



GEOJIT

PEOPLE YOU PROSPER WITH

15.07.2024

To,
The Manager,
Listing Department,
National Stock Exchange of India Limited,
'Exchange Plaza', C-1, Block – G,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051
Ph. No. 022-26598100
Scrip Code : GEOJITFSL - EQ

To,
The Manager,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
Ph. No.022 22721233
Scrip Code : 532285

Dear Sir/Madam,

Sub: Newspaper Advertisement dated 14.07.2024 – Un-audited Financial Results for the quarter ended 30.06.2024.

Pursuant to Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of the newspaper advertisements of un-audited financial results for the quarter ended 30th June 2024 published in an English and Malayalam newspapers.

This is for your information and records.

Thanking You,
For Geojit Financial Services Limited

Liju K Johnson
Company Secretary



Buffett Indicator vs rosy Sensex targets

MARKET WISE. The Buffett Indicator is a rough, but historically a very effective gauge of market valuations

Hari Viswanath
bl, research bureau

There are many ways to gauge where market valuations stand — complex as well as simple. Complex is when, say, an expensive valuation has to be justified by a good story about future prospects. Simple is when you just apply basic arithmetic and logic and make an inference. What is popularly known as the Buffett Indicator comes under the simple category. It is a rough, but historically a very effective gauge of market valuations.

In an interview a few decades back, Warren Buffett noted that the single best measure of where valuations stand at any moment was the ratio of market capitalisation of all listed securities as a percentage of GNP. This has subsequently become famous as the Buffett Indicator. Since in many cases there is no significant difference between GNP and GDP, the market capitalisation by GDP is more commonly used. Think of it like the price/sales measure at a country level (although EV/Sales is a more correct metric).

This is not a perfect metric, as not all companies are listed and in a country like India there is a large unorganised sector as well; nevertheless it has largely proven to be very useful. Looking at historical numbers at a country-level as well as globally across countries provides a good way to gauge whether markets are expensive or cheap.

ARE VALUATIONS EXPENSIVE NOW?

According to Buffett, in the context of the US economy, if the percentage relationship falls to the 70-80 per cent levels, it's a good time to buy. If the ratio approaches 200 per cent as it did in 1999-2000 during the dotcom bubble, investors were 'playing with fire'. So far this view of his has played out well. The 83 per cent crash in the Nasdaq 100, when the dotcom bubble burst after US market cap/GDP touched 190 per cent, remains one of the worst crashes in the history of markets. In recent times, when the US market/GDP reached around 200 per cent by end 2021, a painful crash played out in 2022.

In India, the number is at 152 per cent today and higher than the 141 per cent it touched in end-December 2007. Measured on a quarterly basis, the ratio has ranged between a low of 53 per cent in March 2009 and a high of 152 per cent. The last 15-year average is at 85 per



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cent.

So, do current levels imply that valuations are expensive? Looking at the historical trend in India and for other large economies across the world, yes. In Germany, the ratio is at 50-60 per cent. In the UK, it is around 90 per cent. In Japan, it is close to 150 per cent, and it would be worth noting that the last time it reached around this level in 1989, the crash was so brutal it took a whole 34 years for the Nikkei 225 to claw its way back to 1989 levels!

The US is back at close to 200 per cent after recovering from the 2022 crash, and we have to wait and see what happens from here.

WHY CAN'T THE RATIO KEEP INCREASING?

Simple. For the ratio to keep moving up, growth in investor wealth must exceed the growth of businesses in a country. This cannot go on forever.

For example, let's see how the ratio has played out in India, in the last 10 years. Over this period, while market capitalisation of all listed stocks has grown at a CAGR of 17 per cent, nominal GDP has grown at a CAGR of around 10 per cent.

