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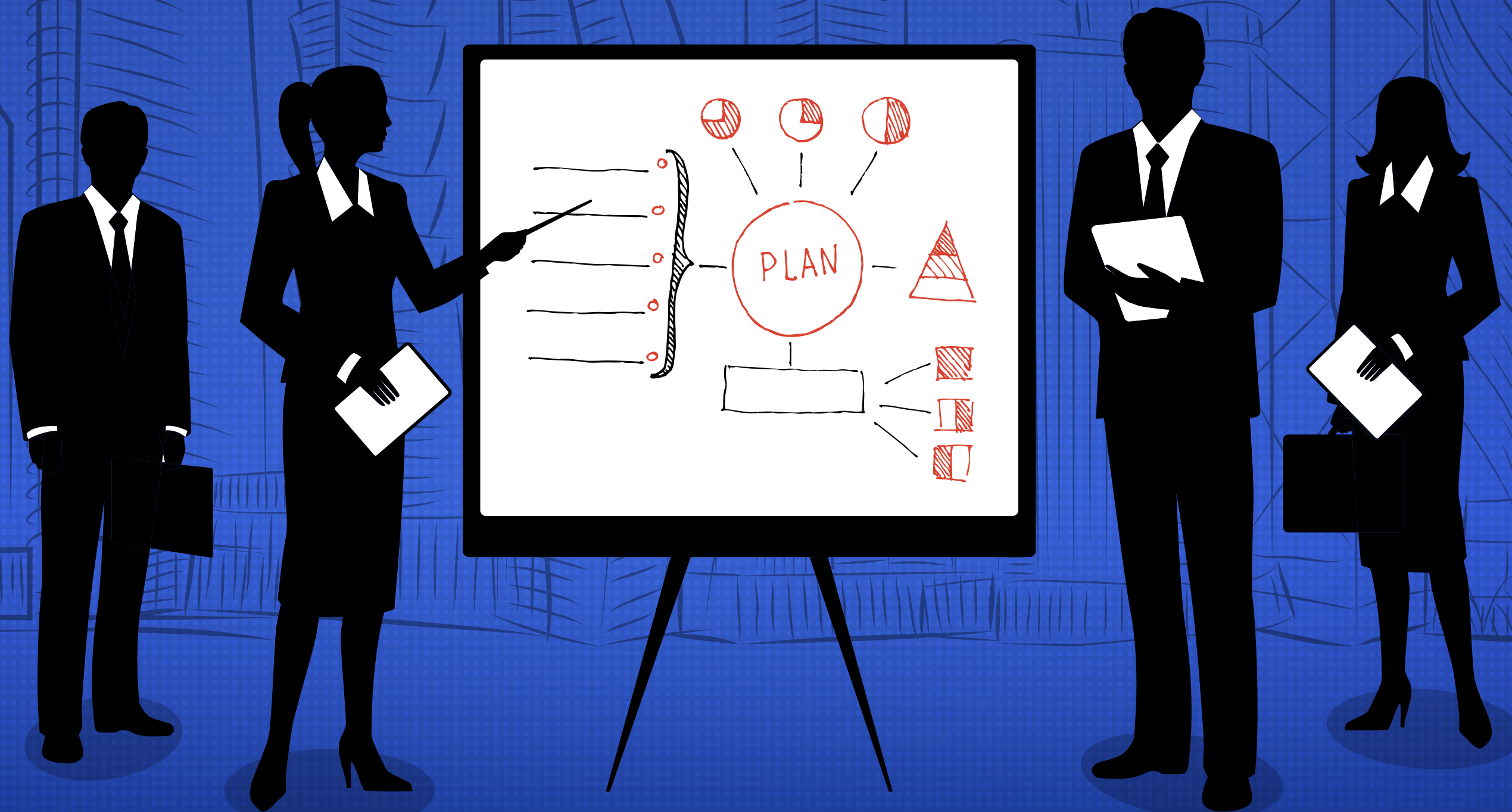


**TLIGHT**

**JUNE 2024**



# THOUGHT LEADERSHIP





‘Many large IPOs likely in the second half of this fiscal year’

Dipti Sharma  
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MUMBAI

The last financial year saw around 80 IPOs in India, the highest in a decade, though their average size reduced slightly compared to FY23. However, Sonia Dasgupta, MD & CEO-investment banking, JM Financial, expects many large IPOs to debut in the second half of FY25. Besides, in the mergers and acquisitions (M&A) space, the veteran banker anticipates healthcare, financials, energy and industrial sectors to witness significant activity. Edited excerpts from an interview:

How does the equity capital market and M&A landscape look like to you?

India is rapidly emerging as a top contender in global equity capital markets. The Indian equity markets have delivered consistently about 8-10% USD CAGR returns over the last 20 years. This momentum has strong tailwinds thanks to the strong macroeconomic environment, earnings growth trajectory, and equity market inflows especially from domestic mutual funds (MFs). Apart from favourable demographics, various structural reforms in the past decade have also been strong pillars for the faith in this growth story. In FY24, JM Financial closed around 56 capital market transactions across IPO, QIPs, blocks and topped the equity league tables. In terms of primary market outlook, we expect strong momentum to continue over the next couple of

years on the back of a strong pipeline of IPOs and QIPs across sectors. With regards to M&A, robust global liquidity has provided strong buying power with financial sponsors and strategics alike. Financial sponsors are getting more comfortable to control deals as they now have multiple avenues to exit i.e. through M&As as well as blocks in the market. Moreover, newer sectors are emerging.

Could you elaborate on that and name a few?

Deals are happening across multiple sectors like manufacturing, Industrials, specialty chemicals, digital and technology, healthcare, consumer and financials. We are witnessing a range of new businesses entering the market.

For example, we recently concluded IPOs of companies like Ixigo, a B2C mobile travel platform for the next billion users and TBO Tek, a leading travel distribution platform, both of which witnessed strong listing gains. Last year, we managed IPOs of companies in the industrials space like Happy Forgings or a consumer tech story like Mamaearth.

What is your take on the M&A landscape?

The convergence of abundant dry powder, economic optimism and favourable demographics makes India an exciting and attractive destination for M&As. Companies are vying for a limited pool of attractive targets and this drives competition. Competition from foreign companies looking to tap into the Indian



market further heats up the M&A market. Early engagement, flexible deal structures, and a focus on win-win outcomes are the keys to unlocking success in India's exciting M&A market.

Looking at the data, it seems PE investments in India have hit a multi-year low. What is the present scenario?

As per our internal data, on an overall basis, PE investments in India (year to date) are in line with last year (₹1 trillion in 2024 as compared to ₹1.1 trillion in 2023). Overall, PE investments in India in 2023 and 2024 are low as compared to 2021 and 2022. Even so, in these years, large pools of capital were invested in technology and consumer tech sectors (more than 50% in terms of deal value).

