

Market snapshot



Equities - India	Close	Chg .%	CYTD.%
Sensex	68,865	2.1	13.2
Nifty-50	20,687	2.1	14.3
Nifty-M 100	43,919	1.2	39.4
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	4,570	-0.5	19.0
Nasdaq	14,185	-0.8	35.5
FTSE 100	7,513	-0.2	0.8
DAX	16,405	0.0	17.8
Hang Seng	5,703	-1.0	-14.9
Nikkei 225	33,231	-0.6	27.3
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	78	-3.5	-3.9
Gold (\$/OZ)	2,029	-2.1	11.3
Cu (US\$/MT)	8,539	0.0	2.1
Almn (US\$/MT)	2,172	0.0	-7.5
Currency	Close	Chg .%	CYTD.%
USD/INR	83.4	0.1	0.8
USD/EUR	1.1	-0.4	1.2
USD/JPY	147.2	0.3	12.3
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	7.3	-0.02	-0.1
10 Yrs AAA Corp	7.7	-0.14	0.0
Flows (USD b)	4-Dec	MTD	CYTD
FII	0.2	2.55	15.1
DII	0.58	2.29	21.5
Volumes (INRb)	4-Dec	MTD*	YTD*
Cash	1,191	1119	682
F&O	3,02,555	2,05,775	2,69,530

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research theme

Bulls & Bears: Market makes a smart comeback in Nov'23

- ❖ The Nifty, after consolidating in Oct'23, bounced back in Nov'23 with a 5.5% MoM gain. Notably, the index was extremely volatile and swung around 1,185 points before closing 1,054 points higher. The Nifty is up 11.2% in CY23YTD. The global and domestic markets made a smart comeback as investors remained convinced that the US Federal Reserve was done with its rate-hike cycle, coupled with strong institution flows. Midcaps/Smallcaps outperformed largecaps by 4.9%/6.5% in Nov'23. Similarly, midcaps/smallcaps have outperformed largecaps and have risen 36%/46% vs. the 11% rise for the Nifty in CY23YTD.
- ❖ FIIs turned buyers of USD2.3b in Nov'23 after remaining net sellers for two months. DIIs recorded inflows of USD1.7b in Nov'23 after USD3.4b of inflows in Oct'23. FII and DII flows stand at USD14.4b and USD20.8b, respectively, in CY23YTD.
- ❖ Barring Russia (down 1% MoM), Nov'23 saw key global markets such as Brazil (+13%), Korea (+11%), Taiwan (+9%), the US (+9%), Japan (+9%), MSCI EM (+8%), India (+6%), Indonesia (+5%), the UK (+2%), and China (+0.4%) close higher in local currency terms. Over the last 12 months, the MSCI India Index (+7%) has outperformed the MSCI EM Index (+2%). Over the last 10 years, the MSCI India Index has notably outperformed the MSCI EM index by 192%.
- ❖ With the outcome overwhelmingly in favor of the incumbent BJP, the confidence of the market in the current dispensation and political continuity post 2024 Lok Sabha elections will get a boost. This augurs well for macro and policy momentum for India, which, at the moment, is seeing the highest growth among major economies (both GDP as well as corporate earnings). Nifty is trading at a 12-month forward P/E ratio of 18.4x, which is at a 9% discount vs. its long-period average (LPA).