EXPERTSPEAK

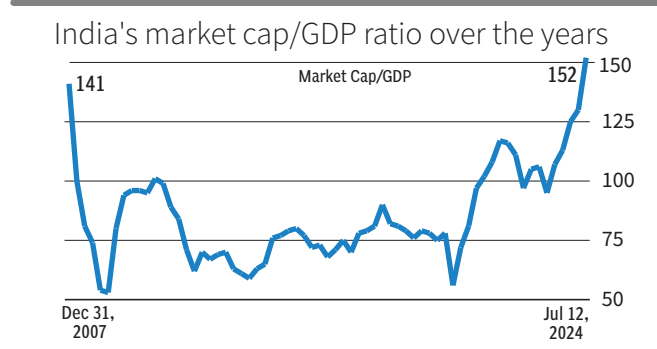
In a finite world, high growth rates must self-destruct. If the base from which the growth is taking place is tiny, this law may not operate for a time. But when the base balloons, the party ends: A high growth rate eventually forges its own anchor.

Warren Buffett

The ratio has already increased from 76 per cent in July 2014 to 152 per cent now, implying growth in investor wealth has far exceeded growth in businesses.

Further, Buffett notes in his annual newsletters: 'In a finite world, high growth rates must self-destruct. If the base from which the growth is taking place is tiny, this law may not operate for a time. But when the base balloons, the party ends: A high growth rate eventually forges its own anchor.'

He goes on to explain with an example of how a few tiny organisms weighing much less than a gram reproduce by divid-



ing every 15 minutes.

If this continues uninterrupted, in a few days these organisms will weigh more than the Sun! And before long will engulf the entire universe. But this doesn't happen because some obstacle will always impede this kind of exponential growth. Using this as a logic, he explains in the year 1990 why Berkshire would not be able to repeat its past growth performance, given its larger size and scale.

Thus, if the same trend in market cap growth and GDP growth were to repeat for the next 10 years in India, by 2034, the market cap to GDP ratio in India will be at 277 per cent! If markets were to grow at 12 per cent CAGR, the ratio will end

up at 180 per cent.

This is one reason why you need to get cautious when you hear targets like Sensex at 1,60,000 in five years, which requires a 15 per cent CAGR, or Indian market capitalisation at \$10 trillion by 2030, which requires a 12 per cent CAGR.

Not that these are impossible, but the hurdles to achieve these are substantial when the market cap/GDP ratio is where it is now. Higher nominal GDP growth rate than in previous decade or continued growth in corporate profits as a percentage of GDP, and the market cap/GDP ratio not declining much from current levels are required to achieve those targets.

TAX QUERY.

In my IT return, I am carrying an LTCL (Long Term Capital Loss) of ₹1.50 lakh on equity transactions for the past two FYs. During FY 2023-24, I have Long Term Capital Gain (LTCG) of ₹0.65 lakh on equity transactions. Should I adjust this LTCG against the carried forward LTCL loss of ₹1.50 lakh? Or, as the LTCG is less than ₹1 lakh, can I treat this as an exempt income and continue to carry forward the loss of ₹1.50 lakh?

As per the Income Tax Act, 1961 (the Act), if you incur a Long Term Capital Loss (LTCL) from the sale of capital assets, you can carry forward this loss for eight consecutive years. During these years, you can set off the LTCL only against Long Term Capital Gains (LTCG) from other capital assets.

In the facts of your case: You have a carried forward LTCL of ₹1.50 lakh from earlier financial years.

In FY 2023-24, you have earned LTCG of ₹0.65 lakh.

The LTCG will be initially adjusted against the brought-forward LTCL. Therefore, your LTCG of ₹0.65 lakh will be set off against the LTCL of ₹1.50 lakh. After this set-off, the remaining LTCL (₹1.50



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lakh - ₹0.65 lakh = ₹0.85 lakh) can be carried forward to subsequent years for adjustment against future LTCG.

As stated earlier, you can carry forward this LTCL for up to eight assessment years immediately following the assessment year in which the loss was first computed.

In a nutshell, you will have to declare the brought-forward LTCL of ₹1.5 lakh in your Income-Tax return form under the 'Schedule BFLA'; the same shall automatically get set off from the capital gains income of ₹65,000.

