

Godrej Properties Limited

TRINAYAN DAS

General Overview:

The Godrej Group comprises of a varied business portfolio that includes real estate development, fast moving consumer goods, advanced engineering, home appliances, furniture, security, and agri-care. While a large number of our businesses are privately held, the combined market cap of our publicly listed entities is in excess of USD 15 billion. Ranked as the 2nd most trusted Indian brand, an annual revenue of USD 5 billion, and an estimated 1.1 billion customers across the world that use one or another Godrej product every day, the Godrej Group is amongst India's most diversified and trusted conglomerates.

The Godrej Group was established in 1897 out of a desire to demonstrate economic self-sufficiency and excellence within India in the pre-independence decades. From safes that withstood fires better than international competitors', to one of the world's first soaps from vegetable oil, and the ballot boxes for independent India's first general election, the group has a proud tradition of making meaningful products and building businesses that serve the country's interests. We have always focused on people and the planet along with the profits. Approximately 23% of the promoter stake in the Godrej Group, is owned by philanthropic trusts that work on environmental, educational, and health care issues in India. We are also bringing together our passion and purpose to make a difference through our Good & Green strategy of shared values to create a more employable Indian workforce, build a greener India and innovate for 'Good' and 'Green' products.

Godrej Properties brings the Godrej Group philosophy of innovation, sustainability, and excellence to the real estate industry. Each Godrej Properties development combines a 123-year legacy of excellence and trust with a commitment to cutting-edge design and technology.

In recent years, Godrej Properties has received over 250 awards and recognitions, including 'The Most Trusted Real Estate Brand' in 2019 from the Brand Trust Report, 'Real Estate Company of the Year' at the 9th Construction Week Awards 2019, 'Equality and Diversity Champion' 2019 at the APREA Property Leaders Awards, 'The Economic Times Best Real Estate Brand 2018' and the 'Builder of the Year' at the CNBC-Awaaz Real Estate Awards 2018.

Share Holding Pattern of the Company:

Holder's Name	No of Shares	% Share Holding
NoOfShares	277943051	100%
Promoters	162256905	58.38%
ForeignInstitutions	77524340	27.89%
NBanksMutualFunds	10655796	3.83%
Others	5822837	2.09%
GeneralPublic	17663516	6.36%
FinancialInstitutions	3843029	1.38%
ForeignPromoter	176628	0.06%

Management of Godrej Properties Limited:

Godrej Properties Limited is a Public incorporated on 08 February 1985. It is classified as Non-govt company and is registered at Registrar of Companies, Mumbai. Its authorized share capital is Rs. 6,689,999,900 and its paid up capital is Rs. 1,389,715,200. It is involved in Legal, accounting, book-keeping and auditing activities; tax consultancy; market research and public opinion polling; business and management consultancy Godrej Properties Limited's Annual General Meeting (AGM) was last held on 05 August 2020 and as per records from Ministry of Corporate Affairs (MCA), its balance sheet was last filed on 31 March 2020. Directors of Godrej Properties Limited are Lalita Dileep Gupte, Nadir Burjor Godrej, Sutapa Banerjee, Pirojsha Adi Godrej, Pranay Dhansukhlal Vakil, Jamshyd Naoroji Godrej, Amitava Mukherjee, Keki Bomi Dadiseth, Mohit Malhotra, .

Strengths, Weaknesses, Opportunities & Threats (SWOT) analysis of Godrej Properties Limited:

Strengths:

Consistent Highest Return Stocks over Five Years - Nifty500
Increasing Revenue every quarter for the past 3 quarters
Book Value per share Improving for last 2 years
Company with Zero Promoter Pledge
FII / FPI or Institutions increasing their shareholding
MACD crossed above signal line previous end of day

Weaknesses:

Companies with growing costs YoY for long term projects
Red Flag: High Interest Payments Compared to Earnings
Promoter holding decreased by more than -2% QoQ
MACD Crossover Below Signal Line
Broker downgrades in price or recommendation in the past one month
MFs decreased their shareholding last quarter
Low durability companies
Risky Value (DVM)
Inefficient use of shareholder funds - ROE declining in the last 2 years
Inefficient use of assets to generate profits - ROA declining in the last 2 years
Poor cash generated from core business - Declining Cash Flow from Operations
Degrowth in Revenue and Profit
Decline in Net Profit with falling Profit Margin (QoQ)
Decline in Quarterly Net Profit with falling Profit Margin (YoY)
Promoter decreasing their shareholding
Low Piotroski Score : Companies with weak financials
Declining Net Cash Flow : Companies not able to generate net cash
Major fall in TTM Net Profit
Fall in Quarterly Revenue and Net Profit (YoY)

Oppurtunity:

Broker price or reco upgrades in last month -

Brokers upgraded recommendation or target price in the past three months

Positive Breakout Second Resistance (LTP > R2)

30 Day SMA crossing over 200 Day SMA, and current price greater than open

High Momentum Scores (Technical Scores greater than 50)

Highest Recovery from 52 Week Low

Stock with Low PE (PE < = 10)

High Volume, High Gain

Volume Shockers





















Threats:

Stocks with Expensive Valuations according to the Trendlyne Valuation Score

Profit to Loss Companies

Company with negative growth and promoters decreasing shareholding QoQ

Competitive Analysis :

RANK	COMPANY	CEO	CEO RATING	EMPLOYEES	FUNDING	REVENUE
		 Mohit Malhotra CEO	80/100	1,516	\$1.8B	\$181.7M
1		 Ashish Puravankara Managing Director	86/100	1,170	\$46.3M	\$297.2M
2		 Alok Banerjee CEO	66/100	453	--	\$45M
3		 CEO	--	<u>Input</u>	--	<u>Input</u>
4		 Gautam Bhalla Managing Director	85/100	1,100	\$228.2M	\$88.2M
5		 Sanjay G. Ubale CEO	69/100	1,000	--	\$13.1M
6		 CEO	--	<u>Input</u>	--	<u>Input</u>
7		 M. R. Jaishankar Managing Director	71/100	770	\$77.8M	\$233.6M
8		 Venkat K. Narayana CEO	80/100	966	--	\$875.5M
9		 Ashish Puravankara Managing Director	82/100	592	\$13M	\$290.7M

Conclusion:

Godrej Properties Ltd. brings the Godrej Group philosophy of innovation, sustainability, and excellence to the real estate industry. Each Godrej Properties development combines a 123-year legacy of excellence and trust with a commitment to cutting-edge design and technology. In 2010, Godrej Properties became a publicly listed company through a successful IPO in which it raised \$100 million. It also created a fund management subsidiary in 2016; Godrej Fund Management raised \$275 million in the year's largest residential real estate focused fund raise in the country. It is one of India's only national developers with a strong presence across the country's leading real estate markets. In the financial year 2016, for the first time, Godrej Properties was India's largest publicly listed real estate developer by sales value having sold over Rs 5,000 crore of real estate that year. In the same year, it also delivered 0.56 million square meters (6 million square feet) of real estate in seven cities across India.