

**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	28/2/2023	31/1/2023	31/12/2007
Nifty	17303.95	17662.15	6138
<b>Valuation</b>			
Trailing PE	20.39	20.73	27.62
Trailing PB	4.05	4.14	6.39
Mcap/GDP	1.38	1.44	1.23
<b>Nifty return</b>			
1 year	3.04%	1.86%	54.77%
2 year	9.13%	13.82%	47.11%
3 year	15.60%	13.87%	43.43%
<b>EPS growth</b>			
1 year	9.10%	15.08%	19.13%
2 year	52.18%	51.17%	15.95%
3 year	24.53%	23.44%	17.85%
<b>Other data points</b>			
Credit growth	16.10%	16.50%	25%
10-year bond yield	7.40	7.34	7.57
Brent Oil Futures	83.8	85.46	93.25
USD/INR	82.6	81.73	39.23
Gold (oz/USD)	1836.7	1945.3	843.2

Source: RBI, NSE, ET, Prowess

## MARKET REVIEW

### Indices extend consolidation!

Indices followed global cues and continued to fall in the month of February.

Key developments during the month were,

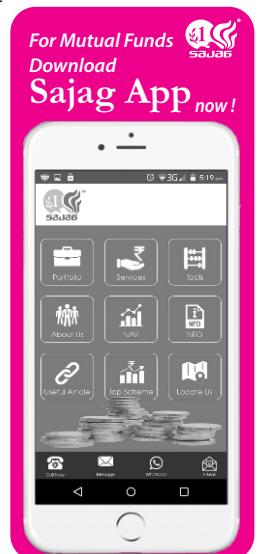
- ▶ India's industrial growth, as per the Index of Industrial Production (IIP), declined to 4.3% in December 2022. Industrial growth in December 2021 was 1%. At 4.3%, the latest IIP growth figure is well below November's revised number of 7.3%. The manufacturing sector's output grew by 2.6%, electricity sector recorded the highest production in December, with a growth of 10.4%, followed by mining at 9.8%.
- ▶ India's annual wholesale price index (WPI) based inflation eased to 24-month low of 4.73% in January 2023 as compared to 4.95% recorded in December 2022 and 13.68% in January 2022. Decline in the rate of inflation in January 2023 is primarily contributed by mineral oils, chemicals & chemical products, textiles, crude petroleum & natural gas,

textiles, and food products. India's retail inflation accelerated to a three-month high in January, reverting to over the Reserve Bank of India's upper tolerance band of 6% after a gap of two months, led by a spike in food prices and elevated prices in the non-food segment. Inflation based on the Consumer Price Index (CPI) hardened to 6.52% in January, after declining to a one-year low level of 5.72% in December.

- ▶ India's merchandise exports continued to drop in January 2023, falling to \$32.91 billion from \$35.23 billion in January 2022. Imports of goods, too, declined during January 2023, although at a lower rate to \$50.66 billion from \$52.57 billion in January 2022. Goods exports in December 2022 stood at \$34.48 billion. In the April-January 2022-23 period, exports increased 8.5% to \$369.25 billion while imports increased 21.89% to \$602.2 billion. India's trade deficit narrowed in January as imports fell at a faster rate than exports. The trade deficit narrowed to \$17.75 billion in January, compared with \$23.76 billion in December 2022.
- ▶ India's economic growth decelerated to 4.4% in the Q3 FY23I mainly due to a contraction in the manufacturing sector. The GDP growth was 11.2% in Q3 FY22 and 6.3% in Q2 FY23.
- ▶ Goods and Services Tax revenue collections rose 12% year-on-year in February 2023 to Rs 1,49,577 lakh crore. In the same month last year, GST collections stood at Rs 1.33 lakh crore.
- ▶ The United Nations slashed India's GDP growth forecast for the calendar year 2023 to 5.8%, citing the effect of tighter monetary policy and weak global demand.

The domestic equity benchmarks extended losses as broad-based selling ensued. Continuous foreign fund outflows coupled with concerns that the US Federal Reserve might raise interest rates further to curb inflation continued to weigh on investor sentiment. FIIs continued to be net sellers, selling to the tune of Rs. 11,091 crore worth of shares in February month on top of more than Rs 41,465 crore of offloading in January 2023.

