

INVASSET NEWS

EDITION 3 : MARCH, 2024

INVasset PMS

Best Performing PMS for FY 2024

Breaking News

INVasset PMS
becomes the best performing PMS
for FY 2024 with staggering
128% Returns

Company Reports

- TATA Steel
- Ultratech
- Powergrid
- JSW Steel
- Bajaj Finserv
- ITC
- CIPLA
- Bajaj Finance
- IndusInd Bank

Contents

- Large Caps in Action
- Performance Matrix
- INVasset Best Performing PMS
- Power Stocks on Hot Streak
- Fund Manager Speaks
- INVasset's Portfolio Recipe
- Quiz Time
- Mid Caps & Small Caps Overvalued
- Polls Strategy

TOLL FREE NO.
1800-309-2172



BSE Realty Index Rallies 130% in FY24 - Focus on This Themes Now !

Excerpts of the Interview of Mr. Anirudh Garg (Fund Manager, INVasset) with Money Control

Sectorwise, the BSE Realty Index gained the most 130% in FY24. It was followed by BSE Power Index (up 83%), BSE Capital Goods (up 75%) and BSE Auto Index (up 72%). Market watchers believe that robust inflows from Foreign as well as Domestic Institutional Investors supported market sentiments during the year.

Anirudh Garg, Partner and Fund Manager at INVAsset said, they identify significant value in large-cap stocks, which, are poised to deliver solid returns to investors. “This conviction is further bolstered by the ongoing global trend of premiumisation, notably in sectors such as travel, lifestyle, and housing. The post-Covid era has witnessed a notable rise in asset prices, which, in turn, has elevated per capita spending patterns—a trend we anticipate will persist. Furthermore, our outlook remains bullish on defence companies. We believe these entities stand to benefit significantly in the long term, especially as technological advancements and geopolitical dynamics evolve.”

Click on the link below for the complete interview :
https://www.businesstoday.in/markets/market-commentary/story/bse-realty-index-rallies-130-in-fy24-analysts-suggest-focusing-on-these-themes-now-423094-2024-03-27



You've probably noticed the recent market corrections, especially in mid and small-caps, with a 20-25% dip. But here's something to consider: our INVasset PMS portfolio remains resilient thanks to our proactive strategy focused on quality stocks. Despite market turbulence, our drawdown has been less than 3% in the last three days, ensuring your capital is protected.

Our algorithm ensures an unbiased market view, seeing corrections as opportunities, not setbacks. And speaking of opportunities, now's the perfect time to consider a Systematic Investment Plan (SIP) top-up. SIPs can help you make the most of market dips, potentially strengthening your portfolio in the long run.

We're here to support your investment journey every step of the way.

Risk to Reward Ratio in Mid & Smallcaps shifts towards Large Caps

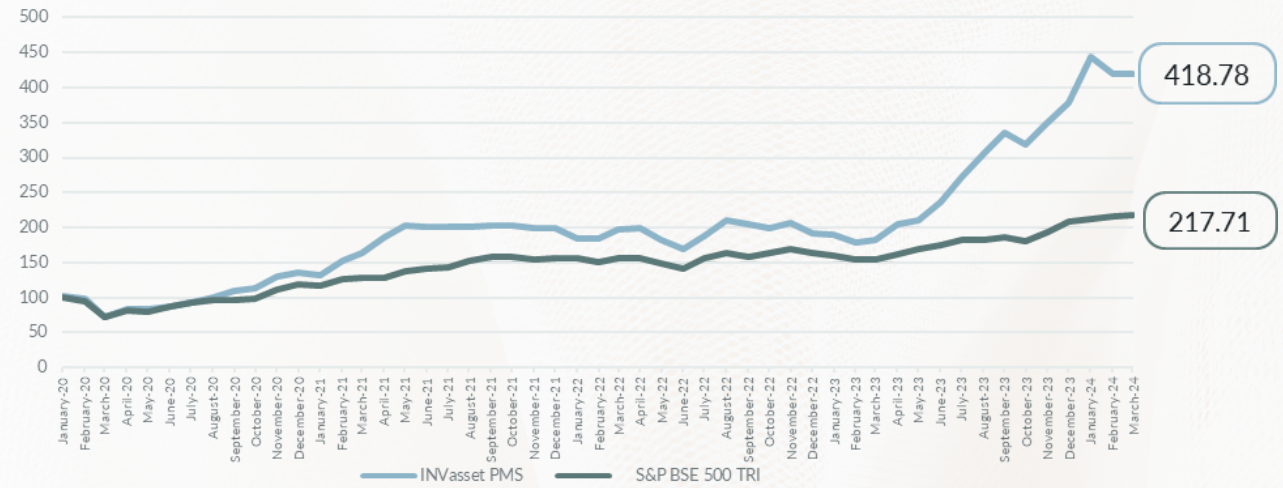


Anirudh Garg, Fund Manager, Partner & Research Head at INVasset PMS in an exclusive interview with CNBC AWAAZ. He guides us through his proactive investment strategies. Anirudh astutely identified the unfavourable Risk to Reward Ratio in Mid & Smallcaps, prompting a strategic shift towards Large Caps within the portfolio. His primary focus of Alpha Preservation over Alpha Generation, is a prudent move in today's market landscape.

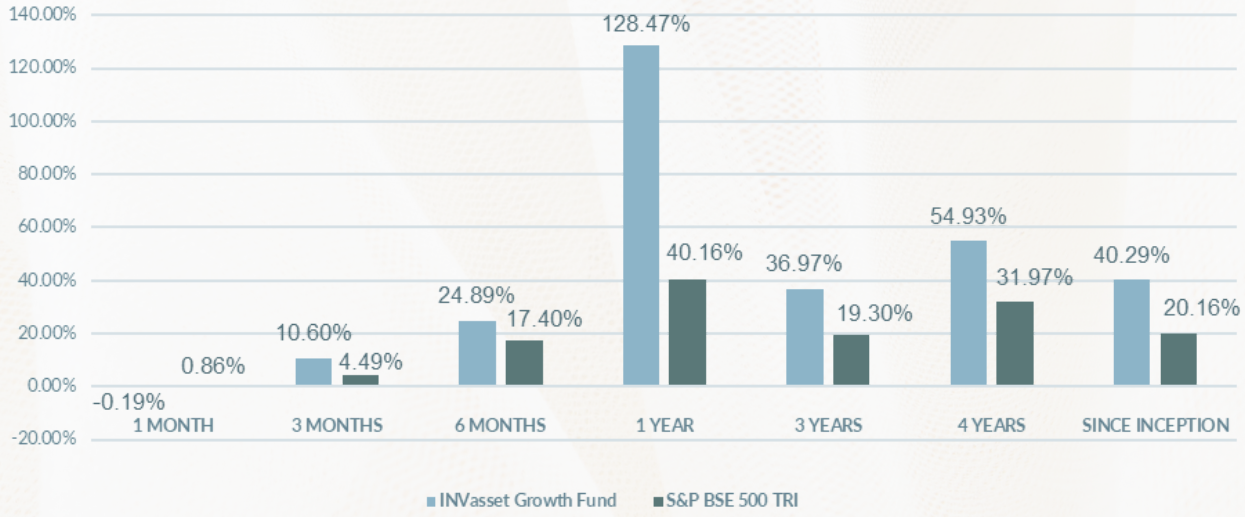
We have to understand that the markets are expensive today and our focus should be more on presevation of capital than on appreciation of capital. The DIPS in the market should be used towards strengthening your capital. At INVasset we are consolidating on INDEXES - E.g. we are heavily invested in BSE 30. - *Anirudh Garg, INVasset*

Watch the complete interview here : https://www.youtube.com/watch?v=39v0BGnQOMo

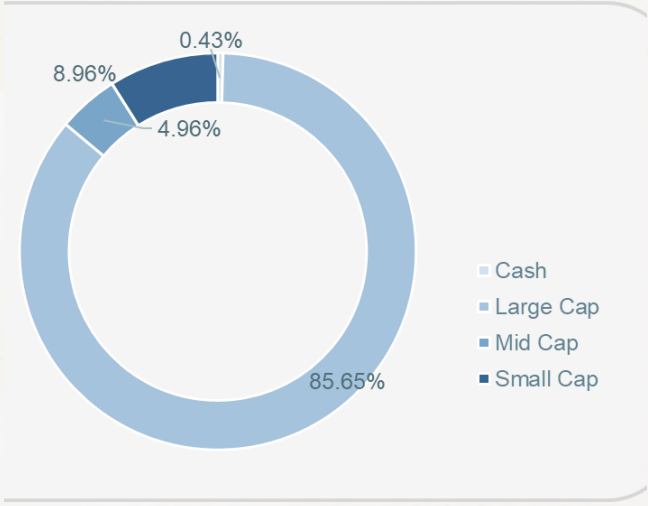
INVasset Growth PMS Fund Performance – Absolute Basis



INVasset Growth PMS Fund Performance – Period Wise



MARKETCAP CLASSIFICATION



INVasset Growth PMS Fund Top 5 Holdings

Security	Assets%
Reliance Industries Ltd.	11.15%
HDFC Bank Ltd.	8.06%
Tata Consultancy Services Ltd.	6.75%
ICICI Bank Ltd.	5.49%
Infosys Ltd.	4.27%

INVasset Growth PMS Fund Top 3 Sectoral Exposure

Security	Assets%
Finance Lending	27.91%
IT – Software	15.10%
Refineries	11.15%

Invasset's Growth Pro Max, which is a multicap scheme, has won the crown of being the best performing PMS fund of FY24 with a staggering return of 128%, shows data collated from PMS Bazaar. - The Economics Times

3 PMS funds doubled HNI investor wealth in FY24, stars missing in top 10 list

In FY24, none of the popular PMS schemes from Dalal Street's fund managers cracked the top 10, as midcaps, smallcaps, and SME stocks outshone blue chips. Invasset's Growth Pro Max, a multicap scheme, claimed the top spot with an impressive 128% return.



ETPrime

3 PMS funds doubled HNI investor wealth in FY24, stars missing in top 10 list

By Nikhil Agarwal, ETMarkets.com • Last Updated: Apr 15, 2024, 09:50:00 AM IST

FOLLOW US SHARE FONT SIZE SAVE

Synopsis

3 PMS funds doubled HNI wealth in FY24. Invasset's Growth Pro Max leads with 128% return. Green Lantern Capital, Asit C Mehta's ACE Multicap follow. Samvitti Capital's Active Alpha, Ambit Global's Alpha Growth, Carnelian's YNG Strategy, Investsavvy's Alpha Fund, Bonanza Portfolio's Value fund, Equitree Capital's Emerging Opportunities scheme in top 10. 330 out of 334 PMSes exceeded Nifty50 TRI.

None of the PMS schemes run by Dalal Street's popular fund managers made it to the top 10 list in FY24 when midcaps, smallcaps and SME stocks defeated bluechips by a wide margin. During the financial year, at least 3 PMS schemes more than doubled money.

Invasset's Growth Pro Max, which is a multicap scheme, has won the crown of being the best performing PMS fund of FY24 with a staggering return of 128%,

Calender Year Returns

	INVasset PMS	S&P BSE 500 TRI
Jan 20 to Dec 20	35.24%	19.39%
Jan 21 to Dec 21	47.15%	31.63%
Jan 22 to Dec 22	-3.21%	4.77%
Jan 23 to Dec 23	96.57%	26.55%
Jan 24 to March 24	10.60%	4.49%

Financial Year Returns

	INVasset PMS	S&P BSE 500 TRI
Jan 20 to March 20	-27.31%	-28.22%
April 20 to March 21	124.14%	78.63%
April 21 to March 22	21.59%	22.26%
April 22 to March 23	-7.48%	-0.91%
April 23 to March 24	128.47%	40.16%

Power stocks on hot streak with advent of summer

NIKITA VASHISHT
New Delhi, 8 March

The upward trajectory of the stocks of power-generation companies (gencos) is expected to continue, say analysts, as the impending severe summer heat is likely to drive up demand for electricity.

India's peak power demand is projected to increase by at least 7 per cent year-on-year (Y-o-Y) in 2024, reaching 260 gigawatt (Gw), based on forecasts by the Central Electricity Authority, the governmental think tank focused on the electricity system's development.

According to Anirudh Garg, a partner and fund manager at Invasset, India's peak electricity demand is set to significantly rise from the record high of 243 Gw in 2023. To support this increase, he mentions, the government plans to enhance the energy infrastructure by introducing at least 20 Gw of new coal-fired capacity.

"The outlook for the power sector remains robust for 2024, with a focus on growth, strategic shifts, and technological innovation," observed Garg. In the stock market, power gencos have significantly outperformed both the benchmark National Stock Exchange Nifty50 and the broader Nifty 500, according to ACE Equity data.

Stocks such as Adani Power, RattanIndia Power, Gujarat Industries Power Company, Torrent Power, NHPC, Tata Power, and NTPC have seen their values increase by between 99 per cent and 220 per cent over the past year.

In comparison, the NSE benchmark rose by 27 per cent, and the Nifty 500 by 37 per cent during the same period.

To support demand, the government is considering implementing a lower renewable generation obligation (RGO), potentially reducing it to 6–10 per cent from the current 40 per cent for new coal and lignite power plants, to encourage thermal power generation, according to reports. The RGO specifies the minimum renewable energy generation capacity needed to ensure a guaranteed power supply. HSBC's analysis indicates that demand for thermal power has increased by 5 per cent Y-o-Y and 9 per cent quarter-on-quarter during January–February 2024. Despite occasional spikes on high-demand days, the demand deficit remains manageable. Additionally, the plant load factor for thermal plants has improved by 7 percentage points sequentially and 5 points Y-o-Y to meet demand, as wind and hydropower generation seasonally decreases during this season.

Coal reserves at power plants have also surged by 15 days to 43 million tonnes, marking the highest level in nearly three and a half years.

"Increased economic activities and fluctuating weather patterns, leading to varying heating and cooling demands, will further boost power demand. Although power gencos have performed well in the past year, these stocks are still expected to offer modest returns in the next two quarters," explained Deepak Jasani, head of retail research at HDFC Securities.

In light of this, Sneha Poddar, associate vice-president for retail research and broking and distribution at Motilal Oswal Financial Services, recommends investors capitalise on dips in power-related stocks, as the potential for further rerating exists.

"The fourth quarter of 2023–24 looks promising for power gencos with an early summer onset in parts of North India and increased use of heating equipment in January. With demand poised to reach new heights this summer, the outlook is positive from a three- to six-month perspective," she noted.

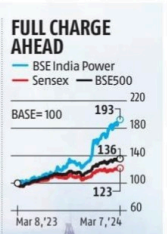
However, analysts caution that power gencos with existing power purchase agreements may not fully capitalise on the surging power prices due to rising demand. They warn that the recovery of fixed costs, incentives for superior operational parameters, policy shifts, and inconsistent coal supply could pose challenges to the sector. "The biggest risk in the current power demand cycle could be slower-than-expected growth of 0.8–1x of gross domestic product, along with battery economics (commercially viable sodium-ion batteries nullifying coal generation investments). We remain positive, but selective, on the sector. We like NTPC, PowerGrid, and ReNew," noted analysts at Bernstein.

