

All About Nexus Select Trust

Sector - Real Estate

Issue Opens - May 9, 2023 to May 11, 2023

Price Band ₹95 to ₹100 Face Value ₹ Lot Size 150 Shares Issue Size ₹3200.00 Cr.

Issue Type Book Built

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Important Events

Issue Size	₹3,200.00 Cr	
Fresh Issue	₹1,400.00 Cr)	
Offer for Sale	₹1,800.00 Cr	
Basis of Allotment	May 16, 2023	
Initiation of Refunds	May 17, 2023	
Credit of Shares to Demat	May 18, 2023	
Mankind Pharma LTD IPO Listing Date	May 19, 2023	



About Company



- Blackstone, a leading global investment firm, sponsors Nexus Select Trust. The other three existing REITs are in the residential sector, therefore this would be the first REIT in the retail sector to list on the Indian stock markets. 96% of Nexus Select Trust's assets are leased, and it has a broad tenant base of 983 domestic and international brands with 2,924 locations across its portfolio of 17 operational retail centres spread across 14 major cities. Major Indian cities like Delhi, Navi Mumbai, Bengaluru, Pune, Hyderabad, and Chennai all have shopping malls.
- Company Having a diverse tenant mix in industries such as fashion & accessories, hypermarket, entertainment, and food and drinks which accounted for 30% of India's total discretionary retail spending in FY20 and had a population CAGR that was 226 basis points higher than the national average from 2011 to 2021.



The offer includes a new issue and an offer. The new problem is 1,400cr on in which 250cr will be used to partially or fully repay some financial loans from SPV Property and Institutional Investment; ₹1,050 cr will be used to buy shares and redemption of debt securities in certain asset SPVs; and the balance will be used for general business purposes. The discount offer is ₹1,800cr.

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Product Portfolio

Name of Asset	(msf)/Keys (for Hotels)/MW (for Renewable Power Plants) (as applicable)	Committed Occupancy/Office Occupancy/Hotel Occupancy ⁽¹⁾ (as applicable)	Market Value (<i>Rs. million</i>)	% of Gross Portfolio Market Value	WALE (Years)
Urban Consumption Cent	res				
Select Citywalk ⁽²⁾	0.51 msf	92.3%	44,688	19.4%	4.3
Nexus Elante	1.22 msf	98.7%	37,255	16.2%	5.1
Nexus Seawoods	0.97 msf	97.6%	21,861	9.5%	7.2
Nexus Ahmedabad One ⁽³⁾	0.89 msf	91.3%	19,015	8.3%	6.1
Nexus Hyderabad	0.83 msf	99.1%	16,252	7.1%	4.3
Nexus Koramangala	0.31 msf ⁽⁴⁾	96.1%	8,165	3.5%	3.4
Nexus Vijaya	0.65 msf	95.5%	12,400	5.4%	4.2
Nexus Westend	0.44 msf	94.6%	8,232	3.6%	8.2
Nexus Esplanade	0.42 msf	97.0%	8,484	3.7%	7.7
Nexus Amritsar	0.54 msf	96.6%	6,216	2.7%	6.7
Nexus Shantiniketan	0.62 msf ⁽⁵⁾	92.8%	5,876	2.6%	7.2
Nexus Whitefield	0.31 msf	88.6%	3,616	1.6%	4.4
Nexus Celebration	0.40 msf	90.0%	4,494	2.0%	4.2
Fiza by Nexus	0.71 msf ⁽⁶⁾	72.1%	2,860	1.2%	5.4
Nexus Centre City	0.32 msf	96.2%	2,619	1.1%	7.3
Nexus Indore Central	0.24 msf	91.3%	2,005	0.9%	13.6
Portfolio Investment					
Treasure Island ⁽⁷⁾	0.43 msf	94.7%	2,516	1.1%	5.2
Subtotal Urban	9.82 msf	93.5%	206,554	89.7%	5.6
Consumption Centres					
Offices					
Westend Icon Offices	0.98 msf	74.9%	11,333	4.9%	3.6
Vijaya Office	0.19 msf	100.0%	1,800	0.8%	3.7
Elante Office	0.15 msf	47.3%	1,695	0.7%	5.0
Subtotal Offices	1.32 msf	75.3%	14,828	6.4%	3.8
Hotels					
Hyatt Regency Chandigarh	211 keys	74.4%	4,724	2.1%	NA
Oakwood Residence Whitefield Bangalore	143 keys	91.6%	1,810	0.8%	NA
Renewable Power Plants					
Karnataka Solar Park	15 MW (AC)	NA	2,411	1.0%	NA
Subtotal Renewable Power Plants	15 MW (AC)	NA	2,411	1.0%	NA