Deal momentum in traditional sectors of financial services, healthcare and IT services has picked up in this environment. We recently acted as

financial advisor on the sale of Shriram Housing Finance Ltd which is the largest all cash buyout transaction in the affordable housing in India. We expect the trend to continue in the foreseeable future with potential deals in high quality assets across healthcare, consumer, IT, etc.

Which sectors might see significant M&A transactions or block deals this year?

We anticipate healthcare, financials, energy and industrial sectors to witness significant M&A activities. Rising disposable incomes and demographics are fuelling demand for quality medical services. The availability of attractive assets and a positive sector outlook will likely drive consolidation among healthcare delivery players, such as hospitals and diagnostic chains. Meanwhile, rising credit demand will fuel M&A activity in financial services. Companies will leverage deals to expand reach and acquire new customers, while regulatory

shifts may also influence M&A decisions.

Additionally, proactive initiatives by the government to promote clean energy will act as a catalyst in the renewable energy space, and expanding product portfolios and optimizing supply chains to maintain a competitive edge may drive M&A in the industrials sector.

With the upcoming IPOs, are the valuations on the higher side? Is valuation a challenge when indices are around record highs?

While indices are around record highs in the second-

ary market, in the primary markets, almost all the IPOs in FY25 have given positive listing gains to investors which indicate that issuers have left money on the table while pricing the IPO. Investors are willing to invest in companies with solid fundamentals. They are clearly focusing on companies that demonstrate near-term growth and strong return metrics.

What's the current pipeline you are looking at, conservatively? How many deals are you looking at in 2024?

Despite global economic uncertainties, there has been a remarkable surge in IPO activity in the last 12 months, driven by investors' confidence in the Indian economy, strong inflows into domestic MFs, and encouraging listing gains

on IPOs. With elections behind us, we expect the second half of 2024 to be a very busy period. There are already more than 55 DRHPs filed with Sebi looking to raise about ₹70,000 crore.

We are currently working on a strong pipeline of IPOs and QIPs across major sectors like real estate, industrials and healthcare. Our current pipeline includes a good mix of both small and large sized transactions, many of which we are expecting to hit the markets in the near future.

What is your current focus for the upcoming year regarding M&A, IPOs, and block deals? Are you prioritizing larger players and bigger deals, or are you focusing on the quantity of deals?

FY24 was a record year for IPOs and QIPs in India. We saw around 80 IPOs in FY24, the highest in the last decade. But the average size of IPOs had reduced slightly compared to that of FY23. However, we expect many large IPOs to hit the market in FY25 in the second half. Many large corporates have already filed DRHPs with the regulator and many more are planning to file it in the near term.

We have a strong mix of both small and large IPOs. We also have a robust pipeline of QIPs as corporates are increasingly looking to raise funds for capital expenditure.

MS. SONIA DASGUPTA —

MD & CEO, Investment Banking, JM Financial Ltd.

interview appeared in **Mint** wherein she spoke about how JM Financial, expects many large IPOs to debut in the second half of FY25. Besides, in the mergers and acquisitions (M&A) space, Ms. Dasgupta anticipates healthcare, financials, energy and industrial sectors to witness significant activity.



## JM Financial Home Loans to borrow ₹1,200 cr in FY25

JM FINANCIAL HOME Loans is planning to borrow ₹1,200 crore in FY25 in a bid to grow its loan book, reports **Ajay Ramanathan**. "We are at ₹2,400 crore(AUM). The idea is to disburse at least another ₹1,500 crore. We have to borrow at least ₹1,200 crore in the current financial year," Manish Sheth, MD and CEO, JM Financial Home Loans said.

 **FINANCIAL EXPRESS**

Read to Lead

### JM Financial Home Loans to borrow Rs 1,200 crore in FY25

Launched in 2017, JM Financial Home Loans is a part of the JM Financial group's retail mortgage segment.

Written by **Ajay Ramanathan**  
June 25, 2024 03:30 IST

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The company's net profit rose to nearly Rs 40 crore in 2023-24 (April-March) from Rs 30 crore in 2022-23.

JM Financial Home Loans is planning to borrow Rs 1,200 crore in 2024-25(April-March) in a bid to grow its loan book.

"We are at Rs 2,400 crore(AUM). The idea is to disburse atleast another Rs 1,500 crore. We have to borrow atleast Rs 1,200 crore in the current financial year," Manish Sheth, managing director and chief executive officer, JM Financial Home Loans said.

Sheth added that 30% of the borrowings will come from the National Housing Bank as a consequence of the government's Pradhan Mantri Awas Yojana(PMAY) scheme.

Launched in 2017, JM Financial Home Loans is a part of the JM Financial group's retail mortgage segment. The company offers home loans and loan against property. The average ticket size of its loans is at Rs 11-12 lakh.

The company's net profit rose to nearly Rs 40 crore in 2023-24 (April-March) from Rs 30 crore in 2022-23. The gross non-performing asset ratio stood at 0.7% as on March 31. The company delivered a return on assets of 2.25%, and return on equity of 9.5% in 2023-24.

## MR. MANISH SHETH —

MD & CEO, JM Financial Homes Loans Ltd.

interview appeared in **Financial Express** where he spoke about how aggressively JM Financial is building its Home Loans business by investing in technology and in people, which will continue for two more years.



# Women are Taking Stock

As more women enter the high net worth category, their investment choices are also changing

**Lijee Philip & Apoorva Mittal**

She hasn't really stopped buying gold. It has been an old habit, nurtured by her grandmother's sermons about the yellow metal. But the fetish has waned. Gold, for all its virtues, can be boring as an investment option. What has hard her more in the last few years is the work of stocks—the gyrations of the Sensex, the knife-edge thrill on a choppy day and that reassuring feeling when the market recovers to gain a new level. These have become more and more irresistible.

Meet Deepika Gehani, co-founder of Genesis Luxury, a company that brought international luxury brands like Bottega Veneta to India. Her company was acquired by Bellarose Brands in 2018. Now an independent luxury brand strategist, she believes in putting surplus funds in equity. "When you see money lying idle, you want to shop. But it's better to invest in equity for better returns," says the 56-year-old from South Mumbai.

Gehani embodies the new affluent Indian woman who finds stocks sexier than the stodgy old-world bet on jewellery and property. Gehani had been there, done that—bought Rolex watch, diamonds, gold, real estate and invested in fixed deposits (FDs). Now, almost 70% of her portfolio is in equities. "Investments in equity earn high returns," she says. "I balance my portfolio with some investments in real estate and mutual funds," says Gehani.

She now wants to get her twin daughters to invest in stocks as well. Her confidence in equity, she says, comes from her wealth manager's advice to stay invested. She is here for the long run.

New Delhi-based Nupur Garg, founder of Winge, a nonprofit focused on gender diversity in private equity and investment professional, echoes Gehani's sentiment. Garg's risk appetite has increased with her wealth. A chartered accountant with an MBA

appetite and ability to diversify her portfolio. Today, her investments are split—25% in equities with higher risk and return, 25% in real estate for long-term capital appreciation and protection, 35% in conservative investments like Employee Provident Fund and FDs. Garg emphasises the importance of liquidity and the need for a diversified portfolio that can adapt to changing market conditions and family needs.

