Aditya Birla Real Estates

BUY

Current Price (Rs)	: 1,668
Target Price (Rs)	: 2,350
Potential change	: 40.86%

Market Data

No. of shares	: 112 mn
Free Float	: 49.8%
Market Cap (USD)	: 2,065 mn
52-week High/ Low (Rs)	: 2,502/ 1,569
Avg. Daily Volume (6M)	: 0.17 mn
Avg. Daily Value (6M;USD)	: 3.33 mn
Bloomberg Code	: ABREL IB
Promoters Holding	: 50.2%
FII / DII	: 9%/ 15%

Price Performance

(%)	1M	3M	12M
Absolute	(4.7)	6.3	(25.7)
Relative	(3.0)	(0.3)	(38.0)

Source: Refinitiv

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Research Analyst

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Research Analyst

Legacy of trust; future of growth; initiate at BUY

We initiate coverage on ABREL with a BUY rating and an SoTP-based TP of Rs2,350, indicating 41% upside potential. Our thesis is based on ABREL's (1) strong recovery in pre-sales and business development in H2FY26, (2) continuing scale-up on healthy balance sheet, strong project pipeline, and robust cashflows, and (3) start of commercial projects in Worli in FY27. The stock trades at 10-30% discount to comparable peers on EV/EBITDA of FY27E pre-sales, which should narrow when performance recovers. Key risks: (1) softness in demand and (2) inability to add new projects

Focused approach in real estate business helps ABREL scale up to #6 position

The Aditya Birla Group, with over 165-year-old legacy of multiple businesses, incorporated its real estate arm in CY16, which has since been its core focus. It started off with commercial assets and launched its first residential project in FY20 in Kalyan. It gradually expanded in multiple projects/locations through owned land and third-party acquisitions, including the launch of its flagship project on its 14-acre mill land in Worli. Its brand legacy attracted both landowners and consumers, helping ABREL achieve timely supply and reasonable sales velocity. In FY25, it clocked pre-sales of Rs80bn, up four fold since FY23, and became sixth-largest listed developer, beating some legacy developers.

Targets Rs150bn of pre-sales by FY28 with strong balance sheet and OCFs

ABREL's focus on the Top 4 markets (MMR, NCR, Bengaluru, Pune) along with consumer trust make it a scalable brand. Hence it aims to achieve Rs150bn in pre-sales by FY28, at a CAGR of 23%. Its current inventory of Rs50bn and Rs460bn pipeline of future projects provide reasonable visibility. However, with 70% of the pipeline concentrated in two locations, ABREL will continue to seek project additions and targets Rs100-150bn of BD in FY26. Annual OCF of Rs20-30bn from ongoing and upcoming projects along with a healthy balance sheet (0.3x D/E) post sale of paper business give it room to scale up.

Trades at discount, near-term catalysts visible; initiate with BUY

ABREL has underperformed its peers, with 36% decline in the past one year and 45% from ATH due to concerns around FY26 growth and no new project additions. At CMP, ABREL trades at 4.5x EV/EBITDA on FY27E pre-sales vs 5x-7x for peers and at a 5% premium to NAV protecting the downside. We expect recovery in both pre-sales and business development in H2FY26E to drive stock performance. The start of commercial projects in FY27 will further unlock value. We initiate at BUY with an SoTP-based TP of Rs2,350.

Financial Summary Consolidated

Y/E March	2024	2025	2026E	2027E	2028E
Net sales (Rs mn)	11,006	12,189	16,216	3,068	58,481
EBITDA (Rs mn)	2,427	296	907	(7,310)	17,840
Adj. PAT (Rs mn)	1,283	(248)	(474)	(6,644)	12,096
Con. EPS* (Rs)	-	-	(8.5)	21.0	70.5
FDEPS (Rs)	11.5	-2.2	-4.2	-59.5	108.3
FDEPS growth (%)	-31.9	-119.3	91.3	1301.8	-282.1
Previous EPS (Rs)	-	-	-4.2	-59.5	108.3
ROE (%)	3.3	-0.6	-1.1	-15.5	26.5
ROCE (%)	3.61	0.05	0.65	-7.61	16.51
P/E (x)	145.3	-751.8	-393.1	-28.0	15.4
EV/E (x)	84.25	750.95	209.44	-24.13	8.84

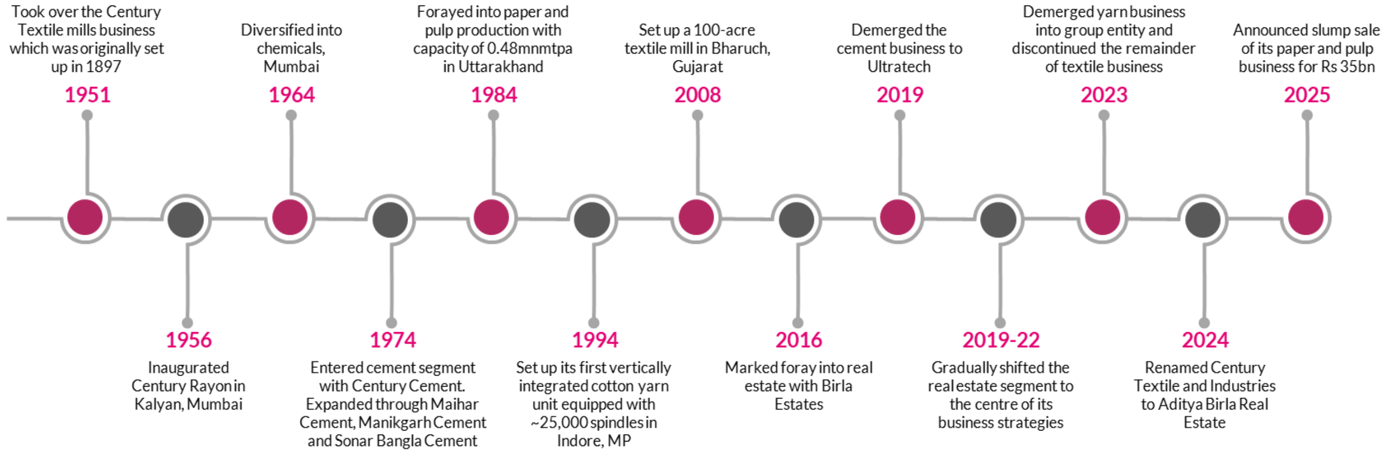
Note: *Consensus broker estimates

Source: Company, Axis Capital

Table of Contents

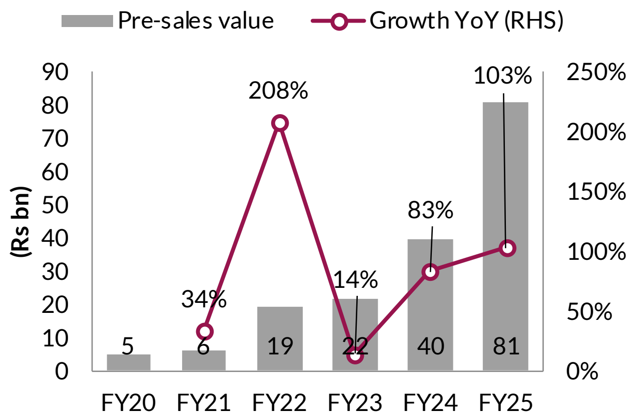
Story in charts

Exhibit 1: Aditya Birla Group, after over a century of multiple businesses, is now entirely focused on real estate through ABREL



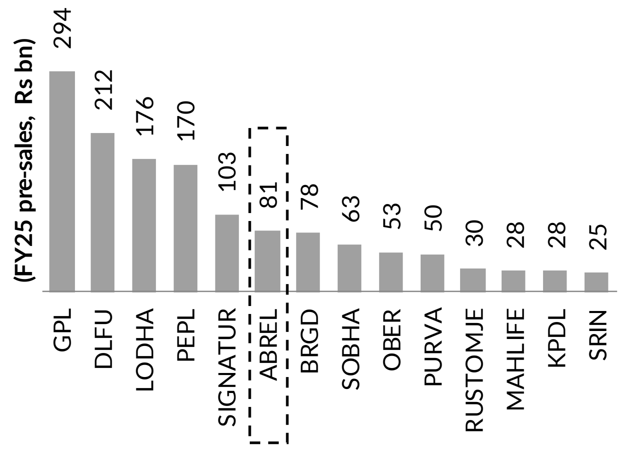
Source: Company, Axis Capital

Exhibit 2: In just six years, ABREL has scaled ~17x to achieve pre-sales of Rs81bn in FY25



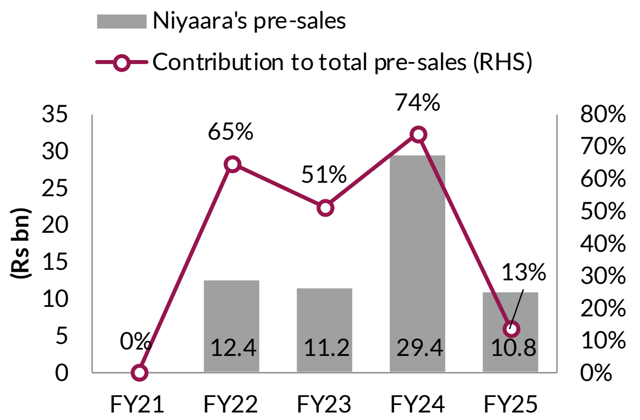
Source: Company, Axis Capital

Exhibit 3: Surpassing incumbents, ABREL has become the sixth largest developer in the listed space



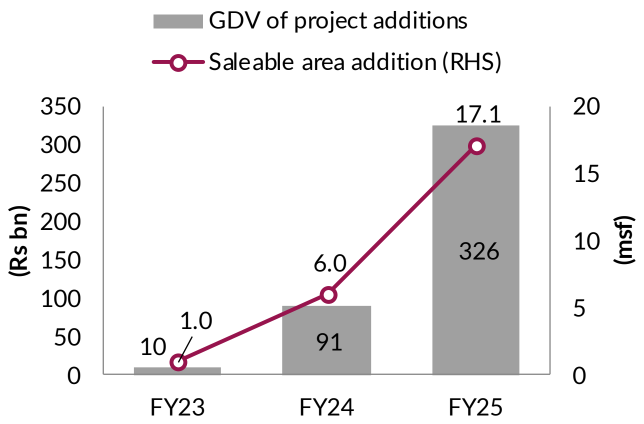
Source: Company, Axis Capital

Exhibit 4: Story of its scale-up has been anchored by its flagship Worli project, Birla Niyaara…



Source: Company, Axis Capital

Exhibit 5: …but is now diversifying across markets on the back of robust BD since FY24