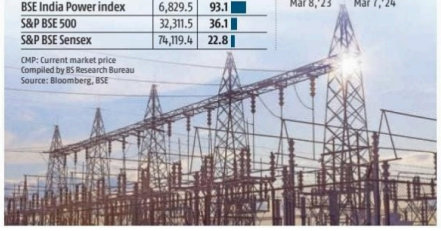
UPWARD TRAJECTORY
(As on March 7)

	CMP (₹)	1-yr chg in %
Adani Green Energy	1,930.5	227.1
Adani Power	568.9	219.8
Gujarat Industries Power Co	182	127
NHPC	90.1	125.5
Torrent Power	1,143.7	115.2
Tata Power Co	425	102.1
NTPC	352	99
JSW Energy	515.1	91.2
BSE India Power index	6,829.5	93.1
S&P BSE 500	32,311.5	36.1
S&P BSE Sensex	74,119.4	22.8

CMP: Current market price
Compiled by BS Research Bureau
Source: Bloomberg, BSE

FULL CHARGE AHEAD





Anirudh Garg, Fund Manager at INVasset PMS, projects a dynamic landscape for the power sector, despite coal capacity additions, policy shifts drive renewable energy growth. Expect technological advancements, regulatory evolution, and promising developments, shaping a resilient sector poised for sustainable growth amidst ambitious targets.

Question of the Month ?

What is the significance of the term "Dalal Street" in the context of Indian financial markets?

Options

A) It refers to the oldest stock exchange building in Mumbai.

B) It represents a famous street where major financial institutions are located.

C) It symbolizes the collective voice of retail investors in India.

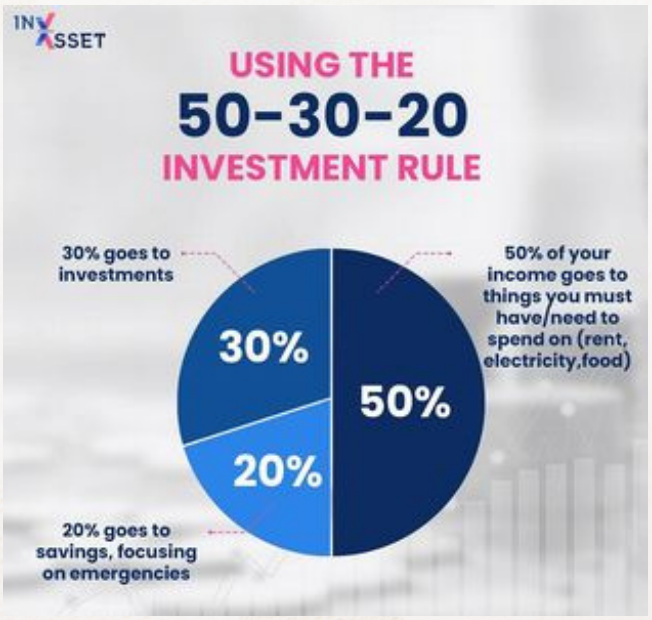
D) It is a nickname for the Bombay Stock Exchange (BSE) based on its historical location.

Correct Answer

B) It represents a famous street where major financial institutions are located.

Explanation: "Dalal Street" is a term commonly used to refer to the street in Mumbai (formerly Bombay) where the Bombay Stock Exchange (BSE), as well as other major financial institutions and brokerage firms, are located. The street has become synonymous with India's financial markets and is often used metaphorically to denote the country's financial hub and investor sentiment.





Dear Investors,

What a remarkable year it has been! It's as if we've stepped right out of a classic finance textbook, witnessing firsthand the art of capital appreciation. Our PMS has been distinguished as the premier performing PMS in the nation, an accolade conferred upon us by esteemed aggregators such as PMS Bazaar and PMS AIF World. This is a moment of collective pride and a testament to our shared vision and efforts. As of January 31, 2024, we held the distinction of being the top-performing multi-cap PMS across various timeframes, including one month, three months, six months, one year, two years, and three years.

Let us take a moment to reflect on the foundational principles we discussed at the onset of our journey. The delicate balance between risk and return, and the strategic approach embedded in our risk-reward matrix, have always been at the forefront of our philosophy. As we've always advocated, our aim has been to outstrip our benchmarks by a factor of 1.5 to 2X, while keeping potential downturns within a 20% margin over a 3 to 4-year investment horizon. With the benchmark recording a 21.89% CAGR increase over the last three years, our targets were ambitiously set between 33% to 44% CAGR. Yet, here we stand, having achieved a commendable rate just over 50% CAGR.

This achievement is a source of immense pride and a milestone I am personally committed to reaching consistently over the coming two decades. The essence of our strategy transcends mere capital appreciation; it emphasizes capital preservation, a principle I've found to be profoundly more challenging yet crucial in the long term wealth generation process. The journey thus far has taught me that making tough decisions, like parting with high-performing assets when markets peak and shifting towards quality or safety when exuberance reigns, is paramount.

Although easier said than done, rest assured that Invasset PMS will adhere to this disciplined approach diligently. Our goal is to secure a sustainable annual growth rate of 18% to 28% over the next 20 years. This ambitious target is not just about outperforming the markets but about creating unprecedented wealth. I envision a future where each of our clients enjoys a stock market income that rivals or surpasses their business income. It's a vision that's already turning into reality for our earliest supporters, bringing immense joy and pride to us all. In the current market scenario, we've shifted our focus towards quality investments. While mid and small caps may offer tempting prospects, especially after recent corrections which we chose not to participate in, I firmly believe that the prudent approach lies with large caps at this juncture. The risk-reward ratio currently favors large caps, with a potential upside of 8 to 10% and a similar downside risk, whereas small caps present a riskier proposition. Given the inflated market valuations, I am not inclined to gamble with your hard-earned capital. As market cycles turn and fear eventually sets in, leading to a market downturn, we will be poised to implement phase 1 of our AAID system, seizing opportunities to buy into value and kickstart the alpha generation process once more in a more favorable market environment.

Our focus remains steadfast on capital preservation as much as on alpha generation. As we navigate these challenging and exciting times, I encourage you to reach out with any feedback on our services, whether it be about client onboarding, communication, or the WhatsApp groups we've established. Your insights are invaluable as we strive to enhance our customer service.

Furthermore, I request you to share your experiences with Invasset PMS through testimonials, aiding in the growth of our community and assisting prospective investors in their journey. Thank you for your trust in Invasset and for being an integral part of our growth story. Remember, my door (or rather, my inbox, whatsapp) is always open to you.

Should you wish to discuss any concerns or arrange a call, please don't hesitate to reach out via our group or directly to me. Together, let's look forward to the continued success and the exciting journey that lies ahead.

Warm regards,
Anirudh Garg
Fund Manager, Invasset PMS

The Deep Discount Sale

Corrections are evident part of equity markets. During Corrections due to various factors such as late entry, high beta portfolios, leveraged portfolios or lack of long term conviction, a sentiment of fear sweeps the market and leads to capitulation.

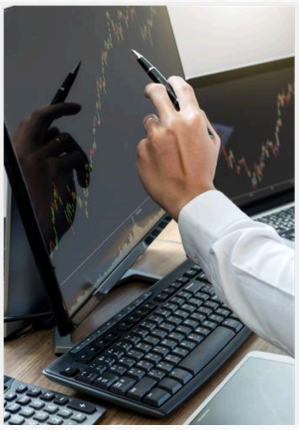
Growing economies like India, witness two type of corrections, namely,

The ***Bull Market*** corrections: Generally happens every 2-3 years, characterized by 15%+ fall in the markets , the leaders of these on going bull run get beaten out of shape and value emerges in these companies or sectors.

The ***Bear Markets*** corrections: Generally happens once in 8 to 10 years characterized by 40%+ fall in the markets. Here, blue chip companies with strong business presence are available at historical low valuations.

With INVAsset AAID ™, we welcome these corrections rather than being afraid of them as they provide us:

- ❑ Opportunities for fresh top ups.
- ❑ Add alpha to our portfolio by tapping into the market inefficiencies.



The Safety Shells

No technique can forecast market tops and bottoms with a 100% certainty.

INVasset AAID with its machine learning capabilities can recognize points of irrational exuberance where the risk reward ratio of staying in the market is not favourable.
At such points, We take the help of the following techniques to protect any downside in our clients portfolios.

BETA REDUCTION

Further Reducing the Beta of the portfolio by buying low beta stocks.

NON-CORRELATED ASSETS

Shifting a portion of the portfolio to Safer Assets which are not corelated with markets:

- Gold
- Bonds
- Liquid/ Arbitrage Funds
- Special Situations

HEDGING

Hedging the portfolio with Index using Futures and Options.

How do we construct your Portfolio?

1. The Deep Discount Sale

We look for **beaten down industry** leaders that start to trade below their fair value in events of **market meltdowns.**

2. The Trend Setters

When the markets have gathered steam and the long-term trend is clear, we look for companies that have recent tailwinds in their favor and should lead the market for the next 12-18 months.



4. The Safety Shells

When the market enter into Exuberant Zone and reach levels that are unsustainable and Bubble like situation is created, **We look for protection or hedged portfolios.**

3. The Shining Stars

When we feel that markets have entered into scenario where the **Risk Reward ratio** is not in favor, We look for **extraordinary companies** which will continue delivering growth irrespective of market conditions.

The Trend Setters

Every Bull Run has a new Leader Sector/Company/Group in terms of growth and stock performance.

We strive to find this leader

How do we find these leaders?

New Leaders emerge due to recent changes and its our job to spot those changes, analyze their implications and ride the re-rating/growth in time.

How does the AAID Algo work to spot the Trendsetters?

AAID works on a ***Relative Change Rewarding Criteria (RC² Model)***, where companies with recent tailwinds will score more points than other companies and vice versa. There are more than 170+ parameters on which 1500+ listed companies are analyzed and updated to form a ***Percentile Ranking System*** (PRS), which helps us select the sample size of INVasset's Top 100 companies to analyze.

Why do we do this?

We do not want our research to be limited to a few companies like other fund houses and our research team should analyze all possible future winners out there for which negligible research is available.

1. Turnaround Stocks owing to change in **management** or **capital restructuring.** Ex: Takeover of United Spirits by Diageo or Tata Motors Taking over Jaguar Land Rover
2. Favorable Tailwinds owing recent Changes in Local **Government** or **Geopolitical Policies.** Ex : China Govt.'s Ban on Chemicals or Indian Govt.'s Increase of Duty in LCD's or PLI schemes introduced by GOI
3. Opportunities arising due to **Global Events** Ex: Covid-19 Pandemic provided long-term opportunity to Tech Sector. Russia Ukraine providing Europe+1
4. **Interest Rate Cycle and its implications** Ex: Whenever Interest rate move, High Debt Ridden Companies, PSU banks having Govt. Bonds have major impact on their Bottom-line
5. **Shift in leadership** either from Government to Private or Current Leader to New Leaders. Ex: Vacuum created in Paper Industry after fall of Industry Leader.
6. **Commodity/Product/Raw Material Cycles** If you know your cycles well and have in depth knowledge of inventories and competition, huge alpha can be created here.

The Shining Stars

Every Company wants to be a Leader but only a few have what it takes to be.

Prudent & Efficient Management

Prudent Management is very rare. It is like a good partner which one should never let go. Market rewards prudent management with a lot of premium.

- Capital management e.g. High ROCE
- Shareholder Policies e.g. Dividend, Buyback
- Analysis of Related Party Transaction
- Background of Promoters

Moats

Moats are the advantages companies have over their competition. Moats can be of various types. To highlight a few Moats:

Product:	Coca Cola	Nestle India/HUL
Network:	Amazon	IndiaMart
Low Cost:	Walmart	D-Mart

Market Leaders

Market Leadership is a core advantage that helps the companies grow in good times and sustain in bad times. ***Monopoly*** for is the only scenario which decides if the stars will shine on or diffuse in the long term

- OTC Business: Reliance Industries
- Baby Cereal: Nestle
- Paints: Asian Paints
- Cigarettes: ITC, Adhesives: Pidilite,

Disruptors

Ideas create Disruptions and First Movers to take advantage of these disruptions are what we call ***The Disruptors***.
Disruptors change the way a business is done, eat the existing market and always create a market that did not exist before.

- Retail Loans are Safer – Bajaj Finance
- Free Broking for All – Zerodha
- Food Delivery Made Easy – Zomato



HAL stock touches stratospheric level

Excerpts of the Interview of Mr. Anirudh Garg (Fund Manager, INVasset with The Businessline (The Hindu)

Hindustan Aeronautics shares hit an all-time high of ₹3,428.75 on the BSE defying broader market pressure. The Union government's steadfast focus on make-in India for Defence sector and the strong performance by HAL boosted sentiment for the stock. "HAL stands as a cornerstone in India's defence advancements, both domestically and in the international arena," said Anirudh Garg, Partner and Fund Manager at INVAsset.

Anirudh Garg commented, "Hindustan Aeronautics Limited emerges as a linchpin in India's defence narrative with the recent approval for producing 34 ALH Dhruv helicopters, a move aimed at reinforcing self-reliance and modernising the nation's defence infrastructure. Simultaneously, the government sanctioned a substantial investment of over $967,000 for the upgrade of the Indian Army's BMP Infantry Fighting Vehicles. This dual commitment reflects India's dedication to enhancing indigenous defence capabilities, with HAL playing a pivotal role in these transformative endeavours."

Read the complete interview at : https://www.thehindubusinessline.com/markets/hal-stock-touches-stratospheric-level/article67938765.ece

QUIZ TIME

Question 1 : Which of the following is not a component of the S&P BSE Sensex index?

Options

A. Hindustan Unilever Limited
B. Titan Company Limited
C. Tata Motors Limited
D. Infosys Limited

Question 2: What does the term "Circuit Breaker" refer to in the context of Indian stock markets?

Options

A. A mechanism to halt trading temporarily in case of extreme market volatility
B. A type of technical analysis used to predict market trends
C. A regulatory body overseeing stock market operations
D. A financial instrument used for hedging against market risks

Question 3 : Which of the following stock exchanges is the oldest in Asia?

Options

A. National Stock Exchange (NSE)
B. Bombay Stock Exchange (BSE)
C. Calcutta Stock Exchange (CSE)
D. Madras Stock Exchange (MSE)

Question 4: What is the minimum amount required to invest in an Initial Public Offering (IPO) in India?

Options

A. ₹5,000
B. ₹10,000
C. ₹15,000
D. There is no specific minimum amount

Correct Answers on Next Page

Strategic Shifts: Anirudh Garg's Tactics for Portfolio Success

We have held PSU's, Mid Caps and Small Caps for more than one and a half years. but we have exited all our positions and shifted to the quality phase.

Anirudh Garg, Fund Manager at INVasset PMS, shared insights on CNBC TV 18, cautioning about the overheated mid and small-cap sectors. With a focus on Alpha preservation, attention now shifts to large-caps considering an apt Risk-Reward ratio in that space. Garg highlights promising sectors like autos and tourism amidst premiumization drive in India. Stay tuned for more investment insights.

Watch the full linterview on https://www.youtube.com/watch?v=VRNlCYAOnlQ



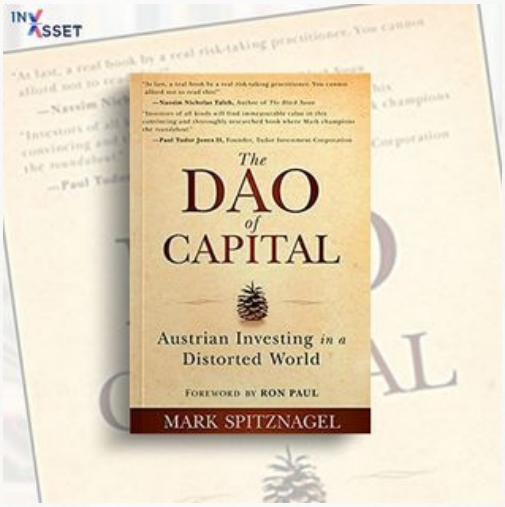


We at INVasset will be focussing on Large Caps because the markets are very expensive today.

