

## Annuity business to drive growth going ahead

DLF Limited (DLF) reported 4QFY25 bookings of INR 20.3bn (+39% YoY; -83% QoQ), which was 70% above JMFe of INR 12bn. In FY25, pre-sales came in at 212bn, up 43% YoY with Dahlias contributing 65% of total bookings. DLF has surprised the street by monetizing c. 40% of the inventory value in the project across 2 quarters (ultra-luxury projects are typically slow-moving due to higher ticket sizes). Management re-iterated that the demand for an aptly priced Grade-A product continues to remain healthy. It intends to launch INR 172bn worth of projects in FY26E and is confident of maintaining the bookings run-rate of INR 200-220bn. Collections (including rentals) were strong at 32.7bn (+51% YoY; +7% QoQ), which led to healthy operating cash flows of INR 24bn, strengthening the net cash position at the DevCo to INR 68bn. In FY25, the DCCDL portfolio reported rental income of INR 47.5bn, up 10% YoY and is poised to grow at 11% CAGR over FY26E-28E aided by commissioning of new assets. DLF with its steady annuity cash flows and fully paid-up land banks remains extremely well placed to scale up across segments and newer geographies. DLF remains our preferred pick in the real estate space. We maintain a BUY rating with a SoTP based TP of INR 1,000 (implying 33% upside from CMP)

- **Record pre-sales led by new launch:** DLF reported bookings of INR 20.3bn (+39% YoY; -83% QoQ) - 70% above JMFe (INR 12bn). In FY25, DLF generated pre-sales of INR 212bn, up 43% YoY and 6% higher than the guidance of INR 200bn. Sales were driven by the overwhelming response to the company's most luxurious project, The Dahlias. DLF recorded total bookings of INR 137bn from this project, (INR 118bn and INR 19bn in 3Q/4Q respectively) with pricing of over INR 100k/sqft on carpet area. Despite the high ticket size product, the company has monetised over c.40% of the inventory within 2 quarters of launch. The launch pipeline beyond FY25 has now increased to INR 739bn (v/s INR 704bn in 3Q) including INR 172bn worth of projects planned for launch in FY26E.
- **Strong cash flow performance:** In 4QFY25, the performance on the cash flow front was also encouraging with collections at INR 32.7bn (+51% YoY; +7% QoQ) and OCF post interest and taxes stood at INR 24bn (+135% YoY; +36% QoQ), implying a OCF margin of 72%. For the full year, collections/OCF came in at INR 117.7bn/74bn, up 36%/69% respectively. Consequently, the net cash position increased by INR 23bn sequentially to INR 68bn.
- **DCCDL - poised for healthy growth:** In 4QFY25, DCCDL office rentals came in at INR 10bn (+11% YoY; +4 QoQ) and retail rentals were flat YoY at INR 2.2bn (-4% QoQ). Total rental income for FY25 was up 10% YoY to INR 47.5bn. EBITDA (incl other income) for the quarter and full year stood at INR 12.5bn/ INR49.5bn, up 8%/10% YoY respectively. The non-SEZ portfolio is almost fully leased with occupancy of 98%, while the SEZ assets achieved a occupancy of 88% - taking the full year occupancy to 94% (up 100bps YoY). Aided by ramp-up of Downtown Gurugram (Block 4) along with completion of Tower 3, Chennai and Mall of India, Gurugram (total 3.7msf), we expect the DCCDL portfolio to deliver 11% CAGR in rental over FY26E-28E to INR 65bn (ex-

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### Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	1,000
Upside/(Downside)	32.7%
Previous Price Target	1,000
Change	0.0%

### Key Data – DLFU IN

Current Market Price	INR754
Market cap (bn)	INR1,865.2/US\$21.8
Free Float	26%
Shares in issue (mn)	2,475.3
Diluted share (mn)	2,475.3
3-mon avg daily val (mn)	INR2,556.6/US\$29.9
52-week range	929/601
Sensex/Nifty	81,186/24,684
INR/US\$	85.6

### Price Performance

%	1M	6M	12M
Absolute	12.6	-1.3	-11.5
Relative*	10.1	-6.2	-19.4

\* To the BSE Sensex

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	64,270	79,937	115,066	124,278	158,096
Sales Growth (%)	12.9	24.4	43.9	8.0	27.2
EBITDA	21,236	21,086	39,100	41,774	55,878
EBITDA Margin (%)	33.0	26.4	34.0	33.6	35.3
Adjusted Net Profit	27,271	49,724	48,313	59,272	74,950
Diluted EPS (INR)	11.0	20.1	19.5	23.9	30.3
Diluted EPS Growth (%)	31.2	82.3	-2.8	22.7	26.5
ROIC (%)	6.9	9.8	12.6	13.8	16.7
ROE (%)	7.1	12.1	10.9	12.3	14.1
P/E (x)	68.4	37.5	38.6	31.5	24.9
P/B (x)	4.7	4.4	4.1	3.7	3.3
EV/EBITDA (x)	89.4	90.0	47.2	44.3	33.0
Dividend Yield (%)	0.7	0.8	0.8	0.8	0.8

Source: Company data, JM Financial. Note: Valuations as of 20/May/2025

JM Financial Research is also available on:  
Bloomberg - JMFR <GO>,  
Thomson Publisher & Reuters,  
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

CAM). Net Debt for DCCDL increased QoQ to INR 175bn (INR 167bn in 3QFY25) and net debt to GAV stands at 21%.

