

Creating Buildings, Inside-Out

Sachin graduated from Sir J J College of Architecture Mumbai in 1994. A partner in GA design, he has over 20 years of diverse experience in architecture and interior design. Sachin's projects range from multi-storeyed buildings, to large residential townships in and around Mumbai. His expertise lies in redevelopment architecture, with a portfolio that includes some of the most prominent buildings in Mumbai.

In conversation with Dominic Rebello, Sachin says, "Vertical cities is the solution for a city like Mumbai where land is scarce."



Sachin
Goregaoker,
Partner, GA
Design

Tell us a few words about GA Design?

GA design is a multidisciplinary architecture & design practice based in Mumbai. Founded in 1999 as Goregaoker Architects, a partnership firm of Rajan & Sachin Goregaoker, the work at GA design manifests creativity through well-choreographed architecture & interior design. At GA design, we craft services for Live, Work and Play. From multi-family residential communities, Luxury residences, redevelopment housing projects, to single-family luxury villas, workplaces and hospitality spaces, the studio's portfolio is diverse.

The Partners and Directors are leaders with individual domain proficiency, bringing together creative, technical, and management expertise to ensure the success of each project. The GA design team is a sundry mix of passionate, young individuals, who strive hard to innovate with design as a tool to cater effectively to client brief requirements resulting in architecture and design that stands the test of time.

With a commitment to design excellence, artistic innovation, and sustainability, at GA design, we create buildings, Inside-Out.

What are the latest Colour Palette Trends?

With the end of 2017 nearing closer, it is time to look back at a few colour trends that dominated the year.

Hues of blue

Hues of blue have been a popular colour trend in 2017 and is commonly used to dominate a room whilst simultaneously creating a sense of peace, calm and serenity.

Warm, bold colours

Flame Orange and Sunflower Yellow were also additions to last year's predictions. This trend was popular, with both hues offering a sense of boldness and warmth to any interior.

Subtle pastels and soft neutrals

Designers have been inspired by this colour trend of subtle pastels and soft neutrals from the two colours of Distressed Wood and Salmon Pink.

Moving on to the new year, opposing styles are being thrown together in funky new products, geometrics and layering of patterns are also prominent. Colour Designers are starting to gain momentum in the industry with businesses and consumers recognising the importance of employing a colour specialist, not only in interiors but in areas of product marketing, web and graphic design and personal colour analysis.

It is a very exciting time for the design industry and in response to our fluid and fast lives, we celebrate the new exploration by creating the unexpected.

Tell us about the redevelopment of Housing Projects in Mumbai where land is scarce?

Vertical cities is the solution for land scarcity. In order to accommodate the needs of the ever growing population, builders and developers are offering good

money to landlords and landowners, who let go off their old bungalows to make way for fancy highrises. Although it may sound harsh and insensitive to part with your inherited property, this is the practical way forward. In a city like Mumbai, where the density of population has reached alarming proportions and where city limits have been extended beyond imagination, redevelopment seems to be an efficient way of meeting the growing needs of the people. In the past, Mumbai has sought to resolve the problem by land-reclamation, however this method has its limits technically and geographically.

The housing sector offers immense potential and scope as well as a better controlled environment for new redevelopment plans. According to the new state guidelines, most of the customer's needs are taken care of in redevelopment proposals.

Some of the challenges that you face?

There are a few challenges that every architect faces while designing redevelopment structures. Taking cues from my immediate experience, accommodating existing tenants who occupy different carpet areas onto one floor plate, can pose as a major planning constraint. Moreover, to synchronise the tenants as well as sale apartments and parking podiums into one seamless building with a smart elevation, is a constantly evolving process. The planning and design undergoes a profound transformation from the inception of the project to the final approval stage.

Architects have to be concerned about parking requirements particularly in small plots which do not allow for manoeuvring vehicles or construction of ramps. You have to make provision for car-lifts or mechanised parking to combat this issue in smaller spaces.

Your vision for the company?

For us at GA design, it is not a company, it is a way of life. We believe in forming lasting relationships within our office as well as with our clients and well-wishers and nurturing them. We measure success and growth in terms of invaluable bonds that we share with some of our clients because they become our friends as we get personally involved in sharing their space and lifestyle.

Having said that, we ensure that we maintain professionalism in the business at all times. It is not about being the best designer, but it is about selling your best designs, managing tight deadlines, working with teams within and outside of the office and always being inspired by the good work around us.

