INSTITUTIONAL RESEARCH

HSIE Results Daily

Contents

Results Reviews

- **Bharat Forge:** Bharat Forge's consolidated PAT at INR 2.2 bn is better than our estimate of INR 1.8bn, led by a performance beat at both standalone and overseas subsidiaries. Performance beat was largely driven by better-than-expected revenue growth at the standalone entity and break-even at the Europe subsidiary. We continue to highlight that BHFC has multiple growth levers to offset any potential slowdown from US Class8 which include: (1) defence orders that are likely to see this segment's revenue ramp-up to INR 17bn by FY25E, from INR 3.5bn in FY23, (2) strong growth expected in PV and industrial exports, (3) huge ramp-up potential at JS-Auto Cast, given its capacity is expected to increase by 2x and there is a huge demand for castings, both in India and abroad, (4) strong order backlog in aerospace, which would help boost revenue to INR 5bn over next the four years, from INR 1.7bn. Also, the sharp turnaround in overseas subsidiaries in Q1 gives us confidence that the management is on track to normalize subsidiary performance over the course of the year (target to achieve a high single-digit margin by Q4). Further, its long-term stable revenue growth guidance is a testimony to the fact that management has been able to transform BHFC from a cyclical entity to a stable revenue stream, given its well-diversified mix. Reiterate BUY with a revised TP of INR 1,069 (from INR 998 earlier) as we roll forward to June-25 estimates.
- **Phoenix Mills:** Phoenix Mills (PHNX) reported strong revenue/EBITDA/APAT at INR 8.1/4.9/2.4bn, beating our estimates by 6/5/11%. Improving ARR in hospitality and pick-up in office leasing also contributed positively to margin improvement. For FY24, PHNX expects to achieve INR 115bn in consumption (a growth of +25%), with INR 25bn contribution coming from new operational malls i.e. Citadel Indore and Palladium Ahmedabad. The overall trading occupancy excluding new malls improved to 94% (90% in Q4FY23). PHNX expects to bring the overall trading occupancy (including new malls) to 95% by Q3FY23. PHNX is also ramping up its office portfolio with an aim to achieve 7.1msf of leased assets by FY26 from 2.5msf of the current operational portfolio. In FY24, 0.9msf of the office assets in Hebbal, Bengaluru, is expected to become operational. Given strong traction in consumption, captive mall expansion, the addition of office space, a strong business development pipeline and lower net debt, we maintain BUY, with an increased SOTP of INR 2,000/sh.
- **Oil India:** Our ADD recommendation on Oil India with a target price of INR 300 is premised on oil and gas production growth at 4% CAGR over FY23-25E, attractive valuations of 4.5x Sep-24 EPS—a 26% discount to long-term average P/E of 6x, 0.6x Sep-24 P/Bv with RoE of ~15% and a dividend yield of ~7%. However, this is offset by limited earnings potential, owing to the levy of a windfall tax on crude oil prices and a decline in the price of domestically produced APM gas. Q1FY24 EBITDA stood at INR 23bn, coming in marginally ahead of our estimate; however, APAT at INR 16bn, came in well ahead of our estimate due to higher-than-expected other income and lower depreciation, partially offset by higher interest cost.
- **Prestige Estates:** Prestige Estates (PEPL) registered strong presales of INR 39bn (+30%*+1% YoY/QoQ) on the back of 3.1msf of launches which contributed 50% towards presales value. Pre-sales from Mumbai were INR 6bn, contributing 15% while Bengaluru contributed INR 29bn (73% to total presales). For FY24, it expects to achieve 25% growth in annual presales over FY23 to INR 160-180bn. It expects to achieve this on the back of a strong launch pipeline of with around INR 275bn worth of launches. This includes Prestige city in Hyderabad and Prestige Park

HSIE Research Team
hdfcsec-research@hdfcsec.com

Grove with GDV of INR 70bn each. Along with this Prestige Ocean Towers (60% economic interest and Prestige Nautilus in MMR will also be launched with total GDV potential of INR 90bn. It will launch its first project in NCR, Prestige Bougainvillea Gardens in FY24 with saleable area of 3.1msf. On back of higher land/JD related payment of INR 13bn during the quarter, net debt increased to INR 64.8bn, from INR 55.7 bn in Mar-23. Gross debt, however, was stable at INR 75.7bn (vs INR 75bn in Mar'23). To maintain the growth momentum, PEPL is targeting residential BD capex of INR 40bn annually. We maintain BUY, with an increased SOTP-based TP of INR 700/sh, to factor in better than expected pre-sales and improving visibility on office assets with financial closure of BKC project.

- **Aarti Industries:** We maintain our BUY recommendation on Aarti Industries (AIL), with a target price of INR 619/share. AIL's constant focus on Capex and R&D will enable it to remain competitive and expand its customer base. The toluene segment in India is mainly untapped and catered to through imports; AIL will benefit in the long term by entering this segment. EBITDA/APAT were 20/21% below our estimates, owing to a 10% fall in revenue and higher-than-expected raw material cost, offset by lower-than-expected other expenses, finance cost and tax outgo.

- **BSE:** BSE delivered a soft quarter with a 5% QoQ revenue decline and lower margins due to an increase in investments. The revenue decline was due to a drop in listing revenue but was offset by higher transaction revenue (cash, Star MF). BSE has lost cash/currency market share but has gained ~3% market share in the derivative segment. The launch of a new derivative contract with a Friday expiry appears promising and is scaling new heights every week. BSE has signed up with top broker members for enabling trading in SENSEX derivatives, which can increase UCCs and boost volumes significantly. BSE has not realised any revenue from the derivative segment in Q1 but we expect it to be at least 2% of FY24E revenue. The steps taken by the new management are yielding results and is likely to boost growth for FY24E. The investments in technology, infra (co-location) and hiring of new mid-level managers have led to an increase in cost, but the margins will expand with growth. We expect a revenue CAGR of ~16% over FY23-26E, led by a revival in transaction revenue. We increase our EPS estimates by ~3/6% for FY24/25E and increase core multiple to 25x. We assign a SoTP-based TP of INR 940, based on 25x core June-25E PAT + CDSL stake + net cash ex SGF. The stock is trading at a core P/E of 33/26x FY24/25E. Maintain ADD.

- **Brigade Enterprises:** Brigade Enterprises Ltd (BEL) reported decent presales of 1.5msf (+22%/-38% YoY/QoQ), valued at INR 9.9bn (+22%/-33% YoY/QoQ). Most of this was sustenance sales with just one project of 0.26msf launched during the quarter. With the government change in Bengaluru, new project approvals got deferred, derailing new launches. The launch plan is expected to be back on track from Q2FY24 onwards with a total of 7.9msf of residential project with GDV of INR 67bn planned for FY24. 25% of these launches will be from the Mount Road Chennai project (i.e. TVS land). In terms of BD, BEL added 9.7acre land in Kokapet, Hyderabad with INR 7bn to be spent towards this acquisition (to be paid in the next 90 days). With this, the total land payment pending is INR 14bn. The saleable potential of the Kokapet land is 3.5msf (FSI of 8) with the EBITDA margin expected between 25-30%. With the environmental clearance pending, the launch will likely happen by Q2FY25. Within the office segment, the occupancy has improved with overall occupancy at 84%. Non-SEZs are 100% leased. The overall net debt decreased to INR 20bn (INR 21bn in Q4FY23), with total debt in real estate segment reducing significantly to INR 10mn (vs. INR 465mn in Q4FY23). Given BEL's strong cash position of INR 17.7bn, a robust business development pipeline, and a healthy balance sheet, we remain constructive. We reiterate BUY, with an unchanged TP of INR 739/sh.

- **Birla Corporation:** We maintain our BUY rating on Birla Corporation (BCORP), with an unchanged target price of INR 1,310/share (8.5x Mar-25E consolidated EBITDA). We continue to like BCORP for its large retail presence in the lucrative north/central regions. We expect a recovery in margins on Mukutban's ramp-up, incentive accrual H2FY24 onwards, falling fuel prices, and other ongoing cost rationalization initiatives. In Q1FY24, volume grew 12% YoY (flat QoQ). Unitary EBITDA improved by INR 60 per MT QoQ to INR 660 per MT, aided by lower input/ freight costs and the narrowing of Mukutban operating losses. With no major near-term Capex, we estimate gearing will reduce in FY24.

- **Star Cement:** We upgrade Star Cement to ADD from REDUCE earlier, with a revised TP of INR 165/share (9x its Mar-25E consolidated EBITDA). Star reported strong 19% YoY volume growth in Q1FY23. Despite high-cost fuel consumption and the major expiration of GST incentives, Star reported the industry's best unit EBITDA of INR 1,111 per MT. Fuel cost is expected to cool off and incentives will accelerate Q4FY24 onwards, buoying margins (industry-leading). Star's ongoing expansion will increase capacity by 70% to 9.7mn MT by Q3FY25E.