Global markets remained volatile. The 10-year US Treasury yield spiked to 3.99%. The US central bank announced a quarter-point hike to the benchmark lending rate at the end of its two-day policy meeting. US Fed took the rate to a target range of 4.50-4.75%. Meanwhile,



### Performance of key sectoral indices

Nifty Metal	-19.11%	NiftyMNC	-2.45%
Nifty Energy	-9.88%	Nifty Bank	-2.06%
Nifty Pharma	-5.25%	Nifty Infrastructure	-1.77%
Nifty Realty	-5.20%	Nifty IT	-0.74%
Nifty Auto	-4.97%	Nifty FMCG	0.54%
Nifty India Consumption	-3.86%		

Russia will cut oil production by 500,000 barrels per day, or around 5% of output, in March, after the West slapped price caps on Russian oil and oil products. India imports more than 85% of its domestic crude oil requirement. The cut in oil production will result in increase in international prices.

#### Market Outlook

The Finance Ministry of India released the monthly economic review for January 2023 which reported that the geopolitical tensions in Europe, spiralling energy, food and fertiliser prices, monetary tightening and inflationary trends have elevated the downside risks to the global economic outlook. Despite these headwinds, the Indian economy is estimated to grow by 7% y-o-y in FY23.

- ▶ China's inflation data came in lower than expected. Consumer prices in the nation rose 2.1% in January compared to a year ago. Rating agency Fitch has revised its forecast for China's economic growth in 2023 to 5.0% from 4.1% previously as consumption and broader activity are recovering faster than initially anticipated after the end of the "zeroCOVID" regime. Chinese services sector activity rose more than expected in February, as an economic recovery in the country gathered steam after the lifting of most anti-COVID restrictions earlier this year. The Caixin services purchasing managers' index (PMI) rose 55 in February. China's factory activity for February bounced further into expansion territory as the official manufacturing purchasing managers' index rose to 52.6.
- ▶ US job growth accelerated sharply in January while the unemployment rate hit 3.4%. Consumer sentiment improved to a 13-month high in February, as the sentiment index has rebounded from a low of 50 last June. Inflation in the US continued to surge in January as the CPI rose by 6.4% from January 2022. US retail sales increased by the most in nearly two years in January after two straight monthly declines. Retail sales

surged 3% last month, the largest increase since March 2021, after declining by an unrevised 1.1% in December. Production at US factories rebounded in January. Manufacturing output increased 1% last month. US business activity unexpectedly rebounded in February, reaching its highest level in eight months. S&P Global flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, increased to 50.2 this month from a final reading of 46.8 in January. Inflation-adjusted GDP, increased at a 2.7% annualized rate during the period.

- ▶ Japan's wholesale prices rose 9.5% in January from the previous year, slightly lower than the revised figure of 10.5% recorded in December 2022. Japan's economy expanded by 0.6% on an annualized basis for the Q4 of 2022. The figure was a rebound from a revised contraction of 1% seen in the Q3 of 2022 compared to a year ago. A global research house reportedly cut Japanese stocks to "underweight", saying that a Bank of Japan (BOJ) policy change away from its "ultra-loose" monetary strategy could push global yields higher and reduce risk appetite.
- ▶ The rate of unemployment in the UK remained unchanged at 3.7% in the three months to December. The rate remains close to the lowest level the country has seen in 50 years, which was 3.5% in the three months to August 2022. Meanwhile, UK CPI data showed inflation fell for the third month in a row January to hit 10.1%. The S&P Global Eurozone Composite PMI increased to 52.3 in February 2023. February's upturn was led by the service sector, where business activity rose for a second consecutive month, the index up from 50.8 to 53.0 to register the strongest expansion since last June.
- ▶ India's manufacturing sector expanded at the slowest pace in four months in February amid rising borrowing costs & weakness in the sector. However, the sector remained relatively strong amid buoyant domestic demand, despite higher inflationary pressures. India's S&P Global Manufacturing Purchasing Managers' Index remained largely unchanged at 55.3 last month from January's 55.4. Activity in India's dominant services sector expanded at the fastest pace in 12 years in February on strong demand as price pressures eased. The S&P Global India Services Purchasing Managers' Index rose from 57.2 in January to 59.4 in February.