- **Reported financials:** In 4QFY25, revenue recognised stood at INR 31.3bn (+47% YoY; +2x QoQ) while EBITDA stood at INR 9.8bn (+30% YoY; +135% QoQ) with a margin of 31.3%, down 400bps YoY. In FY25, Revenue/EBITDA came in at INR 79.9bn/21bn, up 24%/flat YoY. Aided by income from JV of INR 16.7bn, PAT for the year increased 71% to INR 46.7bn.
- **Maintain 'BUY' with a TP of INR 1,000:** DLF with its steady annuity cash flows and fully paid-up land banks remains extremely well placed to scale up across segments and newer geographies. We maintain a BUY rating with a Mar'26 TP of INR 1,000

#### 4QFY25 earnings con-call highlights:

- Housing demand for quality projects continue to be on the rise. Gurugram today has also become a good investment option for people preferring rental income given the healthy increase in migration into the city.
- Unlike other players, who have to continuously look for land opportunities, DLF has a sizable land bank, which can support the growth in near term.
- As discussed during the analyst day, the pre-sales target remains around INR 200-220bn. Company has outperformed consistently and the trend can surely continue.
- The 3<sup>rd</sup> phase of Privana and the Mumbai (Andheri) project are expected to be launched in 1QFY26 and the company will open additional inventory at Dahlias post the completion of experience center (by Nov'25).
- Pricing at Dahlias is ~INR 100k/sqft on carpet and for Camelias, prices in the secondary market are ~INR 200k/sqft. The management expects this gap to converge eventually at a healthy pace, across the construction timeline.
- The previous phases of DLF Privana are trading at a premium of INR 2,500 – 4000 psf and the demand for upcoming new phase remains healthy
- Company will spend INR 50bn annually on capex in FY26E/27E. The exit rentals for FY26E will be INR 67bn and it will increase sharply in FY27E due to full year contribution of new assets.

## Quarterly information and results update

### Exhibit 1. DCCDL portfolio stable

Particulars	Leasable Area (msf)	Leased Area (msf)	Vacant Area (msf)	% Leased Area	Weighted Average Rental rate (INR psf)	WALE (months)
Cyber City	11.6	11.5	0.1	99%	116	67
Cyber Sez	3.3	3.1	0.2	95%	96	88
Cyber Park	2.9	2.9	0.0	99%	119	68
Silokhera Sez	2.2	1.7	0.5	79%	69	86
One Horizon Centre	0.8	0.8	0.0	100%	187	87
Downtown, Gurugram (Block 2&3)	1.7	1.7	0.0	100%	122	110
Downtown, Gurugram (Block 4)	1.9	1.9	0.0	97%	145	118
Chennai Sez	8.4	7.5	0.9	89%	74	74
Hyderabad Sez	3.3	2.8	0.5	84%	58	63
Kolkata IT Park	NA	NA	NA	NA	NA	NA
Chandigarh IT Park	0.7	0.6	0.1	85%	55	70
Downtown Chennai	2.3	2.3	0.0	99%	87	102
<b>Sub-Total: Office</b>	<b>39.1</b>	<b>36.7</b>	<b>2.4</b>	<b>94%</b>	<b>NA</b>	<b>NA</b>
Mall of India, NOIDA	2.0	2.0	0.0	100%	142	60
Emporio	0.3	0.3	0.0	99%	485	36
Promenade	0.5	0.5	0.0	100%	228	69
Cyber Hub	0.5	0.5	0.0	99%	160	66
DLF Avenue	0.5	0.5	0.0	95%	179	58
The Hub, Chennai Sez	NA	NA	NA	NA	NA	NA
<b>City Centre</b>	<b>0.2</b>	<b>0.2</b>	<b>0.0</b>	<b>84%</b>	<b>20</b>	<b>69</b>
<b>Sub-Total: Retail</b>	<b>4.0</b>	<b>3.9</b>	<b>0.1</b>	<b>98%</b>	<b>NA</b>	<b>NA</b>
<b>Total: Operational Portfolio</b>	<b>43.1</b>	<b>40.6</b>	<b>2.5</b>	<b>94%</b>	<b>NA</b>	<b>NA</b>
Under Construction						
Cyber Park	NA	NA	NA	NA	NA	NA
Downtown Gurugram	NA	NA	NA	NA	NA	NA
Downtown Chennai	1.1	1.1	0.0	99%	82	NA
Chennai Block 12	NA	NA	NA	NA	NA	NA
Downtown Gurugram 4	NA	NA	NA	NA	NA	NA
Downtown Gurugram 5,6,8	3.0	NA	3.0	NA	NA	NA
Downtown Gurugram 7	2.3	1.2	1.1	52%	175	NA
Downtown Gurugram Retail Mall	2	0	2	NA	NA	NA
<b>Downtown Chennai 4,5</b>	<b>3.6</b>	<b>0</b>	<b>3.6</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Total -Under Construction</b>	<b>12</b>	<b>2.3</b>	<b>9.7</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Development Potential</b>	<b>17</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Grand Total</b>	<b>72.1</b>	<b>43.0</b>	<b>12.2</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

