Stock Update

Ahluwalia Contracts (India) Ltd.

Oct 16, 2023

RETAILRESEARCH

HDFC securities
Click. Invest. Grow.
20 YEARS

Ahluwalia Contracts (India) Ltd.

Industry	LTP	Recommendation	Base Case Fair Value	Bull Case Fair Value	Time Horizon
Realty - Civil Construction	Rs. 696.8	Buy in the Rs. 690-704 band & add more on dips to Rs. 615- 629 band	Rs. 771	Rs. 821	2-3 quarters

HDFC Scrip Code	AHLCON
BSE Code	532811
NSE Code	AHLUCONT
Bloomberg	AHLU IN
CMP Oct 13, 2023	696.8
Equity Capital (Rs Cr)	13.4
Face Value (Re)	2
Equity Share O/S (Cr)	6.7
Market Cap (Rs Cr)	4668
Book Value (Rs)	182.6
Avg. 52 Wk Volumes	926839
52 Week High	774.0
52 Week Low	398.9

Share holding Pattern % (Sept, 2023)	
Promoters	55.3
Institutions	39.3
Non Institutions	5.4
Total	100.0

HDFCsec Retail research stock rating meter

for details about the ratings, refer at the end of the report

* Refer at the end for explanation on Risk Ratings

Fundamental Research Analyst

Abdul Karim

Abdul.karim@hdfcsec.com

Our Take:

Ahluwalia Contracts (India) Limited (ACIL), is one of the leading infrastructure companies. ACIL is engaged in civil construction and execution of turnkey projects. It is actively engaged in construction of institutional & industrial buildings, corporate office complexes, multi-storied housing complexes, township development projects, hospitals, medical colleges, hotels, educational & technical institutes, schools, and gymnasiums and sports complexes. Mr. Bikramjit Ahluwalia is a key promoter in the company being experienced in the construction industry in India with more than five decades of experience.

The company has been conservative on order inflow guidance in the past and the company has been selective in bagging projects. The company's order inflow stood at Rs 5057 crore vs. guidance of Rs 3500-4000 crore for FY23. The company has reported net order inflow during the current FY24 at ~Rs 5260 crores as on Sept 30, 2023. The company is expected to get Rs 2000-2500 crore order inflow for the remaining part of FY24. Looking at the government's initiatives on infra structure sector, we expect that company could see large order inflow opportunities consistently going forward. We expect that the momentum of order inflow could continue till the code-of-conduct comes into force.

We expect that the company could report revenue growth of 18% and 19% in FY24E and FY25E, respectively. The high-priority healthcare sector comprises one third of ACIL's backlog and is likely to be a key driver of both fresh inflows and execution in FY24E/25E. ACIL operates an asset-light business, with consistent FCF generation since FY15.

On April 17, 2023, we had issued Stock Update report (Link) on Ahluwalia Contracts (India) Ltd and recommended to buy in the Rs 511-521 band and add further on dips to Rs 457-465 band for base case target of Rs 564 and bull case target of Rs 610. The stock achieved its both targets before expiry of the call. Given healthy growth outlook, encouraging results in Q4FY23 and Q1FY24 and expectation of strong set of numbers going forward, we have now revised earnings and increased target price for the stock.

Valuation & Recommendation:

ACIL continues to see robust order flow prospects in healthcare, data centres, industrial structures apart from government buildings. Competitive intensity remains elevated but ACIL remains very selective in bidding for projects. Despite near term headwinds of high input costs, margin is expected to improve from FY24E with softening of commodity prices, a narrower gap of indices with input prices, slightly lesser competitive intensity and new projects bid at elevated input price assumption. The promoter family remains closely involved in the business with well-defined responsibilities and clear understanding of future roles. ACIL's robust and diversified order book, strong bidding pipeline, timely execution could help to bring more orders going forward.