"We constantly reevaluate our portfolio, considering factors like our lifestyle, retirement plans and our child's future education," she says. "Investing in foreign currency is also part of our strategy, especially if our child plans to study abroad." For Garg, the key to successful investing is not just about the returns on paper but converting the gains into cash when the market is favourable. Her stock market investment horizon is 16-22 months.

**EQUITY IS HER BEST FRIEND**

In a recent survey of 104 high-net-worth (HNI) Indian women, with a net worth of over ₹10 crore, by Waterfield Advisers, a Mumbai-based wealth advisory firm, 95% of respondents

showed interest in investing across various asset classes. Among them, 61.9% women were interested in listed equity, followed by 54.3% in gold and 41% in real estate. The women were from diverse professional backgrounds and displayed a strong preference for equity investments.

Numerous studies suggest that women often excel in investing compared with men. Patience, discipline and a strong sense of anchoring make women adept at navigating the investment landscape safely, according to Waterfield Advisers.

Female ultra-HNIs (UHNIs) are playing a more active role in wealth creation and wealth management. Women who are in C-suites and running businesses show a high risk appetite by investing in non-traditional asset classes such as alternative investment funds, unlisted securities, structured debt and tech startups. Diversification is the name of the game, as female UHNIs no longer see themselves as wealth accumulators but as wealth multipliers. There has also been a significant surge in passion investments like art,

Hermès' bags and rare gemstones, which are niche asset classes accessible primarily to HNIs and UHNIs. This trend reflects from traditional investment avenues such as gold and real estate to more unique and exclusive forms to asset accumulation.

Wealth management companies are now increasingly customising products to suit UHNIs women in India as they assert themselves more in the decision-making process, says Anuj Kapoor, MD & CEO, Private Wealth Group, JM Financial Services. Both male and female UHNIs have the potential to increase exposure to riskier assets. However, "female UHNIs are taking a more proactive approach to managing their wealth, which is especially important given their longer life expectancies and increasing confidence in making large financial decisions," says Kapoor.

HNI women are displaying a strong risk appetite, investing a major chunk in equity-based plans for long-term financial goals. Equity is a value-creator asset class and aims at targeting inflation-beating returns in the long run, says Priya Rathi Gupta, founder of L&ML, a financial platform for women. However, there is a need to increase financial literacy which is essential for women to make informed money decisions. Increased digitalisation and mindset shift in investment choices are also crucial, says Gupta.

"We have observed a larger chunk of women investing in equity-based plans on the L&ML app for their long-term financial goals. This indicates that as women are increasingly becoming financially literate, they have a higher understanding of risks to make informed financial decisions for themselves," adds Gupta.

Nita Shivdasani, head of Heritage, Waterfield's advisory for women, says they are "customising advisory services to cater to the unique needs of women to help them attain financial autonomy and security".

Devina Shah, 51, a former banker with AIBN Amro, says her portfolio has shifted from 70% in equity and 30% in debt, to 100% in equity. She calls herself a rare breed who can sleep well at night despite having such a large exposure to equities.

Shah has seen bull and bear runs over the years. This Mumbai-based investor says investment in equity beats inflation and wins as an asset class, unlike real estate, so she will continue with her equity investments. "Also, the dividends are better than interest on FDs. I have crossed 50, and investment in

estate investing to get exemption from long-term capital gains tax from the sale of my stock. People should only invest in real estate when that benefit is available," she says. "Otherwise, real estate is an asset class, given its multiple risks, and the fact that it gives only 8-9% return net of all costs, isn't the best mode of investment." She also highlights the importance of a stable political and economic environment for making investment, which is why she believes in the long-term potential of index funds. "I want to be in control of things. So I would say a non-risky portfolio that gives me 12-15% returns would be a very good outcome for me."

Women like Sampath, Garg, Shah and Gehani are exceptions rather than the norm. They belong to a select group of female founders and investors whose financial literacy and comfort with money are high. Priorities change with one's circumstances in life. For some women, when they are younger, the focus

often tends to be on saving for children, their education, marriage, a home, or a second home. As women grow older, they start prioritising living a longer, healthier life. Investing in listed equities increases with age, indicating that older women are more actively investing in the market, despite its risks. "Older women, now more confident and knowledgeable about the market, are motivated by its strong recent performance to invest more confidently," says Vishaakha Shivdasani, a doctor who specialises in nutrition, longevity and disease reversal.

Women are emerging as a significant economic force, with increased representation in the global billionaire pool and UHN population. This growth is fuelled by both inherited wealth and the rise of self-made UHN women. They are also moving from passive roles to taking the lead in financial decision-making, according to Julius Baer, a Swiss wealth management company.

UHN women investors often prioritise long-term benefits while also being mindful of short-term risks. They are more willing to rely on detailed advice from experts, preferring informed decisions to quick reactions to market fluctuations. Women's growing presence and influence in wealth management highlight their determination and capability in achieving financial autonomy and success, adds Julius Baer.

Sampath has an advice: "If you calculate risk and return effectively when you invest, you will get the best kind of returns." Many women are saying amen to that.

**Where HNI Women Prefer to Invest**

95% respondents showed interest in investing across various asset classes	61.9% Listed Equity	54.3% Gold	41% Real Estate
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Source: "Women of Wealth", Waterfield Advisers' survey of 104 Indian HNI women with a net worth of at least ₹10 crore

**As Nifty 50 Soared, So Did Investor Interest**

**Growing Rich**

1,650,000 No. of estimated HNIs in India by 2027	797,714 No. of HNIs in India in 2022
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**19,908** No. of UHNIs in India in 2028 (E)

**13,263** No. of UHNIs in India in 2023

HNI	UHN
Net worth of at least \$1 mn	Net worth of at least \$30 mn

Source: Knight Frank India

**Her Growing Share, Globally**

Female Billionaires	2010	2023
9%		13%

**Female UHNIs**

2010	2023
6.5%	11%

Source: Women and Wealth by Julius Baer

**NUPUR GARG**  
Founder, Winge, Delhi

**SUHASINI SAMPATH**  
Co-founder, Yoga Bar, Bengaluru

**DEVINA SHAH**  
Former banker, Mumbai

**DEEPIKA GEHANI**  
Luxury brand strategist, Mumbai

**ANUJ KAPOOR**  
MD & CEO, Private Wealth Group, JM Financial Services

MR. ANUJ KAPOOR

MD & CEO, Private Wealth and Alternatives Asset Management, JM Financial Ltd.

participated in a story by The **Economic Times** on how Indian women are shifting towards equity investments. Mr. Kapoor shared his views on how as more and more women enter the high net-worth category, their investment choices are also changing.