Dive into Anirudh Garg's market insights from his recent MoneyControl TV interview! He highlights the potential in the IT sector while cautioning against inflated valuations in mid and small-cap stocks. With prudent advice on Paytm and real estate, his guidance is invaluable for navigating today's market landscape. Don't miss out!

Watch the full interview at : https://www.youtube.com/watch?v=BwVtKhbUh0k

Book of the Month !



Answers to Quiz

Answer 1 : Hindustan Unilever Limited

Answer 2 : A mechanism to halt trading temporarily in case of extreme market volatility

Answer 3 : Calcutta Stock Exchange (CSE)

Answer 4 : There is no specific minimum amount







Daily Voice | Midcaps, smallcaps look overvalued, should have a cautious approach

Excerpts of the Interview of Mr. Anirudh Garg (Fund Manager, INVasset with Money Control.com

Given the anticipated strong earnings growth, economic expansion, and favourable government policies, the outlook for FY25 anticipates considerable market volatility, including the potential for significant corrections, says Anirudh Garg.

Both the midcap and smallcap segments are overvalued at the moment, which calls for a cautious approach from investors, according to Anirudh Garg, who is the founder, partner and fund manager at Invasset PMS. Conversely, backed by his over 15 years of experience in the stock market, Garg sees a more appealing risk-reward balance in the largecap space. While he remains optimistic about the broader market's prospects over the next two to three years, he believes that a timely and adequate price correction is essential to realign market valuations.

Do you think the market will remain strong even in FY25, given the expectations of strong earnings growth, robust economic growth, and supportive government policies ?
Given the anticipated strong earnings growth, economic expansion, and favourable government policies, our outlook for FY25 anticipates considerable market volatility, including the potential for significant corrections. In our analysis, both midcap and small-cap segments appear overvalued, suggesting a cautious approach towards these segments. Conversely, we see a more appealing risk-reward balance within the large-cap space, which informs our strategy of steering clear of mid and small-caps for the time being. While we remain optimistic about the broader market's prospects over the next two to three years, we believe that a timely and adequate price correction is essential to realign the market valuations.

Do you expect any game-changer decision from the government (after the general elections) as there are high chances of policy continuation ?
As India prepares for the general elections, the stock market closely monitors the government policies, reflecting investor sentiment. Election periods historically witness heightened market volatility, with investors watching for policy announcements affecting economic fundamentals. Recent initiatives, like increasing public infrastructure spending to 10 percent of GDP by 2024 and growing digital transactions, emphasise economic modernisation and growth. Investors prioritise policy continuity and reforms for economic stability and growth. Certainty in policies, and adapting to new challenges is crucial. Pre-and post-election government decisions undergo scrutiny for their impact on economic fundamentals and business ease. While short-term policy changes prompt immediate market reactions, consistent reform execution and policy stability shape long-term market trajectories, boosting investor confidence.

Do you think the government will keep increasing its focus on capital expenditure on infrastructure space every year ?
Navigating the evolving market landscape, the expectation of continuous government support for capital expenditure remains crucial. We hold a positive outlook on the market's ability to sustain capital expenditure, acknowledging its significant role in driving economic growth. Public capital expenditure has proven fruitful, supporting key sectors and delivering returns for investors. We anticipate a gradual pivot towards private capital expenditure, signalling a thematic change in the market. This shift highlights evolving investment prospects, suggesting sectors benefiting from private capex could drive future growth. For investors weighing positions in government capex-dependent stocks, this shift necessitates a nuanced approach. It's not just about holding stocks but continually reassessing and rebalancing portfolios to align with emerging themes. While government capex has propelled growth, the narrative around private capex unveils new investment avenues.

With the elections coming closer, which themes are you focusing on ?
We have proactively identified opportunities in sectors like railways, defence, and PSUs, believing that markets anticipate future expectations in current valuations. This philosophy guides our decisions, allowing us to act on trends ahead of the curve.

What is your take on the overall new-age stocks that started reporting better numbers than earlier ?
The evolving landscape of new-age stocks shows improved financial metrics, hinting at a shift in growth trajectory. However, caution is warranted. These firms have flourished in favourable market conditions but lack tested resilience in challenging times. Our portfolio strategy emphasises long-term risk management over immediate gains. While recognising their promising performance, we advocate for patience to gauge their ability to weather diverse market scenarios.



Lastly, do you think the worst is over for Paytm ?
Paytm, a major player in India's digital payment sector, faces challenges like governance issues and regulatory concerns, prompting discussions on its future. Vijay Shekhar Sharma stepping down as chairman of Paytm Payments Bank intensifies the speculation. While not offering investment advice, these developments signify a critical juncture for Paytm. Its trajectory depends on internal restructuring and external market dynamics.

Daily Voice | This fund manager is betting big on largecaps In the run-up to polls

Excerpts of the Interview of Mr. Anirudh Garg (Fund Manager, INVasset with Money Control

Largecaps can rise by up to 10 percent or fall by a similar margin, while mid and smallcaps can see fluctuations of 20 percent, indicating higher volatility and risk, says Anirudh Garg of Invasset.

Anirudh Garg, partner and fund manager, Invasset, still advises caution on mid and smallcap segments even though some of the froth has been cleared, particularly since February. Invasset portfolio is 100 percent largecaps, said Garg, who has 15 years of market experience and uses AI algorithmic models. Leading up to elections, largecaps offer a more resilient investment avenue despite the overall market structure showing signs of weakness.

Do you expect the savings industry to grow significantly in the coming years? Which are the segments that will benefit the most?
The savings and investment landscape in India is experiencing dynamic growth, especially in the realms of mutual funds, SIPs (systematic investment plans), PMS (portfolio management services), and AIFs (alternative investment funds). The AIF and PMS segments are expected to grow at a compound annual growth rate (CAGR) of 26 percent, reaching an impressive Rs 43 lakh crore by 2028. Simultaneously, the mutual fund industry has seen a significant evolution over the last decade, with a noticeable increase in SIP contributions. SIPs have doubled in number, and the average monthly SIP contribution has risen by 18 percent. This growth underscores the increasing participation of smaller cities in mutual fund investments, which now account for 17 percent of the total industry AUM.

Has the froth in midcap and smallcaps now cleared and is it a good time to buy in both segments?
Currently, there's a nuanced view regarding investment opportunities in mid and smallcap segments. While some froth has indeed been cleared from these segments, particularly after the adjustments observed from February to March, caution is still advised. Specifically, we anticipate that largecaps have the potential to rise by up to 10 percent or fall by a similar margin, whereas mid and small caps could see fluctuations of 20 percent, indicating higher volatility and risk. In light of this, our strategy has pivoted towards largecaps, which now comprise 100 percent of our portfolio. This shift is driven by our assessment that leading up to the elections, largecaps offer a more resilient investment avenue despite the overall market structure showing signs of weakness.

Will the earnings growth be better in FY25 compared to FY24?
Expectations are set for continued strong earnings momentum, projecting over 20 percent growth for FY24. However, looking ahead to FY25, the pace of growth is anticipated to slow. This perspective is particularly relevant given the backdrop of market volatility and major upcoming events such as elections in both India and the US.

Do you think the Federal Reserve go beyond three rate cuts in the current calendar year, especially after the latest commentary?
Given the Federal Reserve's cautious optimism and the emphasis on requiring more promising inflation data before considering rate cuts, it seems unlikely that the Fed will go beyond three rate cuts in the current calendar year. This aligns with the wisdom gained from 17 years of experience: "Never fight the Fed." The Fed's stance suggests a careful approach to rate adjustment, focusing on inflation trends moving towards their target before initiating further cuts.

Have you changed your bets after the recent correction?
Our response to the recent market correction involved a strategic shift in our investment focus. Alerted by early warnings of overvaluation in the mid and smallcap segments around mid-January 2024, we began transitioning our investments towards largecaps throughout February, executing this shift in carefully planned stages. Our decision-making process is guided by a cautious approach to the risk-reward matrix, preferring low-risk and medium-return scenarios to higher risk, higher return ones. This approach aligns with our commitment to safeguarding our investors' interests through prudent investment strategies.

Legends at Work - PAul Volcker

Paul Volcker was a towering figure in the world of economics, renowned for his role as Chairman of the Federal Reserve from 1979 to 1987. He's most famous for his decisive actions to curb the high levels of inflation seen in the United States during the late 1970s and early 1980s. When Volcker took office, the U.S. was experiencing rampant inflation, with rates that had soared into the double digits. This inflation was eroding the value of money, increasing the cost of living, and destabilizing the economy. Volcker's solution was to dramatically raise the federal funds interest rate. This move was highly controversial because it led to a sharp increase in unemployment and significantly slowed down the economy, precipitating a recession.



Despite facing intense criticism and pressure from politicians, the public, and even some economists, Volcker remained steadfast. His policies eventually proved successful, as inflation rates began to drop by the mid-1980s. By the time he left office, inflation had been reduced to manageable levels, setting the stage for economic stability and growth in subsequent years. Volcker's legacy is not just in taming inflation but also in enhancing the reputation and independence of the Federal Reserve. His actions demonstrated the importance of an independent central bank to handle monetary policy free from political pressure, paving the way for future policymakers.

In addition to his work on inflation, Volcker was involved in various other important economic reforms and advisory roles even after his tenure at the Fed. He continued to serve in various capacities, offering his expertise during financial crises and advocating for stronger regulations to prevent future collapses. His contributions have left a lasting impact on U.S. economic policy and the global financial system.

COMPANY REPORTS

Tata Steels Ltd.

Bajaj Finserv Ltd.

Ultratech

ITC

Powergrid

CIPLA

JSW Steel

Bajaj Finance

IndusInd Bank

Tata Steel: Forging Ahead with Innovation and Expansion

Tata Steel Ltd, recognized as Asia's pioneering private steel entity since 1907, has sustained its presence through the entire steel production value chain. With a goal to escalate its domestic steel production capacity to 30 million tonnes per annum (MnTPA) by 2025, the company is well on its path to substantial growth.

Innovation in Product and Market Leadership

The company's diverse product portfolio spans flat products like hot and cold rolled coils, galvanized steel, and long products including wire rods and rebars. These cater to a wide range of industries from agriculture to automotive, and energy to engineering. Notably, the company has ramped up its market share in the Alloy Wire Rod business to 20% and holds a commendable 15% share in the domestic automotive market, evidencing its dominance in commercial vehicles with a 38% share.

Robust Production and Network Expansion

Tata Steel's production volumes reflect its robust operations, with significant outputs in Direct Reduced Iron (DRI), Crude Steel, and rolled products. The company's extensive network, with over 250 distributors and more than 20,400 dealers, showcases its market penetration, covering nearly all of India's districts.

Strategic Geographical Presence

Domestically, Tata Steel's focus remains strong with 92% of its business, while it maintains a strategic 8% international footprint.

Advanced Manufacturing and Vertical Integration

The company's manufacturing prowess is anchored in its Jamshedpur steel plant and a sponge iron plant in Odisha, with substantial crude steel and DRI capacities. It's vertically integrated operations with upstream and downstream facilities underscore its operational excellence.

New Ventures and Sustainable Commitments

The company has broadened its product mix with new facilities like the CRM complex and a Pellet plant, boasting the widest cold rolling mill in India. The joint venture with the UK government for Electric Arc Furnace steelmaking at Port Talbot demonstrates Tata Steel's commitment to sustainable practices and its initiative to stem financial losses in the UK.

Amalgamations and Investments

Recent legal approvals for the amalgamation of Tata Steel and Tata Steel Long Products, as well as S & T Mining Co. Ltd., align with the company's consolidation strategy. A substantial capital expenditure of Rs 8,650 crores for expansions and new projects indicates Tata Steel's commitment to growth and innovation.

Navigating Challenges

Despite facing operational challenges, the company has taken an impairment charge to its financial statements, reflecting its forward-looking approach to navigate through the decarbonisation project and restructuring plans.

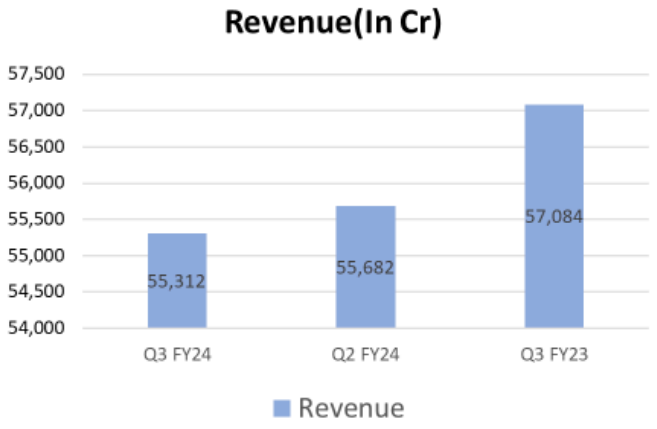
Tata Steel continues to strengthen its industry footprint, innovate in product development, and invest in sustainable future, all while navigating the evolving economic landscape with strategic foresight and resilience.

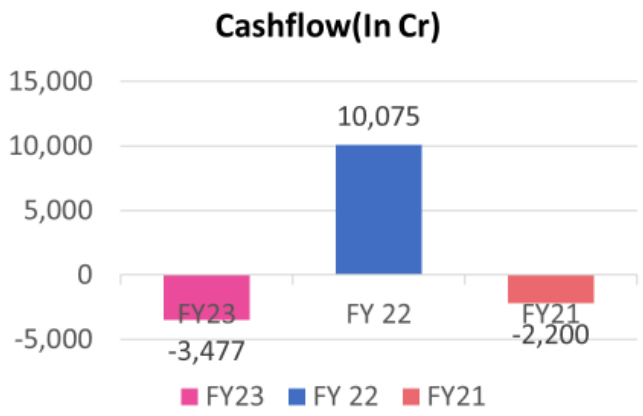
Stock Data	
CMP (29-02-2024)	140.85
52 Week High/Low	101.55 / 147.40
Face Value	1.00
Market Cap (In Crs)	1,76,892
Enterprise Value (In Crs)	2,56,682
NSE	TATASTEEL
BSE	500470
Bloomberg	TATA:IN
Sector	STEEL

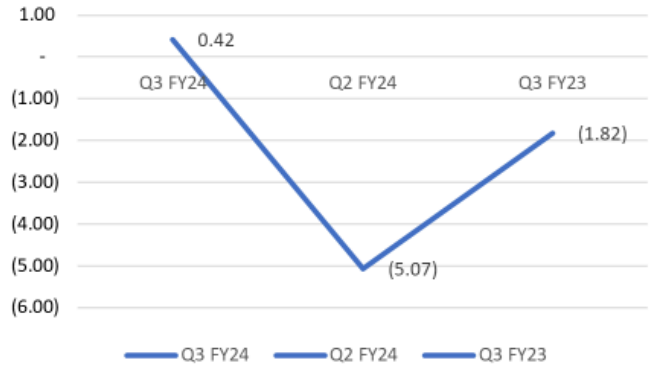
Shareholding Pattern (in %)		
	DEC 23	SEPT 23
Promoter	33.70%	33.90%
FII	20.01%	20.31%
DII	23.15%	22.20%
Public	22.99%	23.43%