Investors can buy the stock in the Rs. 690-704 band and add more on dips to Rs. 615-629 (12.5x FY25E EPS). We feel the Base case fair value of the stock is Rs. 771 (15.5x FY25E EPS) and the Bull case fair value is Rs. 821 (16.5x FY25E EPS) over the next two to three quarters. At the CMP of Rs 696.8 the stock trades at 14x FY25E EPS.

Financial Summary (Standalone)

Particulars (Rs cr)	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)	FY21	FY22	FY23	FY24E	FY25E
Total Operating Income	763	609	25.3	863	-11.6	1,982	2,692	2,838	3,349	3,986
EBITDA	82	61	35.9	110	-25.3	154	257	304	382	490
Depreciation	12	9	37.5	10	15.0	30	34	39	40	44
Other Income	7	7	-5.3	9	-23.5	22	29	30	30	30
Interest Cost	11	8	39.7	11	-3.1	43	44	33	31	30
Tax	17	14	25.2	26	-32.9	26	53	68	86	112
APAT	49	38	30.8	72	-31.5	77	155	194	254	335
Diluted EPS (Rs)	7.4	5.6	30.8	10.8	-31.5	11.5	23.1	28.9	37.8	49.7
RoE-%						9.2	16.2	17.1	18.8	20.4
P/E (x)						60.7	30.2	24.2	18.4	14.0
EV/EBITDA (x)						27.3	16.5	13.5	10.8	8.2

(Source: Company, HDFC sec)

Q1FY24 Result Update

- ACL reported robust performance in Q1FY24. Its consolidated revenue stood at Rs 763 crore in Q1FY24 vs. Rs 609 crore in Q1FY23, reported revenue growth was at 25.3% YoY.
- The company's EBITDA stood at Rs 82 crore vs. Rs 61 crore in Q1FY23, reported EBITDA growth 36% YoY. EBITDA margin was at 10.8% in Q1FY24 vs. 9.9% in Q1FY23.
- The company's net profit grew by 30.8% YoY basis to Rs 49 crore in Q1FY24. Net profit margin stood at 6.5% in Q1FY24 vs. 6.2% in Q1FY23.

Key Update

Healthy and diversified order book position to provide medium to long term revenue visibility

- ACIL's last six to seven quarters have been strong in terms of order intake and execution. Net order book of the company stood at Rs 11,780 crore as on June 30, 2023 to be executed in the next 2.5 to 3 years. Total order inflow in FY23 was Rs 5057 crore.
- During the current financial year, order inflow stood at Rs 5260 crore. During Q2FY24, the company is L1 bidder in one private project of Rs 2800 crore for construction of International Jewellery Park in Mumbai and also secured orders worth Rs 832.4 crore from Max Group.

- Segment-wise, the company's order book is comprised of commercial, infrastructure, institutional, residential, hospital, and hotel projects, with ~75% from the government sector and ~25% from the private sector, as on June 30, 2023.
- Region-wise, the western region has the highest share at ~38%, followed by the north region at ~31%, east at 25%, south at ~3%, and overseas at ~3%, as on June 30, 2023.

Order intake during FY24 so far

- On April 05, 2023, ACIL has secured an order for Construction of Dharavi Wastewater Treatment facility under Mumbai Sewage Disposal Project at Mumbai awarded from Welspun Enterprises Ltd at Mumbai worth of ~Rs 557 crore.
- On April 29, 2023, ACIL has secured an order for Re-Development of Chhatrapati Shivaji Maharaj Terminus (CSMT) at Mumbai awarded by Rail Land Development Authority worth of Rs 2450 crore. The CSMT Station redevelopment project entails construction 2mn sq.ft. of new buildings, redevelopment of 6-7lakh sq.ft of old buildings and station, platform development with availability of various amenities such as retail stores, cafeterias and recreational facilities. With the completion of designing work and shift to execution in next 3-4months, monthly revenue of Rs 100 crore would be billed.
- On May 03, 2023, ACIL has secured an order for Construction of Civil Structure & waterproofing works including Rough finishing works for North Parcel of "The Arbour Project" located at Sec-63, Gurugram (HR) worth of Rs 745 crore from DLF Home Developers Ltd.
- On June 06, 2023, ACIL has secured an order for Construction of Civil, Structure and External Development work for Retail Block at plot no. LP-1B-02 at DIAL II, Aerocity, New Delhi worth of Rs 427 crore.
- On July 12, 2023, ACIL has secured an order for Civil Structural, Facade and Related External Development Works for Enterprise Computing and Cybersecurity Training Institute at Bhubaneshwar, Orrisa from Indian Financial Technology and Allied Services, project worth of Rs. 199.58 crore.
- On Sept 23, 2023, ACIL has secured orders for Construction of Expansion of Max Super Specialty Hospital at SAS Nagar, Mohali (Punjab) on EPC Basis for Rs 215.5 crore and Construction of Max Super Specialty Hospital at Sector-56, Gurugram, Haryana on EPC Basis for Rs 616.9 crore

