

Research Recommendation on - Central Depository Services (India) Ltd

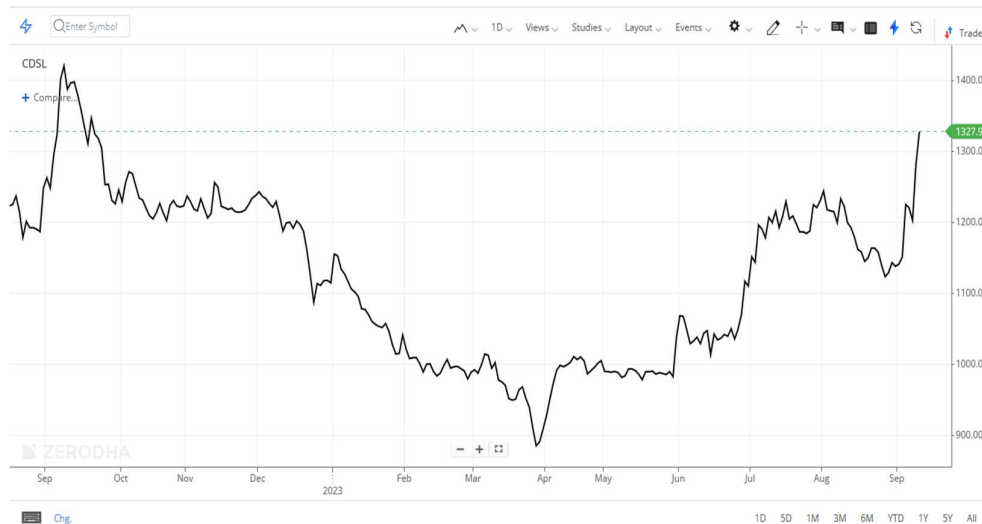
Date: 11th Sept 2023

NSE Scrip Code: CDSL

BSE Scrip Code: NA

Company Brief: Central Depository Services Limited is a Market Infrastructure Institution (MII), part of the capital market structure, providing services to all market participants - exchanges, clearing corporations, depository participants (DPs), issuers and investors. It is a facilitator for holding of securities in the dematerialised form and an enabler for securities transactions.

Rationale behind the Research Recommendation:



(Time Frame: 1 Day)

The current closing price of the stock is Rs.1,282, and it is approaching a resistance zone in the market. On the basis of the above graph, the stock is moving towards an upward direction and creating a pattern of higher highs. Taking this into consideration, our view is bullish for this stock.

Fundamental Analysis:

Stock P/E: 47.1	PEG Ratio: 2.18
Book Value: ₹116	Current ratio: 1.02
Dividend Yield: 1.22%	Sales growth 5Years: 24.2%
ROCE: 31.5%	Profit Var 5Yrs: 21.6%
ROE: 23.8%	Profit Var 3Yrs: 37.3%
Price to book value: 11.3	Sales growth 3Years: 37.3%
Industry PE: 26.8	Return over 3years: 42.2%
Debt to equity: 0	Return over 5 years: 37.7%

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Recommendation	Buy
Entry Point	1300 - 1350
Price Targets	1650 – 1900
Stop Loss	1200 (Closing basis)
Time Frame	1 Year
52 Week High Price	1415
52 Week Low Price	881
Max Allocation	7% of the Total Capital (Only for Risk Management)

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