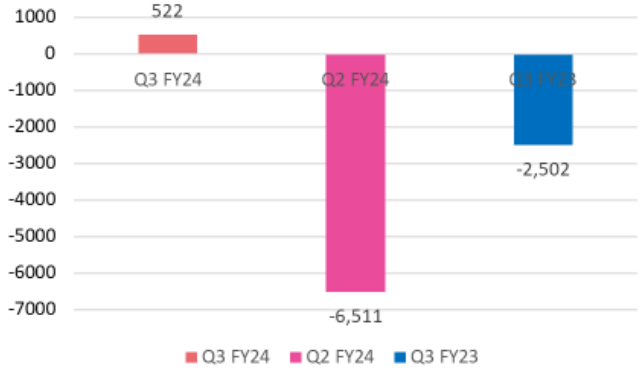
Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	3.19	14.13	27.34
TATASTEEL	5.31	19.77	35.50

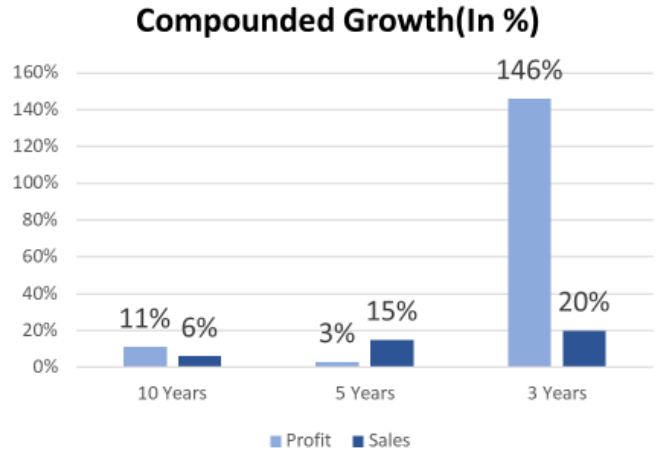
Key Ratios	
P/E	91.4
P/S	0.76
P/B	1.94
Debt To Equity	1.01
ROE	7.28%
ROCE	12.6%
Dividend Yield	2.52%

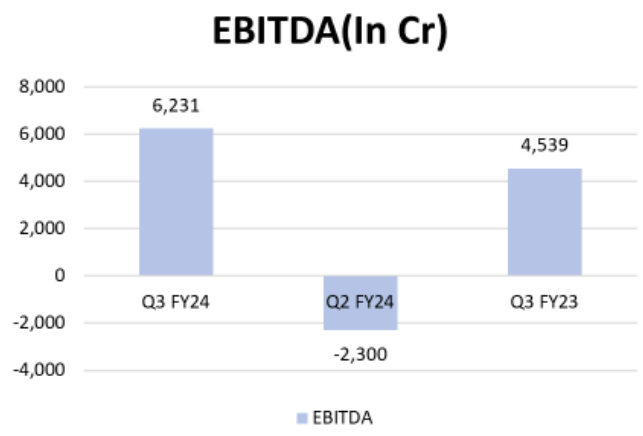

Revenue(In Cr)
57,500
57,000
56,500
56,000
55,500
55,000
54,500
54,000
55,312
55,682
57,084
Q3 FY24
Q2 FY24
Q3 FY23
Revenue


Cashflow(In Cr)
15,000
10,000
5,000
0
-5,000
10,075
FY23
FY 22
FY21
-3,477
-2,200
FY23
FY 22
FY21


EPS
1.00
-
(1.00)
(2.00)
(3.00)
(4.00)
(5.00)
(6.00)
0.42
(5.07)
(1.82)
Q3 FY24
Q2 FY24
Q3 FY23


PAT (In Cr)
1000
0
-1000
-2000
-3000
-4000
-5000
-6000
-7000
522
-6,511
-2,502
Q3 FY24
Q2 FY24
Q3 FY23


Compounded Growth(In %)
160%
140%
120%
100%
80%
60%
40%
20%
0%
11%
6%
3%
15%
146%
20%
10 Years
5 Years
3 Years
Profit
Sales


EBITDA(In Cr)
8,000
6,000
4,000
2,000
0
-2,000
-4,000
6,231
-2,300
4,539
Q3 FY24
Q2 FY24
Q3 FY23
EBITDA

UltraTech Cement: An Industry Titan's Comprehensive Overview

UltraTech Cement boasts a commanding presence in India's cement industry with an installed capacity of 114 million tones per annum (mtpa) and a utilization rate of 77%. The company operates through a vast infrastructure comprising 23 integrated plants, 27 grinding units, and several other facilities, showcasing its extensive manufacturing capabilities.

Leadership and Legacy

As India's largest and the world's third-largest cement company (excluding China), UltraTech Cement holds a unique position. It stands out as the only non-Chinese cement producer with over 100 MnTPA capacity in a single country, underlining its global leadership status.

Brand Powerhouse

The company's portfolio includes renowned brands like UltraTech Cement, UltraTech Concrete, and Birla White Cement. These brands cover a wide range of products, highlighting UltraTech's diversity and market adaptability.

Distribution Dynamo

UltraTech's distribution network is a testament to its market reach, with around 30,000 dealers, 64,000 retailers, and numerous other touchpoints, ensuring its products are widely accessible across markets.

Global Footprint

UltraTech's operations span India, UAE, Bahrain, and Sri Lanka, with significant capacities in each region. Despite its extensive international presence, foreign operations contribute to around 4% of its total revenues, demonstrating its strong domestic focus.

Innovation and Ingenuity

The company's commitment to research and development is evident from its patented products and processes. With significant investments in R&D, UltraTech is at the forefront of developing advanced concrete solutions, reinforcing its innovation-driven approach.

Commitment to Sustainability

UltraTech is advancing towards sustainable operations, aiming to increase its green power usage significantly by FY25. The company's emphasis on Waste Heat Recovery Systems and solar energy underscores its commitment to environmental stewardship.

Strategic Acquisitions and Divestments

Recent years have seen UltraTech actively reshaping its portfolio through acquisitions and divestments, such as the purchase of National Limestone Co. and the sale of its China and Bangladesh operations, reflecting its strategic business decisions.

Expansion and Growth

The company's aggressive expansion plans include substantial capacity additions and the inauguration of new facilities. These initiatives are set to enhance UltraTech's production capabilities and market presence, reinforcing its industry dominance.

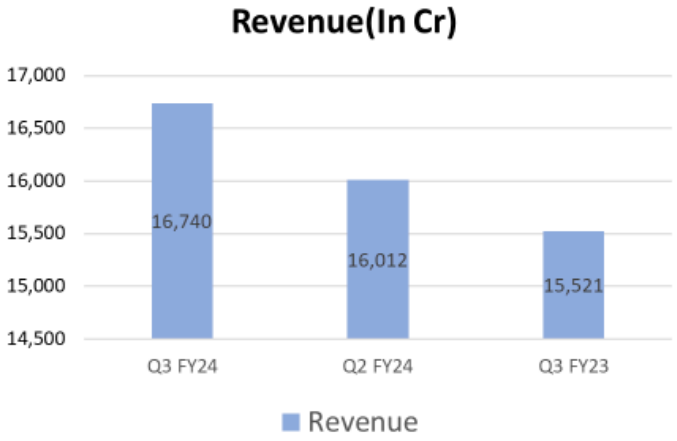
UltraTech Cement exemplifies a dynamic and forward-looking enterprise, marked by its expansive operations, strategic growth initiatives, and unwavering commitment to sustainability and innovation, positioning itself as a cornerstone of the cement industry.

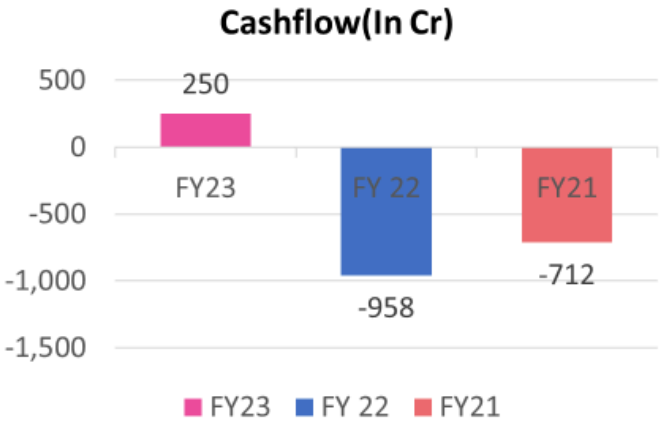
Stock Data	
CMP (20-03-2024)	9495.90
52 Week High/Low	10,526/7098
Face Value	10.00
Market Cap (In Crs)	2,74,214
Enterprise Value (In Crs)	2,85,266
NSE	ULTRACEMCO
BSE	532538
Bloomberg	UTCEM:IN
Sector	Cement

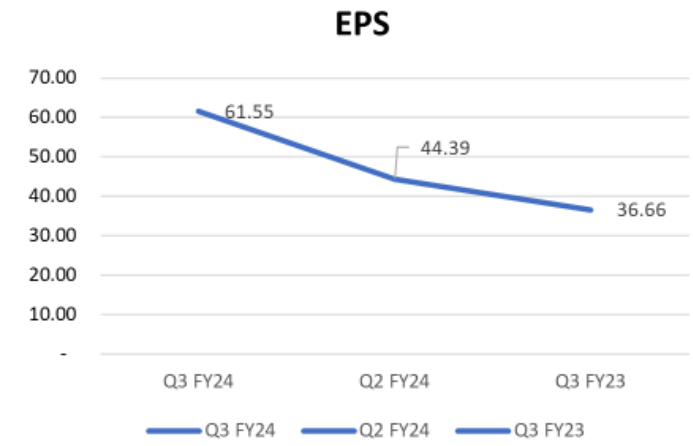
Shareholding Pattern (in %)		
	DEC 23	SEPT 23
Promoter	59.96	59.96
FII	18.20	16.65
DII	13.68	15.04
Public	7.95	8.11

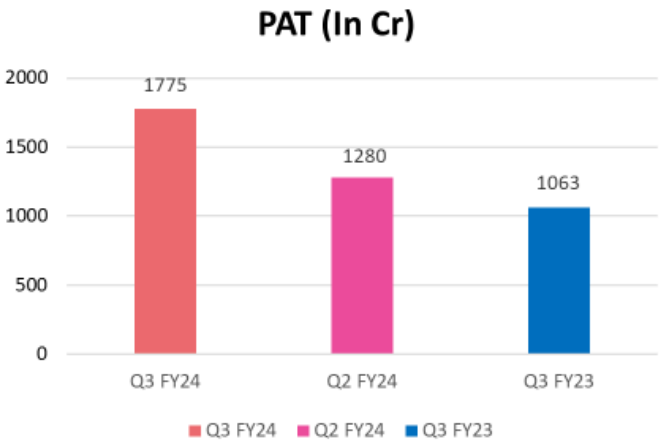
Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	-1.28	8.47	27.71
Ultratech Cement	-4.22	9.93	30.10

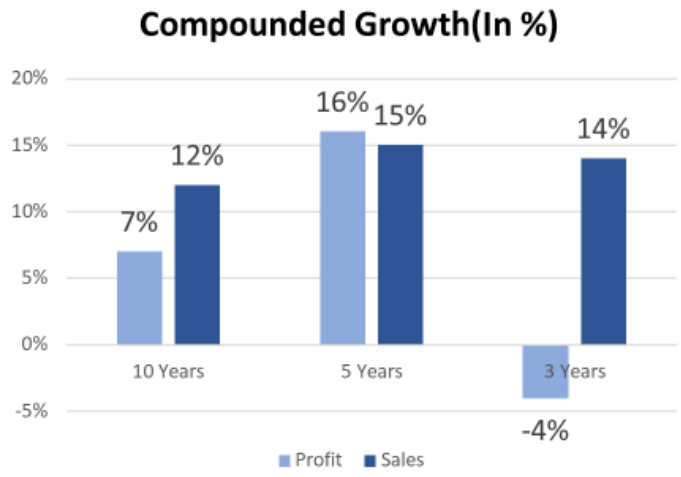
Key Ratios	
P/E	42.08
P/S	3.97
P/B	4.89
Debt To Equity	0.20
ROE	9.63
ROCE	12.9
Dividend Yield	0.40

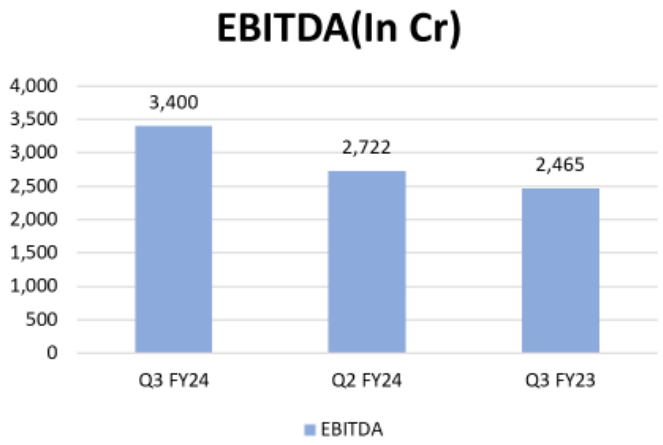

Revenue(In Cr)
17,000
16,500
16,000
15,500
15,000
14,500
16,740
16,012
15,521
Q3 FY24
Q2 FY24
Q3 FY23
Revenue


Cashflow(In Cr)
500
0
-500
-1,000
-1,500
250
-958
-712
FY23
FY 22
FY21
FY23
FY 22
FY21


EPS
70.00
60.00
50.00
40.00
30.00
20.00
10.00
-
61.55
44.39
36.66
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24
Q2 FY24
Q3 FY23


PAT (In Cr)
2000
1500
1000
500
0
1775
1280
1063
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24
Q2 FY24
Q3 FY23


Compounded Growth(In %)
20%
15%
10%
5%
0%
-5%
7%
12%
16%
15%
-4%
14%
10 Years
5 Years
3 Years
Profit
Sales


EBITDA(In Cr)
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
3,400
2,722
2,465
Q3 FY24
Q2 FY24
Q3 FY23
EBITDA

Power Grid Corporation of India Limited (PGCIL) is a Maharatna CPSU and India's largest electric power transmission company.
Established in 1989. PGCIL, has emerged as the foremost player in India's power transmission sector. Its expertise lies in the deployment of extra-high voltage alternating current (AC) and high-voltage direct current (HVDC) transmission lines, essential for efficient power distribution across the country.
Government of India (GoI) holds a majority stake of 51.34% . The substantial GoI stake underscores the company's strategic importance in India's energy landscape, ensuring alignment with national priorities.

Revenue Breakdown:
Transmission charges contribute 89% to the company's revenue, highlighting its core business focus. Diversification into consultancy (1.2%) and telecom (1.8%) sectors ensures a balanced revenue stream. PGCIL's revenue streams are primarily derived from transmission charges, reflecting its mitigating risks and ensuring financial stability. core competency in power transmission operations. However, the company also diversifies its income sources through consultancy and telecom services,

Government Strategic Importance:
Plays a vital role in India's power sector development, owning 85% of the interstate transmission network and carrying 45% of power generated in India. Receives government support for strategic projects and equity reinforcement, ensuring continued growth and project awards. PGCIL's significance in India's power sector cannot be overstated. With a vast network covering 85% of the interstate transmission and handling nearly half of India's power, the company is pivotal in ensuring energy security and grid stability.

Infrastructure Highlights:
Boasts an extensive transmission network comprising 172,192 ckm of transmission lines and 264 substations. Consistently maintains system availability exceeding 99%, with a transformation capacity of 469,607 MVA. PGCIL's robust infrastructure includes a vast network of transmission lines and substations. With a remarkable system availability rate exceeding 99%, the company demonstrates its capability to meet the nation's growing energy demands with utmost reliability and efficiency.