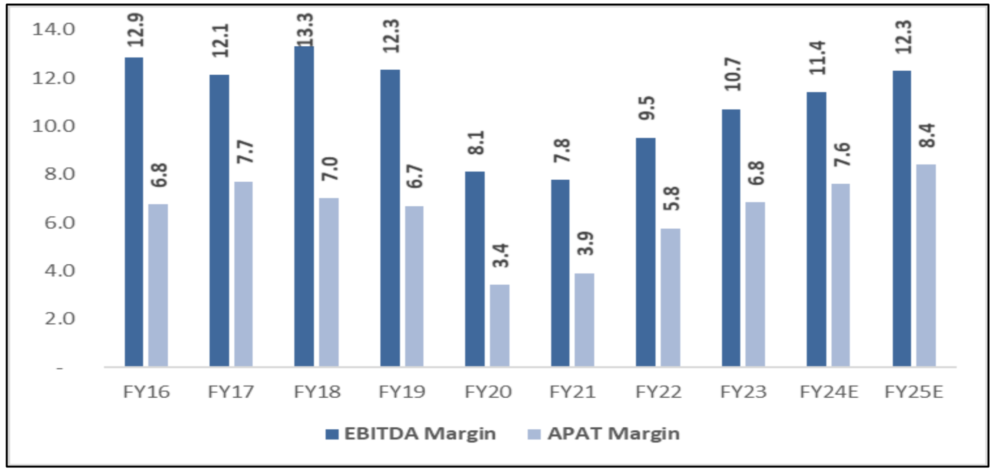
The order inflow during the current FY24E stands at ~Rs 5260 crore till date, vs. order inflow of Rs 5057 crore in whole of FY23. The company is expected to announce another Rs 2000-2500 crore order inflow for the remaining part of FY24. These order inflows provide revenue visibility over medium to long term. Order execution is expected to gain traction going forward. Currently, the company has presence across 15 states, one overseas with 50+ ongoing projects.

Expectation to regain its margins to 11-12% going forward

ACIL’s operating profit margin has been impacted over FY20 and FY21 due to higher input cost. However, the company is performing better over the past seven quarters. The company reported EBITDA margin at 10.8% in Q1FY24 vs. 9.9% in Q1FY23. Still, margin is lower than the company's earlier guidance of 12%. Further scope of margin improvement exists due to a higher proportion of Government orders, better operating efficiencies along with better utilisation of capital equipment.

Besides, ACIL has increased focus on executing high margin orders in the current order book, departing from the low margin orders, as in the past. The company's EBITDA margin is expected to go up from 11% to closer to 12% in the next year vs. about 10.7% in FY23. We expect EBITDA margin at 11.4% and 12.3% in FY24E and FY25E, respectively.

Margins (%)



(Source: Company, HDFC sec)

Robust industry outlook, supported by momentum in order tendering and awarding

A strong trend of order inflow has seen over the three to four quarters. The IMF expects that the India could maintain its position as one of the fastest growing major economies in the world in FY24, and this brings India into a bright spot. Gradually receding inflation sustains optimism regarding growth expectations. The momentum in order inflow could also be supported by the recent strong announcements and sturdy tendering. We expect that the momentum to persist in the run-up to the general elections till the code-of-conduct comes into force.