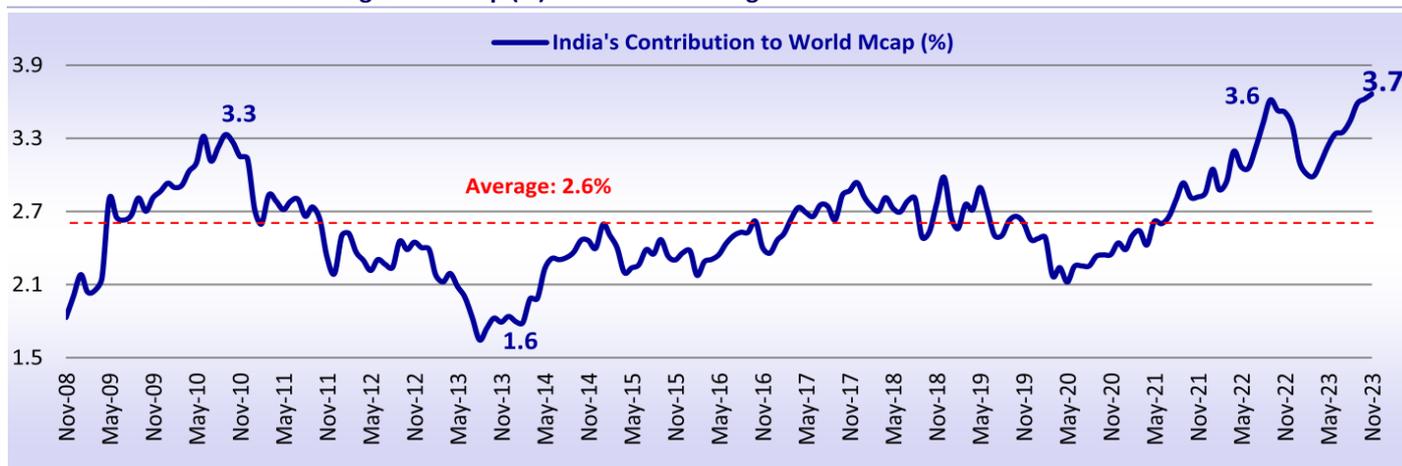
Research covered

Cos/Sector	Key Highlights
Bulls & Bears	December 2023: Market makes a smart comeback in Nov'23
Others	Mahindra Finance Hindustan Oil Exploration Co. Infrastructure



Chart of the Day: Bulls & Bears (India's share in the global market cap climbs to 3.7%; continues to scale new highs)

Trend in India's contribution to global M-cap (%) – at its all-time high



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Investors are advised to refer through important disclosures made at the last page of the Research Report.

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Kindly click on textbox for the detailed news link

1

JSW Infra to acquire a majority stake in PNP Port at enterprise value of Rs 700 crore

The deal is being executed through JSW Infrastructure's wholly-owned subsidiary JSW Dharamtar Port, the company said in a regulatory update.

2

Big relief to Apollo Tyres as Supreme Court dismisses Sebi appeal

In 2018, Sebi had penalised Apollo Tyres on the grounds that 6.90 lakh shares of Apollo Tyres were bought back by the company and its promoters in contravention of the relevant section of the Companies Act and Sebi regulations. A bench led by Justice Sanjiv Khanna during the hearing pulled up Sebi for appealing against the SAT orders and also asked it to give a list of appeals that it had filed against the tribunal's orders

3

BSNL to sharpen focus on enterprise business

The circle heads have been asked to take necessary steps in terms of increasing the staff for enterprise business, by the end of this month

4

No royalty revision rates until mines operationalised

The government has auctioned 330 mineral blocks since the introduction of the auction regime back in 2015 of which most of the mines are yet to be operationalized

5

Music industry hits a high note with Rs 12k-crore revenue

Indian music creators generated a revenue of ₹12,000 crore in the previous year, according to a report by EY titled 'The music creator economy: The Rise of Music Publishing in India'.

6

Release of PLI funds to pick up in Q4, but FY24 target may be missed

Our target for this year remains at Rs 11,000 crore. A lot of disbursements will come in the last quarter.

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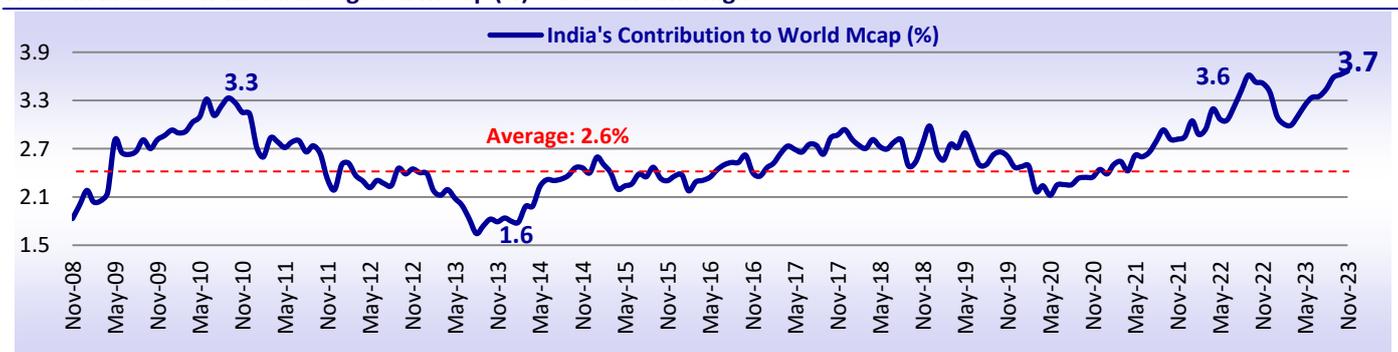
NCLT rejects insolvency plea against SpiceJet by aircraft lessor Willis Lease

