

CMP: ₹ 591

Target: ₹ 741 (+25%)

Target Period: 12 months

BUY

January 6, 2025

Emerging regional star

About the stock: Max Estates Limited (MEL), is the real estate arm of Max Group, primarily focused in the Delhi-NCR region across residential and commercial developments.

- Erstwhile parent, Max Ventures and Industries exited speciality packaging business and was merged into MEL in FY2023, subsequently getting listed on Indian bourses on October 30, 2023.
- Residential portfolio comprise 5 projects totalling 8.8msf and almost Rs. 18,000 crore GDV.
- Commercial assets comprise 4 operational assets totalling ~1msf leased area and annualised lease income of Rs. 146 crores. Strategic partnership with New York Life Insurance for commercial vertical.

Investment Rationale

- **Strong residential project portfolio of ~Rs. 18,000 crore GDV:** MEL's residential project portfolio comprise 5 projects totalling 8.8msf with an aggregate GDV of almost Rs. 18,000 crore (sold ~Rs. 6800 crore). Having sold almost Rs. 5000 crore GDV projects in 9MFY2025 (up 168% vs FY2024), it has achieved its pre-sales guidance of Rs. 4800-5200 crore for FY2025. Balance sales potential of ~Rs. 11,200 crore GDV from ongoing projects along with new business development would ascertain 15-20% pre-sales CAGR post FY2025.
- **Aggressive BD to get fuelled with recent fund raise:** MEL added three projects (6.5msf, GDV of Rs. 11,300 crore) in H1FY2025 outpacing its guidance of 3msf for FY2025. It has outlined an indicative residential BD pipeline of 11.4msf (one deal closure by FY2025 end). MEL has built a strong war chest of ~Rs. 1350 crore through QIP fund raise, warrants issue and monetisation of 49% stake in Max Towers & Max House. It is planning to deploy these funds over the next 12 to 18 months across Delhi NCR, which would help in maintaining its sales growth momentum going ahead.
- **Annuity income to rise >9x over FY2024 to FY2030:** MEL has four operational office assets (~1msf) and three under-construction assets (3.2msf) which are expected to get completed over Q2FY2028 to FY2030. Rental escalation in existing assets and commissioning of new assets is expected to increase its lease rental revenues to Rs. 624 crore in FY2030 from Rs. 66 crore in FY2024.

Rating and Target Price

- MEL provides high scalability opportunity across its residential and commercial verticals. While, the stock is trading at 4.3x P/B on FY2027E and 28% premium to NAV, which is much lower than its sector leaders.
- We value MEL on SOTP basis and ascribe higher premium to NAV (considering its aggressive BD) to arrive at a price target of ₹ 741. We assign **BUY rating** on the stock.



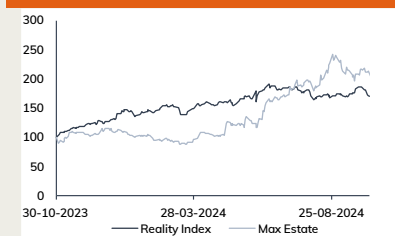
Particulars

Particular	Amount
Market Capitalisation (? Crore)	9,514
FY24 Gross Debt (? Crore)	914
FY24 Cash(? Crore)	284
EV (? Crore)	10,144
52 Week H/L (Rs)	724/246
Equity Capital (? Crore)	161.0
Face Value (Rs)	10.0

Shareholding pattern

	Dec-23	Mar-24	Jun-24	Sep-24
Promoter	49.5	49.5	49.4	45.3
FII	29.5	27.6	27.5	27.6
DII	0.0	0.2	0.0	5.7
Others	21.0	22.7	23.0	21.5

Price Chart



Key risks

Key Risk: i) Delay in under-construction annuity & residential projects ii) Inability to acquire new residential projects iii) Geographic concentration

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Key Financial Summary

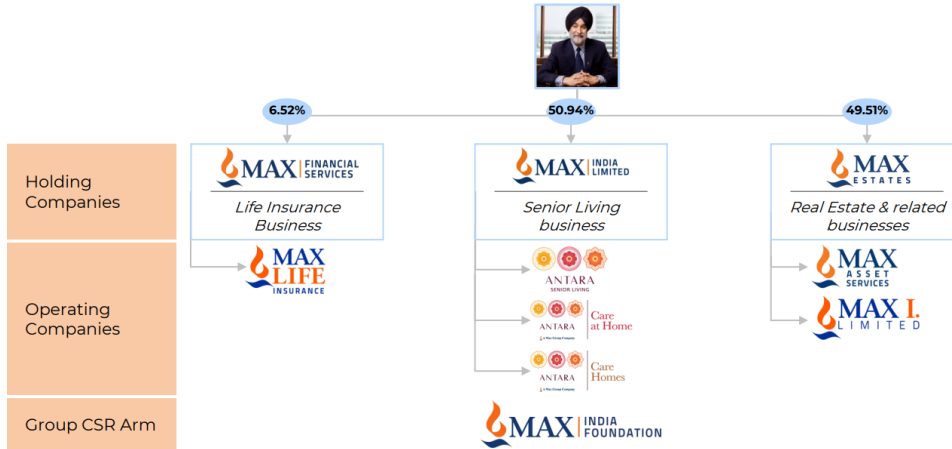
(₹ crore)	FY22	FY23	FY24	2 year CAGR (FY22-24)	FY25E	FY26E	FY27E	3 year CAGR (FY24-27E)
Revenues	69.3	107.3	92.9	15.8	188.3	228.8	244.5	38.0
EBITDA	30.7	31.7	17.8	-23.9	31.2	53.7	53.9	44.8
EBITDA margin (%)	44.2	29.5	19.1		16.6	23.5	22.1	
Net Profit	5.0	19.0	2.3	-32.4	5.5	18.4	16.5	93.0
EPS (Rs)	0.3	1.1	0.1		0.3	1.1	1.0	
P/E (x)	1957.2	514.5	4276.9		1763.0	531.8	594.8	
EV/EBITDA (x)	327.8	333.3	585.9		311.2	181.5	181.9	
RoCE (%)	2.2	1.8	-0.4		-0.2	0.3	0.0	
RoE (%)	0.8	1.6	0.2		0.3	0.9	0.7	

