

27 April 2025

India | Equity Research | Results Update

**Macrotech Developers**

Real Estate

**On track to achieve 20% sales booking growth in FY26**

In line with our expectations, Macrotech Developers (LODHA) has achieved strong Q4FY25 sales bookings of INR 48.1bn (up 14% YoY). In our view, after having achieved FY25 sales bookings of INR 176bn, the company is well on track to achieve its FY26 sales bookings guidance of INR 210bn (20% YoY growth) led by INR 188bn of planned launches for FY26. We believe its historical leverage concerns are now a thing of the past (peak debt of over INR 180bn) with Mar'25 net debt at INR 39.9bn (net D/E of 0.2x). Post the 19% increase in stock price over the last 3 months, we cut our rating to **HOLD** from *Add* with a revised TP of INR 1,284 (earlier INR 1,227) based on 40% premium to FY25 NAV of INR 917, factoring in new project additions. Key upside risk is higher-than-expected rise in property price; key downside risk is slowdown in Mumbai market volumes.

**Strong quarter and year for sales bookings**

LODHA clocked Q4FY25 India business sales bookings worth INR 48.1bn (up 14% YoY) vs I-Sec estimate of INR 45.0bn. Hence, the company has had a strong FY25 with sales bookings of INR 176.3bn, up 21% YoY and marginally ahead of its guidance of INR 175bn. The company had also added new projects with GDV of INR 237bn during FY25 which was ahead of its FY25 new project addition guidance of INR 210bn. We believe the company's historical leverage concerns are now a thing of the past (peak debt of over INR 180bn) with Mar'25 net debt at INR 39.9bn (net D/E of 0.2x), and the company could now balance growth aspirations with minimal interest outgo and annual internal cash surplus of INR 70-80bn over FY25-27E.

**Targeting 20% sales booking CAGR over FY25-31**

In FY24, the company clocked sales bookings of INR 145bn (up 20% YoY) and has delivered 21% growth in FY25 as well. It is targeting to sustain this 20% sales CAGR over FY25-31 as well, with FY26 sales booking guidance of INR 210bn. While these numbers are achievable, given the expansion in new markets such as Pune and Bengaluru, this would require the company to continuously procure new land parcels at prime locations and would also require residential real estate demand to sustain. We currently model in FY26E and FY27E sales bookings of INR 213bn and INR 217bn, respectively. We await further clarity on company's ability to replenish high-value inventory, especially in South and Central Mumbai before raising our estimates further.

**Financial Summary**

Y/E March (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Revenue	1,03,161	1,37,795	1,52,884	1,54,066
EBITDA	26,757	39,880	42,667	47,139
EBITDA Margin (%)	25.9	28.9	27.9	30.6
Net Profit	15,491	27,643	28,761	33,251
EPS (INR)	16.0	27.8	28.9	33.4
P/B (x)	7.4	6.4	5.7	5.1
P/E (x)	81.5	46.9	45.1	39.0
EV/Adjusted EBITDA (x)	38.7	29.3	29.5	24.6
RoCE (%)	12.5	17.3	17.5	18.8
RoE (%)	11.0	14.7	13.4	13.8

**Adhidev Chattopadhyay**

adhidev.chattopadhyay@icicisecurities.com  
+91 22 6807 7451

**Saishwar Ravekar**

saishwar.ravekar@icicisecurities.com

**Market Data**

Market Cap (INR)	1,302bn
Market Cap (USD)	15,244mn
Bloomberg Code	LODHA IN
Reuters Code	LODV BO
52-week Range (INR)	1,650 / 1,035
Free Float (%)	28.0
ADTV-3M (mn) (USD)	23.7

Price Performance (%)	3m	6m	12m
Absolute	18.7	20.6	7.6
Relative to Sensex	14.7	20.8	1.0

ESG Score	2022	2023	Change
ESG score	70.5	75.2	4.7
Environment	57.5	64.3	6.8
Social	56.7	66.6	9.9
Governance	85.8	85.8	0.0

