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India | Equity Research | Results Update

Mahindra Lifespace Developers

Real Estate

On track to deliver 20% sales booking CAGR over FY25-27E

In May'23, MLIFE had unveiled a strategy of reaching INR 80-100bn of annual residential plus industrial cluster sales by CY28 or 5x in 5 years (CY23-28). While it has achieved FY25 sales bookings of INR 28.0bn, with a healthy launch pipeline having GDV of over INR 390bn as of Mar'25, we estimate FY26/27E sales bookings of INR 36bn/INR 41bn, respectively. There has been a recent surge in the pace of business development with INR 120bn of incremental GDV from a 37 acre JDA project in Bhandup, Mumbai and a redevelopment project in Andheri, Mumbai (GDV of INR 9.5bn), taking FY25 GDV additions to ~INR 181bn. We believe the 32% stock price correction in last 6 months is mainly due to lower business development. Reiterate **BUY** with a revised TP of INR 549 (earlier: INR 575) adjusting from company share at 30% premium to NAV. **Key risks:** Rise in construction costs and residential demand slowdown.

Strong end to FY25; all eyes on upcoming launches

MLIFE saw a strong Q4FY25 with sales bookings worth INR 10.6bn with new launches of 0.9msf. For FY25 overall, the company achieved INR 28.0bn of sales bookings (up 20% YoY) driven by 2.3msf of launches. Heading into FY26, with GDV additions of INR 181bn, the company has an incremental launch pipeline with a GDV of over INR 390bn including Bhandup, Mumbai of INR 124bn and Thane, MMR of INR 75bn. Given the decent performance in FY25 and launch visibility for FY26, we estimate our FY26/27E sales bookings upwards of INR 36bn/ INR 41bn, respectively. Hence, we believe MLIFE is well on track to deliver double-digit sales booking CAGR of 20% over FY25-27E.

Goal of achieving INR 100bn of annual sales bookings by FY30

The company has a vision of achieving annual sales booking guidance of INR 100bn by FY30 which will be primarily dependent on GDV additions worth INR 450bn over FY25-28. Of this, the company has added INR 390bn of GDV overall with FY25 GDV addition of ~INR 181bn, including INR 124bn from a new 37-acre JDA project in Bhandup, Mumbai in Q3FY25 (71% revenue share) along with a number of society redevelopment projects. While there is decent visibility on FY26-27 sales bookings, the surge in the pace of business development augurs well for the company to achieve its long-term vision. Company's ability to fund new projects through a combination of internal accruals, debt, equity is a key monitorable. In this context, the company's proposed rights issue to raise up to INR 15bn, possibly in FY26, is key for funding growth.

Financial Summary

Y/E March (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Revenue	2,121	3,723	11,162	14,438
EBITDA	(1,711)	(1,699)	893	1,393
EBITDA Margin (%)	NM	NM	8.0	9.6
Net Profit	982	613	1,889	2,329
EPS (INR)	6.4	4.0	12.3	15.1
P/B (x)	2.7	2.7	2.5	2.2
P/E (x)	52.3	83.9	27.2	22.1
EV/EBITDA (x)	NM	NM	71.9	46.4
RoCE (%)	4.3	2.7	7.4	8.2
RoE (%)	5.3	3.3	9.5	10.6

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Market Data

Market Cap (INR)	52bn
Market Cap (USD)	610mn
Bloomberg Code	MLIFE IN
Reuters Code	MALD.BO
52-week Range (INR)	672 /276
Free Float (%)	48.0
ADTV-3M (mn) (USD)	2.1

Price Performance (%)	3m	6m	12m
Absolute	(13.7)	(32.2)	(49.8)
Relative to Sensex	(19.4)	(32.4)	(58.6)

ESG Score	2022	2023	Change
ESG score	75.7	72.5	(3.2)
Environment	63.9	60.6	(3.3)
Social	72.6	75.2	2.6
Governance	84.2	81.4	(2.8)