Source: Company, ICICI Direct Research

Company Background

Max Estates (MEL), is the real estate arm of Max Group, an Indian conglomerate having a strong presence in life insurance (Max Financial Services), senior living (Max India), real estate (MEL) and allied businesses. Its erstwhile parent company, Max Ventures and Industries exited the speciality packaging films business and was merged into the company in FY2023, subsequently MEL was listed on NSE and BSE on October 30, 2023.

Exhibit 1: MAX Group Structure



Source: Company, ICICI Direct Research

MEL is primarily focused in the Delhi-NCR region on developing commercial as well as residential projects. Its developments in both commercial and residential are centred around its core operating philosophy promoting holistic well-being (Commercial – WorkWell, Residential – LiveWell).

As of June 30, 2024, it had 11 projects comprising 7 commercial projects and 4 residential projects totalling ~13 million square feet (msf), which includes completed, ongoing and forthcoming projects in the Delhi NCR region.

MEL has strategic partnership with New York Life Insurance Company (NYL) for its commercial real estate projects and is an exclusive real estate partner in India. Its partnership with NYL started in 2017. Currently, it holds 21.5% stake in MVL and has 49% stake in its 6 commercial projects.

Exhibit 2: Key markets in NCR



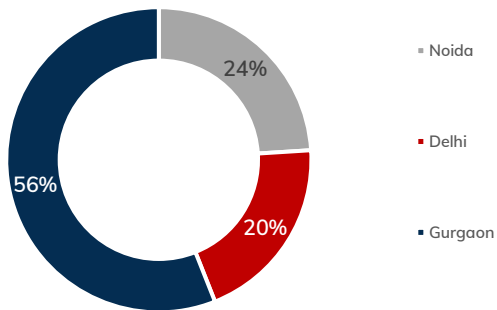
Source: Company, ICICI Direct Research

Exhibit 3: Project Portfolio across NCR



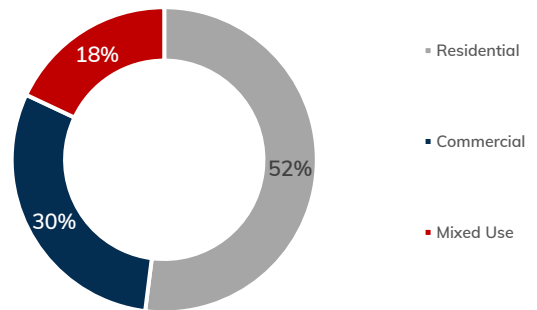
Source: Company, ICICI Direct Research

Exhibit 4: Geographical split



Source: Company, ICICI Direct Research

Exhibit 5: Asset class split



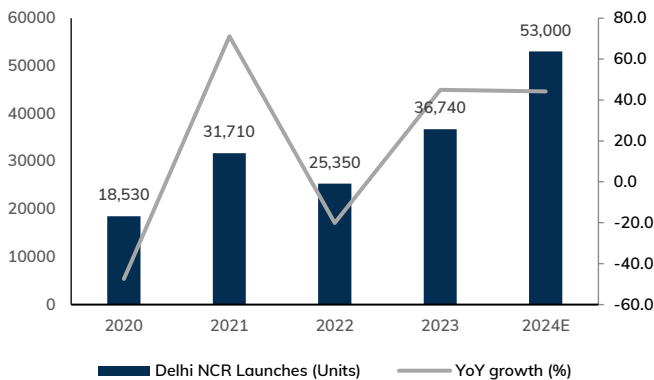
Source: Company, ICICI Direct Research

Investment Rationale

Delhi-NCR – Residential demand on strong footing propelled by ultra-luxury segment