# JM FINANCIAL IN THE NEWS







**THE ECONOMIC TIMES Markets**  
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ETMarkets Smart Talk: Rural consumption could top priority in Modi 3.0's final Budget in July: Vinay Jaising

**NDA lacks democracy, rules by fear, says Rahul Gandhi**

ETMarkets.com • Last Updated: Jun 14, 2024, 11:48:00 AM IST

**Synopsis**  
The BJP led NDA alliance is confident of forming the government for the third time consecutively which has not happened in India since 1962 when the Nehru led Congress was in Power, and an extremely spectacular event.

**“One thing the government missed earlier was increasing the consumption spend of rural India and that in our eyes will be the incremental addition to the Indian interim budget,” says Vinay Jaising, MD and Co-Head, Portfolio Management Services, JM Financial Ltd.**

*In an interview with ETMarkets, Jaising said: “We will not be surprised if we see incremental spending on rural welfare and other populist measures,” Edited excerpts:*

**Will it be a smooth ride for the govt in Modi 3.0 and how do you see the scenario playing out for markets?**  
The BJP led NDA alliance is confident of forming the government for the third time consecutively which has not happened in India since 1962 when the Nehru led Congress was in Power, and an extremely spectacular event.

The current NDA is however weaker by 61 votes. The good news for the economy is most of the big reforms including making India a global destination by lowering taxes, JanDhan Aadhar Mobile which has led to India

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India Playbook 2024: Where to invest conundrum?

ET CONTRIBUTORS • Last Updated: Jul 01, 2024, 02:16:00 PM IST

**Synopsis**  
Retail investors favor small-cap stocks due to high returns. Large-caps trade at a valuation discount to small-caps. Domestic ownership prevails in small-caps, with retail investors holding a significant share. Opportunities exist in Finsumption, Capex, and Make in India themes favoring small and mid-cap companies.

**Vinay Jaising**  
MD and Co-Head, Portfolio Management Services, JM Financial

Vinay Jaising is a CFA Charter Holder and holds a double Master's degree, both in Finance and Science. Show more

The Indian equity markets have been the best performing globally over the past year, with MSCI India growing by over 36%. This surpasses the performance of NASDAQ, up 31%, MSCI World up 20%, and MSCI EM up 10%, while China saw a decline of 2.5%. Within India, returns have been skewed, with the large-cap NIFTY 50 rising by a healthy 26%, whereas small and mid-cap indices have surged by more than twice as much, at 63-65% respectively.

Looking at trailing data since 2017, large-cap stocks have experienced a de-rating of 12%. In contrast, mid-cap stocks have been re-rated by over 50%, while small-cap stocks are trading in line. Our advice to investors is to avoid any biases based on market capitalization and instead focus on individual stock analysis from a bottom-up perspective. We see opportunities in themes such as Finsumption, Capex, and Make in India, which predominantly favor micro, small, and mid-cap companies over larger-cap firms.  
(Source: Bloomberg, AMFI, JM Financial Research)

**Paradigm shift: Today's definition of a small-cap company was the definition of a large-cap company back in 2019**  
India has delivered robust stock market returns to equity investors over the

## MR. VINAY JAISING —

MD & Co-Head, Portfolio Management Services, JM Financial Ltd.

authored article was published in **ET Markets** where he shared his thoughts on how opportunities exist in themes such as Finsumption, Capex, and Make in India predominantly favour small and mid-cap companies over larger-cap firms.

interview was published in **ET Markets Smart Talk** where he shared his thoughts on how rural consumption could be top priority in Modi 3.0's final Budget in July.

interview appeared on **CNBC TV18** and **NDTV Profit** which covered his thoughts on the upcoming Union Budget, its probable impact on the markets, PSUs, Flls & more.



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ETMarkets Smart Talk: Housing, building material & related sector might be a dark horse in Modi 3.0

By Kshitij Anand, ETMarkets.com • Last Updated: Jun 07, 2024, 12:10:00 PM IST

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Synopsis

Whether the thrust on railway, defence & environment for capex would pan is not clear at this point, and markets hate uncertainty & de-rating happens when growth is not certain

 ETMarkets.com

However, with key NDA allies needed to form the government, the BJP would look to walk the balance between pushing growth, and reforms and accommodating prudent requests of such allies to ensure a stable government.

*"Housing, building material & related sector might be a dark horse, given the general thrust of housing for all & affordable housing theme, which may not change despite Modi getting lower mandate in the election," says Rakesh Parekh, MD and Co-Head, Portfolio Management Services, JM Financial Ltd.*

*In an interview with ETMarkets, Parekh said:*

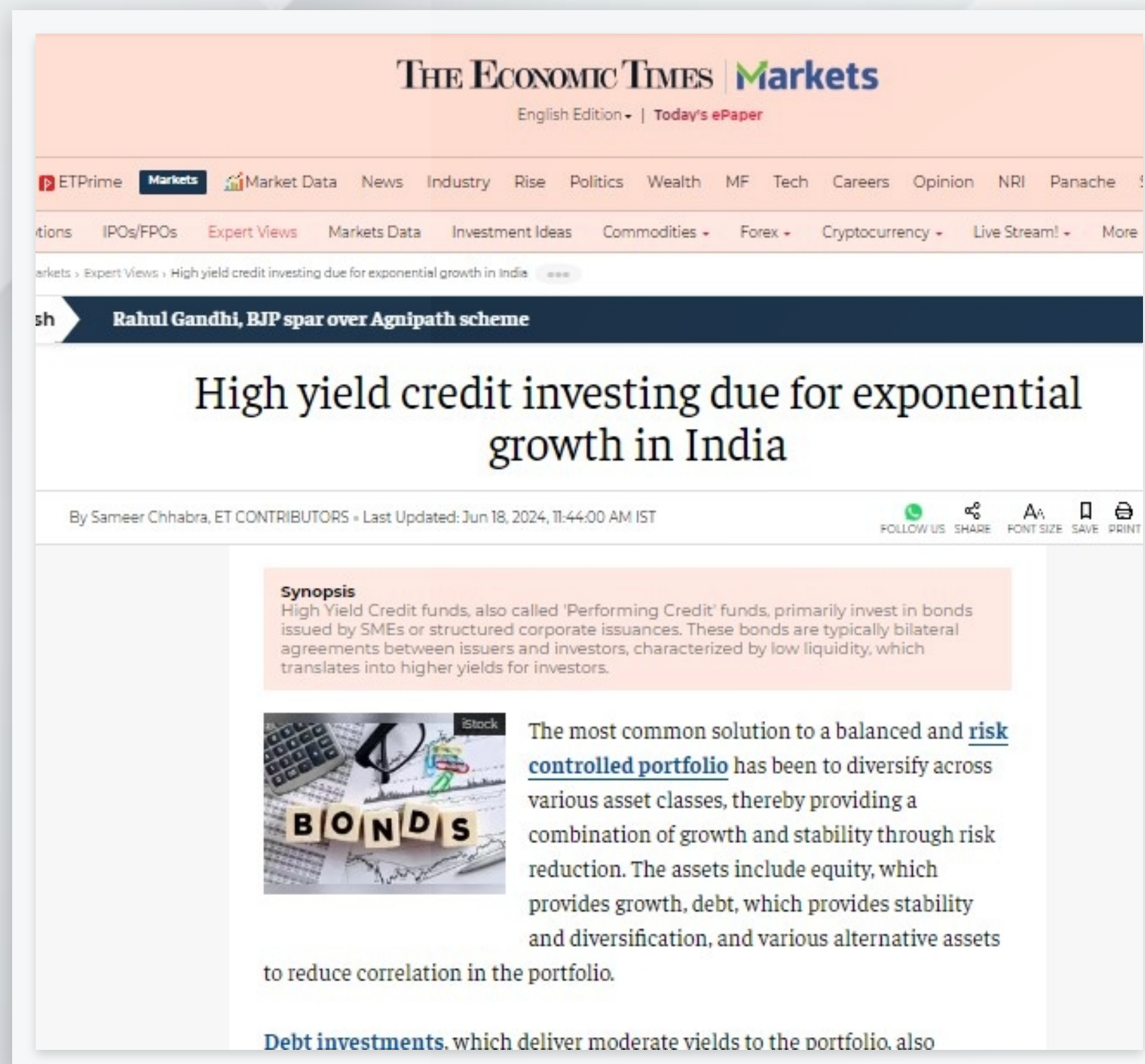
*"Discretionary consumption facing rural areas may come into the limelight if rain is good & budget focuses on rural spending incrementally," Edited excerpts:*