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Previous Reports

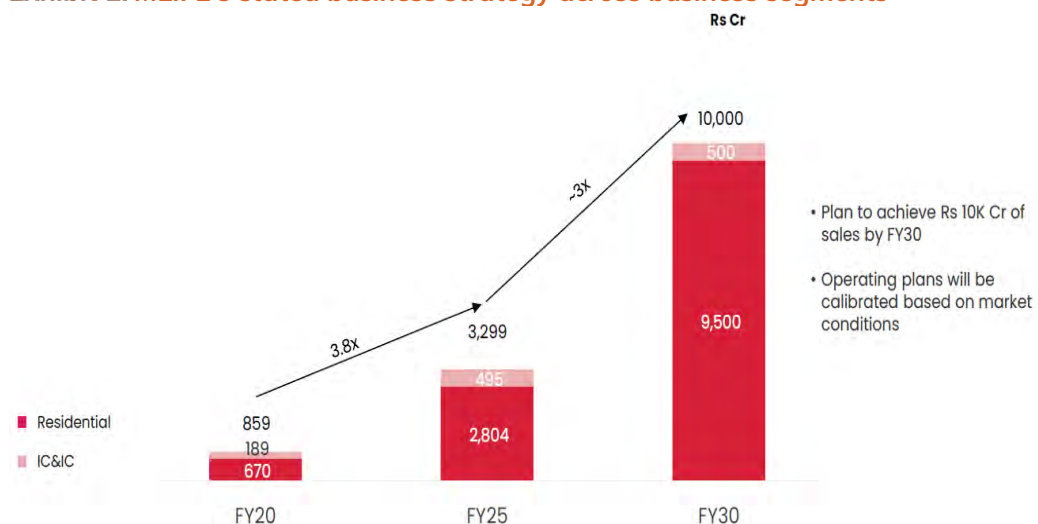
04-02-2025: [Q3FY25 results review](#)

30-10-2024: [Q2FY25 results review](#)

Exhibit 1: Q4FY25 consolidated result snapshot

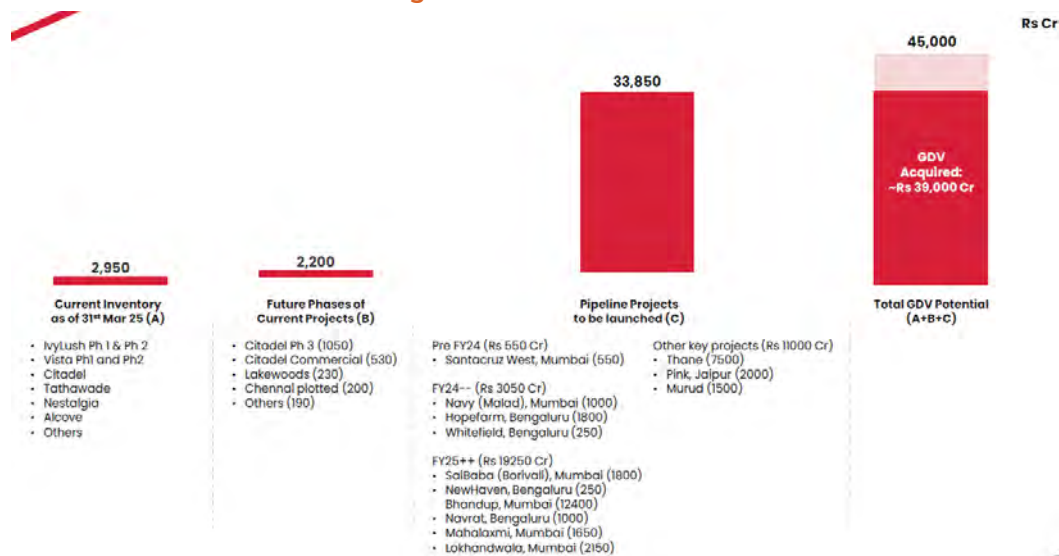
INR mn	Q4FY25	Q4FY24	Q3FY25	YoY (%)	QoQ (%)
Total Operating income	92	143	1,673	(35.3)	(94.5)
Raw Materials	(14)	130	1,419	(110.4)	(101.0)
Personnel Cost	262	182	280	44.4	(6.3)
Other Expenses	395	373	228	6.1	73.4
Total Expenses	644	684	1,927	(5.8)	(66.6)
EBITDA	(552)	(541)	(254)	NM	NM
EBITDA margin (%)	NM	NM	NM	NM	NM
Interest (Net)	21	26	42	(18.8)	(49.9)
Depreciation	55	38	40	44.0	38.5
Other Income	462	403	185	14.6	149.9
Exceptional items	-	-	-		
Profit Before Tax	(166)	(202)	(151)	NM	NM
Taxation	15	(129)	173	NM	NM
Profit After Tax before MI/Associate	(181)	(73)	(324)	NM	NM
MI/Associate share	1,031	788	99	NM	NM
Reported PAT	851	714	(225)	NM	NM
Net margin (%)	NM	499.9	-13.5	NM	NM

