

**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, RBI FY25 GDP growth forecast at 7.2%

Time period	31/8/2024	31/7/2024	31/12/2007
Nifty	25235.9	24951.15	6138
<b>Valuation</b>			
Trailing PE	23.47	23.4	27.62
Trailing PB	4.26	4.21	6.39
Mcap/GDP	1.31	1.30	1.23
<b>Nifty return</b>			
1 year	31.07%	26.31%	54.77%
2 year	19.21%	20.59%	47.11%
3 year	13.78%	16.54%	43.43%
<b>EPS growth</b>			
1 year	22.69%	24.21%	19.13%
2 year	13.29%	13.50%	15.95%
3 year	18.11%	22.25%	17.85%
<b>Other data points</b>			
Credit growth	13.60%	14%	25%
10-year bond yield	6.86	6.90	7.57
Brent Oil Futures	78.8	80.72	93.25
USD/INR	83.87	83.7	39.23
Gold (oz/USD)	2527.6	2473.3	843.2

Source: RBI, NSE, ET, Prowess

## MARKET REVIEW

### Indices mark newer highs amidst volatility!

Amid the global market rout, domestic indices remained volatile. However, key indices marked newer highs.

Key developments during the month were,

- ▶ The annual rate of inflation based on all India Wholesale Price Index (WPI) number is 2.04% for the month of July 2024 (over July, 2023). Positive rate of inflation in July, 2024 is primarily due to increase in prices of food articles, manufacture of food products, mineral oils, crude petroleum & natural gas, other manufacturing etc. There is sharp decline in the y-o-y inflation rate based on All India Consumer Price Index (CPI) number for the month of July, 2024, which is the lowest in the last 59 months at 3.54%.
- ▶ The IIP growth rate for the month of June 2024 over the corresponding period of previous year is 4.2%. The IIP growth rate in June 2023 was 4%. The growth rates of the three sectors, Mining, Manufacturing and

Electricity for the month of June 2024 over June 2023 are 10.3%, 2.6% and 8.6% respectively.

- ▶ India's total exports (Merchandise and Services combined) for July 2024 is estimated at \$62.42 billion, registering a positive growth of 2.81% y-o-y. Total imports (Merchandise and Services combined) for July 2024 is estimated at \$72.03 billion, registering a positive growth of 7.14% y-o-y.
- ▶ Merchandise exports during July 2024 were \$33.98 billion as compared to \$34.49 billion in July 2023. Merchandise imports during July 2024 were \$57.48 billion as compared to \$53.49 billion in July 2023. Merchandise exports during April-July 2024 were \$144.12 billion as compared to \$138.39 billion during April-July 2023. Merchandise imports during April-July 2024 were \$229.70 billion compared to \$213.53 billion during April-July 2023. Merchandise trade deficit during April-July 2024 was \$85.58 billion compared to \$75.15 billion during April-July 2023.
- ▶ The monthly GST collections for August 2024 represent an impressive 10.1% year-on-year growth where CGST accounted for Rs.1.72 lakh crores, SGST was Rs.2.13 lakh crores, IGST stood at Rs. 4.64 lakh crores and Cess was Rs.64 thousand crores. This growth is driven by a substantial increase in domestic transactions (up 11.3%) and imports (up 6.5%).
- ▶ Foreign direct investment in India jumped 47.8% to \$16.17 billion in April-June this fiscal on healthy inflows in services, computer, telecom and pharma sectors, according to government data. Total FDI, which includes equity inflows, reinvested earnings and other capital, grew by 28% to \$22.49 billion during the first quarter of this fiscal from \$17.56 billion in April-June 2023-24.

Indices turned volatile as the month began, broader indices were more impacted. Worries over slowing economic growth, fueled by weak US jobs data, sent shockwaves through markets. The Reserve Bank of India (RBI) maintained its status quo on interest rates for the ninth consecutive time due to persistent food inflation. DIIs were net buyers while the FIIs sold net Rs 21368.51 crores. US indices gained after remarks by Federal Reserve Chair Jerome Powell statement that "time has come" for the US to start cutting interest rates.



