

Phoenix Mills | BUY

Sound performance across segments

Phoenix Mills (PHNX) reported a healthy quarter backed by robust consumption growth across malls (like-for-like growth 9% YoY). Growth in 2HFY24 should be stronger, helped by a seasonally strong period and opening of four new malls recently. PHNX has acquired an 11.5acre land parcel in Thane (W) for INR 4.3bn having a development potential of ~3msf. It is currently evaluating the best use case for the land, which will be finalised in 2-3 months. We believe PHNX remains well-placed with low debt to equity, partnerships with global funds, strong earnings trajectory on the back of sustained consumption growth and development of new assets. We maintain our BUY rating with a revised SOTP based TP of INR 2,270 (earlier INR 2,010) based on 20% premium to the Retail segment Sep'24E NAV.

- 2QFY24 financial performance:** Revenue grew to INR 8.75bn (+34% YoY; +8% QoQ) while EBITDA came in at INR 5.06bn (+33% YoY; +3% QoQ) and EBITDA margin dropped to 57.8% (down 67bps YoY; down 291bps QoQ) on account of higher employee expenses and other expenses. PAT was INR 2.53bn (+36% YoY; +5% QoQ). Retail rental income came in at INR 3.9bn (+25% YoY, +4% QoQ), while Retail EBITDA was INR 4.0bn (+26% YoY, +4% QoQ). Excluding new malls, retail rental income and Retail EBITDA recorded annual growth of 8% and 11% respectively. Revenue from the office segment stood at INR 470mn (+9%/+5% YoY/QoQ), with EBITDA margin of 56% (-100 bps YoY/-200 bps QoQ).
- Healthy growth in consumption:** Retail consumption in 2QFY24 stood at INR 26.4bn growing 20% YoY and 2% QoQ. On a like-for-like basis, consumption grew 9% YoY (excluding the new malls and closure of the lifestyle block in Phoenix Palladium Mumbai) which was in line with our estimates. In 1HFY24, the fashion and accessories segment contributed 50% of the consumption at the retail malls, which came in at INR 52.1bn. Growth was led by categories, namely, Hypermarket (51%, on a low base), Jewellery (25%) and Multiplexes (22%). Current (Oct'23) trading occupancies at Palladium Ahmedabad and Phoenix Citadel Indore have seen significant ramp-up since launch and stood at 77% and 90% respectively. The management expects similar pick-up in the newly launched malls in Pune and Bengaluru.
- Development update:** PHNX has received all development permissions for Phoenix Grand Victoria, Kolkata and currently excavation and foundation work is under progress. Construction of the Surat mall is expected to begin in 3QFY24. The retail expansion of Phoenix Palladium, Mumbai, is expected to be completed by FY24. Last mile finishing work is underway at the first phase (0.8msf) Phoenix Asia Towers (Hebbal). The first tower at Millennium Towers (Pune) is expected to be ready in 2QFY25 and the second one will be completed in 4QFY25. Project Rise and the expansion at Whitefield are also progressing as per timelines.
- Valuation:** We maintain our BUY rating with a revised SOTP based TP of INR 2,270 (earlier INR 2,010) based on 20% premium to the Retail segment Sep'24E NAV.



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	2,270
Upside/(Downside)	11.4%
Previous Price Target	2,010
Change	12.9%

Key Data – PHNX IN

Current Market Price	INR2,038
Market cap (bn)	INR364.1/US\$4.4
Free Float	61%
Shares in issue (mn)	178.5
Diluted share (mn)	178.5
3-mon avg daily val (mn)	INR498.6/US\$6.0
52-week range	2,124/1,186
Sensex/Nifty	64,905/19,425
INR/US\$	83.3

Price Performance

%	1M	6M	12M
Absolute	9.3	39.1	33.3
Relative*	11.2	32.7	24.5

* To the BSE Sensex

Financial Summary

Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
Net Sales	14,835	26,383	33,269	44,785	59,448
Sales Growth (%)	42.0	77.8	26.1	34.6	32.7
EBITDA	7,339	15,189	19,143	26,492	33,964
EBITDA Margin (%)	49.5	57.6	57.5	59.2	57.1
Adjusted Net Profit	2,374	7,298	7,820	10,886	15,582
Diluted EPS (INR)	13.3	40.9	43.8	61.0	87.3
Diluted EPS Growth (%)	296.5	207.5	7.2	39.2	43.1
ROIC (%)	4.2	9.4	8.5	11.6	14.8
ROE (%)	4.1	9.8	8.9	11.3	14.3
P/E (x)	153.3	49.9	46.5	33.4	23.3
P/B (x)	5.5	4.3	4.0	3.6	3.1
EV/EBITDA (x)	55.5	27.8	22.1	15.8	12.0
Dividend Yield (%)	0.1	0.2	0.1	0.1	0.1

