBI raised its interest rates and slashed its GDP growth forecast to 6.8% from 7% earlier. On the inflation outlook, the governor said it is expected to be at 6.7% for the current fiscal. The FII camp turned net sellers in the month.

Global stock markets tumbled after the US central banks raised its benchmark interest rate to the highest level in 15 years and signaled it will maintain higher rates throughout 2023 and raised its future inflation forecasts. Key global indices like Dow Jones, S&P, Nasdaq ended the calendar year in losses.

Market Outlook

Global stock markets are rounding off a tumultuous and difficult year, as governments and central banks grappled with sky-high inflation arising from the fallout from Russia's war in Ukraine, and persistent Covid-19 restrictions in China. Investors remain wary of the prospect of persistently high inflation, monetary policy tightening from central banks and a potentially prolonged period of sluggish economic growth.

- ▶ China's factory activity shrank at a sharper



Performance of key sectoral indices

Nifty IT	-6.92%	Nifty Infrastructure	-4.00%
Nifty Energy	-5.98%	Nifty MNC	-3.69%
Nifty Auto	-5.15%	Nifty FMCG	-3.30%
Nifty India Consumption	-5.00%	Nifty Bank	-1.21%
Nifty Pharma	-4.68%	Nifty Metal	1.66%
Nifty Realty	-4.63%		

pace in December as surging COVID-19 infections disrupted production and weighed on demand after Beijing largely removed anti-virus curbs. The Caixin/Markit manufacturing purchasing managers' index (PMI) fell to 49 in December from 49.4 in November. China's producer price index fell 1.3% in November compared to a year ago, extending its decline after shedding 1.3% in October. The nation's CPI rose 1.6% in November on an annualized basis while industrial production for November grew 2.2%, after seeing a growth of 5% in October. Retail sales fell 5.9% on an annualized basis, further than a fall of 0.5% the previous month.

- Job growth was stronger than expected in November despite the Federal Reserve's efforts to cool the labor market. Nonfarm payrolls grew by 263,000 last month while the unemployment rate was unchanged at 3.7%. Wholesale prices in the United States rose 7.4% in November from a year earlier. The US CPI rose just 0.1% from the previous month, and increased 7.1% from a year ago. US retail sales fell more than expected in November down 0.6% last month, the biggest drop since December 2021, after a 1.3% jump in October. US consumer confidence rose to an eight-month high in December. The Conference Board's consumer confidence index jumped to 108.3 in December from 101.4 in November. The US Current Account Deficit narrowed sharply in the Q3 as exports jumped to a record high. The CAD contracted 9.1% to \$217.1 billion last quarter. US Manufacturing PMI dropped from 47.7 in November to 46.2 in December.

- Sentiment at Japan's large manufacturers worsened in the Q4, according to the Bank of Japan's quarterly tankan business sentiment survey. The headline index for large manufacturers' sentiment came in at 7, a decline from the previous quarter's reading of 8. The index for small manufacturing slightly improved to -2 in the Q4 from -4 in the previous quarter. Japan's core consumer inflation hit a fresh 40-year high of 3.7% in November as companies continued to pass on rising costs to households.

- The UK economy grew by 0.5% month-on-month in October, staging a rebound from September's 0.6% contraction. The Bank of England projects that the economy is already in a recession that could endure throughout 2023. Germany's consumer sentiment is set to show a small improvement in January. The index came in at -37.8, showing a small but gradual improvement from the revised -40.1 the prior month, and October's -42.8, the lowest reading in over a decade. The UK GDP is estimated to have fallen by 0.3% in Q3 of 2022, marginally higher than a previous estimate of a 0.2% drop.

- India's manufacturing industry finished 2022 on a solid note as business conditions improved at the fastest rate in over two years. The manufacturing purchasing managers' index, compiled by S&P Global, rose to 57.8 in December from November's 55.7. The S&P Global India services purchasing managers' index (PMI) rose to 58.5 in December from 56.4 in the previous month. The index was above the 50-mark for the 17th straight month, the longest stretch of growth since June 2013.

European Central Bank Chief Economist Philip Lane has reportedly said that interest rates will need to rise several more times to rein in inflation, but that price increases are nearing a peak. As per media reports, Lane reportedly said that it remains uncertain whether this peak has already arrived or is due in early 2023. In such global scenario, Indian markets are likely to see volatility. Any excessive strength could likely be thrashed among global concerns. On the other hand, long term outlook for Indian economy remains strong which could lead selective investing to emerge.