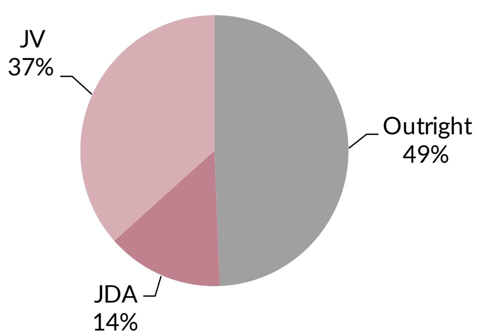
Source: Company, Axis Capital

Exhibit 6: While BD scale-up was steep, all the acquisitions were backed by financial discipline; land cost for outright acquisitions ranges at 10-15% of GDV

Project	Date of acquisition	Launch date	Structure	Ownership	Land size (acres)	Saleable area (mn sq ft)	GDV (Rs bn)	Land cost (Rs bn)	Land cost as % of GDV
Alokya	n.a.	Jul-19	Outright	100%	7.9	0.6	4.0	n.a.	n.a.
Navya	Jun-19	Dec-20	JV	50%	47.0	1.9	23.8	-	n.a.
Tisya	Nov-19	Dec-21	JV	40%	4.7	0.7	6.5	-	n.a.
Trimaya	Mar-22	Sep-23	JV	47%	51.0	3.6	31.5	-	n.a.
Ojasvi	Sep-22	Sep-24	Outright	100%	10.4	1.0	10.2	1.3	13%
Punya	Apr-23	Feb-25	Outright	100%	5.8	1.6	27.3	3.8	14%
Anayu	Apr-23	Sep-24	Outright	100%	0.2	0.1	5.7	1.7	30%
Evara	May-23	Mar-25	JV	51%	28.6	2.9	30.3	3.1	10%
Mathura Road	Jul-23	To be launched	JDA	64%	6.8	1.4	27.7	-	n.a.
Arika	Jun-24	Feb-25	JDA	58%	13.3	2.4	32.4	-	n.a.
Evam	Jun-24	To be launched	JV	56%	16.5	3.1	27.2	3.5	13%
Pravaah	Jul-24	Nov-25	Outright	100%	5.0	1.1	14.1	1.9	13%
Thane	Sep-24	To be launched	JV	56%	24.5	6.4	98.7	6.4	6%
Worli new	Sep-24	To be launched	Outright	100%	10.0	2.6	148.7	11.0	7%
Boisar	Dec-24	To be launched	Outright	100%	70.9	1.5	4.7	1.1	23%
Total					***302.5***	***30.8***	***492.9***	***33.8***	***9%***

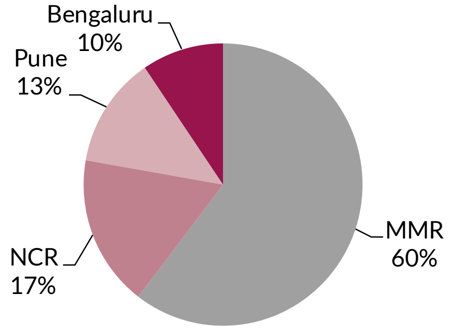
Source: Company, Axis Capital

Exhibit 7: To manage balance sheet health, it also added parcels via JV and JDA routes



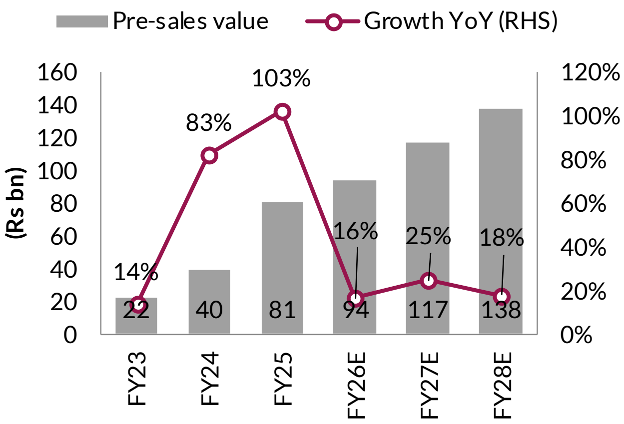
Source: Company, Axis Capital

Exhibit 8: The project additions were spread across its key markets



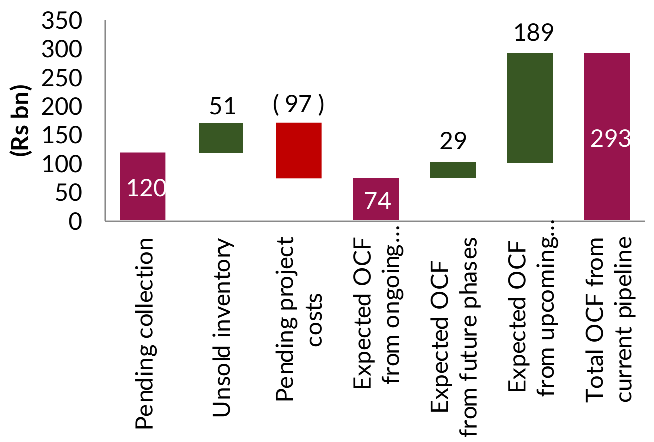
Source: Company, Axis Capital

Exhibit 9: Given ABREL's scale-up and premiumization, we expect 20% pre-sales CAGR over FY25-28E…



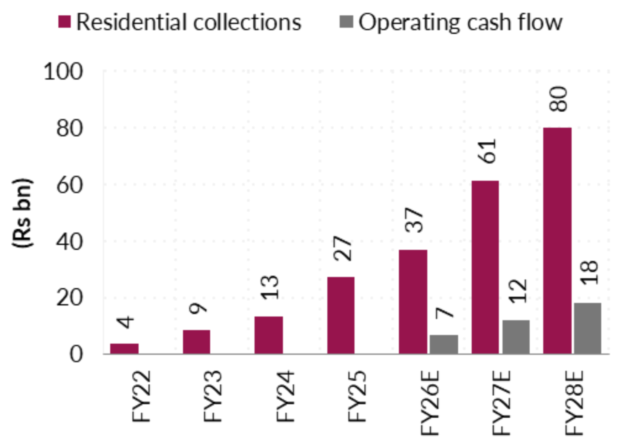
Source: Company, Axis Capital

Exhibit 10: …and see its project pipeline generating OCF of Rs293bn over the coming years



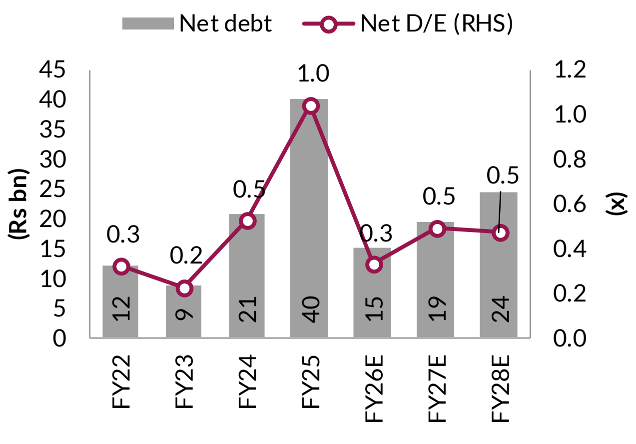
Source: Company, Axis Capital

Exhibit 11: We expect 43% collections CAGR over FY25-28E, with OCF margin improving to 23% in FY28E



Source: Company, Axis Capital

Exhibit 12: Sale of paper business to help de-lever in FY26, expect increase thereon to support BD and capex



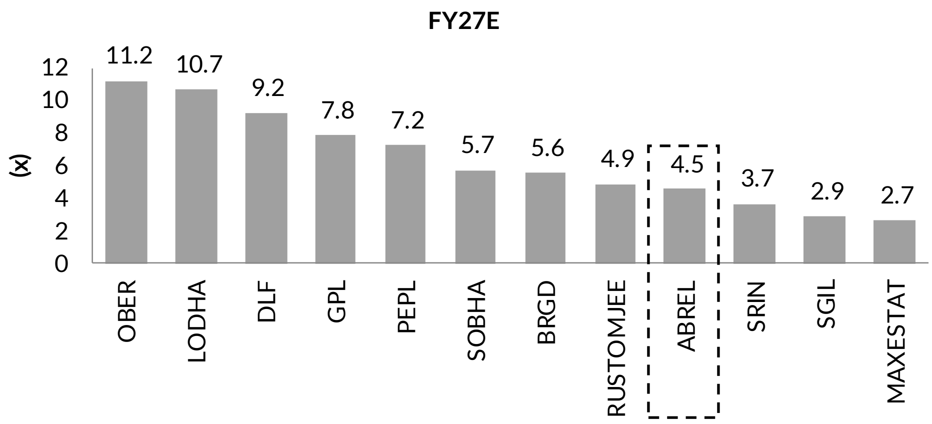
Source: Company, Axis Capital

Exhibit 13: We initiate coverage on ABREL with a BUY rating and an SoTP-based TP of Rs2,350

Particulars	Description	Rs bn	Rs/share	% of NAV
Residential projects		**224**	**2,010**	**86%**
- Ongoing	Net post tax cash flows of Rs85bn discounted over 6-8 years at a WACC of 10.7%	63	566	24%
- Upcoming	Pipeline of ~16msf, with a GDV of ~Rs 470bn expected to generate net post tax surplus of Rs160bn, discounted over 10-12 years at a WACC of 10.7%	76	684	29%
- Terminal growth	Derived by assuming 5% terminal growth on FY30E cash flows of Rs16bn post land investment	85	760	32%
Commercial projects		**53**	**476**	**20%**
- Ongoing	Two assets with GLA of ~0.6msf expected to generate EBITDA of Rs 1.3bn in FY28E, valued at 8% cap rate	16	146	6%
- Upcoming	Two assets with GLA of ~1.8msf, expected stabilized EBITDA of Rs 10bn, discounted to FY28 and valued at 8% cap rate	37	329	14%
GAV		**278**	**2,485**	**106%**
Net (debt)/cash	FY26E Net debt	-15	-136	-6%
NAV		**262**	**2,350**	**100%**
CMP		184	1,668	
Upside			41%	