Source: Company data, JM Financial. Note: Valuations as of 10/Nov/2023

JM Financial Institutional Securities Limited

JM Financial Research is also available on:
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Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

- **Capital structure:** Gross debt was INR 32.24bn (INR 15.00bn PML share) while net debt stood at INR 20.96bn (INR 15.50bn PML share). Average cost of debt declined marginally to 8.71% in 2QFY24 from 8.87% in 1QFY24.
- **Strong performance in hospitality segment continues:** For St. Regis, 2QFY24 occupancy was marginally lower at 82% (84% in 2QFY23) and ARR came in at INR 15,040 (32% YoY growth), leading to 24% YoY growth in RevPAR. Total income from St. Regis stood at INR 1.0bn, with EBITDA of 450mn (margin expanded by ~300bps to 44%). Courtyard by Marriott occupancy in 2QFY24 stood healthy at 69% (63% in 2QFY23) with ARR of INR 4,196 (8% YoY growth).
- **Other concall highlights:**
 - The capex that remains from the original allocation for under-construction projects is INR 48-50bn i.e. for 3msf of retail, 5msf of commercial and the residential development at Alipore. From 2018 to till date Phoenix has already incurred a capex of INR 60bn (on retail and office).
 - INR 20bn of free cash currently being generated annually. Will use excess cash to develop the retail portfolio in existing and new cities.
 - As the portfolio expands, the operating cash flow is expected to increase to INR 40bn and PHNX has a capital outlay of INR 50bn on under-construction projects, which will be completed by FY27E.
 - With respect to the Bengaluru office space, PHNX is expecting OC to come soon and thus hasn't leased it out yet. However, there is a significant leasing pipeline (c. 2msf). Once OC comes in occupancy will be 75%. Rentals should be c. INR 80psf pm.
 - Will complete Pune (1.4msf GLA) first tower in Aug'24 and second tower in Jan'25. There is significant pipeline for here too. Current rentals at Wakad are INR 75psf pm. PHNX is confident of achieving INR 80-85psf pm.
 - Thane land acquired because it's a landmark opportunity. PHNX is evaluating what to build there so that the best return can be generated. Overall development potential is above 3msf and the company may slice this up into different asset classes.
 - Cash flows from GIC JV for are being utilised for acquisitions while cash flows from CPPIB acquisitions area being used for expansions (1msf office + c.300 key hotel + retail expansions).
 - PHNX has already incurred 70% of the cost at Mall of the Millennium. The free cash flow generated from the mall will be utilised for developing the office space and paying of the remaining cost.
 - Project Rise excavation has been completed and is 36 months away from generating rent while the Kolkata mall will be operational in the next 36-40months.
 - PHNX has 1.5msf of inventory left in residential portfolio. Launch of tower 8 and 9 at Bengaluru will only be announced after receiving requisite approvals. The Kolkata residential project is in the design stage and will be launched in the next 6 months.
 - Sparkle 2 subsidiary that acquired the land in Thane is a 100% subsidiary of Phoenix Mills.
 - After 2024, post delivering all its under-construction projects, PHNX has set a target to develop 1msf every year going forward.

Quarterly Charts

Exhibit 1. Financial snapshot

INR mn	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	1HFY23	1HFY24	YoY
Net Sales	8,750	6,511	34%	8,106	8%	12,255	16,857	38%
Cost of Sales	1,235	790	56%	1,066	16%	1,339	2,301	72%
Gross Margin (%)	86%	88%	-198bps	87%	-97bps	89%	86%	-272bps
Employee Expenses	731	542	35%	644	13%	1,042	1,375	32%
Other Expenses	1,725	1,370	26%	1,473	17%	2,836	3,198	13%
EBITDA	5,060	3,809	33%	4,923	3%	7,038	9,983	42%
EBITDA Margin (%)	57.8%	58.5%	-67bps	60.7%	-291bps	57.4%	59.2%	179bps
Depreciation	659	559	18%	630	5%	1,059	1,289	22%
Interest Costs	965	834	16%	957	1%	1,575	1,921	22%
Other Income	316	324	-2%	290	9%	559	606	8%
Share of Associates	14	-2	NM	13	NM	72	28	-61%
PBT	3,766	2,737	38%	3,640	3%	5,034	7,406	47%
Tax	714	520	37%	730	-2%	861	1,443	68%
Exceptional items	0	0	NM	0	NM	5,568	0	NM
Share of Minority	527	359	47%	505	4%	696	1,032	48%
PAT	2,526	1,858	36%	2,405	5%	9,045	4,931	-45%

