

India's power sector anticipates healthy growth in FY2025; demand seen to remaining strong at around 6%

The healthy demand growth continued in the first two months of FY25 at over 10 per cent supported by a favourable base. The report stands validated by the record maximum power demand of 250 GW on

May 30, as announced by the Ministry of Power. India's power sector is poised for robust growth in the fiscal year 2025, with expectations of a healthy demand surge at approximately 6.0 per cent, albeit

State ports plan a sea change in capacity, submit Rs 2 lakh cr expansion proposals to Centre

State government-controlled ports in India plan to invest over Rs 2 lakh crore to expand cargo handling capacity to 10,000 million tonnes annually by 2047. Gujarat aims to

develop integrated port cities with Rs 1.5 lakh crore, while Andhra Pradesh plans Rs 50,000 crore investment by 2050, enhancing their existing and new port infrastructure

New Delhi: State government-controlled ports, which collectively handle around half of India's total cargo movement, have submitted capacity expansion plans worth over Rs 2 lakh crore to the Centre, said

India's Plans for Airport Expansion – India Report

As demand for air travel and airline capacity increases, airport infrastructure is being ramped up to cater to a surge in passengers.

The Indian government is planning to invest INR 920 billion (\$11 billion) in airport infrastructure. This fund will be used for construction of new airports and expansion of existing ones, India's civil aviation minister K. Jaganmohan Reddy said.

DPIIT reviews infrastructure projects of Railways, MoRTH and MoHUA to boost Gati Shakti plan

The 72nd meeting of the Network Planning Group (NPG) evaluated three major infrastructure projects under the PM Gati Shakti National Master Plan (NMP), a national master plan for multi-modal connectivity, that brings 16 ministries, including railways and roadways together for integrated

Ports ministry receives 29 proposals worth Rs 3,300 crore from Andhra Pradesh

State government-controlled ports in Andhra Pradesh plan to invest over Rs 2 lakh crore to expand cargo handling capacity to 10,000 million tonnes annually by 2047. Gujarat aims to

develop integrated port cities with Rs 1.5 lakh crore, while Andhra Pradesh plans Rs 50,000 crore investment by 2050, enhancing their existing and new port infrastructure

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PM Gati Shakti scheme is transforming India's infrastructure: Morgan Stanley

In a recent report, American multinational investment bank and financial company Morgan Stanley has praised PM Gati Shakti scheme. The report says India has scaled up its infrastructure strongly in the last

Govt's big infra push: Nod to road projects worth Rs 50,655 crore

In a big push to infrastructure spending, the Union government Friday approved eight national high-speed corridor projects under which 503-km length highways will be constructed at a cost of Rs 50,655 crore.

After a meeting of the Prime Minister-chaired Cabinet Committee on Economic Affairs (CCEA), a statement by the government said the implementation of these projects will generate 4.42 crore mandays of direct



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NFO OPENS ON: 14TH NOVEMBER 2024
NFO CLOSURES ON: 28TH NOVEMBER 2024

Population Growth



- India is now the most populous country with over 1.4 billion people.
- Urban and rural consumption dynamics are evolving with growth of cashless digital economy.

Higher Disposable Income



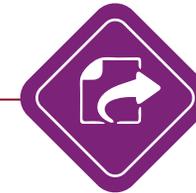
- Per Capita Income crosses \$2500 in 2024, leading to more disposable income.
- Growth in demand for premiumization among the younger demographic.

Manufacturing Hub



- Increase in domestic consumption driving manufacturing focus.
- Manufacturing share in GDP to grow to 21% by FY31 from 14% currently.

Export Expansion



- India is expected to increase its global export share from 2.5% to 4.7% by 2033 improving fiscal health.
- PLI driven exports exceed 3.2 lakh Cr, across 14 sectors.

Enablers for Infrastructure

Rising Capex

Projected to rise from 5.3% to 6.5% of real GDP by FY29. Infrastructure spending has a multiplier effect on GDP of 2.5-3.5x (per RBI)

Government Focus

Adjusting for GDP, India's infrastructure is ahead of China. INR 3 lakh crore PLI approved across manufacturing - Auto, Pharma, White Goods and Textiles

Public Private Partnership

Increased transparency through revision in MCA to accelerate growth through technology, advancement and best practices .

Corporate Underwriting

Increasing private capex for upcoming expansion and strong GDP growth cycle.
India GDP to grow ~7% in FY25 – World bank

Higher FDI

India received 42% of its total FDI (\$383 billion) in the last 4 years, out of the last 24 years.

Improved trend in ICOR

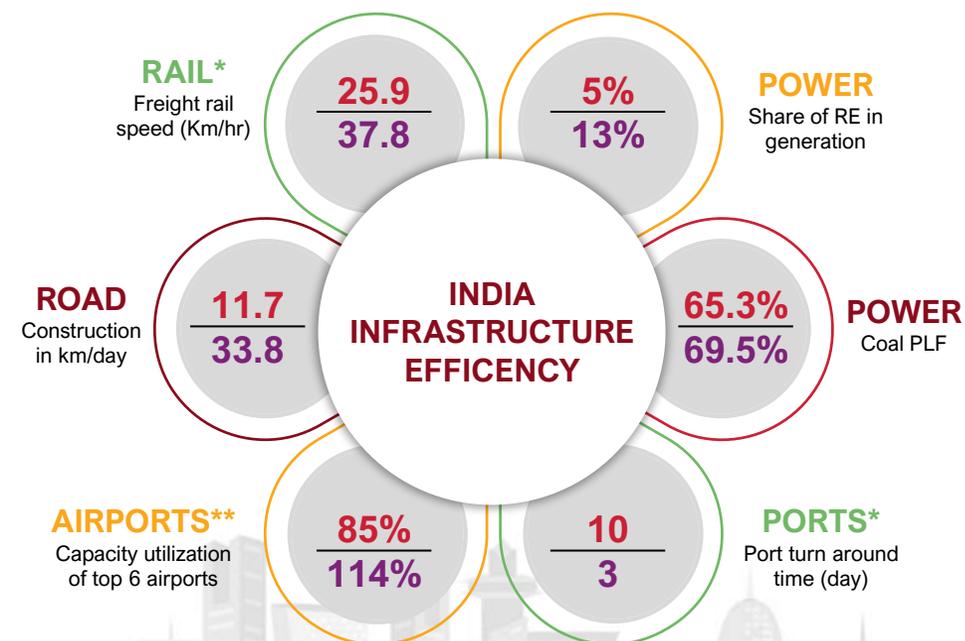
India's TFP growth likely to stay strong, increasing at an average of 3.2% over last 10 years compared to 2.4% in previous decade.



Key Infrastructure Developments during the Decade (2014-24)

	Sector	Category	Units	FY14	FY24	Difference
	Railway	Track laying	Km/day	4	15	275%
		Wagon Turnaround time	Days	5.3	4.7	12%
	Roads	National Highway length	Kms	91,287	1,46,145	60%
		Toll wait Time	Mins	12.23	0.47	-96%
	Ports	Capacity	MT	1400	2841	103%
		Cargo handled	MT	973	1539	58%
	Airport	No. of airport	Nos	74	149	101%
		Passenger	Passenger	60	136	127%
	Renewable	Capacity	MW	34,988	1,43,645	311%
	Transmission	Length	Kms	2,91,336	4,85,544	67%

India's infrastructure improving Efficiencies



Source Various ministries, Morgan Stanley Research. Please note: *Rail and Port data is for FY23. **Airport data is from F17 to F24 | PLF – Plant Load Factor RE – Renewable Energy

FY14
FY24

Key Government Initiatives and Impact



PM Gati Shakti – The National Masterplan

- Improve efficiency in decision making and capital allocation decisions across departments
- Using geo-spatial analytics for last mile connectivity across economic zones with optimized route planning
- Digitally trackable progress to streamline bottlenecks
- Reduce logistical cost (~14% of GDP v/s global average of 8%), improving India's competitiveness