Volatility is likely to be the hallmark as we enter the next month making investors cautious. Sentiments would be impacted by global cues and domestic fundamentals beliefs.

## TECHNICAL VIEW

In the month of February, Nifty attempted some recovery from a low of 17353. It did move higher and cross 18000, but faced strong resistance near 18134 and breached its 200-day EMA. Nifty closed the month at 17303, below its key daily EMAs, a third consecutive monthly close in red.

On weekly chart, Nifty is placed below its 13-week as well as 55-week EMA, but remains above its 200-week EMA. It has closed the month below 13-month EMA at 17345. RSI is placed below its average on weekly as well as monthly chart.

Going ahead, 17600 is the immediate resistance for Nifty. A move above this would face resistance near 17800, and 18000 is a crucial resistance. Nifty is likely to remain volatile and support is placed at 17300. A move below this could take Nifty towards 17100. Amidst volatility, Nifty is likely to remain range-bound.



# MUTUAL FUNDS PERFORMANCE

NAV as on 28 February 2023

Return %

Liquid Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
Axis Liquid Fund (G)	2467.94	0.52	1.63	3.14	5.36
Canara Robeco Liquid Fund Reg plan (G)	2668.85	0.52	1.63	3.15	5.35
Mirae Asset Cash Management Fund (G)	2326.80	0.52	1.62	3.11	5.32

Arbitrage Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
SBI Arbitrage Opp Fund Reg (G)	28.60	0.56	1.95	3.29	4.89
Kotak Equity Arbitrage Fund (G)	31.63	0.54	1.88	3.17	4.77
Edelweiss Arbitrage Fund Reg (G)	16.42	0.51	1.83	3.07	4.61

Hybrid Aggressive Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Equity & Debt Fund (G)	238.37	8.22	17.89	22.18	13.19
UTI Hybrid Equity Fund (G)	257.18	6.92	11.94	17.30	8.65
HDFC Hybrid Equity Fund (G)	83.97	8.18	11.46	16.81	10.10
Kotak Equity Hybrid (G)	40.97	5.81	10.87	16.61	11.04

Hybrid Balanced Advantage Funds	NAV	1 YR	2 YR	3 YR	5 YR
Edelweiss Balanced Advantage Fund (G)	36.13	2.93	7.23	13.61	10.05
Tata Balanced Advantage Fund (G)	15.10	5.06	7.80	12.53	N/A
ICICI Pru Balanced Advantage Fund Reg (G)	52.33	6.93	8.76	12.35	9.52
Kotak Balanced Advantage Fund Reg (G)	14.93	5.39	6.94	10.65	N/A

Equity Value Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Value Discovery Fund (G)	273.69	10.99	20.06	27.93	13.74
Templeton India Value Fund (G)	438.92	12.96	17.16	25.84	10.28
IDFC Sterling Value Fund Reg (G)	90.89	7.17	19.71	25.42	10.05
HSBC Value Fund (G)	59.60	7.55	15.21	19.96	9.51

Equity Focused Funds	NAV	1 YR	2 YR	3 YR	5 YR
HDFC Focused 30 Fund (G)	130.39	18.2	20.84	23.24	9.82
ICICI Pru Focused Equity Fund Reg (G)	50.44	7.55	13.19	22.94	11.79
Quant Focused fund (G)	53.94	6.87	13.15	22.61	10.86
Franklin India Focused Equity Fund (G)	67.64	6.74	12.62	19.82	11.46

Tax Saving Schemes (ELSS)	NAV	1 YR	2 YR	3 YR	5 YR
Quant Tax Plan (G)	222.13	6.07	21.05	35.9	19.18
Parag Parikh Tax Saver Fund (G)	19.84	9.58	17.87	23.68	N/A
IDFC Tax Advantage Reg (G)	97.92	5.21	14.78	23.02	10.89
SBI Long Term Equity Fund Reg (G)	232.23	10.74	13.32	19.35	10.08
HDFC Tax Saver (G)	792.68	13.04	16.62	19.24	8.51

