

ABOUT US:

KEDIA Advisory is a leading SEBI registered Advisory Company Which is Having unparalleled service history of 15 years. Mr. Ajay Kedia is the Founder and Director of Kedia Advisory. He is well known in the industry for his dynamism and execution capabilities. Born into a reputed business family, He is the motivating force behind Kedia's highly acclaimed Research team. His ability to produce views from technical as well as fundamental perspectives has provided the impetus to building Kedia's strong market research team. Research-based & personalized advisory services are Kedia's forte, and he has undoubtedly been the brain behind them. A genius with hands-on experience in analyzing the markets in depth. He facilitates investors to identify healthy opportunities by looking for positive deviations in the Market, using his tried and tested techniques.

BUILDING WEALTH, YOUR PORTFOLIO IS OUR PRIORITY

There are multiple ways to create wealth. One of the ways of building wealth is through systematic investing for the long term. Smart portfolios can be one of the ways

LEADERS NEXT:

The midcap and small-cap equities in the Leaders Next Portfolio are concentrated yet well diversified. These stocks offer the potential to generate large wealth in the future since they are expected to be leaders of tomorrow. Several of the portfolio's principles:

Capital Deployment:

We seek out businesses with a strong history of capital allocation. We can identify winners thanks to strong sustained competitive advantages, successful company governance, and capital allocation practices.

High coverage of mid- and small-cap companies:

Compared to large-cap stocks, mid- and small-cap equities have substantially lesser analyst coverage. This offers the fund manager an advantage in identifying strong companies early and producing more alpha.

Favorable cyclical upturn:

Small and midcaps frequently exhibit extraordinary performance and quickly rebound from periods of low returns. After the small-caps correction over the past three years, we anticipate a strong performance improvement.

In Leader Next Basket, our positions are as follows for stocks bought

TOP 5 SCRIPTS	OUR INITIAL BUYING PRICE	SECTOR
Ambika Cotton Mills Ltd	537	TEXTILE
Talbro's Auto Components Ltd	72	AUTO ANCILLARY
Bajaj Consumer	132	CONSUMER GOODS
SRF Ltd	560	CHEMICALS

OUR SUCCESS STORY

One of stock recommendation helped our client to gain a whopping 648.59% return in just 2 years

TALBROS AUTO

RETURNS: **1340.00%**

RECOMMENDED PRICE: RS 69.15

CURRENT MARKET PRICE: 1044.00

RECO DATE: 01 APRIL 2020



An investment of RS1,00,000 would have turned into **RS. 11,44,000.00/-**

INVESTMENT METHODOLOGY

QUALITY OF BUSINESS

Finding a high-quality investment entails looking for businesses with those qualities. These qualities include effective management, a sound dividend policy, consistent profitability, an upswing in the enterprise lifecycle, a strong balance sheet, an economic moat, and effective operations. A different style of thinking is necessary for high-quality investing. In terms of investment management, slow and steady wins the day. Too many investors choose riskier, more variable investments than high-quality ones. Investing is not a sprint, but a marathon.

QUALITY OF MANAGEMENT

Evaluation of the company's management is one of the many elements that can be used to evaluate this quality. For a long-term investor, a stock should be viewed as a component of a business or firm. Therefore, there is a great likelihood that your stock will do well if the firm does well. When management constantly executes excellent work and pushes the company to new heights, the business thrives. Retail investors make up a very small portion of the overall capital of the company and are heavily dependent on how the management makes decisions. The hard truth is that a company's valuation is still acceptable even if business is booming and finances are strong. There is no assurance that the profits of the company will benefit small investors.

GROWTH

Rather than keeping to generate passive income, growth investors typically make money by selling after the value has increased. This is so because most fast-expanding businesses don't typically have the resources to distribute dividends because they are frequently investing their earnings back into the company to create new goods or services.

Growth investing is sometimes referred to as a capital growth or capital appreciation approach and an offensive investment strategy because investors want to maximize their capital gains.

VALUATION

Value investing is a long-term investment strategy that centers on conducting a thorough research to find stocks whose market prices are below their underlying values and then buying those equities. The basic premise is to purchase a stock for less than it is actually worth, as determined by the company's financial statements, with the hope that the market will eventually recognize this underlying value.

Human behavior is to blame for the discrepancy between intrinsic worth and market value; according to Benjamin Graham, "Common stocks are vulnerable to excessive and unreasonable price movements in both directions as a consequence of the entrenched desire of most individuals to speculate or gamble."



RESEARCH PROCESS

INVESTMENT PHILOSOPHY

Our approach to markets is based on our set of principles, beliefs, and experiences that drive investing and portfolio decisions. We combine the two popular and divergent investment theories which are value investing and growth investing. Our concentration is on solid businesses that are well-managed, well-capitalized, and positioned for development. High quality businesses that become a part of our universe exhibit these traits. Below is a description of our method for choosing stocks, which is in line with our concept of minimizing risk.