Innovation and Research Development:
PGCIL prioritizes innovation and research development to stay at the forefront of technological advancements in the power transmission sector. By placing a strong emphasis on innovation and research development its enhances operational efficiency and helps in meeting evolving industry standards. The company invests in cutting-edge technologies and collaborates with research institutions and industry partners to develop innovative solutions for power transmission challenges.

Stock Data	
CMP (11-03-2024)	285.55
52 Week High/Low	164.03 / 298.90
Face Value	10
Market Cap (In Crs)	2,65,578
Enterprise Value (In Crs)	3,77,998
NSE	POWERGRID
BSE	532898
Bloomberg	PGWR:IN
Sector	Power Transmission

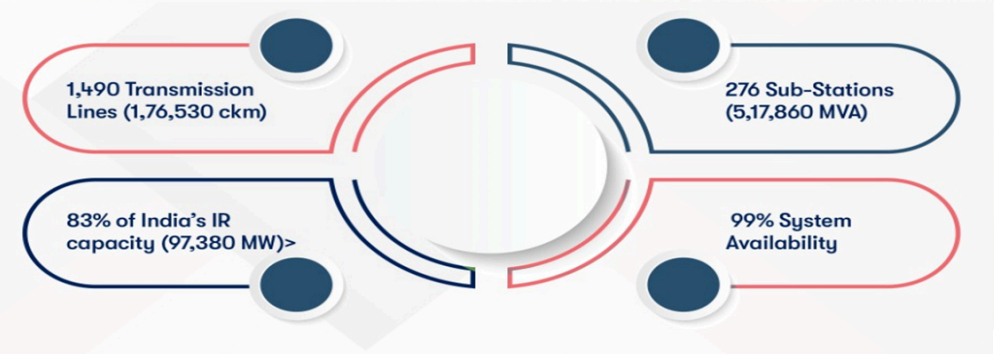
Shareholding Pattern (in %)		
	DEC 23	SEP 23
Promoter	51.34	51.34
FII	30.51	32.01
DII	14.77	13.21
Public	3.37	3.44

Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	1.83	13.21	26.09
PGCIL	6.57	48.15	67.62

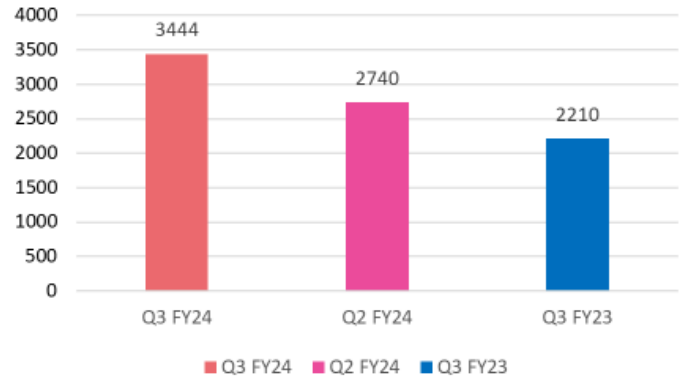
Key Ratios	
P/E	16.9
P/S	5.75
P/B	3.06
Debt To Equity	1.38
ROE	19.6
ROCE	13.1
Dividend Yield	3.87

Operational Excellence:
PGCIL maintains exceptional operational efficiency, evident from its impressive system availability rate of 99.76%, exceeding regulatory standards set by the Central Electricity Regulatory Commission (CERC). This relentless pursuit of excellence underscores the company's commitment to reliability and customer satisfaction.

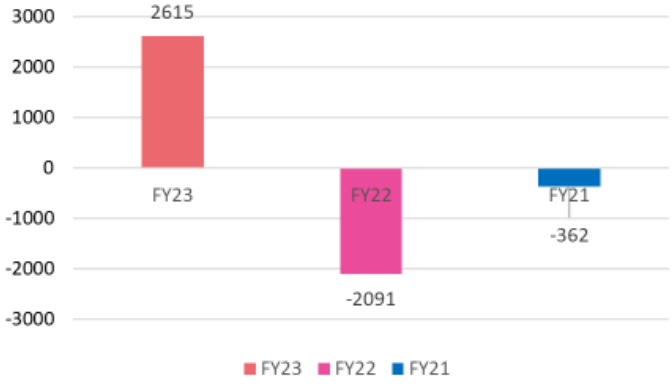
Transmission Assets



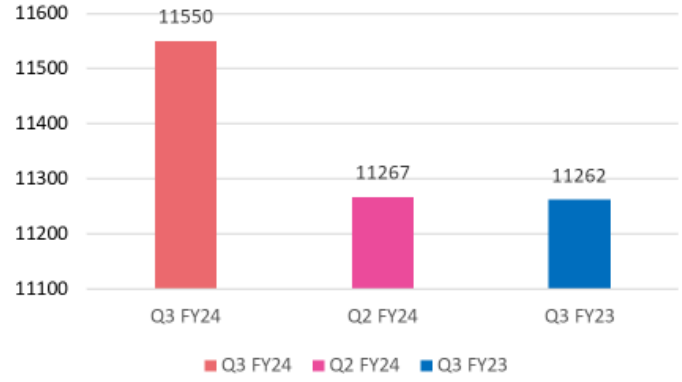
Capex (In Cr)



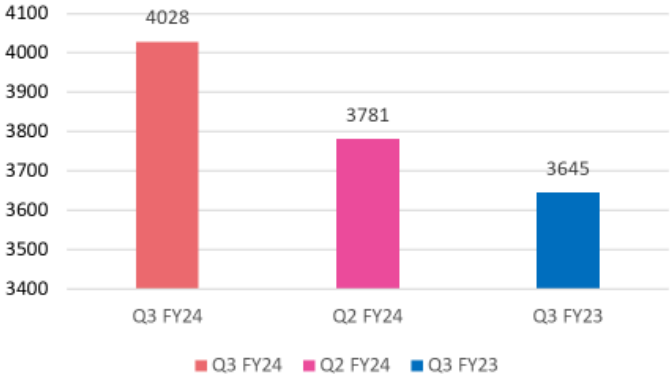
Cash Flows (In Cr)



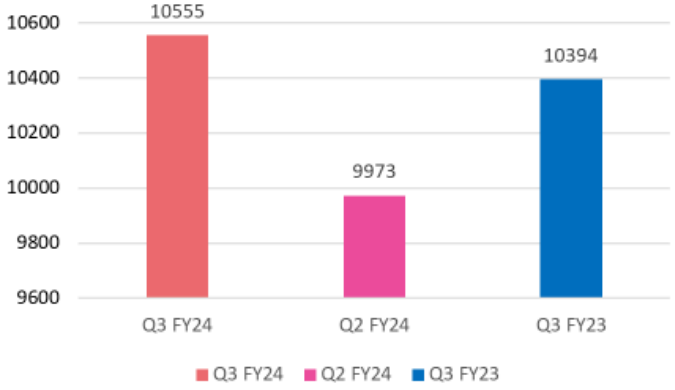
Revenue (In Cr)



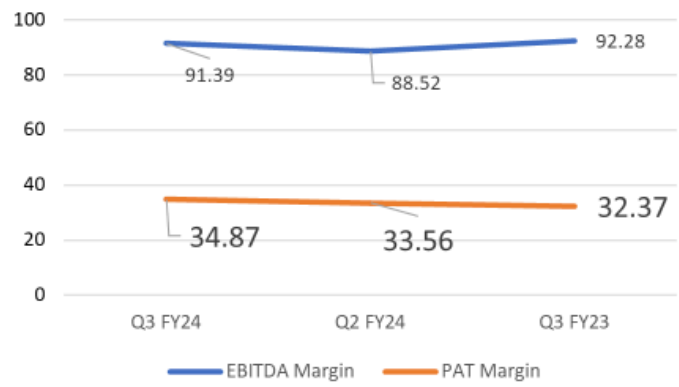
PAT (In Cr)



EBITDA (In Cr)



EBITDA & PAT Margin(In %)



JSW Steel Product Excellence

Diverse Steel Portfolio Strengthens Market Position
JSW Steel boasts an array of steel products, serving a wide market that include hot and cold rolled sheets, coated products, and various steel categories catering to specialized needs.

Strategic Revenue Streams
The company's revenue sources are well-distributed, with the retail sector contributing 33%, followed by a significant 37% from construction and infrastructure. Automotive and industrial clients add another 30% collectively.

Dominant Domestic Presence
JSW Steel demonstrates a commanding domestic presence, with 93% of its geography-specific revenue stemming from the home market, complementing this with a strategic 7% from exports.

Value-Driven Growth
A significant shift in the revenue share from Value Added Steel Products (VASP) from 35% in FY16 to 60% in Q3FY24 highlights JSW Steel's strategic move towards higher value offerings. The company's target to maintain this share above 50% indicates a commitment to delivering high-quality, specialized steel products.

Expansive Distribution Network
With a vast distribution network encompassing over 17,500 retail outlets across more than 530 districts, JSW Steel's market reach is formidable. A mix of 450 distributors and branded stores, along with a significant partner base in the JSW Privilege Club, exemplifies the company's robust channel strategy.

Capacity Building for the Future
JSW Steel is on a vigorous expansion drive, targeting a capacity increase to 37mt by FY25-26, and further to 50mt by FY30. This plan includes both brownfield and greenfield projects, highlighting the company's vision to lead the industry's growth trajectory.

Innovation and Approvals
The third quarter saw the company secure approvals for 12 products, ranging from solar modules to seamless tubes, signaling its commitment to innovation and quality.

Digital Commerce Advancements
The launch of JSW One TMT and the company's substantial shareholding indicates a strategic move towards integrating digital commerce platforms, specifically catering to MSMEs. The platform's user base and repeat customer rate emphasize its success and potential growth.

Financial Instruments for Expansion
The issuance of Non-Convertible Debentures worth ₹2,000 crores marks a pivotal step in securing the financial groundwork necessary for the company's ambitious expansion and growth plans.

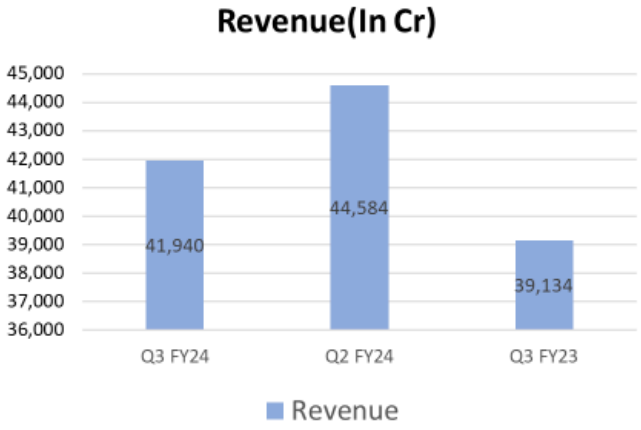
Steeling for Growth
The company's focus on scaling up its capacity to 50mt by FY30 reveals a grand vision for growth, cementing its position as a powerhouse in the steel industry, driven by innovation and strategic expansion.

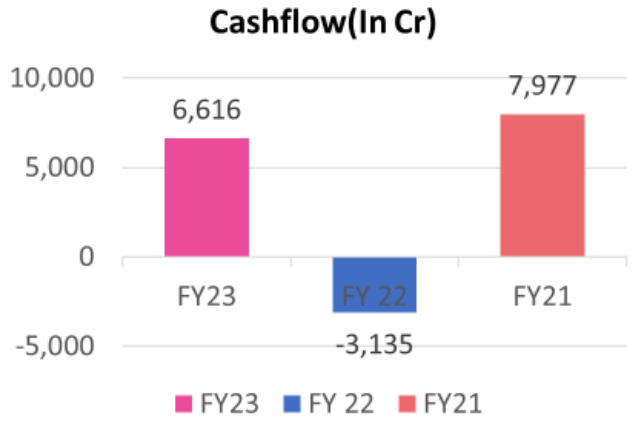
Stock Data	
CMP (19-03-2024)	801.05
52 Week High/Low	895.75 / 655.75
Face Value	1.00
Market Cap (In Crs)	1,96,345
Enterprise Value (In Crs)	2,68,150
NSE	JSWSTEEL
BSE	500228
Bloomberg	JSTL:IN
Sector	Steel

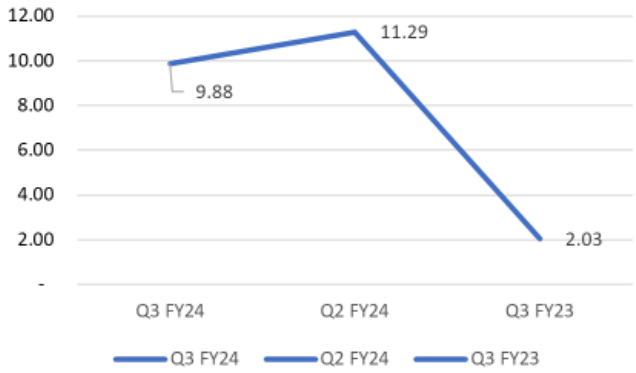
Shareholding Pattern (in %)		
	DEC 23	SEPT 23
Promoter	44.81%	44.79%
FII	26.33%	26.13%
DII	9.48%	9.50%
Public	18.47%	18.64%

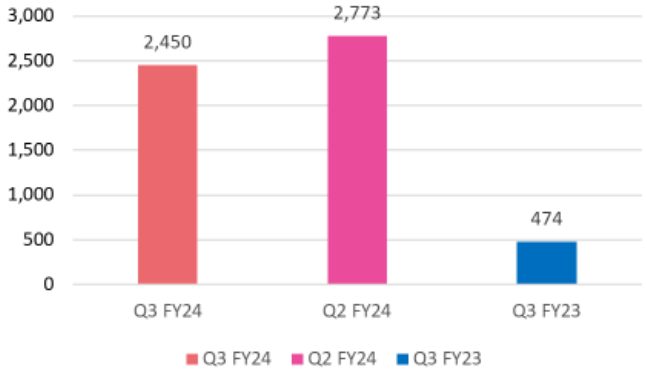
Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	-0.92	8.46	27.70
JSW STEEL	-2.13	-0.79	18.64

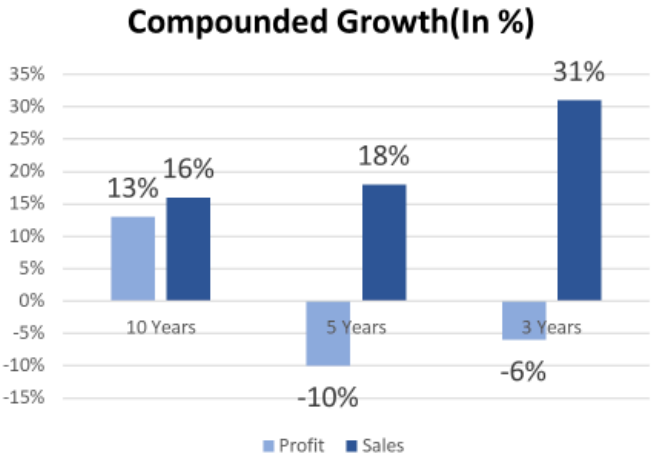
Key Ratios	
P/E	18.1
P/S	1.12
P/B	2.57
Debt To Equity	1.11
ROE	5.64%
ROCE	8.33%
Dividend Yield	0.43%

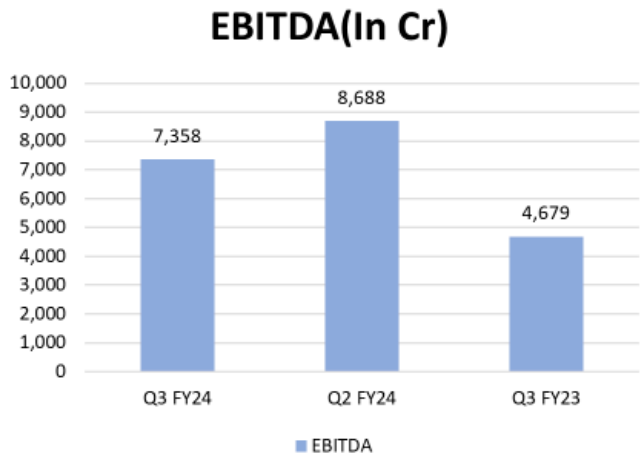

Revenue(In Cr)
45,000
44,000
43,000
42,000
41,000
40,000
39,000
38,000
37,000
36,000
41,940
44,584
39,134
Q3 FY24
Q2 FY24
Q3 FY23
Revenue


Cashflow(In Cr)
10,000
5,000
0
-5,000
6,616
-3,135
7,977
FY23
FY 22
FY21
FY23
FY 22
FY21


EPS
12.00
10.00
8.00
6.00
4.00
2.00
-
9.88
11.29
2.03
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24
Q2 FY24
Q3 FY23


PAT (In Cr)
3,000
2,500
2,000
1,500
1,000
500
0
2,450
2,773
474
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24
Q2 FY24
Q3 FY23


Compounded Growth(In %)
35%
30%
25%
20%
15%
10%
5%
0%
-5%
-10%
-15%
13%
16%
18%
-10%
31%
-6%
10 Years
5 Years
3 Years
Profit
Sales


EBITDA(In Cr)
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
7,358
8,688
4,679
Q3 FY24
Q2 FY24
Q3 FY23
EBITDA

Bajaj Finserv's Ecosystem: Diversification and Dynamic Growth

Transforming Revenue Streams in Financial Services

Bajaj Finserv Ltd. has witnessed a strategic transition in its revenue mix over four years, pivoting from a dominant life insurance share to a more balanced portfolio. Life insurance's slice of the revenue pie shrank to 25% in FY22 from a substantial 55% in FY18, while general insurance emerged as a solid revenue stream, constituting 28%. Retail Financing slightly bolstered its share to 45%, indicating its stable appeal and potential for growth, despite a minor dip in investment income.

