

## SRI LOTUS DEVELOPERS AND REALTY LTD

30-07-2025 TO 01-08-2025

**Recommendation: Subscribe**  
**Industry: Residential, Commercial Projects**

**Price Band: ₹ 140-150**  
**Post Implied Market Cap: ₹6,895 Cr - ₹ 7,331 Cr**

Key Data		About the Company
Issue Size (₹ Cr)	792	Sri Lotus Developers and Realty Ltd (Lotus Developers) is a Mumbai-based real estate developer focused on ultra-luxury and luxury redevelopment projects in the western suburbs. The company's operations are strategically located in Mumbai which is one of the biggest high value real estate markets in India and operating under an asset-light model through development and joint development agreements, it maintains strong operating cash flows while minimizing capital outlay. The company is led by its promoter, Anand Kamalnayan Pandit, who has over 24 years of experience in the real estate business.
Fresh (₹)	792	
OFS (₹)	0	
No of shares offered	52813725-56587302	
Face Value (₹ /share)	1	
Bid Lot	100	
Indicative Timetable		
Activity	On or about	
Finalisation of Basis of Allotment	04/08/2025	
Refunds/Unblocking ASBA Fund	05/08/2025	
Credit of equity shares to DP A/c	05/08/2025	
Trading commences	06/08/2025	
Shareholding (No. of shares)		
Pre-Issue	43,59,09,986	
Post Issue (Lower price band)	49,24,97,288	
Post Issue (Higher price band)	48,87,23,711	
Shareholding Pattern		
Promoters		
Pre Issue	80.76%	
Post Issue	72.03%	
Promoters Group		
Pre Issue	11.02%	
Post Issue	9.83%	
Public - Others:		
Pre Issue	8.22%	
Post Issue	18.14%	
Issue Breakup		
QIB	50%	
NIB	15%	
Retail	35%	
Other Details		
<b>BRLMs:</b> Monarch Network Capital, Motilal Oswal Investment Advisors		
<b>Registrar:</b> KFin Technologies Ltd.		
<b>Listing:</b> BSE & NSE		
Research Analyst		
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		<b>Investment Rationales</b>
		<b>1) Strategic position in the Ultra Luxury Segment and Luxury Segment of the residential real estate market of the Western Suburbs of Mumbai with a customer centric focus and strong pipeline of projects:</b> The company focuses on ultra-luxury and luxury residential projects in Mumbai's western suburbs, where demand in the ₹1.5-₹2.5 Cr and ₹2.5 Cr+ segments has surged since 2021. With a strong presence in Juhu, it commands a pricing premium of ~10-22% over the local market. As of June 30, 2025, it has 5 ongoing projects (0.80 mn sq. ft. developable area) and 11 upcoming projects (4.98 mn sq. ft.), positioning it well to capitalize on Mumbai's affluent, growing real estate market.
		<b>2) Strong brand recognition with ability to sell at a premium pricing, allowing the company to sell throughout the construction phase:</b> The company operates under the "Lotus Developers" brand, well-recognized in Mumbai's western suburbs for ultra-luxury and luxury projects. Strong brand equity enables early pre-sales, generating healthy cash flows and reducing financing needs. As of June 30, 2025, a significant portion of saleable area was sold even before occupancy certificates were received. Lotus Developers also commands a ~22% price premium over the Juhu market, with notable price appreciation from project launch to completion.
		<b>3) Asset-light model for development of projects through development agreements, enabling the company to maintain a high level of cash flow generated from operating activities:</b> The company follows an asset-light model by entering into development and joint development agreements, mainly for redevelopment projects. This approach reduces upfront land costs, lowers debt, improves capital efficiency, and enhances return on capital while minimizing risk exposure from land investments.
		<b>4) End to end capabilities and timely completion of projects:</b> The company has a strong execution track record, consistently completing projects ahead of their RERA deadlines—by 18 to 24 months—across both residential (Juhu) and commercial (Andheri West) segments. This timely delivery is supported by robust in-house capabilities and expert collaboration, enhancing customer confidence and driving consistent sales performance.
		<b>5) Expand into the micro-markets in the south central and eastern regions of Mumbai and other regions of western Mumbai:</b> The company, already strong in Juhu and Andheri's ultra-luxury and luxury real estate market, is now strategically expanding into new Mumbai areas—specifically Prabhadevi and Nepean Sea Road in south-central Mumbai, Ghatkopar in the eastern suburbs, and Bandra in the western suburbs.
		<b>Risk</b>
		1)High geographical concentration. 2)Luxury segment dependency. 3)Input cost inflation & Macroeconomic headwinds.
		<b>MView</b>
		We believe Sri Lotus Developers and Realty Ltd IPO offers investors an opportunity to invest in a Mumbai-based real estate developer focused on the high-growth ultra-luxury and luxury housing segment, with a strong presence in redevelopment projects. We think with a proven track record in premium redevelopment projects and an asset-light model that enhances capital efficiency and cash flow generation, the company is well-positioned for scalable, low-risk growth. Its strong brand recognition under "Lotus Developers," pricing premium in Juhu and consistent early pre-sales reflect robust demand and customer trust. We also think its execution capabilities—delivering projects well ahead of RERA timelines—demonstrate operational excellence. By looking at the financials, company has demonstrated robust growth, with revenue from operations rising 176.61% in FY24 and 19.09% in FY25, while net profit surged by 635% in FY24 and 90% in FY25. On valuation parse at the upper price band of ₹150/-, the issue is asking for a market cap of ₹7331 cr. Based on FY 2025 earnings and fully-diluted post-IPO paid-up capital, the company is asking for a PE 32.17x which seems fully priced relative to its future growth prospects. With 5 ongoing and 11 upcoming projects across key micro-markets in Mumbai—alongside strategic expansion into high-value localities such as Prabhadevi, Nepean Sea Road, and Bandra—Company is well-positioned to capitalize on sustained urban housing demand and rising premium real estate prices. Operating in a highly competitive and fragmented market, the company stands out as a niche ultra-luxury developer with high margins, though it comes to market at a premium valuation. The presence of notable investors and Bollywood personalities in the pre-IPO placement adds visibility but also elevates expectations. Considering all factors, we recommend Sri Lotus Developers and Realty Ltd IPO to "SUBSCRIBE" for long-term investors who are seeking selective exposure to Mumbai's upscale real estate segment.

