

From Research Desk

- *Fundamentals*
- *Technical Aspect*
- *Recommendation*
- *Disclaimer*



<i>Stock</i>	<i>Industry</i>	<i>Recommendation</i>	<i>CMP</i>	<i>Targets</i>	<i>Time Horizon</i>
HDIL	Construction & Contracting - Real Estate	Buy around 90-88	90	150	6-12 month

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HDIL

Recommendation: Buy

Housing Development and Infrastructure Limited (HDIL) is a real estate development company engaged in real estate activities with own or leased property. The Company has operations in the Mumbai Metropolitan Region. It operates in various aspects of real estate business, ranging from residential, commercial and retail projects, to slum rehabilitation to land development.

Its residential projects include apartment complexes, towers and townships. Its commercial projects include premium office spaces and multiplex cinemas. In retail, it is focused on building shopping malls. It also handles slum rehabilitation projects under a government scheme offering development rights in exchange for clearing and redeveloping slum lands, while providing replacement housing for the displaced slum dwellers.

Its commercial and retail projects include Dream Mall, Harmony Mall, Annex Mall, Kulraj Mall and HDIL Industrial Park. Its residential projects include Hill View, Dreams and Dheeraj Affaire.

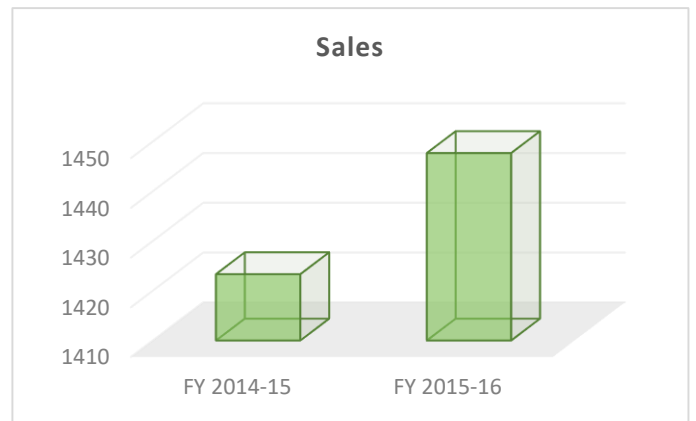
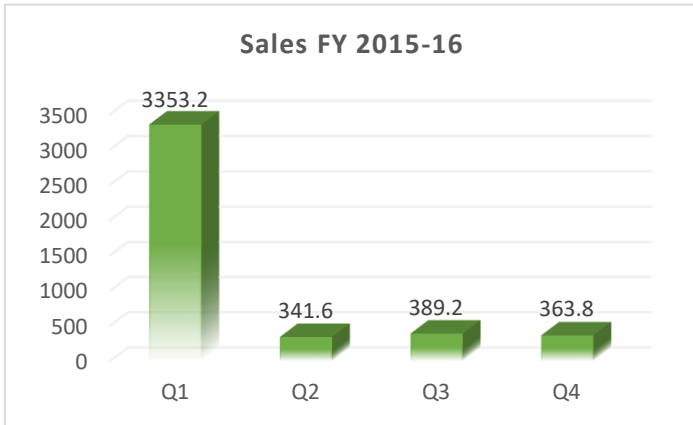
Results

- Income recognized in this Quarter from Kurla commercial project and TDR of approx. 3, 50,000 sq ft.
- Consolidated positive Cash Flow from operations this quarter is Rs.295.31 Cr
- Consolidated Net Debt stands at Rs.2730.16 Cr.
- Cash and cash equivalents Rs. 177.24 cr
- During the quarter, the company sold approx. 331450 sq ft of saleable area amounting to approx. Rs. 363.77 Cr.
- TDR prices range between Rs.3500 to 4000 per sq ft. Company expects TDR sales range of approx 3, 50,000 to 4, 00,000 sq ft every quarter.
- Planet HDIL: In advanced stage to close first large FSI sale transaction. Likely closure in 1st quarter.
- Company in advanced stage to sell incremental FSI of 6 million sq ft generated in Paradise city Palghar.
- Company to explore options to Sell FSI in Berkeley square projects in Ghatkopar, Redevelopment to be completed in 1st quarter 2016-17.