National Infrastructure Pipeline

- Launched in 2019, it is a live dashboard to track infra projects (>Rs1bn) across different sectors
- Currently, 23 sectors across 18 states have been identified for greenfield and brownfield investments
- Showcase investment opportunities in infrastructure sector, improve project preparation and attracting investments into India



National Logistics Policy

- Improve logistical efficiencies through comprehensive development - warehousing, last mile delivery, live location tracking
- Covers all modes of transport and provides a seamless end-to-end logistics service
- Enhancing competitiveness by improving inventory predictability in sectors like agriculture, consumer goods, and electronics



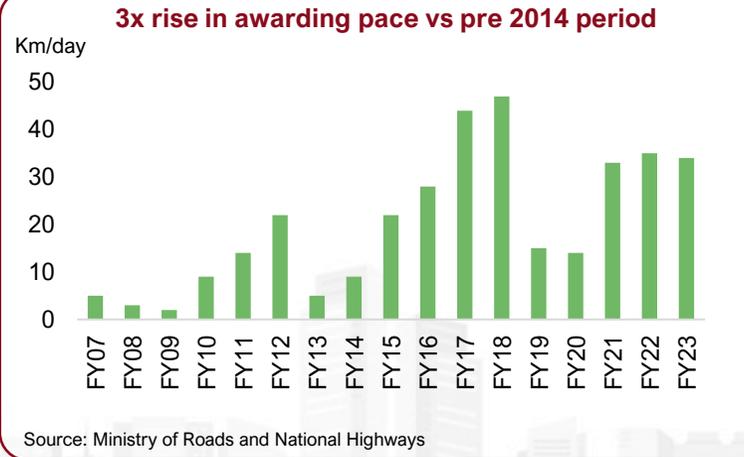
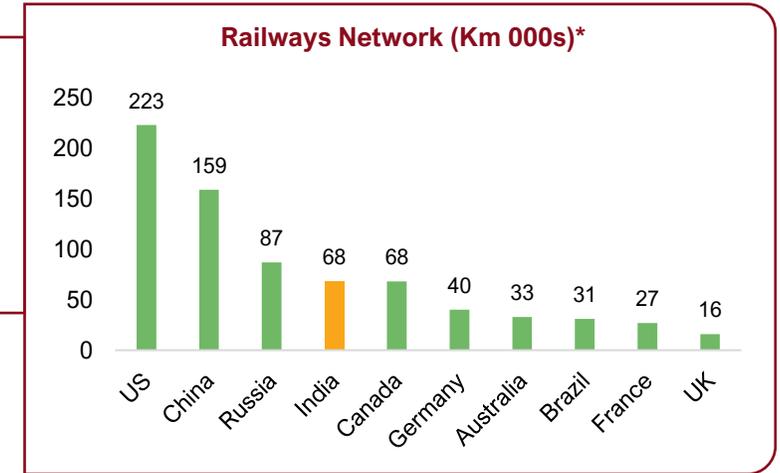
Bharatmala and Sagarmala projects

- Bharatmala(2017), Integrating national and economic corridors to foster seamless movement. Capital outlay earmarked is over Rs5tn across ~25000 km
- Sagarmala(2016), Focused on enhancing ports: Connectivity (52%), Modernization (25%), New development (22%), and community development (1%). 839 projects, ~Rs5.8tn have been identified for implementation by 2035

Sector Updates - Roads & Railways

RAILWAYS

- ❖ 2024 Interim Budget made an allocation of Rs2.5tn for the railways. Annual capex in FY21-25e period has grown by 5x compared to the pre-2014 average
- ❖ Track laying at 14.5 km/day, ~5,300km of tracks added in FY24. Plan to add ~40,900km over 8 years
- ❖ Dedicated high freight corridors and revised private freight terminal policy. 3 new corridors to be created to improve rail freight capacity and speed
- ❖ Electrification: 96% broad-gauge route electrified as of April 2024 vs 33% in 2014



ROADS

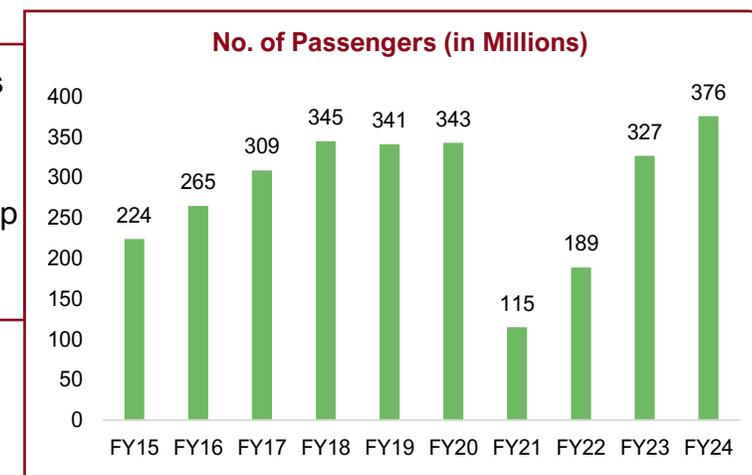
- ❖ In FY24, the total length of National Highways in the country reached 146,145km with 30% being 4 lane highways. Globally, India has 2nd largest network of roads in terms of length
- ❖ Land acquisition reform: 90% now mandated at the tendering stage v/s appointed date previously
- ❖ GST implementation and Fastag enable electronic toll collection, reducing TAT at toll plazas by 95%
- ❖ Roads Ministry expenditure has increased from Rs51bn in FY14 to Rs313bn in FY24
- ❖ ~Rs702bn raised in asset monetization - Toll Operate transfer, Infra Investment Trusts, Project Finance

Source - [Press Information Bureau \(pib.gov.in\)](http://pib.gov.in), *Morgan Stanley Report - June 2024; TAT - Turnaround Time

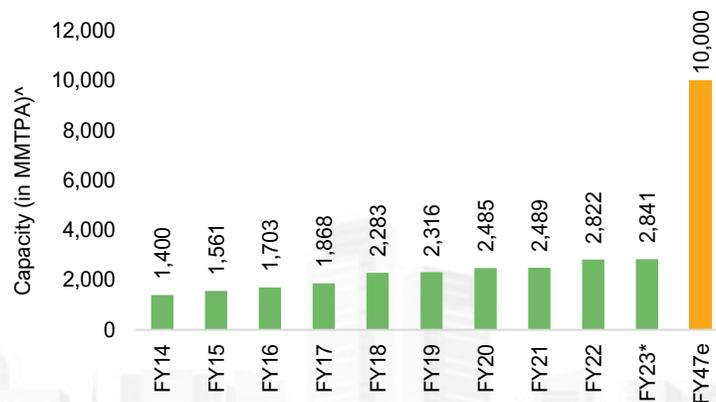
Sector Specific - Airports & Ports

AIRPORTS

- ❖ India's domestic air passenger traffic is now higher than pre pandemic at 376 million in FY 2024, and it's projected to reach ~1.1bn by 2040(CAGR of ~12%)
- ❖ Expand the airport network - Over 200 by 2030 vs current at 149
- ❖ UDAN - Plan for stimulating regional air connectivity and making air travel affordable through viability gap funding(~60Lakhs passengers annually) and further concessions from central and state government
- ❖ Vision 2040: 100 New airports, \$ 50Bn investment, 2359 crafts, RnD focus on green aviation