Source: Company, JM Financial

Exhibit 2. Consolidated P&L

INR mn	2QFY24	2QFY23	YoY%	1HFY24	1HFY23	YoY%
Income from operations	8,750	41,250	34%	16,860	12,250	38%
EBITDA	5,140	23,050	35%	10,060	7,040	43%
EBITDA Margin (%)	59%	56%	1 pps	60%	57%	3 pps
Other income	320	320	-2%	610	560%	8%
Profit before tax and exceptional items	3,750	2,740	37%	7,380	4,960	49%
Exceptional items	0	0	-	0	5,570	NC
Profit after tax	3,050	2220	38%	5,960	9,740	NC
PAT after minority interest & before other comprehensive income	2,530	1860	36%	4,930	9,050	NC
PAT after minority interest & after other comprehensive income	2,620	1870	40%	5,310	8,980	NC
Diluted EPS (Rs.)	14.15	10.39	36%	27.6	50.62	NC

Source: Company, JM Financial

Note: NC: Not comparable due to exceptional items

1. Exceptional item for Q1FY23 refers to re-measurement of previously held stake (50%) in then Associate - Classic Mall Development Company Limited (CMDCL) at fair value on 5 May 2022, as per the requirement of IND AS 103, pursuant to the acquisition by PML of the balance 50% stake in CMDCL from Crest Ventures Limited (46.35%) and Escort Developers Private Limited (3.65%).

SOTP Valuation

Exhibit 3.

Particulars (INR mn)	PML Value	INR/sh	% of NAV
Market Cities + HSP	284,426	1,593	61%
Hotel	19,244	108	4%
Residential	9,218	52	2%
Commercial	60,310	338	13%
New Developments	31,608	177	7%
Grand Total	465,116	2,270	100%

Source: Company, JM Financial

Retail

Exhibit 4. Healthy consumption trend

Consumption - INR mn	2023				2024		YoY	QoQ
	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24		
High Street Phoenix	5,012	4,982	6,287	5,067	5,463	5,450	9%	0%
Pune Market City	3,738	3,821	4,370	3,438	3,995	4,000	5%	0%
Kurla Market City	2,537	2,450	2,869	2,395	2,685	2,710	11%	1%
Bangalore Market City	4,271	4,445	5,204	4,037	4,746	4,610	4%	-3%
Chennai Market City	3,207	3,387	3,660	3,095	3,634	3,760	11%	3%
Phoenix Palassio Lucknow	2,134	2,008	2,727	2,214	2,403	2,460	23%	2%
Phoenix United Lucknow	559	483	597	522	508	480	-1%	-6%
Phoenix United Bareilly	447	410	562	522	508	500	22%	-2%
Phoenix Citadel	NA	NA	197	596	1,045	1,140	NA	9%
Palladium Ahmedabad	NA	NA	NA	227	751	980	NA	30%
Phoenix Mall of the Millennium, Pune	NA	NA	NA	NA	NA	310	NA	NA
Total Consumption (incl. Palassio)	21,905	21,986	26,473	22,113	25,738	26,400	20%	3%

Source: Company, JM Financial

Exhibit 5. Retail rental income grew by 25% YoY

Name of Asset	Retail Rental Income (INR mn)		YoY growth (%)
	2QFY24	2QFY23	
Phoenix Palladium Mumbai*	970	910	6%
Phoenix MarketCity Bangalore	510	470	7%
Phoenix MarketCity Pune	520	460	12%
Phoenix MarketCity and Palladium Chennai	530	490	7%
Phoenix MarketCity Mumbai	400	350	13%
Phoenix United Lucknow	90	100	10%
Phoenix United Bareilly	60	60	7%
Phoenix Palassio Lucknow	320	290	10%
Sub Total	3,390	3,130	8%
Phoenix Citadel Indore (operational from Dec-22)	240	0	NA
Palladium Ahmedabad (operational from Feb-23)	220	0	NA
Phoenix Mall of the Millennium Pune (operational from Sep-23)	70	0	NA
Grand Total	3,920	3,130	25%