A two-member Delhi-based NCLT bench rejected the plea moved by US-based Willis Lease Finance Corporation after SpiceJet questioned the maintainability of the petition

Strategy: Market makes a smart comeback in Nov'23; midcaps/smallcaps outperform largecaps

- Nifty rebounds and closes above 20k in Nov'23:** The Nifty, after consolidating in Oct'23, bounced back in Nov'23 with a 5.5% MoM gain. Notably, the index was extremely volatile and swung around 1,185 points before closing 1,054 points higher. The Nifty is up 11.2% in CY23YTD. The global and domestic markets made a smart comeback as investors remained convinced that the US Federal Reserve was done with its rate-hike cycle, coupled with strong institution flows. Midcaps/Smallcaps outperformed largecaps by 4.9%/6.5% in Nov'23. Similarly, midcaps/smallcaps have outperformed largecaps and have risen 36%/46% vs. the 11% rise for the Nifty in CY23YTD.
- FII report inflows after two consecutive months of outflows:** FIIs turned buyers of USD2.3b in Nov'23 after remaining net sellers for two months. DIIs recorded inflows of USD1.7b in Nov'23 after USD3.4b of inflows in Oct'23. FII and DII flows stand at USD14.4b and USD20.8b, respectively, in CY23YTD.
- All major sectors end higher in Nov'23:** Real Estate (+18%), Utilities (+11%), Healthcare (+11%), Automobiles (+10%), and Oil & Gas (+9%) were the top gainers.
- All major economies end higher in Nov'23:** Barring Russia (down 1% MoM), Nov'23 saw key global markets such as Brazil (+13%), Korea (+11%), Taiwan (+9%), the US (+9%), Japan (+9%), MSCI EM (+8%), India (+6%), Indonesia (+5%), the UK (+2%), and China (+0.4%) close higher in local currency terms. Over the last 12 months, the MSCI India Index (+7%) has outperformed the MSCI EM Index (+2%). Over the last 10 years, the MSCI India Index has notably outperformed the MSCI EM index by 192%.
- Earnings review – 2QFY24; A broad-based beat!** The 2QFY24 corporate earnings ended on a buoyant note with a widespread outperformance across aggregates driven by margin tailwinds. Domestic cyclicals such as Automobiles, BFSI, and Cement drove the beat. Nifty delivered a beat with a 28% YoY PAT growth (vs. est. of +21%). Five Nifty companies - BPCL, HDFC Bank, Tata Motors, JSW Steel, and Reliance Industries - contributed 68% of the incremental YoY accretion in earnings. Ex-OMCs, Nifty's earnings grew 22% YoY (vs. est. of +15%). Ex-Metals & O&G, Nifty earnings were up 32% (vs. est. of +27%).
- Our view:** Equity markets were justifiably anxious about the outcome of state polls and what it portends for the 2024 general elections. With the outcome overwhelmingly in favor of the incumbent BJP, the confidence of the market in the current dispensation and political continuity post 2024 Lok Sabha elections will get a boost. This augurs well for macro and policy momentum for India, which, at the moment, is seeing the highest growth among major economies (both GDP as well as corporate earnings). Nifty is trading at a 12-month forward P/E ratio of 18.4x, which is at a 9% discount vs. its long-period average (LPA). We largely maintain our sectoral allocations and weights, relying on the sectors that have shown growth potential to drive our stock selection framework. We remain OW on Financials, Consumption, Industrials, Automobiles, and Healthcare; while we maintain our UW stance on Metals, Energy, IT and Utilities, and Neutral outlook on Telecom in our model portfolio.
- Top ideas: Largecaps** – ICI Bank, ITC, Bajaj Finance, L&T, HCL Tech., M&M, Titan, Avenue Supermarts, Ultratech Cement, ONGC, and Zomato.
Midcaps and Smallcaps – Indian Hotels, Angel One, Lemon Tree Hotel, Ashok Leyland, Godrej Properties, Sunteck Realty, Metro Brands, Global Health, PNB Housing, and Craftsman Auto.

