

A E Q U I T A S



For:

Investors

Presented by:

Aequitas Investments

FMCG Players

	M-Cap (USD Bn)	P/E Ratio	Revenues (USD Bn)	PAT (USD Bn)	M-Cap/Sales	# Employees
DABUR INDIA	13.3	59	1.5	0.2	8.9	7,740+
BRITANNIA INDUSTRIES	16.4	63	2.0	0.3	8.2	4,570+
TATA CONSUMER PRODUCTS	13.5	100	1.9	0.1	7.1	4,517+
GENERAL MILLS	38.7	16	19.9	2.5	1.9	34,000+
RECKITT BENCKISER	37.1	19	18.1	2.0	2.1	40,000+

Note: All numbers are as of 2nd August'24 on TTM basis

- General Mills has nine brands worth >billion dollars vs Dabur's total turnover of USD 1.5 Bn.
- Reckitt Benckiser's profit is more than 3x of all three Indian consumers Cos combined, and still quotes a similar market cap.
- Revenue of General Mills is ~4x of Dabur+Britannia+Tata Consumer; But market cap of General Mills is just ~0.8x.



TRIVIA: ~30 mn Reckitt products are sold each day across the world with 70% of their brands being global leaders

Electronics Manufacturers

	M-Cap (USD Bn)	P/E Ratio	Revenues (USD Bn)	PAT (USD Bn)	Profit (x of Dixon)	M-Cap (x of Dixon)
DIXON TECHNOLOGIES	8.3	156	2.5	0.05	-	-
HON HAI (FOXCONN)	79.3	17	188.4	4.7	94.6	9.6
JABIL	11.3	9	30.4	1.4	28.0	1.4
FLEX	11.4	20	25.8	0.9	19.2	1.4

Note: All numbers are as of 2nd August'24 on TTM basis

- Founded in 1974, Foxconn is the largest contract manufacturer of electronics, followed by Jabil and Flex.
- Foxconn's revenue is almost 100x of Dixon's revenue, but in terms of market cap Foxconn is only 10x of Dixon.
- Interestingly, Flex's PAT is ~23x of Dixon but Market Cap of Dixon is already ~70% of Flex.
- Dixon's biggest competitor in India is Foxconn. They have announced significant investments in India in the last 6 months.



TRIVIA: At 8.3 lac employee, Foxconn's employee strength is more than Reliance + SBI + Coal India combined

Hospitality Industry

	M-Cap (USD Bn)	P/E Ratio	Revenues (USD Bn)	PAT (USD Bn)	# Properties	# Rooms
THE INDIAN HOTELS	10.6	70	0.8	0.2	311	37,193
MARRIOTT INTERNATIONAL	60.2	21	23.7	2.9	8,861	16,43,172
INTERCONTINENTAL HOTELS	15.1	21	3.7	0.8	6,363	9,46,203
WYNDHAM HOTELS & RESORTS	5.9	24	1.4	0.3	9,200	8,76,000
ACCOR	8.6	15	5.3	0.6	5,584	8,21,518

Note: All numbers are as of 2nd August'24 on TTM basis

- Marriott (the largest hotel chain): 20x the profit, 45x the rooms is available at 6x the M-Cap of Indian Hotels. Apparently, luxury doesn't extend to stock multiples!
- Marriott, Accor, Intercontinental, and Wyndham which have a giant 33% market share, trade at an average "budget" P/E of 20.
- Accor at ~20x hotels and rooms; 4x more profitability, has only 90% of the M-Cap of Indian Hotels. "Steal Deal" in the real sense.



TRIVIA: Marriot has 27000 rooms in India as well

Apparel Industry

	M-Cap (USD Bn)	P/E Ratio	Revenues (USD Bn)	PAT (USD Bn)	# Stores	# Country Presence
TRENT	23.5	132	1.5	0.2	875+	1
INDITEX	149.0	25	38.9	5.9	6,400+	95
H & M	24.5	23	22.5	1.06	4,300	78

Note: All numbers are as of 2nd August'24 on TTM basis

- Inditex (Owner of Zara Brand) is at 25x P/E against Trent (Runs Zara stores in India via JV with Inditex) at 132x P/E.
- Inditex generates 26x revenue but is available at 6x the market cap of Trent.
- H&M's revenue is 15x of Trent's but both are trading at almost similar market cap.



TRIVIA: Inditex and H&M are the world's largest apparel retailers