Source: I-Sec research, Company data

Exhibit 2: MLIFE's stated business strategy across business segments

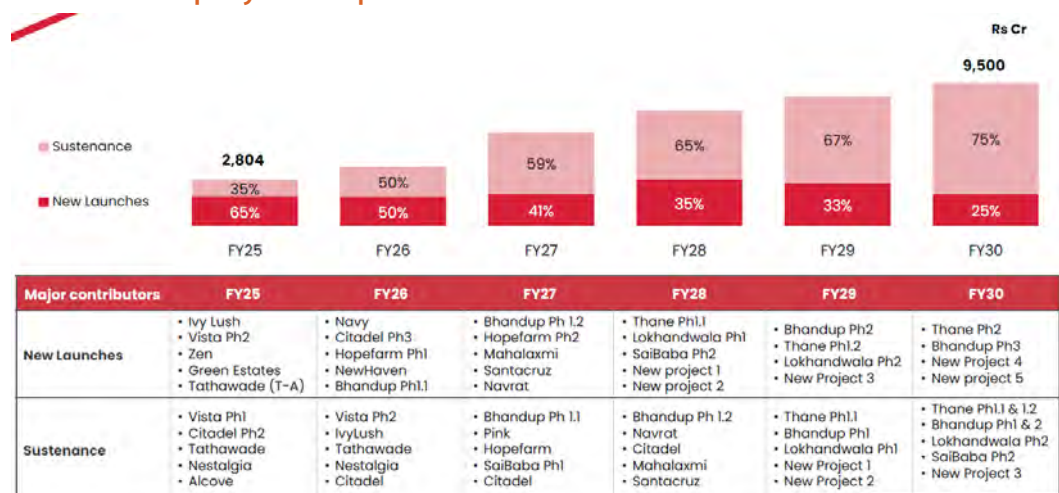
Source: Company data, I-Sec research

Exhibit 3: MLIFE's residential segment GDV as of Mar'25



Source: Company data, I-Sec research

Exhibit 4: Company's sales plan for FY25-30



Source: I-Sec research, Company data

Exhibit 5: Key assumptions

Development Properties	FY22	FY23	FY24	FY25	FY26E	FY27E
MLIFE Devco Sales Volume (msf)	1.3	2.2	2.5	2.9	3.5	3.8
MLIFE Devco Sales Value (INR bn)	10.3	18.1	23.3	28.4	36.1	40.9

Source: I-Sec research, Company data

Exhibit 6: SoTP valuation of MLIFE

Details	Amount (INR mn)	INR/share
Devco residential (FY25-30E)	35,643	231
Industrial cities/SEZs	8,144	53
Rental assets	4,083	26
Land Bank	17,257	112
Total Mar'25E NAV	65,126	423
Add: 30% premium for new project acquisitions/group land parcels	19,538	127
Target Price	84,664	549

Source: I-Sec research, Company data

Exhibit 7: Sensitivity of NAV to WACC and sales price increase

	WACC (%)					
NAV	423	9%	10%	11%	12%	13%
	3%	397	390	383	376	369
	4%	422	414	406	399	392
Price Growth CAGR (%)	5%	447	439	430	423	415
	6%	474	465	456	447	439
	7%	502	492	482	473	465

Source: Company data, I-Sec research

Exhibit 8: Shareholding pattern

%	Sep'24	Dec'24	Mar'25
Promoters	51.2	51.2	51.1
Institutional investors	30.7	30.6	29.7
MFs and others	19.1	19.1	18.5
FIs/Banks	0.0	0.1	0.1
Insurance	1.5	1.5	1.5
FIIIs	10.1	10.0	9.6
Others	18.1	18.2	19.2