Comprehensive Insurance and Lending Solutions

Rooted in the financial fabric of India, Bajaj Finserv, through its subsidiaries including the robust Bajaj Allianz and Bajaj Finance Limited, offers an extensive suite of insurance and financial products catering to a variety of customer needs. Bajaj Allianz remains a stronghold in the general insurance market with a well-balanced product mix, while Bajaj Finance Limited has shown commendable asset quality, highlighted by its GNPA and NNPA metrics, signifying its lending prowess and risk management.

Vast Network Spanning India's Financial Landscape

Bajaj Finserv's distribution network is expansive, encompassing a multitude of bank partners, agents, and sales points, creating a formidable presence across the nation. This extensive network underpins the company's ability to reach a diverse customer base, ensuring deep market penetration and accessibility of financial services.

Pioneering Digital Marketplaces and Health Solutions

With an eye on the future, Bajaj Finserv has launched Bajaj Finserv Direct Ltd., ambitiously aspiring to establish a comprehensive digital marketplace for financial products. Concurrently, Bajaj Finserv Health Ltd. ventures into the health-tech sector, aiming to revolutionize healthcare delivery through innovative solutions like 'Aarogya Care', which signals the company's dedication to contributing positively to the healthcare ecosystem.

Strategic Alliances Bolstering Market Position

Bajaj Finserv's strategic partnerships, such as those with RBL Bank and Mobikwik, have yielded fruitful co-branded initiatives, engaging millions of customers through credit cards and digital wallets. These alliances signify the company's adaptability and foresight in cultivating relationships that augment customer value and loyalty.

Strategic Expansion via New Subsidiaries

The formation of Bajaj Finserv Ventures Limited and Bajaj Finserv Asset Management Limited represents Bajaj Finserv's strategic foresight to diversify and tap into novel financial domains, signaling growth and the exploration of new business frontiers.

Investment in BFS-D: Strengthening the Financial Ecosystem

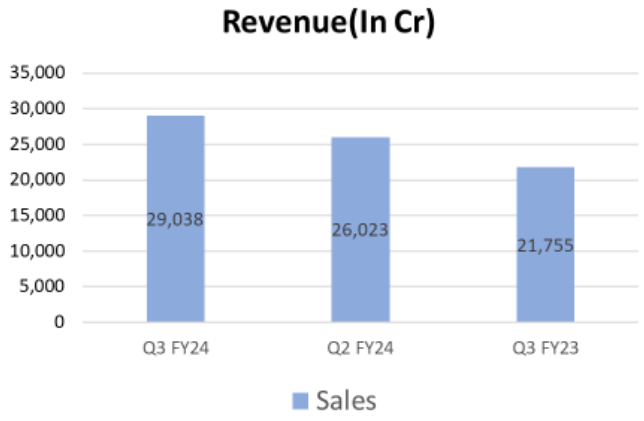
The co-investment in Bajaj Finserv Direct Ltd. (BFS-D), alongside Bajaj Finance Limited (BFL), marks a significant step towards subsidiary diversification. It not only broadens the company's portfolio but also underlines its commitment to shaping a robust financial ecosystem that caters to evolving consumer needs and market demands.

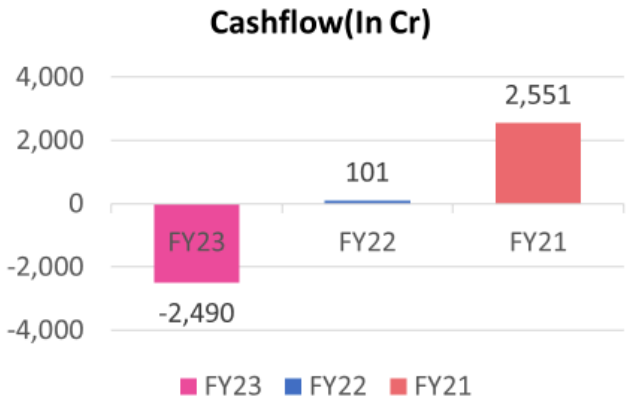
Stock Data	
CMP (22-03-2024)	1587.55
52 Week High/Low	1741/1215
Face Value	1.00
Market Cap (In Crs)	2,53,595
Enterprise Value (In Crs)	4,96,404
NSE	BAJAJFINSV
BSE	532978
Bloomberg	BJFIN:IN
Sector	Finance & Instruments

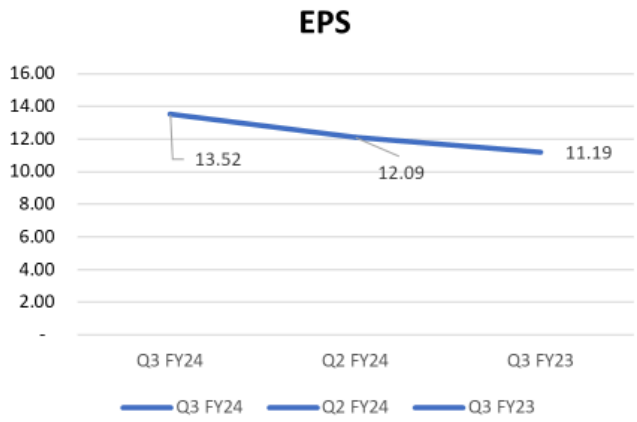
Shareholding Pattern (in %)		
	DEC 23	SEPT 23
Promoter	60.69%	60.69%
FII	7.91%	7.66%
DII	7.48%	7.09%
Public	23.70%	24.31%

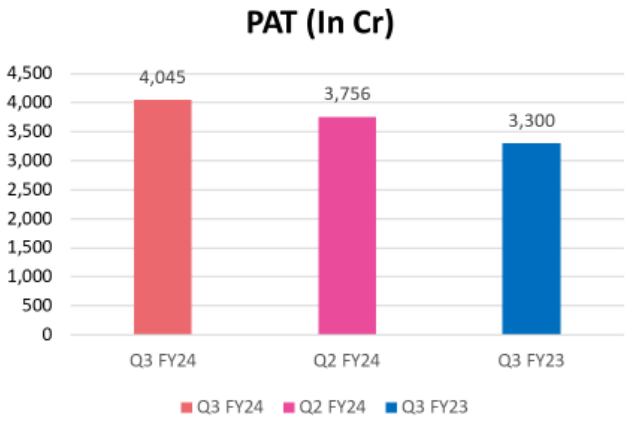
Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	-0.32	10.80	29.80
Bajaj Finserv	-0.93	2.23	27.51

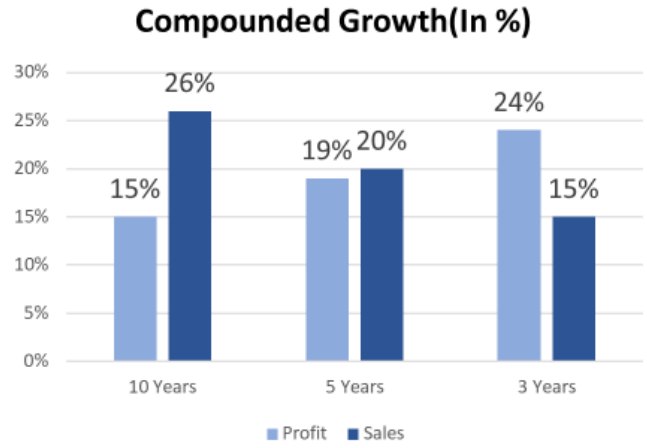
Key Ratios	
P/E	32.5
P/S	2.48
P/B	5.02
Debt To Equity	4.94
ROE	14.8%
ROCE	11.3%
Dividend Yield	0.05%

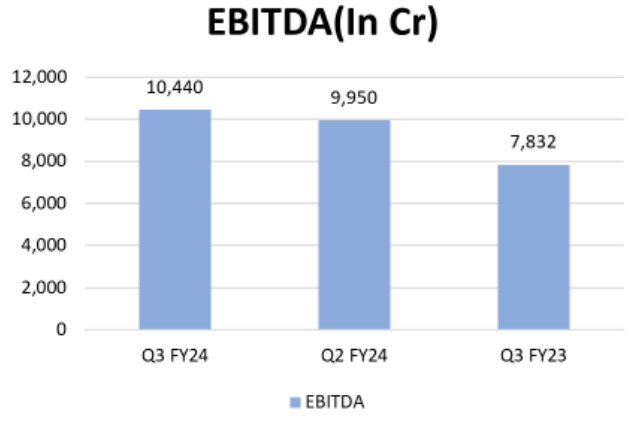

Revenue(In Cr)
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
29,038
26,023
21,755
Q3 FY24
Q2 FY24
Q3 FY23
Sales


Cashflow(In Cr)
4,000
2,000
0
-2,000
-4,000
2,551
101
FY23
FY22
FY21
-2,490
FY23
FY22
FY21


EPS
16.00
14.00
12.00
10.00
8.00
6.00
4.00
2.00
-
13.52
12.09
11.19
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24
Q2 FY24
Q3 FY23


PAT (In Cr)
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
4,045
3,756
3,300
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24
Q2 FY24
Q3 FY23


Compounded Growth(In %)
30%
25%
20%
15%
10%
5%
0%
15%
26%
19%
20%
24%
15%
10 Years
5 Years
3 Years
Profit
Sales


EBITDA(In Cr)
12,000
10,000
8,000
6,000
4,000
2,000
0
10,440
9,950
7,832
Q3 FY24
Q2 FY24
Q3 FY23
EBITDA

Established in 1910, ITC Limited stands as a stalwart in India's corporate landscape, demonstrating excellence across diverse sectors. With a robust presence spanning over a century, ITC has evolved into a conglomerate operating across five core business segments, namely FMCG Cigarettes, FMCG Others, Hotels, Paperboards, Paper and Packaging, and Agri Business. ITC stands as a beacon of excellence, leveraging its century-long legacy to drive innovation, sustainability, and shareholder value. With a diversified business portfolio, robust financial performance, and strategic initiatives poised to propel growth, ITC remains a compelling investment opportunity in India's dynamic corporate landscape.

FMCG - Cigarettes: Leading Market Share and Profitability

In the FMCG Cigarettes segment, ITC reigns supreme as the undisputed leader, commanding over 80% of the organized domestic cigarette market. A testament to its dominance, the company boasts an extensive portfolio of esteemed brands, including Insignia, India Kings, Classic, and Gold Flake, among others. This segment contributes 40% to its total revenue and significantly drives its profitability. However, it grapples with challenges posed by the prevalence of illicit cigarette trade, posing a threat to legal market growth.

FMCG - Diversified Portfolio and Expansive Reach

Beyond cigarettes, ITC's FMCG portfolio encompasses a diverse array of products across packaged foods, personal care, stationary, apparels, and agarbattis. With 25 mother brands under its belt, including Aashirvaad, Sunfeast, Savlon, and Classmate, the company enjoys widespread consumer resonance. Notably, its direct-to-consumer platform, 'ITC e-Store,' operates seamlessly across 24,000+ pin codes, enhancing accessibility and consumer engagement.

Hotels Business: Exemplary Growth and Distinctive Brands

In the hospitality domain, ITC Hotels stands out as one of India's fastest-growing chains, boasting 108 properties across diverse market segments. Its portfolio encompasses four distinct brands, namely ITC Hotels, Welcom hotels, Fortune Hotels, and Welcom Heritage, each catering to unique consumer preferences. Recent expansions include the addition of three new properties, further consolidating its market presence and enhancing service offerings.

Agri Business: Global Exporter and Innovation

ITC's Agri Business segment emerges as the second-largest exporter of agricultural products from India, dealing in a spectrum of commodities ranging from feed ingredients to processed fruits. Additionally, its stature as India's largest and the world's fifth-largest leaf tobacco exporter underscores its global prominence. Noteworthy advancements include regulatory approvals for manufacturing Nicotine & Nicotine Derivative products conforming to international standards, signaling a commitment to innovation and compliance.

Paperboards, Paper & Packaging: Market Leadership and Sustainability

With a focus on value-added paperboards and sustainable packaging solutions, ITC leads the market in innovation and quality. It boasts a comprehensive range of paperboards, including food-grade boards sourced from renewable and sustainable materials. As India's largest converter of paperboard into high-quality packaging, the company remains steadfast in its commitment to environmental stewardship and product excellence.