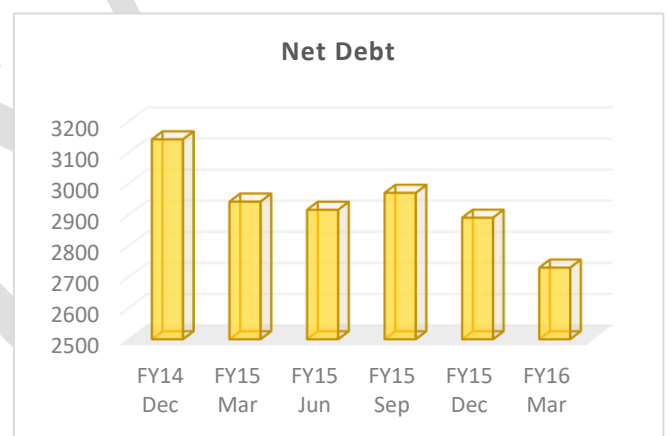
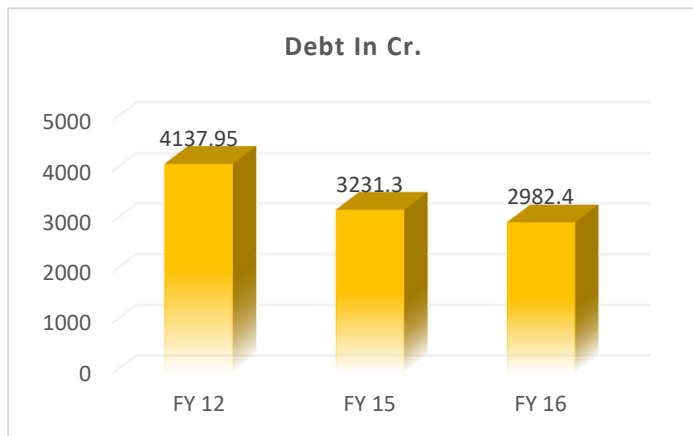
Stock Info	
BSE Code	532873
NSE Code	HDIL
CMP	90
Face Value	10
Market Cap(Cr.)	4068
Beta	3.0
Book Value	260
EPS	3.48
PE Ratio	26
52 Week High	108
52 Week Low	52

Share Holding Pattern (%)		
Category	No. of shares	Percentage
Promoters	158,351,266	36.49
Foreign Institutions	194,696,034	44.86
General Public	55,840,013	12.87
Others	18,925,926	4.36
NBFC and Mutual Funds	5,480,094	1.26
Financial Institutions	710,653	0.16