Large Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
HDFC TOP 100 Fund (G)	732.36	9.86	11.92	17.83	10.15
ICICI Pru Bluechip Fund Reg (G)	67.27	5.57	11.93	17.8	10.97
Nippon India Large Cap Fund (G)	53.64	11.49	14.26	17.78	10.50
SBI Blue Chip Fund Reg (G)	61.96	6.29	9.44	16.9	10.32

Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant MidCap Fund (G)	127.80	12.30	26.19	32.88	17.66
PGIM India Mid Cap Opp Fund Reg (G)	42.29	3.65	17.09	29.94	16.22
SBI Magnum MidCap Fund Reg (G)	145.60	9.21	17.05	25.72	12.31
HDFC Mid Cap Opportunities Fund (G)	99.80	13.89	17.21	22.65	11.81

Other FoFs Domestic	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Asset Allocator Fund (FOF) (G)	84.12	7.86	10.09	13.59	11.40

Large & Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Large & Mid Cap Fund Reg (G)	578.94	6.37	25.42	20.02	11.43
HDFC Large And Mid Cap Fund Reg (G)	196.84	5.37	22.92	19.36	10.91
UTI Core Equity Fund (G)	101.73	2.74	20.18	17.7	8.86
SBI Large & Midcap Fund Reg (G)	387.65	4.66	20.68	17.67	11.47

Small Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Small Cap Fund (G)	138.54	12.24	31.66	49.61	22.45
Nippon India Small Cap Fund (G)	90.63	13.03	26.11	32.49	14.51
Canara Robeco Small Cap Fund Reg (G)	23.50	4.58	24.80	31.66	N/A
Tata Smallcap Fund Reg (G)	23.29	16.97	26.36	30.29	N/A

Flexicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Flexi Cap Fund (G)	58.24	8.36	22.77	35.86	15.75
Parag Parikh Flexi Cap Fund Reg (G)	48.53	2.3	14.61	22.86	15.54
HDFC Flexi Cap Fund Reg (G)	1114.64	14.99	17.22	22.42	12.16
Franklin India Flexi Cap Fund (G)	961.48	3.77	11.82	20.09	10.53
Canara Robeco Flexi Cap Fund (G)	217.46	-0.32	9.66	15.10	12.11

Multicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Active Fund (G)	411.56	5.13	20.08	32.92	18.07
Nippon India Multi Cap Fund (G)	162.01	15.25	19.58	20.46	11.47
ICICI Pru Multicap Fund Reg (G)	454.95	7.32	12.08	17.93	10.56
Sundaram Multi Cap Fund (Formerly Principal Multi Cap Growth) Reg (G)	229.57	N/A	13.39	17.85	9.44

Sector & Thematic Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Technology Fund (G)	134.66	-11.09	14.79	33.10	20.90
Aditya Birla SL Digital India Fund Reg (G)	118.72	-7.70	14.17	29.43	19.96
ICICI Pru India Opportunities Fund (G)	19.54	13.74	21.24	27.46	N/A
IDFC Infrastructure Fund Reg (G)	24.41	8.05	16.33	23.82	5.62
DSP India T.I.G.E.R. Fund Reg (G)	159.08	16.27	20.97	22.95	10.17
ICICI Pru Pharma Healthcare And Diagnostics Fund (G)	18.39	-2.08	3.94	20.75	N/A
Mirae Asset Healthcare Fund (G)	19.90	-7.08	4.58	20.26	N/A
Sundaram Services Fund (G)	20.71	5.30	15.03	17.56	N/A
Aditya Birla SL India Gen Next Fund Reg (G)	136.11	5.28	11.49	14.84	11.69
Tata Banking and Financial Services Fund Reg (G)	27.15	12.95	6.33	10.38	10.29
SBI Banking & Financial Services Fund Reg (G)	24.82	6.32	3.69	8.21	10.76

Index	NAV	1 YR	2 YR	3 YR	5 YR
S&P BSE Sensex	58962.12	4.83	9.56	15.45	11.51
NSE - Nifty 50	17303.95	3.04	9.11	15.58	10.52