Industry overview

- The Indian Construction Industry in India is expected to contribute 13% of the country's GDP by 2025. Currently, Construction Industry is contributing 9% share in India's GDP.
- The Indian Construction industry expected to grow by 12.0% to reach Rs 45,907 bn in 2023. Despite near-term challenges in certain construction sectors, medium to long term growth story in India remains intact. The growth momentum is expected to continue, recording a CAGR of 9.9% over the 2023-2027. The construction output is expected to reach Rs 66,954.8 bn by 2027.

- There has been an eightfold increase in the total expenditure on urban development as over the past six years 2015-2021, this figure is about Rs 11.83 lakh crore against Rs 1.57 lakh crore from 2004 to 2014.
- Increasing demand is being witnessed for commercial space -construction of office spaces, hotels, retail, entertainment units The net leasing of office space rose 5 per cent to 10.37 million square feet in July-September 2023 across seven cities despite global headwinds, according to JLL India.
- By 2030 more than 40% of the population is expected to live in urban India (33% today), creating a demand for 25 Mn additional mid end and affordable units.
- Under National Infrastructure Pipeline (India has an investment budget of US$ 1.4 tn on infrastructure - 24% on renewable energy, 18% on roads & highways 17% on urban infrastructure, and 12% on railways.

The government's increasing focus on the construction industry is expected to generate better order flows going forward. The spending on these projects is projected to keep assisting the growth of the overall construction industry in India over the next three to four years. ACIL develops and executes civil engineering technically complex, high-value projects that span across diverse segments such as transportation, Building Projects, irrigation and water supply, special buildings and industrial plants.

Sound fundamentals led by Comfortable capital structure and strong debt coverage indicators

- ACIL reported revenue growth at 12% CAGR over the last seven years and the company has seen healthy growth in profitability at 13% CAGR over the same period. We expect revenue growth at a ~14% CAGR over the FY23 to FY25E and PAT is expected to grow by 31% CAGR over the FY23 to FY25E.
- Its EBITDA margin was at six years' low at 7.8% in FY21 and it increased to 9.5% in FY22 and 10.7% in FY23. Net profit margin was at 6.8% in FY23 vs. 5.8% in FY22. We think, there is a strong case for sustaining EBITDA margin at double-digits, going forward. We expect the EBITDA margin at 11.5-12.5% band for FY24E and FY25E.
- ACIL's capital structure stands comfortable with strong net-worth base which stood at Rs 1228 crore as against the zero debt position (excluding lease liability) as on March 31, 2023. Debt equity ratio is very negligible.
- ACIL believes to enhance its value of networth rather than paying dividend to its shareholders. The company recommended dividend per share at Rs 0.70 per share to the shareholders in FY23, dividend yield stood at ~0.1%.
- Higher profitability growth could help to improve its return ratios going forward, RoE could rise to 18.8% and 20.4% in FY24E and FY25E, respectively.
- Inventory turnover ratio as on March 31, 2023 has dipped as compared to March 31, 2022, which is within the recommended range for the industry indicating a good balance between having enough inventory on hand and not having to reorder too frequently. Inventory days stood at 31 days as on March 31, 2023 from 33 days as on March 31,2022. Debtor's days declined to 60 days as on March 31, 2023 from 69 days as on March 31,2022.

What could go wrong?

- Economic slowdown and changes in regulatory environment may impact the construction industry and/or real estate market. This could adversely affect the company's operations and execution time periods.
- Contractual obligations for quality, timeliness, protection of confidential information and other specific terms and conditions are crucial for EPC orders.
- ACIL is engaged in business with large industrial houses, corporates, institutions and Government authorities. These clientele demand strict adherence to timely delivery, quality and costs. If their expectations are not met with, it may damage the company's brand and prevent repeat orders.
- ACIL has a track record of not paying dividend frequently to its shareholders, the company recommended dividend @ Rs 0.30 per share in FY23 to the shareholders.
- The company largely depends on Government orders, any delay in receiving payment could impact its operations. Also slowdown in Govt spend could impact its order inflow and revenues.
- The promoters have pledged its shares, which is 5.4% of its 55.32% stake, as on Sept 30, 2023. Further rise in pledged shares by promoter could impact investors sentiment towards the stock.