### Performance of key sectoral indices

Nifty Realty	-4.02%	Nifty Bank	-0.62%
Nifty Metal	-2.95%	Nifty FMCG	1.43%
Nifty Auto	-2.71%	Nifty India Consumption	1.92%
Nifty MNC	-1.48%	Nifty IT	4.71%
Nifty Energy	-1.44%	Nifty Pharma	6.31%
Nifty Infrastructure	-1.01%		

### Market Outlook

Ratings agency Fitch affirmed India's rating at 'BBB-' with a stable outlook on the back of strong medium term growth outlook and strengthening fiscal credibility. The rating agency noted that the Indian economy is expected to expand 7.2% in FY25 and projected inflation to cool down to 4.6% for the year, further falling to 4.4% in FY26.

- ▶ In United States, nonfarm payrolls increased by only 114,000 in July, one of the weakest figures since the pandemic. Job growth was revised downward for the previous two months. The unemployment rate unexpectedly rose to 4.3%, surpassing the Federal Reserve's year-end forecast and triggering a recession warning. US retail sales increased 1% after a downwardly revised 0.2% drop in June, easing fears of a sharp economic slowdown fanned by a jump in the unemployment rate last week. The US producer price index (PPI), a measure of wholesale inflation, rose 0.1% last month. The University of Michigan's gauge of consumer sentiment rose to 67.8 in a preliminary August reading, up from 66.4 in the prior month. It is the first gain after four months of declines.
- ▶ China's consumer prices rose 0.5% year-on-year last month. However, core CPI, excluding volatile food and energy items, cooled to 0.4% from 0.6% in June. Growth in China's services sector activity slowed in August despite the summer travel peak. The Caixin/S&P Global services

purchasing managers' index (PMI) slipped to 51.6 in August from 52.1 in July. China's factory activity grew modestly among smaller manufacturers last month as export orders offset weakening domestic consumption. The country's official manufacturing activity extended declines to a six-month low at 49.1.

- ▶ The HCOB Eurozone Services PMI increased sharply from 51.9 in July 2024 to 53.3 in August 2024. This represents the fastest rate of growth in the services sector in the bloc since April! Euro zone inflation fell to a three-year low of 2.2% in August, according to flash figures released by statistics agency Eurostat. The U.K. CPI rose to 2.2% in July 2024, up from 2% in June 2024. On a monthly basis, CPI fell by 0.2% in July 2024, compared with a fall of 0.4% in July 2023.
- ▶ The AU Jibun Bank flash Japan manufacturing purchasing managers' index (PMI) rose to 49.5 in August from 49.1 in July. Government figures revealed that Japanese core CPI, which excludes volatile fresh food prices, rose 2.7% year-over-year in July, while headline CPI inflation increased by 2.8% during the same period.
- ▶ The India Services Purchasing Managers' Index (PMI) Business Activity Index inched up to 60.4 in August from 60.3 in July. In contrast, the Flash India Manufacturing PMI Output Index dipped to 60.9 in August from 61.7 in July, while the Flash India Manufacturing PMI fell slightly to 57.9 from 58.1. The India Composite PMI Output Index, which combines both manufacturing and services, edged down to 60.5 from 60.7 in the previous month. The HSBC Flash India Services PMI rose to 60.4 in August from 60.3 in July.

Global investors are expecting certain rate action from USFED at the September meeting. Global cues will likely guide the overall trend of investment world. Any corrections would lead to stock specific investments.

## TECHNICAL VIEW

Nifty began the month of August with a gap-down and moved lower to 23893. At this level, Nifty saw buying which halted the downmove. Nifty then moved higher and saw the highest monthly close again at 25235. Nifty was up 1.1% in August.

Nifty has ended with a green candle in 3 consecutive months. The RSI is trading in over-bought conditions on weekly as well as monthly charts. As we have been mentioning, it is very likely that Nifty might see some profit-taking at higher levels as gradually it moves up.

Going ahead, Nifty is likely to move in a range-bound manner. Nifty will resistance near 25500-26000. On the other hand, support is placed near 24700-24500-23870. Any correction would be buying opportunity for investors.