- **Sudarshan Chemical:** We maintain REDUCE on Sudarshan Chemical (SCIL), with a price target of INR 489 (WACC 11%, terminal growth 3.5%). SCIL has product offerings similar to those of the global players but has been unable to gain market share, post the exit of the global majors. The stock is trading at 19x FY25E EPS, which we believe is contextually high (RoE of 14/17% for FY24/FY25E). Q1 EBITDA was 2% above our estimate owing to a 7% rise in revenue, offset by higher-than-expected other expenses. APAT was 8% below our estimate owing to higher-than-anticipated depreciation and finance cost.

- **J. Kumar Infraprojects:** JKIL reported an operationally strong quarter, with revenue/EBITDA/APAT at 11.3/1.6/0.7bn, beating our estimates on all fronts. In FYTD24, it won four orders worth INR 35.9bn (JKIL's share at INR 34.2bn vs. revised FY24 inflow guidance of INR 80bn+), taking the FYTD24 OB to INR 143.5bn (~3.4x FY23 revenue, ex. L1 INR 41bn). Gross debt decreased marginally in Q1FY24 to INR 5.1bn vs. INR 5.2bn as of Mar'23, leading to a D/E of 0.21x. JKIL reiterated its FY24 revenue guidance to grow by 15% YoY with an EBITDA margin of 14-15%. Capex incurred in Q1FY24 stands at INR 330mn. With the receipt of new orders, the FY24 capex guidance stands revised to INR 2.5bn from INR 1.5bn. With ~62% utilization of fund-based limits, the company is well placed to incur capex with a mix of debt and internal accruals. Further, it guided for FY24-end debt levels at INR 5-6bn and NWC days at 120-130. Given the strong order backlog, improved execution and better margin profile, we increase our PE multiple to 9x, from 8x. However, given the limited upside on our TP, we maintain ADD rating on the stock, with an increased TP of INR 421/sh (9x Jun-25E EPS).

HDFC securities — Click. Invest. Grow. 20 YEARS
INSTITUTIONAL RESEARCH

Bharat Forge

Q1 beat highlights recovery is on track

Bharat Forge's consolidated PAT at INR 2.2 bn is better than our estimate of INR 1.8bn, led by a performance beat at both standalone and overseas subsidiaries. Performance beat was largely driven by better-than-expected revenue growth at the standalone entity and break-even at the Europe subsidiary. We continue to highlight that BHFC has multiple growth levers to offset any potential slowdown from US Class8 which include: (1) defence orders that are likely to see this segment's revenue ramp-up to INR 17bn by FY25E, from INR 3.5bn in FY23, (2) strong growth expected in PV and industrial exports, (3) huge ramp-up potential at JS-Auto Cast, given its capacity is expected to increase by 2x and there is a huge demand for castings, both in India and abroad, (4) strong order backlog in aerospace, which would help boost revenue to INR 5bn over next the four years, from INR 1.7bn. Also, the sharp turnaround in overseas subsidiaries in Q1 gives us confidence that the management is on track to normalize subsidiary performance over the course of the year (target to achieve a high single-digit margin by Q4). Further, its long-term stable revenue growth guidance is a testimony to the fact that management has been able to transform BHFC from a cyclical entity to a stable revenue stream, given its well-diversified mix. Reiterate BUY with a revised TP of INR 1,069 (from INR 998 earlier) as we roll forward to June-25 estimates.

- **Q1 performance beats estimates:** Standalone revenue grew 21% YoY to INR 21.2bn (vs the estimate of INR 19.6bn). Revenue beat was led by the ramp-up of the defence export order and continued strong ramp-up in PV exports. Thus, while margins came in line with estimates at 26%, PAT came in at INR 3.1bn—vs our estimate of INR 2.8bn. Further, the consolidated margin improved 330bps QoQ to 15.4% (vs our estimate of 13.8%) and was driven by break-even at the European subsidiary.
- **Call takeaways:** (1) **Key highlights in Q1 include**: a) non-auto domestic up 72% YoY, led by the defence export order, with another INR2.8bn won in Q1; b) strong growth in PV exports (+43% YoY); c) 50%+ YoY growth in aerospace to INR650mn; d) overseas subs margins sharply improve to 1.2% from -4% QoQ. (2) The much-awaited domestic defence order's RFQ is out and management expects this to convert to firm order within 6 months. (3) On US Class8, based on customer feedback, they have good order visibility for the next 12 months and they expect the segment to remain flat even for CY24 (5) **JS Auto Cast** has now completed the acquisition of Indo Shell. This together with its own recent capacity expansion can potentially increase this business revenue 2.5x in coming years. (6) **Overseas subsidiaries**: management expects to end FY24 with a high single-digit exit margin and overall positive PBT on the back of 1) positive PBT in Europe and 2) EBITDA break-even in the US by Q4. (7) BHFC will invest INR 10bn in capex for FY24 and reduce debt by INR 10bn over the next couple of years, both via internal accruals.

Quarterly/annual financial summary

YE Mar (INR mn)	Q1 FY24	Q1 FY23	YoY (%)	Q4 FY23	QoQ (%)	FY23	FY24E	FY25E	FY26E
Net Sales	38,773	28,515	36.0	36,291	6.8	1,29,103	1,59,882	1,75,797	1,94,542
EBITDA	5,954	4,278	39.2	4,385	35.8	17,676	26,700	33,070	38,998
APAT	2,234	1,665	34.2	1,761	26.9	5,680	13,404	18,597	23,856
Diluted EPS (INR)	4.8	3.6	34.2	3.8	26.9	12.2	28.8	39.9	51.2
P/E (x)						79.3	33.6	24.2	18.9
EV / EBITDA (x)						27.3	18.2	14.5	11.9
RoCE (%)						7.9	13.4	16.9	19.2

Source: Company, HSIE Research

BUY

CMP *(on 09 Aug 2023)*	INR 963
Target Price	INR 1,069
NIFTY	19,633

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 998	INR 1069
	FY24E	FY25E
EPS %	-6%	0%

KEY STOCK DATA	
Bloomberg code	BHFC IN
No. of Shares (mn)	466
MCap (INR bn) / ($ mn)	448/5,483
6m avg traded value (INR mn)	961
52 Week high / low	INR 975/677

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	24.4	10.8	35.2
Relative (%)	17.6	2.2	23.0

SHAREHOLDING PATTERN (%)	Mar-23	Jun-23
Promoters	45.25	45.25
FIs & Local MFs	27.70	28.80
FPIs	16.17	15.79
Public & Others	10.88	10.16
Pledged Shares	3.22	3.22

Source : BSE

Pledged shares as % of total shares

Aniket Mhatre
aniket.mhatre@hdfcsec.com
+91-22-6171-7357

Sonaal Sharma
sonaal.sharma@hdfcsec.com
+91-22-6171-7307

Phoenix Mills

New asset addition to drive growth

BUY

CMP *(as on 09 Aug 23)*	INR 1,685
Target Price	INR 2,000
NIFTY	19,633

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 1,800	INR 2,000
EPS Change %	FY24E	FY25E
	+2.8	+8.6

KEY STOCK DATA	
Bloomberg code	PHNX IN
No. of Shares (mn)	179
MCap (INR bn) / ($ mn)	301/3,681
6m avg traded value (INR mn)	414
52 Week high / low	INR 1,798/1,186

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	15.2	23.4	28.9
Relative (%)	8.4	14.9	16.8

SHAREHOLDING PATTERN (%)	Mar-23	Jun-23
Promoters	47.30	47.30
FIs & Local MFs	18.05	19.93
FPIs	30.37	28.55
Public & Others	4.28	4.22
Pledged Shares	-	-

Source: BSE

Pledged shares as % of total shares

Phoenix Mills (PHNX) reported strong revenue/EBITDA/APAT at INR 8.1/4.9/2.4bn, beating our estimates by 6/5/11%. Improving ARR in hospitality and pick-up in office leasing also contributed positively to margin improvement. For FY24, PHNX expects to achieve INR 115bn in consumption (a growth of +25%), with INR 25bn contribution coming from new operational malls i.e. Citadel Indore and Palladium Ahmedabad. The overall trading occupancy excluding new malls improved to 94% (90% in Q4FY23). PHNX expects to bring the overall trading occupancy (including new malls) to 95% by Q3FY23. PHNX is also ramping up its office portfolio with an aim to achieve 7.1msf of leased assets by FY26 from 2.5msf of the current operational portfolio. In FY24, 0.9msf of the office assets in Hebbal, Bengaluru, is expected to become operational. Given strong traction in consumption, captive mall expansion, the addition of office space, a strong business development pipeline and lower net debt, we maintain BUY, with an increased SOTP of INR 2,000/sh.