Top 10 Ongoing Projects (As on June 30, 2023)

Rs in Crore	Order Value	Unexecuted Value
Re-development of Chhatrapati Shivaji Maharaj Terminus (CSMT) at Mumbai	2,450	2,450
AIIMS Jammu	1,254	343
Bihar Animal Science University, Patna, Bihar	890	837
The Arbour Project DLF, Gurugram	745	745
Tata Memorial Centre, Parel, Mumbai	723	723
Mandale Depot, Mumbai	598	122
Dharavi Wastewater Treatment facility, Mumbai	557	557
Medical College, Koriyawas, Haryana	536	86
LTMG Hospital Sion, Mumbai	534	477
New Medical College and Hospital, Bongaigaon,Assam	533	461

(Source: Company, HDFC sec)

Other ongoing projects

STATE	LOCATION	STATE	LOCATION
JAMMU & KASHMIR	Jammu (1)	BIHAR	Bodh Gaya (1)
UTTARAKHAND	Dehradun (1)		Chappra (1)
HIMACHAL PRADESH	Chamba (1)		Nalanda (1)
	Hamirpur (1)		Patna (4)
	Shimla (1)	ASSAM	Bongaigaon (1)
	Dharamshala (1)		Jorhat (1)
PUNJAB	Mohali (1)		Guwahati (1)
CHANDIGARH	Chandigarh (1)	WEST BENGAL	Kolkata (4)
DELHI NCR	Delhi (10)	ODISHA	Bhubaneswar (2)
HARYANA	Gurgaon (3)	KARNATAKA	Bengaluru (2)
	Rewari (1)	TELANGANA	Hyderabad (1)
UTTAR PRADESH	Greater Noida (1)	MAHARASHTRA	Mumbai (6)
	Noida (1)	NEPAL	Kavre (1)

(Source: Company, HDFC sec)

Peer Comparison

Company, Rs in Cr	Mkt Cap, Cr	Sales			EBITDA			PAT			RoE-%			P/E (x)		
		FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
PSP Projects	2759	1,927	2,420	2783	225	302	348.4	133	189	217	17.9	21.4	20.7	20.8	14.6	12.7
Ahluwalia Contracts	4,668	2,838	3,349	3,986	304	382	490	194	254	335	17.1	18.8	20.4	24.2	18.4	14.0

(Source: Company, HDFC sec)

Financials (Standalone)

Income Statement

(Rs Cr)	FY21	FY22	FY23	FY24E	FY25E
Net Revenues	**1982**	**2692**	**2838**	**3349**	**3986**
Growth (%)	**5.2**	**35.8**	**5.4**	**18.0**	**19.0**
Operating Expenses	1828	2436	2534	2967	3496
EBITDA	**154**	**257**	**304**	**382**	**490**
Growth (%)	**0.8**	**66.4**	**18.5**	**25.5**	**28.4**
EBITDA Margin (%)	**7.8**	**9.5**	**10.7**	**11.4**	**12.3**
Depreciation	30	34	39	40	44
EBIT	**124**	**223**	**265**	**341**	**446**
Other Income	22	29	30	30	30
Interest expenses	43	44	33	31	30
PBT	**104**	**208**	**262**	**340**	**446**
Tax	26	53	68	86	112
RPAT	**77**	**155**	**194**	**254**	**335**
APAT	**77**	**155**	**194**	**254**	**335**
Growth (%)	**19.9**	**101.0**	**25.0**	**31.0**	**31.6**
EPS	11.5	23.1	28.9	37.8	49.7