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

GAINERS			
COMPANY	OPEN	CLOSE	%
Bajaj Auto Ltd.	9770.65	10896.1	11.52%
Shriram Finance Ltd.	2935.5	3203.55	9.13%
LTI-Mindtree Ltd.	5665.65	6158.9	8.71%
Bajaj Finserv Ltd.	1649.45	1782.45	8.06%
H C L Technologies Ltd.	1632.85	1752.15	7.31%

LOSERS			
COMPANY	OPEN	CLOSE	%
Tata Steel Ltd.	168	152.8	-9.05%
Maruti Suzuki India Ltd.	13400	12421.25	-7.30%
State Bank Of India	877.95	815.65	-7.10%
Adani Ports & Sp. Economic Zone Ltd.	1581	1482.65	-6.22%
Ultratech Cement Ltd.	11941.1	11300.65	-5.36%

# MUTUAL FUNDS PERFORMANCE

NAV as on 31 August 2024

Return %

Liquid Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
Franklin India Money Market Fund Reg (G)	47.06	0.52	1.81	3.76	7.43
Axis Liquid Fund (G)	2744.41	0.56	1.75	3.68	7.36
Canara Robeco Liquid Fund Reg plan (G)	2967.32	0.56	1.76	3.66	7.35
Arbitrage Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
Kotak Equity Arbitrage Fund (G)	35.39	0.33	1.83	3.75	7.79
UTI Arbitrage Fund (G)	33.08	0.36	1.82	3.74	7.63
Edelweiss Arbitrage Fund Reg (G)	18.31	0.33	1.75	3.64	7.57
Hybrid Aggressive Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Equity & Debt Fund (G)	380.66	37.39	28.18	23.55	24.37
Edelweiss Aggressive Hybrid Fund (G)	62.69	36.58	26.24	19.23	20.23
Quant Absolute Fund (G)	438.94	34.83	20.97	18.77	27.01
Hybrid Balanced Advantage Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Balanced Advantage Fund Reg (G)	70.44	23.06	16.81	13.83	14.83
Edelweiss Balanced Advantage Fund (G)	51.06	27.46	18.84	12.97	17.05
Nippon India Balanced Advantage Fund (G)	173.18	25.90	17.45	12.83	14.18
Tata Balanced Advantage Fund (G)	20.30	21.61	16.30	12.43	14.56
Hybrid Multi-Asset	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Multi Asset Fund (G)	133.25	40.72	26.89	23.16	28.49
Quant Multi Asset Fund (G)	708.85	30.34	25.71	22.46	22.32
WhiteOak Capital Multi Asset Allocation Fund Reg (G)	12.56	20.64	N/A	N/A	N/A
Equity Value Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Value Discovery Fund (G)	466.69	45.08	33.96	26.55	27.85
HSBC Value Fund (G)	110.94	51.21	38.48	26.25	27.17
Nippon India Value Fund (G)	231.05	54.47	35.97	25.23	27.60
Bandhan Sterling Value Fund Reg (G)	155.16	39.26	30.71	24.24	28.49
Equity Focused Funds	NAV	1 YR	2 YR	3 YR	5 YR
HDFC Focused 30 Fund (G)	217.87	42.29	31.30	28.05	25.15
ICICI Pru Focused Equity Fund Reg (G)	89.52	49.55	33.30	23.54	25.82
Quant Focused fund (G)	94.39	46.04	28.74	21.96	25.80
Franklin India Focused Equity Fund (G)	110.50	38.58	27.06	20.59	23.63
Tax Saving Schemes (ELSS)	NAV	1 YR	2 YR	3 YR	5 YR
SBI Long Term Equity Fund Reg (G)	448.25	56.32	39.66	27.65	27.68
Quant ELSS Tax Saver Fund (G)	403.95	48.55	30.42	25.54	35.96
HDFC ELSS Tax saver Reg (G)	1379.64	46.15	32.66	25.19	23.70
Motilal Oswal ELSS Tax Saver Fund Reg(G)	52.05	62.13	40.38	24.19	25.61
Large Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Nippon India Large Cap Fund (G)	89.79	38.08	29.73	23.03	23.15
HDFC Top 100 Fund (G)	1175.32	38.39	27.58	21.23	20.43
ICICI Pru Bluechip Fund Reg (G)	109.93	41.43	28.33	20.46	22.16
Tata Large Cap Fund Reg (G)	516.52	37.37	24.73	16.76	19.52
Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Motilal Oswal Midcap Fund Reg (G)	101.94	60.88	43.74	37.15	33.75
Quant MidCap Fund (G)	244.79	53.35	37.10	30.67	36.99
HDFC Mid Cap Opportunities Fund (G)	189.44	46.30	38.73	29.23	30.74
Nippon India Growth Fund (G)	4113.16	51.77	38.25	28.19	31.62

