



Sri Lotus Developers & Realty Limited

July 30, 2025

IPO Details :

IPO Date	July 30, 2025 to August 1, 2025
Face Value	₹1 per share
Price Band	₹140 to ₹150 per share
Lot Size	100 Shares
Sale Type	Fresh Capital
Total Issue Size	5,28,00,000 shares (aggregating up to ₹792.00 Cr)
Employee Discount	₹14.00
Issue Type	Book building IPO
Listing At	BSE, NSE
Share holding pre issue	43,59,09,986 shares
Share holding post issue	48,87,09,986 shares
QIB Shares Offered	Not more than 50% of the Net Offer
Retail Shares Offered	Not less than 35% of the Net Offer
NII (HNI) Shares Offered	Not less than 15% of the Net Offer
Retail (Min & Max) shares	100 shares & 1,300 shares
Retail (Min & Max) application amount	₹15,000 & ₹1,95,000
S-HNI (Min shares & application amount)	1,400 shares & ₹2,10,000
S-HNI (Max shares & application amount)	6,600 shares & ₹9,90,000
B-HNI (Min shares & application amount)	6,700 shares & ₹10,05,000
Basis of Allotment	Mon, Aug 4, 2025
Initiation of Refunds	Tue, Aug 5, 2025
Credit of Shares to Demat	Tue, Aug 5, 2025
Listing Date	Wed, Aug 6, 2025
Cut-off time for UPI mandate confirmation	5 PM on August 1, 2025
Promoters	Anand Kamalnayan Pandit, Roopa Anand Pandit and Ashka Anand Pandit.
Registrar	Kfin Technologies Limited

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link <https://ipo.adroitfinancial.com/> for any kind of assistance please contact to our helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile:

Incorporated in 2015, Sri Lotus Developers & Realty Limited is a Mumbai-based real estate developer focused on residential and commercial properties, with a specialization in redevelopment projects in the ultra-luxury and luxury segments, particularly within the western suburbs of Mumbai. As of June 30, 2025, the company has a developable area of 0.93 million sq. ft., comprising both residential and commercial developments. The company's core focus lies in ultra-luxury and luxury residential projects, in addition to select commercial ventures, executed through the following segments: Luxury Residential Segment includes the construction and development of 2BHK and 3BHK flats, priced between ₹3 crore and ₹7 crore, Ultra-Luxury Residential Segment consists of 3BHK, 4BHK, and 4+ BHK units, including penthouses, with prices exceeding ₹7 crore, and Commercial Segment develops the commercial office spaces targeting premium business clientele. The company has successfully completed four projects, is currently executing five ongoing projects, and has a pipeline of eleven upcoming projects.

Between the financial years ending March 31, 2024 and March 31, 2025, Sri Lotus Developers reported a 22% increase in revenue and a 91% rise in profit after tax (PAT), reflecting strong operational efficiency and strategic execution in a premium market segment.

Object of the issue:

- ☐ Investment in subsidiaries: Richfeel Real Estate Pvt. Ltd., Dhyan Projects Pvt. Ltd., and Tryksha Real Estate Pvt. Ltd. for part-funding development and construction cost of the ongoing projects: Amalfi, The Arcadian, and Varun- ₹550 crore
- ☐ General Corporate Purposes

Financial Details:

Particulars (Amount in Crores)	31 Mar 2025	31 Mar 2024	31 Mar 2023
Income			
Revenue from Operations (Net)	549.68	461.58	166.87
Other Income	19.60	4.61	3.08
Total Income	569.28	466.19	169.95
Expenses			
Cost of Construction and Development	244.90	318.88	131.03
Changes in Inventories	(46.30)	(56.77)	(5.56)
Employee Benefit Expenses	12.55	0.72	1.00
Finance Costs	0.20	0.16	0.64
Depreciation and Amortization Expenses	1.54	1.22	0.91
Other Expenses	49.57	40.86	19.04
Total Expenses	262.46	305.07	147.06
EBITDA	288.97	157.88	21.36
EBITDA Margin (%)	52.57%	34.20%	12.80%
Profit Before Associates and Tax	306.82	161.12	22.88
Tax Expense	78.94	41.97	5.79
Profit/(Loss) from Associates	0.00	0.00	(0.29)
Profit/(Loss) After Tax	227.89	119.14	16.80
Profit / (Loss) After Tax Margin (%)	41.46%	25.81%	10.07%
Basic EPS (in Rs.)	₹ 5.51	₹ 2.98	₹ 0.43
Operational Metrics:			
Sales Value (In terms of value) (INR Crore)	462.93	346.97	198.78
Sales Unit (Unit booked by customers)	64	67	39
Sales (Area booked by customers) (in million sq. ft.)	0.07	0.09	0.07
Completed Developable Area (in million sq. ft.)	0.37	0.56	0.00

Competitive Strengths:

- ❑ **Strategic position in the ultra-luxury and luxury segments:** Most of the completed, ongoing, and upcoming projects are under the ultra-luxury and luxury segments, located in Mumbai (Maharashtra)- one of India's largest and most premium real estate markets. The company has established a significant presence, particularly in the western suburbs, where high entry barriers such as limited land availability and stringent regulatory approvals restrict new entrants. In addition, Lotus Developers commands a ~22% premium on its quoted prices compared to the average quoted rates in the Juhu market.
- ❑ **Strong brand recognition:** Sri Lotus operates under the "Lotus Developers" brand, known for its focus on quality and luxury construction, contemporary architecture, strong project execution, and timely delivery. This brand equity has allowed the company to book units at the launch stage, immediately after receiving RERA approvals. Early-stage sales enhance cash flow from operations, reduce reliance on debt, and improve return on investment.
- ❑ **Asset-light business model:** Sri Lotus follows an asset-light business model, with a large proportion of its completed, ongoing, and upcoming projects being redevelopment and joint development projects. The company enters into agreements with housing societies and existing unit holders to redevelop properties without owning the land. Similarly, under joint development agreements, it partners with landowners to develop real estate without heavy capital outlay, thus maintaining capital efficiency.
- ❑ **Timely project completion:** The company has demonstrated a consistent ability to complete projects within stipulated RERA timelines, highlighting its robust execution capabilities. It adopts a structured development process, initiating projects only after securing all required approvals. Additionally, Sri Lotus uses an integrated project development model, with in-house resources managing projects end-to-end, from planning through to handover.
- ❑ **Well-experienced promoter and management team:** Sri Lotus is led by a well-experienced promoter and management team, enabling the company to consistently deliver projects on time. Anand K. Pandit, Promoter and Chairman & MD, has over 24 years of experience in the real estate industry and has been instrumental in driving the company's growth and strategic direction. Sanjay Kumar Jain, CEO, who brings more than 14 years of experience in the real estate sector, further strengthening the company's leadership capabilities.

Key Risk Factors:

- ❑ **Geographical concentration risk:** Sri Lotus's entire portfolio of completed and ongoing projects is located in the Western Suburbs of Mumbai, exposing it to geographical concentration risks. The business performance is highly dependent on macro and micro market conditions in this region. Factors such as economic slowdowns, regulatory delays, or natural disasters specific to the Western Suburbs could affect project sales and financial performance.
- ❑ **High level of unsold inventory:** As of June 30, 2025, over 25% of the total 334 units in completed projects remain unsold, while 100% of units in ongoing projects are yet to be sold. Although, the company has received a Commencement Certificate (CC) approval till the plinth stage for the ongoing projects, it will apply for further approvals post-plinth to proceed with additional construction and sales. Its inability to sell inventory in a timely manner could affect revenue growth, cash flows, and profitability.
- ❑ **Dependence on third-party contractors:** Sri Lotus is entirely dependent on third-party contractors and specialist agencies, such as architects and engineering consultants, for the construction and development of its projects. The top 10 contractors account for over 50% of the company's total project costs. Any failure by these contractors to deliver services on time could disrupt project timelines and impact business performance and financial condition.
- ❑ **Risk in securing redevelopment projects:** Following an asset-light model, Sri Lotus frequently bids for redevelopment projects in co-operative housing societies. However, there is no assurance that bids will be accepted. Any failure to win redevelopment bids may affect the company's growth pipeline and financial performance.
- ❑ **Construction cost volatility:** The company sources key construction materials such as steel, aluminum, and ready-mix concrete from third-party vendors. Prices for these commodities have experienced fluctuations due to geopolitical tensions and supply chain disruptions. Any increase in material costs or supply delays may lead to project cost overruns and construction delays, impacting margins and delivery schedules.