- **Q1FY24 financial highlights:** Revenue: INR 8.1bn (+41%/+11% YoY/QoQ, a 6% beat). EBITDA: INR 4.9bn (+52%/+14% YoY/QoQ, a 5% beat). EBITDA margin: 60.7% (+59/+166bps YoY/QoQ, vs est. of 61.5%). RPAT/APAT: INR 2.4bn (-20%/+10% YoY/QoQ, 11% beat). Total retail rental income was INR 3.8bn (+17%/+12% YoY/QoQ) with an EBITDA of INR 3.9bn (+19%/+11% YoY/QoQ). Excluding new malls, i.e. Citadel Indore and Palladium Ahmedabad, retail rental income came in at INR 3.4bn (+4/+17% YoY/QoQ) with EBITDA at INR 3.5bn (+8/+17% YoY/QoQ). Income from offices was INR 449mn (+11%/+4% YoY/QoQ), with EBITDA margin stable YoY at 58%.
- **Robust consumption:** Q1FY24 retail consumption stood at INR 25.7bn (+18%/+17% YoY/QoQ). Ex-new malls, consumption was INR 23.9bn (+9%/+13% YoY/QoQ). Consumption was supported by higher growth in jewelry/F&B/fashion/multiplexes growing annually by 31/24/17/3% resp. Gourmet stores and Hypermarkets are making a strong comeback with 88% growth YoY. Ex-new malls, leased occupancy across malls is stable at an average of 98%, along with trading occupancy improving significantly to 94%. For Citadel, Indore and Palladium Ahmedabad, trading occupancy has improved to 86% and 60% resp. Overall, trading occupancy is targeted to reach 95% by Q3FY24.
- **Business development supported by healthy cash flow:** Consolidated gross/net debt stood at INR 40.5/21.7bn from INR 40.4/22.8bn as of Mar'23. The group liquidity stands at INR 18.7bn. The retail collection was INR 6.14bn (vs INR 5.7bn in Q4FY23). With an interest coverage ratio of 5x, PHNX has enough legroom for higher debt and plans to add LRD debt to fund construction and land capex.

Consolidated financial summary (INR mn)

Particulars	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)	FY23	FY24E	FY25E	FY26E
Net Sales	8,106	5,744	*41.1*	7,290	*11.2*	26,383	32,277	40,397	51,115
EBITDA	4,923	3,229	*52.5*	4,307	*14.3*	15,189	19,710	24,598	31,035
APAT	2,405	3,011	*(20.1)*	2,178	*10.4*	9,423	8,791	11,021	15,567
EPS (INR)	14.0	17.6	*(20.1)*	12.7	*10.4*	48.5	51.4	64.4	90.9
P/E (x)						34.9	32.9	26.3	18.6
EV/EBITDA (x)						*11.2*	21.2	16.2	12.9
RoE (%)						17.1	11.2	12.6	15.6

Consolidated estimate change summary

Particulars	FY24E			FY25E		
	New	Old	Chg.(%)	New	Old	Chg.(%)
Revenues	32,277	31,887	1.2	40,397	38,355	5.3
EBITDA	19,710	19,320	2.0	24,598	22,557	9.1
EBITDA (%)	61.1	60.6	47.7	60.9	58.8	208.2
APAT	8,791	8,548	2.8	11,021	10,147	8.6

Source: Company, HSIE Research

Parikshit D Kandpal, CFA
parikshitd.kandpal@hdfcsec.com
+91-22-6171-7317

Manoj Rawat
manoj.rawat@hdfcsec.com
+91-22-6171-7358

Nikhil Kanodia
nikhil.kanodia@hdfcsec.com
+91-22-6171-7362

Oil India

Higher other income aids earnings

Our ADD recommendation on Oil India with a target price of INR 300 is premised on oil and gas production growth at 4% CAGR over FY23-25E, attractive valuations of 4.5x Sep-24 EPS—a 26% discount to long-term average P/E of 6x, 0.6x Sep-24 P/Bv with RoE of ~15% and a dividend yield of ~7%. However, this is offset by limited earnings potential, owing to the levy of a windfall tax on crude oil prices and a decline in the price of domestically produced APM gas. Q1FY24 EBITDA stood at INR 23bn, coming in marginally ahead of our estimate; however, APAT at INR 16bn, came in well ahead of our estimate due to higher-than-expected other income and lower depreciation, partially offset by higher interest cost.

- **Standalone financial performance:** EBITDA in Q1 stood at INR 23bn (-12% YoY, -1% QoQ), marginally above our estimate, owing to lower other expenses of INR 5.6bn (-53% YoY, -46% QoQ). Net crude realisation post windfall tax was at USD 74.3/bbl (-2% QoQ). APAT stood at INR 16bn (+4% YoY, -10% QoQ), coming in above our estimate, owing to higher-than-expected other income of INR 3.3bn (+4x YoY, -22% QoQ) and depreciation of INR 3.9bn (+3% YoY, +20% QoQ), partially offset by higher interest cost of INR 1.7bn (-19% YoY, +54% QoQ).
- **Standalone operational performance**: In Q1, the net crude oil realisation adjusting for the windfall tax stood at USD 74.3/bbl (-32% YoY, -6% QoQ); gas realisation was at USD 6.7/mmbtu, (+10% YoY, -31% QoQ). While oil production was marginally above estimates at 0.82mmt (+5% YoY, +2% QoQ, HSIE: 0.81mmt), gas production at 0.75bcm (-3% YoY, -4% QoQ, HSIE: 0.76bcm) came below our estimate. Oil sales volume was at 0.75mmt (-2% YoY, -2% QoQ), while gas sales volume was at 0.54bcm (-8% YoY, -12% QoQ).
- **Key highlights**: (1) Management maintains its guidance of achieving 4-5% production growth. (2) The company has guided standalone capex at INR 49bn for FY24 and capex for Numaligarh Refinery (NRL) at INR 88bn. (3) The company expects the Mozambique project to resume by Oct'23. (4) NRL reported an EBITDA loss of ~INR 52mn with a GRM of USD -15.6/bbl, impacted initially by maintenance shutdown, followed by disruption in operations due to a fire incident in the month of May'23; however, the utilisation at NRL has improved to 100% currently. (5) NRL expansion from 3mtpa to 9mtpa is expected to be completed by end of Mar'26.
- **Change in estimates**: We cut our consolidated EPS estimates for FY24E by 4.2% to INR 58.5/sh, factoring NRL's Q1 performance; however, we increase FY25E consolidated EPS by 6.4% to INR 60.6/sh, to factor in lower other expenses and depreciation. Our target price is revised to INR 300/sh.
- **We value Oil India's standalone business at INR 174 (3.5x Sep-24E EPS) and its investments at INR 126. The stock is currently trading at 4.5x Sep-24E EPS.**

Standalone financial summary

YE March (INR bn)	Q1 FY24	Q4 FY23	QoQ (%)	Q1 FY23	YoY (%)	FY21*	FY22*	FY23P*	FY24E*	FY25E*
Revenues	46	56	(17.7)	60	(22.1)	225	300	410	341	403
EBITDA	23	23	(0.8)	26	(11.5)	57	105	153	112	120
APAT	16	18	(9.8)	16	3.7	46	67	87	63	66
AEPS (INR)	14.9	16.5	(9.8)	14.3	3.7	42.2	62.0	80.5	58.5	60.6
P/E (x)						6.6	4.5	3.4	4.7	4.6
EV/EBITDA (x)						8.6	4.5	3.2	4.5	4.4
RoE (%)						19.5	24.8	25.3	15.2	13.5

Source: Company, HSIE Research | *Consolidated

ADD

CMP *(as on 09 Aug 2023)*	INR 277
Target Price	INR 300
NIFTY	19,633

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 290	INR 300
	FY24E	FY25E
EPS change	-4.2%	+6.4%

KEY STOCK DATA	
Bloomberg code	OINL IN
No. of Shares (mn)	1,084
MCap (INR bn) / ($ mn)	300/3,667
6m avg traded value (INR mn)	477
52 Week high / low	INR 280/168

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	8.9	20.7	39.7
Relative (%)	2.0	12.2	27.6

SHAREHOLDING PATTERN (%)	Mar-23	Jun-23
Promoters	56.66	56.66
FIs & Local MFs	16.26	16.35
FPIs	11.40	11.02
Public & Others	15.68	15.97
Pledged Shares	0.00	0.00

Source : BSE

Harshad Katkar
harshad.katkar@hdfcsec.com
+91-22-6171-7319

Nilesh Ghuge
nilesh.ghuge@hdfcsec.com
+91-22-6171-7342

Akshay Mane
akshay.mane@hdfcsec.com
+91-22-6171-7338

Rutvi Chokshi
rutvi.chokshi@hdfcsec.com
+91-22-6171-7356

Prestige Estates

Visibility improving on rental assets

Prestige Estates (PEPL) registered strong presales of INR 39bn (+30%*+1% YoY/QoQ) on the back of 3.1msf of launches which contributed 50% towards presales value. Pre-sales from Mumbai were INR 6bn, contributing 15% while Bengaluru contributed INR 29bn (73% to total presales). For FY24, it expects to achieve 25% growth in annual presales over FY23 to INR 160-180bn. It expects to achieve this on the back of a strong launch pipeline of with around INR 275bn worth of launches. This includes Prestige city in Hyderabad and Prestige Park Grove with GDV of INR 70bn each. Along with this Prestige Ocean Towers (60% economic interest and Prestige Nautilus in MMR will also be launched with total GDV potential of INR 90bn. It will launch its first project in NCR, Prestige Bougainvillea Gardens in FY24 with saleable area of 3.1msf. On back of higher land/JD related payment of INR 13bn during the quarter, net debt increased to INR 64.8bn, from INR 55.7 bn in Mar-23. Gross debt, however, was stable at INR 75.7bn (vs INR 75bn in Mar'23). To maintain the growth momentum, PEPL is targeting residential BD capex of INR 40bn annually. We maintain BUY, with an increased SOTP-based TP of INR 700/sh, to factor in better than expected pre-sales and improving visibility on office assets with financial closure of BKC project.