## MR. RAKESH PAREKH —

MD & Co-Head, Portfolio Management Services, JM Financial Ltd.

Interview was published in **ET Markets Smart Talk** where he shared his thoughts on how housing, building material & related sector might be a dark horse, given the general thrust of housing for all & affordable housing theme, which may not change despite Modi getting lower mandate in the **election**.






## MR. SAMEER CHHABRA —

Executive Director, Private Wealth, JM Financial Ltd.

authored article was published in **ET Markets** where he spoke about how debt mutual funds continue to be popular and form a significant part of most HNI portfolios.






MF News > Equity outlook: July 2024

**Equity outlook: July 2024**


Akash Manghani Equity Fund Manager Trust MF, Asit Bhandarkar, Senior Fund Manager – Equity, JM Financial MF and Meenakshi Dawar, Fund Manager – Equity Investments, Nippon India Mutual Fund share the insights on equity market outlook.

 Muzammil Bagdadi Jun 28, 2024

**Asit Bhandarkar, Senior Fund Manager - Equity, JM Financial Mutual Fund**

**Outlook**

- The market experienced a sharp uptrend after overcoming a period of uncertainty following the election results
- Broader markets have outperformed large caps, with small caps and mid caps significantly outperforming the Nifty 50 in June
- India's macroeconomic story remains robust, presenting opportunities across various segments
- The upcoming budget may provide insights into the new government's policy priorities and clarity on taxation
- The progress of the monsoon will be a crucial factor to monitor, especially given historically low reservoir levels and high food inflation
- While liquidity remains strong and valuations are high across market segments, mid caps appear to be more valued compared to large caps and small caps



**Sectors recommended**

- We continue to like capital goods and industrials, power and selectively, financials and discretionary consumption

**Funds recommended**

- Aggressive hybrid funds and flexicap funds are recommended
- Systematic investments may be good way to take exposure to small and midcap funds over next quarter

## MR. ASIT BHANDARKAR —

Senior Fund Manager – Equity, JM Financial Asset Management Ltd.

participated in a 'Monthly Outlook' by **Cafemutual**, where he shared his views on the equity market outlook for July 2024.



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Home / Manufacturing / JM Financial PE Invests In Farm Equipment Maker Balwaan Krishi

## JM Financial PE Invests In Farm Equipment Maker Balwaan Krishi

By Siddhant Mishra19 Jun 2024



(L-R): Shubham Bajaj and Rohit Bajaj, co-founders of Balwaan Krishi

The [private equity](#) arm of JM Financial Ltd, a Mumbai-headquartered investment banking and financial services firm, has invested in a Jaipur-based company that makes agricultural machines and tools.

[JM Financial Private Equity](#) said Wednesday it has invested Rs 40 crore (\$4.8 million) in Modish Tractoraurkisan Pvt. Ltd, which makes farm tool under the [Balwaan Krishi](#) brand.

The PE firm will make investment via its third fund, JM Financial India Growth Fund III, which was launched in 2021. The sector-agnostic fund aimed to raise nearly Rs 1,500 crore (\$200 million). The fund hit its final close in June last year, but the PE firm hasn't disclosed its corpus.

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CompanyCorporate TrendsJM Financial finalises investment of Rs 40 cr in Modish Tractoraurkisan

## JM Financial finalises investment of Rs 40 cr in Modish Tractoraurkisan

By Sutanuka Choudhury, ET Bureau | Last Updated: Jun 19, 2024, 02:00 PM IST

Synopsis

JM Financial Private Equity has finalised an investment of Rs 40 crore in Modish Tractoraurkisan Pvt Ltd, a farm equipment company. The company sells its products under the brand name Balwaan. This investment will drive the company's brand-building initiatives, enhance marketing efforts, support working capital needs, and expand the distribution network, ensuring Balwaan's continued growth and leadership in the farm equipment industry.



**JM Financial Private Equity has finalised an investment of Rs 40 crore in Modish Tractoraurkisan Pvt Ltd, a farm equipment company.** The company sells its products under the brand name Balwaan. This investment will drive the company's brand-building initiatives, enhance marketing efforts, support working capital needs, and expand the distribution network, ensuring [Balwaan's](#) continued growth and leadership in the farm equipment industry.

Modish Tractoraurkisan with its brand Balwaan Krishi - one of India's fastest-growing agri machines and tools brands - is transforming the agricultural landscape of India by providing India-centric, affordable, small-farm equipment to farmers through an omnichannel presence.

moneycontrol

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2022 Company High Performer by Strategy Analytics

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## JM Financial Private Equity invests Rs 40 crore in farm equipment maker Modish Tractoraurkisan

This investment will drive Modish Tractoraurkisan's brand-building initiatives, boost its marketing efforts, support working capital needs, and expand the distribution network, ensuring the company's continued growth and leadership in the farm equipment industry, JM Financial Private Equity said in a statement.

PTI | JUN 19, 2024 / 12:54 PM IST



JM Financial Private Equity invests Rs 40 crore in farm equipment maker Modish Tractoraurkisan.

JM Financial Private Equity on Wednesday said it has invested Rs 40 crore in agri-machines and tools maker Modish Tractoraurkisan.