Source: Company, JM Financial

### Exhibit 2. DCCDL cash flows remain strong

DCCDL Cash flows	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	YoY	QoQ
Operating Cash Flow before Interest & Tax*	9,060	10,440	11,220	10,310	11,060	11,120	11,820	12,580	11,880	13,870	12,880	11,830	-6%	-8%
Net finance cost	-2,940	-3,630	-3,920	-3,310	-3,380	-3,780	-4,680	-2,840	-3,400	-3,880	-3,650	-3,790	33%	4%
Tax	-990	-1,130	-650	-1,420	-1,310	-1,230	-1,240	-850	-1,270	-780	-1,850	-860	1%	-54%
Net operating cash flow	5,130	5,680	6,640	5,590	6,370	6,110	5,890	8,890	7,210	9,200	7,390	7,180	-19%	-3%
Capex	-2,780	-2,870	-3,540	-2,770	-1,890	-2,400	-2,530	-3,590	-3,770	-4,760	-5,120	-4,390	22%	-14%
Net Surplus	2,350	2,810	3,110	2,810	4,480	3,710	3,360	5,300	3,440	4,690	8,350	2,780	-48%	-67%
Dividend	0	-7,520	0	-6,790	0	-680	-4,300	-3,760	0	-1,250	-3,310	-10,440	178%	215%
Capex advance refund (Hyderabad Sez)	0	0	5,820	0	0	0	0	0	0	0	0	0	NA	NA
<b>Net Surplus/Deficit</b>	<b>2,350</b>	<b>-4,710</b>	<b>8,930</b>	<b>-3,980</b>	<b>4,480</b>	<b>3,030</b>	<b>-940</b>	<b>1,540</b>	<b>3,440</b>	<b>3,440</b>	<b>5,040</b>	<b>-7,660</b>	<b>-597%</b>	<b>-252%</b>

Source: Company, JM Financial

## Exhibit 3. DCCDL PAT at INR 5,280mn in 4QFY25

DCCDL P&L	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	YoY	QoQ
Rental Revenue	9,260	9,850	10,030	10,530	10,430	10,690	10,880	11,240	11,520	11,850	11,930	12,230	9%	3%
Office	7,590	8,010	8,130	8,590	8,560	8,570	8,590	9,050	9,420	9,680	9,620	10,020	11%	4%
Retail	1,670	1,840	1,900	1,940	1,870	2,120	2,290	2,190	2,100	2,170	2,310	2,210	1%	-4%
Service & operating income	2,990	3,510	3,230	3,380	3,520	3,740	3,710	392	3,840	4,210	3,950	3,960	910%	0%
Other Income	350	320	370	370	160	200	160	370	170	470	210	180	-51%	-14%
Total Revenue	12,600	13,690	13,630	14,280	14,120	14,630	14,760	15,530	15,530	16,530	16,090	16,370	5%	2%
Operating Expenses	2,990	3,220	3,020	3,470	3,240	3,540	3,490	3,930	3,600	3,890	3,670	3,830	-3%	4%
EBITDA	9,610	10,460	10,610	10,810	10,880	11,090	11,260	11,600	11,930	12,640	12,420	12,540	8%	1%
Finance cost	3,610	3,920	4,040	4,060	3,970	3,840	3,750	3,800	3,830	3,780	3,670	3,600	-5%	-2%
Depreciation	1,510	1,550	1,580	1,560	1,520	1,540	1,520	1,590	1,570	1,640	1,610	1,600	1%	-1%
Exceptional Item	0	0	0	0	0	0	0	0	0	0	4,260	0	NA	-100%
PBT	4,490	4,980	4,980	5,180	5,400	5,700	6,000	6,210	6,530	7,220	7,140	7,340	18%	3%
Tax	-1,230	-1,410	-1,370	-1,660	-1,490	-1,530	-1,650	1,740	1,830	2,010	1,990	2,060	18%	4%
Share of profit/loss in JV	0	0	0	0	0	0	0	0	0	0	0	0		
Other Comprehensive Income	-30	-30	-30	420	0	-10	0	0	0	0	-10	10		
PAT	3,230	3,550	3,580	3,940	3,910	4,160	4,340	4,480	4,700	5,210	5,150	5,280	18%	3%

Source: Company, JM Financial

## Exhibit 4. Planned launches of INR 740bn (29 msf) of new products over the medium term

## New Products : Launch Pipeline [Medium-Term]

Project Segment	Planned Launches [FY 25 onwards]		Launched [till FY25]		Sold [till FY25]		To Be Launched [Medium Term]	
	Size (~ in msf)	Sales Potential (~ in Rs crore)	Size (~ in msf)	Sales Potential (~ in Rs crore)	Size (~ in msf)	Sales Potential (~ in Rs crore)	Size (~ in msf)	Sales Potential (~ in Rs crore)
Super-Luxury	5.5	37,500	4.5	35,000	2.1	13,744	1	2,500
Luxury	29	74,000	2.9	5,600	2.9	5,600	26	68,400
Premium	2.3	2,000					2.3	2,000
Commercial	0.2	1,000					0.2	1,000
Grand Total	37	1,14,500	7.5	40,600	5.0	19,344	29	73,900