Trend in India's contribution to global M-cap (%) – at its all-time high



Source: MOSL, Company

Mahindra Finance

BSE SENSEX	S&P CNX
68,865	20,687
Bloomberg	MMFS IN
Equity Shares (m)	1236
M.Cap.(INRb)/(USD\$b)	343.1 / 4.1
52-Week Range (INR)	347 / 216
1, 6, 12 Rel. Per (%)	0/-18/11
12M Avg Val (INR M)	1147
Free float (%)	47.8

Financials Snapshot (INR b)

Y/E March	FY24E	FY25E	FY26E
NII	72.4	87.7	103.1
PPP	41.8	54.3	66.6
PAT	18.8	27.8	34.8
EPS (INR)	15.3	22.5	28.2
EPS Gr. (%)	-5	48	25
BV/Sh.(INR)	142	157	175

Ratios

NIM (%)	7.3	7.4	7.5
C/I ratio (%)	42.3	38.1	35.4
RoA (%)	1.8	2.2	2.4
RoE (%)	11.1	15.1	17.0
Payout (%)	37.5	35.0	35.0

Valuations

P/E (x)	18.2	12.3	9.9
P/BV (x)	2.0	1.8	1.6
Div. Yield (%)	2.1	2.8	3.6

Shareholding pattern (%)

As On	Sep-23	Jun-23	Sep-22
Promoter	52.2	52.2	52.2
DII	25.8	27.0	22.1
FII	14.2	14.1	17.1
Others	7.8	6.8	8.6

FII Includes depository receipts

CMP: INR278

Buy

Disbursements flat MoM; asset quality stable

Nov'23 disbursements grew 18% YoY and CE stood at 94% (vs. 96% YoY)

Key takeaways from Nov'23 business update:

- MMFS reported Nov'23 disbursements of ~INR53b, flat MoM and up ~18% YoY. YTD disbursements stood at ~INR360b, up ~16% YoY.
- Gross business assets as of Nov'23 stood at ~INR966b, up 26% YoY and up ~17% over Mar'23.
- Nov'23 collection efficiency stood at 94% (vs. 96% in Nov'22).
- GS3/GS2 were range-bound compared to Sep'23.
- **Important to highlight here that in 2022, Diwali was in October, but in 2023, Diwali was in November. This explains the YoY growth in disbursements and the slight decline in CE.**
- As of Oct'23, MMFS maintained a comfortable liquidity position equivalent to ~2.5 months of funding requirements.

Trends in disbursements, collection efficiency, and asset quality

MMFS	3QFY23			4QFY23			1QFY24			2QFY24			3QFY24	
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-22	Sep-23	Oct-23	Nov-23
Disbursements (INR b)	52.5	45.0	46.5	40.0	41.9	56.0	37.8	41.5	42.5	44.0	44.0	45.0	52.5	53.0
Growth - YoY (%)	98%	80%	69%	72%	53%	46%	37%	40%	13%	12%	18%	10%	0%	18%
Business Assets (INR b)	753.9	763.0	773.4	781.2	820.2	827.7	839.0	855.0	866.0	881.0	905.0	936.0	957.5	966.0
Growth - YoY (%)			21%			27%			28%	28%	28%	27%	27%	26%
Collection Efficiency [Monthly]	91%	96%	98%	95%	97%	105%	92%	96%	96%	96%	96%	97%	94%	94%
Collection Efficiency [Quarterly]		95%			99%			94%			96%			
Stage 2		< 9%	8.4%	< 8.5%		6.0%			6.4%			5.8%		
Stage 3	7.0%	< 7%	5.9%	5.9%		4.5%			4.3%			4.4%		
Stage 2 + Stage 3 [30+dpd]		< 16%	14.3%			10.4%			10.7%			10.2%		
Write-offs (INR b)		4.9			6.0			3.3			3.4			
MMFS	3QFY23			4QFY23			1QFY24			2QFY24			3QFY24	
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23
Commentary on Asset Quality														
Stage 2		Sequential reduction v/s Oct'22	Sequential reduction v/s Nov'22	Sequential reduction v/s Dec'22	Sequential reduction v/s Jan'23	Sequential reduction v/s Feb'23	Range-bound v/s Mar'23	Range-bound v/s Mar'23	~40bp QoQ increase to 6.4%	Range-bound v/s Jun'23	Range-bound v/s Jun'23	~60bp QoQ decline to 5.8%	Range-bound v/s Sep'23	Range-bound v/s Sep'23
Stage 3/NPA contracts	Stable MoM	Stable MoM	Sequential reduction v/s Nov'22	Stable MoM	Stable MoM	MoM improvement	Range-bound v/s Mar'23	Range-bound v/s Mar'23	Sequential reduction v/s Mar'23	Range-bound v/s Jun'23	Range-bound v/s Jun'23	Range-bound v/s Jun'23	Range-bound v/s Sep'23	Range-bound v/s Sep'23