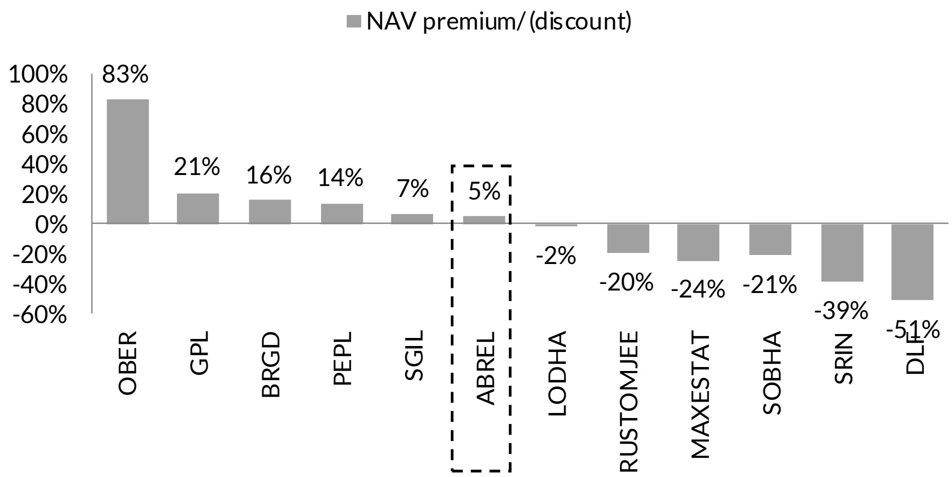
Source: Company, Axis Capital

Exhibit 14: A snapshot of imputed EV/EBITDA multiple across peers



Source: Company, Axis Capital

Exhibit 15: ABREL trades near its NAV protecting the downside



Source: Company, Axis Capital

Surpasses incumbents to become sixth-largest listed developer

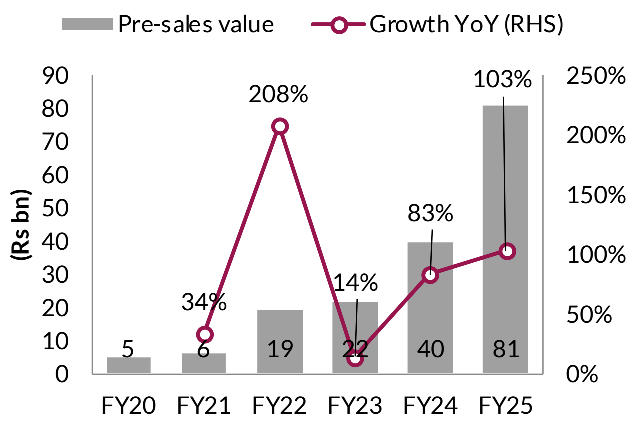
The Aditya Birla Group, with over 165-year-old legacy of multiple businesses, incorporated its real estate arm ABREL in CY16. ABREL ventured into commercial initially and launched its first residential project in CY19. Since then, it has scaled up rapidly to become the sixth-largest listed developer, clocking pre-sales of Rs81bn in FY25. This scale-up was led by ABREL's (1) strong brand lineage, (2) access to group and corporate land parcels along with timely aggression, and (3) clear focus on customer-centric product design.

Quality, relationships, and brand equity propelled ABREL past incumbents

Aditya Birla Group forayed into the real estate segment in 2016 by undertaking operations and leasing of its two commercial assets. It entered the residential segment in 2019 when it undertook the development of its owned land parcel in Kalyan. It soon followed up the Kalyan project with two more projects in Bengaluru and the NCR within. The fillip for the residential segment was seen in 2022 when it undertook the development of its flagship luxury project, Birla Niyaara, on its defunct textile mills owned by the group in Worli, Mumbai.

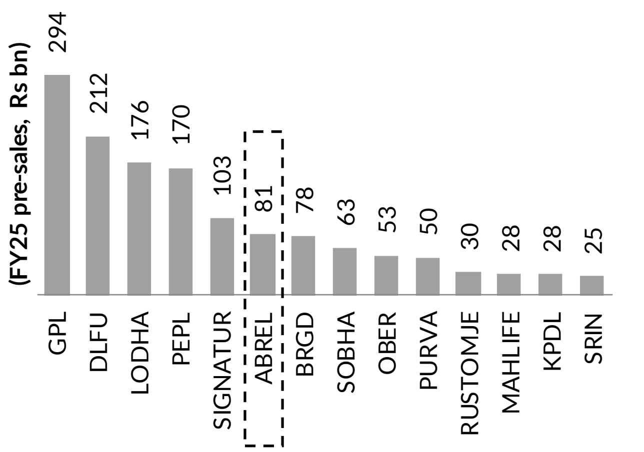
Since then, in a couple of years, it diversified rapidly across geographies as well as product categories. Its pre-sales have jumped over 17x during FY20-25 to Rs81bn, becoming the sixth-largest listed real estate developer in India, surpassing the scale of incumbents like BRGD (rated BUY), SOBHA (BUY), and OBER (REDUCE) which have been in operation for over two decades at the least. As of Sep'25, ABREL operated in four of the Top 7 real estate markets in India – MMR, Bengaluru, NCR, and Pune – with 11 ongoing projects spanning 14 mn sq ft.

Exhibit 16: In just six years, ABREL has scaled ~17x to achieve pre-sales of Rs81bn in FY25



Source: Company, Axis Capital

Exhibit 17: Surpassing incumbents, it has become India's sixth-largest developer in the listed space



Source: Company, Axis Capital

The sharp scale-up, we believe, is primarily aided by three factors: (1) ABREL's brand heritage and the group's focus on consumer-facing businesses; (2) its superior product design; and (3) its effective business development strategies.

(1) Strong brand heritage of the Aditya Birla Group and its focus on growing B2C segment

Founded in 1857 as a cotton trading corporation, the Aditya Birla Group grew into a global conglomerate over time. Currently, the group is present in over 20 sectors across 41 countries in six continents with over 340 state-of-the-art manufacturing units. It employs over 227k people, generating a cumulative revenue of US$67bn, of which ~42% is derived from outside India.

After giving birth to multiple formidable B2B brands…

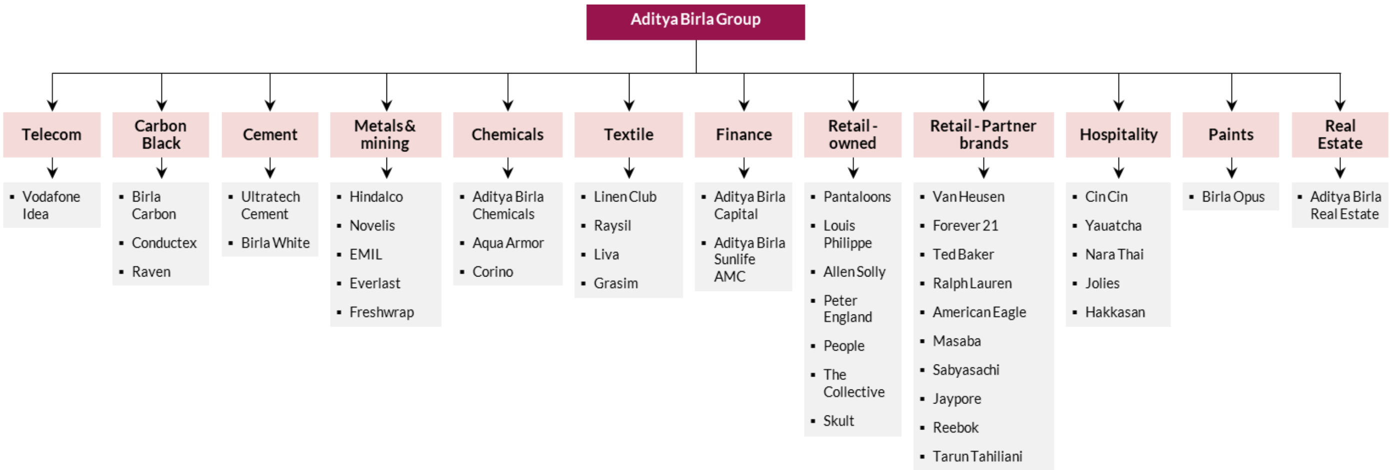
Over the years, the group has birthed multiple industry-leading businesses, especially in the B2B segments. The group's metal flagship, ***Hindalco***, is the world's largest aluminum producer by revenue, and among the leading producers of primary aluminum in Asia. Its subsidiary, Novelis, is a global leader in aluminum rolling and recycling. Its cement flagship, ***UltraTech***, is the third-largest producer (excluding China) of cement in the world, with a consolidated grey cement capacity of over 192 mtpa. Its cellulosic fiber business, ***Grasim***, is one of the largest global producers of viscose staple fiber. ***Birla Carbon*** is one of the world's largest carbon-based solutions companies with an annual production capacity of over 2 mmtpa.

…the group is leveraging its legacy to expand presence in consumer-facing businesses

With a formidable presence in the industrial or B2B segments, the group is leveraging brand equity to diversify into consumer-facing sectors and is gradually creating a web of B2C brands across categories. In the apparels segment, it is already a household name, with 30+ marquee brands like ***Pantaloons, Louis Philippe, Van Heusen, Allen Solly***, and ***Reebok*** housed under ***Aditya Birla Fashion and Retail***. In the telecom segment, ***Vodafone Idea*** is one of the three prominent service providers in India. It is now in the process of creating new growth engines across real estate, dining and hospitality, jewelry, and paints industry.

Within a year of its launch, the paint business, ***Birla Opus***, became India's second-largest player in decorative paints by installed capacity. Through its six manufacturing facilities, its consolidated capacity is greater than combined capacity of the erstwhile 2nd, 3rd and 4th largest players in India. The group forayed into retail jewelry segment with a new brand, ***Indriya***, in 2024 and is targeting to close FY26 with a tally of over 100 stores across key cities in India. The dining and hospitality arm of the group, ***Aditya Birla New Age Hospitality*** manages seven restaurants – ***Hakkasan, Yauatcha, Nara Thai, CinCin, ODE, Waarsa***, and ***Supa San***.

Exhibit 18: Since 1857, Aditya Birla group has birthed formidable industrial brands and is now focusing on expanding its B2C net



Source: Industry, Axis Capital

In line with its focus on the B2C segment, the group intends to create a strong presence in the costliest consumer product segment – real estate – with ABREL. Using the brand lineage and utilizing the available land parcels of its textile mills, which are now defunct, the group has created a strong portfolio of 18 projects with an estimated revenue potential of nearly Rs400bn.

(2) Focus on product design

ABREL leverages the group's brand equity for growth, while it is also cognizant of the quality consciousness attached to the brand. Accordingly, it has strong focus on the design and quality of its development. For its flagship project, Birla Niyaara, has employed services of some of the global leaders – *Foster + Partners* for conceptualization and design, *Sesaki* for landscape planning, *Coopers Hill* for landscape design, and *Leighton* as the master contractor. For some of its other larger projects like Birla Trimaya, Birla Arika, and Birla Punya, it has hired architects such as Hafeez Contractor and Broadway Malyan. Construction, while outsourced, is executed by Grade A contractors like Leighton, Larsen & Toubro, Shapoorji Pallonji, and JMC Projects. It also has an internal team of over 200 employees, who look after design development and project management.