~35% already launched in FY25; ~15%+ planned to be launched in FY26

Source: Company, JM Financial

**Exhibit 5. The Devco business generated INR 74bn of operating surplus in FY25, up 69% YoY**

Cash Flows (INR mn)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
<b>Inflow</b>												
Collections	9,910	11,520	13,070	18,420	14,720	22,820	24,250	21,210	28,880	22,520	29,880	32,680
Collections- New Sales	0	0	0	0	0	0	0	0	0	0	0	0
Rentals	810	1,000	910	860	1,040	760	900	840	800	1,180	1,280	520
<b>Sub Total</b>	<b>10,720</b>	<b>12,520</b>	<b>13,980</b>	<b>19,280</b>	<b>15,760</b>	<b>23,580</b>	<b>25,150</b>	<b>22,050</b>	<b>29,680</b>	<b>23,700</b>	<b>31,160</b>	<b>33,200</b>
<b>Outflow</b>												
Construction	1,970	2,980	2,980	3,900	3,150	3,490	4,670	5,100	4,240	5,210	5,910	7,240
Finance Cost	530	660	680	810	600	-90	30	-50	-200	-360	-600	-690
Government Charges	980	1,730	540	1,280	880	2,710	4,850	1,360	3,330	1,500	3,030	1,880
Tax	-600	60	-50	-20	20	60	90	-180	-600	20	160	-4,370
Overhead	2,940	2,520	2,830	2,920	3,160	3,630	4,430	4,770	4,410	5,220	4,170	4,010
<b>Total</b>	<b>5,820</b>	<b>7,950</b>	<b>6,980</b>	<b>8,890</b>	<b>7,810</b>	<b>9,800</b>	<b>14,070</b>	<b>11,000</b>	<b>11,180</b>	<b>11,590</b>	<b>12,670</b>	<b>8,070</b>
<b>Operating Cash Flow after Interest &amp; Tax</b>	<b>4,900</b>	<b>4,570</b>	<b>7,000</b>	<b>10,390</b>	<b>7,950</b>	<b>13,780</b>	<b>11,080</b>	<b>11,050</b>	<b>18,500</b>	<b>12,110</b>	<b>18,490</b>	<b>25,130</b>
Capex	-670	-460	-680	-770	-670	-850	-490	-820	-870	-880	-830	-1,110
<b>Net Surplus</b>	<b>4,230</b>	<b>4,110</b>	<b>6,320</b>	<b>9,620</b>	<b>7,280</b>	<b>12,930</b>	<b>10,590</b>	<b>10,230</b>	<b>17,630</b>	<b>11,230</b>	<b>17,660</b>	<b>24,020</b>
Reduction in land liabilities / TDS on interim dividend	0	0	0	0	0	0	0	0	0	0	0	0
Payment of DCCDL	0	0	-5,820	0	0	0	0	0	0	0	0	0
Payment: Land acquisitions/disposals	0	0	0	0	-630	-1,460	-2,130	-9,470	-4,130	-240	-2,840	-1,200
<b>Total</b>	<b>4,230</b>	<b>1,200</b>	<b>500</b>	<b>13,700</b>	<b>6,650</b>	<b>1,980</b>	<b>11,040</b>	<b>3,010</b>	<b>13,500</b>	<b>-560</b>	<b>17,020</b>	<b>29,780</b>
Dividend Paid (DCCDL inflow-Devco outflow)	0	-2,910	0	4,080	0	-9,490	2,580	2,250	0	-11,550	2,200	6,960

Source: Company, JM Financial

## Financials

### Exhibit 6. Financial summary

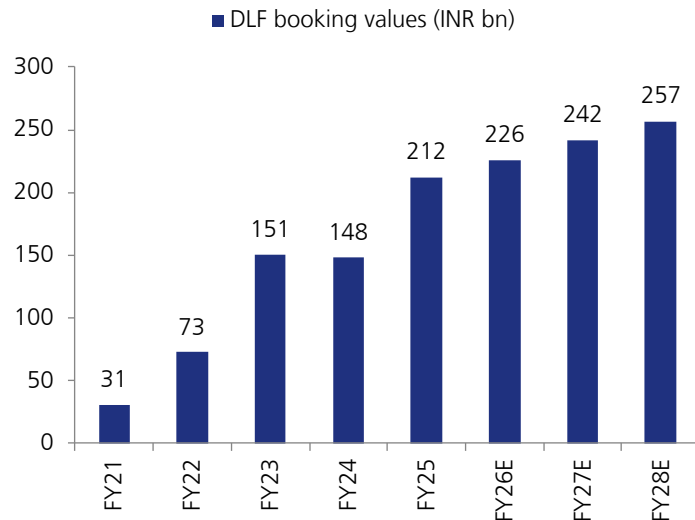
INR mn	Mar'25	Mar'24	YoY (%)	Dec'24	QoQ (%)	FY24	FY25	YoY (%)
Net Sales	31,276	21,348	47%	15,287	105%	64,270	79,937	24%
Cost of Sales	16,516	8,617	92%	7,383	124%	27,938	41,316	48%
Gross Margin (%)	47.2%	59.6%	-1245bps	51.7%	-451bps	56.5%	48.3%	-8bps
Employee Expenses	1,290	1,235	4%	1,335	-3%	5,460	5,920	8%
Other Expenses	3,690	3,956	-7%	2,569	44%	9,637	11,615	21%
EBITDA	9,780	7,541	30%	4,000	145%	21,235	21,085	-1%
EBITDA Margin (%)	31.3%	35.3%	-405bps	26.2%	510bps	33.0%	26.4%	0bps
Depreciation	369	367	1%	387	-5%	1,480	1,507	2%
Interest Costs	1,086	977	11%	939	16%	3,565	3,972	11%
Other Income	2,202	1,819	21%	2,088	5%	5,313	10,022	89%
PBT	10,527	8,016	31%	4,761	121%	21,504	25,629	19%
Tax	1,813	1,715	6%	-2,667	-168%	5,201	-4,339	-183%
Minority Interest	0	-9	-100%	0	#DIV/0!	-36	-8	-78%
Profit from associates	-4,108	-2,897	42%	-6,183	-34%	-10,931	-16,723	53%
Adj PAT	12,822	9,207	39%	13,611	-6%	27,270	46,699	71%
Extraordinary Items	0	0	NM	3,024	NM	0	-3,024	NM
PAT (incl extraordinary)	12,822	9,207	39%	10,587	21%	27,270	43,675	60%