Thus, there is no option to defer the set-off to the

subsequent financial years. The exemption provision for LTCG under ₹1 lakh (Section 10(38)) applies only if your LTCG from equity shares is ₹1 lakh or less in a financial year and there is no LTCL available for adjustment.

It is important to disclose the brought-forward loss in your current year tax return to ensure its proper carry-forward to subsequent financial years. Failure to disclose it may result in issues regarding the carry-forward of losses.

The author is a practising chartered accountant. Send your queries to taxtalk@thehindu.co.in



SANJIV CHAUDHARY

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EXTRACT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

Sl. No.	Particulars	₹ In Lakhs		
		For the quarter ended	For the year ended	For the quarter ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited)	30-Jun-23 (Unaudited)
1	Total income from operations	18,106.82	61,413.41	10,984.76
2	Net profit / (loss) for the period (before tax, exceptional and / or extraordinary items)	5,973.76	19,197.49	2,913.90
3	Net profit / (loss) for the period before tax (after exceptional and / or extraordinary items)	5,973.76	19,197.49	2,913.90
4	Net profit / (loss) for the period after tax (after exceptional and / or extraordinary items)	4,581.08	14,938.10	2,207.84
5	Total comprehensive income for the period [Comprising profit / (loss) for the period (after tax) and other comprehensive income (after tax)]	4,573.88	14,918.90	2,203.14
6	Equity share capital	2,391.44	2,391.44	2,390.95
7	Reserves (excluding revaluation reserve) as shown in the audited balance sheet of previous year	80,785.60	80,785.60	69,887.01
8	Earnings per share (of ₹1/- each) (not annualised)			
	a) Basic:	1.86	6.06	0.88
	b) Diluted:	1.86	6.06	0.88

Summary of standalone financial results of Geojit Financial Services Limited is as follows:

Sl. No.	Particulars	₹ In Lakhs		
		For the quarter ended	For the year ended	For the quarter ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited)	30-Jun-23 (Unaudited)
1	Total income from operations	17,187.25	58,923.31	10,631.70
2	Profit from ordinary activities before tax	5,490.51	17,875.74	2,830.14
3	Net profit / (loss) after tax	4,089.31	13,393.63	2,107.09
4	Total comprehensive income (after tax)	4,082.12	13,364.87	2,104.78

Note: The above is an extract of the detailed format of quarterly financial results filed with the stock exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the quarterly financial results are available on the websites of the stock exchange. (Refer corporate announcements).

Place: Kochi **For Geojit Financial Services Limited**
Date: 13 July 2024 **Managing Director**

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Investment Platforms

WHO AM I?.

Are you an avid investor? How well do you know corporate India?

Here's a challenge. Using the five clues below, identify the company that is being talked about here

- I have done significant capital and business restructuring through mergers and demergers that ultimately resulted in undisputed leadership nationally in my business. I recently became a top 5 player globally.
- Though I was a national leader, I was weak in the South and became a leader in the market by acquiring my competitor.
- Many may not know I have Australian roots. One of my founder promoters was listed on the Australian Stock Exchange but had to exit from my ownership about a couple of decades back.
- My initial founder, who continues to run the business, owns single-digit stake only. Mutual funds own more stakes than any other category of investors.
- I am one of the few Indian stocks to deliver negative return over the last five years though I was a darling of the market, earlier.

Send your answers by Wednesday 6 p.m. to who-am-i@thehindu.co.in, with your full name, postal address and phone number. A lucky winner in each week will get a book sponsored by UNIFI CAPITAL as a reward.

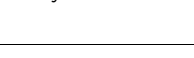


Last week's stock:
Senco Gold
Last week's winner:
J L Bheda

ALERTS.