Source: Company, JM Financial

Note: *Rentals for Phoenix Palladium Mumbai in FY24 are impacted due to closure of Lifestyle block (~50,000 sq. ft.) for renovation from May 2023 onwards

Exhibit 6. Mall-wise EBITDA

Name of Asset	Retail EBITDA (INR mn)		YoY growth (%)
	2QFY24	2QFY23	
Phoenix Palladium Mumbai*	980	960	2%
Phoenix MarketCity Bangalore	530	470	12%
Phoenix MarketCity Pune	560	440	27%
Phoenix MarketCity and Palladium Chennai	590	530	12%
Phoenix MarketCity Mumbai	390	340	13%
Phoenix United Lucknow	90	100	-10%
Phoenix United Bareilly	60	60	3%
Phoenix Palassio Lucknow	350	290	20%
Sub Total	3,540	3,180	11%
Phoenix Citadel Indore (operational from Dec-22)	230	0	NA
Palladium Ahmedabad (operational from Feb-23)	210	0	NA
Phoenix Mall of the Millennium Pune (operational from Sep-23)	50	0	NA
Grand Total	4,020	3,180	26%

Source: Company, JM Financial

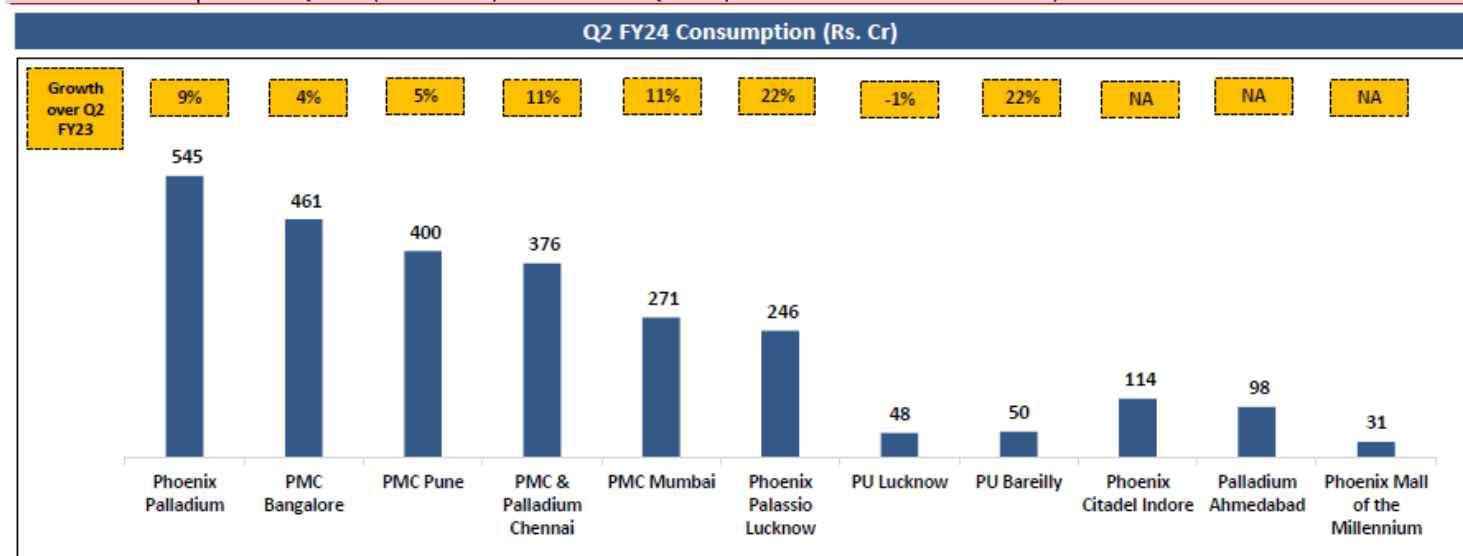
Exhibit 7. Ramp-up in leased and trading occupancy across major malls

Name of Asset	GLA (msf)	Leased Occupancy (%)		Trading Occupancy (%)	
		Mar'23	Sep'23	Mar'23	Sep'23
Phoenix Palladium Mumbai*	0.87	99%	99%	91%	95%
Phoenix MarketCity Bangalore	1.00	98%	98%	94%	98%
Phoenix MarketCity Pune	1.20	97%	97%	90%	95%
Phoenix MarketCity and Palladium Chennai	1.22	96%	97%	90%	94%
Phoenix MarketCity Mumbai	1.10	99%	98%	91%	93%
Phoenix Palassio Lucknow	1.00	99%	98%	95%	96%
Phoenix Citadel Indore (operational from Dec-22)	1.00	95%	94%	70%	89%
Palladium Ahmedabad (operational from Feb-23)	0.75	93%	94%	43%	74%
Phoenix Mall of the Millennium Pune (operational from Sep-23)	1.20	NA	92%	NA	44%