TECHNICAL VIEW



Nifty marked a record high of 18887 as the month of December began. At this level, however, Nifty witnessed profit-booking which dragged it lower till 17775. Respecting the monthly trendline, amidst volatility, Nifty recovered and closed the month above the psychologically important 18000 level.

Nifty is placed below its 13-day and 55-day EMA, while remains above other key averages on daily, weekly as well as monthly chart. Weekly as well as monthly RSI has moved below respective averages, while quarterly RSI is placed above its average, however is moving in an over-bought zone. Nifty closed the second consecutive quarter in green.

Going ahead, if Nifty sustains above 18000 level, it will face resistance near 18250-18300 zone, above which resistance is placed at 18500. Nifty is likely to remain volatile and in case of profit-booking, support is placed at 17800 level (which is also the 50% retracement level of 16747-18887). A move below this could drag Nifty towards 17550.

MUTUAL FUNDS PERFORMANCE

NAV as on 31 December 2022

Return %

Liquid Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
Axis Liquid Fund (G)	2442.55	0.55	1.60	2.91	4.87
Canara Robeco Liquid Fund Reg plan (G)	2641.40	0.55	1.60	2.92	4.85
Franklin India Liquid Fund Super Ins (G)	3304.43	0.54	1.59	2.90	4.84

Arbitrage Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
SBI Arbitrage Opp Fund Reg (G)	28.27	0.72	1.53	2.46	4.53
Kotak Equity Arbitrage Fund (G)	31.28	0.70	1.45	2.36	4.47
Edelweiss Arbitrage Fund Reg (G)	16.25	0.67	1.42	2.28	4.28

Hybrid Aggressive Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Equity & Debt Fund (G)	241.42	12.50	25.83	19.86	13.07
Kotak Equity Hybrid (G)	41.75	5.87	16.32	15.95	10.81
UTI Hybrid Equity Fund (G)	262.50	6.42	17.42	15.90	8.57
HDFC Hybrid Equity Fund (G)	85.74	9.47	17.16	15.60	N/A

Hybrid Balanced Advantage Funds	NAV	1 YR	2 YR	3 YR	5 YR
Edelweiss Balanced Advantage Fund (G)	36.67	2.63	10.19	14.05	10.30
Tata Balanced Advantage Fund (G)	15.32	5.98	10.85	12.29	N/A
ICICI Pru Balanced Advantage Fund Reg (G)	52.86	8.32	11.60	11.43	9.50
Kotak Balanced Advantage Fund Reg (G)	14.97	4.18	8.31	9.95	N/A

Equity Value Funds	NAV	1 YR	2 YR	3 YR	5 YR
IDFC Sterling Value Fund Reg (G)	93.01	3.98	30.26	24.96	9.79
ICICI Pru Value Discovery Fund (G)	278	15.87	26.15	24.93	13.5
Templeton India Value Fund (G)	451.31	16.54	29.17	22.97	10.08
Nippon India Value Fund (G)	127.74	5.62	21.05	19.15	10.44

Equity Focused Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Focused Equity Fund Reg (G)	52.25	6.65	20.01	21.61	11.92
HDFC Focused 30 Fund (G)	133.97	19.35	28.76	19.85	8.86
Nippon India Focused Equity Fund (G)	81.33	8.81	21.37	19.42	9.77
Franklin India Focused Equity Fund (G)	71.00	9.95	23.18	18.82	11.22

Tax Saving Schemes (ELSS)	NAV	1 YR	2 YR	3 YR	5 YR
Quant Tax Plan (G)	247.74	13.34	33.93	37.99	21.02
IDFC Tax Advantage Reg (G)	101.54	4.91	24.70	22.49	11.24
Parag Parikh Tax Saver Fund (G)	19.85	6.33	19.62	22.32	N/A
Canara Robeco Equity Taxsaver Fund Reg (G)	117.43	0.91	16.31	19.47	14.31
SBI Long Term Equity Fund Reg (G)	238.19	7.96	18.39	18.39	9.68

Large Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Bluechip Fund Reg (G)	69.69	7.76	17.65	15.87	11.26
Nippon India Large Cap Fund (G)	55.16	12.39	21.45	15.43	10.59
Canara Robeco Bluechip Equity Fund (G)	41.95	1.8	12.12	15.39	13.05
SBI Blue Chip Fund Reg (G)	63.64	5.56	14.88	15.04	10.37

Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant MidCap Fund (G)	138.09	18.52	32.83	35.63	19.08
PGIM India Mid Cap Opp Fund Reg (G)	43.71	-0.79	27.33	33.78	15.72
SBI Magnum MidCap Fund Reg (G)	145.33	4.34	25.44	27.07	10.92
Motilal Oswal Midcap Fund Reg (G)	50.56	11.49	31.69	23.44	12.54

Other FoFs Domestic	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Asset Allocator Fund (FOF) (G)	84.18	8.48	12.37	12.59	11.23

Large & Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Large & Mid Cap Fund Reg (G)	588.30	12.74	25.89	20.90	11.89
SBI Large & Midcap Fund Reg (G)	394.90	8.55	22.48	20.05	11.85
HDFC Large And Mid Cap Fund Reg (G)	200.19	9.34	24.45	19.82	12.05
Canara Robeco Emerging equities Reg (G)	162.37	-0.45	16.17	18.68	10.58

Large &
Small C
Quant

Small Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Small Cap Fund (G)	144.95	10.5	43.41	53.91	23.11
Canara Robeco Small Cap Fund Reg (G)	24.68	7.68	35.21	37.24	N/A
Nippon India Small Cap Fund (G)	93.01	7.45	36.59	33.94	14.27
Edelweiss Small Cap Fund (G)	25.38	2.38	30.53	31.89	N/A

Flexicap
Parag
Multica
Quant

Flexicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Parag Parikh Flexi Cap Fund Reg (G)	47.71	-6.44	15.87	21.08	15.25
HDFC Flexi Cap Fund Reg (G)	1153.21	19.18	26.96	19.60	12.04
Franklin India Flexi Cap Fund (G)	1012.64	6.47	21.59	19.54	11.10
Canara Robeco Flexi Cap Fund (G)	225.44	-0.61	14.20	16.61	12.53
UTI Flexi Cap Fund Reg (G)	232.00	-12.41	7.93	14.97	12.02

Sector
ICICI
Index
S&P

Multicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Active Fund (G)	458.54	11.49	31.06	34.99	20.40
Nippon India Multi Cap Fund (G)	166.24	15.41	30.32	19.22	11.17
Sundaram Multi Cap Fund (Formerly Principal Multi Cap Growth) Reg (G)	238.35	-0.44	20.13	18.07	9.46
ICICI Pru Multicap Fund Reg (G)	466.63	5.57	19.62	15.89	10.60

Sector & Thematic Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Technology Fund (G)	133.43	-22.92	16.16	31.68	22.89
Aditya Birla SL Digital India Fund Reg (G)	116.24	-21.35	15.48	28.32	21.87
Mirae Asset Healthcare Fund (G)	21.20	-11.25	6.02	24.69	N/A
ICICI Pru India Opportunities Fund (G)	20.20	20.45	33.58	24.11	N/A
ICICI Pru Pharma Healthcare And Diagnostics Fund (G)	19.17	-7.79	4.25	22.75	N/A
IDFC Infrastructure Fund Reg (G)	24.74	2.59	29.32	21.36	4.56
DSP India T.I.G.E.R. Fund Reg (G)	163.31	14.94	31.32	21.10	9.38
Sundaram Services Fund (G)	21.66	3.95	22.46	19.66	N/A
Aditya Birla SL India Gen Next Fund Reg (G)	143.07	6.49	16.92	15.86	11.98
Tata Banking and Financial Services Fund Reg (G)	28.95	18.08	14.47	10.08	11.00
SBI Banking & Financial Services Fund Reg (G)	26.83	14.66	12.85	9.86	12.01

Index	NAV	1 YR	2 YR	3 YR	5 YR
S&P BSE Sensex	60840.74	5.25	12.88	13.54	12.29
NSE - Nifty 50	18105.30	5.24	13.79	13.88	11.43

CORPORATE ACTIONS IN JANUARY 2023

COMPANY	RECORD DATE	PURPOSE
Shriram Finance	04/01/2023	150% Interim Dividend
R C F	16/01/2023	Payment of Interest
TCS	17/01/2023	Third Interim Dividend
HCL Technologies	20/01/2023	Fourth Interim Dividend