Exhibit 19: ABREL relies on industry-leading names for design as well as execution, thereby ensuring product quality

Particulars	Birla Niyaara	Other key projects (Trimaya, Punya, Arika, etc.)
Design and architecture	Foster + Partners	Hafeez Contractor/Broadway Malyan/Serie Architects
Landscape planning and design	Sasaki/Coopers Hill	Coopers Hill/SWA Group/STX Landscape
Construction contractors	Leighton	Leighton/L&T/Shapoorji Pallonji/JMC Projects

Source: Company, Axis Capital

Exhibit 20: Marquee projects by some of ABREL's vendors/contractors

Entity	Projects
Foster + Partners	Multiple airports (Hong Kong/Beijing/New Mexico/Kuwait), Multiple resorts by Six Senses, HSBC/Bloomberg/Salesforce headquarters, Wembley stadium, Amravati master plan, multiple iconic residential buildings across the globe
Leighton	The Camellias, Elan The Imperial, Maker Maxity, Conrad Resort in Thailand, Ikea outlet in Hyderabad
Coopers Hill	Multiple luxury resorts and hotels of Taj, Ritz Carlton, Raffles, C296 Conrad, IHG, Hyatt, Westin branded residences in Gurugram, Jal Mahal in Jaipur
Architect Hafeez Contractor	Multiple buildings by India's renowned developers like DLF, Godrej Properties, Lodha, Dosti, ATS, Rustomjee, etc., multiple hotels by Hyatt, Taj, ITC, etc., DY Patil Stadium
Broadway Malyan	Google Ananta (Bengaluru), Emprasa Smart City (Bengaluru)
STX Landscape	HUL Headquarters, Ecoworld (Bengaluru)
SWA Group	Headquarters of Samsung/Walmart/PayPal/Alipay/Google, luxury hotels of Hyatt, Four Seasons, Marriott, etc.

Source: Industry, Axis Capital

Exhibit 21: Birla Trimaya scale-model: Apartments on the side and landscape on the centre

Source: Company, Axis Capital

Exhibit 22: Birla Arika project landscape and first phase towers

Source: Company, Axis Capital

Exhibit 23: Birla Evara – a phase of large 27 acre project in Sarjapur, Bengaluru

Source: Company, Axis Capital

Exhibit 24: Birla Evam's landscape and first phase towers located in Manjri Pune

Source: Company, Axis Capital

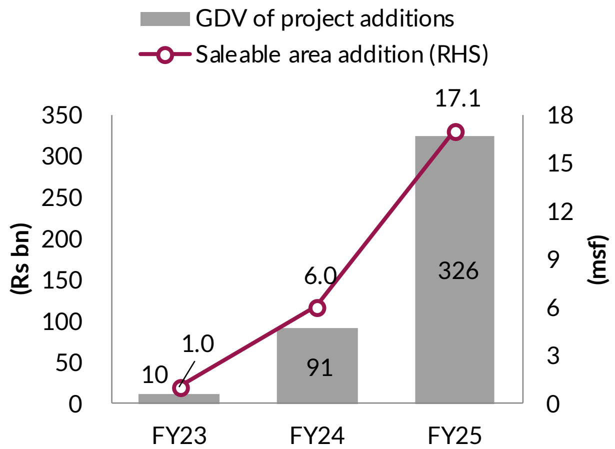
(3) Effective business development strategies and corporate relationships

ABREL's entry into the real estate segment was marked by Birla Vanya (Kalyan), which is developed on the land parcel owned by the now discontinued textile segment of the company, giving it the initial push. Since then, it has rapidly expanded to multiple cities, adding parcels outright or in partnership with investors or landowners.

ABREL's sharp scale-up was helped by its access to unutilized land parcels owned by peer corporate groups (which typically have cleaner ownership structures vs the ones owned by other third parties) given the widespread presence of the group across segments.

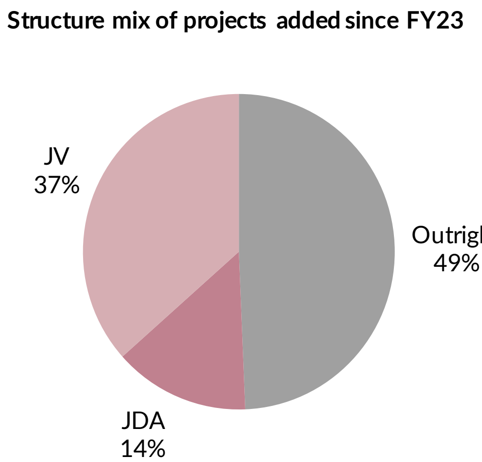
Till FY22, the group largely leveraged its existing land parcels. External acquisitions picked up only from FY23 onwards. With the strong corporate relations, a pan-India presence, and strategic mix of outright and asset light acquisitions, ABREL has added 11 land parcels since FY23, spanning over 190 acres. These parcels, cumulatively, carry a saleable area of ~24 mn sq ft, with an estimated GDV of Rs427bn.

Exhibit 25: Since FY23, ABREL added 11 projects with a saleable area/GDV of 24 mn sq ft/Rs427bn



Source: Company, Axis Capital

Exhibit 26: The scale up was supported by an effective mix of outright and asset-light acquisitions…



Source: Company, Axis Capital

Exhibit 27: ...and its access to clean (title) corporate land parcels owing to the Group's relationships across segments

Projects	Land sourced from	Structure	ABREL share	Land area	Purchase cost (Rs mn)
Birla Niyaara	Century Textiles and Industries Ltd	Outright	100%	24.0	nil
Birla Vanya	Century Textiles and Industries Ltd	Outright	100%	21.0	nil
Birla Navya	Anant Raj Ltd	JV	50%	48.0	n.a.
Birla Tisya	Subadra Textile Pvt Ltd	JDA	40%	4.8	n.a.
Birla Punya	Sudarshan Chemicals Ltd	Outright	100%	5.8	3,800
Birla Arika	Barmalt India Pvt Ltd	JDA	58%	13.3	n.a.
Thane	Hindlaco Industries Ltd	Outright	56%	24.5	6,400

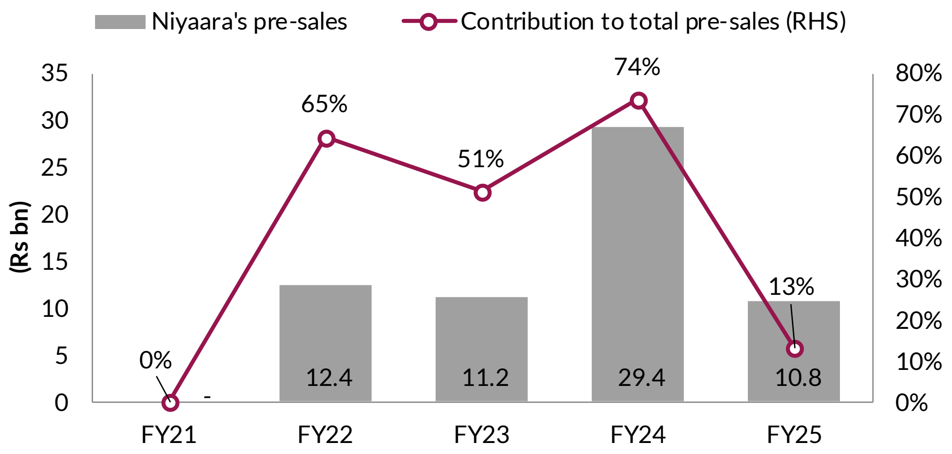
Source: Company, Axis Capital

Scale-up anchored by flagship project in Worli – Birla Niyaara

FY22 was a breakout year for ABREL, as it launched its flagship luxury project in Worli – Birla Niyaara, which anchored the scale-up for the company from thereon. While it got a head start vs other projects in the vicinity, it has weathered competition since then on the back of (1) its target segment of Rs200-500mn ticket size and (2) it being the largest project (by land area), which we believe will continue to be an advantage. That said, the journey has significantly moved away from Birla Niyaara, with Rs427bn of new project additions across multiple markets.

Birla Niyaara has been the key to ABREL's growth story. Till FY22, ABREL's pre-sales were largely driven by three projects, Vanya, Alokya and Navya. Its annual pre-sales ranged at Rs4.5-6bn during FY20/21. In FY22, it launched first of the three towers of Birla Niyaara in Dec'21 with a GDV of Rs36bn. Within just four months of launch, it clocked pre-sales of Rs12bn, driving a ~3x YoY jump in pre-sales to Rs19bn. Niyaara's per-sales were sustained in a similar range in FY23, driving a marginal 14% pre-sales growth YoY. FY24 saw the launch of the second tower of the project, which, while similar in size, had a higher sales potential of Rs51bn on better realization. Owing to the launch, pre-sales scaled to Rs40bn in FY24, up 83% YoY. Of this, Niyaara contributed nearly ~Rs30bn. In FY25, Niyaara saw steady sustenance booking of Rs11bn. However, its contribution dropped significantly on strong scale-up in other project launches during the year. Birla Niyaara contributed 66/40% of the cumulative pre-sales over FY22-24/FY22-25.

Exhibit 28: Birla Niyaara has been the anchor to ABREL's growth story, contributing 66% to the cumulative pre-sales during FY22-24



Source: Company, Axis Capital

Overall, as a trend, ABREL typically sees pre-sales of ~Rs25-30bn from Niyaara during years with a tower launch, while in non-launch years, sustenance sales range at Rs10-13bn. With the third tower launched in Mar/Apr'25, we expect a significant bump in its contribution in FY26E.

Exhibit 29: Development potential embedded in the Worli land parcel…

Phase	Saleable area (mn sq ft)	Status
Tower A (A)	0.91	Launched
Tower B (B)	0.89	Launched
Tower C (C)	0.68	To be launched
Total	**2.48**	
Worli new plot (D)	2.60	To be launched
Commercial development	1.30	To be launched
Grand total	***6.38***	

Source: Company, Axis Capital

Exhibit 30: …spread across a contiguous area of over 24 acres

Source: Company

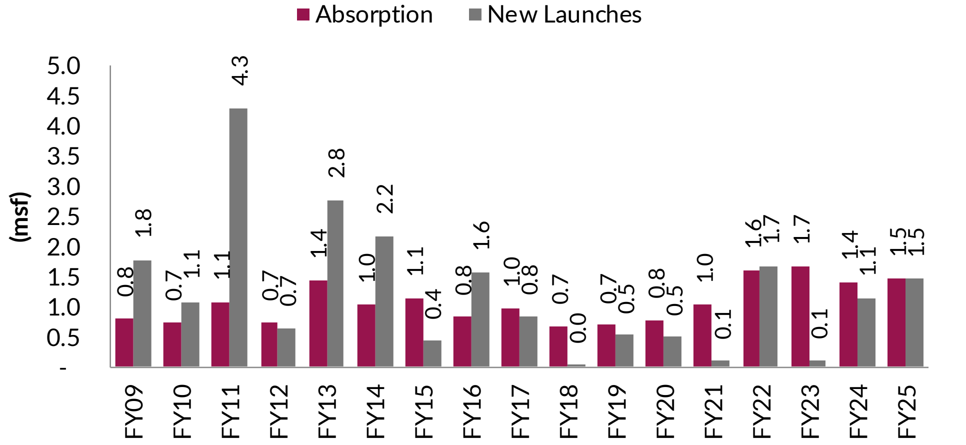
Exhibit 31: Birla Niyaara scale model

Source: Company, Axis Capital

Rising presence of strong brands in Worli – concern for ABREL?