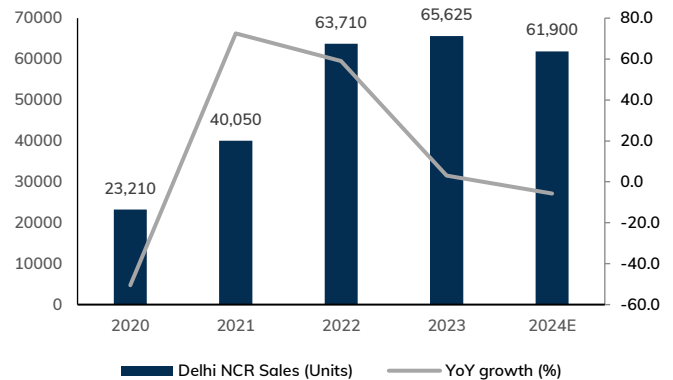
Delhi-NCR forms one of the key residential markets of India forming ~13% of the launches and sales volumes in CY2024. Delhi-NCR has witnessed ~28% CAGR in sales volumes over CY2020-24 driven by ~30% CAGR in launch volumes over CY2020-24. Land paucity, high rate of immigration, increasing urbanisation, infrastructure development, increasing disposable incomes, aspirational lifestyle, etc have been key growth drivers of Delhi-NCR region with city expanding towards its peripheral regions. Strong demand over trailing two years, has led to 23% CAGR rise in residential prices over CY2022-CY2024E while inventory overhang has reduced from the peak of 49 months in CY2021 to 17 months in CY2024E. Strong demand for premium housing has led to stupendous rise in supply of ultra-luxury properties (priced higher than Rs. 2.5 crore), which saw its share rise from just 2% in CY2021 to 59% in CY2024E. For CY2025, Delhi-NCR market is expected to witness steady demand while prices are not expected to increase materially.