Large & Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Quant Large and Mid Cap Fund (G)	129.42	56.41	35.19	27.80	29.85
Bandhan Core Equity Fund (G)	136.70	57.62	39.02	26.78	27.04
ICICI Pru Large & Mid Cap Fund Reg (G)	989.23	47.01	32.59	26.18	26.62
HDFC Large And Mid Cap Fund Reg (G)	346.92	43.70	33.24	25.51	26.81

Small Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Nippon India Small Cap Fund (G)	180.06	47.39	41.38	32.38	38.69
Quant Small Cap Fund (G)	278.59	51.90	45.59	32.28	49.14
Franklin India Smaller Companies Fund (G)	185.56	47.41	42.56	29.91	31.64
HSBC Small Cap Fund Reg (G)	87.80	41.48	36.75	29.63	32.47

Flexicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
HDFC Flexi Cap Fund Reg (G)	1894.81	42.99	31.97	26.96	24.92
Quant Flexi Cap Fund (G)	108.96	54.08	34.92	25.39	36.39
Franklin India Flexi Cap Fund (G)	1660.79	43.66	30.52	22.40	25.14
Parag Parikh Flexi Cap Fund Reg (G)	79.28	37.93	28.64	18.24	26.35

Multicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Nippon India Multi Cap Fund (G)	299.05	42.21	36.29	29.49	27.72
ICICI Pru Multicap Fund Reg (G)	796.03	47.28	33.55	23.34	24.23
Quant Active Fund	726.59	42.15	29.06	23.00	33.33
Sundaram Multi Cap Fund Reg (G)	384.66	40.43	25.83	19.53	23.99

Sector & Thematic Funds	NAV	1 YR	2 YR	3 YR	5 YR
DSP India T.I.G.E.R. Fund Reg (G)	342.08	62.51	47.94	35.11	32.19
Bandhan Infrastructure Fund Reg (G)	56.04	75.44	50.78	33.49	33.37
ICICI Pru India Opportunities Fund (G)	35.16	45.41	35.49	29.96	30.18
ICICI Pru Pharma Healthcare And Diagnostics Fund (G)	38.24	61.69	42.61	21.22	31.86
Kotak Pioneer Fund (G)	30.50	44.03	30.84	19.79	N/A
Aditya Birla SL India Gen Next Fund Reg (G)	223.50	38.71	24.66	18.66	22.38
Sundaram Services Fund (G)	32.99	33.17	24.65	18.35	24.87
Mirae Asset Healthcare Fund (G)	38.73	53.24	34.46	17.64	30.48
SBI Banking & Financial Services Fund Reg (G)	37.68	34.12	21.65	14.63	16.92
Tata Banking and Financial Services Fund Reg (G)	39.14	21.37	22.44	14.05	16.00
SBI Magnum Global Fund Reg (G)	377.06	13.44	14.33	10.68	18.40

Index	NAV	1 YR	2 YR	3 YR	5 YR
NSE - Nifty 50	25235.90	30.44	19.21	14.23	18.02
S&P BSE Sensex	82365.77	26.55	17.62	13.13	17.15

### CORPORATE ACTIONS IN SEPTEMBER 2024

COMPANY	RECORD DATE	PURPOSE
Tata Motors	01/09/2024	Scheme of Arrangement
Tata Steel	06/09/2024	Scheme of Amalgamation
Gujarat Gas	09/09/2024	283% Final Dividend
Vedanta	10/09/2024	2000% Third Interim Dividend
Varun Beverages	12/09/2024	Stock Split from Rs.5/- to Rs.2/-
APL Apollo Tubes	19/09/2024	275% Final Dividend
Gujarat Fluorochem	20/09/2024	Rs.3 per share (300%) Final Dividend