- **Q1FY24 financial highlights:** Revenue reported was INR 16.8bn (-13%/-36% YoY/QoQ, 27% miss). EBITDA was INR 5.3bn (+14%/-23% YoY/QoQ, 8% miss). EBITDA margin was 31.3% (+752/+543bps YoY/QoQ, vs. our estimate of 25.0%). Share of associates: INR (43)mn (INR (25)/231mn Q1FY23/Q4FY23). RPAT came in at INR 2.7bn (+30%/-43% YoY/QoQ). APAT was INR 569mn (-63%/-76% YoY/QoQ, 56% miss) after adjusting for mark to market gains of INR 2.4bn on its units holding in Nexus REIT.
- **Robust launch pipeline:** Q1FY24, presales were 3.8msf (+5.5%/-4% YoY/QoQ) valued INR 39bn (+30%/+1% YoY/QoQ). Average realization was INR 10,244psf for apartment, villas and Commercial sales and was INR 5,007psf for plot sales. On blended basis, it was INR 10,221psf (+23%/+5% YoY/QoQ). In Q1FY24, total sales from Mumbai were INR 6bn, contributing 15% to sales while Bengaluru contributed INR 29bn, i.e. 73%, to total presales. The presales were supported by 3.11msf of one project launched during the quarter i.e. Prestige Lavender Fields, contributing INR 20bn towards presales. For FY24, PEPL expects 25% YoY growth in presales on the back of a robust launch pipeline of 76msf.
- **Strong collections to support execution:** Net debt increased to INR 64.8bn, from INR 55.7bn in Mar-23. Consequently, net D/E is at 0.61x (0.54x in Mar-23). Gross debt stands at INR 75.7bn (vs INR 75bn in Mar'23). PEPL has to incur INR 59bn on the ongoing commercial capex and INR 69bn on the upcoming commercial capex. Towards retail capex, it has to spend INR 3.8bn towards ongoing and INR 12.6bn towards upcoming retail assets. The total exit rental for Mar-24 is expected at INR 4.4bn. This includes INR 2.3bn of office rentals and 2.1bn of retail. Total collections were at a INR 27.4bn (+28/-1% YoY/QoQ).

Consolidated Financial Summary

(INR in mn)	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)	FY23	FY24E	FY25E	FY26E
Net Sales	16,809	19,385	*(13.3)*	26,318	*(36.1)*	83,150	89,106	96,567	113,069
EBITDA	5,267	4,617	*14.1*	6,818	*(22.7)*	20,863	22,245	27,236	34,774
APAT	569	1,523	*(62.6)*	2,396	*(76.3)*	5,592	6,038	8,347	12,107
EPS (INR)	1.4	3.8	*(62.6)*	6.0	*(76.3)*	13.9	15.1	20.8	30.2
P/E (x)						42.0	38.9	28.1	19.4
EV/EBITDA (x)						13.2	13.0	10.9	8.7
RoE (%)						5.8	5.8	7.5	10.1

Source: Company, HSIE Research

BUY

CMP *(as on 09 Aug 2023)*	**INR 586**
Target Price	**INR 700**
NIFTY	**19,633**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	BUY
Price Target	INR 630	INR 700
	FY24E	FY25E
EPS Change %	-	-

KEY STOCK DATA	
Bloomberg code	PEPL IN
No. of Shares (mn)	401
MCap (INR bn) / ($ mn)	235/2,874
6m avg traded value (INR mn)	420
52 Week high / low	INR 616/391

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	22.7	44.7	36.0
Relative (%)	15.9	36.1	23.8

SHAREHOLDING PATTERN (%)	**Mar-23**	**Jun-23**
Promoters	65.48	65.48
FIs & Local MFs	10.50	11.27
FPIs	21.19	20.69
Public & Others	2.83	2.56
Pledged Shares	-	-

Source: BSE

Parikshit D Kandpal, CFA
parikshitd.kandpal@hdfcsec.com
+91-22-6171-7317

Manoj Rawat
manoj.rawat@hdfcsec.com
+91-22-6171-7358

Nikhil Kanodia
nikhil.kanodia@hdfcsec.com
+91-22-6171-7362

Aarti Industries

Challenging times

BUY

CMP *(as on 09 Aug 2023)*	**INR 474**
Target Price	**INR 619**
NIFTY	**19,633**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	BUY
Price Target	INR 726	INR 619
EPS %	FY24E	FY25E
	-52.5%	-20.3%

KEY STOCK DATA	
Bloomberg code	ARTO IN
No. of Shares (mn)	363
MCap (INR bn) / ($ mn)	172/2,097
6m avg traded value (INR mn)	565
52 Week high / low	INR 807/445

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	(15.1)	(12.5)	(32.5)
Relative (%)	(21.9)	(21.0)	(44.6)

SHAREHOLDING PATTERN (%)	**Mar-23**	**Jun-23**
Promoters	44.07	43.65
FIs & Local MFs	14.77	14.86
FPIs	12.32	12.17
Public & Others	28.84	29.32
Pledged Shares	0.00	0.00

Source: BSE

We maintain our BUY recommendation on Aarti Industries (AIL), with a target price of INR 619/share. AIL's constant focus on Capex and R&D will enable it to remain competitive and expand its customer base. The toluene segment in India is mainly untapped and catered to through imports; AIL will benefit in the long term by entering this segment. EBITDA/APAT were 20/21% below our estimates, owing to a 10% fall in revenue and higher-than-expected raw material cost, offset by lower-than-expected other expenses, finance cost and tax outgo.

- **Financial performance:** Revenue fell 12% YoY to INR 14bn, on account of a decline in volumes, a decline in realisations owing to a reduction in prices of key raw materials and margin contraction due to excess supply from China. Commitments with reference to long-term contracts and demand for a few products with end-use in additives are continuing to gain traction. EBITDA fell 28% YoY to INR 2bn while EBITDA margin fell by 320bps YoY to 14% in Q1, owing to lower capacity utilisations across products and reduced realisations. APAT fell 48% YoY to INR 0.7bn.
- **Con call takeaways:** (1) Demand weakness is continued in products with end-use industries such as dyes and pigments, agrochemicals, auto, etc. With the impact being deep, the recovery is expected to gradually come from H2FY24. (2) The company commercialised the expanded NCB capacity. (3) The company commercialised a renewable power generation unit with a capacity of 13MW, in partnership with Renew Power. (4) It has guided for INR 30bn Capex over FY24-25.
- **Change in estimates:** We cut our FY24/25 EPS estimates by 52.5/20.3% to INR 8.4/19.6/sh, to factor in the slowdown in the end-user industries, reduced realisations owing to Chinese dumping of goods at aggressive prices, and management guidance in Q1FY24.
- **DCF-based valuation: Our target price is INR 619 (WACC 11%, terminal growth 4%). The stock is currently trading at 24x FY25E EPS.**

Financial summary (consolidated)

INR mn	Q1 FY24	Q4 FY23	*QoQ (%)*	Q1 FY23	*YoY (%)*	FY22	FY23	FY24E	FY25E	FY26E
Net Sales	14,140	16,550	*(14.6)*	16,103	*(12.2)*	60,855	66,186	59,735	70,265	78,697
EBITDA	2,020	2,510	*(19.5)*	2,815	*(28.2)*	17,201	10,890	9,239	14,352	17,792
APAT	710	1,490	*(52.3)*	1,355	*(47.6)*	11,857	5,452	3,040	7,096	9,722
AEPS (INR)	2.0	4.1	*(52.3)*	3.7	*(47.6)*	32.7	15.0	8.4	19.6	26.8
P/E (x)						14.5	31.5	56.5	24.2	17.7
EV/EBITDA(x)						11.4	18.2	22.2	14.7	11.8
RoE (%)						29.6	11.6	6.0	13.0	15.8

Source: Company, HSIE Research

Change in estimates (consolidated)

Y/E Mar	FY24E Old	FY24E New	% Ch	FY25E Old	FY25E New	% Ch
EBITDA (INR mn)	12,929	9,239	*(28.5)*	17,315	14,352	*(17.1)*
Adj. EPS (INR/sh)	17.7	8.4	*(52.5)*	24.6	19.6	*(20.3)*

Source: Company, HSIE Research

Nilesh Ghuge
nilesh.ghuge@hdfcsec.com
+91-22-6171-7342

Harshad Katkar
harshad.katkar@hdfcsec.com
+91-22-6171-7319

Rutvi Chokshi
rutvi.chokshi@hdfcsec.com
+91-22-6171-7356

Akshay Mane
akshay.mane@hdfcsec.com
+91-22-6171-7338

Brigade Enterprises

Launch momentum building up

Brigade Enterprises Ltd (BEL) reported decent presales of 1.5msf (+22%/-38% YoY/QoQ), valued at INR 9.9bn (+22%/-33% YoY/QoQ). Most of this was sustenance sales with just one project of 0.26msf launched during the quarter. With the government change in Bengaluru, new project approvals got deferred, derailing new launches. The launch plan is expected to be back on track from Q2FY24 onwards with a total of 7.9msf of residential project with GDV of INR 67bn planned for FY24. 25% of these launches will be from the Mount Road Chennai project (i.e. TVS land). In terms of BD, BEL added 9.7acre land in Kokapet, Hyderabad with INR 7bn to be spent towards this acquisition (to be paid in the next 90 days). With this, the total land payment pending is INR 14bn. The saleable potential of the Kokapet land is 3.5msf (FSI of 8) with the EBITDA margin expected between 25-30%. With the environmental clearance pending, the launch will likely happen by Q2FY25. Within the office segment, the occupancy has improved with overall occupancy at 84%. Non-SEZs are 100% leased. The overall net debt decreased to INR 20bn (INR 21bn in Q4FY23), with total debt in real estate segment reducing significantly to INR 10mn (vs. INR 465mn in Q4FY23). Given BEL's strong cash position of INR 17.7bn, a robust business development pipeline, and a healthy balance sheet, we remain constructive. We reiterate BUY, with an unchanged TP of INR 739/sh.