Exhibit 6: Delhi NCR Launch trend



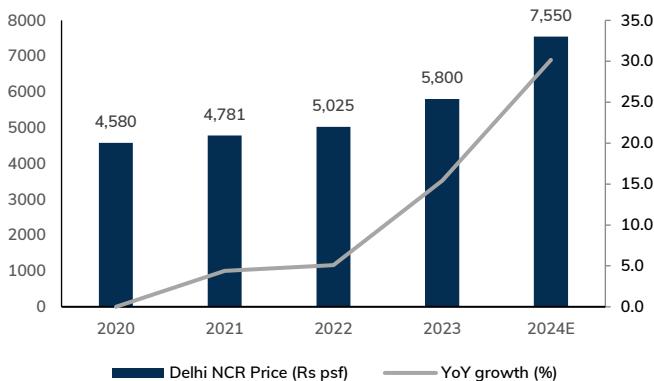
Source: Anarock, ICICI Direct Research

Exhibit 7: Delhi NCR Sales trend



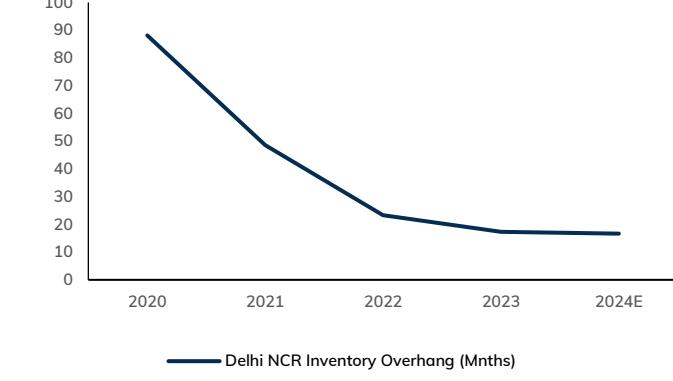
Source: Anarock, ICICI Direct Research

Exhibit 8: Delhi NCR Launch trend



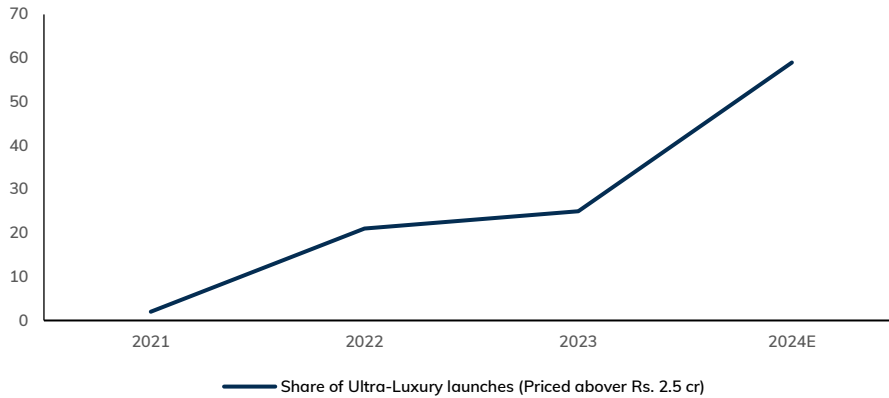
Source: Anarock, ICICI Direct Research

Exhibit 9: Delhi NCR Sales trend



Source: Anarock, ICICI Direct Research

Exhibit 10: Rising share of ultra-luxury housing in Delhi-NCR

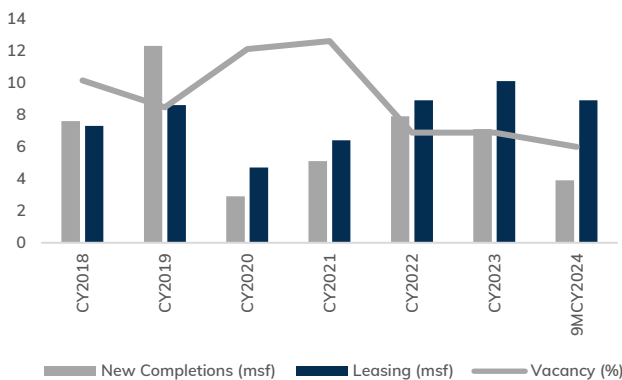


Source: Anarock, ICICI Direct Research

Delhi-NCR – Office market showing declining Vacancy levels and rising rentals

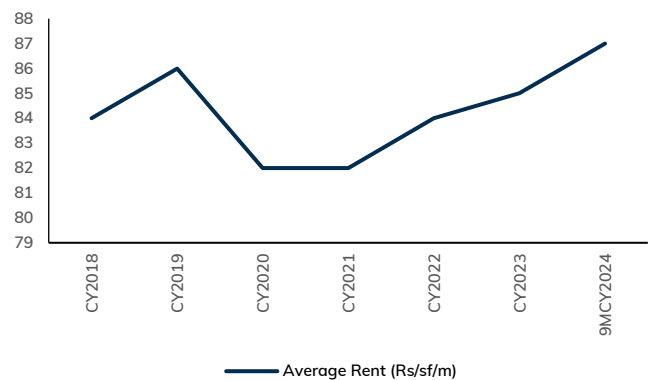
Delhi NCR’s commercial real estate sector remain robust, driven by presence of numerous MNCs, IT/ITeS companies, and a thriving infrastructure ecosystem. Gurugram and Noida have emerged as prominent commercial hubs, offering Grade A office spaces. Post covid pandemic (CY2020-21), Delhi-NCR has witnessed 9.5msf p.a. leasing over CY2022-23 outpacing new completions of 7.5msf p.a. Further, during 9MFY2025, Delhi NCR has already achieved leasing of 8.9msf while new completions were limited to 3.9msf. Consequently, vacancy levels have dropped from the peak of 22.5% in CY2021 to 10.7% in 9MCY2024 while rental rates have seen steady rise from Rs. 82 psfpm in CY2021 to Rs. 87 psfpm in 9MCY2024. Going ahead, continuous expansion in key regions Gurugram and Noida are expected to further lower Vacancy levels and maintain the upward trajectory in Rentals.

Exhibit 11: Delhi NCR Office Supply/Leasing/Vacancy trend



Source: Knight Frank, ICICI Direct Research

Exhibit 12: Delhi NCR Rental trend



Source: Knight Frank, ICICI Direct Research

Residential project pipeline of ~Rs. 11200 crore GDV

MEL’s erstwhile parent company, Max Ventures and Industries (MVIL) was focused on manufacturing of speciality packaging films business while selectively exploring real estate development. In 2018, it completed its inaugural project, 222 Rajpur (luxury residential villa project) in Dehradun, Uttarakhand. To focus on realty, its parent MVIL exited the speciality packaging films to its former partner, which provided it with capital to further growth its real estate operations.

From FY23, its focus shifted to premium residential real estate market in Delhi-NCR. The conclusion of merger of MVIL with the company in FY23 enhanced its balance sheet flexibility to further expand and grow real estate business.

MEL’s existing residential project pipeline comprises five projects of 8.8 msf with an aggregate GDV of almost Rs. 18,000 crore of which it has sold Rs. 6,789 crore as on Q3FY25. Subsequently, it has ~Rs. 11,200 crore GDV projects to be sold over the next 3-4 years.

MEL has sold 100% of its first luxury project, Estate 128, Noida (Rs. 1844 crore pre-sales) in FY24 while it received extraordinary response for its first residential project in Gurugram, Estate 360, which recorded pre-sales booking of Rs. 4100 crore (85% of the inventory) within 30 days of launch in Q2FY25. Further, it launched phase 2 of sector 128, Noida during fag end of December 2024. The project received strong response and achieved pre-sales booking of Rs. 845 crore within a week of its launch versus its initial guidance of Rs. 800 crore booking value. Consequently, the company has already achieved booking value of ~Rs. 5000 crore in 9MFY2025, meeting its pre-sales guidance of Rs. 4800-5200 crore for FY2025. MEL's strong launch pipeline for the next two years and aggressive new business development targets is likely to drive 15-20% p.a. pre-sales growth post FY2025.

Exhibit 13: Residential project portfolio

Project Name	Location	Area (mn)	Land cost (Rs cr)	JDA deposit (Rs cr)	Stage	GDV (Rs cr)	Sold year	Already sold GDV (Rs cr)	Collected (Rs cr)	Payment plan	Type	Acquired year
Estate 128	Sector 128, Noida	1.1	306	NA	Launched	1844	FY24	1844	441	25% X 4	Outright	Jun2022
Estate 360	Sector 36A, Gurgaon	2.5	NA	98	Launched	4842	FY25	4100	415	20% X 5	JDA - 30-35%	Jan2023
New Sector 36A	Sector 36A, Gurgaon	3.7	NA	273	Under design	8954	FY26/27(exp)	0	0		JDA - 34-38%	May2024
Tower 4	Sector 128, Noida	0.4	57	NA	Launched in Q3FY25	845	FY25 (exp)	845	0		Outright	Jul2024
Delhi One	Sector 16B, Noida	1.2	NA	NA	Launch in FY26	1500	FY26 (exp)	0	0		Outright	Oct2024
Total		8.8	363	372		17985	0.00	6789	856			

Source: Company, ICICI Direct Research

Aggressive business development to get fuel from recent fund-raise

MEL added three new projects viz. JD project at sector 36A, Gurugram, phase 2 of sector 128, Noida and mixed used development at Delhi One totalling 6.5msf amounting Rs. 11,300 crore GDV during H1FY2025 as against its earlier guidance of 3msf for FY25. The management has outlined an indicative business development pipeline of 11.4msf of which it targets to close atleast one during the balance FY25.