Source: Company; MOFSL



Hindustan Oil Exploration Company

BSE SENSEX
68,865

S&P CNX
20,687

CMP: INR163

Not Rated



Stock Info

	HOE IN
Bloomberg	HOE IN
Equity Shares (m)	132
M.Cap.(INRb)/(USD\$b)	21.4 / 0.3
52-Week Range (INR)	258 / 116
1, 6, 12 Rel. Per (%)	-9/-21/6
12M Avg Val (INR M)	198
Free float (%)	100.0

Financials Snapshot (INR b)

Y/E March	FY21	FY22	FY23
Sales	1.0	1.3	3.8
EBITDA	0.5	0.8	2.0
Adj. PAT	0.4	0.7	1.6
Adj. EPS (INR)	2.8	5.3	12.4
EPS Gr. (%)	-67	87	133
BV/Sh.(INR)	55.2	57.9	70.3

Ratios

Net D:E	0.1	0.2	0.1
RoE (%)	9.3	4.8	19.3
RoCE (%)	4.2	7.0	17.4

Valuation

P/E (x)	57.6	30.7	13.2
P/BV (x)	3.0	2.8	2.3
EV/EBITDA (x)	1.2	2.0	0.3
FCF Yield (%)	-9.35	-3.23	5.55

Undergoing a strategic shift

- We met with Mr. Ramasamy Jeevanandam, CEO of Hindustan Oil Exploration Company Limited (HOEC), on 1st Dec'23. HOEC is a play in the upstream sub-sector within the oil and gas sector, which is seeing a multi-year upcycle (as we noted in our [report](#)) after nearly eight years of under-investment globally. HOEC management highlighted the following positive factors: 1) the company is transitioning from a single-asset to a multi-asset growth strategy; 2) the management remains confident of doubling the production in the next 3-4 years from a primarily low-cost reserve base (Opex: USD5-8/bbl); 3) operating cash flow has improved significantly after the start of the B-80 asset (partially operating) in May'22; 4) the company has engaged Baker Hughes to resolve production issues at the B-80 asset. HOEC (not covered) trades at FY23 PE of 13.2x.
- Our top picks in the oil and gas sector remain ONGC and Oil India. For oil and gas companies, we believe the key risks are volatility, a sharp decline in oil prices and execution issues related to production volume.

Shift from single-asset to multi-asset strategy to drive growth

With the start of its B80 asset in May'22 and improvements in operating cash flow generation, HOEC can focus on monetizing reserves across assets. This is in contrast to its previous strategy of focusing on the B80 asset. The management believes the new strategy will help to de-risk the business and allow for the creation of new pillars of growth, which can leverage the ongoing upcycle in the oil and gas sector.

Management confident of strong growth in production and earnings

In 2QFY24, HOEC raised oil production from the Dirok asset to 418bopd from 187bopd in 1QFY24 and gas production to 23.1mmscfd from 10.2mmscfd in 1QFY24. The management believes production at the Dirok well can be ramped up to 40mmscfd and eventually to over 50mmscfd. One of the two wells in the B80 asset was restarted in Sep'23, while the other well (primarily oil) remains closed for now. In the PY-1 asset in Cauvery Basin, HOEC plans to drill three development wells in FY25 at a cost of USD8-10m per well. The company has maintained the target of doubling its production volumes in the next 3-4 years.

An ambitious capex program

HOEC plans to embark on a ~USD100m drilling and well appraisal program for key assets such as Dirok, PY-1 and Kharsang. The entire capex will be spread over three years and will be aimed at: 1) monetizing existing discoveries and converting reserves to production, and 2) increasing reserve base in assets such as Dirok. In the Dirok asset, the company is awaiting results of seismic interpretation and remains confident of an upgrade in reserve numbers.

Upcoming IGGL and DNPL pipelines can be instrumental in unlocking volume growth

Production from the Dirok asset has been limited to 25-27mmscfd mainly due to the lack of pipeline connectivity, which means demand for volumes remains limited to nearby areas. In FY25, HOEC expects the connectivity with regional demand hubs to improve, as the DNPL pipeline and Indra-Dhanush Gas Grid section are completed.

Strengthens management with new inductions in core functions

With an improved financial position and given the need to develop multiple assets, HOEC has been investing in strengthening its management and technical teams. It has appointed a new CFO in Nov'23, while core functions such as drilling and reservoir development have also seen multiple new inductions.