### CORPORATE ACTIONS IN MARCH 2023

COMPANY	RECORD DATE	PURPOSE
360 ONE	02/03/2023	Bonus Issue & Stock Split from Rs.2/- to Re.1/-
Suzlon Energy	02/03/2023	First and Final Call of Rs.2.50
CreditAcc. Gram.	03/03/2023	Scheme of Amalgamation
Marico	08/03/2023	450% Interim Dividend
Astral	14/03/2023	1:3 Bonus Issue of Equity Shares

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## COMPANY ANALYSIS

### TCI EXPRESS LIMITED

**CMP** (As on 28 February 2023) – **1579**

**INDUSTRY - LOGISTICS**

**MARCH 2023**

**SENSEX – 58962    NIFTY – 17303**

<b>Mkt. Cap.</b>	:	6051.12 Cr
<b>Equity</b>	:	7.66
<b>Trading Vol.</b>	:	17241
<b>52 Week High/Low</b>	:	2100/1383
<b>Face Value</b>	:	2

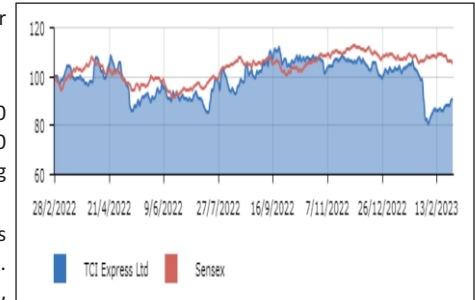
<b>BSE Group</b>	:	A
<b>BSE Code</b>	:	540212
<b>NSE Symbol</b>	:	TCIEXP
<b>Bloomberg</b>	:	TCIEXPIN
<b>Reuters</b>	:	TCIE.BO

<b>Shareholding Pattern</b>		
<b>Promoters</b>	:	66.87
<b>Institutions</b>	:	12.45
<b>Public</b>	:	5.39
<b>Others</b>	:	15.30

TCI Express Limited operates in the business of express cargo distribution through road, rail, air and water mode.

#### Investment rationale

- ▶ The Company has a strong foundation with 28 state-of-the-art sorting centres, 500 express routes, 2,500 feeder routes, more than 900 branches, 40,000 pick up and 50,000 delivery points and more than 5,000 containerized trucks as part of its network. The global footprint of the Company has widened servicing nearly 202 countries through IATA-approved agent network.
- ▶ It added 7 branches in Q3FY2023 taking to 28 branch additions during 9MFY2023. It would target 40 plus new branch additions for FY2023, while from next year, it would target 100 branch additions per annum. It will finalise automation at the Pune centre by FY2024. Post that, it would automate Chennai, Kolkata, Bangalore and Mumbai sorting centres over 3-4 years.
- ▶ The Company provides services such as Surface Express, Domestic and International Air Express to high value manufacturing Companies, which makes possible for the companies like automotive, pharmaceuticals, retail, engineering, apparel and e-commerce to strengthen Indian economy and competitiveness and facilitate rapid growth. New services viz. Pharma cold chain, rail express and C2C express along with air express, comprised 18% of revenues in Q3FY2023 versus 15% in Q3FY2022. It targets to increase contribution to 25% of revenues in FY2025. The rail business expanded to 125 routes from 10 routes while it generated OPM of 18- 20%.
- ▶ The Company expedited time- sensitive cargo, resulting in extended customer relationships on one hand and sensitive understanding needs of industries on the other and thus this hub & spoke distribution model has facilitated prompt cargo movement, driving efficiencies thereby generating higher yields per route.



TCI Express management lowered FY2023 revenue growth guidance to 16-17% y-o-y from 18-20% earlier while OPM is expected to remain flat. However, it retained its volume and revenue growth guidance to 18% and 20% y-o-y for FY2024. However, a positive to note is despite macro challenges and weak demand in the festive month, it grew its volumes by 10% y-o-y to 2.53 lakh tonnes. PAT has grown at a CAGR of 17% in last 5 years, a zero debt company, RONW has been above 25%. We recommend investing with a long term perspective.