- **Q1FY24 financial highlights:** Revenue came in at INR 6.5bn (-27%/-22% YoY/QoQ, 31% miss); revenue from real estate at INR 3.4bn (-47%/-37% YoY/QoQ), hospitality at INR 1.05bn (+16%/-4% YoY/QoQ) and leasing at INR 2.1bn (+23%/+7%YoY/QoQ). EBITDA: INR 1.7bn (-25%/-14% YoY/QoQ, 25% miss). EBITDA margin: 26.7% (+95bps/+276bps YoY/QoQ, vs 24.5% est.). RPAT: INR 385mn (-52%/-32% YoY/QoQ, 36% miss). For FY24, BEL expects INR 30bn worth of deliveries. Due to changes in the government, the OC, registrations, etc., got delayed resulting in lower accounting revenues.
- **Robust launch pipeline:** For Q1FY24, sales volume was 1.5msf (+22%/-38% YoY/QoQ), valued at INR 9.9bn (+22%/-33% YoY/QoQ) with an average realisation of INR 6,839/sqft (+4%/+9% YoY/QoQ). This was largely sustenance based with just one project of 0.26msf launched during the quarter. Launches were delayed on account of government change in Bengaluru leading to delays in approvals. It has a strong upcoming pipeline of 7.9msf for the residential portfolio with GDV of INR 67bn (INR 44bn BEL share); and another 1.8msf for the commercial portfolio.
- **Balance sheet comfortable:** Residential debt reduced significantly to INR 10mn (vs. INR 465mn in Q4FY23). The total collection was INR 12.4bn (+3%/-15% YoY/QoQ). The consolidated gross/net debt stood at INR 37.8/20.1bn (INR 38.2/21bn as of Mar-23). The net debt/equity stood at 0.52x (vs. 0.55x as of Mar-23). BEL has an unsold inventory of INR 21.7bn and INR 53bn worth of forthcoming launches at the current realisation. The projected net free cash flow from sold/unsold units is INR 24.3bn. During the quarter, BRGD bought 9.7acre land in Hyderabad with GDV potential of INR 6.6bn and land cost payable at INR 7bn. With this, the total land cost payable is INR 14bn.

Consolidated Financial Summary (INR mn)

YE March	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)	FY23	FY24E	FY25E	FY26E
Net Sales	6,540	9,025	*(27.5)*	8,426	*(22.4)*	34,446	37,286	39,140	40,684
EBITDA	1,748	2,327	*(24.9)*	2,020	*(13.5)*	8,590	9,721	10,332	10,802
APAT	385	804	*(52.1)*	565	*(31.8)*	2,366	2,686	2,694	2,712
EPS (INR)	1.7	3.5	*(52.1)*	2.5	*(31.8)*	10.3	11.7	11.7	11.8
P/E (x)						55	48	48	48
EV/EBITDA (x)						19	17	16	15
RoE (%)						11.7	9.6	8.7	8.3

Source: Company, HSIE Research

BUY

CMP *(as on 09 Aug 2023)*	INR 566
Target Price	INR 739
NIFTY	19,633

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 739	INR 739
	FY24E	FY25E
EPS Change %	-	-

KEY STOCK DATA	
Bloomberg code	BRGD IN
No. of Shares (mn)	231
MCap (INR bn) / ($ mn)	131/1,597
6m avg traded value (INR mn)	94
52 Week high / low	INR 608/431

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	5.1	12.8	9.0
Relative (%)	(1.8)	4.2	(3.1)

SHAREHOLDING PATTERN (%)

	Mar-23	Jun-23
Promoters	43.79	43.78
FIs & Local MFs	24.62	25.45
FPIs	14.32	13.68
Public & Others	17.27	17.09
Pledged Shares*	-	-

Source: BSE

**Pledged shares as % of total shares*

Parikshit D Kandpal, CFA
parikshitd.kandpal@hdfcsec.com
+91-22-6171-7317

Manoj Rawat
manoj.rawat@hdfcsec.com
+91-22-6171-7358

Nikhil Kanodia
Nikhil.kanodia@hdfcsec.com
+91-22-6171-7362

BSE

Gaining traction

BSE delivered a soft quarter with a 5% QoQ revenue decline and lower margins due to an increase in investments. The revenue decline was due to a drop in listing revenue but was offset by higher transaction revenue (cash, Star MF). BSE has lost cash/currency market share but has gained ~3% market share in the derivative segment. The launch of a new derivative contract with a Friday expiry appears promising and is scaling new heights every week. BSE has signed up with top broker members for enabling trading in SENSEX derivatives, which can increase UCCs and boost volumes significantly. BSE has not realised any revenue from the derivative segment in Q1 but we expect it to be at least 2% of FY24E revenue. The steps taken by the new management are yielding results and is likely to boost growth for FY24E. The investments in technology, infra (co-location) and hiring of new mid-level managers have led to an increase in cost, but the margins will expand with growth. We expect a revenue CAGR of ~16% over FY23-26E, led by a revival in transaction revenue. We increase our EPS estimates by ~3/6% for FY24/25E and increase core multiple to 25x. We assign a SoTP-based TP of INR 940, based on 25x core June-25E PAT + CDSL stake + net cash ex SGF. The stock is trading at a core P/E of 33/26x FY24/25E. Maintain ADD.

- **Q1FY24 highlights**: Revenue increased 15.4% YoY to INR 2.16bn vs. our estimate of INR 2.36bn. Transaction revenue grew 22.7% YoY with growth in both normal and special rates. StAR MF revenue grew 58.7% YoY to INR 0.24bn, led by an increase in the number of orders (82.8mn, +39.2% YoY), as ~50% of all mutual fund transactions go through the StAR MF platform. INX ADTV declined 47% YoY to USD 4.2bn and the number of trades stood at 0.08mn/day. The exceptional item of INR 4.07bn relates to the stake sale of CDSL. The EBITDA margin expanded by 49bps YoY to 33.4% but was down 1,229bps sequentially due to investments. The company completed the 5% stake sale of CDSL and announced a tender offer buyback for up to INR 3.74bn at a price of INR 816/share.
- **Outlook:** We expect revenue growth of 18.5/14.5/15% and EBITDA margins of 39.1/41.8/44.5% in FY24/25/26E respectively. We estimate StAR MF revenues of INR 1.13/1.47bn in FY24/25E. Core profits after taxes for FY24/25E stand at INR 2.61/3.33bn.

Quarterly Financial Summary

YE March (INR mn)	Q1 FY24	Q1 FY23	YoY (%)	Q4 FY23	QoQ (%)	FY22	FY23	FY24E	FY25E	FY26E
Net Sales	2,156	1,868	*15.4*	2,270	*(5.0)*	7,432	8,155	9,662	11,065	12,721
EBITDA	719	614	*17.1*	1,036	*(30.6)*	2,772	2,887	3,777	4,629	5,664
APAT	1,055	557	*89.5*	995	*6.0*	3,184	3,120	3,770	4,429	5,213
EPS (INR)	5.7	4.3	*32.8*	7.6	*(25.7)*	23.5	23.0	28.8	33.8	39.8
P/E (x)						39.2	40.1	32.1	27.3	23.2
EV / EBITDA (x)						37.1	35.6	28.4	23.2	17.5
RoE (%)						12.3	11.6	15.2	19.9	23.9

Source: Company, HSIE Research

Change in estimates

YE March (INR Mn)	FY24E Old	FY24E Revised	Change %	FY25E Old	FY25E Revised	Change %	FY26E Old	FY26E Revised	Change %
Revenue	9,437	9,662	2.4	10,568	11,065	4.7	12,090	12,721	5.2
EBITDA	3,705	3,777	1.9	4,332	4,629	6.9	5,293	5,664	7.0
EBITDA margin (%)	39.3	39.1	-16bps	41.0	41.8	84bps	43.8	44.5	74bps
APAT	3,671	3,770	2.7	4,182	4,429	5.9	4,890	5,213	6.6
EPS (INR)	28.1	28.8	2.7	32.0	33.8	5.9	37.4	39.8	6.6