SAJAG STOCK HOTLINE 020 2530 24 00

COMPANY ANALYSIS

VESUVIUS INDIA LIMITED

CMP (As on 31 December 2022) – **1615**

INDUSTRY - REFRACTORIES

JANUARY 2023

SENSEX – 60840 NIFTY – 18105

Mkt. Cap.	:	3279.16 Cr
Equity	:	20.30
Trading Vol.	:	6271
52 Week High/Low	:	1780/906
Face Value	:	10

BSE Group	:	B
BSE Code	:	520113
NSE Symbol	:	VESUVIUS
Bloomberg	:	VIIN
Reuters	:	VESU.BO

Shareholding Pattern		
Promoters	:	55.57
Institutions	:	27.18
Public	:	1.26
Others	:	16.00

Vesuvius India is promoted by the Vesuvius group, UK, which at present holds 55.57% stake in the company, in association with Biswadip Gupta. The company is engaged in the manufacture of specialised ceramics required in the continuous casting process of steel making.



Investment rationale

- ▶ As per CMIE, domestic demand for refractories is expected to stay strong in 2023-24 backed by healthy demand from the steel and cement sectors. These two industries account for around 80-85% consumption of the total refractory output. India is likely to witness an incremental production of nearly 15-20 million tonnes (MT) of steel in the next three years. The remaining is consumed by industries such as glass, copper and for processing of lead, zinc and other metals.
- ▶ VIL has incorporated a wholly owned subsidiary (pvt ltd company) in order to set up a new manufacturing facility at Vizag. This would entail an investment of Rs 57 crore in phase 1 and Rs 36 crore in phase 2. This amount will be funded through internal accruals.
- ▶ It also has laid the foundation stone for a new manufacturing facility at Perwada, Visakhapatnam. This facility will be the latest addition to the existing ones at Kolkata, Visakhapatnam and Mehsana. This facility, once commissioned, will produce a latest-generation mould flux product and will further strengthen VIL's product and service portfolio. This plant is likely to be commissioned in early 2024.
- ▶ September 2022 was the third consecutive quarter that Vesuvius delivered double-digit growth. Revenue growth for the March, June and September 2022 quarters was 25%, 21% and 32% respectively. It is a zero debt company with consistent positive operating cashflows.

VIL has made a significant investment in renewable energy i.e. solar power that will reduce carbon footprint as well as reduce the manufacturing cost. Once fully complete, renewable energy will constitute roughly 18% of the total electrical energy demand of the company. VIL will benefit from the increase in production by steel plants across the country as well as the stronger market position of the company. We recommend investing with a long term perspective.

Financial Performance (Rs. Crore)

Year End	202112	202012	201912	201812	201712
Equity	20.3	20.3	20.3	20.3	20.3
Networth	896.3	841.8	804.45	737.79	660.91
Debt	0	0	0	0	0
Sales	1,047.16	791.51	887.04	925.07	911.27
Other Income	19.66	20.98	29.23	22.77	13.22
Operating profit	119.86	98.41	150.65	170.94	175.32
PAT	68.05	53.04	85.55	92.46	97.2
Book Value (Rs)	441.53	414.68	396.28	363.44	325.57
EPS (Rs.)	33.52	26.13	42.14	45.58	46.53
Dividend (%)	80	70	87	70	67.5
Payout (%)	20.88	26.79	20.02	17.86	16.81

Latest Results (Rs. Crore)

Quarter Ended	202209	202109	Var. (%)
Sales	351.31	266.11	32.02
Other Income	6.1	5.41	12.75
PBIDT	56.07	33.11	69.34
PBT	48.53	26.09	86.01
PAT	36.09	19.4	86.03

DR REDDYS LABORATORIES LIMITED

CMP (As on 31 December 2022) – **4234**

INDUSTRY - PHARMACEUTICAL

JANUARY 2023

Mkt. Cap.	:	70512.85 Cr
Equity	:	83.26
Trading Vol.	:	176579
52 Week High/Low	:	4930/3655
Face Value	:	5

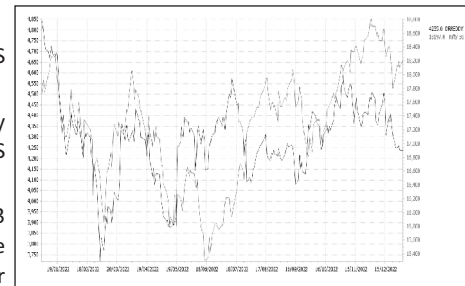
BSE Group	:	A
BSE Code	:	500124
NSE Symbol	:	DRREDDY
Bloomberg	:	DRRDIN
Reuters	:	REDY.BO