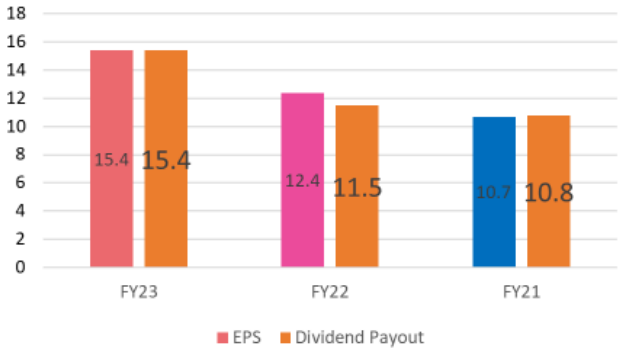
Stock Data	
CMP (02-04-2024)	425.30
52 Week High/Low	499.70 / 378.50
Face Value	1.00
Market Cap (In Crs)	5,30,975
Enterprise Value (In Crs)	5,25,896
NSE	ITC
BSE	500875
Bloomberg	ITC:IN
Sector	FMCG

Shareholding Pattern (in %)		
	DEC 23	SEP 23
FII	43.26%	43.34
DII	41.98%	41.94
Government	0.04	0.04
Public	14.71	14.68

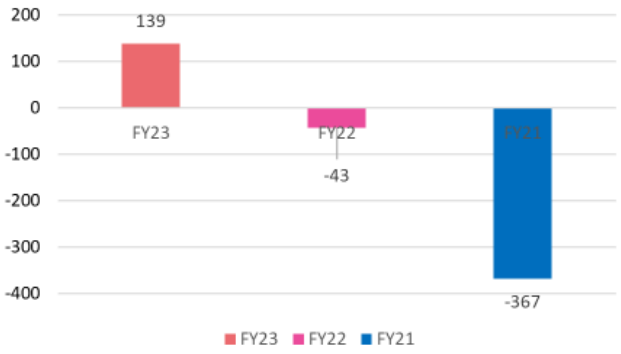
Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	0.39	14.20	29.19
ITC	3.91	-4.25	10.95

Key Ratios	
P/E	26.0
P/S	7.52
P/B	7.69
Debt To Equity	0.00
ROE	29.1
ROCE	39.0
Dividend Yield	2.99

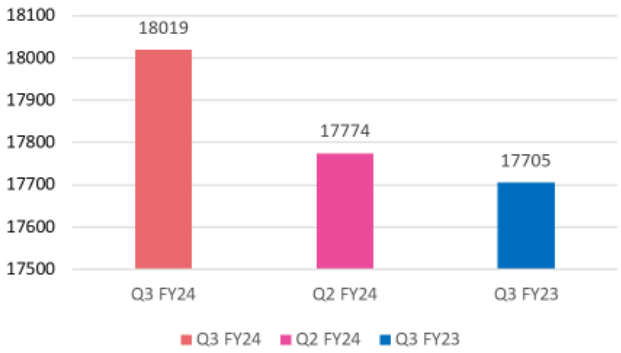
Earnings & Dividend (In Cr)



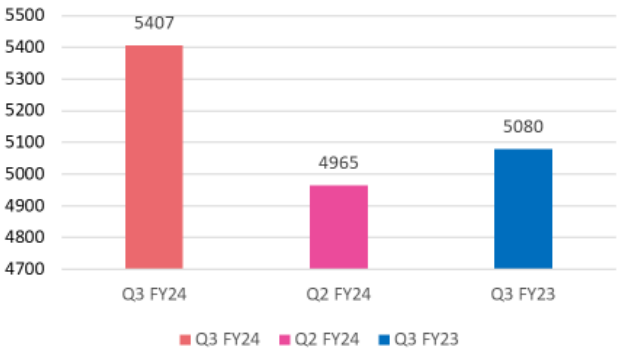
Cash Flows (In Cr)



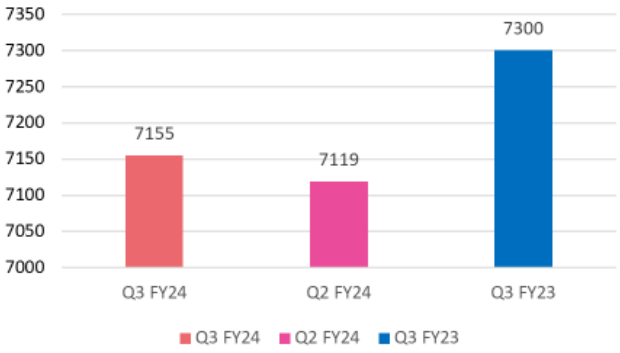
Revenue (In Cr)



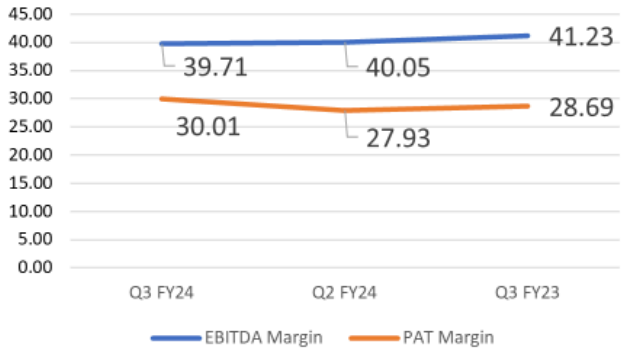
PAT (In Cr)



EBITDA (In Cr)



EBITDA & PAT Margin(In %)



Cipla Limited, established in 1935, stands as a trailblazer for its commitment to accessible and affordable her in the global pharmaceutical sector, renowned healthcare solutions. With a rich legacy of innovation and integrity, Cipla has earned its place as a leader in developing, manufacturing, and distributing a diverse range of pharmaceutical products. Guided by a steadfast dedication to excellence and fueled by a culture of innovation, Cipla continues to push the boundaries of medical science, delivering transformative treatments and therapies that address critical healthcare needs worldwide. With a legacy spanning nearly nine decades, Cipla looks to the future with confidence and determination, poised to shape the healthcare landscape and make a lasting impact on the well-being of individuals and communities worldwide.

Market Leadership

Cipla stands as the 3rd largest pharmaceutical company in India and holds a dominant position in key therapeutic segments such as respiratory and urology. It ranks 2nd in the chronic disease management sector and continues to maintain a stronghold. Additionally, Cipla holds the 2nd position among Indian pharmaceutical exporters in emerging markets, showcasing its global reach and competitiveness.

Geographical Presence

Cipla's geographical footprint spans across India, North America, South Africa, Sub-Saharan Africa, and various international markets. The company's presence in these regions underscores its commitment to providing quality healthcare solutions to diverse populations worldwide.

Manufacturing Excellence

Driven by 47 state-of-the-art manufacturing facilities across six countries, Cipla ensures the highest standards of quality and efficiency in its production processes. These facilities serve as the backbone of the company's operations, enabling it to meet growing market demands effectively.

Strategic Collaborations and Acquisitions

Cipla's strategic partnerships and acquisitions further strengthen its position in the pharmaceutical landscape. Notable agreements include collaborations with leading industry players for the development and distribution of innovative therapies, as well as acquisitions aimed at expanding its renewable energy portfolio and venturing into biologic products.

Research and Development

Cipla's commitment to innovation is exemplified by its five state-of-the-art research and development facilities located in the US and India. With significant investments in R&D, the company continuously strives to introduce novel treatments and enhance its product offerings. Cipla boasts an impressive portfolio of approved and pending ANDAs and NDAs for the US market, along with a substantial number of granted patents.

Stock Data	
CMP (12-03-2024)	1465.75
52 Week High/Low	1519 / 852
Face Value	2
Market Cap (In Crs)	1,18,529
Enterprise Value (In Crs)	1,18,310
NSE	CIPLA
BSE	500087
Bloomberg	CIPLA:IN
Sector	Pharmaceutical

Shareholding Pattern (in %)		
	DEC 23	SEP 23
Promoter	33.46	33.46
FII	25.73	25.74
DII	24.05	23.90
Public	16.53	16.68

Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	2.54	11.70	26.98
CIPLA	1.81	17.51	66.34

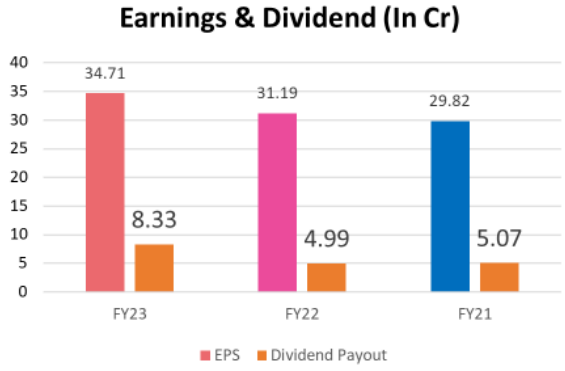
Key Ratios	
P/E	30.0
P/S	4.68
P/B	4.78
Debt To Equity	0.04
ROE	12.8%
ROCE	18.0%
Dividend Yield	0.58%

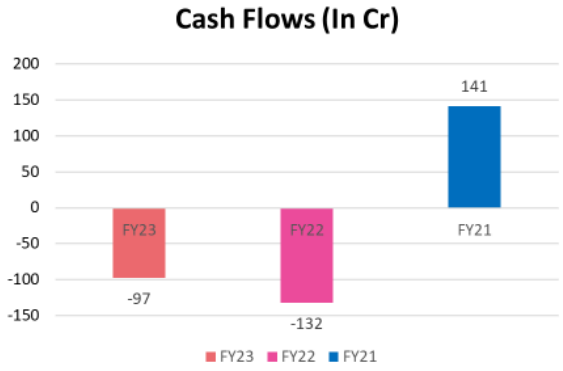
Expansion Goals and Focus

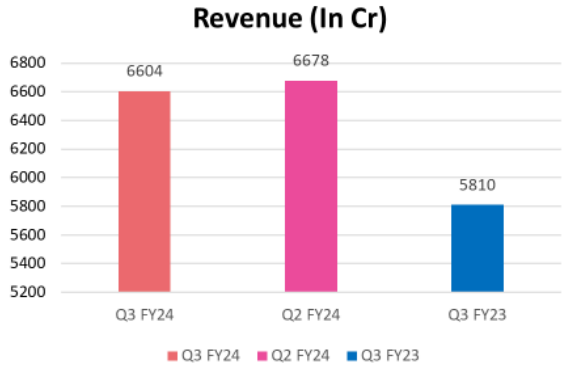
Looking ahead, Cipla aims to expand its offerings and access to medicines, particularly in the lung specialty segment. The company remains focused on strengthening its presence in therapeutic areas such as antidiabetics and oncology, leveraging partnerships with global corporations to drive innovation and growth.

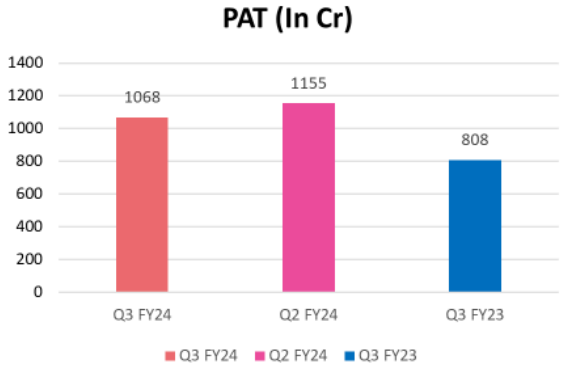
Market Foothold

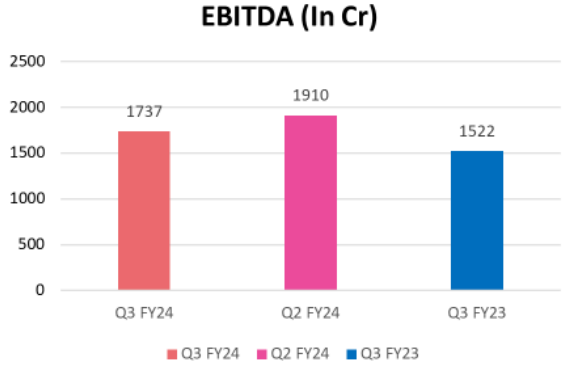


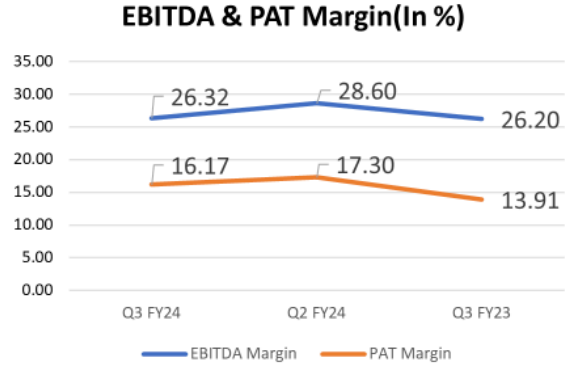












Comprehensive Overview of Bajaj Finance's Operations and Achievements

Pioneering NBFC in India
Bajaj Finance Limited (BFL) is a major player in India's non-banking financial company (NBFC) sector, evolving from a vehicle financing entity in 1987 to one of India's most expansive NBFCs. In FY22, BFL saw a significant 29% growth in Assets Under Management (AUM) to Rs. 1,97,452 crores.

Diverse Consumer Lending
BFL is a leader in consumer lending, financing 12.7 million customers in FY22 alone, particularly in consumer electronics, furniture, and digital products. It also experienced significant growth in its EMI card services, with a 48% increase from the previous year.

SME Lending Expansion
The company's SME lending segment has expanded significantly, providing both secured and unsecured loans across over 1,500 Indian locations, with a 25% AUM growth reported in FY22.

Strengthening Rural Outreach
Since its inception in 2013, BFL's rural lending initiative now spans 2,136 locations, witnessing a 32% increase in AUM over the previous year.

Focused Commercial Lending
BFL's commercial lending segment caters to various industries, recording a 39% growth in AUM from FY21, underscoring its diversified market reach.

Housing and Depository Services
Through Bajaj Housing Finance Ltd. and Bajaj Financial Securities Ltd., BFL extends its services to housing finance and depository business, enhancing its financial offerings.

Extensive National Reach
With over 3,504 branches nationwide and a vast distribution network, BFL boasts a significant presence across India, ensuring broad market access and customer reach.

Innovative Expansion Initiatives
BFL is broadening its horizons by venturing into financing two-wheelers from other brands, signaling its commitment to growth and market adaptability.

Competitive Financial Management and Strategic Investments
The company enjoys a competitive cost of funds and a diversified borrowing mix, contributing to its robust financial health. The company's investments, including a notable stake in BFS-Direct, highlight its strategic financial decisions and portfolio diversification.

Growing Deposit Base
BFL's deposit book growth and its substantial contribution to the company's borrowing mix underline its strong capital foundation and investor trust.

Industry-Leading Asset Quality
With one of the lowest NPAs in the industry, BFL demonstrates exceptional asset quality and prudent provisioning, highlighting its financial stability and resilience.