This investment will drive Modish Tractoraurkisan's brand-building initiatives, boost its marketing efforts, support working capital needs, and expand the distribution network, ensuring the company's continued growth and leadership in the farm equipment industry, JM Financial Private Equity said in a statement.

Modish Tractoraurkisan manufactures agri machines and tools under the brand Balwaan Krishi.

"India has been experiencing a steady decline in the average size of farm landholdings, along with increasing labour scarcity and rising labour costs. As a result, the industry is seeing a rise in small farm tools, driven by increasing farmer awareness enabled by internet penetration... Balwaan aims to become a leading farm equipment brand in the country," Darius Pandole, MD & CEO, Private Equity & Equity AIFs, JM Financial, said.

## JM FINANCIAL PE INVESTS IN FARM EQUIPMENT MAKER BALWAAN KRISHI —

JM Financial Private Equity has finalised an investment of Rs 40 crore in Modish Tractoraurkisan Pvt Ltd, a farm equipment company. The company sells its products under the brand name Balwaan. This investment aims to drive the company's brand-building initiatives, enhance marketing efforts, support working capital needs, and expand the distribution network, ensuring Balwaan's continued growth and leadership in the farm equipment industry.



# MARQUEE RESEARCH REPORTS





27 June 2024 | India | Automobiles | HML DRHP

DEEP-DIVE

- Global MNCs form 75% of domestic PV market by volume; HML - 2<sup>nd</sup> largest with c.15% market share
- Access to strong R&D support and global Hyundai product portfolio have been key enablers of its success
- Successful in capturing premiumisation through conscious shift to SUVs
- Strong focus on profitability and efficient asset utilisation leading to healthy return ratios vis-à-vis peers
- Focus on addressing product gaps with new launches and EVs. Creta EV launch in 4QFY25
- Royalty expense to be revised to 3.5%; scope to improve margin through localisation

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We acknowledge the support services of **Dev Jogan** and **Neha Ayyar** in preparation of this report.

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.

Automobiles

Revving Up Value with Premiumisation Play

NIFTY Auto index has more than doubled in the last 15 months. Auto stocks have seen significant re-rating driven by volume recovery and robust earnings. What better time than now for Hyundai Motor Corp ("HMC") to potentially list Hyundai Motor India ("HML") and capitalise on India's growth narrative. Global Automotive MNCs such as MSIL, ZF, Timken, etc. have created substantial value for investors over the years. These companies have demonstrated superior performance owing to access to advanced technologies, robust R&D capabilities, global talent pool and adherence to best corporate practices. HML forms a part of this elite group, having maintained its position as India's second largest PV manufacturer for over a decade. It has been successful in capturing the premiumisation trend by focusing on a conscious shift to SUVs. This also reflects in operational / financial superiority vs. peers (higher margins, asset turns and RoE). With ongoing capacity expansion, HML aims to reinforce its role as a pivotal export hub for HMC, while preparing for the launch of Creta EV in late FY25. Localisation remains an opportunity. Near-term weakness in PVs and heightened competitive intensity are key monitorables.

- Global MNCs operating in India – key attributes of success: Key factors contributing to the success of multinational companies (MNC) in India include access to advanced technology and R&D, stringent focus on manufacturing and quality standards, leveraging global expertise, and robust corporate governance practices. These elements, coupled with strong commitment, low-cost Indian manufacturing, and market-tailored offerings drive sustained growth and profitability for MNCs in India.
- Indian arms of global Auto MNCs have been significant value creators for investors: In the Indian automotive context, MNC subsidiaries listed in India often command premium valuation compared not only to their Indian counterparts but also to their parent companies listed abroad. Companies such as MSIL, ZF Commercial Vehicle (ZFCV), Timken India, etc. have delivered substantial value to investors over the last few years by demonstrating the above-mentioned attributes. For instance, MSIL's vol / revenue / EBITDA / PAT has grown 6x /19x / 36x / 90x since its listing in India. Similarly, ZFCV, Timken, etc. have also demonstrated multi-fold growth in topline as well as bottomline. This has led to significant re-rating. For instance: MSIL / Timken / ZFCV's market cap has grown 98x / 148x / 52x since listing and they are currently trading at 2-6x premium to their global parents.
- HML has been successfully capturing premiumisation; deliberate shift away from compact-cars reflects in lower PC market share: HML has maintained its position as India's second largest PV manufacturer for over 15 years, with c.15% market share (currently) in the Indian PV segment. Access to global Hyundai product portfolio, strong R&D support, tailored offerings and commitment to Indian market helped HML succeed. Capitalising on its access to global emerging trend, the company has been successfully capturing the premiumisation trend by consciously shifting to SUVs (65% of its product mix now). However, its strategy to limit focus on the entry-car segment (no. of hatchbacks offered by HML declined from 5 to 2) led to decline in its compact-car market share (21% in FY14 to 15% now).
- Robust execution driving superior profitability: HML boasts a strong EBITDA margin of ~12-13%, outperforming industry peers. Efficient asset utilisation (asset turns at ~3x vs. ~2x for MSIL) and strong RoE (25%+ for FY23) underscores its effective capital allocation strategy. However, potential increase in royalty expenses to 3.5% (from 2.5% currently vs. ~3.5% for MSIL) going ahead poses a risk to profitability. Focus on increasing localisation (at 80% vs. 95% for MSIL) presents an opportunity to improve profitability for HML.
- Exports / premiumisation / EV focus to be supported by capacity addition: Post Covid, HML lost its tag of being the largest PV exporter from India to MSIL (HML's 5-year / 10-year PV export vol CAGR is 0% / ~4%). HML's DRHP mentions that it aims to strengthen its position