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

Source: SES ESG, I-sec research

**Previous Reports**

28-01-2025: [Q3FY25 results review](#)

07-01-2025: [Company Update](#)

**Exhibit 1: Company's proforma income statement (basis operating performance)**

Particulars	FY25		FY26E	
	INR Bn	%	INR Bn	%
Pre-sales	176.3		210.0	
Embedded EBITDA	59.0	33%	69.3	33%
D&A	2.7		2.6	
Finance Cost	5.1		5.5	
PBT	51.3	29%	61.2	29%
Taxes (assumed rate: 25.2%)	12.9		15.4	
PAT	38.4	22%	45.8	22%
RoE	~20%		~21%	

Source: I-Sec research, Company data

**Exhibit 2: LODHA's India business FY26 guidance**

	INR bn	
	FY25 Actuals	FY26 Guidance
Pre-Sales	176	210
Operating Cashflow	66	77
New Project Additions	237	250
Net Debt/Equity	0.20x	< 0.5x

Source: I-Sec research, Company data

### Exhibit 3: FY26 launch pipeline

Micro-market	Own/ JDA Project	New Projects			New Phase of existing projects			Total		
		Area (Mn .Sq.ft)	Est. GDV (INR bn)	No of Projects	Area (Mn .Sq.ft)	Est. GDV (INR bn)	No of Projects	Area (Mn .Sq.ft)	Est. GDV (INR bn)	No of Projects
MMR - Eastern Suburbs	Own	-	-	-	0.2	3.7	1	0.2	3.7	1
MMR - Eastern Suburbs	JDA	-	-	-	0.6	13.2	2	0.6	13.2	2
MMR - Extended Eastern Suburbs	Own	-	-	-	2.5	18.5	1	2.5	18.5	1
MMR - Western Suburbs	Own	-	-	-	0.4	21.7	2	0.4	21.7	2
Pune	Own	2.2	18.0	2	-	-	-	2.2	18.0	2
Pune	JDA	-	-	-	0.3	2.8	1	0.3	2.8	1
MMR - South Central	Own	-	-	-	0.5	9.4	1	0.5	9.4	1
MMR - South Central	JDA	2.0	52.0	2	-	-	-	2.0	52.0	2
MMR - Thane	Own	0.6	6.2	1	-	-	-	0.6	6.2	1
Bangalore	Own	2.3	24.0	2	0.4	4.5	1	2.7	28.5	3
Bangalore	JDA	1.1	14.0	1	-	-	-	1.5	14.0	1
<b>Total</b>		<b>8.1</b>	<b>114.2</b>	<b>8</b>	<b>5.0</b>	<b>73.8</b>	<b>9</b>	<b>13.1</b>	<b>188.0</b>	<b>17</b>

Source: Company data, I-Sec research

### Exhibit 4: LODHA's Q4FY25 and FY25 cashflow

	INR bn	
	Q4FY25	FY25
'For Sale'		
<b>Collections</b>	<b>43.9</b>	<b>143.4</b>
<b>Net Collections<sup>1</sup></b>	<b>40.0</b>	<b>130.7</b>
<b>Op. Expenses</b>	<b>16.8</b>	<b>65.4</b>
( - ) Const. Exp	11.2	42.2
( - ) SG&A	4.2	17.4
( - ) Taxes	1.4	5.8
<b>Operating cash flow</b>	<b>23.2</b>	<b>65.3</b>
( - ) Interest payments	1.2	5.3
<b>Surplus for Growth &amp; Capital Providers</b>	<b>22.0</b>	<b>60.0</b>
( - ) Growth Investments in 'For Sale' business <sup>2</sup>	19.0	63.1
<b>+ Income from 'Annuity'</b>	<b>0.4</b>	<b>1.4</b>
( - ) Investment in 'Annuity' <sup>3</sup>	0.3	6.0
<b>Surplus for Capital Providers</b>	<b>3.1</b>	<b>(7.7)</b>
( - ) Dividend to Equity providers	0.0	2.2
<b>Decrease / (Increase) in Net Debt</b>	<b>3.1</b>	<b>(9.9)</b>