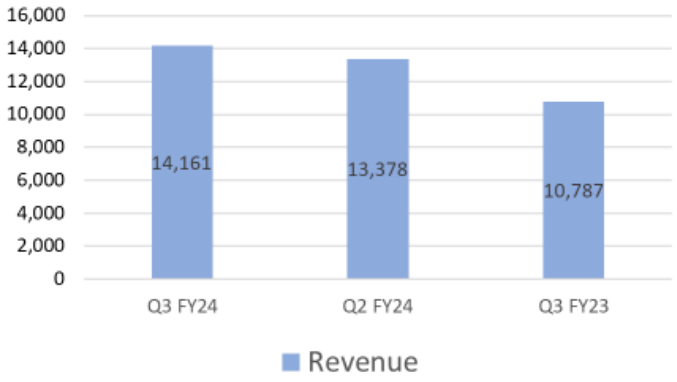
Stock Data	
CMP (26-03-2024)	6,916
52 Week High/Low	8192 / 5486
Face Value	2.00
Market Cap (In Crs)	4,28,098
Enterprise Value (In Crs)	6,77,095
NSE	BAJFINANCE
BSE	500034
Bloomberg	BJFIN:IN
Sector	Finance & Investments

Shareholding Pattern (in %)		
	DEC 23	SEPT 23
Promoter	54.78%	55.87%
FII	20.92%	20.41%
DII	14.01%	13.05%
Public	10.17%	10.50%

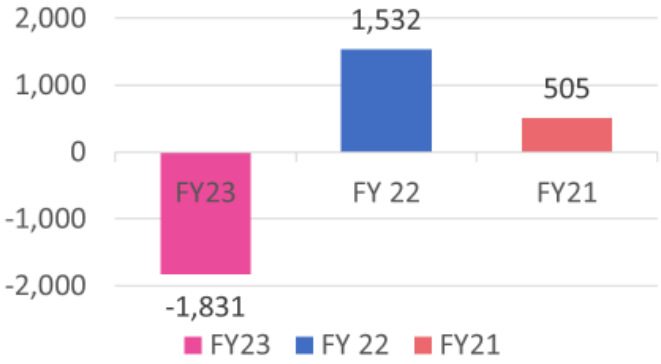
Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	-0.83	10.61	29.57
Bajaj Finance	5.62	-11.64	23.81

Key Ratios	
P/E	31.1
P/S	8.33
P/B	7.11
Debt To Equity	4.28
ROE	23.5%
ROCE	11.8%
Dividend Yield	0.44%

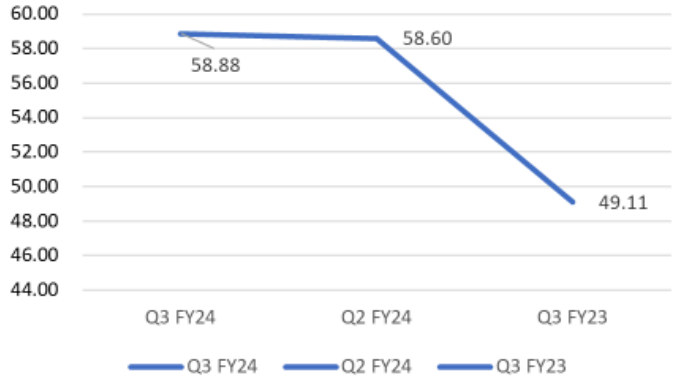
Revenue(In Cr)



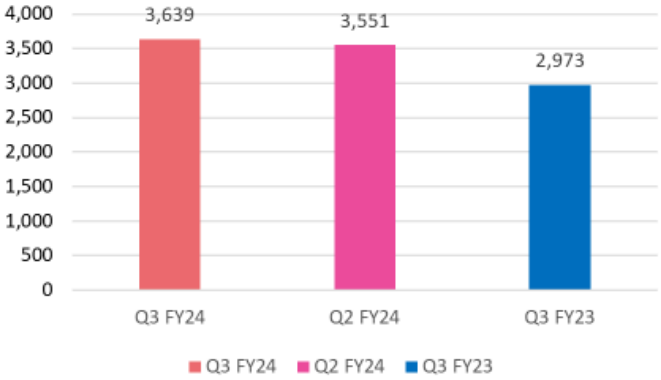
Cashflow(In Cr)



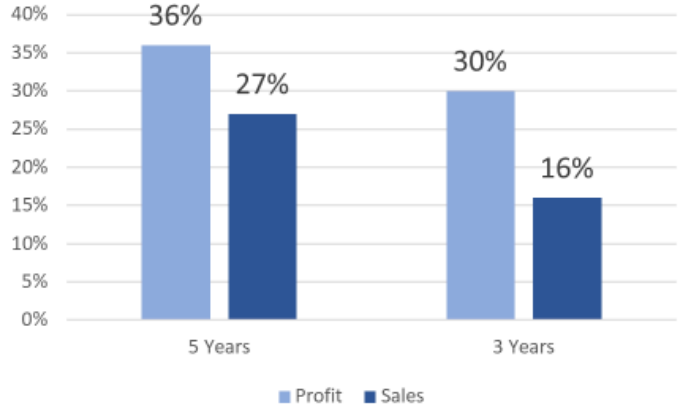
EPS



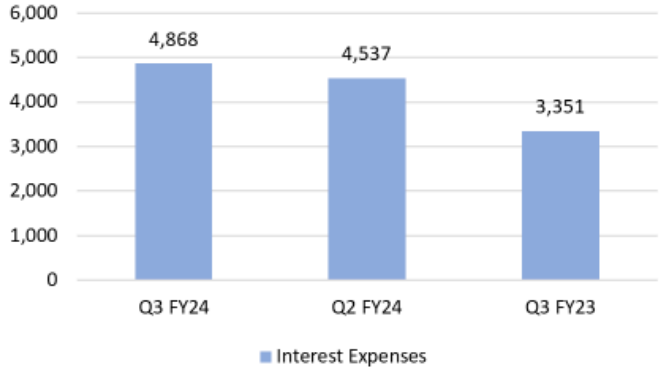
PAT (In Cr)



Compounded Growth(In %)



Interest Expenses (In Cr)



IndusInd bank was established in 1994, it marks its presence as India's pioneering private sector bank, initiated in Mumbai under the leadership of Mr. Srichand P Hinduja of the Hinduja Group. Initially aimed at catering to the Non-Resident Indian (NRI) community, the bank has broadened its horizon, offering a plethora of banking and financial services to a wide range of corporate and retail customers, alongside conducting substantial treasury operations.

Innovative Partnerships: IndusInd Bank set a precedent as the first Indian bank to collaborate with the (NPCI), introducing Cross Border NRI Remittances through Unified Payments Interface (UPI) in the Q3 of FY22, showcasing its commitment to innovation and customer service.

Sectoral Expertise: The bank has carved a niche in specific financial sectors, including vehicle financing, micro-financing, and diamond manufacturer financing, which collectively form a significant 43% of its loan portfolio, demonstrating resilience and outperformance through the challenging periods of the COVID pandemic.

Financial Health: As of the first quarter of FY23, IndusInd Bank exhibits robust financial metrics with a Capital Adequacy Ratio of 18.14%, Net Interest Margin at 4.21%, alongside controlled Non-Performing Assets (Gross NPA at 2.35% and Net NPA at 0.67%) and a healthy CASA Ratio of 43%.

Strategic Initiatives: The bank is proactive in enhancing customer experience through several initiatives like IndusEasyCredit, UPI Pre-Paid Voucher, and Single Sign-On for corporate channels. Additionally, the launch of mobile applications such as Indus Direct for SMEs and Indus Merchant Solutions further signify its digital transformation journey.

Network and Reach: IndusInd Bank boasts an extensive network with 2,286 banking outlets, 2,836 BFIL branches, 817 vehicle finance outlets, and 2,783 ATMs as of June 30, 2022. Its presence spans across urban, rural, metro, and semi-urban locations, ensuring a comprehensive reach.

Customer Base: The bank serves an impressive customer base of approximately 32 million, covering over 133,000 villages, demonstrating its vast reach and influence across various demographics.

Loan Portfolio: IndusInd Bank presents a diversified loan book, with a balanced mix between consumer (54%) and corporate banking (46%). The portfolio includes significant sectors such as vehicle finance (26%), non-vehicle retail (16%), microfinance (12%), and various corporate sectors.

Corporate Lending: The bank's corporate loan portfolio is diversified across various industries, including NBFCs, gems & jewelry, real estate, and steel, indicating a well-rounded approach to corporate lending.

Revenue Streams: Consumer banking dominates the bank's fee income, constituting 70% of total fees, followed by corporate banking and other income sources, illustrating a healthy revenue mix.

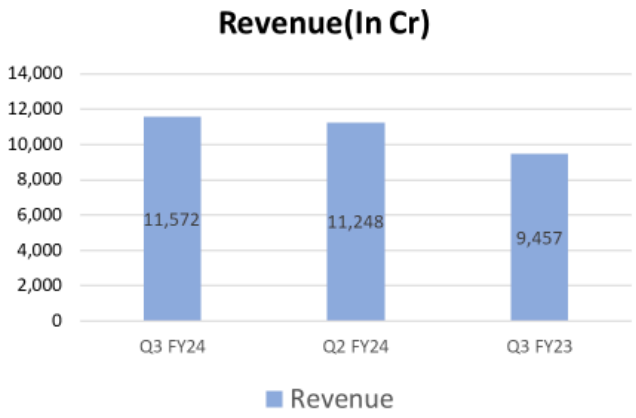
Strategic Outlook: IndusInd Bank remains steadfast in its growth strategy, focusing on retail deposits while enhancing both physical and digital distribution channels. The bank's forward-looking agenda includes advancing its Digital 2.0 strategy and optimizing financial metrics.

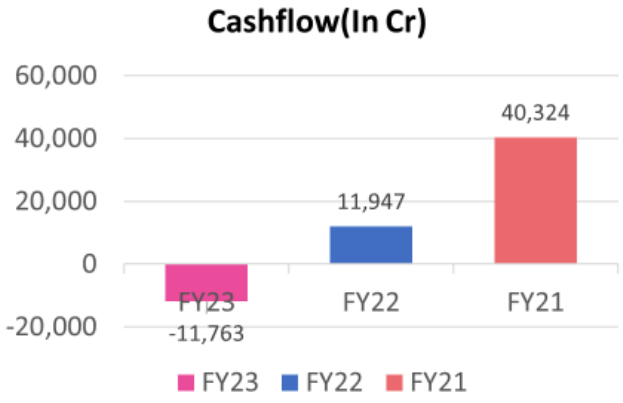
Stock Data	
CMP (14-03-2024)	1481.50
52 Week High/Low	1694.50 / 990.20
Face Value	10.00
Market Cap (In Crs)	1,14,910
Enterprise Value (In Crs)	4,43,848
NSE	INDUSIND
BSE	532187
Bloomberg	IIB:IN
Sector	Banks- Private sector

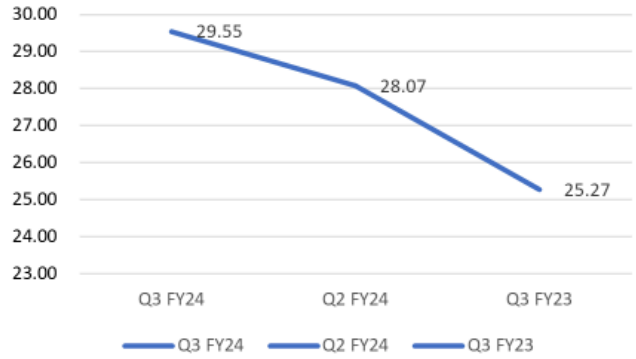
Shareholding Pattern (in %)		
	DEC 23	SEPT 23
Promoter	16.45	16.47
FII	42.47	41.48
DII	26.21	28.17
Public	14.52	13.50

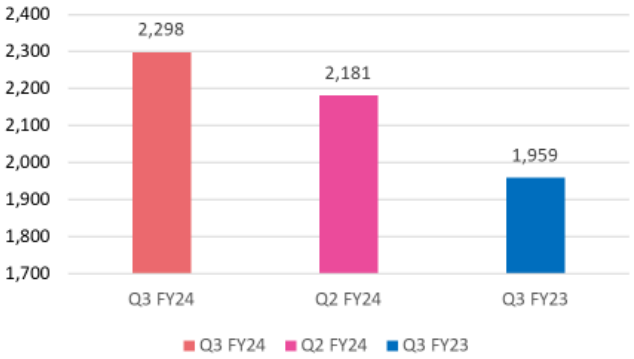
Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	1.86	10.35	29.10
Indusind Bank	0.88	1.49	39.30

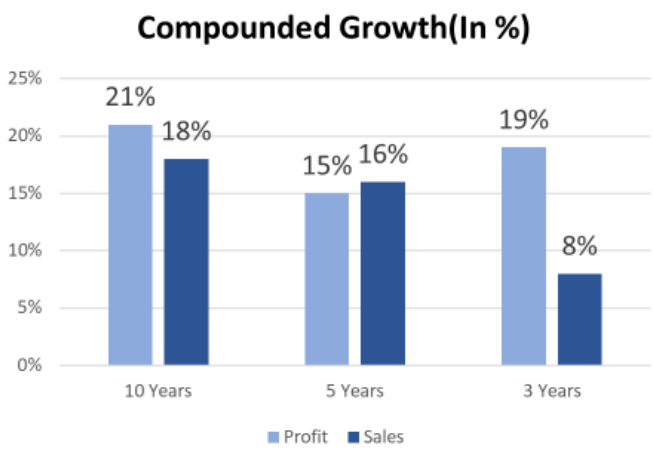
Key Ratios	
P/E	13.4
P/S	2.64
P/B	2.07
Debt To Equity	7.06
ROE	14.4%
ROCE	6.91%
Dividend Yield	0.94%

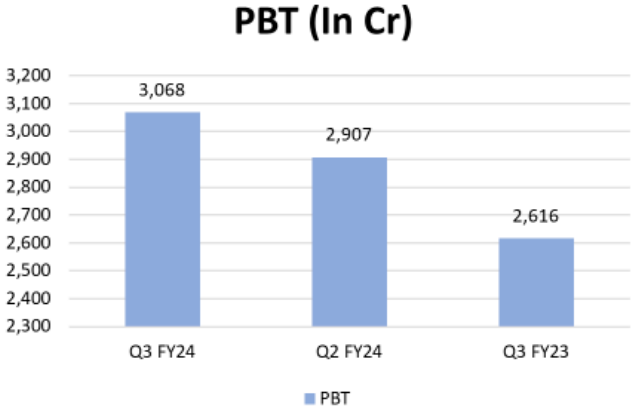

Revenue(In Cr)
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
11,572
11,248
9,457
Q3 FY24
Q2 FY24
Q3 FY23
Revenue


Cashflow(In Cr)
60,000
40,000
20,000
0
-20,000
40,324
11,947
-11,763
FY23
FY22
FY21
FY23 FY22 FY21


EPS
30.00
29.00
28.00
27.00
26.00
25.00
24.00
23.00
29.55
28.07
25.27
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24 Q2 FY24 Q3 FY23


PAT (In Cr)
2,400
2,300
2,200
2,100
2,000
1,900
1,800
1,700
2,298
2,181
1,959
Q3 FY24
Q2 FY24
Q3 FY23
Q3 FY24 Q2 FY24 Q3 FY23


Compounded Growth(In %)
25%
20%
15%
10%
5%
0%
21%
18%
15%
16%
19%
8%
10 Years
5 Years
3 Years
Profit Sales


PBT (In Cr)
3,200
3,100
3,000
2,900
2,800
2,700
2,600
2,500
2,400
2,300
3,068
2,907
2,616
Q3 FY24
Q2 FY24
Q3 FY23
PBT

The information provided in these reports is for informational purposes only and should not be considered as offers to buy or sell any securities in any jurisdiction where such actions are illegal. While we have taken reasonable steps to ensure the accuracy of the information, we do not guarantee its completeness or accuracy. These documents may contain confidential and privileged materials and are not for circulation, review, retransmission, or any other use. The opinions expressed are current as of the dates of these materials and may change without notice. Forward-looking statements are subject to change. Readers should conduct their own investigations and seek professional advice. We are not responsible for any loss or damage due to inadvertent errors in these reports. We do not provide any express or implied warranties regarding the content of these reports. We may have financial interests in the securities mentioned. These reports are not intended for distribution in jurisdictions where they would violate the law or subject us to registration or licensing requirements. We may or may not hold the securities discussed in our portfolios, and decisions may or may not be based on the information in these reports. We, our affiliates, and third parties involved in compiling this information have no liability for any damages.



Contact Us

Toll Free: 1800-309-2172
Mobile : 98158-10172

info@invasset.com

www.invasset.com

MUMBAI
911 One Lodha Place, Lower Parel, Mumbai 400013

GURUGRAM
4th Floor Two Horizon Centre, DLF Phase 5, Gurugram, Haryana 122002

LUDHIANA
1401, Aspen 2, Centara Greens, Pakhowal Road, Opp. Riviera Resort, Ludhiana 141001