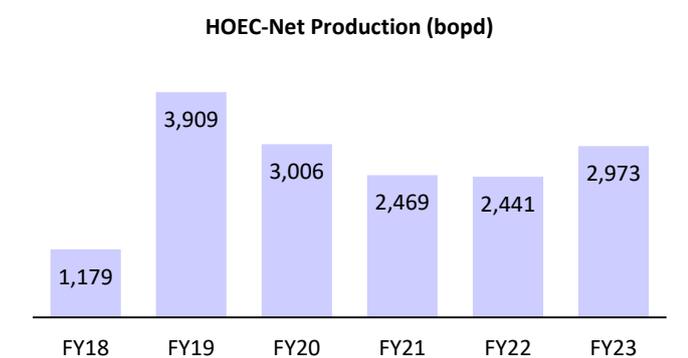
Efforts to restart 2nd well at B80 already underway

HOEC has engaged Baker Hughes (BH), a global offshore oil services company, to assist it with production-related issues at B80. As per BH, the reduced flow from one of the wells at B80 is attributable to wax deposits in the well and HOEC now plans to use chemical surfactants to restart the well. Meanwhile, cumulative oil production from this asset is nearing the minimum parcel size of ~400k barrels and the company will undertake an auction in Dec'23 to sell this oil. Oil sale will also help in price discovery and bring in clarity on the quality and value of oil from this asset.

Balance sheet continues to grow in strength

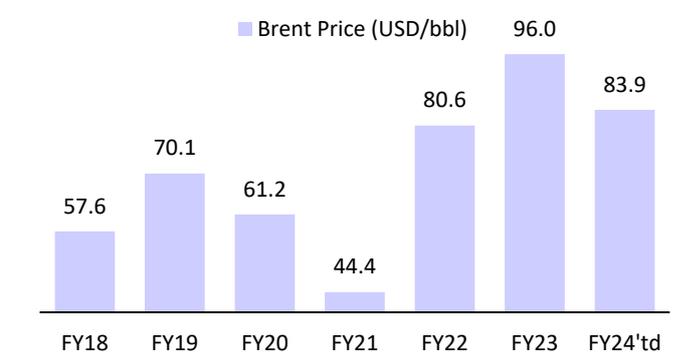
HOEC's net debt-to-EBITDA ratio improved to 0.05x in FY23 from 0.19x in FY22. In FY23, the company generated operating cash flow of INR1.9b, up 76% YoY. HOEC remains confident of maintaining a strong operating cash flow, with production expected to rise in the coming years and oil prices expected to average at least USD 80/bbl.

HOEC's production trend



Source: Company, MOFSL

Brent crude price trend



Source: Bloomberg, MOFSL

Valuation comparison of global and domestic upstream peers

Oil & Gas	P/E (x)			P/BV (x)			ROE (%)		
	CY22	CY23E	CY24E	CY22	CY23E	CY24E	CY22	CY23E	CY24E
CNOOC	2.9	6.9	6.7	0.7	1.4	1.3	26.3	19.4	18.0
PTT Exploration & Production	9.9	8.2	8.6	1.5	1.2	1.1	16.2	15.1	13.1
Permian Resources Corp	4.7	10.6	7.2	1.8	0.7	1.0	18.1	10.3	14.1
Murphy Oil Corp	7.5	8.5	7.1	1.3	1.2	1.1	21.1	15.1	16.3
ONGC*	6.7	4.5	4.8	0.9	0.8	0.7	14.4	19.2	16.2
OINL*	5.2	6.0	5.6	1.0	0.9	0.8	21.2	18.4	15.6

*ONGC & OINL numbers are for FY23, FY24E and FY25E respectively

Source: Company, Bloomberg, MOFSL



Infrastructure

NHAI project awarding subdued, hurts order inflows

- Project awarding by NHAI stands at 310km and construction stands at 1,990km in FY24YTD. The muted awarding by NHAI has hit FY24 order inflows for several road construction companies. Some companies also reduced their order inflow targets for FY24 due to the slow pace of awarding.
- Toll collections have been improving, with FASTag-based toll collections at INR419b during Apr-Nov'23 and a daily run rate of ~INR1.7b. In Nov'23, daily average toll collections stood at ~INR1.8b.
- NHAI's primary focus is on asset monetization as a means to generate funds beyond budgetary allocations. NHAI awarded two TOT bundles, 11 and 12, totaling 400km, at a cost of INR 66b in Oct'23. For FY24, NHAI aims to achieve a total monetization target of up to INR450b.
- DFCCIL revised the timelines for Dedicated Freight Corridor (DFC) projects, and these projects are now expected to be completed by Dec'24.