Shareholding Pattern		
Promoters	:	26.71
Institutions	:	25.19
Public	:	37.31
Others	:	10.89

Dr Reddy's Laboratories Ltd (DRL) is an integrated global pharmaceutical company, offering a portfolio of products and services including Active Pharmaceutical Ingredients (APIs), custom pharmaceutical services, generics, biosimilars and differentiated formulations. Its major therapeutic areas of focus are gastrointestinal, cardiovascular, diabetology, oncology, pain management and dermatology.

Investment rationale

- ▶ Dr. Reddy's operates in markets across the globe. Its major markets include - USA, India, Russia & CIS countries, and Europe. US & India account for 35% and 20% of revenues
- ▶ In Q2FY23, the company witnessed the US segment to benefit immensely from the limited quantity launch of gRevlimid (Lenalidomide capsules) besides other 6 product launches in the US. The US segment witnessed 48.1% y-o-y rise in the US revenue to Rs. 2,800 crore.
- ▶ As of Q2FY23, the company has 81 ANDA filings, pending for approval from the USFDA. Out of these, 3 are NDA filings, 42 are para IV filings and 22 have FTFs status which indicates nearly 50% of the products pending for approval from the USFDA are complex products, indicating strong outlook for profitable US revenue growth over FY22-FY25E. The company continues to spend nearly 8% of the revenue on R&D over the last three quarters. It has 11-12 biosimilar products under trial.
- ▶ The company expects to launch 15-20 new products in the domestic market with focus on 10 therapies including anti-diabetic, oncology, Cardiovascular and Gastrointestinal.



A low D/E ratio, it has been generating a consistent positive CFO. PBDITA margins have been above 20% generally. ROCE has improved to 15% in last 5 years. The company has grown sales in last 10 years at a CAGR of 6%. We recommend investing with a long term perspective.

Consolidated Financial Performance (Rs. Crore)

Year End	202203	202103	202003	201903	201803
Equity	83.2	83.2	83.1	83	83
Networth	19,212.40	17,641.70	15,598.80	14,023.60	12,571.60
Debt	3,384.50	3,030.80	2,210.20	3,838.10	5,071.40
Sales	21,545.20	19,047.50	17,517.00	15,448.20	14,281.00
Other Income	554.7	339.4	676.7	381.3	155.2
Operating profit	4,322.40	4,209.30	3,147.10	3,559.50	2,506.40
PAT	2,110.85	1,954.44	2,030.35	1,849.63	892.34
Book Value (Rs)	1,164.21	1,072.02	944.61	848.02	757.33
EPS (Rs.)	131.16	117.28	121.9	117.47	57.04
Dividend (%)	600	500	500	400	400
Payout (%)	19	21.25	19.33	20.52	43.75

Latest Results (Rs. Crore)

Quarter Ended	202209	202109	Var. (%)
Sales	6305.7	5763.2	9.41
Other Income	54.8	230.2	-76.19
PBIDT	1953.7	1590	22.87
PBT	1613.6	1272.5	26.81
PAT	1114.2	995.8	11.89

JUBILANT FOODWORKS LIMITED

CMP (As on 31 December 2022) – 510

INDUSTRY - QUICK SERVICE RESTAURANTS

JANUARY 2023

Mkt. Cap.	: 33714.79 Cr
Equity	: 131.97
Trading Vol.	: 1447137
52 Week High/Low	: 805/451
Face Value	: 2

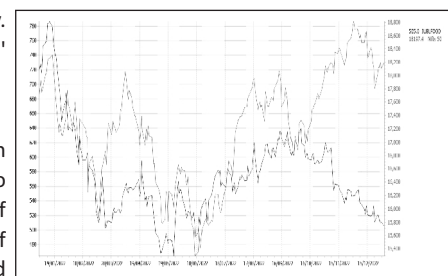
BSE Group	: A
BSE Code	: 533155
NSE Symbol	: JUBLFOOD
Bloomberg	: JUBIIN
Reuters	: JUBI.BO

Shareholding Pattern	
Promoters	: 41.94
Institutions	: 30.66
Public	: 29.09
Others	: 7.47

Jubilant Foodworks Limited is part of the Jubilant Bhartia Group and is India's largest food service Company. The Company holds the master franchise rights for three international brands, Domino's Pizza, Dunkin' Donuts and Popeyes® addressing three different food market segments.