Total Portfolio	9.82 msf	93.5% (Urban	230,327	100.0%	5.6 (Urban	
	(Urban	Consumption			Consumptio	
	Consumption	Centres)			Centres)	
	Centres)					
	,	75.3% (Offices)			3.8 (Offices	
	1.32 msf				0.0 (0	
	(Offices)	81.3% (Hotels)				
	(Onices)	01.5 /0 (Hotels)				
	254 Love					
	354 keys					
	(Hotels)					
	(8)					
	15 MW ⁽⁸⁾ (AC)					
	(Renewable					
	Power Plants)					

Notes:

- (1) Hotel Occupancy representative of the month ended June 30, 2022.
- (2) Includes Select Citywalk Phase II (0.06 msf; 70.6% Committed Occupancy as at June 30, 2022), which launched operations in August 2022. Committed Occupancy excluding Select Citywalk Phase II was 95.3% as of June 30, 2022.
- (3) Includes Nexus Ahmedabad One Phase II (0.2 msf; 61.6% Committed Occupancy as at June 30, 2022), which launched operations in August 2021. Committed Occupancy excluding Nexus Ahmedabad One Phase II was 98.2% as of June 30, 2022.
- (4) Operational data presented above represents NHRPL's economic interest as of June 30, 2022 in 307,272 sq.ft of Leasable Area in Nexus Koramangala arising out of its (i) ownership interest over 265,504 sq.ft. of Leasable Area, (ii) short term leasehold rights over 13,656 sq.ft. of Leasable Area valid until March 31, 2028; and (iii) revenue share entitlements with respect to 28,112 sq.ft. of Leasable Area valid until March 31, 2028. For further details, see "Management Framework – Commercial arrangements with JD Partners" on page 337.
- (5) Operational data presented above represents 100% interest in Nexus Shantiniketan. However, please note that NSRPL is entitled to only 64.90% identified share of the total Leasable Area of 623,835 sq.ft. in Nexus Shantiniketan, and a corresponding 64.90% of the total economic interest accruing, arising or flowing from Nexus Shantiniketan. For further details, see "Management Framework – Commercial arrangements with JD Partners" on page 337.
- (6) Operational data presented above represents 100% interest in Fiza by Nexus. However, please note that NMRPL (Mangalore) is entitled to only 68% identified share of the total Leasable Area of 711,744 sq.ft. in Fiza by Nexus and a corresponding 68% of the total economic interest accruing, arising or flowing from Fiza by Nexus. For further details, see "Management Framework Commercial arrangements with JD Partners" on page 337.
- (7) Reflects 100.0% stake in Treasure Island, except Market Value which reflects only our 50% economic interest in Treasure Island. For details on our accounting policies on equity investment in accordance with Ind AS 28, please refer to "Financial Information of the Nexus Select Trust", "Presentation of Financial Data and Other Information" and "Management's Discussion and Analysis of Factors Affecting the Financial Condition and Results of Operations" on pages 709, 5 and 392, respectively.
- (8) Excluding our Asset SPVs' renewable power plants of 22.1 MW (AC) which have been set up for captive consumption.