#### Financial Performance (Rs. Crore)

Year End	202203	202103	202003	201903	201803
Equity	7.7	7.69	7.67	7.66	7.66
Networth	536.19	433.87	337.27	267.19	206.81
Debt	1.12	2.24	3.91	9.84	40.66
Sales	1,081.47	843.99	1,031.96	1,023.79	885.08
Other Income	8.17	7.65	4.37	3.19	2.08
Operating profit	182.9	141.97	125.67	122.18	92.74
PAT	128.84	100.6	89.08	72.84	58.4
Book Value (Rs)	139.27	112.84	87.95	69.76	54
EPS (Rs.)	33.46	26.16	23.23	19.02	15.25
Dividend (%)	400	200	200	150	125
Payout (%)	23.9	7.64	19.8	15.25	18.36

#### Latest Results (Rs. Crore)

Quarter Ended	202212	202112	Var. (%)
Sales	314.42	286.92	9.58
Other Income	1.3	2.07	-37.20
PBIDT	47.38	49.26	-3.82
PBT	42.65	46.84	-8.95
PAT	32.02	35.13	-8.85

## COMPANY ANALYSIS REVIEW

### HAVELLS LIMITED

**CMP** (As on 28 February 2023) – **1197**

**INDUSTRY - ELECTRIC EQUIPMENT**

**MARCH 2023**

<b>Mkt. Cap.</b>	:	74996.35 Cr
<b>Equity</b>	:	62.65
<b>Trading Vol.</b>	:	1124099
<b>52 Week High/Low</b>	:	1045/1037
<b>Face Value</b>	:	1

<b>BSE Group</b>	:	A
<b>BSE Code</b>	:	517354
<b>NSE Symbol</b>	:	HAVELLS
<b>Bloomberg</b>	:	HAVLIN
<b>Reuters</b>	:	HVELBO

<b>Shareholding Pattern</b>		
<b>Promoters</b>	:	59.45
<b>Institutions</b>	:	11.26
<b>Public</b>	:	23.02
<b>Others</b>	:	6.27

The stock was earlier recommended in our Sajag Online publication of May 2021. We maintain a positive outlook for the company owing to sound financials and anticipated improvement in business.

Havells India Limited is a fast-moving consumer electrical/electronics and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Motors, Pumps, Solar Products, Fans, Power Capacitors, LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches, Water Heaters, Coolers and Domestic Appliances, Personal Grooming, Air Purifier, Water Purifier, Air conditioner, Television, Washing machine and Refrigerator covering the entire range of household, commercial and industrial electrical needs



#### Investment rationale

- ▶ Havells is focusing on expanding coverage in rural and e-commerce channels. The current sales contribution from the rural market is pegged at low single digits. Given that the Indian rural market offers huge growth opportunity, Havells has expanded its rural coverage to ~3000 towns.
- ▶ The Company has manufacturing facilities in Haryana, Rajasthan, Uttarakhand, Uttar Pradesh and Himachal Pradesh. The research and development facilities are located at Noida and Bangalore. The Sri City factory to manufacture air-conditioners is expected to be operational by March-23. In addition, Havells is looking to invest Rs 130 crore to expand the washing-machine manufacturing capacity by 380,000 units at the Ghiloth plant.
- ▶ Havells revenue grew by 13% y-o-y in Q3 FY23 despite the challenging global environment. Switchgears segment account for 12.46% of total sales, Cable segment 34.21%, Electrical Consumer Durables 22.67%, Lighting & Fixtures segment 10.25%. Lloyd Consumer segment is Rs 610.32 crore (14.79% of total sales).

In last 5 years, Havells has grown sales at a CAGR of 11%. A net-zero debt company, its operating margin has been 12-13% and RONW has improved to 21%. The company has been generating incremental cashflow from operations consistently. Havells has decent cash on the balance-sheet nearly Rs. 2500 crore. We recommend investing with a long term perspective.