India's port capacity expected to grow 3.5x by 2047

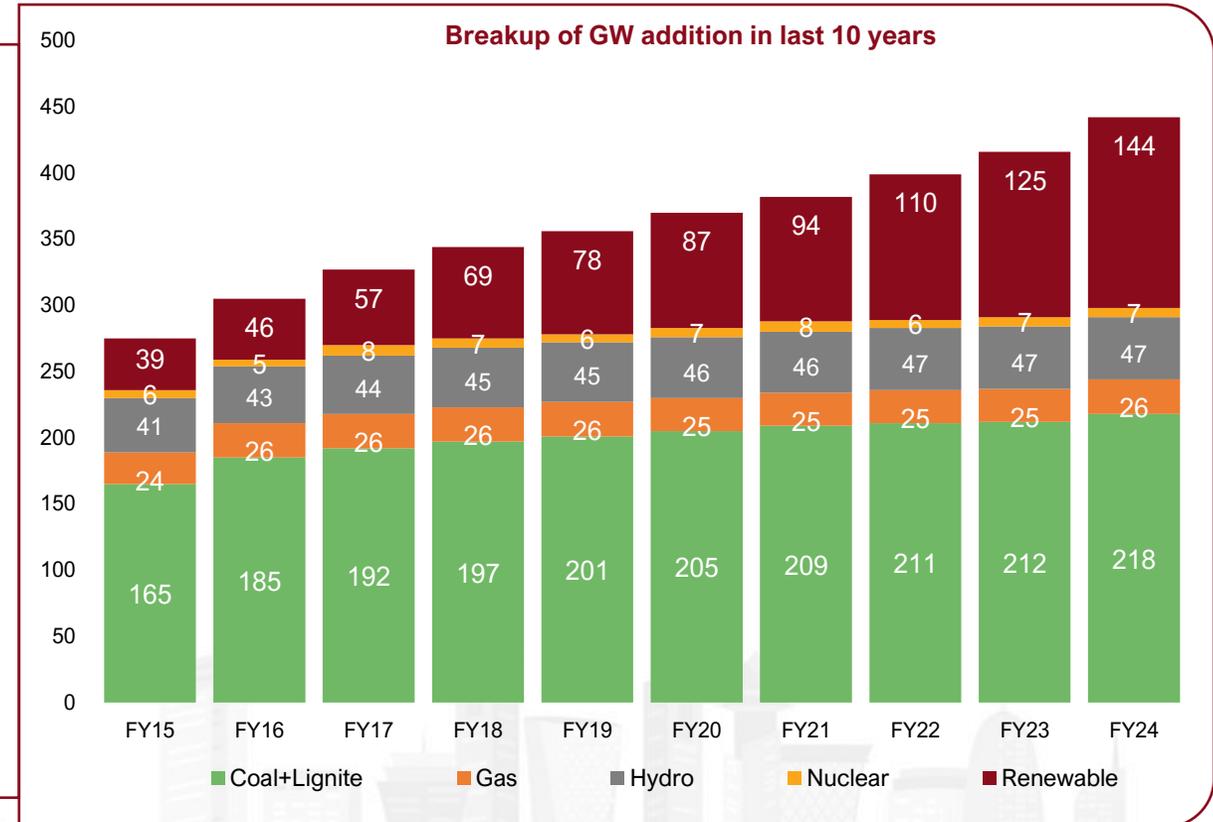


PORTS

- ❖ Currently, 12 major and more than 200 minor ports are to be augmented with 4 Mega port clusters
- ❖ Maritime India Vision 2030: 10-year blueprint to catalyze investments of Rs1tn in over 150 projects towards capacity augmentation and development of port infrastructure for reducing vessel TAT
- ❖ Digitization of ports - EXIM processes(Invoice, Delivery), Bill of lading, Customs, RFID solutions
- ❖ Amrit Kaal plan 2047 - Port's capacity expansion, Inland water transport, Coastal shipping will be focus areas. The total investment opportunity of Rs75-80tn over the next 25 years

Power and Utilities

- ❖ India's installed capacity base is expected to rise to 610GW in FY27 vs 426GW in FY24, projected CAGR of over 10%
- ❖ COP26 Summit – Increase non fossil energy capacity to 500GW and get 50% energy from Renewable sources by 2030; net zero by 2070
- ❖ Over the last 10 years, 109GW out of the 193GW added, has come from renewable additions, and the share of renewables in all-India generation reached ~13% as of FY24
- ❖ Per the recently released National Electricity Plan for transmission (January 2024), capex of Rs4.75tn would be incurred over FY22-27
- ❖ Energy consumption per capita still lags behind global averages and is ~10% that of the US
- ❖ 3x increase in natural gas consumption from 188mmscmd to 500mmscmd by 2030. Government plans to expand the natural gas grid to ~35,000km, a 50% rise over current grid

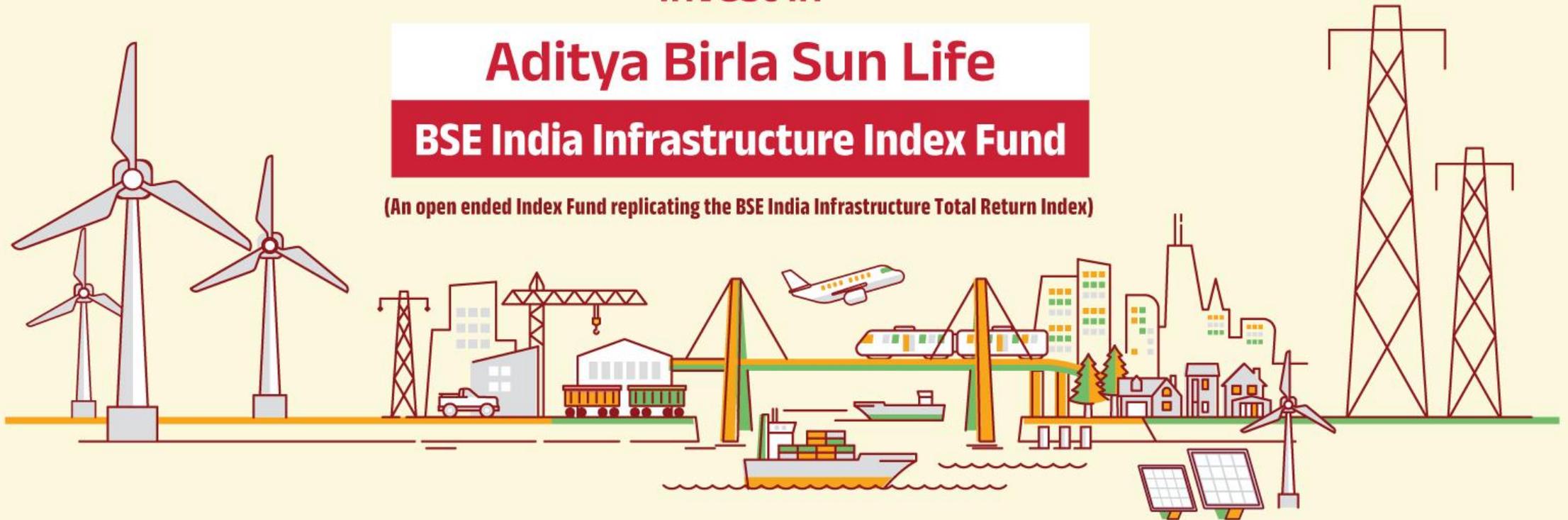


**THE PROGRESS OF INDIA CAN BE AN
OPPORTUNITY FOR YOUR GROWTH.
DON'T LET IT SLIP!**

Invest in

**Aditya Birla Sun Life
BSE India Infrastructure Index Fund**

(An open ended Index Fund replicating the BSE India Infrastructure Total Return Index)



About the Index - Methodology



Eligible Universe

- Constituents should be part of BSE AllCap Universe
- Should have listing history of at least six-months and common India Industry Classification Structure as 'Basic industry' with 5 clusters categorized as **Energy, NBFCs^[1], Construction & Engineering^[2], Transportation & Utilities**