Source: Company, JM Financial

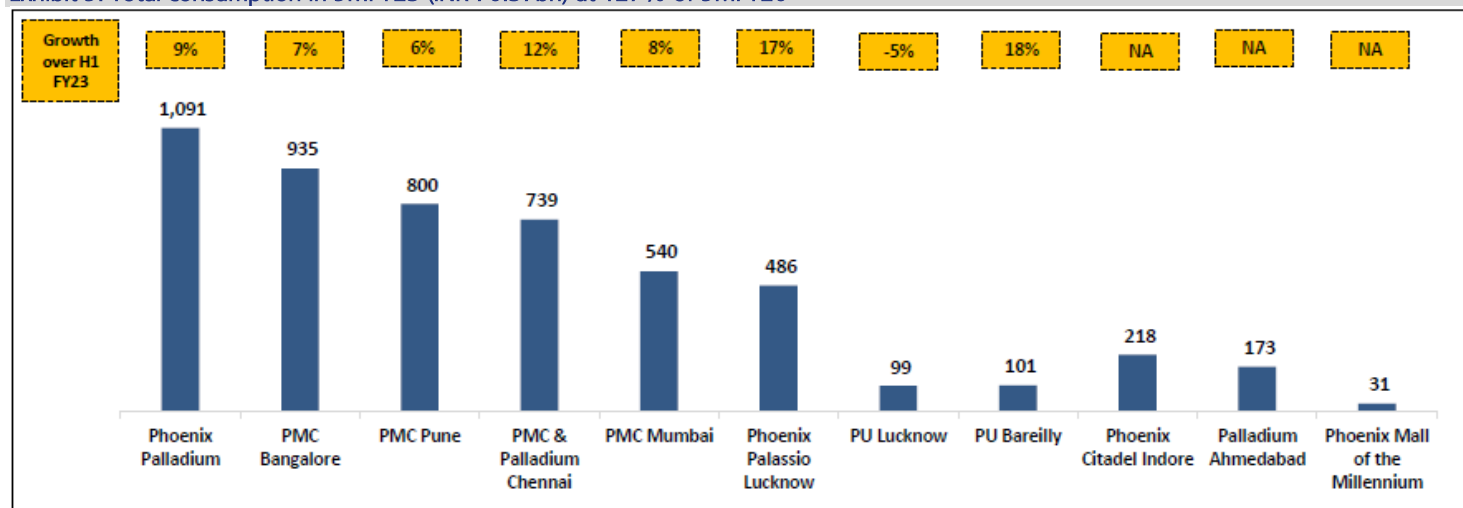
Note: * Since the Lifestyle block is currently under renovation, GLA has reduced from ~0.92msf to ~0.87msf

Exhibit 8. Consumption in 3QFY23 (INR 24.5bn) at 128% of 3QFY20 (114% excl. Palassio and Citadel)



Source: Company, JM Financial

Exhibit 9. Total consumption in 9MFY23 (INR 70.37bn) at 127% of 9MFY20



Source: Company, JM Financial

Commercial

Exhibit 10. Commercial assets portfolio

Operational Portfolio	Total income (INR mn)			EBITDA (INR mn)			EBITDA as a % of total income	
	2QFY24	2QFY23	Growth (%)	2QFY24	2QFY23	Growth (%)	2QFY24	2QFY23
Art Guild House	200	190	3%	130	120	7%	66%	63%
Phoenix Paragon Plaza	90	80	14%	40	40	8%	47%	49%
Fountainhead Towers	120	90	28%	70	70	6%	62%	74%
Phoenix House	30	40	-19%	Part of Phoenix Palladium			NA	NA
Centrium	30	30	11%	10	10	0%	51%	56%
Total	470	440	9%	260	250	6%	56%	57%

Source: Company, JM Financial

Exhibit 11. Strong leasing traction YTD, with gross leasing over 0.3msf (0.2msf of new leasing and 0.1msf of renewals)