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## COMPANY ANALYSIS

### BAJAJ FINANCE LIMITED

**CMP** (As on 31 August 2024) – **7206**

**INDUSTRY - FINANCE**

**SEPTEMBER 2024**

**SENSEX – 82365    NIFTY – 25235**

<b>Mkt. Cap.</b>	:	446058.03 Cr
<b>Equity</b>	:	123.60
<b>Trading Vol.</b>	:	53863
<b>52 Week High/Low</b>	:	8190/6190
<b>Face Value</b>	:	2

<b>BSE Group</b>	:	A
<b>BSE Code</b>	:	500034
<b>NSE Symbol</b>	:	BAJFINANCE
<b>Bloomberg</b>	:	BAFIN
<b>Reuters</b>	:	BJFN.BO

<b>Shareholding Pattern</b>		
<b>Promoters</b>	:	54.70
<b>Institutions &amp; Corporates</b>	:	18.61
<b>Foreign</b>	:	18.50
<b>Public &amp; Others</b>	:	8.18

Bajaj Finance Limited (Formerly Known as Bajaj Auto Finance Limited), is a subsidiary of Bajaj Finserv Limited. The Company is engaged in business of lending and acceptance of deposits. It has a diversified lending portfolio across retail, SMEs, and commercial customers with significant presence in both urban and rural India. It accepts public and corporate deposits and offers variety of financial services products to its customers. The Company has two wholly owned subsidiaries, viz Bajaj Housing Finance Ltd. and Bajaj Financial Securities Ltd.

#### Investment rationale

- ▶ One of Bajaj Finance's core strengths is its leadership. The company is led by one of the most dynamic, ethical, and growth-oriented CEOs in the industry and with a strong parentage. This leadership stability ensures a clear strategic direction, operational excellence, and strong governance practices, which are crucial for long-term success.
- ▶ Assets under management (AUM) grew by 31% to Rs 354192 crore end June 2024 from Rs 270097 crore end June 2023. The company has guided for a loan book growth of 26% to 28%. This growth trajectory is expected to drive a robust Return on Assets (ROA) of 3.9%.
- ▶ As global interest rates stabilize, cost of funds for the company will start declining. A lower cost of borrowing will improve the company's net interest margins, enhancing overall profitability.
- ▶ Capital adequacy ratio (CAR) (including Tier-I capital) end June 2024 was 20.73%. Bajaj Finance enjoys the highest credit rating of AAA/Stable for its long-term debt programme from CRISIL, ICRA, CARE and India Ratings, A1+ for short-term debt programme from CRISIL, ICRA and India Ratings and AAA (Stable) for its fixed deposits programme from CRISIL and ICRA. The Company has been assigned long-term issuer rating of BBB-/Stable and short-term issuer rating of A-3 by S&P Global ratings.



Bajaj Finance is well-positioned to capitalize on several key developments, each serving as a potential catalyst for substantial growth and enhanced shareholder value over the coming years. The forthcoming IPO of Bajaj Housing Finance is another significant growth driver, this capital infusion will strengthen Bajaj Finance's balance sheet. We recommend investing with a long term perspective.

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

Year End	202403	202303	202203	202103	202003
Equity	123.6	120.89	120.66	120.32	119.99
Networth	76,695.35	54,371.98	43,712.69	36,918.41	32,327.63
Total capital employed	370,041.18	271,062.47	208,944.22	168,551.95	162,134.06
Interest Income	48306.61	35548.95	27277.34	23308.15	22970.39
Total income	54,990.15	41,419.93	31,648.05	26,683.05	26,385.64
Gross Profit	19,992.89	16,013.24	9,888.35	6,317.53	7,616.75
PAT	14,460.49	11,517.57	7,046.54	4,424.77	5,265.35
Book Value (Rs)	1,236.22	899.53	724.56	613.67	538.84
EPS (Rs.)	233.84	190.38	116.5	73.47	87.74
Dividend (%)	1,800.00	1,500.00	1,000.00	500	500
Payout (%)	12.56	10.49	8.57	0	18.04

#### Latest Results (Rs. Crore)

Quarter Ended	202406	202306	Var. (%)
Sales	15748.98	12271.98	28.33
Other Income	6.16	4.67	31.91
PBIDT	11149.02	8809.82	26.55
PBT	5265.35	4551.21	15.69
PAT	3911.98	3436.89	13.82