Investment rationale

- ▶ JFL launched its first homegrown brand, Hong's Kitchen in Chinese cuisine segment & has also begun offering brand-owned ready-to-cook range of sauces, gravies and pastes, 'ChefBoss'. The Company also entered into the exciting world of Biryanis with the launch of "Ek dum!". It offers the widest range of Biryanis curated from various parts of India using authentic ingredients along with extensive range of Kebabs, Curries, Breads, Desserts and Beverages. It also signed an exclusive Master Franchise and Development Agreement, to develop and operate Popeyes restaurants in India, Bangladesh, Nepal and Bhutan.
- ▶ As per management, demand trends continue to remain strong after 2 years of COVID. Though competitive intensity remains strong across QSR's, it will help to grow the food services industry. Innovations will continue to help attract new and retain existing users.
- ▶ The Company currently operates more than 1,701 outlets for Domino's Pizza, Dunkin' Donuts and Hong's Kitchen and is a market leader in pizza segment. JFL has more than 30,000 brand ambassadors committed to deliver value to its customers. JFL seems on track to fulfill its guidance of more than 250 Dominos store addition in Fy23.
- ▶ Recently launched Popeyes continues to trend well with strong repeat rates. The guidance for 20 stores by FY23 remains on track supported by the opening of a new commissary in Bengaluru.



The company has been generating consistent positive CFOs, sales grew every year in last decade, except for FY21. D/E is below 1. RONW has been above 20% generally with PBDITA margins increasing to 25% in last 3 years. With a robust business model, efficient supply chain, extensive network of certified partners and presence across the country, JFL is well-positioned to utilize growth opportunities. We recommend investing with a long term perspective.

Consolidated Financial Performance (Rs. Crore)

Year End	202203	202103	202003	201903	201803
Equity	131.97	131.97	131.97	131.97	65.98
Networth	1,944.97	1,426.83	1,122.03	1,259.64	967.73
Debt	2,106.10	1,619.98	1,670.06	0	0
Sales	4,396.12	3,311.87	3,927.27	3,563.14	3,018.40
Other Income	40.66	70.37	68.82	46.91	22.72
Operating profit	1,132.40	844.27	920.31	647.12	463.17
PAT	431.76	237.83	302.16	321.63	197.36
Book Value (Rs)	30.28	21.86	17.19	19.29	15
EPS (Rs.)	6.37	3.51	4.24	4.85	2.97
Dividend (%)	60	60	60	50	50
Payout (%)	18.9	0	52.07	10.37	8.41

Latest Results (Rs. Crore)

Quarter Ended	202209	202109	Var. (%)
Sales	1301.49	1116.19	16.60
Other Income	26.93	9.45	184.97
PBIDT	338.79	295.57	14.62
PBT	174.5	160.69	8.59
PAT	131.53	119.82	9.77

Source: Company, Prowess, Capital line, Sajag 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)	%
Total Investment :	360000	%	600000	%	960000	%	1200000	%	1800000	%
Aditya Birla SL India Gen Next Fund Reg (G)	948,365	18.80	1,796,497	16.20	3,530,056	14.80	5,518,443	15.90	14,222,348	16.60
Canara Robeco Emerging equities Reg (G)	470,155	18.20	893,324	15.90	1,767,859	14.90	3,081,469	17.90	8,837,637	19.10
Kotak Emerging Equity (G)	516,872	25.00	996,251	20.04	1,933,209	17.00	3,255,010	19.00	7,972,633	17.90
Kotak Equity Opportunities Fund (G)	490,949	21.00	941,670	18.11	1,845,571	15.90	2,865,699	16.60	N/A	N/A
SBI Small Cap Fund Reg (G)	547,222	29.24	1,066,929	23.24	2,224,757	20.41	4,087,890	23.20	N/A	N/A

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

INVESTMENT IDEAS - MEDIUM TERM (3-6 MONTHS)