Source: Company, HSIE Research

ADD

CMP *(as on 09 Aug 2023)*	**INR 923**
Target Price	**INR 940**
NIFTY	**19,633**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	INR 830	INR 940
EPS %	FY24E +2.7	FY25E +5.9

KEY STOCK DATA	
Bloomberg code	BSE IN
No. of Shares (mn)	135
MCap (INR bn) / ($ mn)	125/1,529
6m avg traded value (INR mn)	883
52 Week high / low	INR 927/406

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	73.9	82.6	43.0
Relative (%)	67.1	74.1	30.8

SHAREHOLDING PATTERN (%)

	Mar-23	**Jun-23**
Promoters	0.00	0.00
FIs & Local MFs	0.65	0.54
FPIs	7.60	8.77
Public & Others	91.74	90.68
Pledged Shares	0.00	0.00

Source : NSE

Pledged shares as % of total shares

Amit Chandra
amit.chandra@hdfcsec.com
+91-22-6171-7345

Vivek Sethia
vivek.sethia@hdfcsec.com
+91-22-6171-7339

Birla Corporation

In-line results, margin recovery continues

BUY

We maintain our BUY rating on Birla Corporation (BCORP), with an unchanged target price of INR 1,310/share (8.5x Mar-25E consolidated EBITDA). We continue to like BCORP for its large retail presence in the lucrative north/central regions. We expect a recovery in margins on Mukutban's ramp-up, incentive accrual H2FY24 onwards, falling fuel prices, and other ongoing cost rationalization initiatives. In Q1FY24, volume grew 12% YoY (flat QoQ). Unitary EBITDA improved by INR 60 per MT QoQ to INR 660 per MT, aided by lower input/ freight costs and the narrowing of Mukutban operating losses. With no major near-term Capex, we estimate gearing will reduce in FY24.

- **Q1FY24 performance:** BCORP delivered broadly in-line performance. Cement sales volume grew 12% YoY (flat QoQ) to 4.41mn MT. Mukutban utilisation improved to ~37% vs ~30/10% YoY/QoQ. Ex-Mukutban, volumes rose 5% YoY (-2% QoQ). Cement NSR declined 1% QoQ. Cement opex cooled off 3% YoY/QoQ . Unitary EBITDA improved by INR 60 per MT QoQ, owing to a reduction in input/freight cost of INR 150/20 per MT, offset in part by lower realisation/higher fixed cost of INR 60/50 per MT. BCORP mentioned that Mukutban production cost fell 3% QoQ, thus narrowing the operating loss for the plant. We estimate Mukutban operated ~INR 350 per MT EBITDA loss in Q1 vs ~INR 500 per MT loss QoQ (in the month of Mar-23, this plant had operated at an EBITDA positive level). Ex-Mukutban, unit EBITDA stood at ~INR 690/MT vs ~INR 675/MT QoQ.
- **Capex update and outlook**: Management reiterated that it would first ramp up Mukutban and bring debt under control. Thereafter, it would take up a brownfield expansion at Maihar. It maintained its guidance of 15% volume growth with INR 850 EBITDA per MT in FY24E. We build in lower growth (10%) and margin (INR 720/MT). BCORP guided a 12% fuel cost reduction in upcoming quarters and it also expects incentives to start accruing H2FY24 onwards. The company is also working to scale up the usage of alternative fuel, captive coal, and green power, which will further boost margin recovery. We maintain our earnings estimates.

Quarterly/annual financial summary (consolidated)

YE Mar (INR bn)	Q1 FY24	Q1 FY23	*YoY (%)*	Q4 FY23	*QoQ (%)*	FY21	FY22	FY23	FY24E	FY25E
Sales Vol (mn MT)	4.41	3.93	*12.2*	4.44	*(0.7)*	13.39	14.22	15.73	17.29	18.85
NSR (INR/MT)	5,229	5,344	*(2.2)*	5,279	*(0.9)*	4,848	4,955	5,237	5,185	5,262
EBITDA(INR/MT)	659	639	*3.1*	600	*9.9*	1,010	746	484	720	797
Net Sales	24.08	22.04	*9.3*	24.63	*(2.2)*	67.85	74.61	86.82	94.60	104.39
EBITDA	2.98	2.59	*14.9*	2.74	*8.6*	13.70	11.10	7.72	12.93	15.54
APAT	0.60	0.62	*(3.6)*	0.85	*(29.7)*	6.89	4.30	0.34	3.47	5.83
AEPS (INR)	7.8	9.6	*(18.8)*	8.7	*(10.4)*	89.5	55.8	4.4	45.0	75.7
EV/EBITDA (x)						8.6	10.5	16.7	9.9	8.0
EV/MT (INR bn)						7.41	7.23	6.31	6.26	6.07
P/E (x)						13.5	21.7	275.3	26.9	16.0
RoE (%)						*15.9*	*8.0*	*0.6*	*5.7*	*9.0*

Source: Company, HSIE Research

CMP *(as on 09 Aug 2023)*	**INR 1,221**
Target Price	**INR 1,310**
NIFTY	**19,633**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	BUY
Price Target	INR 1,310	INR 1,310
EBITDA revision %	FY24E *0.0*	FY25E *0.0*

KEY STOCK DATA	
Bloomberg code	BCORP IN
No. of Shares (mn)	77
MCap (INR bn) / ($ mn)	94/1,149
6m avg traded value (INR mn)	158
52 Week high / low	INR 1,268/843

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	23.2	34.1	26.1
Relative (%)	16.4	25.6	13.9

SHAREHOLDING PATTERN (%)	**Mar-23**	**Jun-23**
Promoters	62.90	62.90
FIs & Local MFs	16.38	15.80
FPIs	5.74	7.18
Public & Others	14.99	14.12
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

Rajesh Ravi
rajesh.ravi@hdfcsec.com
+91-22-6171-7352

Keshav Lahoti
keshav.lahoti@hdfcsec.com
+91-22-6171-7353

Star Cement

Margin lead maintained; volume offtake remains strong

We upgrade Star Cement to ADD from REDUCE earlier, with a revised TP of INR 165/share (9x its Mar-25E consolidated EBITDA). Star reported strong 19% YoY volume growth in Q1FY23. Despite high-cost fuel consumption and the major expiration of GST incentives, Star reported the industry's best unit EBITDA of INR 1,111 per MT. Fuel cost is expected to cool off and incentives will accelerate Q4FY24 onwards, buoying margins (industry-leading). Star's ongoing expansion will increase capacity by 70% to 9.7mn MT by Q3FY25E.

- **Q1FY24 performance:** It reported strong 19% YoY volume growth in Q1 (down 6% QoQ). Sales in the NE region rose 29% YoY while sales outside NE remained flat YoY. Reported NSR fell 3/4% QoQ/YoY on the expiration of GST incentives (affecting NSR by INR 120/350 per MT QoQ/YoY). Adjusted for the same, cement NSR fell 1% QoQ while it rose 1% YoY. Opex rose 1% QoQ, on higher fuel and fly ash costs (input cost up INR 257/MT QoQ). However, continued tightening in freight costs (down INR 54/MT QoQ) and lower other expenses (down INR 142/MT as Q4 had large promotional costs and other provisions) cushioned the margin impact. Unit EBITDA thus fell INR 235/MT QoQ to INR 1,111/MT.
- **Capex update and outlook**: Star's 12MW WHRS plant is under stabilization and is already contributing to savings (will save INR 400mn in annual opex). Additionally, increased own fleet usage, savings from new limestone mines, and energy cost reductions are expected to offset the impact of the sharp drop in incentives in FY24E. Star's expansions (total Capex ~INR 21bn) are on track to be fully commissioned in Q3FY25E. These plants will further increase incentive accruals from Q4FY24E onwards. Factoring in cost savings and incentives acceleration, we raise our EBITDA estimates for FY24/25E by 2/8% respectively. Factoring in the continuation of its industry-leading performance and healthy cash flow and balance sheet, we raise our valuation multiple to 9x (vs 8x earlier) FY25E EBITDA.