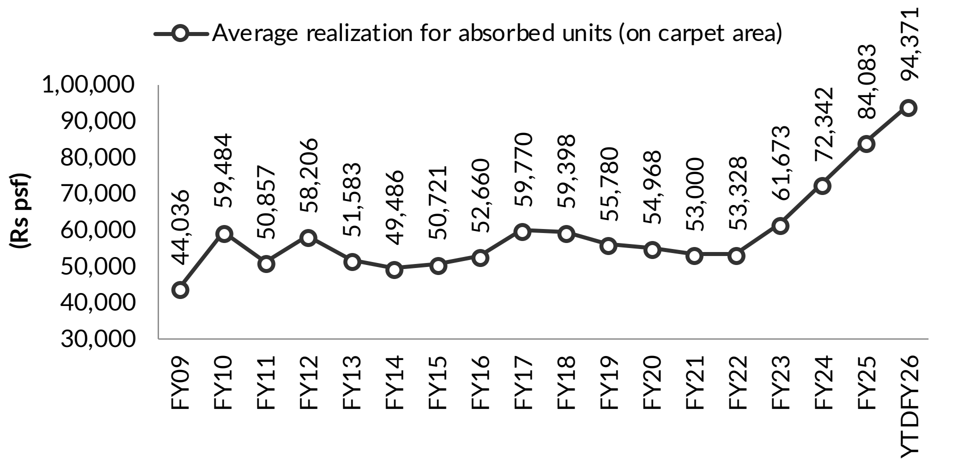
With the growing demand for luxury products and improving infrastructure and connectivity (metro rail, coastal road), South Mumbai saw a flurry of launches post Covid. The Worli, Prabhadevi and Lower Parel markets were the key hotspots, given the availability of opportunities to redevelop old tenements/slums or defunct mills. Post Covid, several strong brands entered the market in a sizeable manner, such as LODHA, ABREL, PEPL, OBER, Kalpataru, and Hubtown. As a result, from a subdued range of 0.5-0.8 mn sq ft during FY15-21, annual supply in these markets jumped 1.1-1.7 mn sq ft during FY22-25. However, this did not result in overburdening the market, as demand also saw a robust pickup on rising interest in luxury products. From an annual range of 0.8-1 mn sq ft during FY15-21, absorption run rate improved to 1.4-1.7 mn sq ft during FY22-25. Realizations rose at a CAGR of 16% during the same period taking the overall market size of those three markets to Rs115bn as of Oct'26 from Rs85bn in FY22.

Exhibit 32: Supply/absorption run rate in the Worli, Lower Parel, and Prabhadevi micro-markets saw gradual increase post Covid



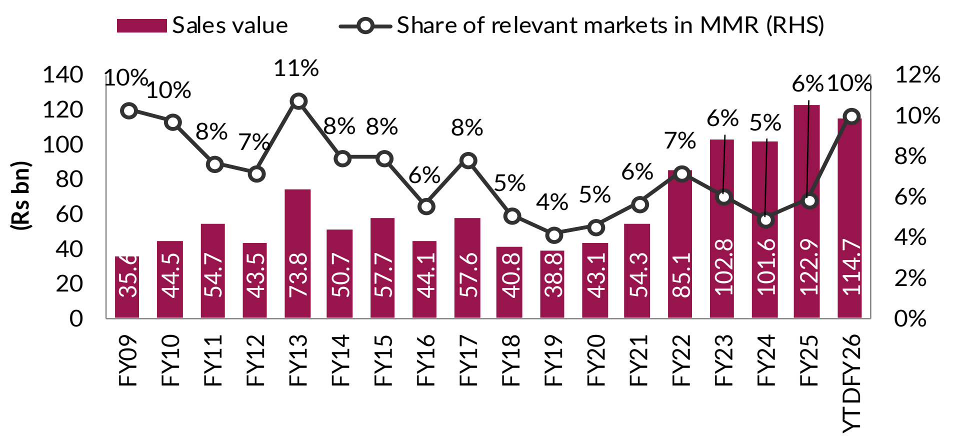
Source: PropEquity, Axis Capital; Note: Based on carpet area

Exhibit 33: Average realization in Worli, Lower Parel, and Prabhadevi saw a strong uptick post Covid, supporting Niyaara's contribution to total pre-sales



Source: PropEquity, Axis Capital; Note: Based on carpet area

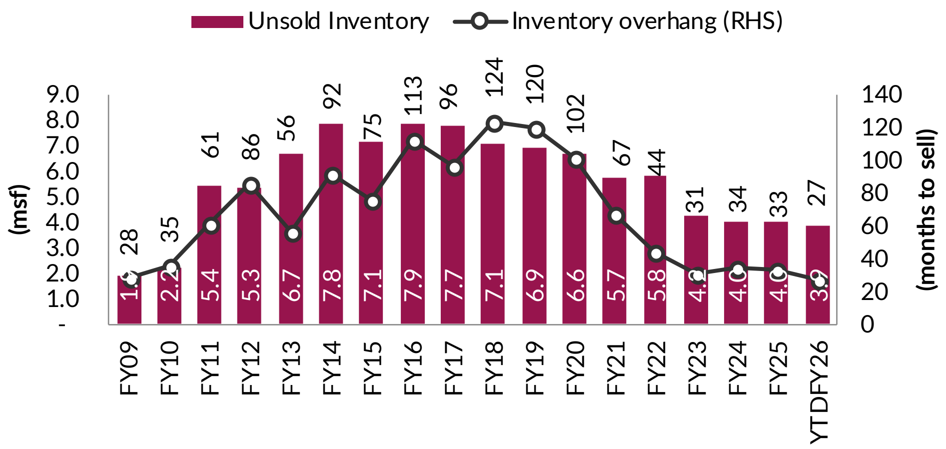
Exhibit 34: The three markets clocked sales of ~Rs123bn in FY25, constituting 10% of the MMR market



Source: PropEquity, Axis Capital

With the growing demand, unsold inventory in the Worli, Prabadevi, and Lower Parel micro-markets fell to the lowest levels since FY10, to 3.9 mn sq ft (as of Oct'25). Inventory overhang stood at ~27 months.

Exhibit 35: With better demand, inventory overhang is at the lowest level in these markets



Source: PropEquity, Axis Capital; Note: Based on carpet area

Prima facie, these markets look crowded, with multiple Grade-A developers operating within a small radius. However, most of them have identified the target audience they intend to cater and have accordingly created their niche in terms of either the location, or ticket size, or both. For instance, in Worli (which is the largest among the three micro-markets), there are two key locations: (1) Dr. Annie Besant Rd, which is towards the sea and has more sea-facing projects, and better access to the coastal road, accordingly commands a premium rate; OBER and PEPL have projects in these markets; and (2) Pandurang Budhkar Marg, Senapati Bapat Marg and Worli Naka, which is relatively in the interior with narrower access road, where high-rises get the sea view; prominent brands like ABREL, LODHA, Kalpataru, Godrej and Runwal operate around this market.

These markets are in proximity but their target audiences are separate. A cost-conscious buyer will prefer the second location, while a more affluent buyer might go for a sea-facing property by paying a premium. Additionally, the developers also have varying unit sizes and ticket sizes. **ABREL** has products of different sizes, with ticket sizes starting from as low as Rs100mn to exceeding Rs500mn. Its newer towers focus on ticket sizes of Rs200-500mn. Average realization for the units sold by ABREL is over Rs75,000 per sq ft on carpet area basis. **LODHA** also offers a flurry of products – from 2BHKs to 5BHKs and penthouses, with a wide price range of Rs50mn to Rs600mn across sizes. In contrast, **Prestige Nautilus**, located on Dr. Annie Besant Rd, has a base unit size of 3,500 sq ft, costing over Rs300mn, with the upper end at Rs800mn+. In case of **360-West**, unit sizes start from over 5,500 sq ft, priced upwards of Rs750mn. The upper end closes at nearly Rs2bn. So, there is a clear distinction between the target segments. Projects in better-located markets cater to the affluent segment, while projects in the interior offer multiple product categories and are priced lower.

Exhibit 36: A snapshot of key projects competing with Birla Niyaara

Particulars	Birla Niyaara	Prestige Nautilus	Oberoi 360-West	Kalpataru One	Godrej Trilogy	Runwal Raaya	25 Downtown
Location	Pandurang Budhkar Marg	Dr. Annie Besant Rd, Worli	Dr. Annie Besant Rd, Worli	Worli Naka	Dr. Annie Besant Rd, Worli	Worli Naka	Mahalaxmi Race Course
Land area (acres)	14.0	1.8	1.6	5.3	2.6	4.2	9.0
Carpet area (msf)	1.1	0.8	0.5	1.0	1.0	1.2	3.6
GDV (Rs bn)	87	87	75	90	100	76	380
Launch date	Q3FY22	Q4FY25	Q2FY18	Q2FY26	Q3FY26	Q1FY26	Q3FY25
Number of units	566	218	64	248	362	383	532
Average realization (Rs psf)	77,748	1,09,685	1,35,844	90,000	97,561	64,000	1,05,556
Average unit size (sq. ft.)	1,988	3,624	8,581	4,032	2,831	3,101	6,767
Average ticket size (Rs mn)	155	397	1,166	363	276	198	714
Bookings (Rs bn)	68	56	33	7	0	NA	65
Inventory value (Rs bn)	20	30	41	83	100	NA	315

Source: Company, Axis Capital

Therefore, in conclusion, while we believe there is an insurgence of brands and Grade-A developers in the Worli, Lower Parel, and Prabhadevi micro-markets, each developer focuses on select location and product categories without looking to cannibalize market share. Hence, we do not think the rising brand presence impacts ABREL's growth journey.