AXIS BANK LIMITED

CMP (AS ON 31 DECEMBER 2022) - 933 TARGET - 1150

Axis Bank Limited is the third largest private sector bank in India. The Bank offers the entire spectrum of financial services to customer segments covering large and mid-corporate, MSMEs, agriculture and retail businesses. It provides a complete suite of banking and financial services including retail banking, wholesale banking and treasury operations. The bank has strengthened its balance sheet by increasing the mix of retail loans. Axis is witnessing a healthy recovery as loan growth has improved to 14-18% in the past four quarters. The loan growth was primarily driven by the retail book, which saw an 18% CAGR. The mix of the retail book has increased to 58% in 1HFY23 from 50% in FY19. The focus remains on growing CASA + retail term deposits, which stand stable at 82% of total deposits as of 1HFY23. Credit card business is posting a robust performance over the past one year as the bank has renewed its focus on expanding the business. Total CAR of 17.7% while ROE was 18% in H1FY23. The stocks trades at P/B of 2.4.

TATA CONSULTANCY SERVICES LIMITED

CMP (AS ON 31 DECEMBER 2022) - 3256 TARGET - 3480

Tata Consultancy Services Ltd is a leading global IT services, consulting and business solutions organization offering transformational as well as outsourcing services to global enterprises. It has a global presence, deep domain expertise in multiple industry verticals and a complete portfolio of services consisting of consulting and service integration, application services, digital transformation services, cloud services, engineering services, cognitive business operations and products & platforms - targeting every C-suite stakeholder. TCS's geographic footprint consists of North America, Latin America, the United Kingdom, Continental Europe, Asia-Pacific, India and Middle-East & Africa. The order book is holding up well, with a healthy mix of growth and transformation initiatives, cloud migration and outsourcing engagements. The company recorded order book TCV of US\$ 8.1 billion in Q2FY2023. The stock trades at a PE of 30.

GAINERS AND LOSERS OF THE MONTH (NIFTY-50)

GAINERS			
COMPANY	OPEN	CLOSE	%
Hindalco Industries Ltd.	455	473.35	4.03%
Indusind Bank Ltd.	1175	1220.1	3.84%
Oil & Natural Gas Corporation Ltd.	141.45	146.75	3.75%
Tata Steel Ltd.	108.7	112.65	3.63%
J S W Steel Ltd.	747.15	768.05	2.80%

LOSERS			
COMPANY	OPEN	CLOSE	%
Tata Motors Ltd.	443	387.95	-12.43%
Infosys Ltd.	1656.2	1508.2	-8.94%
U P L Ltd.	780	716.15	-8.19%
H C L Technologies Ltd.	1130	1039.3	-8.03%
Adani Ports & S E Z Ltd.	884.75	818.1	-7.53%

Visit us at www.sajagonline.com

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

Visit us at

WWW.sajagonline.com

*For opening your account with us and Net Trading
please contact Kiran - 020 6601 47 37*

FOR PRIVATE CIRCULATION TO THE REGISTERED CLIENTS OF SAJAG SECURITIES PVT LTD ONLY

CERTIFICATION:

This report is issued by Sajag Securities Pvt. Ltd. (SSP U) which is regulated by SEBI and its research activities are as per SEBI Guidelines for Research Analysts December 2014. Registration Number: INH000001923
The research analyst(s) who prepared this research report hereby certifies that the views expressed in this research report accurately reflect the research analyst's personal views about all of the subject issuers and / or securities, that the analyst have no known conflict of interest and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific views or recommendations contained in this research report. It is confirmed that the Research Analyst do not serve as an officer, director or employee of the companies mentioned in the report.

DISCLAIMER:

This Document is for private circulation & for information purposes only. It does not have regard to specific investment objectives, financial situation & the particular needs of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this report & should understand that statements regarding future prospects may not be realised. In no circumstances to be used or considered as an offer to sell or solicitation of any offer to buy or sell the securities mentioned in it. The information in this document has been obtained from sources believed reliable, but we do not represent that it is accurate or complete. We hereby certify that the views expressed in this research report accurately reflect our personal views about the subject companies & their securities. We certify that we have not been, have not, & will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation in this report. We may or may not hold shares in the recommended companies.

Contact : RASHMI, Tel.No : 020 6601 47 37 or send e-mail at 'rashmi@sajag.co.in' for further clarification.

BOOK - POST

If undelivered please return to :

Sajag Securities Pvt. Ltd.

'Regent Chambers', Opp. Garware College,

33/15-B, Karve Road, Pune 411004.

Tel. : 020 - 6601 47 37