Stocks Selection

Step 1

- Eligible Stocks: Average 6-month daily float-adjusted market cap ≥ 100 crores.
- Current constituents: Average 6-month float-adjusted market cap \geq **INR 80 crores**
- For new inclusion: Annualized traded value \geq to **INR 20 crores & Turnover ratio $\geq 10\%$**
- For existing: Annualized Traded Value \geq **16crs & Turnover Ratio: At least 8%**
- Have no more than 5 non-trading days in past six months, as of the rebalancing reference date

Step 2 Stocks satisfying step 1 criteria are then ranked by market cap within the cluster. Stocks with rank > 10 are excluded, unless eligible stock count falls under 30*

Step 3 From the remaining stocks after step 2, the top 20 stocks (whether a current constituent or not) are selected for index inclusion. Existing constituents ranked 21-40 are selected in order of highest rank until the total stock of 30 is reached*

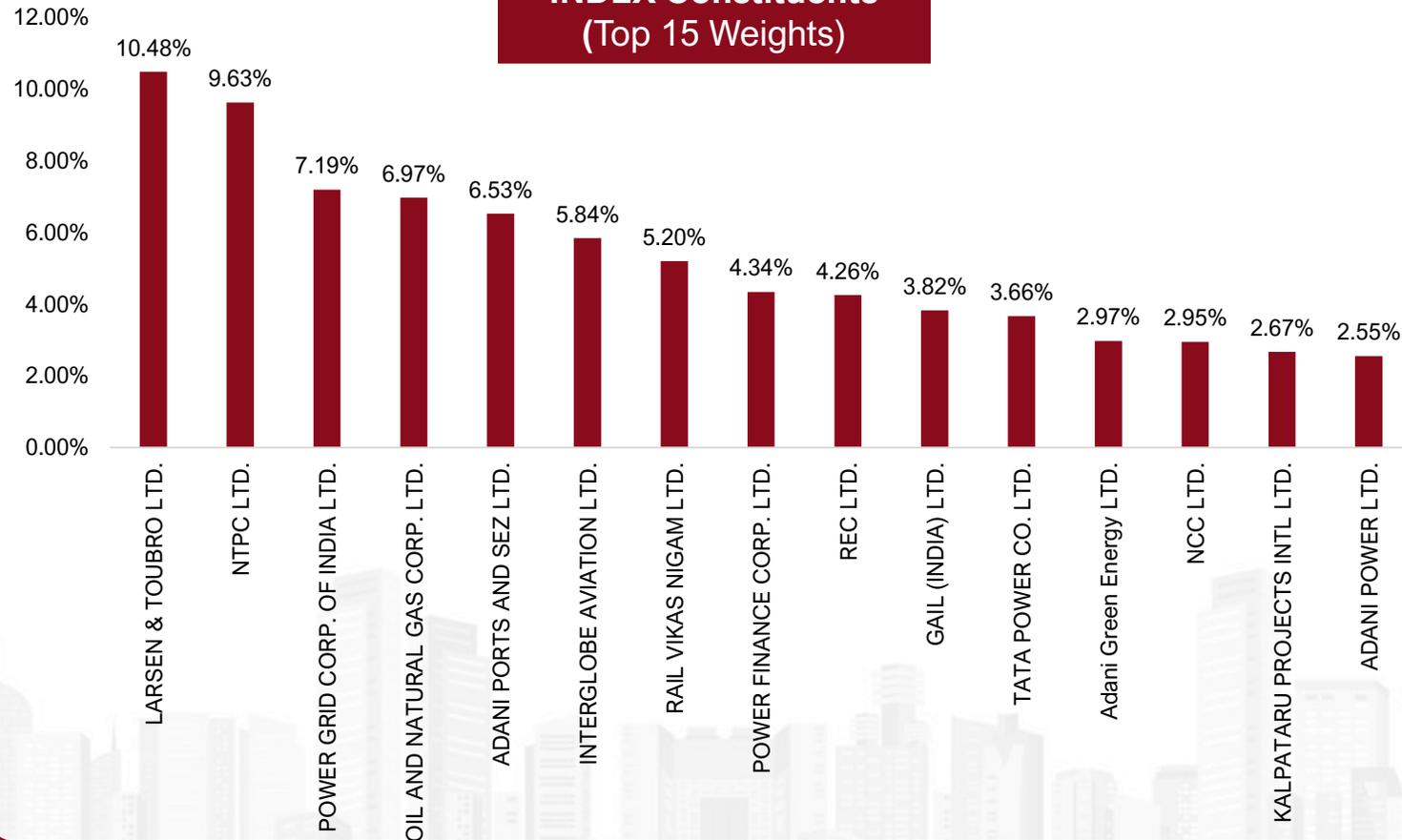


Constituent Weighting

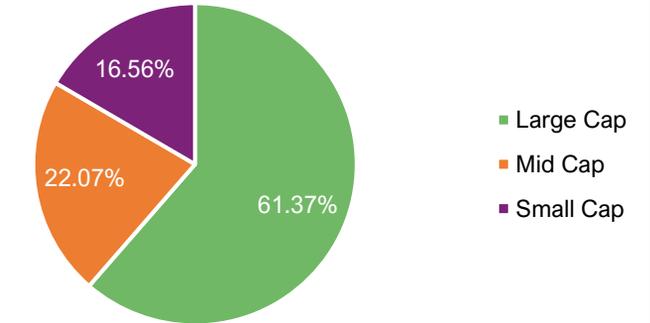
- Constituents are weighted by float-adjusted market capitalization, subject to the below:
- An individual stock weight cap of 10%
 - Individual infrastructure cluster weight cap of 30% applied at each semi-annual rebalancing

About the Index - Constituents & Sectors

**INDEX Constituents
(Top 15 Weights)**



Market Cap Split (Weight %)



Fundamental Data*

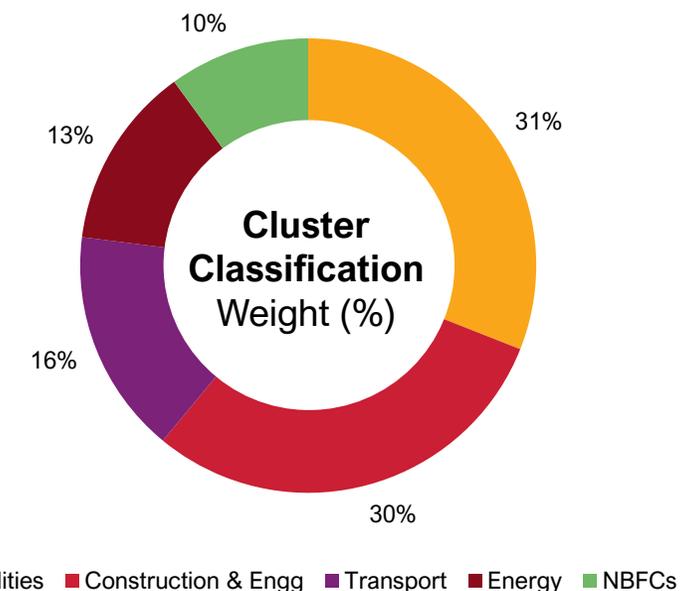
P/E	P/B	Dividend Yield
18.22	3.17	1.68

Source: BSE India / Data as on 21st October 2024 / For Constituents: [BSE Sensex - Live Sensex and Stock Values \(bseindia.com\)](https://www.bseindia.com) Issuer(s) / Stock(s) and Sector(s) mentioned in the document are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. | Market cap categorization done basis AMFI Categorization dated 30th June 2024 | *Calculated on consolidated results basis