Source: Company, JM Financial

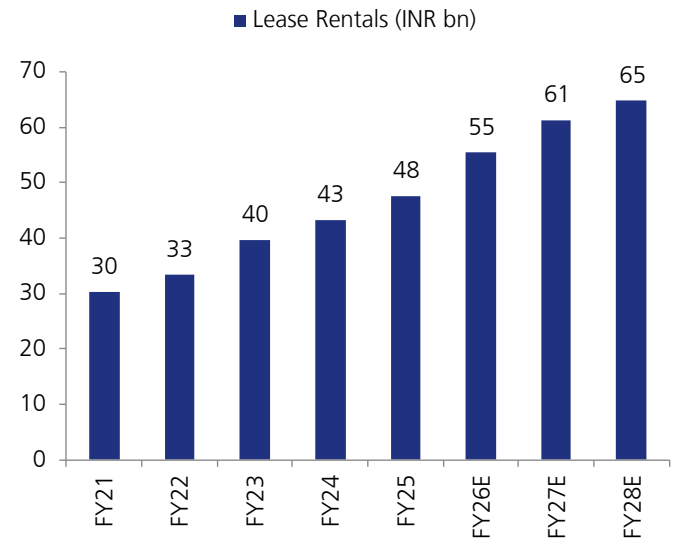
### Exhibit 7. Financial estimates

INR mn	FY23	FY24	FY25	YoY (%)	FY26E	FY27E	YoY (%)
Net Sales	56,948	64,270	79,937	24%	115,066	124,278	24%
Cost of Sales	24,340	27,938	41,316	48%	54,103	57,648	48%
Gross Margin (%)	57.3%	56.5%	48.3%	-8bps	53.0%	53.6%	-822bps
Employee Expenses	5,479	5,460	5,920	8%	8,055	8,699	8%
Other Expenses	9,871	9,637	11,615	21%	13,808	16,156	21%
EBITDA	17,257	21,235	21,085	-1%	39,099	41,773	-1%
EBITDA Margin (%)	30.3%	33.0%	26.4%	0bps	34.0%	33.6%	-666bps
Depreciation	1,486	1,480	1,507	2%	1,477	1,496	2%
Interest Costs	3,921	3,565	3,972	11%	3,186	2,236	11%
Other Income	3,173	5,313	10,022	89%	4,936	7,106	89%
PBT	15,023	21,504	25,629	19%	39,372	45,147	19%
Tax	4,015	5,201	-4,339	-183%	9,843	11,287	-183%
Minority Interest	-19	-36	-8	-78%	-65	-74	-78%
Profit from associates	-9,330	-10,931	-16,723	53%	-18,823	-25,448	53%
Adj PAT	20,357	27,270	46,699	71%	48,416	59,382	71%
Extraordinary Items	0	0	-3,024	NM	0	0	NM
PAT (incl extraordinary)	20,357	27,270	43,675	60%	48,416	59,382	60%