Comparison with Listed Peers:

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (%)	NAV (per Share)
Sri Lotus Developers & Realty Ltd	NA	1.00	NA	5.51	5.51	24.39%	21.39
Peers:							
Arkade Developers Limited	197.24	10.00	23.16	9.25	9.25	17.76%	47.60
Keystone Realtors Limited	629.95	10.00	39.65	13.85	13.71	6.20%	219.95
Suraj Estate Developers Limited	302.15	5.00	15.32	21.80	19.70	11.10%	195.08
Sunteck Realty Limited	400.85	1.00	37.53	10.26	10.26	4.61%	222.54
Mahindra Lifespaces Limited	361.00	10.00	91.39	3.95	3.95	3.23%	122.26
Hubtown Limited	333.10	10.00	82.17	4.39	4.25	1.93%	177.60

SUMMARY:

Sri Lotus Developers operates in the residential and commercial real estate sector in Mumbai, Maharashtra, with a strategic focus on the ultra-luxury and luxury segments. The company undertakes business across three categories: Greenfield, Redevelopment, and Joint Development. Following an asset-light business model, it primarily undertakes small to mid-sized projects, enabling faster project delivery of 2.5 to 4 years, compared to the 6–9 years typically required by larger developers. As of June 2025, the company has completed a developable area of 0.93 lakh sq. ft., comprising both residential and commercial projects. The average selling price (ASP) ranges between ₹45,000 to ₹65,000 per sq. ft., allowing the company to maintain high revenue with fewer units sold. Currently, Sri Lotus has 5 ongoing and 11 upcoming projects, with a total estimated saleable area of 19.36 lakh sq. ft., all expected to be completed within 3.5 to 4 years. The company's brand, "*Lotus Developers*," is well-recognized and backed by popular Bollywood celebrities and veteran investors, further strengthening its positioning in the premium segment of the Mumbai real estate market. This has enabled the company to command pricing premiums and build customer trust.

From the proposed public issue, ₹550 crore will be allocated toward three key projects in Versova, Juhu, and Carter Road in Mumbai. The remaining proceeds will be used for working capital requirements and general corporate purposes. Sri Lotus is primarily targeting the redevelopment of older housing societies in Mumbai, an estimated market of 300 buildings requiring redevelopment. The company operates with robust operating margins, supported by its debt-free capital structure, minimal marketing costs, efficient project turnaround, and the ability to charge premium prices. The management remains optimistic about maintaining margin levels and sustaining growth, driven by favorable market trends and the company's ability to target a focused base of high-value customers.

Real Estate companies catering to the Luxury market trade at premium valuations as they are able to attract affluent customers who are less price sensitive compared with other segments of the Real Estate market. In Context of this, the IPO is priced at attractively.

Given the growth potential in Mumbai's premium real estate market, combined with higher operating margins, a robust brand presence, and strong position among high-income customers and marquee investors, Sri Lotus Developers is well-positioned for sustained growth. Therefore, it is recommended to **"Subscribe"** to the IPO for long-term investment.

DISCLAIMER**Prepared By:****Research Analyst : Anmol Grover***Email ID: anmolgrover@adroitfinancial.com***Research Analyst : Gaurav Pundir***Email ID: gauravpundir@adroitfinancial.com*

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