About the Index – Fundamentals & Cluster Classifications

MUTUAL FUNDS

Companies	P/E	P/B	ROE	ROA	EBITA Margin	EPS	ANR#	1Yr Return	Institutional Holding (%)
NTPC Ltd.	20.51	2.66	13.53	4.48	28.92	21.86	87% 24	79.23	87.87
Power Grid Corp Ltd.	20.95	3.74	18.3	6.19	88.09	16.75	61% 21	75.62	84.17
Tata Power Co. Ltd.	41.64	4.75	12.09	2.76	17.55	11.95	65% 23	83.47	65.12
Larsen n Toubro Ltd.	38.82	5.81	14.87	3.9	10.72	96.54	94% 36	20.83	65.17
Rail Vikas Nigam Ltd.	69.5	12.51	19.59	8.28	6.26	6.97	67% 3	209.65	82.31
NCC Ltd.	26.89	2.88	11.1	4.1	8.49	12.26	78% 14	96.29	34.86
Adani Ports & SEZ Ltd.	39.08	5.99	16.47	6.94	59.39	41.93	100% 17	77.85	75.51
Interglobe Aviation Ltd.	23.16	94.84	-	11.56	24.72	202.07	86% 22	106	37.50
ONGC Ltd.	7.46	1.09	15.88	7.41	15.99	35.08	78% 28	52.18	92.52
GAIL (INDIA) Ltd.	15.92	2.05	13.95	8.52	10.76	17.17	70% 36	92.73	77.88
Oil India Ltd.	14.6	1.9	14.59	7.63	34.44	41.77	84% 19	185.47	86.45
PFC Ltd.	8.25	1.61	21.33	2.04	98.32	62.82	100% 9	96.15	80.13
REC Ltd.	10.37	2.11	22.19	2.79	101.11	55.59	100% 9	93.74	22.86
IRFC Ltd.	31.64	4.13	13.55	1.31	99.5	4.9	100% 1	102.93	87.43



Utilities

NTPC Ltd.
Power Grid Corp.
Tata Power Co. Ltd.



Construction & Engg

Larsen & Toubro Ltd.
Rail Vikas Nigam Ltd.
NCC Ltd.



Transport

Adani Ports and SEZ Ltd.
Interglobe Aviation Ltd.
GMR Airports Infrastructure Ltd.



Energy

Oil and Natural Gas Corp.
GAIL (India) Ltd.
OIL India Ltd.



NBFCs

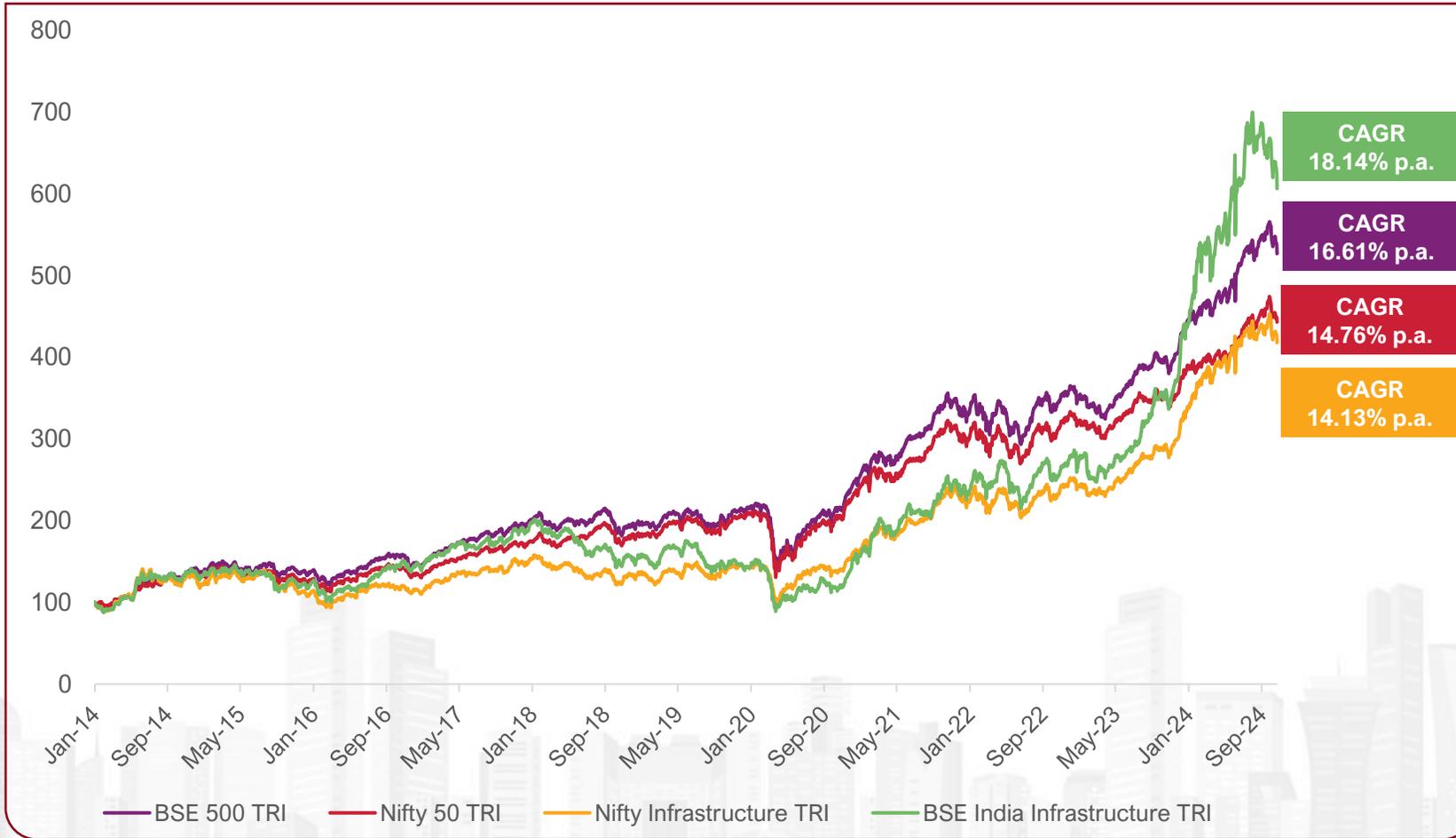
Power Finance Corp. Ltd.
REC Ltd.
Indian Railway Finance Corp.

Source: BSE India / Data as on 20th September 2024 / For Constituents: [BSE Sensex - Live Sensex and Stock Values \(bseindia.com\)](https://www.bseindia.com) Issuer(s) / Stock(s) and Sector(s) mentioned in the document are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. | #ANR – Bloomberg reported analyst ratings of buy & hold signals expressed percentage & No. of analyst covering

Historical Performance (1/2)