#### Consolidated Financial Performance (Rs. Crore)

Year End	202203	202103	202003	201903	201803
Equity	62.63	62.6	62.58	62.55	62.51
Networth	6,002.89	5,176.30	4,311.56	4,197.58	3,729.16
Debt	437.58	521.35	72.37	94.5	115.38
Sales	13,938.48	10,457.30	9,440.26	10,073.43	8,116.21
Other Income	160.44	187.36	113.41	128.65	142.89
Operating profit	1,934.37	1,776.55	1,173.44	1,312.64	1,130.12
PAT	1,196.81	1,014.97	740.6	790.7	663.77
Book Value (Rs)	95.85	82.69	68.9	67.11	59.66
EPS (Rs.)	19.1	16.68	11.75	12.59	10.6
Dividend (%)	750	650	400	450	40
Payout (%)	34.03	17.98	72.34	31.77	33.1

#### Latest Results (Rs. Crore)

Quarter Ended	202212	202112	Var. (%)
Sales	4127.67	3664.21	12.65
Other Income	39.64	48.84	-18.84
PBIDT	463.25	489.05	-5.28
PBT	381.39	410.55	-7.10
PAT	283.52	305.82	-7.29

## NMDC LIMITED

### INDUSTRY - MINING

### MARCH 2023

#### CMP (As on 28 February 2023) – 111

Mkt. Cap.	: 32559.03 Cr
Equity	: 293.06
Trading Vol.	: 17861464
52 Week High/Low	: 131/70
Face Value	: 1

BSE Group	: A
BSE Code	: 526371
NSE Symbol	: NMDC
Bloomberg	: NMDCIN
Reuters	: NMDC.BO

Shareholding Pattern	
Promoters	: 60.79
Institutions	: 22.16
Public	: 7.09
Others	: 9.97

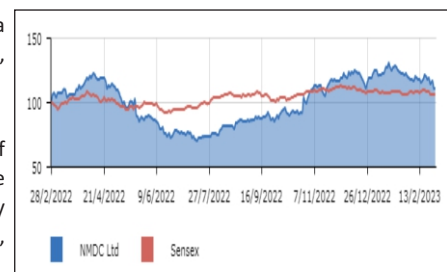
The stock was earlier recommended in our Sajag Online publication of September 2014. We maintain a positive outlook owing to the stable financials, revenue visibility on the back of decent order book and momentum.

NMDC Ltd is the largest iron ore producer by volume in India. The company is engaged in the exploration of a range of minerals including iron ore, copper, rock phosphate, lime stone, dolomite, gypsum, bentonite, magnesite, diamond, tin, tungsten, graphite, and beach sands.

#### Investment rationale

- ▶ Principal operations include its three iron ore mining complexes at Kirandul and Bachel in the State of Chhattisgarh and Donimalai in the State of Karnataka, each of which consists of several iron ore mines. The company sells most of their high grade iron ore production to the Indian domestic steel market, primarily pursuant to long term sales contracts. They sell their core products, iron ore fines, lump and slimes, through the company's sales and marketing function.
- ▶ Domestic steel demand is looking up with the government's focus on Infra development and with the opening up of the China market. Many steel players are adding capacity which is likely to drive up demand for Iron ore over the next few years. Global iron ore prices have been rising, on the back of improving China demand.
- ▶ NMDC has demerged its steel plant, which has now been listed separately. The lingering effect of steel plant capex has been done away with, providing more comfort on the core iron ore business. Capacity expansion is on the cards for NMDC (50MT being increased to 70MT), which would support volumes ahead.

The mining industry reported a strong 23.7% y-o-y growth in its sales revenues during Q3FY23. NMDC has grown its sales at a CAGR of 17% and PAT at 20% in last 5



years. A zero debt company, operating margins have been above 50% and RONW has improved to 28% from 16% in last 5 years. A consistent dividend payer, dividend yield is 16%. We recommend investing with a long term perspective.

### Consolidated Financial Performance (Rs. Crore)

Year End	202203	202103	202003	201903	201803
Equity	293.07	293.07	306.19	306.19	316.39
Networth	34,986.90	29,884.05	27,673.07	26,044.00	24,417.41
Debt	3,490.79	2,000.28	565.57	364.15	500.09
Sales	25,881.73	15,370.06	11,699.22	12,152.67	11,614.90
Other Income	718.52	352	691.75	588.96	722.77
Operating profit	13,300.36	9,141.27	6,419.05	7,512.96	6,469.86
PAT	9,368.13	6,262.65	3,611.90	4,598.06	3,698.31
Book Value (Rs)	84.23	71.94	63.76	60.01	54.45
EPS (Rs.)	22.58	15.11	8.23	10.64	8.49
Dividend (%)	1,474.00	776	529	552	430
Payout (%)	46	36.4	49.55	39.4	47.56