Track Record Of Financial Performance



Balance Sheet

Particulars	As at June 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
				2020
ASSETS				
Non-current assets		1 205 55		1.510.44
Property, Plant and Equipment	4,142.17	4,205.55	4,234.35	4,519.66
Right of use assets	83.77	96.72	125.55	154.37
Capital work-in-progress	0.38	-	206.36	-
Investment Property	63,730.97	64,175.18	64,203.15	66,008.84
Investment property under development	1,678.38	1,606.34	2,408.41	1,735.90
Goodwill	2,250.94	2,250.94	2,250.94	2,250.94
Other intangible assets	8.26	8.57	4.24	5.86
Intangible assets under development Investment accounted for using equity				
method	173.24	156.24	128.90	150.44
Financial assets				
- Investments	141.96	137.22	292.92	158.65
- Loans	1,320.00	1,320.00	1,320.00	5,558.32
- Other financial assets	443.90	466.45	715.12	871.33
Deferred tax assets (net)	602.22	498.59	327.58	304.05
Non-current tax assets (net)	839.32	1,093.46	771.80	1,269.66
Other non-current assets	268.83	208.83	191.40	306.50
Total non-current assets	75,684.34	76,224.09	77,180.72	83,294.52
Current assets	1.155.00	1.046.57	1 106 00	1.105.55
Inventories	1,155.89	1,246.57	1,486.80	1,425.76
Financial assets	2 400 88	1 (54 71	1 627 01	1.421.01
– Investments – Trade receivables	2,409.88	1,654.71	1,637.01	1,431.01
- Cash and cash equivalents	1,164.84	1,161.25 2,895.51	1,490.18 2,509.36	1,357.89
- Cash and cash equivalents	1,742.90	2,095.51	2,509.50	1,050.04
Particulars	As at June 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
- Other bank balances	3,723.85	3,645.96	1,819.92	2,443.99
– Loans	2,746.19	2,765.37	2,325.24	2,385.21
- Other financial assets	995.63	707.70	586.62	612.87
Current tax assets	216.76	-	22.76	179.15
Other current assets	680.44	596.50	534.98	489.91
Total current assets	14,836.44	14,673.57	12,412.87	11,981.83
Total Assets	90,520.78	90,897.66	89,593.59	95,276.35
EQUITY & LIABILITIES				
EQUITY				
Capital	2,453.81	3,248.53	2,480.41	2,246.34
Other equity	15,708.27	13,989.85	14,141.39	21,008.79
Total equity	18,162.08	17,238.38	16,621.80	23,255.13
LIABILITIES				
Non-current liabilities				
Financial liabilities				
- Borrowings	57,407.45	59,506.87	59,996.53	55,864.71
– Lease liabilities	76.78	87.72	108.42	134.85
 Other financial liabilities 	1,317.00	985.92	992.23	1,635.06
Deferred tax liabilities (net)	2,770.06	2,774.52	2,600.80	2,693.97
Provisions	39.20	50.27	48.30	47.09
Other non-current liabilities	123.49	126.34	97.42	190.47
Total non-current liabilities	61,733.98	63,531.64	63,843.70	60,566.15
Current liabilities				
Financial liabilities				

- Borrowings	4,231.49	3,577.33	2,807.98	3,688.15
- Lease liabilities	20.16	22.71	27.60	27.03
– Trade payables				
Dues to micro enterprises and small enterprises	100.91	111.71	98.66	143.76
Dues to others	866.20	702.78	870.69	1,031.00
- Other financial liabilities	4,564.87	4,987.61	4,693.18	5,349.39
Provisions	76.83	92.88	73.69	77.37
Current tax liabilities (net)	102.33	122.10	41.28	484.67
Other current liabilities	661.93	510.52	515.01	653.70
Total Current Liabilities	10,624.72	10,127.64	9,128.09	11,455.07
Total Liabilities	72,358.70	73,659.28	72,971.79	72,021.22
Total Equity and Liabilities	90,520.78	90,897.66	89,593.59	95,276.35