Balance Sheet

As at March	FY21	FY22	FY23	FY24E	FY25E
SOURCE OF FUNDS					
Share Capital	13	13	13	13	13
Reserves	867	1023	1215	1464	1794
Shareholders' Funds	**880**	**1036**	**1228**	**1478**	**1808**
Long Term Debt	1	0	0	0	0
Net Deferred Taxes	16	1	3	22	25
Long Term Provisions & Others	186	103	122	170	156
Minority Interest	**0**	**0**	**0**	**0**	**0**
Total Source of Funds	**1082**	**1140**	**1353**	**1670**	**1988**
APPLICATION OF FUNDS					
Net Block & Goodwill	230	223	288	295	289
CWIP	0	0	1	0	0
Other Non-Current Assets	250	240	174	183	191
Total Non Current Assets	**480**	**463**	**462**	**478**	**481**
Current Investments					
Inventories	297	242	244	367	437
Trade Receivables	374	443	606	716	852
Cash & Equivalents	418	433	588	656	775
Other Current Assets	470	440	566	562	656
Total Current Assets	**1559**	**1558**	**2004**	**2301**	**2719**
Trade Payables	640	619	672	734	874
Other Current Liab & Provisions	316	261	442	375	338
Total Current Liabilities	**956**	**881**	**1113**	**1110**	**1211**
Net Current Assets	603	677	891	1192	1507
Total Application of Funds	**1082**	**1140**	**1353**	**1670**	**1988**

(Source: Company, HDFC sec)

Cash Flow Statement

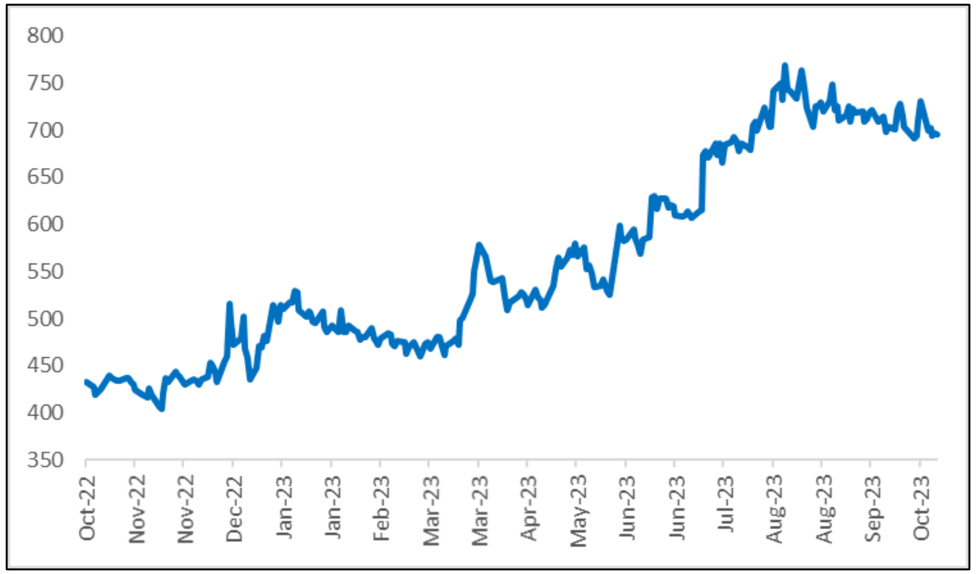
(Rs Cr)	FY21	FY22	FY23	FY24E	FY25E
Reported PBT	104	208	262	355	412
Non-operating & EO items	33	-8	-25	-26	-29
Interest Expenses	30	32	20	31	30
Depreciation	30	34	39	40	44
Working Capital Change	94	-141	55	-199	-165
Tax Paid	-32	-59	-49	-86	-112
OPERATING CASH FLOW (a)	**259**	**66**	**301**	**116**	**181**
Capex	-35	-27	-103	-40	-59
Free Cash Flow	224	39	198	76	122
Investments	-13	-74	-62	26	29
Non-operating income	0	0	0	0	0
INVESTING CASH FLOW (b)	**-48**	**-101**	**-166**	**-14**	**-30**
Debt Issuance / (Repaid)	-31	-16	-1	2	3
Interest Expenses	-20	-29	-13	-31	-30
FCFE	173	-5	184	47	94
Share Capital Issuance	0	0	0	0	0
Dividend	0	0	-2	-5	-5
Others	0	0	0	0	0
FINANCING CASH FLOW (c)	**-51**	**-44**	**-16**	**-34**	**-33**
NET CASH FLOW (a+b+c)	**161**	**-79**	**120**	**68**	**118**