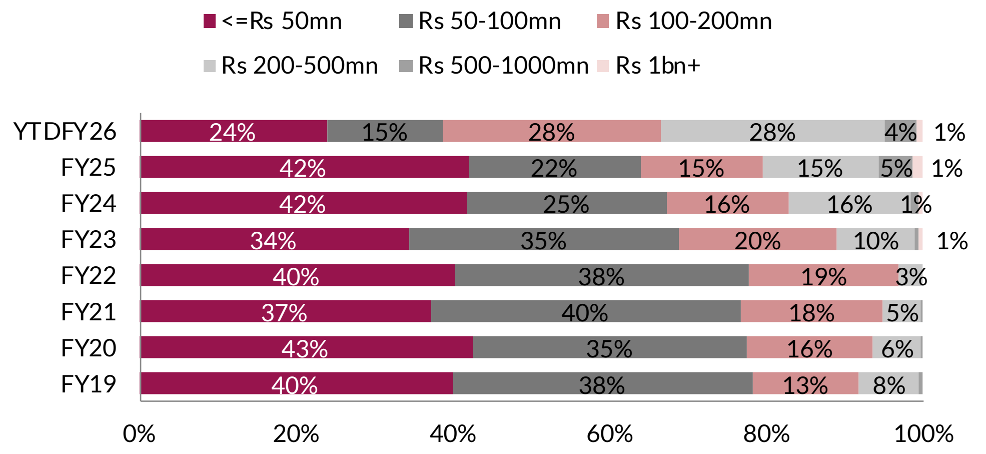
Does ABREL possess a right to win?

Most of the developers cater to specific customer segments and have separate price points, but we believe ABREL carries a distinct advantage vs its peers in the Worli market, driven by:

Superior product segment, catering to the largest demand pocket:

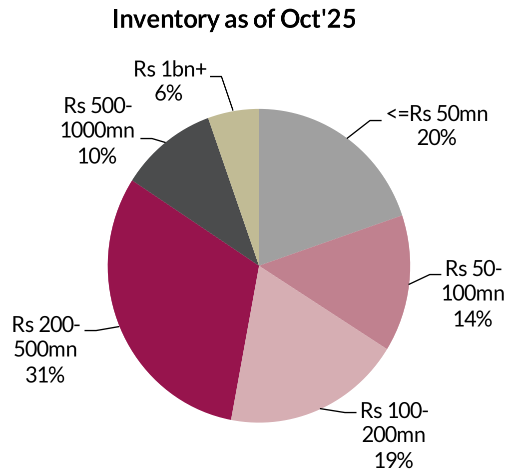
Birla Niyaara's Tower A, with smaller units, is largely sold out, with inventory of just around 15 units. Tower B, launched in Feb'24, has larger units, with 3-5BHKs. With ticket size of ~Rs200-500mn, it caters to the aspirational segment, which is often the entry point to the uber luxury segment, covering a wider net of population. Within the Worli, Lower Parel, and Prabhadevi micro-markets, this is the largest demand pocket, contributing 30-40% of the total demand. For Tower C, it intends to launch a compact 4BHKs (less than 3,000sqft) with flexibility of a combining two apartments (Jodi) product which will cost less than Rs300mn fill the gap of offering between Towers A and B. With the launch of Tower C, ABREL will easily cater to more than half of the demand (50-60%) in these micro-markets. Moreover, the Rs200-500mn market carries an inventory overhang of ~19 months, which is lower than the average overhang of ~27 months for the three markets, indicating a better demand velocity. Overhang in the Rs100-200mn segment is even lower, at just 12 months. With its key target segments doing fundamentally well, we expect stable price appreciation and healthy sales velocity for Birla Niyaara to continue going forward.

Exhibit 37: Birla Niyaara caters to the largest demand segment (Rs200-500mn) in relevant micro-markets



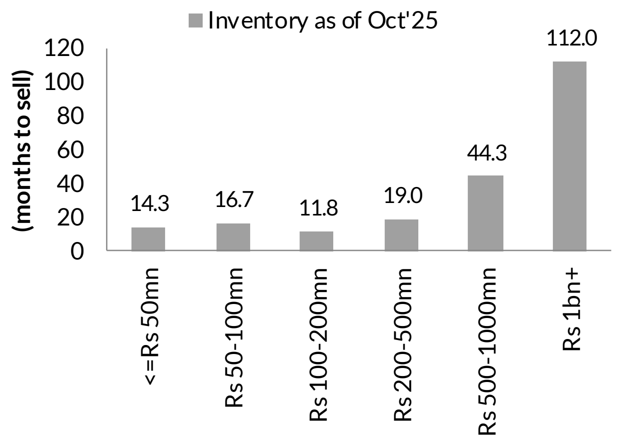
Source: PropEquity, Axis Capital

Exhibit 38: While inventory in this segment is the highest…



Source: PropEquity, Axis Capital

Exhibit 39: …inventory overhang (19 months) is lower than combined average of micro-markets (~27 months)



Source: PropEquity, Axis Capital

(1) Large contiguous land parcel with mixed-use offering:

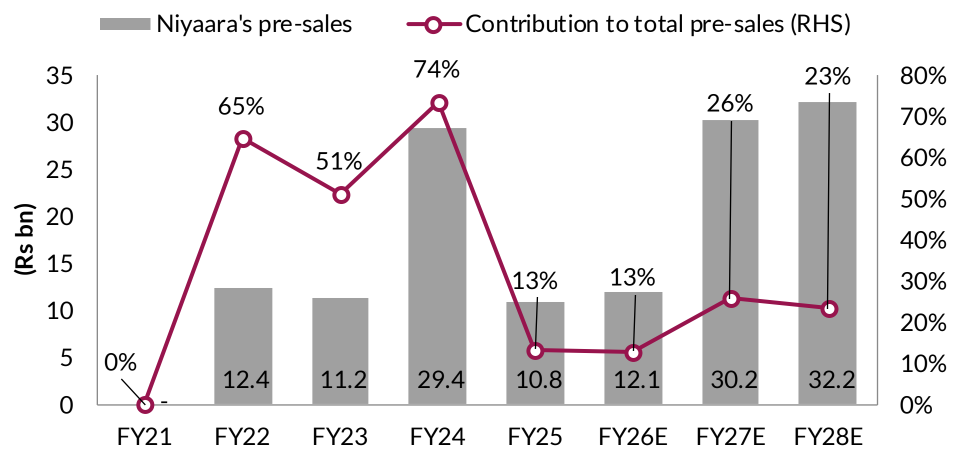
The current phase of Birla Niyaara (Towers A to C) spans 14 acres. Combined with the upcoming phase on the recently added parcel, the project will span 24 acres, which will be one of the largest contiguous land parcels in the Worli, Prabhadevi, and Lower Parel micro-markets. This will allow ABREL to provide an array of amenities along with retail spaces and significant open areas within the project. In all, the residential portion of the project will have a saleable area of 5.1 mn sq ft, again one of the largest developments in the relevant micro-markets. Moreover, the project will also have a commercial office of 1.6 mn sq ft, of which ~0.3 mn sq ft is already operational. A community/township style development will provide it an edge vs competitors.

(2) Superior design and brand equity:

As elaborated in Exhibits 18-20, ABREL carries the brand legacy of the Aditya Birla group, which is a household name across multiple sectors in India. As a result, ABREL places strong focus on delivering quality products that further the legacy. As a result, it has employed services of the industry-leading designers, architects, and contractors, which ensure superior design, quality, and execution. Most Grade-A developers in India deliver quality projects in the luxury category, while we believe that ABREL will consistently deliver superior products with strong design focus across product categories and locations.

With the right location, right offering (mixed-use community-style development), right sizing (Rs100-500mn segment), right timing (even phasing out), and right quality, we believe Birla Niyaara has a distinct advantage in a rather competitive micro-market and is well placed to see a consistent sales velocity for its existing inventory and upcoming launches.

Exhibit 40: We see ABREL navigating competitive intensity with its product, and see Birla Niyaara delivering consistent pre-sales going forward



Source: Company, Axis Capital

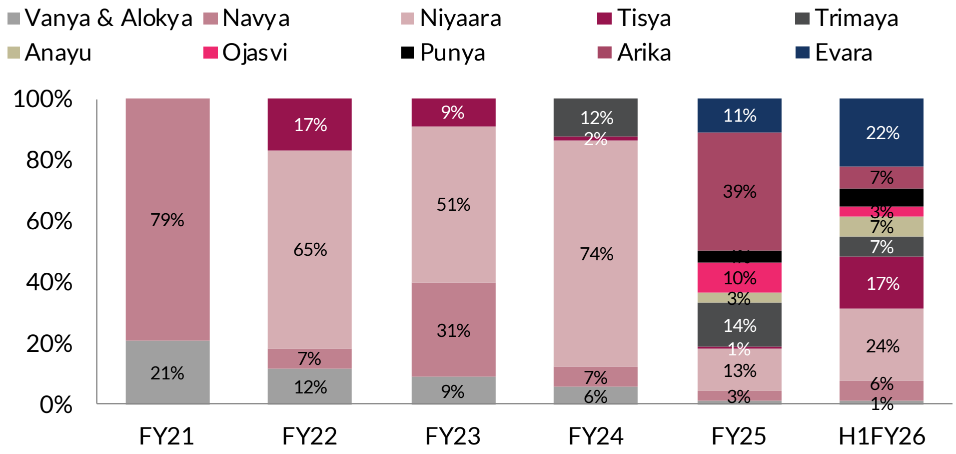
Spreading presence across key markets – much to offer now beyond Worli

ABREL's foray into real estate was marked by its launches in Kalyan (Vanya) and Bengaluru (Alokya) in CY19, with cumulative sales potential of Rs15bn. However, its growth story always revolved around 24-acre mill land in Worli, which it intended to transform into a luxury residential project. The story played out as projected. The project, Birla Niyaara, launched in FY22, was the key catalyst in driving multi-fold jump in its pre-sales during FY20-24. For FY20/21, ABREL reported pre-sales of Rs4.6bn/6.2bn, driven by Birla Vanya, Alokya, and Navya. However, post the launch of the initial phase of Birla Niyaara in FY22, the pre-sales jumped 3x YoY to Rs19bn. Over FY22-24, pre-sales saw a 44% CAGR to Rs40bn. During FY22-24, ~66% of the total pre-sales were contributed by Birla Niyaara. In absolute terms, Niyaara's contribution increased from Rs12bn in FY22 to Rs29bn in FY24.

In the background, however, ABREL consistently worked on diversifying its exposure and creating streams of revenue beyond Worli. During FY21-24, it added six land parcels across Bengaluru, NCR, and Pune, which helped scale launches during FY24 and FY25. In FY24, it launched a 2.3 mn sq ft project in Bengaluru. In FY25, it launched five new projects, two in Bengaluru – 4 mn sq ft, and one each in Gurugram – 1.4 mn sq ft, Pune – 0.3 mn sq ft, and MMR – 0.06 mn sq ft. With these projects contributing, Niyaara's share in total pre-sales shrank to 13% in FY25.

As of Sep'25, ABREL had seven projects in pipeline with saleable area of 16.5 mn sq ft. Along with the unlaunched portion of the ongoing projects, ABRE's forthcoming pipeline stood at 21 mn sq ft, which we largely expect to be launched by FY30-end. Of the 21 mn sq ft, Niyaara's unlaunched portion stands at 3.3 mn sq ft. We see ABREL staggering the Niyaara launch in phases and expect its contribution to total pre-sales to not exceed 25% in a particular year going forward. Unlike FY22-24, growth going forward will be driven by new project additions across markets.