MUTUAL FUNDS

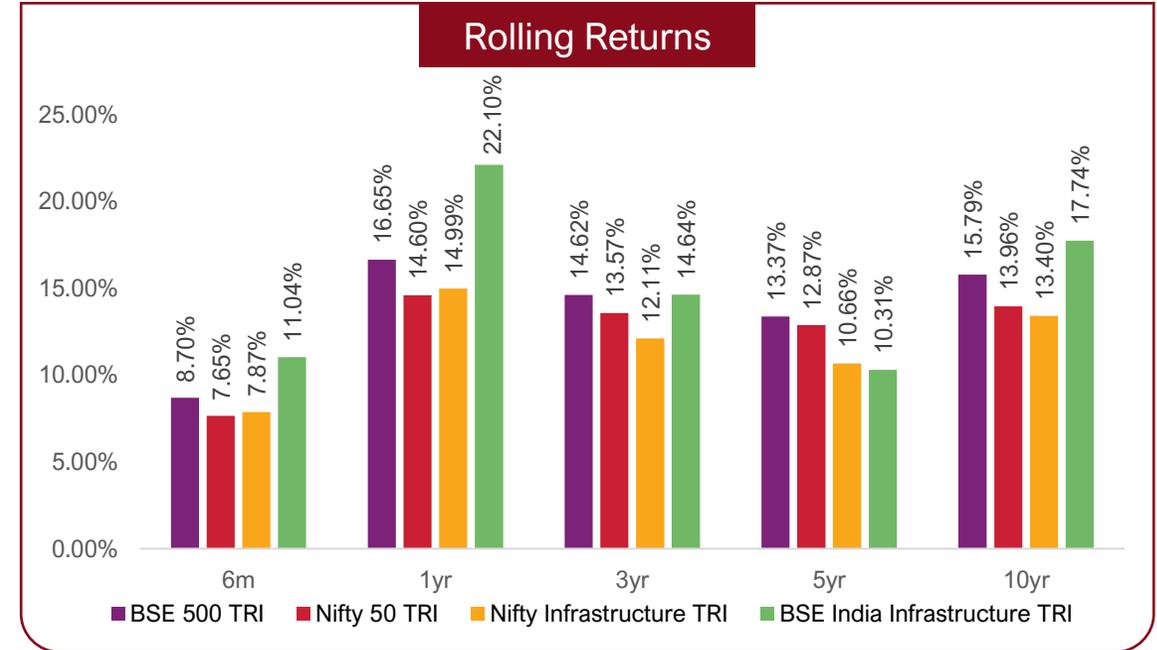
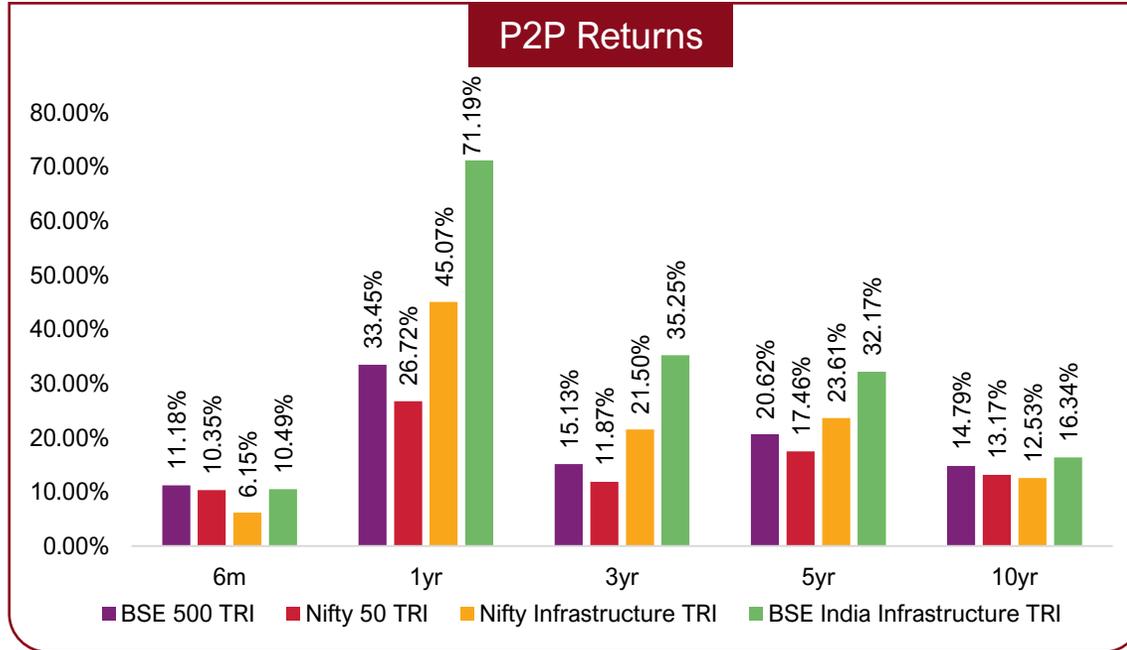


**In the last 1 year
BSE India Infrastructure TRI has
generated 71.2% vs 33.5%
(BSE 500 TRI)**

Source: BSE Historical Data | MFIE | Data as on 22nd October 2024. TRI – Total return Index |Data from 1st Jan 2014 – 22nd Oct 2024 | Index Values Rebased to 100 | Past Performance may or may not sustain in the future

Historical Performance (2/2)

MUTUAL FUNDS



	BSE 500 TRI	Nifty 50 TRI	Nifty Infrastructure TRI	BSE India Infrastructure TRI
Standard Deviation	16.1%	16.3%	19.3%	21.6%
Beta (Nifty 50 TRI)	1.00	0.99	1.06	1.12
Average Return(Annualized)*	17.0%	15.4%	15.4%	19.4%
Sharpe Ratio	0.62	0.52	0.44	0.58
Downside Deviation	13.9%	13.5%	15.0%	17.9%
Sortino Ratio	0.72	0.63	0.56	0.69

Source: BSE | MFIE | NSE, Returns calculated as on 22nd October 2024 / Index data are TRI values. P2P – Point to Point / Past Performance may or may not sustain in the future / SDd** - Standard downside Deviation measures downside risk that focuses on returns that fall below a minimum threshold or minimum acceptable return (MAR) / *Data from 1st Jan 2014 – 22nd Oct 2024

Historical Performance (2022-23)



MUTUAL FUNDS

1year Performance Chart (Sept 2022 – Sept 2023)



Sept 2022 - Mar 2023

	SMALL	MID	LARGE
Number	10	10	10
Weight	17.18%	13.65%	69.17%
Return	2.73%	-0.24%	-13.42%
	Base Bmk	No Cap	Delta
Return	-10.94%	-12.84%	1.90%

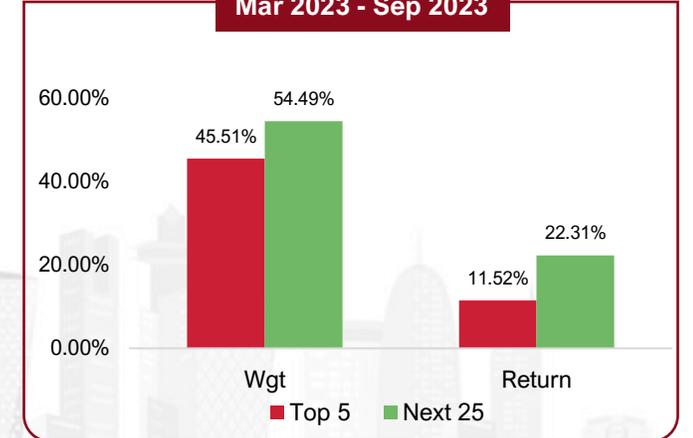
Mar 2023 - Sep 2023

	SMALL	MID	LARGE
Number	10	9	11
Weight	20.46%	13.04%	66.50%
Return	9.94%	8.10%	15.80%
	Base Bmk	No Cap	Delta
Return	33.84%	30.21%	3.63%