### Latest Results (Rs. Crore)

Quarter Ended	202212	202112	Var. (%)
Sales	3719.99	5873.77	-36.67
Other Income	204.76	152.91	33.91
PBIDT	1345.19	2763.98	-51.33
PBT	1231.55	2694.11	-54.29
PAT	903.93	2046.88	-55.84

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 & %		Value & %		Value & %		Value & %		Value & %	
	Return (3 Yr)	%	Return (5 Yr)	%	Return (8 Yr)	%	Return (10 Yr)	%	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)	443,655	14.10	845,766	13.70	1,657,210	13.30	2,575,858	14.60	6,705,604	16.00
Canara Robeco Emerging equities Reg (G)	442,578	13.90	851,784	14.00	1,675,456	13.60	2,886,228	16.70	8,434,364	18.60
Kotak Emerging Equity (G)	498,863	22.40	976,679	19.60	1,887,009	16.40	3,154,711	18.40	7,868,313	17.80
Nippon India Small Cap Fund (G)	567,570	32.00	1,117,379	25.20	2,227,727	20.40	3,947,081	22.50	N/A	N/A
SBI Large & MidCap Fund Reg (G)	482,121	20.00	911,612	16.80	1,722,989	14.20	2,632,694	15.00	6,114,821	14.90

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

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

### TATA POWER LIMITED

**CMP (AS ON 28 FEBRUARY 2023) - 202**

**TARGET - 235**

Tata Power Company Limited is India's largest integrated private power company, with a significant international presence. It is present across the entire value chain of power business viz. Generation, Transmission, Distribution, Power Trading, Power Services, Coal Mines and Logistics, Solar PV manufacturing and associated Engineering, Procurement and Construction services (EPC), Consumer facing businesses such as solar rooftop, solar pumps, EV charging, home automation and microgrid. It has successful public-private partnerships in Generation, Transmission and Distribution in India and is one of the largest renewable energy players in India. Tata Power's international presence includes strategic investments in Indonesia, South Africa, Australia, Bhutan among others. Consolidated net sales in Q3FY23 increased 29.47% to Rs 14129.12 crore. Generation segment accounts for 34.33% of total sales, Renewables segment 12.25% of total sales, Transmission and Distribution segment accounts for 52.78% of total sales.

### ASHOK LEYLAND LIMITED

**CMP (AS ON 28 FEBRUARY 2023) - 145**

**TARGET - 170**

Ashok Leyland Limited is engaged in manufacture and sale of commercial vehicles. The Company also manufactures engines for industrial and marine applications, forgings and casting. Its products include buses, trucks, engines, defense and special vehicles. From 18 seater to 82 seater double-decker buses, from 7.5 ton to 49 ton in haulage vehicles, from numerous special application vehicles to diesel engines for industrial, marine and genset applications, Ashok Leyland offers a range of products. The company is the flagship of the Hinduja Group. In Q3, the company has been able to achieve growth in market share on a Pan India basis together with significant improvement in Net Profits. Its domestic LCV volumes for Q3 FY23 stood at 16405 units compared to 14233 units in Q3 FY22 up by 15%, while its MHCV market share jumped to 33% in Q3 FY23.

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

GAINERS			
COMPANY	OPEN	CLOSE	%
Tech Mahindra Ltd.	1018.05	1100.25	8.07%
I T C Ltd.	353	376.7	6.71%
Oil & Natural Gas Corpn. Ltd.	145.8	152.05	4.29%
Britannia Industries Ltd.	4329.9	4461.75	3.05%
Apollo Hospitals Enterprise Ltd.	4275	4401.65	2.96%

LOSERS			
COMPANY	OPEN	CLOSE	%
Adani Enterprises Ltd.	2995.00	1363.85	-54.46%
H D F C Life Insurance Co. Ltd.	582.9	488.8	-16.14%
Hindalco Industries Ltd.	473	399.2	-15.60%
Divi's Laboratories Ltd.	3332.15	2825.6	-15.20%
Tata Steel Ltd.	120.1	103.95	-13.45%

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

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