## CONSOLIDATED FINANCIAL TABLES

### BASIC FINANCIAL DETAILS

	As at March' 31		
Particulars ₹ (in Cr)	2025	2024	2023
Equity Share Capital	435.9	200	200
Net Worth as stated	932.4	169.5	48.6
Total Borrowings	122.1	428.2	328.9
Revenue from Operations	549.6	461.5	166.8
Revenue Growth (%)	19%	176.6%	62.6%
EBITDA as stated	288.9	158.5	20.8
EBITDA Margin (%)	52.5%	34.3%	12.4%
Restated PAT	227.8	119.8	16.2
PAT Margin (%)	41.4%	25.9%	9.7%
Return on Equity	24.3%	70.6%	34.4
Return of Capital Employed (%)	27.2%	26.2%	5.2%
NAV per share	21.3%	4.2	1.2
EPS - Basic & Diluted (₹)	5.5	3	0.4

Source: Company RHP

### COMPARISON WITH INDUSTRY LISTED PEERS ₹ (in Cr)

Companies	Face Value (₹)	Mcap (₹ Cr)	Revenue from ops. (₹ Cr)	EPS (₹) Diluted	P/B(x)	P/E (x)	RoNW (%)	NAV / Share (₹)
Shri Lotus Developers	1	7331	549.68	4.66	4.25	32.17	24.39	35.29%
Arkade developers	10	3591	683.1	9.25	4.06	23	17.76	47.6
keystone realtors	10	7745	2004.1	13.71	2.77	45	6.2	219.95
Suraj Estate Developers	5	1427	549.09	19.7	1.62	15.6	11.1	195.08
Sunteck realty	1	6089	853.13	10.25	1.89	37.8	4.61	222.54
Mahindra Lifespaces	10	7707	372.27	3.95	4.06	77.2	3.23	122.2
Hubtown	10	4319	408.47	4.25	1.83	94.1	1.93	177.6

Date as on 31st March 2025, Cline Mcap, PE, PB calculated as on 28- 07-2025

Shri Lotus Developers, EPS/PE, P/B, NAV calculated on annualised basis post money



# MSEARCH

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### **Msearch's Recommendation (Absolute Performance)**

**Buy: > 20% within the next 12 Months**

**Accumulate: 5% to 20% within the next 12 Months**

**Sell : < -20% within the next 12 Months**

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