## COMPANY ANALYSIS REVIEW

### GANESHA ECOSPHERE LIMITED

**CMP** (As on 31 August 2024) – **1815**

**INDUSTRY - RECYCLING**

**SEPTEMBER 2024**

<b>Mkt. Cap.</b>	:	4601.11 Cr
<b>Equity</b>	:	25.35
<b>Trading Vol.</b>	:	2599
<b>52 Week High/Low</b>	:	2049/813
<b>Face Value</b>	:	10

<b>BSE Group</b>	:	B
<b>BSE Code</b>	:	514167
<b>NSE Symbol</b>	:	GANECOS
<b>Bloomberg</b>	:	GNPLN
<b>Reuters</b>	:	GANS.BO

<b>Shareholding Pattern</b>		
<b>Promoters</b>	:	36.44
<b>Institutions &amp; Corporates</b>	:	25.61
<b>Foreign</b>	:	10.85
<b>Public &amp; Others</b>	:	27.10

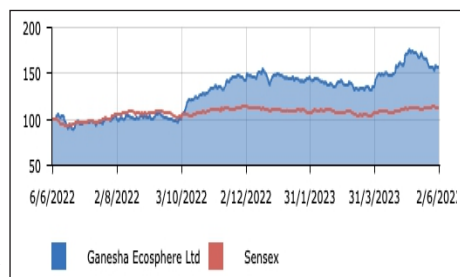
The stock was earlier recommended in Sajag Online publication of October 2018. We maintain an optimistic outlook of the company owing to presence in a recycling segment and stable fundamentals.

Ganesha Ecosphere Ltd is a leading PET Waste recycling company in India and is engaged in the manufacturing of Recycled Polyester Staple Fibre (RPSF), Spun Yarn and Dyed Texturised Yarn. The Company has three units located at Kanpur, Rudrapur and Bilaspur.

#### Investment rationale

- ▶ To source raw material (Pet plastic waste) Ganesha has developed a pan india network of scrap dealers and contractors who in turn work through rag pickers for supplying the PET plastic waste to the Company. Contractors also supply directly from various cities. It recently ventured into the packaging sector, manufacturing food-grade recycled granules utilised in beverage packaging. It recently invested in RACE Eco chain as a strategic investment to strengthen its raw material supply chain of PET waste.
- ▶ Ganesha Ecosphere recycles discarded PET bottles into user friendly polyester staple fibre and polyester spun yarn having versatile applications. The government has made rPET mandatory up to 30%. So, all PET bottles and food packaging need to have recycled content up to 30% and the dead line starts next year and then after that there is a penalty. Ganesha is well placed to gain from this opportunity.
- ▶ It has a 20% market share and that is being used for food packaging, PET bottles, so leading names like Coke, Pepsi, Varun Beverages, Dabur, use it. The company is eyeing 50-60% growth in both its revenue and profit for April-March 2024-25. It has been generating positive CFO in past few years.

Ganesha Ecosphere has emerged as one of the leading rPET Fibre manufacturers in India. It pioneered the manufacture of rPET Fibre and rPET Yarn from pre and post consumer PET Bottle scrap. We recommend investing with a long term perspective.



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

Year End	202403	202303	202203	202103	202003
Equity	25.35	21.83	21.83	21.83	21.83
Networth	1,052.12	638.12	573.61	516.96	477.48
Total debt	398.79	505.46	357.82	127.04	91.76
Sales	1,122.93	1,179.63	1,021.44	751.14	888.83
Other Income	14.63	13.39	6.91	9.43	7.4
PBDITA	152.49	141.06	120.82	93.92	119.09
PAT	39.85	68.31	60.92	42.45	62.49
Book Value (Rs)	400.29	292.32	263.2	236.82	218.73
EPS (Rs.)	16.01	31.82	28.39	19.94	29.17
Dividend (%)	30	20	20	20	20
Payout (%)	10.75	6.28	7.05	10.04	6.86

#### Latest Results (Rs. Crore)

Quarter Ended	202406	202306	Var. (%)
Sales	336.55	254.12	32.44
Other Income	4.25	2.94	44.56
PBIDT	51.93	28.44	82.59
PBT	30.15	4.85	521.65
PAT	22.55	3.45	553.62