MEL has built a strong war chest of ~Rs. 1350 crore through QIP fund raise (Rs. 800 crore at Rs. 597.5 per share), warrants issue (Rs. 150 crore at Rs. 657 per share) and monetisation of 49% stake in Max Towers & Max House (Rs. 392 crore). MEL is planning to deploy these funds over the next 12 to 18 months across Delhi NCR, which would help in maintaining its sales growth momentum going ahead.

Exhibit 14: Indicative BD pipeline

Project location	Development Type	SBUA (msf)	Type	Stage
Gurugram	Residential	1	Outright	Due dilligence
Noida	Residential	2	Outright	Auction awaited
Delhi	Residential	0	JDA	Commercial negotiation
Gurugram	Residential	1	JDA	Commercial negotiation
Gurugram	Residential	1	JDA	Commercial negotiation
Delhi	Residential	0	Outright	Under evaluation
Noida	Residential	2	Outright	Under evaluation
Delhi	Residential	4	JDA	Consortium formation
Total		11.4		

Source: Company, ICICI Direct Research

Annuity income to rise by >9x over FY24 to FY30

MEL is focused on developing "Grade A" developments in the Delhi-NCR region. Its two flagship projects viz. Max Towers, Noida and Max House (Phase I) were launched in 2017 and 2018 respectively and are currently operating at 100% Occupancy. As on H1FY2025, it has four operational assets aggregating 1msf leased area and annualised lease income run-rate of Rs. 146 crore. Its annuity assets is well diversified with no single client comprising more than 10% area. It has a lock-in period of three years and a 15% escalation clause every three years. Currently, it has three under-construction assets totalling 3.2 msf.

Exhibit 15: Commercial project portfolio

Current projects	Location	Leasable Area (msf)	Leased Area (msf)	Stage	Occupancy	WALE	Current annualised rental (Rs cr)	Stabilised rental (Rs cr)	Avg Rs psf per month rental	Last Rs psf per month rental	Exp completion
Max Towers	Sector 16B, Noida	0.30	0.30	Operational	100%	4.90	42	42	121	141	NA
Max House (1)	Okhla, Delhi	0.11	0.11	Operational	100%	5.90	16	16	131	136	NA
Max House (2)	Okhla, Delhi	0.15	0.13	Operational	100%	8.20	28	28	175	160	NA
Max Square	Sector 129, Noida	0.68	0.50	Operational	93%	7.70	60	60	76	79	NA
Max 65	Sector 65, Golf Course Extension, Gurgaon	1.59	0.00	Under Construction	NA	NA	0	200	NA	NA	Q3FY29
Max Square Two	Sector 129, Noida	1.01	0.00	Under Construction	NA	NA	0	110	NA	NA	Q2FY28
Delhi One	Sector 16B, Noida	0.60	0.00	Acquired	NA	NA	0	120	NA	NA	NA
Total		4.44	1.04				146	576			

Source: Company, ICICI Direct Research

MEL commands significant premium across different micro-markets compared to average market rates which is attributable to its prime locations, quality construction, green certifications, strong tenant profiles, among others.

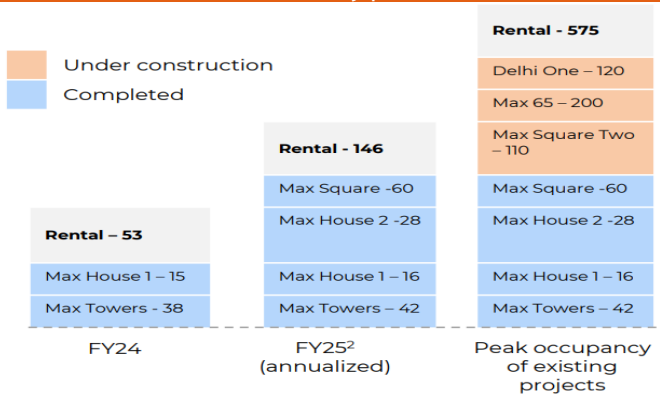
Exhibit 16: MEL commands significant premium to average geographical rentals

Locations	Average office rent (Rs psf)	Max's Avg rental (Rs psf)
Noida	60-70	130-140
Okhla, Delhi	60-70	100-120
Golf Course Extension, Gurgaon	75-80	NA

Source: Knight Frank, ICICI Direct Research

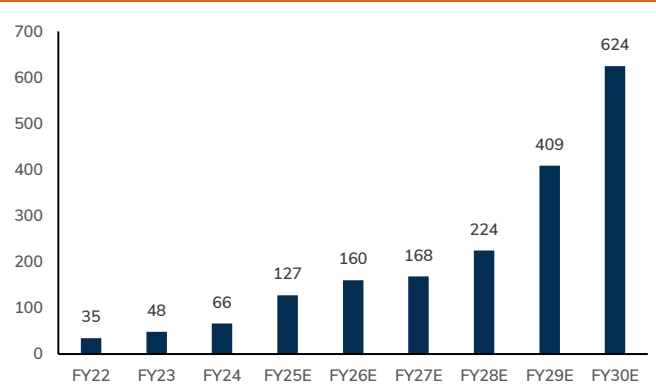
MEL has 1msf of operational commercial assets and is currently developing 3.2msf of assets which includes 1.6msf Max 65, Sector 65, Gurugram, 0.9msf Max Square Two, Sector 129, Noida and 0.6msf Delhi One, Sector 16B, Noida projects. It targets to complete Max Square Two and Phase I of Max 65 in Q2FY28 while Phase II of Max 65 and Delhi One are expected to get completed in Q3FY29 and FY30 respectively. Consequently, we estimate its lease rental revenue to grow to Rs. 624 crore in FY30 from Rs. 66 crore in FY24. MEL's share of rental income is estimated at Rs. 318 crore in FY30.