Quarterly/annual financial summary (consolidated)

YE Mar (INR mn)	Q1 FY24	Q1 FY23	*YoY (%)*	Q4 FY23	*QoQ (%)*	FY21	FY22	FY23	FY24E	FY25E
Sales Vol (mn MT)	1.16	0.98	18.8	1.24	(5.7)	2.7	3.40	4.01	4.54	5.90
NSR (INR/MT)	6,533	6,788	-3.8	6,720	(2.8)	6,220	6,527	6,739	6,540	6,442
EBITDA (INR/MT)	1,111	1,267	-12.3	1,346	(17.5)	1,233	1,014	1,167	1,250	1,345
Net Sales	7,605	6,652	*14.3*	8,300	*(8.4)*	17,199	22,218	27,048	29,663	37,984
EBITDA	1,293	1,241	*4.1*	1,662	*(22.2)*	3,326	3,453	4,684	5,670	7,931
APAT	933	676	*38.0*	961	*(3.0)*	2,401	2,468	2,476	2,811	3,397
AEPS (INR)	2.2	1.7	*33.1*	2.4	*(6.5)*	5.8	6.1	6.1	7.0	8.4
EV/EBITDA (x)						18.6	17.0	12.6	12.1	9.1
EV/MT (INR bn)						10.9	10.3	10.4	8.9	7.5
P/E (x)						27.9	27.2	27.1	23.9	19.8
RoE (%)						*12.0*	*11.6*	*10.8*	*11.1*	*12.0*

Source: Company, HSIE Research

Consolidated Estimates revision summary

INR bn	FY24E Old	FY24E Revised	*Change %*	FY25E Old	FY25E Revised	*Change %*
Net Sales	29.6	29.7	*0.1*	38.0	38.0	*0.1*
EBITDA	5.58	5.67	*1.5*	7.33	7.93	*8.2*
APAT	2.49	2.81	*12.9*	2.81	3.40	*21.0*

Source: Company, HSIE Research

ADD

CMP *(as on 09 Aug 2023)*	**INR 165**
Target Price	**INR 165**
NIFTY	**19,633**

KEY CHANGES	**OLD**	**NEW**
Rating	REDUCE	ADD
Price Target	INR 130	INR 165
EBITDA revision %	FY24E *1.5*	FY25E *8.2*

KEY STOCK DATA	
Bloomberg code	STRCEM IN
No. of Shares (mn)	404
MCap (INR bn) / ($ mn)	67/817
6m avg traded value (INR mn)	89
52 Week high / low	INR 170/89

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	30.8	45.7	72.8
Relative (%)	23.9	37.1	60.6

SHAREHOLDING PATTERN (%)

	Mar-23	Jun-23
Promoters	67.12	66.76
FIs & Local MFs	6.15	6.25
FPIs	0.63	0.69
Public & Others	26.10	26.31
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

Rajesh Ravi
rajesh.ravi@hdfcsec.com
+91-22-6171-7352

Keshav Lahoti
keshav.lahoti@hdfcsec.com
+91-22-6171-7353

Sudarshan Chemical

Demand tapers

We maintain REDUCE on Sudarshan Chemical (SCIL), with a price target of INR 489 (WACC 11%, terminal growth 3.5%). SCIL has product offerings similar to those of the global players but has been unable to gain market share, post the exit of the global majors. The stock is trading at 19x FY25E EPS, which we believe is contextually high (RoE of 14/17% for FY24/FY25E). Q1 EBITDA was 2% above our estimate owing to a 7% rise in revenue, offset by higher-than-expected other expenses. APAT was 8% below our estimate owing to higher-than-anticipated depreciation and finance cost.

- **Financial performance:** Revenue grew 10% YoY (and fell 12% QoQ) to INR 6,081mn. Domestic demand is expected to pick up in H2FY24 and exports shall remain moderated due to a recessionary global macroeconomic situation. EBITDA grew 69% YoY and fell 18% sequentially to INR 699mn. EBITDA margin came in at 12% (+402/-77bps YoY/QoQ), owing to softening of input costs and lag in the pass-through in selling price.
- **Pigment segment (88% of the revenue mix):** Revenue grew by 2% YoY to INR 5,364mn, and EBIT grew 80% YoY to INR 346mn. EBIT margin for the segment came in at ~6%, +279/-103bps YoY/QoQ.
- **Call takeaways**: (1) Exports accounted for 51% of revenue for the pigment segment. (2) Speciality pigments constituted 68% of the revenue for the pigment segment in Q1. (3) In Q1, the company concluded the sale of its freehold land, which led to an exceptional gain of INR 3,151mn. APAT is adjusted for the same. (4) The plastics industry is witnessing favourable demand in the domestic market, whereas the ink and coatings industry is undergoing destocking in anticipation of further price reductions and given the prevailing demand slowdown.

Financial summary (consolidated)

INR mn	Q1 FY24	Q4 FY23	*QoQ (%)*	Q1 FY23	*YoY (%)*	FY22	FY23	FY24E	FY25E	FY26E
Net Sales	6,081	6,912	*(12.0)*	5,542	*9.7*	22,008	23,017	24,252	26,944	29,751
EBITDA	699	847	*(17.5)*	414	*68.7*	2,748	2,106	3,240	3,688	4,000
APAT	211	326	*(35.3)*	71	*197.8*	1,300	448	1,227	1,652	1,987
AEPS (INR)	3.0	4.7	*(35.3)*	1.0	*197.8*	18.8	6.5	17.7	23.9	28.7
P/E (x)						28.4	82.6	30.1	22.4	18.6
EV/EBITDA(x)						16.3	21.3	12.3	10.5	9.3
RoE (%)						16.5	5.4	14.2	17.4	19.0

Source: Company, HSIE Research

Change in estimates (consolidated)

Y/E Mar	FY24E Old	FY24E New	% Ch	FY25E Old	FY25E New	% Ch
EBITDA (INR mn)	3,117	3,240	4.0	3,568	3,688	3.4
Adj. EPS (INR/sh)	18.0	17.7	(1.6)	23.5	23.9	1.4

Source: Company, HSIE Research

REDUCE

CMP *(as on 09 Aug 2023)*	**INR 532**
Target Price	**INR 489**
NIFTY	**19,633**

KEY CHANGES	**OLD**	**NEW**
Rating	REDUCE	REDUCE
Price Target	INR 454	INR 489
EPS %	**FY24E** -1.6%	**FY25E** +1.4%

KEY STOCK DATA	
Bloomberg code	SCHI IN
No. of Shares (mn)	69
MCap (INR bn) / ($ mn)	37/450
6m avg traded value (INR mn)	117
52 Week high / low	INR 567/341

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	28.4	46.7	16.7
Relative (%)	21.5	38.1	4.6

SHAREHOLDING PATTERN (%)

	Mar-23	**Jun-23**
Promoters	35.82	35.82
FIs & Local MFs	14.18	14.29
FPIs	3.12	3.48
Public & Others	46.88	46.41
Pledged Shares	0.00	0.00

Source: BSE

Nilesh Ghuge
nilesh.ghuge@hdfcsec.com
+91-22-6171-7342

Harshad Katkar
harshad.katkar@hdfcsec.com
+91-22-6171-7319

Rutvi Chokshi
rutvi.chokshi@hdfcsec.com
+91-22-6171-7356

Akshay Mane
akshay.mane@hdfcsec.com
+91-22-6171-7338

J. Kumar Infraprojects

Outperformance at play

JKIL reported an operationally strong quarter, with revenue/EBITDA/APAT at 11.3/1.6/0.7bn, beating our estimates on all fronts. In FYTD24, it won four orders worth INR 35.9bn (JKIL's share at INR 34.2bn vs. revised FY24 inflow guidance of INR 80bn+), taking the FYTD24 OB to INR 143.5bn (~3.4x FY23 revenue, ex. L1 INR 41bn). Gross debt decreased marginally in Q1FY24 to INR 5.1bn vs. INR 5.2bn as of Mar'23, leading to a D/E of 0.21x. JKIL reiterated its FY24 revenue guidance to grow by 15% YoY with an EBITDA margin of 14-15%. Capex incurred in Q1FY24 stands at INR 330mn. With the receipt of new orders, the FY24 capex guidance stands revised to INR 2.5bn from INR 1.5bn. With ~62% utilization of fund-based limits, the company is well placed to incur capex with a mix of debt and internal accruals. Further, it guided for FY24-end debt levels at INR 5-6bn and NWC days at 120-130. Given the strong order backlog, improved execution and better margin profile, we increase our PE multiple to 9x, from 8x. However, given the limited upside on our TP, we maintain ADD rating on the stock, with an increased TP of INR 421/sh (9x Jun-25E EPS).

- **Q1FY24 financial performance:** Revenue: INR 11.3bn (+13.8/-0.3% YoY/QoQ, a beat of 3.5%), with metro/flyover, bridges, roads, and tunnel contributing 52/42%. EBITDA: INR 1.6bn (+15.3/+1.5% YoY/QoQ, a beat of 5%). EBITDA margin: 14.3% (+19/+25 bps YoY/QoQ, vs. our estimate of 14.1%). Depreciation: INR 414mn (+10.7/+0.3% YoY/QoQ). Interest cost: INR 274mn, (+10.6/+0.4% YoY/QoQ). RPAT/APAT: INR 728mn (+17.6/-1.4% YoY/QoQ, a beat of 7.7%). JKIL reiterated its FY24 revenue guidance to grow by 15% YoY with an EBITDA margin of 14-15%.
- **Well-diversified OB:** During FYTD24, JKIL won four orders worth INR 35.9bn (JKIL's share—INR 34.2bn vs. revised FY24 inflow guidance of INR 80bn+), taking the FYTD24 OB to INR 143.5bn (~3.4x FY23 revenue, ex. L1 INR 41bn). Geographically, the OB has maximum exposure in Maharashtra at 52%, followed by Tamil Nadu/NCR/Gujarat contributing 25/16/4%. At the client level, NHAI/MMRDA/DMRC/IRCON/MCGM/others contributed 33/20/13/7/7/20% to the OB. Business segment-wise underground metro/elevated metro/flyovers/roads and tunnels/water/civil contributed 19/21/37/11/9/3%. The company is planning to bid for a minimum of INR 250-270bn worth of orders in FY24.
- **Balance sheet comfortable:** Gross debt decreased marginally in Q1FY24 to INR 5.1bn vs. INR 5.2bn as of Mar'23, leading to a gross D/E of 0.21x (vs. 0.22x as of Mar'23). Net D/E as of Jun'23 stood at 0.02x, similar to Mar'23. Capex incurred in Q1FY24 stands at INR 330mn. With the receipt of new orders, the FY24 capex guidance stands revised to INR 2.5bn from INR 1.5bn. With ~62% utilization of fund-based limits, the company is well-placed to incur capex with a mix of debt and internal accruals. Further, it guided for FY24-end debt levels at INR 5-6bn and NWC days at 120-130.