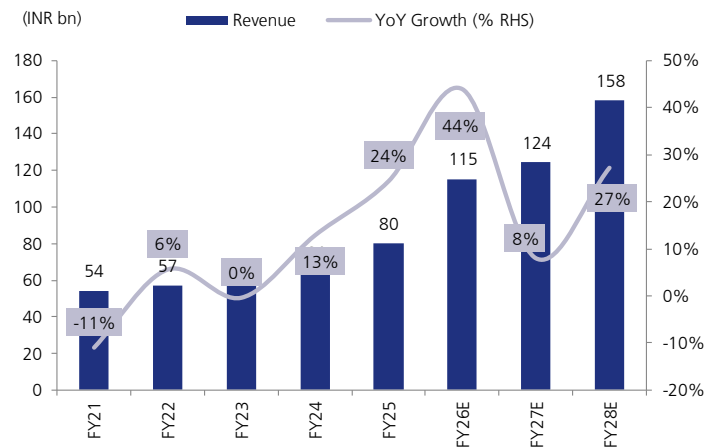
Source: Company, JM Financial

**Exhibit 8. Expect bookings to grow at steady pace**

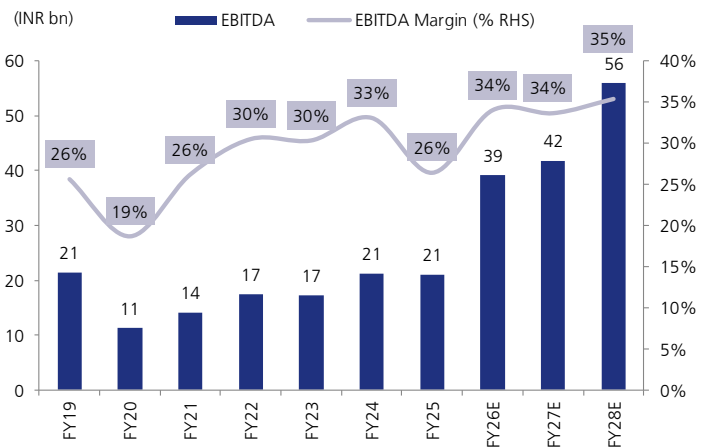
Source: Company, JM Financial

**Exhibit 9. DCCDL lease rentals to grow at 11% CAGR over FY26-28**

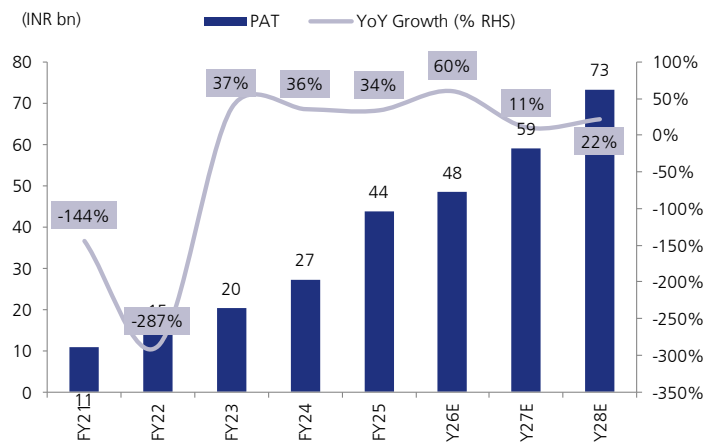
Source: Company, JM Financial

**Exhibit 10. Reported revenue to improve sharply from FY26E**

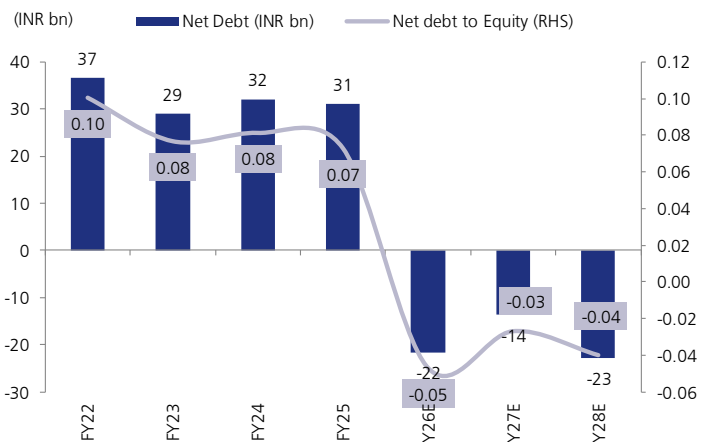
Source: Company, JM Financial

**Exhibit 11. EBITDA margin to remain to improve to 35%**

Source: Company, JM Financial

**Exhibit 12. Reported PAT to grow significantly**

Source: Company, JM Financial

**Exhibit 13. Leverage at comfortable levels**

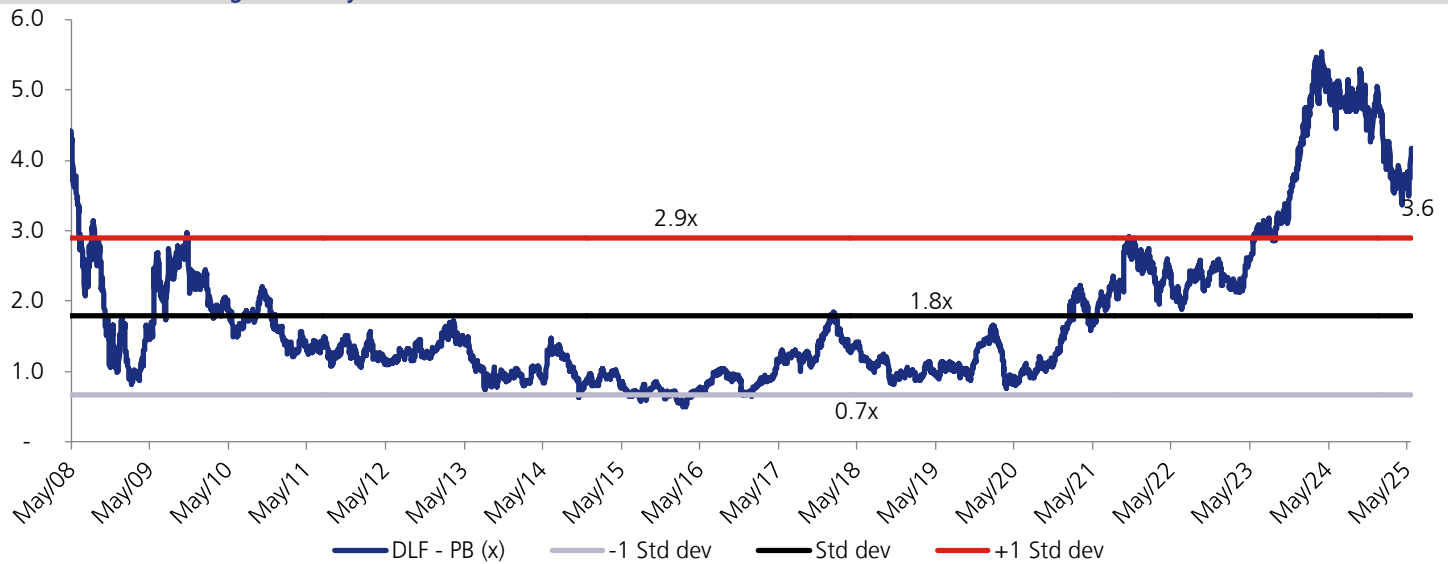
Source: Company, JM Financial

## Exhibit 14. Real Estate Comps

Company	Mcap		TP	Rating	Upside (%)	EV/Pre-sales			EV/EBITDA			EV/OCF			Pre-sales CAGR FY25-27E
	CMP	(INR bn)				FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	
DLF	754	1865	1,000	BUY	33%	6.2	5.8	5.4	15.5	14.6	13.6	27.0	14.4	7.9	7%
Macrotech	1380	1372	1,480	BUY	7%	6.4	5.2	4.1	23.0	18.4	14.8	20.5	15.4	12.5	25%
Godrej Properties	2169	653	2,600	BUY	20%	2.4	2.0	1.8	11.0	9.3	8.0	12.5	10.4	8.3	17%
Sobha	1351	128	1,615	BUY	20%	1.2	1.0	0.9	6.2	4.8	4.5	10.0	3.8	4.6	18%
Keystone Realtors	525	66	855	BUY	63%	2.0	1.5	1.1	10.1	7.3	5.5	5.5	11.0	7.7	36%

Source: Company, JM Financial

## Exhibit 15. DLF is trading at 3.6x 1 year forward P/B



Source: Bloomberg, JM Financial

## Valuation

## Exhibit 16. SOTP value of INR 1,000 per share

DLF	INR bn	Per Share	% of EV	Comments
Residential	829	335	34%	Balance Inventory + under construction
Completed Inventory	131	53		
Under Construction	248	100		
Reinvestment Value	450	182		
Land Banks	1,067	431	44%	Land banks totalling 192msf + extra potential
DLF Rental Business	48	19	2%	Non-DCCDL rental business; 8% cap rate