Exhibit 17: Commercial – Annuity portfolio



Source: Company, ICICI Direct Research

Exhibit 18: Lease Rental Income trend



Source: Company, ICICI Direct Research

MEL benefits from its strategic partnership with New York Life Insurance company (NYL) for its commercial projects, being its exclusive real estate partner in India. Its partnership with NYL started in 2017, when it acquired 23% stake in erstwhile MVIL, which was subsequently amalgamated in MEL. Subsequently, NYL acquired 49% stake in Max Square (One and Two) and Sector 65. In 2024, it has entered into MoU to acquire 49% stake in Max Towers and Max House. Overall, till date, NYL has invested almost Rs. 1200 crore across six investment rounds and continues to evaluate co-investment opportunities. MEL's long-standing partnership with NYL provides it a strong scalability opportunity in commercial space limiting its equity requirement and providing steady income stream.

Exhibit 19: New York Life's investment trend



Source: Company, ICICI Direct Research

MEL had beat its guidance with respect to pre-sales, launches and project additions for FY24 while staying on track with respect to its leasing, leverage and execution commitments. It has already surpassed its pre-sales, launches and project additions targets for FY25 in H2FY25. It remains on track to achieve its leasing and execution targets for FY25, while it has already turned net cash surplus.

Exhibit 20: Guidance Vs Actual

Particulars	FY24 guidance	FY24 actuals	Achievement over Guidance	FY25 guidance	YTD Sep 24 Status
Pre-sales (Rs cr)	1300	1844	1.4x	4000	~4100, Guidance revised to Rs. 4800-5200 crore
Launches (GDV Rs cr)	1300	1844	1.4x	4000	~4800, Guidance revised to Rs. 4800-5200 crore
Project addition (BD sq ft)	Resi - 1msf, Com - 1msf	Resi - 2.4msf, Com - 1msf	2.4x	Resi - 2msf, Com - 1msf	Resi - 4msf, Com - 1.5msf
Leasing	Max Square - 12-18 months	On track	On track	Max Square - 100%, Max House 2 - 100%	Max Square - 71%, Max House 2 - 100%
Net Debt to equity	<1	<1	On track	<1	Net Debt zero
Project execution	Within budget and timelines	On track	On track	Within budget and timelines	On track

Source: Company, ICICI Direct Research

Valuation

We value MEL on SOTP basis with different valuation methodology for its residential, commercial and asset services businesses. We have valued its residential vertical by calculating project-wise NAV discounting net post-tax operating cashflows at 14% WACC rate. For commercial, we use 7.5% capitalisation rate on FY2030 rental income (entire existing assets getting fully operational) considering its high premium to regional average rental rates and high-quality assets. We value Max Asset Services on EV/EBITDA basis considering its recurring nature and high operational profitability. We assign high NAV premium on the basis of expected new business developments (Rs. 18,000 crore GDV projects can be added considering equal mix of JD/owned projects and land costs of 5%/15%). Consequently, we arrive at our SOTP based price target price of Rs. 741.

Exhibit 21: Valuation Mix

Particulars	Valuation methodology	Value per share (Rs)
Residential	Project-wise NAV	197
Commercial	Capitalisation	214
Max Asset Services	EV/EBITDA	16
Net Debt		-36
Total NAV		463
NAV premium	60% premium to NAV	278
Price Target		741

Source: Company, ICICI Direct Research

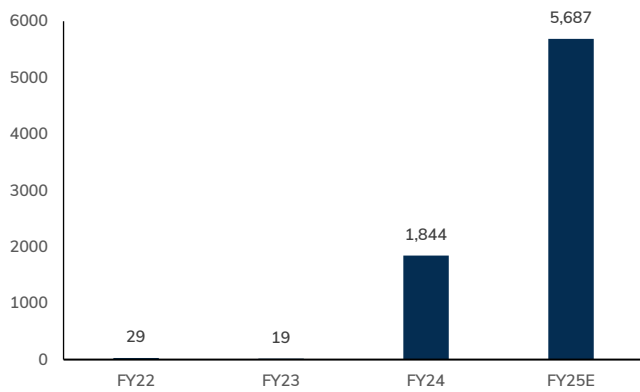
Key Financial Summary

Pre-sales booking to grow multi-fold; revenue booking to commence from FY28

MEL upped its pre-sales guidance for FY25 to Rs. 4800-5200 crore from Rs. 4000-4800 crore led by strong response garnered for its first residential development at Gurugram, Estate 360 project. It was able to sell 2.1msf (85%) at ~Rs. 19,500 psf with a booking value of Rs. 4100 crores in Q2FY25. Further, it launched phase 2 of sector 128, Noida during fag end of December 2024. The project received strong response and achieved pre-sales booking of Rs. 845 crore within a week of its launch. Consequently, the company has already achieved booking value of ~Rs. 5000 crore in 9MFY2025, meeting its pre-sales guidance of Rs. 4800-5200 crore for FY2025.

