

CMP: ₹ 260

Target: ₹ 305 (16%)

Target Period: 12 months

BUY

Dec 3, 2021

Turns ex-bonus today

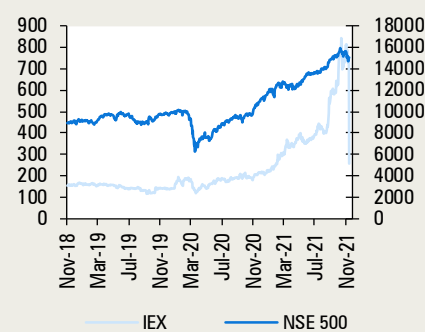
Indian Energy Exchange (INDEN) made an announcement on bonus shares on October 21, 2021. The ratio was two bonus share for every one equity shares, 2:1. The record date for the same is December 6, 2021 while the ex-date for the same is today, December 3, 2021. Consequently, Indian Energy Exchange's share price, as per yesterday's closing price, has adjusted to ₹ 249/share from ₹ 747/share. Accordingly, our target price stands revised to ₹ 305/share. We maintain our **BUY** recommendation on the stock.



Particulars

Particular	Amount
Market Capitalization	23,545
Total Debt (FY21) (₹ crore)	0
Cash and Inv (FY21) (₹ crore)	224
EV (FY21) (₹ crore)	23,321
52 week H/L (₹) (BSE)	318 /67
Equity capital (₹ crore)	89.5
Face value (₹)	1

Price Performance



Key events & risk to our call

- Resolution of spat between Sebi and CERC.
- Key Risk:** (i) Market coupling, (ii) Inability to garner volumes in new launches

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Key Financial Summary

	FY20	FY21	4 Year CAGR (FY 17-21)	FY22E	FY23E	FY24E	3 Year CAGR (FY21-24E)
Revenue (₹ crore)	257.1	317.9	11.9	402.0	535.0	712.0	30.8
EBITDA (₹ crore)	202.2	250.6	15.1	325.6	433.9	578.1	32.1
EBITDA margin	78.6	78.9		81.0	81.1	81.2	
Net Profit (₹ crore)	175.7	205.4	34.0	273.7	362.8	480.1	32.7
EPS (₹)	2.0	2.3		3.0	4.0	5.3	
P/E (x)	134.0	114.6		86.0	64.9	49.0	
EV/EBITDA (x)	116.3	93.0		71.7	53.4	39.7	
RoCE (%)	55.8	45.5		51.4	62.5	73.9	
RoE (%)	45.3	35.1		38.5	46.8	55.4	

Source: Company, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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