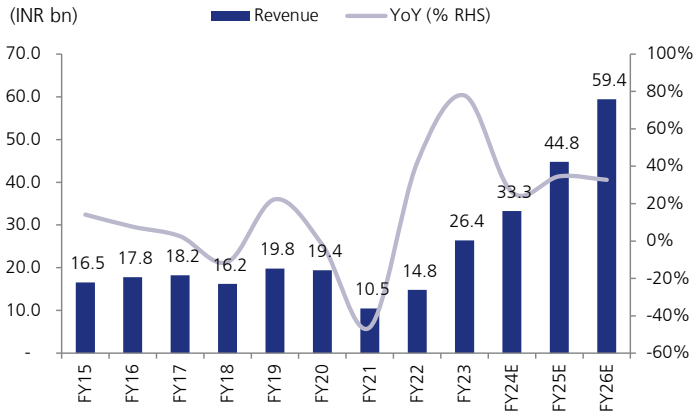
Project name	Location	Total Area (msf)	Area Sold (msf)	Net Leasable Area (msf)	Area Leased (msf)	Gross Rent * (psfpm)	Net Rent * (psfpm)
Art Guild House	Mumbai	0.80	0.17	0.63	0.54	116	95
Phoenix Paragon Plaza	Mumbai	0.43	0.12	0.31	0.16	136	118
Fountainhead – Tower 1	Pune	0.17	-	0.17	0.16	101	85
Fountainhead – Tower 2	Pune	0.26	-	0.26	0.16	94	78
Fountainhead – Tower 3	Pune	0.41	-	0.41	0.15	82	62
Phoenix House	Mumbai	0.11	-	0.09	0.07	178	155
Centrium	Mumbai	0.28	0.16	0.12	0.08	111	91
Total		2.46	0.46	2.00	1.32	112	94

Source: Company, JM Financial

Note: * The difference between gross rent and net rent is on account of deduction of estimated CAM and Property Tax expenses

