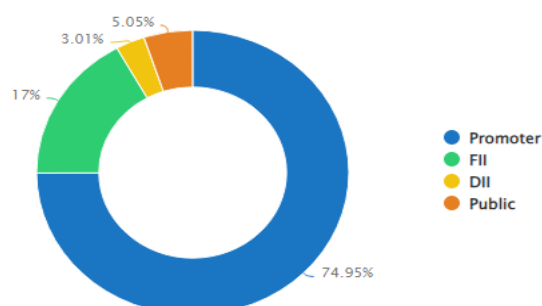


VALUE PARAMETERS

| | |
|--------------------|---------------|
| Face Value (Rs.) | 2.00 |
| 52 Week High/Low | 449.80/209.85 |
| M.Cap (Rs. in Cr.) | 93393.51 |
| EPS (Rs.) | 6.66 |
| P/E Ratio (times) | 56.65 |
| P/B Ratio (times) | 2.63 |
| Dividend Yield (%) | 0.53 |
| Stock Exchange | NSE |

SHAREHOLDING PATTERN



P/E CHART

FINANCIAL PERFORMANCE

(Rs.in Cr.)

| | ACTUAL | FORECAST | |
|------------|-----------|-----------|-----------|
| | FY Mar-21 | FY Mar-22 | FY Mar-23 |
| REVENUE | 5414.06 | 5892.90 | 6906.84 |
| EBITDA | 1417.80 | 1766.27 | 2052.58 |
| EBIT | 1258.32 | 1597.16 | 1959.54 |
| NET INCOME | 1189.82 | 1625.53 | 2114.53 |
| EPS | 4.81 | 6.77 | 9.28 |
| BVPS | 142.79 | 148.28 | 154.65 |
| RoE | 3.14% | 4.58% | 6.27% |

Investment Rationale:

- DLF is India's leading real estate developer and has more than seven decades of track record of sustained growth, customer satisfaction, and innovation. DLF has developed 153 real estate projects and developed an area of approximately 330 million square feet. DLF Group has 215 msf (approx.) of development potential across residential and commercial segment. The group has an annuity portfolio of over 35 msf (approx.).
- According to the company, while the super luxury segment outperformed, it has witnessed healthy absorption of its independent floor projects across Gurugram. Issuance of a large number of possession letters during the quarter resulted in the fall at its top-line.
- DLF reported a 77 per cent surge in its new bookings for the July-September quarter backed by renewed demand for residential homes. New bookings for quarter stood at Rs 1,512 crore up from Rs 853 crore in the corresponding quarter last year. DLF Camellias, a super luxury project in the firm's home turf Gurugram, Haryana - clocked a record Rs 1,035 crore in sales.
- DLF Cyber City Developers (DCCDL), which primarily represents DLF's rental business, clocked 36 per cent growth in net profit. Its consolidated profit after tax stood at Rs 231 crore, while revenue surged 8 per cent to Rs 1,123 crore as after disruptions in the second COVID- 19 wave, many companies resumed office operations. It is working towards making DCCDL REIT ready, which is likely to be by the end of this fiscal. According to the DCCDL, Debt levels to hold in the short term; expected significant reduction post REIT listing.
- Recently, the company will soon start construction work on 2 million sq ft of office space in Gurgaon as it sees rising demand for Grade A office buildings in the coming year. The company will invest Rs 1,500 crore on the construction of office space in downtown Gurgaon and Chennai. The capex programme is going on very smoothly.
- The Company's focused actions on collections along with prudent capital allocation have led to significant cash generation of Rs 759 crore during the quarter. Consequently, Net Debt stood at Rs 3,985 crore. Credit rating of the company was upgraded to CRISIL AA-/Stable.

Risk

- Economy slowdown.
- Regulatory, taxation and environmental risks.

Valuation

The strong business growth and aggressive hiring plans by IT/ITeS will continue to aid in the recovery and growth of this segment. Management believes that the long-term fundamentals for the business and attractiveness of India as a service market remain intact. The retail business continues to exhibit fast recovery. All its malls are now operational, though, with certain restrictions. It is witnessing a steady increase in the footfalls and expects growth in consumption across all the segments. Thus, it is expected that the stock will see a price target of Rs.479 in 8 to 10 months time frame on a target P/BV of 3.10x and FY23 BVPS of Rs.154.65.

QUERIES & FEEDBACK

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Disclosure:

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