Source: I-Sec research, Company data, 1) Net of any stamp duty, GST and Hospitality & Property Management expenses, 2) Represents Land & approval cost, 3) Capital invested in building annuity portfolio

### Exhibit 5: Key assumptions

Development Properties	FY22	FY23	FY24	FY25	FY26E	FY27E
LODHA Devco Sales Value (INR bn)	90.2	120.1	145.2	176.3	213.4	217.3

Source: Company data, I-Sec research

**Exhibit 6: SoTP valuation of LODHA**

Details	Amount (INR bn)	INR/share
<b>Total EV</b>	<b>951.8</b>	<b>957</b>
Less: FY25 India Net Debt	39.9	40
<b>FY25 NAV</b>	<b>918.8</b>	<b>917</b>
Add: 40% Premium to NAV	364.8	367
<b>Target Price</b>	<b>1,276.6</b>	<b>1,284</b>

Source: I-Sec research, Company data

**Exhibit 7: Shareholding pattern**

%	Sep'24	Dec'24	Mar'25
Promoters	72.0	72.0	71.9
Institutional investors	27.1	27.1	27.0
MFs and others	0.7	0.7	0.7
FIs/Banks	0.0	0.0	0.0
Insurance	1.9	1.9	1.6
FIIIs	24.5	24.5	24.7
Others	0.9	0.9	1.1

Source: Bloomberg, I-Sec research

**Exhibit 8: Price chart**

Source: Bloomberg, I-Sec research

## Financial Summary

### Exhibit 9: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
<b>Net Sales</b>	1,03,161	1,37,795	1,52,884	1,54,066
Operating Expenses	76,404	97,915	1,10,217	1,06,928
<b>EBITDA</b>	<b>26,757</b>	<b>39,880</b>	<b>42,667</b>	<b>47,139</b>
EBITDA Margin (%)	25.9	28.9	27.9	30.6
Depreciation & Amortization	2,039	2,719	2,855	2,998
Interest expenditure	4,798	5,495	2,780	900
Other Non-operating Income	1,534	3,903	4,098	4,303
Extraordinary	(1,049)	-	-	-
<b>Recurring PBT</b>	<b>22,503</b>	<b>35,569</b>	<b>41,130</b>	<b>47,544</b>
Less: Taxes	4,734	7,889	12,339	14,263
PAT	17,769	27,680	28,791	33,281
Less: Minority Interest	(1,229)	(37)	(30)	(30)
<b>Net Income (Reported)</b>	<b>15,491</b>	<b>27,643</b>	<b>28,761</b>	<b>33,251</b>
<b>Net Income (Adjusted)</b>	<b>16,540</b>	<b>27,643</b>	<b>28,761</b>	<b>33,251</b>

Source Company data, I-Sec research

### Exhibit 10: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Total Current Assets	4,45,576	4,69,455	4,67,773	5,13,743
of which cash & cash eqv.	26,348	17,415	15,702	42,362
Total Current Liabilities & Provisions	2,38,482	2,29,294	2,29,416	2,29,565
<b>Net Current Assets</b>	<b>2,07,094</b>	<b>2,40,161</b>	<b>2,38,357</b>	<b>2,84,178</b>
Investments	29,523	15,899	16,099	16,299
Other Non-Current Assets	9,718	7,873	7,873	7,873
Net Fixed Assets	7,210	10,315	7,710	4,962
Capital WIP	-	-	20	40
<b>Total Assets</b>	<b>2,53,545</b>	<b>2,74,248</b>	<b>2,70,059</b>	<b>3,13,352</b>
<b>Liabilities</b>				
<b>Borrowings</b>	<b>76,845</b>	<b>70,940</b>	<b>42,274</b>	<b>57,274</b>
<b>Deferred Tax Liability</b>	<b>1,360</b>	<b>860</b>	<b>860</b>	<b>860</b>
Equity Share Capital	9,945	9,976	9,976	9,976
Reserves & Surplus	1,64,748	1,91,802	2,16,249	2,44,512
<b>Total Net Worth</b>	<b>1,74,693</b>	<b>2,01,778</b>	<b>2,26,225</b>	<b>2,54,488</b>
Minority Interest	647	670	700	730
<b>Total Liabilities</b>	<b>2,53,545</b>	<b>2,74,248</b>	<b>2,70,059</b>	<b>3,13,352</b>