Exhibit 41: Pickup in BD and scale-up in launches across regions helped ABREL diversify away from Worli



Source: Company, Axis Capital

Targets Rs150bn of pre-sales by FY28 at a CAGR of 20-25%

ABREL's management has refrained from providing annual guidance, though it aims to clock Rs150bn in pre-sales by FY28. ABREL's ~Rs50bn of ongoing inventory as of Sep'25 and upcoming launches of ~Rs460bn provide a steady pre-sales visibility. However, with ~65% of balance inventory being concentrated in two projects, business development will be key for growth. The company aims to add Rs100-150bn of projects annually. Given its track record, we remain confident of timely business development additions and conservatively project a 20% CAGR in pre-sales over FY25-28E to Rs138bn.

Ongoing projects

The ongoing projects have a saleable area of 12.1 mn sq ft, with potential of launching another 4.6 mn sq ft in future phases. As of Sep'25-end, about 74% of the launched area was sold. The remaining inventory of 2.8 mn sq ft is expected to be liquidated over the next couple of years. Over 60% of the inventory is for a single project, Birla Evara, which was launched in Q4FY25 and is gradually gaining traction. Rest of the inventory is distributed across the projects, with most of them contributing less than 10% of the total inventory.

Exhibit 42: Ongoing projects at a glance – 11 projects, saleable area/inventory of 14/2.8 mn sq ft as of Sep'25-end

Project	City	Location	Ownership	Status	Total saleable area (mn sq ft)	Area launched (mn sq ft)	Area Sold (mn sq ft)	Inventory (mn sq ft)	Pending to be launched (mn sq ft)	GDV (Rs bn)	Sale value (Rs bn)	Inventory value (Rs bn)
Vanya	MMR	Kalyan	100%	Completed	1.33	1.33	1.18	0.15	0.00	11.5	9.5	2.1
Alokya	Bengaluru	Whitefield	100%	Completed	0.55	0.55	0.54	0.01	0.00	4.0	4.0	0.0
Navya	NCR	Sector 63A, Gurugram	50%	Ongoing	1.92	1.58	1.38	0.20	0.34	23.8	19.9	3.9
Niyara	MMR	Worli	100%	Ongoing	2.48	1.80	1.48	0.32	0.68	87.5	67.6	19.9
Tisya	Bengaluru	Rajajinagar	40%	Ongoing	0.65	0.65	0.65	0.00	0.00	6.5	6.5	0.0
Trimaya	Bengaluru	Devanahalli	47%	Ongoing	3.62	2.34	2.19	0.15	1.28	18.9	17.8	1.1
Anayu	MMR	Walkeshwar	100%	Ongoing	0.06	0.06	0.03	0.02	0.00	5.7	2.8	2.9
Ojasvi	Bengaluru	RR Nagar	100%	Ongoing	1.01	1.01	0.86	0.15	0.00	10.6	8.7	1.9
Punya	Pune	Wellesley Road	100%	Ongoing	1.62	0.31	0.27	0.04	1.31	4.4	3.8	0.6
Arika	NCR	Sector 31, Gurugram	58%	Ongoing	2.40	1.41	1.41	0.00	0.99	33.0	32.4	0.6
Evara	Bengaluru	Sarjapur	51%	Ongoing	2.94	2.94	1.22	1.72	0.00	30.6	12.6	18.0
Total					***18.6***	***14.0***	***11.2***	***2.8***	***4.6***	***236.5***	***185.7***	***50.9***

Source: Company, Axis Capital

Future phases of ongoing projects

The unlaunched portion of the ongoing projects attributes to five projects – Niyaara (0.7 mn sq ft), Trimaya (1.3 mn sq ft), Punya (1.3 mn sq ft), Arika (1 mn sq ft) and Navya (0.3 mn sq ft). ABREL expects to launch four of them in one go in H2FY26, with only Trimaya spreading across two phases, one each in H2FY26 (0.6 mn sq ft) and FY27 (0.7 mn sq ft). However, with approvals still underway, we conservatively expect Niyaara launch at the start of FY27 vs FY26-end expected by the company.

Upcoming projects

Over the past couple of years, ABREL has significantly accelerated its business development activity and has added 11 new parcels, fully paid for. Of this, seven projects are yet to be launched. Four of these are in the MMR region, two in NCR, and one in Pune. We expect the company to launch four of these projects (or its phases) with saleable area of 4.9 mn sq ft in H2FY26E (two have already been launched in Q3FY26).

Exhibit 43: Upcoming launches at a glance – seven projects with saleable area/GDV of 16.5 mn sq ft/Rs350bn

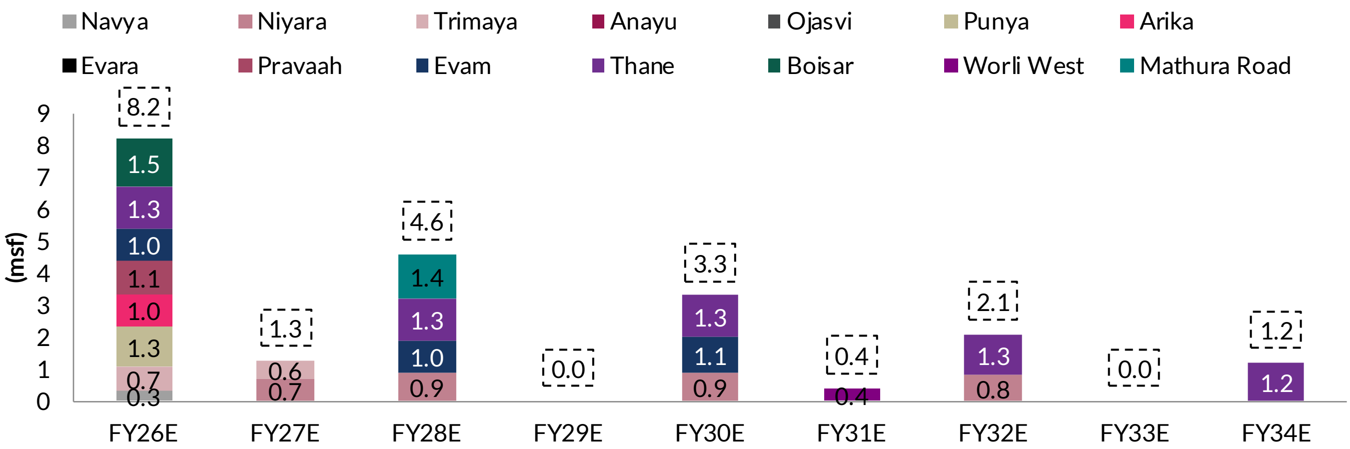
Project	City	Location	Ownership	ABREL share	Total saleable area (mn sq ft)	Expected GDV (Rs bn)	Launch timeline	Phased launch (Y/N)
Pravaah	NCR	Sector 71, Gurugram	Outright	100%	1.1	14.1	Q3FY26	N
Evam	Pune	Manjari	JV	56%	3.1	27.2	Q3FY26	Y
Thane (Hindalco)	MMR	Kalwa/Thane	JV	56%	6.4	98.7	Q4FY26	Y
Boisar plotted	MMR	Boisar	Outright	100%	1.5	4.7	Q4FY26	N
Worli (new land)	MMR	Worli	Outright	100%	2.6	148.7	FY28	Y
Worli West	MMR	Worli	Outright	100%	0.4	29.2	FY31	Y
Mathura Road	NCR	Delhi	JDA	64%	1.4	27.7	FY27	N
Total					***16.5***	***350.4***		

Source: Company, Axis Capital

The Thane parcel is acquired from its group company, Hindalco, spanning across 24.5 acres. Given its size, we see it phasing out the launch into five phases, to be launched a year apart from each other, from Q4FY26 onwards, thereby controlling the prices in the market without burdening it with excess inventory. The new 10-acre land in Worli is adjacent to its existing project, Birla Niyaara. To avoid cannibalization, we expect it to be launched in FY28, when the existing inventory will largely be exhausted. We expect ABREL to follow a tower-by-tower launch for the new parcel as well. Worli West is a smaller parcel, to be launched in a go, but is expected to be open for sale beyond FY30. The new launches, along with the new phases of existing projects will be the key growth contributors over FY25-28E.

Including the new phases of existing projects, we see ABREL launching 21.1 mn sq ft of saleable area across 12 projects. Of these, we see it launching 3.8 mn sq ft in NCR across four projects (three/one in Gurugram/Delhi), where we expect a strong offtake at launch. Bengaluru, with launches of 1.3 mn sq ft, will also see healthy sales velocity. Pune and MMR, with launches of 16 mn sq ft, will see staggered offtake, with a steady velocity owing to the planned ticket size (Worli launches) and typical nature of the market (Pune, Thane).

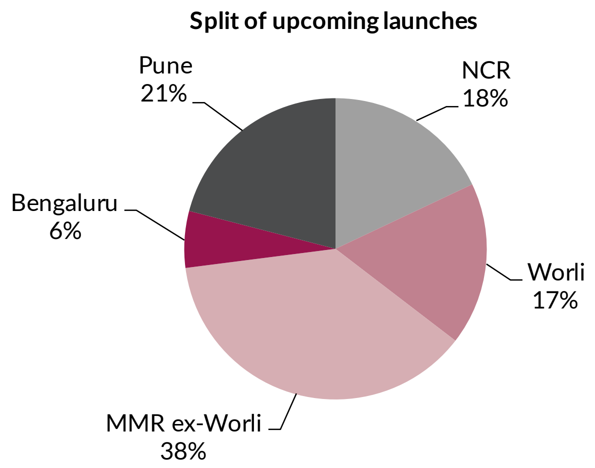
Exhibit 44: We see ABREL launching its upcoming pipeline/future phases (~21 mn sq ft) over the next 7-8 years…



Source: Company, Axis Capital

The geographical diversity of the ongoing projects as well as the upcoming launches will help ABREL counter cyclicality to an extent. Additionally, its projects are also diversified across the budget spectrum and ticket sizes, catering to both, aspirational and affluent segments, giving it an additional edge.

Exhibit 45: ...which are well-diversified across its target markets

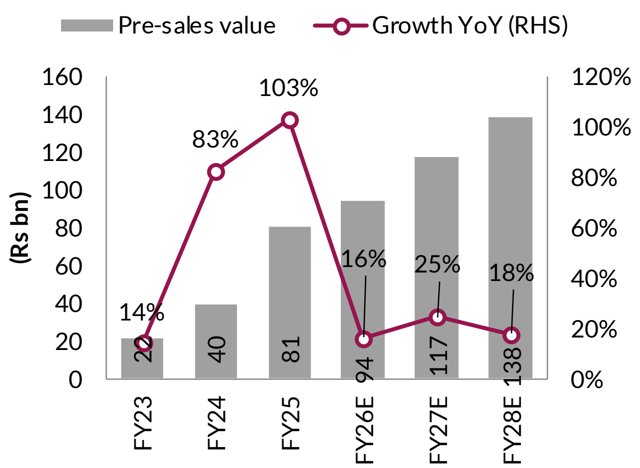


Source: Company, Axis Capital

Aims to clock Rs150bn of pre-sales by FY28E; business development addition will be key
To ensure growth continuity, ABREL intends to add projects worth ~Rs100-150bn to its pipeline annually, in line with business development activity in the past two years. We expect the new projects to help sustain the run rate of launches from FY27 onwards.