## LUPIN LIMITED

#### CMP (As on 31 August 2024) – 2239

Mkt. Cap.	: 8258.58 Cr
Equity	: 12.43
Trading Vol.	: 36461
52 Week High/Low	: 1405/436
Face Value	: 2

#### INDUSTRY - PHARMACEUTICALS

BSE Group	: A
BSE Code	: 533269
NSE Symbol	: WABAG
Bloomberg	: VATWIN
Reuters	: VATE.BO

#### SEPTEMBER 2024

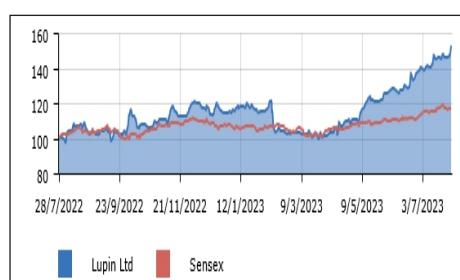
Shareholding Pattern	
Promoters	: 19.13
Institutions & Corporates	: 12.60
Foreign	: 14.85
Public & Others	: 53.42

The stock was earlier reviewed in Sajag Online publication of May 2020. We maintain an optimistic outlook of the company owing to sound balance-sheet and promising product launches in pipeline.

Lupin is an innovation led Transnational Pharmaceutical Company producing, developing and marketing a wide range of branded and generic formulations, biotechnology products and active pharmaceutical ingredients (APIs) globally. The Company has significant presence in the Cardiovascular, Diabetology, Asthama, Pediatrics, Central Nervous System, Gastro- Intestinal, Anti-Infectives and Nonsteroidal Anti Inflammatory Drug therapy segments and is a global leader in the Anti-TB and Cephalosporins segments. The Company along with its subsidiaries has manufacturing locations spread across India, USA, Mexico and Brazil with trading and other incidental and related activities extending to the global markets.

#### Investment rationale

- ▶ Lupin maintains its leadership position, ranks #3 in both US generic market and US total market by prescriptions. In Q1FY25, sales growth was mainly driven by domestic formulations which saw 18% y-o-y growth. Also, APAC saw a sales growth of 27% y-o-y on a low base. US business was up 9% qoq.
- ▶ In domestic formulations, branded Rx business outperformed IPM growing 10.5% vs IPM growth of 8.7% in Q1 supported by Cardiology, Respiratory, GI & VMS which grew faster than market. Going ahead, Lupin expects to outpace market led by the recent field force expansion and addition of 6



divisions. It has launched 28 products in FY24 and expects to launch 20 products in FY25.

- ▶ For FY25 Lupin aims to grow US business in high single digit. Lupin expects to maintain US sales run rate of ~US\$220-230mn/qtr supported by gSpiriva and pipeline launches. It has launched a generic cancer treatment drug, Doxorubicin Hydrochloride Liposome injection, in single-dose vials, in the US market, and as per the Iqvia MATdata, Doxorubicin Hydrochloride Liposome injection had an estimated annual sales of \$40.9 million in the US.

Lupin has a low D/E of 0.2 and has been generating consistent positive CFO with growth in sales. The management expects to move forward with sustainable and profitable growth. The US sales remain healthy driven by inhalation products, and India formulation business is delivering ahead of market. While FY24 has been a year of resurgence for the company, it looks forward to an even stronger FY25 driven by growth across its key geographies and consistent improvement in margins. We recommend investing with a long term perspective.

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

Year End	202403	202303	202203	202103	202003
Equity	91.14	91	90.9	90.74	90.6
Networth	14,290.29	12,464.50	12,153.27	13,803.14	12,536.70
Total debt	2,921.77	4,541.52	4,158.38	5,129.08	6,305.32
Sales	20,010.82	16,641.66	16,405.48	15,162.96	15,374.76
Other Income	130.68	150.91	210.45	137.62	617.8
PBDITA	3,930.69	1,871.48	429.27	2,704.50	2,220.53
PAT	1,891.72	409.65	-1,561.30	1,176.98	-470.2
Book Value (Rs)	313.59	273.95	267.4	304.23	276.75
EPS (Rs.)	42.01	9.45	-33.62	26.81	-5.95
Dividend (%)	400	200	200	325	300
Payout (%)	9.4	40.62	-19.55	22.14	-83.88