Statement of Profit and Loss

	For the three months ended		For the year ended	
Particulars	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Income				
Revenue from operations	4,661.00	13,182.10	9,069.75	16,219.75
Other income	96.35	803.05	1,409.95	862.13
Total Income	4,757.35	13,985.15	10,479.70	17,081.88
Expenses				
Cost of material and components consumed	43.23	107.03	69.04	159.44
Changes in inventories of finished goods and work-in-progress	78.42	283.38	5.39	63.32
Employee benefits expense	233.20	1,126.90	954.18	1,168.34
Operating and maintenance expenses	827.56	2,235.38	1,809.78	2,957.43
Other expenses	622.82	1,652.64	1,511.05	1,961.20
	1,805.23	5,405.33	4,349.44	6,309.73
Earnings before finance costs, depreciation, amortisation, share of net profit/(loss) of investment accounted for using equity method, exceptional items and tax	2,952.12	8,579.82	6,130.26	10,772.15
Finance costs	1,218.95	5,240.04	5,534.89	5,600.25
Depreciation and amortisation expenses	595.42	2,428.88	2,513.42	2,613.90
Profit/(Loss) before share of net profit/(loss) of investment accounted for using equity method, exceptional items and tax	1,137.75	910.90	(1,918.05)	2,558.00
Share of net profit/(loss) of investment accounted for using equity method	17.00	27.35	(21.55)	(2.52)
Profit / (Loss) before exceptional items and tax	1,154.75	938.25	(1,939.60)	2,555.48

Exceptional Items	-	(215.00)	(162.86)	-
Profit/(Loss) before tax	1,154.75	723.25	(2,102.46)	2,555.48
Tax expense:				
Current tax	342.95	782.94	386.37	945.71
Tax adjustments relating to earlier years	32.14	6.53	(409.76)	(21.38)
Deferred tax charge / (credit)	(67.11)	43.30	(87.97)	(436.21)
	307.98	832.77	(111.36)	488.12
Profit/(Loss) for the three months/year	846.77	(109.52)	(1,991.10)	2,067.36

	For the three months ended	For the year ended		
Particulars	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss—				
Re-measurement gain / (loss) on defined benefits obligations	6.23	3.20	20.22	(11.35
Income tax relating to above item	(0.88)	(0.67)	(4.95)	3.22
Total other comprehensive income for the three months/year	5.35	2.53	15.27	(8.13
Total comprehensive income/(loss) for				
the three months/year	852.12	(106.99)	(1,975.83)	2,059.23



1. Located in India, one of the world's fastest growing major consumer-driven economies.

2. India's largest blue chip asset platform with presence in 14 major Indian consumer cities.

3. Very busy with a diverse number of tenants of famous domestic and international brands.

4. Strong integrated growth with inflation hedged cash flow.

5. Strategically located in prime fill locations with high barriers to entry.

6. Fully integrated platform with experienced management team.





1. The decline in visitors to urban consumption centers in the past and possibly in the future will have a negative impact on the company's revenue

2. A significant portion of the company's revenue comes from a limited number of large tenants. Any condition that affects these tenants, property or market could adversely affect its business.

3. The Trust may use a substantial amount of debt in its operations, and its cash flows and results of operations may be affected by required repayments or the associated interest and fees. other risks associated with debt financing.



Through its premium retail assets, Nexus Select is a quasi-play on consumption. The issue is trading at a Price/NAV of 0.78x at the upper band of 100/sh.

Investors who want consistent profits and yearly growth on their residual holdings may set aside money for medium- to long-term gains.

We rate properties with a SUBSCRIBE rating because of their a) strong yield potential, b) potential for organic growth through tenant sales and rent increases, repricing, and releases, and c) potential for inorganic growth through asset addition.