Sept 2022 - Mar 2023



Mar 2023 - Sep 2023



DRIVERS - ONGC, L&T, NCC

DRIVERS - L&T, NTPC, RVNL

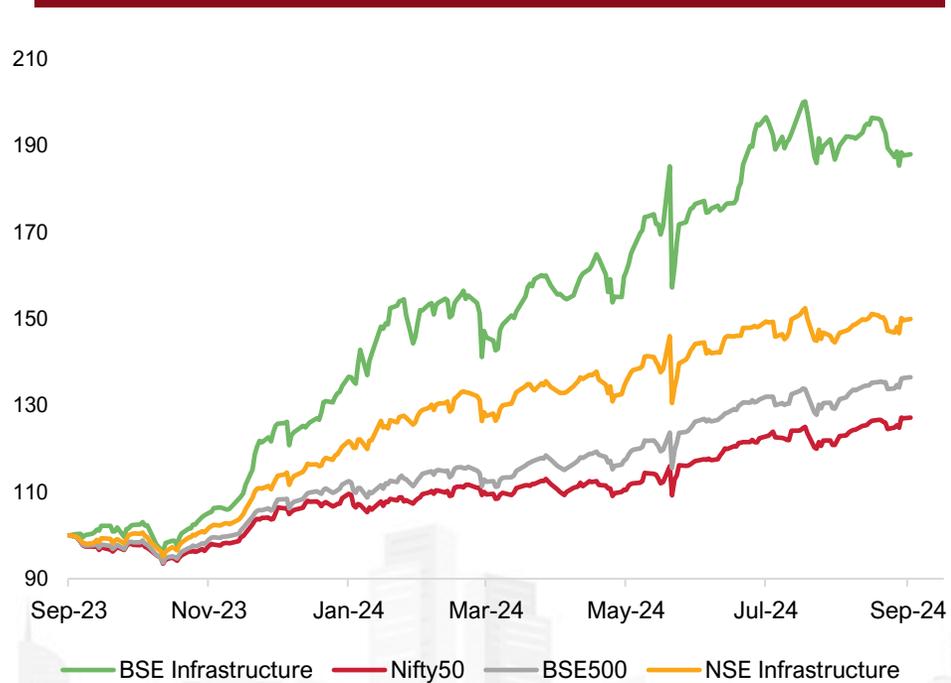
Source: BSE | MFIE, Returns calculated for the defined mentioned period / Index data are TRI values. Past Performance may or may not sustain in the future / Issuer(s) / Stock(s) and Sector(s) mentioned in the document are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. / Bmk – Benchmark | Calculation of Returns & Chart are TRI Values

Historical Performance (2023-24)



MUTUAL FUNDS

1year Performance Chart (Sept 2023 – Sept 2024)



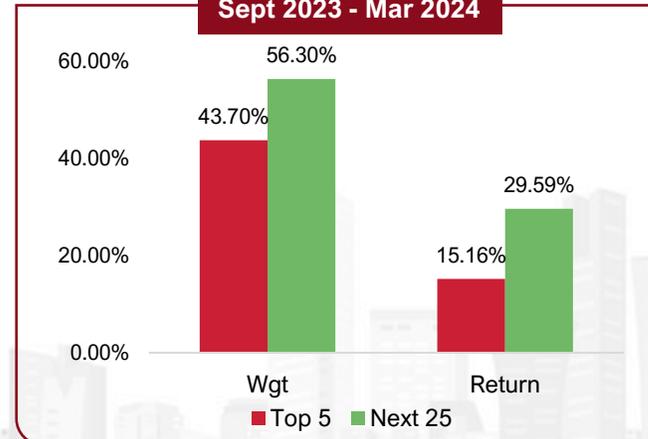
Sept 2023 - Mar 2024

	SMALL	MID	LARGE
Number	10	9	11
Weight	21.71%	16.07%	62.22%
Return	11.29%	9.87%	23.59%
	Base Bmk	No Cap	Delta
Return	44.74%	37.94%	6.80%

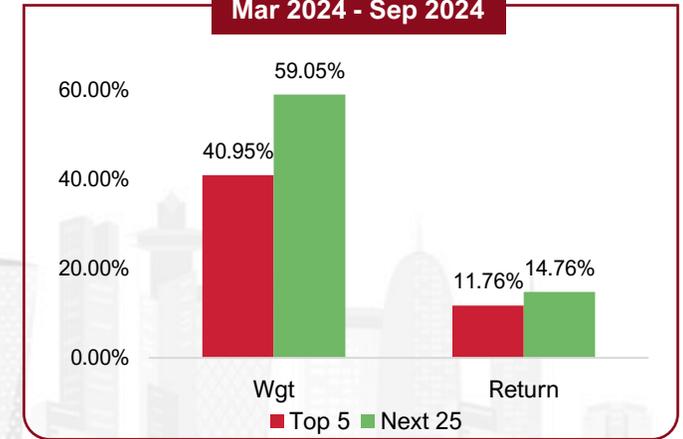
Mar 2024 - Sep 2024

	SMALL	MID	LARGE
Number	9	9	12
Weight	16.62%	22.37%	61.00%
Return	4.41%	11.49%	10.62%
	Base Bmk	No Cap	Delta
Return	26.51%	19.18%	7.33%

Sept 2023 - Mar 2024



Mar 2024 - Sep 2024



DRIVERS - ONGC, NTPC, ADSEZ

DRIVERS - RVNL, NTPC, PWGR

Source: BSE | MFIE, Returns calculated for the defined mentioned period / Index data are TRI values. Past Performance may or may not sustain in the future / Issuer(s) / Stock(s) and Sector(s) mentioned in the document are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. / Bmk - Benchmark | Calculation of Returns & Chart are TRI Values

Why invest in the Infra Sector?



~15% CAGR in infrastructure budgetary capex; spends have 2.5x-3.5x GDP multiplier^[1]



Infrastructure sector covers broader & wider themes of companies; receiving significant focus from government



Positive analyst rating coverage with healthy order pipeline & improved profitability forecasts



Supportive ecosystems such as PLI, GST implementation, and Power Sector reforms, for India's infrastructure growth



Accelerated FDI investments in the past 5 years with investor sentiments remaining strong

Why choose this fund?



First index fund in this* infrastructure theme



Unique index proposition that enables momentum and controls weight allocation



Allocation across 5 clusters, providing structural diversification

Who should be investing in this fund?

Investors looking to diversify through index-based sector allocation.

Investors with a long-term investment horizon.

Investors looking for high growth & policy linked themes capturing India's growth story

Investors who have direct/indirect exposure in infrastructure theme.

Scheme Details



MUTUAL FUNDS

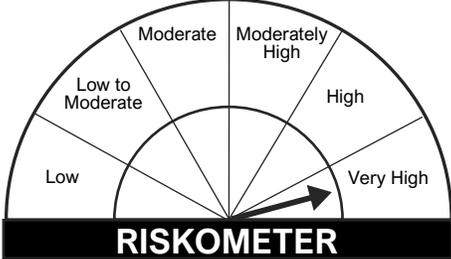
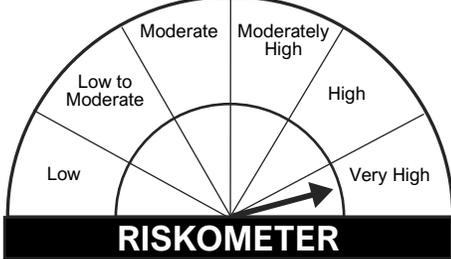
Scheme	ADITYA BIRLA SUN LIFE BSE INDIA INFRASTRUCTURE INDEX FUND		
Type of Scheme	An open ended Index Fund replicating the BSE India Infrastructure Total Return Index		
Investment Objective	The investment objective of the Scheme is to provide returns that, before expenses, correspond to the total returns of securities as represented by the BSE India Infrastructure Total Return Index, subject to tracking errors. The Scheme does not guarantee/indicate any returns. There is no assurance or guarantee that the investment objective of the Scheme will be achieved.		
Investment Strategy	The Scheme will follow passive investment strategy and will invest not less than 95% of its corpus in stocks comprising the underlying index and endeavour to track the benchmark index while minimizing the tracking error.		
Asset Allocation	Instrument	Allocation (% of total Assets)	
		Minimum	Maximum
	Equity & Equity related securities constituting the BSE India Infrastructure Index	95%	100%
	Debt and Money Market Instruments (including Cash and Cash Equivalent)	0%	5%
Plans Offered	Regular & Direct Plan		
Options Offered	IDCW* (Payout of IDCW) & Growth Options		
Facilities Offered	SIP, STP & SWP		
Minimum Application	Minimum of ₹500 & in multiples of ₹100 thereafter		
Benchmark Index	BSE India Infrastructure Total Return Index		
Load	Entry Load: Nil Exit Load: For redemption / switch-out of units on or before 30 days from the date of allotment: 0.05% of applicable NAV. For redemption / switch-out of units after 30 days from the date of allotment: Nil.		
Fund Manager	Mr. Rupesh Gurav		