Passive thematic funds from two MFs

ICICI Prudential Mutual Fund and Tata Mutual Fund have announced the launch of their respective passive thematic funds. The ICICI Prudential Nifty Oil & Gas ETF is open-ended and tracks the Nifty Oil & Gas Total Return Index (TRI), consisting of a maximum of 15 listed stocks from the oil, gas, and petroleum sectors. Meanwhile, the Tata Nifty India Tourism Fund, an open-ended equity scheme, replicates the Nifty India Tourism Index (TRI), that reflects the performance of the largest 30 stocks within the Nifty 500 Index that focus on travel and tourism. Currently, this tourism index comprises 17 constituents. The NFO for both ICICI and Tata schemes will be open until July 18 and 19, respectively, with minimum subscription amounts of ₹100 and ₹5,000 respectively. An exit load of 0.25 per cent of the applicable NAV will be charged for the Tata Nifty India Tourism Fund if redeemed within 15 days from the date of allotment.



THE ANDHRA SUGARS LIMITED
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CIN: L15420AP1947PLC000326

NOTICE TO SHAREHOLDERS
Transfer of Equity Shares of the Company to Investor Education and Protection Fund (IEPF) Authority

Shareholders are hereby informed that pursuant to the provision of section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended, the Final Dividend declared for the Financial Year 2016-17, which remained unclaimed for a period of seven years will be credited to IEPF on due date i.e. 22nd October, 2024. The corresponding shares on which dividend was unclaimed for seven consecutive years will also be transferred as per procedure set out in the Rules.

The Company will not transfer such shares to the IEPF where there is a specific order of court tribunal restraining any transfer of such Shares or where the Shares are Hypothecated / Pledged under the Depositories Act, 1996.

In compliance with the Rules the Company has sent individual notices to the concerned Shareholders whose Shares are liable to be transferred to IEPF as per the said Rules and the full details of such Shareholders are also made available on Company's website : www.theandhrasugars.com.

Shareholders are requested to claim the final dividend declared for the Financial Years 2016-17 onwards before the same is transferred to IEPF.

Concerned Shareholders holding Shares in physical form and whose shares are liable to be transferred to IEPF, may note that the Company would be issuing new Share Certificate(s) in lieu of the original held by them for the purpose of transfer of Shares to IEPF and upon such issue, the Company shall inform the Depository by way of corporate action to convert the new Share Certificates into DEMAT form and transfer in favour of IEPF. The original Share Certificate(s) which are registered in the name of original Shareholders will stand automatically cancelled and be deemed non-negotiable. Concerned Shareholders holding Shares in Dematerialized form may note that the Company shall inform the Depository by way of corporate action for transfer of Shares in favour of the DEMAT account of the IEPF.

The Shareholders may further note that the details made available by the Company on its website should be regarded and shall be deemed adequate notice in respect of issue of new Share Certificate(S) by the Company for the purpose of transfer of Shares to IEPF.

In case the Company does not receive any communication from the concerned Shareholders on or before 17th October, 2024 the Company with a view to adhering with the requirements of the Rules, will transfer the dividend to the IEPF by the due date. The corresponding Shares on which dividend is unclaimed for seven consecutive years shall also be transferred without any further notice. Please note that no claim shall lie against the Company in respect of unclaimed dividend amount and Shares transferred to IEPF.

Shareholders may claim the dividend and corresponding Shares transferred to IEPF including all benefits accruing on such Shares, if any, from the IEPF authorities by submitting an application in the prescribed web Form IEPF-5 online and sending the physical copy of the requisite documents enumerated in the Form IEPF-5 to the Nodal Officer of the Company.

For any queries on the above matter, Shareholders are requested to contact the Company's Registrar and Share Transfer Agents, M/s. XL Softech System Limited, 3, Sagar society, Road No.2, Banjara Hills Hyderabad - 500034, PH: 040-23545913/14/15, Email: xfield@gmail.com.

FOR THE ANDHRA SUGARS LIMITED
P. Narendranath Chowdary
Chairman & Managing Director

VENKATARAYAPURAM
Date : 14.07.2024