Key Indicators

	FY22	FY23	FY24 (YTD)
Daily average FASTag toll (INR b)	1.04	1.5	1.7
Tenders awarded by NHAI (km)	6,306	6,003	310
Road construction by NHAI (km)	4,325	4,882	1,990

NHAI awarding muted to date in FY24, but road construction gathers pace

As of FY24, NHAI has awarded projects with a length of ~310km. HAM projects continued to dominate project awarding in terms of volume of the awarded projects (137km awarded worth INR45b over Apr-Oct'23).

Road construction activities gained momentum in Oct'23, with NHAI completing ~356km of roads vs. ~150km in Sep'23 and ~340km in Oct'23. During Apr-Nov'23, road construction has reached 1,990km. In FY23, NHAI completed ~4,882km of roads at a rate of 13.4km per day, an improvement from 4,325km constructed in FY22.

FASTag toll collections witnessing consistent improvement

FASTag toll collections improved 14% YoY during Apr'23-Nov'23, while collection value increased 21% YoY. Higher toll collections play a crucial role in expediting the monetization process of road assets by the Ministry. Additionally, toll collections benefit the companies seeking to monetize their existing toll assets.

Asset monetization in focus for NHAI

NHAI has drawn up a list of 46 projects, spanning over 2,612km, for monetization in FY24. NHAI awarded two TOT bundles, 11 and 12, totaling 400 km, at a cost of INR66b in Oct'23. Cube Highways secured bundle 11, covering the 84 km Allahabad Bypass on NH19 in UP, for INR 21.5b. IRB Infrastructure Trust won bundle 12, spanning 316 km across UP and MP, for INR44.3b. In FY24, NHAI aims to achieve a total monetization target of up to INR450b.

Moderating input prices to improve margins for contractors

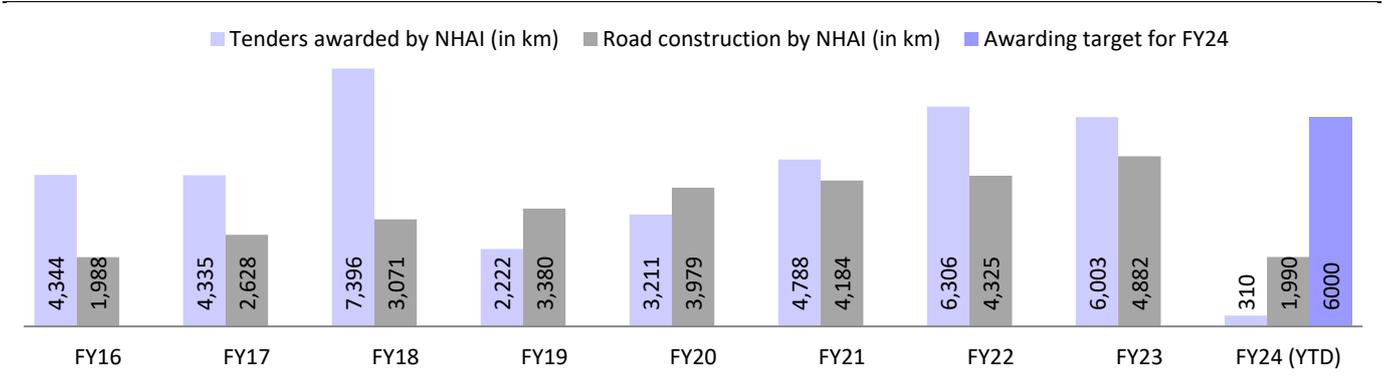
Steel prices have decreased ~25%, while aluminum prices have dropped ~32% since Apr'22. Conversely, cement prices have increased ~9% from their lows in Jul'22, mainly due to input cost pressures. With higher construction activities and stability in commodity prices, road contractors anticipate some improvement in profitability and margins in 2HFY24.

Players with strong order book, balance sheet strength, and diversified operations well placed

Although there has been a slowdown in project awards until Oct'23, a robust pipeline of tenders is currently in place. Entities with significant order backlogs, strong financial standings, and involvement across diverse sectors are well poised to benefit from NHAI's proactive approach to project allocation in 2HFY24. Our top pick in this sector is KNR Constructions Ltd (KNRC).