JM Financial Institutional Securities Limited

26 June 2024  
INDIA | IT SERVICES |  
COVERAGE INITIATION

C. E. Info Systems (MAPMYINDIA)

Location Intelligence's Cambrian explosion

Location Intelligence is emerging as a sector-agnostic horizontal SaaS play

MapMyIndia has strong moats to address the USD 1bn+ opportunity in India

Company's INR 10bn+ revenue target by FY27/28 achievable; Initiate with a BUY

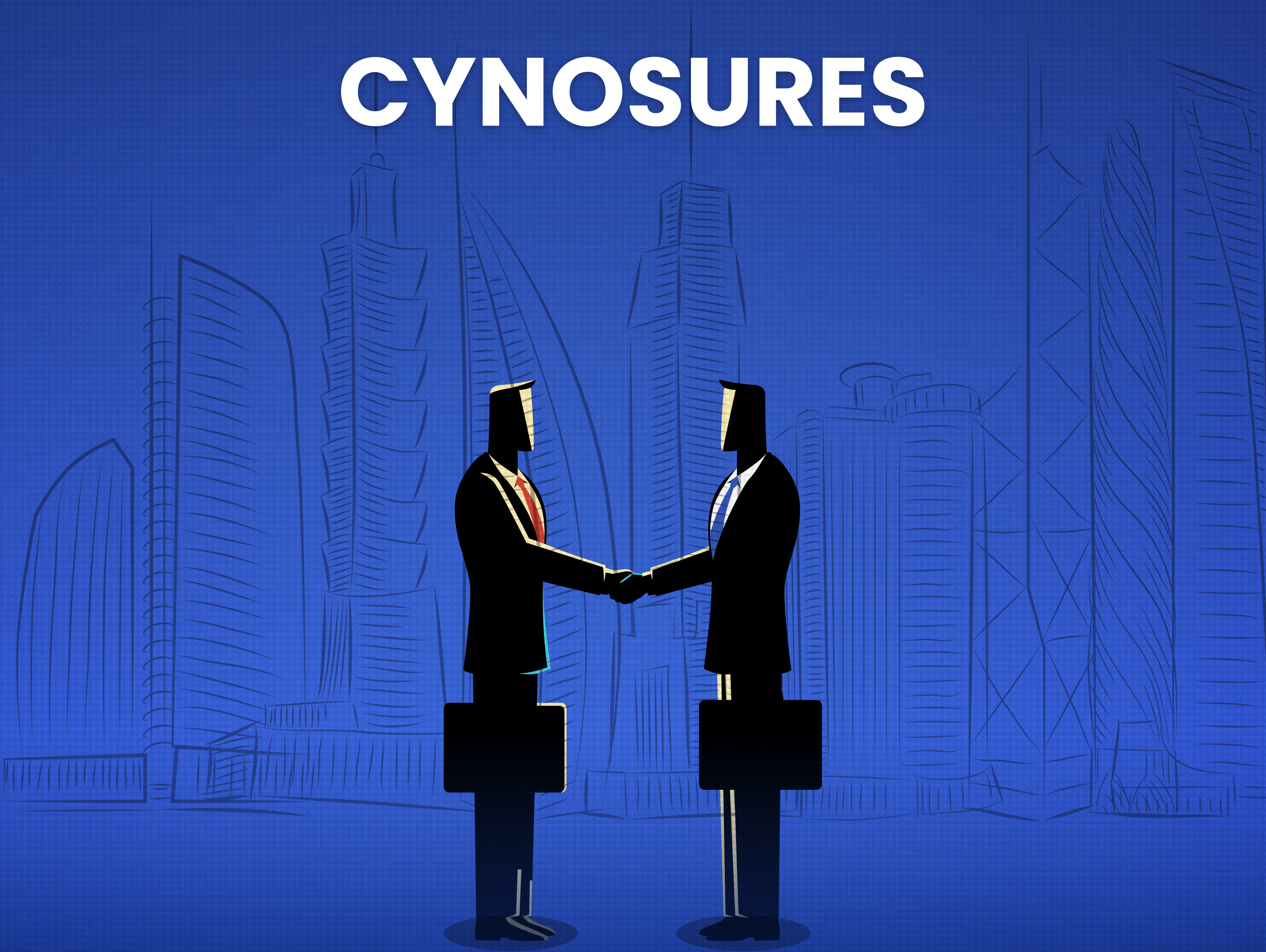
JM Financial Institutional Securities Limited

Automobiles

C.E. Info Systems



# CYNOSURES





# Deals of the month



STANLEY

Makers Of Beautiful

June 2024

JM Financial delivers INR 537 Cr IPO of Stanley Lifestyles Limited as the Book Running Lead Manager

Transaction Summary

IPO Size	INR 537 Cr (~USD 64.3 Mn)
Primary	INR 200 Cr (~USD 24.0 Mn)
OFS	INR 337 Cr (~USD 40.4 Mn)
IPO Price	INR 369
IPO Market Cap (at Issue Price)	INR 2,103.9 Cr
Subscription (QIB/NilotRetail/Overall)	~216x / ~121x / ~19x / ~97x

Key Highlights of the Deal

→ JM Financial handhold the management through the IPO process and played an instrumental role in garnering demand from marquee global & domestic investors that helped build early momentum for the deal

→ Stanley Lifestyles received enthusiastic participation from leading mutual funds, foreign portfolio investors and insurance companies with 70% of allocation being to Mutual Funds

→ The QIB bucket was subscribed ~216 times, second highest ever for a main board IPO in India in last 10 years

→ The company's shares closed at a premium of ~29% to the IPO price, reinforcing investor confidence in the sound business model with high quality management team

#1

JM Financial leads the Equity Capital Markets landscape in India and has successfully completed over 120 transactions since January 2021 by grossing over ~INR 2,63,000 Cr

JM Financial Limited

Corporate Identity Number: L67120MH196PLC038784 SEBI Registration Number: INM000010361 (Merchant Banker) Regd. Office: 7, Floor, Chirag, Apurva, Marathe Marg, Prabhadevi, Mumbai 400 025. T: +91 22 6630 3030 F: +91 22 6630 3223 www.jmf.com

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## Stanley

JM Financial delivers INR 537 Cr IPO of Stanley Lifestyles Limited as the Book Running Lead Manager

JSW Infrastructure

JM FINANCIAL

June 2024

JM Financial Limited acted as the Exclusive Financial Advisor and Manager to Open Offer to JSW Infra Group

Acquisition of majority stake in Navkar Corp. by JSW Infra Group

Key Highlights

❖ On June 27, 2024, JSW Infra Group executed a share purchase agreement with certain Promoters and Promoter Group of Navkar Corp. for acquiring their 70.37% stake at an Enterprise Value of Rs 1,644 Cr ("Proposed Transaction"). As a result of the Proposed Transaction, JSW Infra Group will be required to make an open offer ("Open Offer")

❖ JSW Infra is the second largest private commercial port operator in India

❖ Navkar Corp's key facilities include: Inland Container Depot, Container Freight Stations and Gati Shakti Cargo Terminal with two Private Freight Terminals in Gujarat and Maharashtra

❖ The transaction is subject to approval of regulatory authorities and customary closing adjustments

❖ JM Financial Limited acted as exclusive financial advisor to JSW Infra Group for the Proposed Transaction and is the Manager to the Open Offer

Client Testimonial

JM Financial served as a strategic partner throughout the deal, leveraging their expertise to achieve a seamless transaction. They remained a good support to take us through the due diligence, transaction structuring and steering through regulatory complexities, ultimately securing a successful and mutually beneficial agreement with Navkar.

– Arun Maheshwari, Jt. Managing Director and CEO, JSW Infra

JM Financial Limited

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## JSW Infrastructure

JM Financial Limited acted as the Exclusive Financial Advisor and Manager to Open Offer to JSW Infrastructure Group

AMI ORGANICS LTD.