Please refer to the SID for further detailed methodology

Aditya Birla Sun Life

BSE India Infrastructure Index Fund

(An open ended Index Fund replicating the BSE India Infrastructure Total Return Index)

This product is suitable for investors who are seeking*:	Scheme Riskometer#	Benchmark Risk-o-meter BSE India Infrastructure Total Return Index
<ul style="list-style-type: none"> • Long term capital growth • Investment in equity and equity related securities covered by BSE India Infrastructure Total Return Index, subject to tracking error 	 <p>RISKOMETER Investors understand that their principal will be at Very High risk</p>	 <p>RISKOMETER</p>
<p>*Investors should consult their financial advisors if in doubt whether the product is suitable for them.</p>		

#The above product labelling and risk-o-meter assigned during the NFO is based on internal assessment of the Scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Please refer to the index disclaimer// *Please refer to the SID for further detailed methodology

Annexure



Key aspects



- 8 decades of history with varied customer portfolio
- Expertise in engineering & construction, heavy civil works, transport infra, power transmission, water treatment plants, ship building
- Key project wins include –*Ram Janmabhoomi temple, Mumbai-Ahmedabad High Speed Rail Project, Mumbai Coastal Road, Dwarka Expressway, Kudankulam Nuclear Power Plant*
- Market cap growth of 77% in FY24 vis-à-vis Nifty 50's 29% growth

Why invest now?



- Support from global megatrends with structural shifts including urbanization boom, climate change, mobility growth
- Focused on sustainability and innovation
- Positive dividend track record and cash flow buoyancy
- Stable EBITDA margins
- Revenue and PAT recorded double digit Y-o-Y growth in Q1FY25 (15% and 12%)
- EPS Growth – ~20% (FY24); ROE at 14.7% (Q1FY25)

Potential



- Registered 21% and 25% growth in revenue and PAT respectively in FY24
- Central and State Government backed order book (77% in FY24)
- Viksit Bharat vision to emphasize infra push – positively impacting the revenues

Order book



- FY24 order inflow of INR 3028 Bn realized; a growth of 31.4%
- International orders comprising sizable portion (54%)
- FY24 order book at record level of INR 4758 Bn providing multi year revenue visibility
- Q1FY25 order book – 19% growth

Key aspects



- A PSU and Maharatna company
- India's largest power generator with installed capacity of 76GW and ~25% share in All India power generation
- Energy Assets include coal stations and mines, gas and hydro stations and renewable energy
- 2.8GW nuclear project in Rajasthan
- Climbed 61 positions in the Forbes' Global 2000 list for 2024

Why invest now?



- Focus on transforming from a power generator to an integrated energy player
- Industry demand Y-o-Y 6% growth expected
- Registered nearly 25% growth in profit for FY24
- 42% dividend payout ratio (FY24)
- 100% realization of billing with just 31 days average billing debtors

Potential



- Power demand peaking up (from 250GW to 366GW in 2032)
- Increasing per capita electricity consumption
- Better than industry efficiency (77.25% PLF against national PLF of 69.09% in FY24)
- Focus on renewable energy capabilities (Green Capex 31% of total Capex) which is the need of the hour
- Initiatives with IOCL, ONGC, HPCL, Mittal Energy and NALCO to develop renewable energy parks
- Commitment to innovation - R&D up 70% to INR 484cr

Order book



- Coal mining 34MMT in FY24; growth of 48%
- Produce 25% through captive mines by FY30
- Target to become largest integrated power company with 130GW capacity by 2032 (60GW of renewable capacity from current 3.6GW)
- Fossil and non fossil mix of 60:40 expected by 2032

Oil and Natural Gas Corporation Ltd. (ONGC)



MUTUAL FUNDS

Key aspects



- Largest crude oil and natural gas company in India
- Dominant market share – ~68% of Indian domestic production
- Second largest Listed PSU by Market Cap
- Ranked 207th Globally & 6th in India in Forbes Global 2000 list 2024

Why invest now?



- Focus on transformation of energy sector – Net zero carbon emissions by 2038
- Highest ever PAT in FY24 recorded
- Best in industry with a dividend payout of 38%
- Robust capital structure - Standalone D/E ratio of 0.02:1
- EPS on the rise – Rs.32.21 (FY24)
- AAA credit rating

Potential



- 11 new discoveries, monetised 7 in FY24
- Highest ever well drillings (544 in FY24)
- High CAPEX program – INR 374Bn cr in FY24
- Intends to invest INR 1,000 Bn by 2030 and cumulatively 2000 Bn by 2038 in energy transition projects aimed at reducing carbon emissions

Order book



- Energy Strategy 2040 – 2x production, 3x revenue, 4X PAT and 5-6X market capitalization
- New project – 1st Oil from deep water (KG 98/2)– expected to add 7% to India's oil and gas production
- 45% CAGR and 21% CAGR expected in exploration growth in sq.km and MMT0E respectively till FY26
- Projects worth INR 1410 Bn under various stages of implementation

Source – ONGC Annual Report, Dated July 2024 | MMT0E - Million metric tonnes of oil equivalent

Key aspects



- A PSU majority held by Central Government and Schedule 'A' Maharatna company
- India's largest Electric Power Transmission Utility
- Market dominance - Operates 84% of Inter-regional transmission networks; transmitting 45% of India's power
- Transmission system availability of 99.85% - amongst the highest worldwide

Why invest now?



- Heavy Focus on building renewable energy capabilities in line with Gol focus of energy transition
- High 68% dividend payout ratio (FY24)
- Market cap up 210% in last 4 years – a testament to its performance
- ROCE consistently increasing – 12.65%(FY24)
- Healthy PAT margin of 34%

Potential



- Energy Peak Demand growing requiring additional transmission lines
- As per NEP, power generation industry needs Rs.33Lakh crore investment by 2032 to meet power needs
- Per Capita power consumption expected to grow incremental ~90% to 2538 Kwh by FY32
- India target of 500GW of non-fossil fuel-based electricity generation capacity by 2030; ~125GW of Green Hydrogen
- PowerGrid building Green Energy corridors to integrate renewable energy into the national grid

Order book



- Outperformance in project execution target for FY24 – INR 125 Bn vis-à-vis target of INR 88 Bn
- Strong order book of INR 1,100 Bn – INR 180 Bn target for FY25
- Ckm addition and MVA addition at estimated outlay of INR2075Bn expected by FY32
- Green grid evacuation capacity of 110GW being built

Key aspects



- India's largest integrated ports and logistics company – presence across 15 ports, 12MMLPs, 127 container trains and 2.4Mn sq. ft warehousing
- Operates network of ports with India's largest SEZ at Mundra, Gujarat
- Creating a unique infra network connecting ports, railways and roadways supported by SEZs, multi-modal logistics parks, warehouses, grain silos and marine flotillas.
- 627 MMT cargo handling capacity across 16500 hectares of land

Why invest now?



- Domestic ports and logistics businesses operating at industry-leading EBITDA margins of 71% and 26% respectively
- Impressive 47% PAT growth in Q1FY25 – highest margin amongst peers
- Reduced Net debt to EBITDA ratio significantly over 5 years to 2.3x
- AAA rating by CARE – first private corporate infra developer to achieve this

Potential



- Maritime transport handling 95% of India's trade by volume and 68% by value, ports will serve as gateways to India's USD 5 trillion economy vision
- 67% ports capacity utilisation – room for more
- Growth of APSEZ outperforms industry – 10 year cargo volume growth – 14% vis-à-vis industry growth of 5%
- Highest ever Cargo volume in FY24, rise of 24%

Order book



- Mission to become WORLD's largest port operator by 2030
- Cargo volumes to grow 1Bn tonnes by 2030
- Aggressive 5 year expansion plan to enhance market share – *MMLP count to 20, container train fleet to 200+ and warehousing to 20mn sq ft*
- Expand operations to at least 5 countries in coming year to expand global footprint

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