CREATION OF IDEAS

Both at and away from the desk, people can generate ideas. Ideas can come from a variety of people, both on and outside the team, and from a variety of sources.

After every quarterly result of BSE500 businesses, we at Kedia have a structured idea-generating process where we continuously monitor a few quantitative criteria. We focus on the operations of firms that have begun to exhibit growth or indicators of margin improvement. Our "Greatness Score" methodology is another tool we employ to find high-caliber investment ideas.

ADMINISTRATION & GOVERNANCE

We always draw inspiration from legends like Warren Buffett and Charli Manager as well as Indian icon Rakesh Jhunjhunwala, who provided a straightforward criterion for doing a more thorough assessment of a person. Integrity, expertise, and energy. We take it a step further and attempt to include a few other factors, such as capital allocation and execution capacity.



Our staff puts a lot of time and attention into evaluating the company's governance. Our research team specifically studies this issue beyond numbers since it calls for it. Our team does a quick key work check on search engines in addition to examining the accuracy of the accounting and other quantitative factors like pay and linked party transitions, which occasionally provides us with some useful information.

Along with the management, we are also curious about the composition of the board and its quality. The purpose of the board is to protect the interests of minority shareholders, and they can only accomplish this if the directors are really independent. To assess the same, we try to do some qualitative checks.

INDUSTRY ANALYSIS

Isolated viewpoints on business are rarely helpful. To clearly understand a company's strengths and weaknesses, it is important to see it in the perspective of its industry. Understanding the industry's value chain and makeup offers us a clear understanding of some of the most crucial factors, such as the size of an opportunity, the level of competition, the positioning of other competitors in the market, etc. Key individuals at corporations on our watchlist are followed closely, just as we do with any other company on the list.

FINANCIAL STATEMENT ANALYSIS

Our team uses financial models to assist us in understanding the firm's motivations and potential roadblocks after the company has passed our Greatness Score screening. We clearly understand the areas that require the majority of our focus. These financial models provide extensive data that is supplied by businesses, in addition to financial statements, public filings, and conference calls.

ALLOCATION AND VALUES

For us, valuation is a process that follows our evaluation of the management and company performance. We have a margin of safety because we think that quality comes before valuation. However, if basic quality and future prospects are irreparably harmed, applying a margin of safety simply to valuations may occasionally backfire. We approach values by keeping terminal value in mind since we think that having a DCF perspective is important.

We evaluate industries, businesses, and sectors of firms before choosing one that offers a balanced risk-reward proposition.

We pay close attention to the elements and traits that contribute to a company's ultimate worth and hold onto the investment until these elements and traits are still there.

HOW WE ALIGN FUNDING?

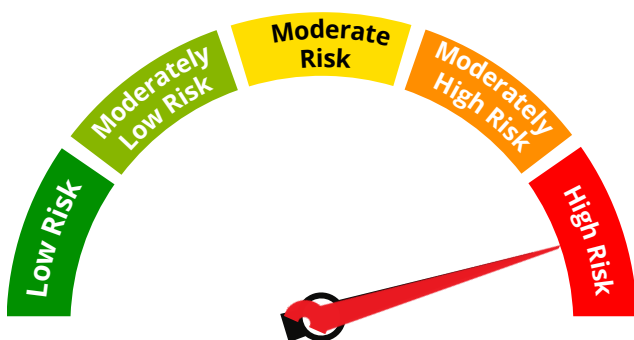
PORTFOLIO OF
AROUND 10-15
SCRIPTS

DIVERSIFY ACROSS
8-10 SECTOR

MAXIMUM
WEIGHTAGE OF 15%
IN A SINGLE
SECTOR AND 13%
IN INDIVIDUAL
SCRIPT

AVERAGE HOLDING
OF A SCRIPT IS 4-5
YEARS

RISK PROFILE

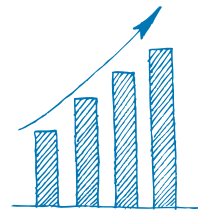


SECTOR WISE ALLOCATION

TOP SECTOR	ALLOCATION
TEXTILE	11.16%
AUTO ANCILLARY	12.16%
HOUSEHOLD & PERSONAL PRODUCTS	9.36%
CHEMICALS	4.62%
GAMING	9.16%

REBALANCING STRATEGY

There is a quarterly rebalancing plan for this Stock Basket. The research team evaluates this Stock Basket once per quarter and adjusts the weights to match the chosen asset allocation approach for the next quarter.



When Potential
upside in stock is
achieved



If Stock is excluded
from Nifty Index



Nifty Bees will be
switched when a new
Stock opportunity
with potential is
identified



Stock Price corrects
by more than RIAs
tolerance levels

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