Key Ratios

Particulars	FY21	FY22	FY23	FY24E	FY25E
Profitability Ratio (%)					
EBITDA Margin	7.8	9.5	10.7	11.4	12.3
EBIT Margin	6.2	8.3	9.3	10.2	11.2
APAT Margin	3.9	5.8	6.8	7.6	8.4
RoE	9.2	16.2	17.1	18.8	20.4
RoCE	9.1	15.0	15.8	16.9	18.3
Solvency Ratio (x)					
Net Debt/EBITDA	-2.7	-1.7	-1.9	-1.7	-1.6
Net D/E	-0.5	-0.4	-0.5	-0.4	-0.4
PER SHARE DATA (Rs)					
EPS	11.5	23.1	28.9	37.8	49.7
CEPS	16.0	28.1	34.6	43.8	56.2
Dividend	0.0	0.0	0.7	0.7	0.7
BVPS	130.8	154.0	182.6	219.6	268.7
Turnover Ratios (days)					
Debtor days	69	60	78	78	78
Inventory days	55	33	31	40	40
Creditors days	118	84	86	80	80
VALUATION (x)					
P/E	60.7	30.2	24.2	18.4	14.0
P/BV	5.3	4.5	3.8	3.2	2.6
EV/EBITDA	27.3	16.5	13.5	10.8	8.2
EV / Revenues	2.1	1.6	1.4	1.2	1.0
Dividend Yield (%)	0.0	0.0	0.1	0.1	0.1
Dividend Payout (%)	0.0	0.0	2.4	1.9	1.4

(Source: Company, HDFC sec)

One Year Price Chart



(Source: Company, HDFC sec)

HDFC Sec Retail Research Rating description

Green Rating stocks

This rating is given to stocks that represent large and established business having track record of decades and good reputation in the industry. They are industry leaders or have significant market share. They have multiple streams of cash flows and/or strong balance sheet to withstand downturn in economic cycle. These stocks offer moderate returns and at the same time are unlikely to suffer severe drawdown in their stock prices. These stocks can be kept as a part of long term portfolio holding, if so desired. This stocks offer low risk and lower reward and are suitable for beginners. They offer stability to the portfolio.

Yellow Rating stocks

This rating is given to stocks that have strong balance sheet and are from relatively stable industries which are likely to remain relevant for long time and unlikely to be affected much by economic or technological disruptions. These stocks have emerged stronger over time but are yet to reach the level of green rating stocks. They offer medium risk, medium return opportunities. Some of these have the potential to attain green rating over time.

Red Rating stocks

This rating is given to emerging companies which are riskier than their established peers. Their share price tends to be volatile though they offer high growth potential. They are susceptible to severe downturn in their industry or in overall economy. Management of these companies need to prove their mettle in handling cyclicality of their business. If they are successful in navigating challenges, the market rewards their shareholders with handsome gains; otherwise their stock prices can take a severe beating. Overall these stocks offer high risk high return opportunities.

ABDUL KARIM Digitally signed by ABDUL KARIM
Date: 2023.10.16 08:24:00 +05'30'

Disclosure:
I, **(Abdul Karim)**, Research Analyst, **(MBA)**, 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 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 not have** any material conflict of interest.
Any holding in stock – Yes
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
For grievance redressal contact Customer Care Team Email: customercare@hdfcsec.com Phone: (022) 3901 9400
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.