Subdued project awarding by NHAI hurts order inflow targets of several road construction companies

NHAI awarding and construction trends (in km)

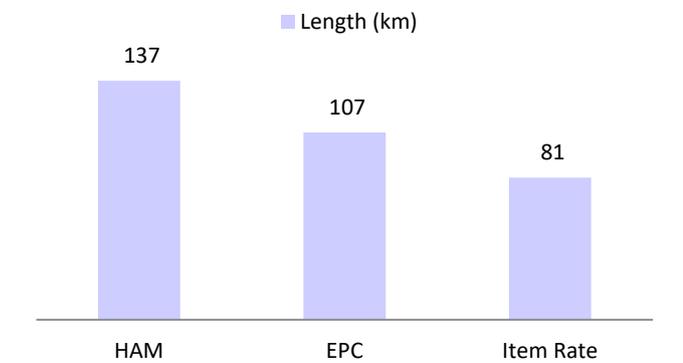


Sources: NHAI, MOFSL

Road project awarding by the NHAI accelerated in Oct'23; it awarded five projects in Oct'23 aggregating ~50km. During the month, ~350km of roads were constructed (vs. ~150km in Sep'23 and ~340km in Oct'22). NHAI has awarded a total of ~310km of road projects in FY24YTD, while road construction has stood at ~1,990km. In FY23, road awards totaled 6,003km and road construction totaled 4,882km.

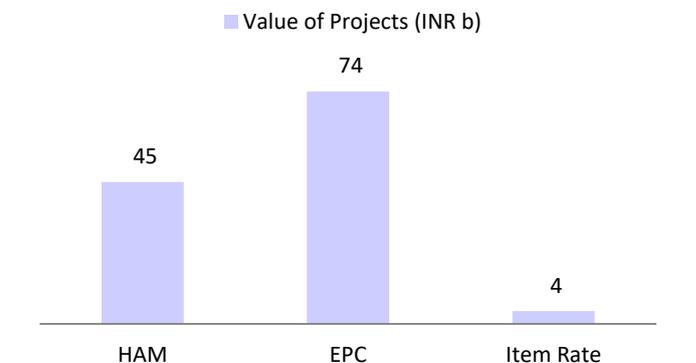
During Apr-Nov'23, road construction has reached ~1,990km. In FY23, NHAI completed ~4,882km of roads at a rate of 13.4km per day, an improvement from 4,325km constructed in FY22.

HAM projects constituted 42% of the projects awarded during Apr-Oct'23 (in km)...



Source: NHAI, MOFSL

...and 37% of the total projects awarded (in value terms)



Source: NHAI, MOFSL



Advance Enzymes: We Will Achieve Double Digit Revenue Growth In FY24; Mukund Kabra, WTD

- Margin will continue to improve on a quarterly basis
- H2FY24 will be far better for the US market, though we may not grow in FY24
- Indian market will grow by 20% in FY24
- Expect R&D costs to be around 6% this year
- Top 10 clients contribution has come down to 27% of mix

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REC: Renewable Capacity Has To Rise To 500 GW In Next 7 Years; Vivek Kumar Dewangan, CMD

- In next 7 years, renewable capacity has to rise to 500 GW
- Targeting Rs 3 lk cr opportunity in the renewable energy segment
- H1 AUM has grown by 20%, FY24 AUM will be at Rs 5.10 lk cr
- AUM can go up to Rs 10 lk cr by 2028
- 30% of AUM will be from renewable energy going forward
- Net Interest Margin (NIM) target at 3.5-3.6%
- Target FY25 RoA at more than 20%, looking at 22- 23%

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Shree Cement: Expect More Than 20% Growth In H2 EBITDA YoY; HM Bangur, Chairman

- Volumes are up by 10% in October-November 2023
- H1 volumes are up by 14%, FY24 volumes should rise by 12%
- Expect more than 20% growth in H2 EBITDA YOY
- Cost of fuel is at Rs 1.85/kilocalorie vs Rs 2.6/kilocalorie last year
- HNI demand for real estate in tier 2 & tier 3 cities driving cement growth
- Makes sense to pay \$80-90/t for plants in South India, \$100-110 in Central India

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BEML: May End FY24 With ₹14,000 Crore Orderbook Instead of ₹17,000 Crore; Shantanu Roy, CMD

- Have received orders worth Rs 6,000 cr till last month
- Expect further order wins of Rs 3,000 cr
- Few tenders have been pushed to Q3 of FY24, especially on metro side
- May end FY24 with Rs 14,000 cr orderbook instead of Rs 17,000 cr, some orders are pushed out
- Expect physical exports to grow by 50% YoY

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