We work with a lot of strength, dedication and conviction and ensure that our clients enjoy the process and are immensely satisfied with the final outcome.

« BROKERAGE RECOMMENDATIONS

CENTRUM BROKING CALL A 'BUY' ON SARLA PERFORMANCE FIBERS

CMP: 51 Target: 78

We maintain our BUY on Sarla Performance Fibers with a revised TP of Rs78 as we value the company based on our conservative adj. OCF based methodology. Management has temporary closed the Sarla Flex manufacturing unit in USA due to low capacity utilisation which would reduce operating loss to Rs55mn in FY18E from Rs169mn in FY17. Further management is looking for a partner to run the plant together which would offer consistent long term demand. Initial implementation issues of GST has been behind and management is confident of volume growth from H2FY18 in the domestic business. While lower gross margin is a worry, management is confident the product mix change would help in the margin expansion over medium term.

Q2FY18 result below expectation: Consolidated net sales was down 5.6% YoY to Rs746mn while standalone net sales increased 3.6% YoY to Rs685mn. Wind power sales increased 4% YoY to Rs28mn. Operating profit was down 34% YoY to Rs125mn with margins contracting 702bps to 16.7% while on standalone basis operating profit was down 12.5% with margins contracting by 370bps. Gross margin for consolidated financials was down to 51.8% from 64.7% while on standalone basis gross margin was at 51.3%. Other income was high as company sold its property and booked profit. Consolidated PAT was down 34% YoY at Rs91mn (16% below expectations) on the back of higher tax rate of 36% against 22% in Q2FY17.

Domestic business continues to grow: Standalone yarn business posted volume decline of 1.9% on the back of uncertainty related to GST while the revenue growth was 2% on the back of better product mix. Further the company is on track to expand its Nylon 66 capacity by 4x in FY19 led by healthy orders. SOHL posted revenue decline 25% to mere Rs90mn due to temporary slowdown in demand which has now been on track. Management is confident to grow this business in double digit over next 2 years. SOHL posted operating profit decline of 32% to Rs21mn.

Estimates reduced; Maintain BUY: We have reduced our revenue expectation by 11% and 15% for FY18E and FY19E as we have factored closure of the Sarla Flex and lower volumes in the domestic business. Operating profit has been cut by 8% and 5% for FY18E/FY19E on lower gross margins due to product mix change while FY18E PAT has been cut by 6%. We maintain our BUY on Sarla Performance Fibers with a TP of Rs78 as we value it on adjusted OCF (AOCF = OCF - Interest) to enterprise value (EV) yield. Key risks being soft demand in the domestic business and low gross margin.



KOTAK SECURITIES CALL A 'BUY' ON PETRONET LNG

CMP: 248 Target: 285

With a ban on the usage of petcoke (petroleum coke)/furnace oil, improving gas demand from power/fertilizer sector and no major ramp-up in domestic gas production in the near-term, LNG demand in India is expected to rise meaningfully, we opine. The key beneficiary of the same is expected to be PLNG.

- In Order to meet the rising domestic gas demand, PLNG is adding RLNG capacity of 2.5 MMTPA in Dahej to 17.5 MMTPA by FY19E. Recently, it has expanded Dahej capacity by 50% to 15 MMTPA 90% of its capacity is contracted, giving decent revenue visibility.
- On the other hand, Kochi terminal is operating at sub-optimal utilization given lack of pipeline infrastructure. Management expects quarterly uptick (marginal) in volumes till the Mangalore Kochi pipeline is commissioned and the same is expected by Dec'18. We believe this will significantly ramp-up RLNG volume. GAIL is working on getting approvals for the pipeline and clarity on the pipeline can potentially add to valuations of PLNG.

- We expect PLNG's earnings to grow at a CAGR of 15% over the next two years driven by volume growth, benefiting from contractual commitments of 17.2 mn tons and commissioning of Kochi-Mangalore pipeline. We expect PLNG to report an EPS of Rs.14.1 for FY18E and an EPS of Rs.15 for FY19E. We expect FY18E to be better driven by acceleration in volume growth, supported by expansion. At CMP, we believe that the stock is reasonably valued at 16.7x FY19E earnings. We recommend BUY on the stock with a price target of Rs.285/- including equity value of 26% stake in Dahej Port.

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