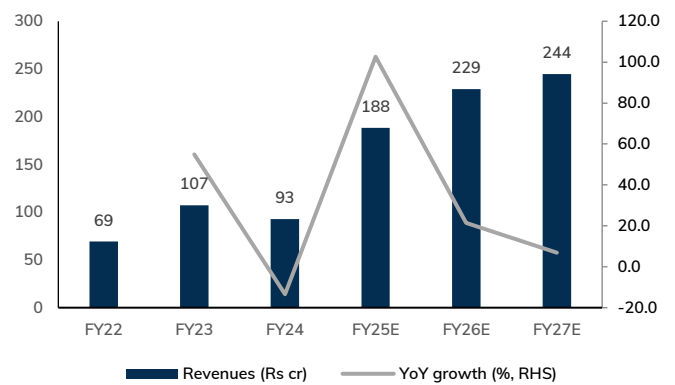
We estimate revenues to grow at 38% CAGR over FY2024-27E driven by stabilisation of rentals at Max Square and Max House (phase II). Increased leasing at newly developed commercial assets is likely to drive Max Asset Services revenues (<25% of revenue share). The residential projects Estate 128 and Estate 360 are expected to contribute in revenues from FY28 onwards as per IND AS revenue recognition methodology. Hence, lease rental income is expected to drive revenue recognition during FY2024-27E.

Exhibit 22: Pre-sales booking trend



Source: Company, ICICI Direct Research

Exhibit 23: Revenue recognition trend

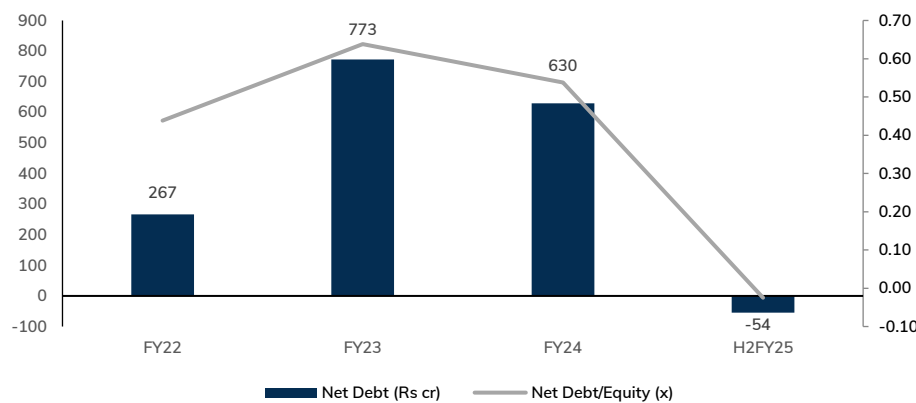


Source: Company, ICICI Direct Research

B/S turns net cash surplus in H2FY25

MEL has been maintaining its net debt to equity below 1x over FY22-FY24 aided by strategic partnerships for commercial asset developments. Further, divestment of 49% stake in Max Towers and Max House, QIP fund raise, warrants issue and healthy cash flow generation from launched projects helped it turn net cash positive in Q2FY25.

Exhibit 24: Leverage trend



Source: Company, ICICI Direct Research

Risk and Concerns

Delay in under-construction annuity and residential projects

MEL is developing three commercial projects aggregating 3.2msf while it has four operational assets totalling 1.2msf. The upcoming annuity assets are expected to contribute to lease rental income from Q2FY28 onwards. Any delay in completing these assets would delay rental income and affect future earnings.

On the residential front, it is developing 6.5msf projects while it has completed one major residential project in the past. Hence, delays in completing residential projects would lead to deferment of cash inflows and affect revenue recognition in P&L.

Inability to scale up residential portfolio through new business developments

MEL has shown strong track record in terms of new business development in residential vertical with 6.5msf projects having Rs. 11,300 crore GDV in H1FY25. It has further plans of adding atleast 3msf per annum of residential projects on an ongoing basis while it has indicated a strong business development pipeline of 11msf. The company's inability to timely close new business developments would impact its pre-sales growth and cash flows.

Geographic concentration

The company is primarily focused on realty sector in Delhi-NCR region and does not intend to diversify at this point of time. Its regional focus may affect its growth plans going ahead in case real estate market in Delhi-NCR region undergoes slowdown in absorption led by various factors such as oversupply, steep price rise, regulatory changes, among others.

Macro risks

The company is susceptible to various macro risks such as rise in interest rates, decline in housing affordability, rise in key raw material prices (Steel and Cement), etc, which may hamper its growth plans.