Hotel Land	25	10	1%	Lodhi Hotel on INR 50.0bn worth of land
Devco	1,969	796	80%	10.4% WACC
DCCDL	482	195	20%	DCCDL rental business; 7.5% cap rate
<b>Total</b>	<b>2,451</b>	<b>990</b>	<b>100%</b>	
Net Debt	(22)	(9)		
NAV	2,473	999		
Shares Outstanding (bn)	2.5			
<b>Mar'26 TP</b>	<b>1,000</b>		<b>1x NAV</b>	
CMP	753			
Upside	33%			

Source: Company, JM Financial



## Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	64,270	79,937	115,066	124,278	158,096
Sales Growth	12.9%	24.4%	43.9%	8.0%	27.2%
Other Operating Income	0	0	0	0	0
<b>Total Revenue</b>	<b>64,270</b>	<b>79,937</b>	<b>115,066</b>	<b>124,278</b>	<b>158,096</b>
Cost of Goods Sold/Op. Exp	27,938	41,316	54,103	57,648	73,761
Personnel Cost	5,460	5,920	8,055	8,699	11,067
Other Expenses	9,637	11,615	13,808	16,156	17,391
<b>EBITDA</b>	<b>21,236</b>	<b>21,086</b>	<b>39,100</b>	<b>41,774</b>	<b>55,878</b>
EBITDA Margin	33.0%	26.4%	34.0%	33.6%	35.3%
EBITDA Growth	23.0%	-0.7%	85.4%	6.8%	33.8%
Depn. & Amort.	1,480	1,507	1,540	1,560	1,584
EBIT	19,757	19,580	37,561	40,215	54,294
Other Income	5,313	10,022	4,936	7,108	10,909
Finance Cost	3,565	3,972	3,186	2,236	1,286
PBT before Excep. & Forex	21,505	25,630	39,310	45,086	63,917
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	21,505	25,630	39,310	45,086	63,917
Taxes	5,201	-4,339	9,828	11,272	15,979
Extraordinary Inc./Loss(-)	0	3,024	0	0	0
Assoc. Profit/Min. Int.(-)	10,896	16,715	18,815	25,439	26,987
Reported Net Profit	27,271	49,724	48,313	59,272	74,950
<b>Adjusted Net Profit</b>	<b>27,271</b>	<b>49,724</b>	<b>48,313</b>	<b>59,272</b>	<b>74,950</b>
Net Margin	42.4%	62.2%	42.0%	47.7%	47.4%
Diluted Share Cap. (mn)	2,475.3	2,475.3	2,475.3	2,475.3	2,475.3
<b>Diluted EPS (INR)</b>	<b>11.0</b>	<b>20.1</b>	<b>19.5</b>	<b>23.9</b>	<b>30.3</b>
Diluted EPS Growth	31.2%	82.3%	-2.8%	22.7%	26.5%
Total Dividend + Tax	12,377	14,852	14,852	14,852	14,852
Dividend Per Share (INR)	5.0	6.0	6.0	6.0	6.0