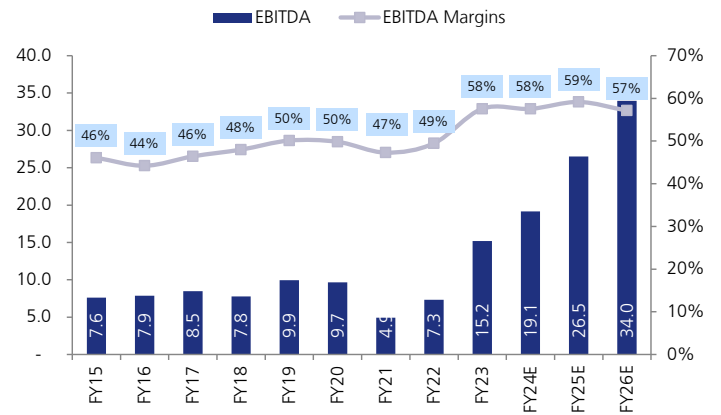
Key Charts

Exhibit 12. Revenue to increase on addition of new malls



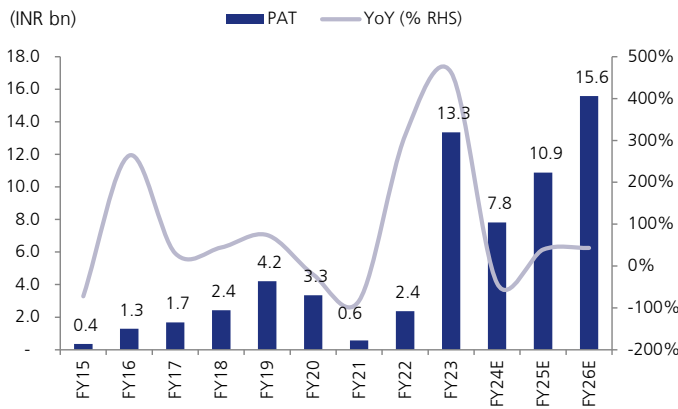
Source: Company, JM Financial

Exhibit 13. EBITDA showing significant growth



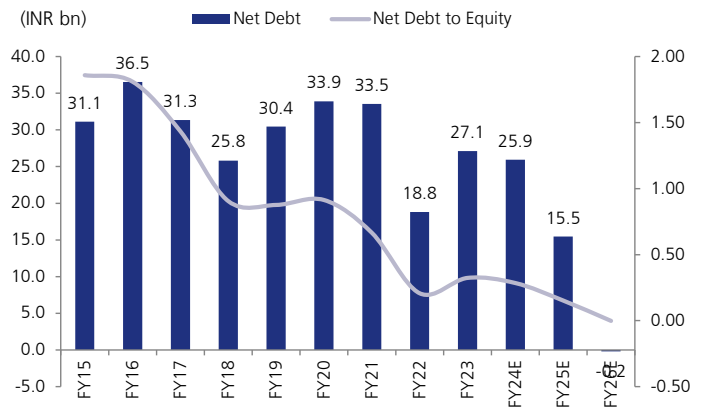
Source: Company, JM Financial

Exhibit 14. PAT optically higher in FY23 due to exceptional item



Source: Company, JM Financial

Exhibit 15. Debt remains comfortable



Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Net Sales	14,835	26,383	33,269	44,785	59,448	
Sales Growth	42.0%	77.8%	26.1%	34.6%	32.7%	
Other Operating Income	0	0	0	0	0	
Total Revenue	14,835	26,383	33,269	44,785	59,448	
Cost of Goods Sold/Op. Exp	1,776	2,758	3,327	4,478	5,945	
Personnel Cost	1,569	2,325	2,662	3,583	4,756	
Other Expenses	4,150	6,111	8,138	10,232	14,784	
EBITDA	7,339	15,189	19,143	26,492	33,964	
EBITDA Margin	49.5%	57.6%	57.5%	59.2%	57.1%	
EBITDA Growth	48.5%	107.0%	26.0%	38.4%	28.2%	
Depn. & Amort.	1,859	2,278	3,072	3,427	3,666	
EBIT	5,481	12,911	16,071	23,064	30,298	
Other Income	744	1,163	928	499	784	
Finance Cost	2,945	3,412	3,194	3,241	3,164	
PBT before Excep. & Forex	3,281	10,662	13,805	20,322	27,918	
Excep. & Forex Inc./Loss(-)	0	6,052	0	0	0	
PBT	3,281	16,714	13,805	20,322	27,918	
Taxes	801	1,989	3,451	5,081	6,980	
Extraordinary Inc./Loss(-)	0	0	0	0	0	
Assoc. Profit/Min. Int.(-)	511	1,477	2,933	4,756	5,756	
Reported Net Profit	2,374	13,350	7,820	10,886	15,582	
Adjusted Net Profit	2,374	7,298	7,820	10,886	15,582	
Net Margin	16.0%	27.7%	23.5%	24.3%	26.2%	
Diluted Share Cap. (mn)	178.5	178.5	178.5	178.5	178.5	
Diluted EPS (INR)	13.3	40.9	43.8	61.0	87.3	
Diluted EPS Growth	296.5%	207.5%	7.2%	39.2%	43.1%	
Total Dividend + Tax	428	893	536	536	536	
Dividend Per Share (INR)	2.4	5.0	3.0	3.0	3.0	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Profit before Tax	3,483	10,713	14,005	20,522	28,118	
Depn. & Amort.	1,859	2,278	3,072	3,427	3,666	
Net Interest Exp. / Inc. (-)	2,579	2,988	2,266	2,742	2,380	
Inc (-) / Dec in WCap.	713	-41	-3,299	263	-2,208	
Others	-251	-287	-200	-200	-200	
Taxes Paid	-577	-2,090	-3,251	-5,081	-6,980	
Operating Cash Flow	7,806	13,561	12,593	21,674	24,777	
Capex	-386	-18,257	-8,813	-8,104	-6,408	
Free Cash Flow	7,420	-4,697	3,780	13,570	18,368	
Inc (-) / Dec in Investments	0	0	0	0	0	
Others	-28,026	2,897	438	-15	244	
Investing Cash Flow	-28,412	-15,360	-8,375	-8,119	-6,165	
Inc / Dec (-) in Capital	96	52	0	0	0	
Dividend + Tax thereon	-174	-431	-536	-536	-536	
Inc / Dec (-) in Loans	-805	-969	0	-1,000	-1,000	
Others	23,159	2,795	-3,194	-3,241	-3,164	
Financing Cash Flow	22,276	1,448	-3,730	-4,777	-4,700	
Inc / Dec (-) in Cash	1,670	-352	488	8,778	13,913	
Opening Cash Balance	1,328	2,998	2,646	3,134	11,912	
Closing Cash Balance	2,998	2,646	3,134	11,912	25,825	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Shareholders' Fund	65,825	83,798	91,082	101,433	116,480	
Share Capital	357	357	357	357	357	
Reserves & Surplus	65,468	83,440	90,725	101,076	116,123	
Preference Share Capital	0	0	0	0	0	
Minority Interest	24,288	26,963	29,696	34,252	39,808	
Total Loans	39,821	42,593	42,593	41,593	40,593	
Def. Tax Liab. / Assets (-)	66	0	200	200	200	
Total - Equity & Liab.	130,000	153,354	163,572	177,478	197,081	
Net Fixed Assets	92,505	126,415	132,155	136,832	139,574	
Gross Fixed Assets	90,369	124,096	131,761	142,274	150,851	
Intangible Assets	79	79	79	79	79	
Less: Depn. & Amort.	18,428	20,706	23,778	27,206	30,872	
Capital WIP	20,486	22,947	24,094	21,685	19,516	
Investments	23,173	12,823	13,513	14,227	14,968	
Current Assets	27,669	36,654	44,995	60,434	82,806	
Inventories	7,498	12,117	13,536	14,984	14,484	
Sundry Debtors	2,799	2,382	3,190	4,294	5,701	
Cash & Bank Balances	2,998	2,646	3,134	11,912	25,825	
Loans & Advances	911	518	729	982	1,303	
Other Current Assets	13,463	18,991	24,406	28,262	35,493	
Current Liab. & Prov.	13,347	22,538	27,092	34,015	40,266	
Current Liabilities	1,299	1,585	1,999	2,690	3,571	
Provisions & Others	12,048	20,953	25,093	31,325	36,695	
Net Current Assets	14,322	14,116	17,903	26,419	42,539	
Total - Assets	130,000	153,354	163,572	177,478	197,081	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Net Margin	16.0%	27.7%	23.5%	24.3%	26.2%	
Asset Turnover (x)	0.1	0.2	0.2	0.3	0.3	
Leverage Factor (x)	2.0	1.9	1.8	1.8	1.7	
RoE	4.1%	9.8%	8.9%	11.3%	14.3%	