Source: Bloomberg, I-Sec research

Exhibit 9: Price chart

Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 10: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Net Sales	2,121	3,723	11,162	14,438
Operating Expenses	3,832	5,421	10,269	13,046
EBITDA	(1,711)	(1,699)	893	1,393
EBITDA Margin (%)	(80.7)	(45.6)	8.0	9.6
Depreciation & Amortization	137	178	61	69
Interest expenditure	74	194	895	926
Other income	670	916	848	890
Other Non-operating Income	-	-	-	-
PBT	(1,252)	(1,155)	785	1,288
Less: Taxes	(440)	92	198	324
PAT	(812)	(1,246)	587	964
Less: Minority Interest	1,794	1,859	1,302	1,365
Net Income (Reported)	982	613	1,889	2,329
Net Income (Adjusted)	982	613	1,889	2,329

Source Company data, I-Sec research

Exhibit 11: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Total Current Assets	37,984	51,084	57,470	65,469
of which cash & cash eqv.	1,068	2,562	2,074	2,164
Total Current Liabilities & Provisions	19,847	27,187	32,151	38,303
Net Current Assets	18,137	23,897	25,319	27,166
Investments	8,274	6,858	7,558	8,258
Net Fixed Assets	243	257	296	328
Capital Work-in-Progress	51	48	48	48
Other non-current assets	903	2,376	2,614	2,875
Total Assets	27,608	33,437	35,836	38,675
Liabilities				
Borrowings	8,728	14,317	14,817	15,317
Equity Share Capital	1,550	1,550	1,550	1,550
Reserves & Surplus	17,178	17,410	19,299	21,629
Total Net Worth	18,728	18,960	20,849	23,179
Minority Interest	2	2	2	2
Deferred taxes/others	150	157	167	177
Total Liabilities	27,608	33,437	35,836	38,675

Source Company data, I-Sec research

Exhibit 12: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Operating Cashflow	(1,518)	(1,946)	2,845	3,324
Working Capital Changes	(5,096)	(3,475)	(2,139)	(2,007)
Capital Commitments	245	472	(100)	(100)
Free Cashflow	(6,369)	(4,949)	607	1,217
Other investing cashflow	1,899	2,255	(700)	(700)
Cashflow from Investing	2,143	2,727	(800)	(800)
Activities				
Issue of Share Capital	21	1	-	-
Interest Cost	(813)	(989)	(895)	(895)
Inc (Dec) in Borrowings	6,036	5,562	500	500
Others	(357)	(412)	-	-
Cash flow from Financing Activities	4,887	4,162	(395)	(426)
Chg. in Cash & Bank balance	416	1,468	(489)	91
Closing cash & balance	1,068	2,562	2,074	2,164

Source Company data, I-Sec research

Exhibit 13: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	6.4	4.0	12.3	15.1
Cash EPS	7.3	5.1	12.7	15.6
Dividend per share (DPS)	2.3	2.7	0.0	0.0
Book Value per share (BV)	121.6	123.2	135.4	150.6
Growth (%)				
Net Sales	(65.0)	75.5	199.8	29.4
EBITDA	55.4	(0.7)	(152.6)	56.0
EPS (INR)	169.5	(37.6)	208.2	23.3
Valuation Ratios (x)				
P/E	52.3	83.9	27.2	22.1
P/BV	2.7	2.7	2.5	2.2
EV / EBITDA	NM	NM	71.9	46.4
Dividend Yield (%)	0.7	0.8	0.8	0.8
Operating Ratios				
EBITDA Margins (%)	(80.7)	(45.6)	8.0	9.6
Net Profit Margins (%)	46.3	16.5	16.9	16.1
Net Debt / Equity (x)	0.4	0.6	0.6	0.6
Debt / EBITDA (x)	(5.1)	(8.4)	16.6	11.0
Profitability Ratios				
RoCE (%)	4.3	2.7	7.4	8.2
RoE (%)	5.3	3.3	9.5	10.6

Source Company data, I-Sec research

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