Nexus REIT Peer Comparison

REIT	Embassy Office Parks	Mindspace Business	Brookfield India Real	Nexus Select Trust
	·	Parks	Estate	
Issue Time line	March 18-20, 2019	July 27-29, 2020	February 3-5, 2021	May 09 -11, 2023
	Embassy Property &	Cape Trading, Anbee	Brookfield (BSREP	Blackstone (Wynford
Sponcer	Blackstone	Construc.	India)	Investment)
		K Raheja Corp	Brookprop	Nexus Select Mall
Manager	Embassy Office Parks	Investment	Management	Management
	Axis Trustee Services	Axis Trustee Services	Axis Trustee Services	Axis Trustee Services
Trustee	Ltd.	Ltd.	Ltd.	Ltd.
		Morgan Stanley, Axis		
	Morgan Stanley India,	Cap, DSP Merrill,	Morgan Stanley, BofA	
	Kotak Mahindra Fin, J.	Citigroup Global	Securities India,	BofA Securities, Axis
	P. Morgan India, DSP	Markets, JM Fin, Kotak	Citigroup Global Mkt,	Cap, Citigroup Global
	Merrill Lynch, Axis Cap,	Mahindra Cap, CLSA	HSBC Securities, Ambit	Mkt, HSBC Securities,
	Credit Suisse,	India, Nomura Fin.,	Pvt. Ltd., Axis Cap, IIFL	IIFL Securities, JM Fin,
	Deutsche Equities,	UBS Securities, Ambit	Securities, JM Fin,	J.P.Morgan, Kotak
	Goldman Sachs, HSBC	Capital, HDFC Bank,	J.P.Morgan, Kotak	Mahindra Cap, Morgan
	Securities, IIFL	IDFC Securities, ICICI	Mahindra Cap, SBP	Stanley, SBI Capital
BRLMs	Holdings, JM Financial	Securities	Capital Mkt.	Mkt
			Link Intiem India Pvt.	
Registrar	Karvy Fintech Pvt. Ltd.	Kfin Technologies Ltd.	Ltd.	Kfin Technologies Ltd.
Price Band	Rs. 299 - 300	Rs. 274 - 275	Rs. 274 - 275	Rs. 95 - 100
Issued at	Rs. 300	Rs. 275	Rs. 275	NA
Lot Size	400 units	200 units	200 units	150 units
Offer size	Rs. 4750 cr.	Rs. 4500 cr.	Rs. 3800 cr.	Rs. 3200 cr.
		Fresh Rs. 1000 cr. / OFS		Fresh Rs.1400 cr. / OFS
Issue Type	Fresh Rs. 4750 cr.	Rs. 3500 cr.	Fresh Rs.3800 cr.	Rs. 1800 cr.
Market Cap at upper cap of				
issue price	Rs. 28450 cr.	Rs. 16308 cr.	Rs. 8327 cr.	Rs. 15150 cr.
				AAA/Stable by ICRA,
Issue Rating	AAA/Stable by ICRA	AAA/Stable by CRISIL	AAA/Stable by CRISIL	AAA/Stable by CRISIL
	2.15 times (QIB), 3.09	10.61 times (QIB), 15.51	4.78 times (QIB), 11.52	
	times (NII), Total of	times (NII), Total of	times (NII), Total of	
Subscription	2.57 times	12.96 times	7.94 times	NA
Allotted On	March 28, 2019	August 06, 2020	February 11, 2021	NA
Listed at	BSE, NSE	BSE, NSE	BSE, NSE	BSE, NSE
Listed On	April 01, 2019	August 07, 2020	February 16, 2021	NA
	Rs. 300 (BSE), Rs. 308	Rs. 304 (BSE), Rs. 302	Rs. 275.05 (BSE), Rs.	
Debut Price	(NSE)	(NSE)	281.70 (NSE)	NA
Historical High/Low	Rs. 462.00 / Rs. 299	Rs. 388 / Rs. 275.16	Rs. 344.70 / Rs. 215.25	NA
Last 52 weeks High/Low	Rs. 406.69 / Rs. 299	Rs. 388 / Rs. 290.36	Rs. 344.70 / Rs. 250.25	NA
Last Traded Price (as of May 04,	Rs. 318.15 (BSE), Rs.	Rs. 322.60 (BSE), Rs.	Rs. 273.95 (BSE), Rs.	
	318.00 (NSE)	323.99 (NSE)	274.10 (NSE)	



Sources: Multiple Websites