Financial Summary

Exhibit 25: Profit and loss statement

₹ crore

(Year-end March)	FY24	FY25E	FY26E	FY27E
Revenue	92.9	188.3	228.8	244.5
% Growth	(13.4)	102.6	21.5	6.9
Other income	27.3	35.5	39.1	43.0
Total Revenue	120.3	223.9	267.9	287.5
% Growth	(8.4)	86.1	19.7	7.3
Total Raw Material Costs	-	37.7	45.8	48.9
Employee Expenses	12.3	15.3	20.0	25.9
Other expenses	62.9	104.1	109.4	115.7
Total Operating Expenditure	75.2	157.2	175.1	190.5
Operating Profit (EBITDA)	17.8	31.2	53.7	53.9
% Growth	(43.9)	75.5	72.2	0.5
Interest	43.0	45.7	45.7	45.7
PBDT	2.1	21.0	47.1	51.2
Depreciation	25.4	35.0	45.0	55.0
PBT before Exceptional Items	(23.3)	(14.0)	2.1	(3.8)
Total Tax	(12.6)	(4.6)	0.7	(1.2)
PAT before MI	(10.7)	(9.5)	1.4	(2.5)
PAT	2.3	5.5	18.4	16.5
% Growth	(88.0)	142.6	231.5	(10.6)
EPS	0.1	0.3	1.1	1.0

Source: Company, ICICI Direct Research

Exhibit 26: Cash flow statement

₹ crore

(Year-end March)	FY24	FY25E	FY26E	FY27E
Profit after Tax	2.3	5.5	18.4	16.5
Depreciation	25.4	35.0	45.0	55.0
Interest	38.6	45.7	45.7	45.7
Cash Flow before WC changes	19.3	66.7	92.8	96.9
Changes in inventory	(133.1)	(106.6)	(127.9)	(153.5)
Changes in debtors	0.9	(0.3)	(0.3)	(0.3)
Changes in loans & Advances				
Changes in other current assets	536.4	139.8	167.5	201.4
Net Increase in Current Assets	404.2	32.9	39.3	47.6
Changes in creditors	536.4	139.8	167.5	201.4
Changes in provisions				
Net Inc in Current Liabilities	536.4	139.8	167.5	201.4
Net CF from Operating activities	270.7	57.1	74.9	78.0
Changes in deferred tax assets				
(Purchase)/Sale of Fixed Assets	(320.5)	(139.7)	(187.2)	(210.9)
Net CF from Investing activities	(271.7)	(139.7)	(187.2)	(210.9)
Dividend and Dividend Tax	-	-	-	-
Net CF from Financing Activities:	234.1	792.2	69.1	69.1
Net Cash flow	233.1	709.6	(43.2)	(63.8)
Opening Cash/Cash Equivalent	51.4	284.5	994.1	950.9
Closing Cash/ Cash Equivalent	284.5	994.1	950.9	887.1

Source: Company, ICICI Direct Research

Exhibit 27: Balance sheet

₹ crore

(Year-end March)	FY24	FY25E	FY26E	FY27E
Equity Capital	147.1	161.0	163.2	165.5
Reserve and Surplus	1,303.4	2,118.1	2,232.0	2,341.9
Total Shareholders funds	1,450.5	2,279.0	2,395.2	2,507.4
Total Debt	914.2	914.2	914.2	914.2
Total Liabilities	2,364.7	3,193.2	3,309.4	3,421.6
Gross Block	1,876.8	2,016.6	2,203.7	2,414.6
Acc. Depreciation	51.0	86.0	131.0	186.0
Net Block	1,825.8	1,930.6	2,072.8	2,228.6
Capital WIP	0.3	0.3	0.3	0.3
Total Fixed Assets	1,826.1	1,930.8	2,073.0	2,228.9
Non Current Assets	150.1	150.1	150.1	150.1
Inventory	532.9	639.4	767.3	920.8
Debtors	14.6	14.9	15.2	15.5
Other Current Assets	285.8	332.9	389.3	457.1
Cash	284.5	994.1	950.9	887.1
Total Current Assets	1,117.8	1,981.3	2,122.8	2,280.6
Current Liabilities	722.7	862.5	1,030.0	1,231.4
Provisions	6.5	6.5	6.5	6.5
Total Current Liabilities	729.2	869.0	1,036.5	1,238.0
Net Current Assets	388.5	1,112.3	1,086.3	1,042.6
Total Assets	2,364.7	3,193.2	3,309.4	3,421.6

Source: Company, ICICI Direct Research

Exhibit 28: Key ratios

₹ crore

(Year-end March)	FY24	FY25E	FY26E	FY27E
Per Share Data				
EPS	0.1	0.3	1.1	1.0
Cash per Share	1.7	2.4	3.8	4.3
DPS	-	-	-	-
BV	70.7	121.7	129.7	137.7
Operating Ratios				
EBITDA Margin	19.1	16.6	23.5	22.1
PAT Margin	2.5	2.9	8.0	6.7
Return Ratios				
RoE	0.2	0.3	0.9	0.7
RoCE	(0.4)	(0.2)	0.3	(0.0)
Valuation Ratios				
EV / EBITDA	585.9	311.2	181.5	181.9
P/E	4,276.9	1,763.0	531.8	594.8
EV / Net Sales	112.0	51.5	42.6	40.1
Sales / Equity	0.1	0.1	0.1	0.1
Market Cap / Sales	105.3	51.9	42.8	40.0
Price to Book Value	8.4	4.9	4.6	4.3
Working Capital Management Ratios				
Inventory Days	2,092.7	1,239.2	1,224.1	1,374.7
Debtor Days	57.4	28.9	24.3	23.2
Creditor Days	146.4	77.5	68.6	70.2
Asset Turnover	0.0	0.1	0.1	0.1
Solvency Ratios				
Debt / Equity	0.6	0.4	0.4	0.4
Current Ratio	1.5	2.3	2.0	1.8
Quick Ratio	0.8	1.5	1.3	1.1

Source: Company, ICICI Direct Research

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Reduce: -15% to -5%;

Sell: <-15%



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