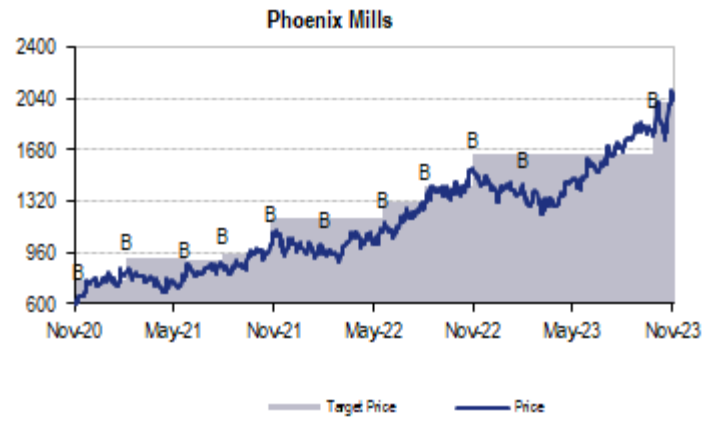
Key Ratios						
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
BV/Share (INR)	368.7	469.4	510.2	568.2	652.5	
ROIC	4.2%	9.4%	8.5%	11.6%	14.8%	
ROE	4.1%	9.8%	8.9%	11.3%	14.3%	
Net Debt/Equity (x)	0.3	0.4	0.3	0.2	0.0	
P/E (x)	153.3	49.9	46.5	33.4	23.3	
P/B (x)	5.5	4.3	4.0	3.6	3.1	
EV/EBITDA (x)	55.5	27.8	22.1	15.8	12.0	
EV/Sales (x)	27.5	16.0	12.7	9.3	6.9	
Debtor days	69	33	35	35	35	
Inventory days	184	168	148	122	89	
Creditor days	63	52	52	54	51	

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
10-Jun-20	Buy	750	
30-Jul-20	Buy	740	-1.3
27-Aug-20	Buy	770	4.1
16-Nov-20	Buy	760	-1.3
14-Feb-21	Buy	920	21.1
30-May-21	Buy	910	-1.1
9-Aug-21	Buy	955	4.9
3-Nov-21	Buy	1,205	26.2
9-Feb-22	Buy	1,205	0.0
27-May-22	Buy	1,310	8.7
12-Aug-22	Buy	1,420	8.4
10-Nov-22	Buy	1,645	15.8
8-Feb-23	Buy	1,645	0.0
4-Oct-23	Buy	2,010	22.2

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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Definition of ratings	
Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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