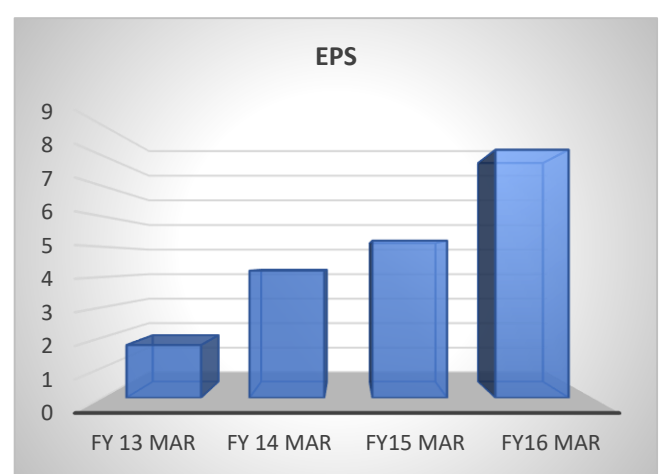
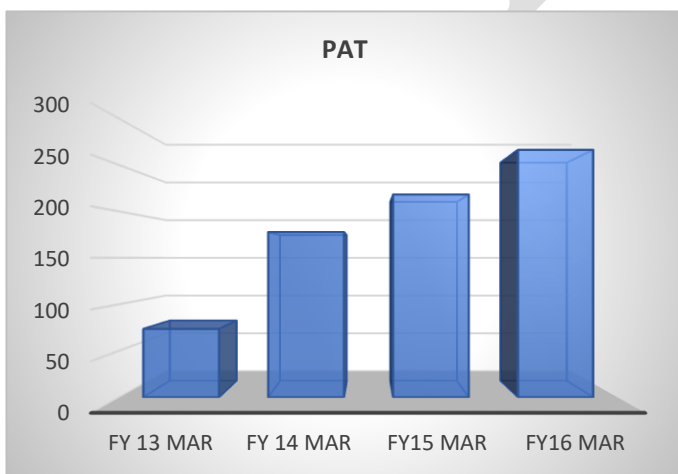
Peer Comparison				
Name	Cmp	Market Cap	Sales Turnover	Net Profit
DLF	195.75	34,921	3,702.95	596.55
Indiabulls Real	204	9,718.95	27.20	17.35
Phoenix Mill	450.60	6,897.19	375.90	133.55
Delta Crop	169.00	4514.12	277.93	52.62
HDIL	93.20	4044.92	710.81	1725.25



Continuous Growth In Sales For Depicts Revival Of Market For Affordable Housing & Strong Execution.



HDIL has reduced its debt by INR 248.9 Cr from Rs. 3231.3.
Debt declined by approx. 27 % from FY12



Investment Rationale

- *Housing Development & Infrastructure Limited (HDIL) has established itself as one of India's premier real estate development companies, with significant operations in the Mumbai Metropolitan Region.*
- *Last year the promoter of the company infused Rs. 150 cr in the company.*
- *It launched a new brand "Budget Homes", under this brand, HDIL will provide affordable homes within Rs 50 lakh inclusive of stamp duty and registration in Mumbai suburbs and within Rs 20 lakh, including stamp duty and registration charges, in Vasai Virar region in the city's outskirts.*
- *In April 2017, the realty player launched a new project "The Nest" at Mumbai, under affordable housing brand "Budget Homes" having 263 open for sales in Phase 1 of the project.*
- *Even though the performance has been subdued in FY17, we expect the company to report better numbers in the coming years with entry into affordable housing segment.*

Technical Aspect



Hdil, after prolong corrective phase, has been trading in a broader range of 50-110 for last three years.

HDIL is finding support at 70 and resistance level 91. On Daily chart MACD showing positive crossover which indicates that upper side seems certain in it. Three consecutive close or weekly close above 91 will see nonstop rally in HDIL till 150++ in a week to come.

Technically, the realty index has witnessed bullish reversal after several years of underperformance and Hdil is also rebounding in line with the sectorial index.

Currently, it has been consolidating above the support zone of multiple moving averages with exponential rise in volumes which indicates accumulation. The chart pattern along with oscillators is also pointing towards strong prospect of retesting the upper band of the range in near term and

Daily 14 period RSI has turned up from near levels. As per the bullish high low theory of 40-70 levels, the daily RSI is expected to move up to 70-75 levels from the current reading of 53. This could mean Continuation of upside momentum in the stock price ahead

Monday, 19 June 2017

Possibly a breakout also this time. In short, we strongly advise traders to use this phase to accumulate in the given range of 90-88 with close below stop loss of 70 for the target of 150.

Traders don't go for aggressive or positional selling at all because trend looks positive and we expect rally to remain continue from 101--150+++mark in coming weeks. For positional trade, stop loss seeing below 70 on closing basis which is unlikely to breach in near terms.

Recommendation:

Buy HDIL in panic around 90---88 for the initial upside target of 150++ mark with stop loss below 70 on closing basis.

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