Source Company data, I-Sec research

### Exhibit 11: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
<b>Operating Cashflow</b>	<b>24,937</b>	<b>29,254</b>	<b>27,548</b>	<b>31,975</b>
Working Capital Changes	(8,227)	(20,656)	1,091	(18,161)
Capital Commitments	(1,661)	(4,742)	(270)	(270)
<b>Free Cashflow</b>	<b>15,049</b>	<b>3,856</b>	<b>28,369</b>	<b>13,545</b>
<b>Other investing cashflow</b>	<b>(27,809)</b>	<b>3,838</b>	<b>2,898</b>	<b>3,103</b>
Cashflow from Investing Activities	(29,470)	(904)	2,628	2,833
Issue of Share Capital	32,736	812	-	-
Inc (Dec) in Borrowings	(13,752)	(16,255)	(28,666)	15,000
Dividend paid	(964)	(2,239)	(4,314)	(4,988)
Others	-	-	-	-
Cash flow from Financing Activities	18,020	(17,682)	(32,980)	10,012
<b>Chg. in Cash &amp; Bank balance</b>	<b>5,260</b>	<b>(9,988)</b>	<b>(1,713)</b>	<b>26,660</b>
Closing cash & balance	26,348	17,415	15,702	42,362

Source Company data, I-Sec research

### Exhibit 12: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
<b>Per Share Data (INR)</b>				
Reported EPS	16.0	27.8	28.9	33.4
Cash EPS	18.7	30.5	31.8	36.5
Dividend per share (DPS)	1.0	2.3	4.3	0.0
Book Value per share (BV)	175.7	202.9	227.5	255.9
<b>Growth (%)</b>				
Net Sales	8.9	33.6	11.0	0.8
EBITDA	29.5	49.0	7.0	10.5
EPS (INR)	(0.6)	67.1	4.0	15.6
<b>Valuation Ratios (x)</b>				
P/E	81.5	46.9	45.1	39.0
P/BV	7.4	6.4	5.7	5.1
EV / EBITDA	38.7	29.3	29.5	24.6
Dividend Yield (%)	0.1	0.2	0.3	0.4
<b>Operating Ratios</b>				
EBITDA Margins (%)	25.9	28.9	27.9	30.6
Net Profit Margins (%)	16.0	20.1	18.8	21.6
Net Debt / Equity (x)	0.3	0.3	0.1	0.1
Debt / EBITDA (x)	2.9	1.8	1.0	1.2
<b>Profitability Ratios</b>				
RoCE (%)	12.5	17.3	17.5	18.8
RoE (%)	11.0	14.7	13.4	13.8

Source Company data, I-Sec research

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet\_babbar@icicisecuritiesinc.com, Rishi\_agrawal@icicisecuritiesinc.com and Kadambari\_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)  
**BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return**

## ANALYST CERTIFICATION

I/We, Adhidev Chattopadhyay, MBA (Finance); Saishwar Ravekar, MBA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

### Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icidirect.com](http://icidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

---

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, **E-mail Address** : [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com)

For any queries or grievances: [Mr. Bhavesh Soni](#) Email address: [headservicequality@icicidirect.com](mailto:headservicequality@icicidirect.com) Contact Number: 18601231122

---