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	21,505	25,630	39,310	45,086	63,917
Depn. & Amort.	1,480	1,507	1,540	1,560	1,584
Net Interest Exp. / Inc. (-)	3,565	3,972	3,186	2,236	1,286
Inc (-) / Dec in WCap.	7,908	32,251	42,954	-27,055	-23,678
Others	-6,497	-6,765	-4,936	-7,108	-10,909
Taxes Paid	-2,572	-1,219	-9,828	-11,272	-15,979
<b>Operating Cash Flow</b>	<b>25,388</b>	<b>52,352</b>	<b>91,050</b>	<b>28,895</b>	<b>43,220</b>
Capex	6,276	-953	-1,121	-1,388	-1,717
Free Cash Flow	31,664	51,399	89,929	27,507	41,503
Inc (-) / Dec in Investments	-44,075	-54,402	-18,894	-25,520	-27,073
Others	22,513	19,924	4,936	7,108	10,909
<b>Investing Cash Flow</b>	<b>-15,287</b>	<b>-35,431</b>	<b>-15,079</b>	<b>-19,801</b>	<b>-17,882</b>
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	-9,869	-12,336	-14,852	-14,852	-14,852
Inc / Dec (-) in Loans	15,919	-7,288	-10,000	-10,000	-10,000
Others	-4,284	-4,402	-8,524	-2,236	-1,286
<b>Financing Cash Flow</b>	<b>1,766</b>	<b>-24,026</b>	<b>-33,376</b>	<b>-27,088</b>	<b>-26,138</b>
<b>Inc / Dec (-) in Cash</b>	<b>11,868</b>	<b>-6,413</b>	<b>42,595</b>	<b>-17,994</b>	<b>-800</b>
Opening Cash Balance	2,071	13,938	7,525	50,120	32,126
Closing Cash Balance	13,938	7,525	50,120	32,126	31,326

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	394,308	425,502	458,964	503,383	563,481
Share Capital	4,951	4,951	4,951	4,951	4,951
Reserves & Surplus	389,358	420,552	454,013	498,433	558,531
Preference Share Capital	0	0	0	0	0
Minority Interest	8	0	-8	-17	-30
Total Loans	45,987	38,540	28,540	18,540	8,540
Def. Tax Liab. / Assets (-)	27,902	15,148	15,148	15,148	15,148
<b>Total - Equity &amp; Liab.</b>	<b>468,205</b>	<b>479,190</b>	<b>502,644</b>	<b>537,055</b>	<b>587,140</b>
Net Fixed Assets	39,481	35,794	40,714	40,543	40,676
Gross Fixed Assets	90,951	88,681	95,140	96,529	98,246
Intangible Assets	11,955	11,955	11,955	11,955	11,955
Less: Depn. & Amort.	64,106	65,613	67,153	68,713	70,297
Capital WIP	681	771	771	771	771
Investments	201,377	213,356	232,250	257,770	284,843
Current Assets	361,766	445,604	406,043	418,798	485,800
Inventories	211,541	246,215	247,163	269,204	305,041
Sundry Debtors	5,381	8,022	9,457	10,215	12,994
Cash & Bank Balances	13,938	7,525	50,120	32,126	31,326
Loans & Advances	11,623	8,668	17,339	18,727	23,823
Other Current Assets	119,283	175,173	81,965	88,527	112,616
Current Liab. & Prov.	134,419	215,563	176,363	180,056	224,179
Current Liabilities	25,820	30,552	28,372	30,644	38,983
Provisions & Others	108,599	185,011	147,991	149,413	185,197
Net Current Assets	227,347	230,040	229,680	238,742	261,620
<b>Total - Assets</b>	<b>468,205</b>	<b>479,190</b>	<b>502,644</b>	<b>537,055</b>	<b>587,140</b>

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	42.4%	62.2%	42.0%	47.7%	47.4%
Asset Turnover (x)	0.2	0.2	0.2	0.2	0.3
Leverage Factor (x)	1.1	1.1	1.1	1.1	1.0
RoE	7.1%	12.1%	10.9%	12.3%	14.1%

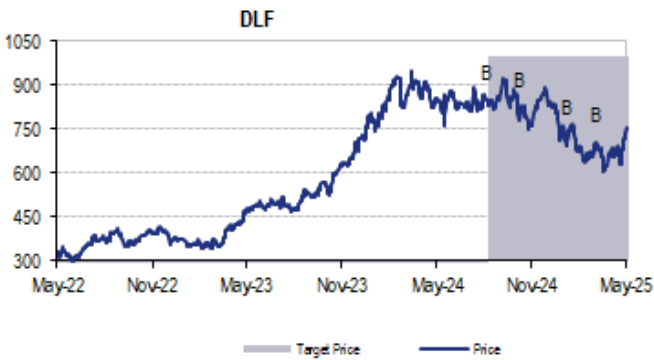
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	159.3	171.9	185.4	203.4	227.6
ROIC	6.9%	9.8%	12.6%	13.8%	16.7%
ROE	7.1%	12.1%	10.9%	12.3%	14.1%
Net Debt/Equity (x)	0.1	0.1	0.0	0.0	0.0
P/E (x)	68.4	37.5	38.6	31.5	24.9
P/B (x)	4.7	4.4	4.1	3.7	3.3
EV/EBITDA (x)	89.4	90.0	47.2	44.3	33.0
EV/Sales (x)	29.5	23.7	16.0	14.9	11.7
Debtor days	31	37	30	30	30
Inventory days	1,201	1,124	784	791	704
Creditor days	219	189	136	136	139

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
26-Aug-24	Buy	1,000	
28-Oct-24	Buy	1,000	0.0
28-Jan-25	Buy	1,000	0.0
24-Mar-25	Buy	1,000	0.0

Recommendation History



## APPENDIX I

## JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

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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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