#### Latest Results (Rs. Crore)

Quarter Ended	202403	202303	Var. (%)
Sales	5514.34	4742.12	16.28
Other Income	67.78	22.83	196.89
PBIDT	1308.75	879.12	48.87
PBT	993.03	558.79	77.71
PAT	805.54	453.33	77.69

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)	%
<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>
Canara Robeco Emerging equities Reg (G)	534,165	27.31	1,133,837	25.72	2,218,354	20.31	3,288,725	19.13	10,019,623	20.52
Aditya Birla SL India Gen Next Fund Reg (G)	532,958	27.14	1,114,173	24.99	2,196,379	20.07	3,223,619	18.76	8,423,755	18.56
Kotak Emerging Equity (G)	587,769	34.49	1,336,017	32.64	2,655,946	24.65	3,924,480	22.40	10,822,485	21.39
Nippon India Small Cap Fund (G)	637,814	40.8	1,656,612	41.93	3,353,549	30.29	5,102,381	27.25	N/A	N/A
SBI Large & MidCap Fund Reg (G)	531,198	26.9	1,159,798	26.67	2,253,420	20.69	3,218,343	18.73	7,712,630	17.55

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

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

### DR REDDYS LABORATORIES LIMITED

**CMP (AS ON 31 AUGUST 2024) - 7031**

**TARGET - 8000**

Dr Reddy's Laboratories Ltd (DRL) is an integrated global pharmaceutical company, committed to providing affordable and innovative medicines for healthier lives. Through its three businesses - Pharmaceutical Services & Active Ingredients, Global Generics and Proprietary Products - Dr. Reddy's offers 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. Dr. Reddy's operates in markets across the globe. Its major markets include - USA, India, Russia & CIS countries, and Europe. The company's growth and profitability in FY2024 has been driven by its performance in the US. It has also made significant progress on future growth drivers through licensing, collaboration and pipeline building. It continues to strengthen core business through superior execution as it invests and build the future growth drivers. Dr Reddy's Q4 PAT jumped 36% y-o-y to Rs 1,307 crore. The revenue growth was largely driven by growth in global generics revenues in North America as well as Emerging Markets.

### HCL TECHNOLOGIES LIMITED

**CMP (AS ON 31 AUGUST 2024) - 1753**

**TARGET - 1900**

HCL Technologies Limited is a leading global IT services company that helps global enterprises re-imagine and transform their businesses through Digital technology transformation. The Company is primarily engaged in providing a range of software services, business process outsourcing and infrastructure services. It leverages an extensive offshore global technology workforce and intellectual properties to deliver solutions across select verticals including Financial Services, Manufacturing, Life Sciences & Technology Healthcare Services, Public Services, Retail & CPG, Oil & Gas, Energy & Utilities, Travel, Transportation & Logistics, Telecom, Government, Media, Publishing and Entertainment. Net sales of HCL Technologies increased 6.70% to Rs 28057 crore in Q1FY25. For FY2025, the company expects total revenue growth to be in the range of 3-5% y-o-y in constant currency. The company continues to maintain its guidance for EBIT margin for FY25 that is between 18-19%.

**SAJAG STOCK HOTLINE 020 2530 24 00**

*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	Sahakar Nagar	Mr. Tejas Jaykar	9765173434
Dahanukar Colony	Mr. Abhay Oak	25444744	Aurangabad	Mr. Amit Vaidya	0240-2347584
ITI Road, Aundh	Mr. Ravi Jadhav	25888511	Aurangabad	Mr. Abhijit Bhaiwal	0240-2361421
Kalyani Nagar	Ms. Bernadette Dias	9422449266	Sangli	Mr. Dattaji Gaikwad	0233-6600566
Karve Nagar	Ms. Prajakta Bedekar	8600993930	Satara	Mr. Vinod Jhamvar	02162-233906
Kondhwa	Mr. Santosh Gupte	26836366	Shrirampur	Mr. Amit Somani	02422-228111
Koregaon Park	Mr. Ajit Godbole/Mr. Ninad Parundekar	26158889			

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If undelivered please return to :

**Sajag Securities Pvt. Ltd.**

'Regent Chambers', Opp. Garware College,

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

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