June 2024

JM Financial delivers INR 400 Cr QIP of Ami Organics Ltd as the Sole Book Running Lead Manager

Transaction Summary

QIP Size	INR 400 Cr (~USD 47.9 Mn)
Dilution (%)	~8.6%
SEBI Floor Price	INR 1228.71
Issue Price	INR 1240.00

Key Highlights of the Deal

→ This QIP received strong interest from Long-Only Mutual Funds, Foreign Institutional Investors and Insurance Companies, garnering total demand of ~4x of Issue Size

→ As the Sole banker, JM Financial played a pivotal role in

- Securing interest from key investors - QIP saw strong participation from 100% long only investors
- Advising management on the optimal pricing and timing – Deal got priced at INR 1240, above the SEBI floor price of INR 1,228.71

→ JM Financial effectively utilized its robust distribution capabilities to drive momentum in the deal

#1

JM Financial leads the Equity Capital Markets landscape in India and has successfully completed over 120 transactions since January 2021 by grossing over ~INR 2,63,000 Cr

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## Ami Organics

JM Financial delivers INR 400 Cr QIP of Ami Organics Ltd as the Sole Book Running Lead Manager



# Deals of the month



ixigo

June 2024

JM Financial delivers INR 916 Cr IPO + Pre - IPO of Le Travenues Technology Ltd. (IXIGO) as Book Running Lead Manager

**Transaction Summary**

IPO Size	INR 740 Cr (~USD 89 Mn)
Primary	INR 120 Cr (~USD 14 Mn)
OFS	INR 620 Cr (~USD 75 Mn)
IPO Price	INR 93
IPO Market Cap (at Issue Price)	INR 3,603 Cr (~USD 434 Mn)
Pre IPO Size (Secondary)	INR 176 Cr (~USD 21 Mn)
Subscription (QIB / NII / Retail / Overall)	~107x / ~110x / ~54x / ~98x

**Key Anchor Investors**

GIC

SBI MF

Nomura AM

HDFC MF

White Oak

Morgan Stanley IM

Bay Capital

Tata Investment

**Anchor Investor Split**

57%

34%

8%

1%

Mutual Funds

Insurance

Foreign Institutional Investors

Others

**Key Highlights of the Deal**

- JM Financial was instrumental in **garnering demand from marquee global & domestic institutional investors** that set the pricing benchmark & helped build early momentum for the deal
- The Company closed Pre-IPO round at INR 176 Cr, investors at this round were **White Oak Capital, Tata MF, Bay Capital and Steadview Capital**
- The Company's shares closed at a **premium of ~78% to the IPO Price**, reinforcing investor confidence in sound business model with high quality management teams
- IPO received a significant oversubscription, robust demand was observed from **Institutional, HNI & Retail investors** accumulating close to INR 40K Cr

#1

JM Financial leads the Equity Capital Markets landscape in India and has successfully completed over 121 transactions since January 2021 by grossing ~INR 2,64,267 Cr

JM Financial Limited

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## Ixigo

JM Financial delivers INR 916 Cr IPO + Pre - IPO of Le Travenues Technology Ltd. (ixigo) as Book Running Lead Manager

## Highdell Investment

JM Financial Institutional Securities Limited (JM Financial) is pleased to act as the Sole Book runner/ Broker to Highdell Investment Ltd and MacRitchie Investments Pte. Ltd (Shareholders) for selling 13.0% stake for ~\$60 mn in CarTrade Tech Ltd.



## USPL

JM Financial acted as the exclusive financial advisor to Universal Sportsbiz Private Limited (Wrogn) on its investment by TMRW House of Brands (Aditya Birla Digital Fashion Ventures Limited)

JM FINANCIAL

WROGN

JM Financial Limited acted as exclusive financial advisor to **USPL** & its Shareholders on its investment\* by **Aditya Birla Digital Fashion Ventures Limited**

JM FINANCIAL

WROGN

JM Financial Limited

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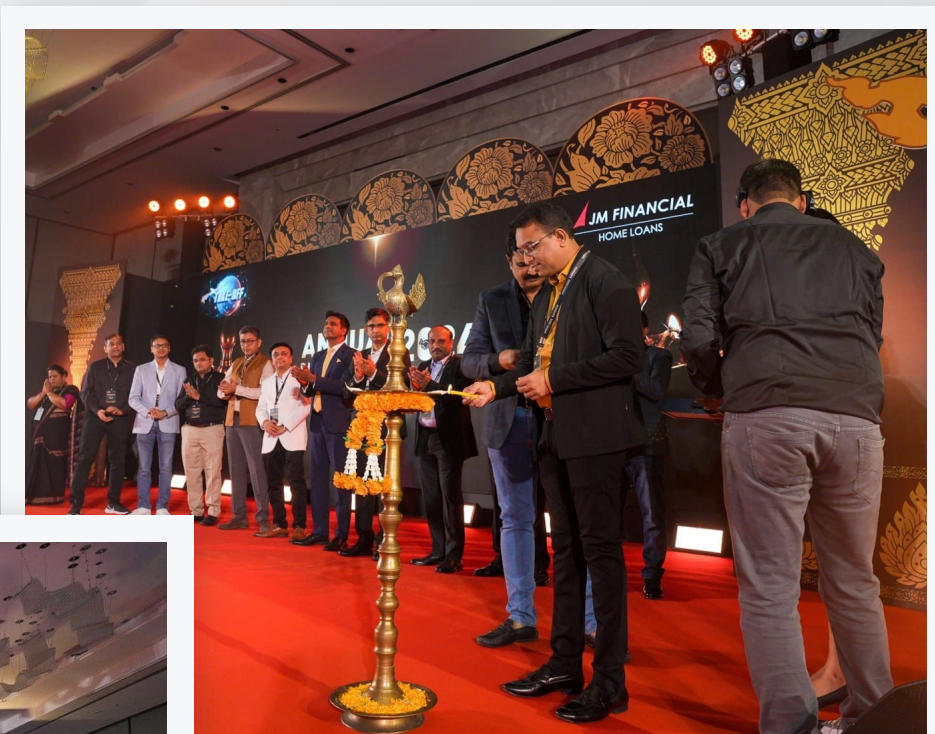
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# AT A FLASH







## JM Financial Home Loans – Annual Business Meet 2024 —

JM Financial Home Loans Ltd. hosted its Annual Business Meet 2024 in the vibrant city of Bangkok, Thailand. The event celebrated top performers at the Annual Awards with power-packed performances and shared countless moments of laughter and team bonding.



# MAKING A DIFFERENCE







## Empowering Rural Communities: Waterwheels Bring Clean Water Closer —

In the remote villages of Palghar district, women have long shouldered the burden of fetching water. These women travel miles each day, balancing heavy containers on their heads to secure water for drinking and household needs.

Recognizing this challenge, the JM Financial Foundation stepped in with an innovative solution: Waterwheels. These sturdy, cap-in-cap designed water containers have a 45-litre capacity, which makes water transportation more efficient and easier. Moreover, their durability ensures they can withstand rugged terrains.

In June 2024, the Foundation distributed 200 Waterwheels to households in Ase and Beriste villages of Palghar district. This initiative not only lightens the burden of women but also contributes to their improved health by providing easier access to clean water.





[www.jmfl.com](http://www.jmfl.com)

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