Standalone Financial Summary (INR mn)

YE March	1Q FY24	1Q FY23	YoY (%)	4Q FY23	QoQ (%)	FY23	FY24E	FY25E	FY26E
Net Sales	11,313	9,938	*13.8*	11,342	*(0.3)*	42,031	47,789	52,568	60,453
EBITDA	1,619	1,404	*15.3*	1,594	*1.5*	5,971	6,688	7,247	8,562
APAT	728	619	*17.6*	739	*(1.4)*	2,744	3,058	3,323	4,178
Diluted EPS (INR)	9.6	8.2	*17.6*	9.8	(1.4)	36.3	40.4	43.9	55.2
P/E (x)						11.2	10.0	9.2	7.3
EV / EBITDA (x)						5.4	4.8	4.1	2.7
RoE (%)						12.4	12.3	11.9	13.2

Source: Company, HSIE Research

ADD

CMP (*as on 09 Aug 2023*)	INR 405
Target Price	INR 421
NIFTY	19,633

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 351	INR 421

EPS Change %	FY24E	FY25E	FY26E
	-	-	-

KEY STOCK DATA	
Bloomberg code	JKIL IN
No. of Shares (mn)	76
MCap (INR bn) / ($ mn)	31/375
6m avg traded value (INR mn)	71
52 Week high / low	INR 418/216

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	52.0	48.6	32.3
Relative (%)	45.2	40.1	20.2

SHAREHOLDING PATTERN (%)

	Mar-23	Jun-23
Promoters	46.65	46.65
FIs & Local MFs	13.04	13.31
FPIs	9.81	10.05
Public & Others	30.50	29.99
Pledged Shares	10.57	10.57

Source: BSE

Pledged shares as % of total shares

Parikshit D Kandpal, CFA
parikshitd.kandpal@hdfcsec.com
+91-22-6171-7317

Nikhil Kanodia
nikhil.kanodia@hdfcsec.com
+91-22-6171-7362

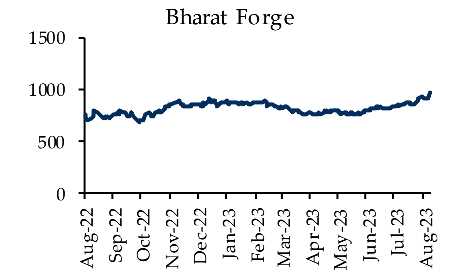
Manoj Rawat
manoj.rawat@hdfcsec.com
+91-22-6171-7358

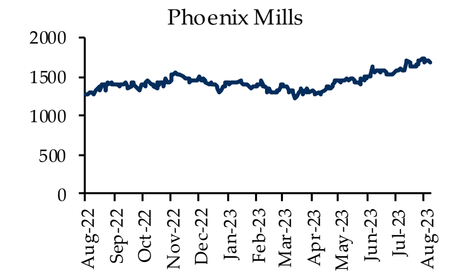
Rating Criteria
BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

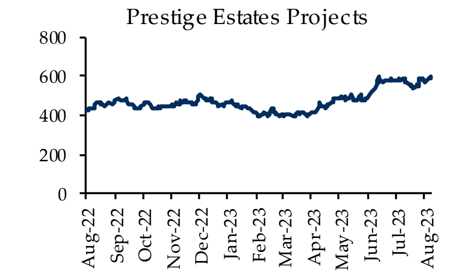
Disclosure:

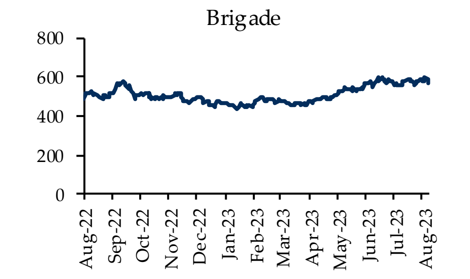
Analyst	Company Covered	Qualification	Any holding in the stock
Aniket Mhatre	Bharat Forge	MBA	NO
Sonaal Sharma	Bharat Forge	MBA	NO
Parikshit Kandpal	Phoenix Mills, Prestige Estates, Brigade Enterprises, J. Kumar Infraprojects	CFA	NO
Manoj Rawat	Phoenix Mills, Prestige Estates, Brigade Enterprises, J. Kumar Infraprojects	MBA	NO
Nikhil Kanodia	Phoenix Mills, Prestige Estates, Brigade Enterprises, J. Kumar Infraprojects	MBA	NO
Harshad Katkar	Oil India, Aarti Industries, Sudarshan Chemical	MBA	NO
Nilesh Ghuge	Oil India, Aarti Industries, Sudarshan Chemical	MMS	NO
Akshay Mane	Oil India, Aarti Industries, Sudarshan Chemical	PGDM	NO
Rutvi Chokshi	Oil India, Aarti Industries, Sudarshan Chemical	CA	NO
Rajesh Ravi	Birla Corporation, Star Cement	MBA	NO
Keshav Lahoti	Birla Corporation, Star Cement	CA	NO
Amit Chandra	BSE	MBA	NO
Vivek Sethia	BSE	CA	NO

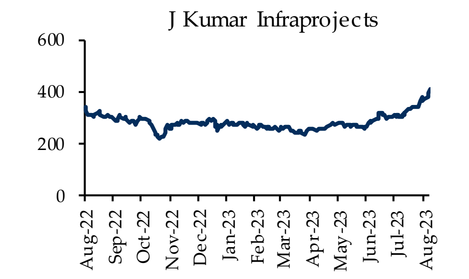
1 Yr Price Movement

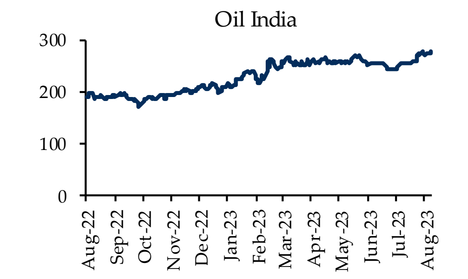


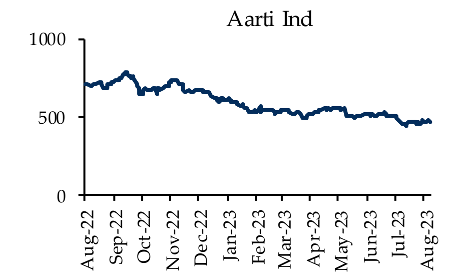


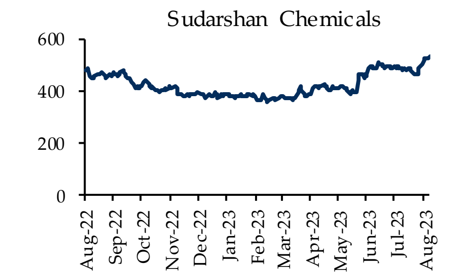


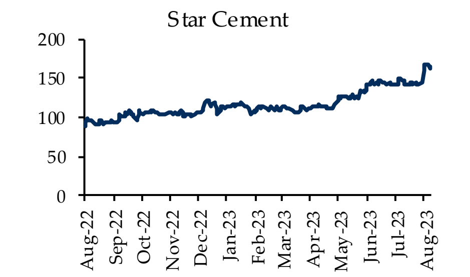


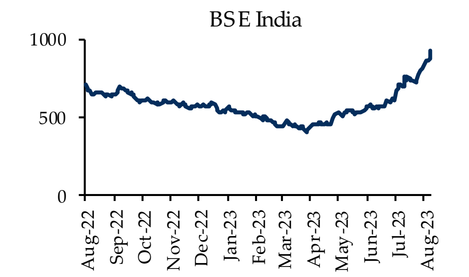












Disclosure:

Authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. SEBI conducted the inspection and based on their observations have issued advise/warning. The said observations have been complied with. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Research Analyst or his/her relative or HDFC Securities Ltd. does not have any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate does have/does not have any material conflict of interest.

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

Disclaimer:

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from t date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066

Compliance Officer: Murli V Karkera Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600

HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

HDFC securities
Institutional Equities
Unit No. 1602, 16th Floor, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Board: +91-22-6171-7330 www.hdfcsec.com