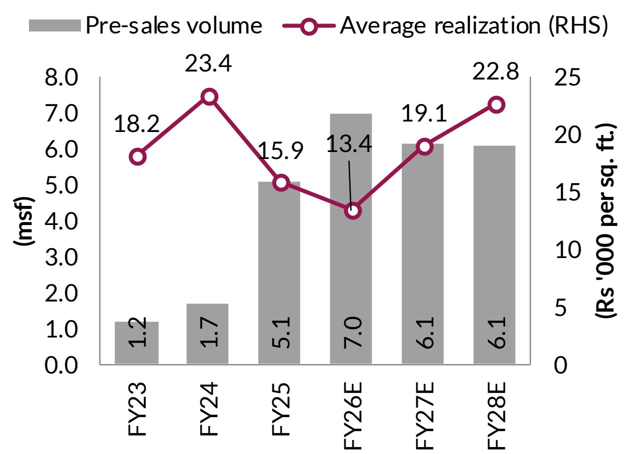
On the back of stable launches and diversification across cities and product categories, ABREL expects to deliver pre-sales of Rs150bn in FY28E, indicating a CAGR of ~23%. We remain marginally conservative and build a 20% pre-sales CAGR over this period and expect bookings of Rs138bn in FY28E. Volume CAGR is seen at a steady 6% to 6.1 mn sq ft over FY25-28E. Average realization is expected to see a sharper growth on the back of improving product-mix and growing share of NCR in total pre-sales. From ~Rs15,900 per sq ft in FY25, we see the realization climbing to Rs22,750 in FY28E, a CAGR of 13%.

Exhibit 46: Driven by the strong pipeline, we expect 20% pre-sales CAGR over FY25-28E...



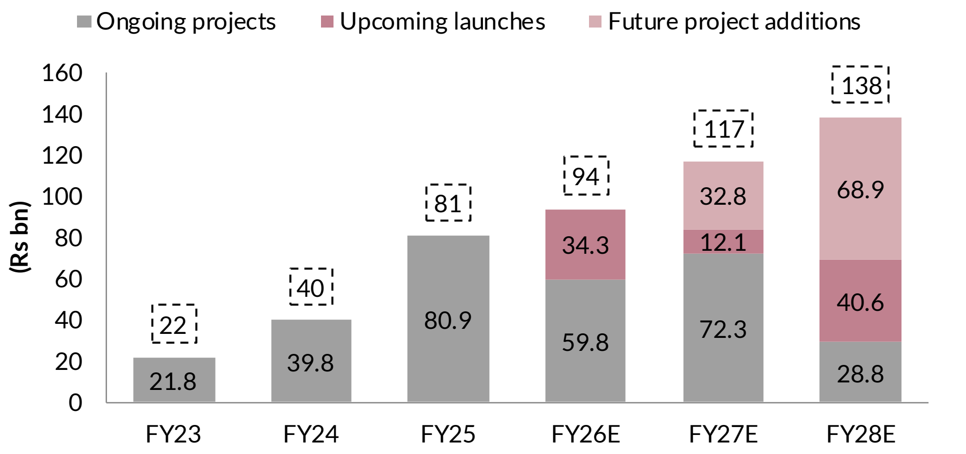
Source: Company, Axis Capital

Exhibit 47: ...with volume/realization delivering 6/13% CAGRs



Source: Company, Axis Capital

Exhibit 48: But growth beyond FY26 will require sustained project additions, which we are confident about, given its track record



Source: Company, Axis Capital

Commercial segment – deepening its presence in Worli

ABREL currently operates two commercial projects generating Rs1.4bn of rental income. It aims to commence construction at its upcoming 1.3 mn sq ft commercial on its 24-acre mixed-use Worli plot in FY27 and redevelop Century Bhavan commercial project starting FY28. These two projects will collectively generate Rs10bn of rental income once stabilized by FY32-33E. Scale-up in commercial segment will help ABREL diversify its concentration from cyclical residential segment and provide a steady cashflow stream.

Operates two assets of 0.58 mn sq ft at full capacity, clocking rent of Rs1.2bn p.a.

ABREL owns and operates two commercial offices in the Extended CBD (Worli/Prabhadevi) micro-market in MMR, with a total leasable area of 0.58 mn sq ft, fully occupied as of Sep'25-end.

Birla Aurora

Birla Aurora is the group's legacy asset, operating for over three decades at one of the most premium locations In Worli, Dr. Annie Basant Rd. With a leasable area of 0.26 mn sq ft, the asset is fully occupied, generating annual rental income of Rs672mn, implying a monthly rental rate of Rs215 psf. While an older asset, ABREL has invested in its refurbishment, helping it attract multiple MNC tenants like Siemens, General Atlantic Partners, TA Associates. Additionally, it also houses some of the group entities like Grasim and Aditya Birla Solar.

Birla Centurion

Located at slightly inferior location to Birla Aurora in the same Worli micro-market, this 0.32mn sq ft asset is relatively new (delivered in 2013) and part of a larger mixed-use land of Birla Niyaara. It is fully occupied, garnering annual rental of Rs 649mn, implying a monthly rental rate of Rs 169 psf. Its key tenants include Woori Bank, CoWrks, Vodafone Idea Cellular, and Hindalco Industries.

Exhibit 49: ABRE's operational commercial portfolio – two assets, 0.58 mn sq ft, Rs1.3bn annual rental

Asset	City	Location	Leasable area (mn sq ft)	Occupancy	Annual rental income (Rs mn)	Average monthly rental (Rs psf)
Birla Aurora	MMR	Worli	0.26	100%	672	215
Birla Centurion	MMR	Worli	0.32	100%	649	169
Total			***0.58***	***100%***	***1321***	***190***

Source: Company, Axis Capital

Owing to the legacy land cost, ABREL can aggressively price both the assets, driving tenant stickiness. Against the market rent of over Rs200 psf for Grade-A assets in Extended CBD and ~Rs330 psf in the more relevant Worli micro-market, these assets trade at an average monthly rental of Rs190 psf. We believe Birla Centurion enjoys a significant MtM opportunity given its discount vs other comparable Grade-A assets (One World/One International Center are signing new leases at over Rs 200psf) and improving connectivity around Worli and Prabhadevi.

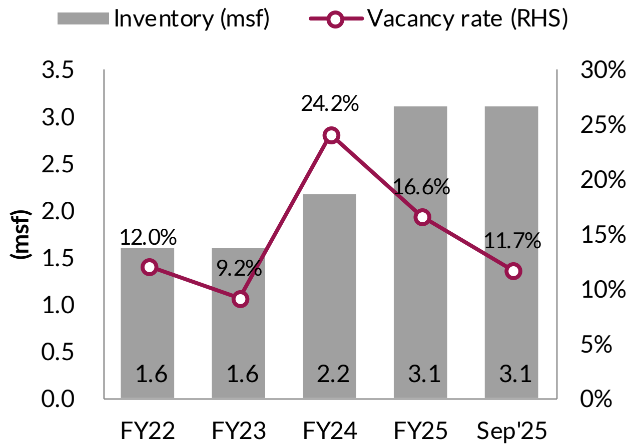
Both the Extended CBD and Worli micro-markets have seen healthy leasing activity in the recent years. While the Extended CBD market covers multiple micro-markets like Lower Parel, Parel, and Mahalaxmi, the trends in the Worli market are more relevant to ABREL given its asset locations. Notably, the Worli micro-market has nearly doubled in terms of leasable area over the past three years, from 1.6 mn sq ft to 3.1 mn sq ft, even as the vacancies remained stable, indicating robust leasing activity. Leased area increased from 1.4 mn sq ft in FY22 to 2.8 mn sq ft as of Sep'25-end, with vacancy of 11.7%. Owing to the strong leasing, rental rates in the Worli micro-market have seen a 20% CAGR from Rs220 psf/month in FY22 to Rs332 psf/month as of Sep'25-end.

Exhibit 50: Key attributes of Extended CBD market

Particulars	Extended-CBD
Total stock (mn sq ft)	18.8
Committed occupancy	86.9%
Vacancy	13.1%
Monthly rentals (Rs/sq ft)	198.7
Key assets in the micro-market	Raheja Altimus, Lodha One Place, OIC, OWC
ABRE's rental rates (Rs/sq ft)	190
ABRE's asset occupancy	100%

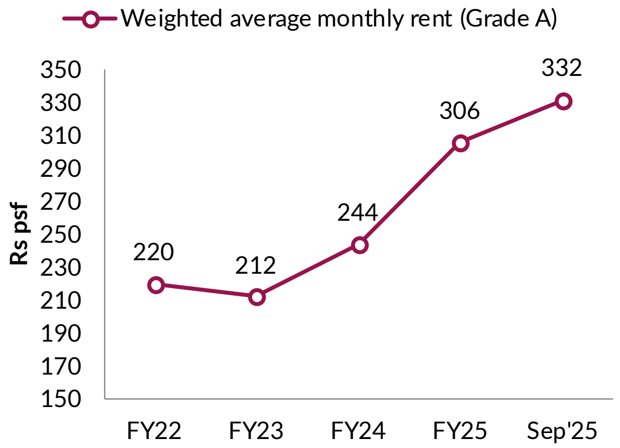
Source: CBRE, Company, Axis Capital

Exhibit 51: Within Ext-CBD, Worli micro-market has doubled in size in four years with stable vacancy



Source: Cushman & Wakefield, Axis Capital

Exhibit 52: On strong demand and better connectivity, rental rates saw a 20% CAGR over FY23-H1FY26



Source: Cushman & Wakefield, Axis Capital

Exhibit 53: ABRE's assets vs other key assets in Worli/Prabhadevi micro-markets

Asset	Leasable area (mn sq ft)	Average monthly rental (Rs psf)	Occupancy
Raheja Altimus	1.12	350-400	n.a.
Lodha One Place	1.60	280-300	n.a.
Birla Aurora	***0.26***	***215***	***100%***
One World Center	1.70	200	86%
Birla Centurion	***0.32***	***169***	***100%***
One International/One Unity Center	2.80	175 - 185	75%

Source: Industry, Company, Axis Capital

Plans to add two more assets in Worli with potential rentals of Rs11bn p.a.

ABREL plans to deepen its presence in the Worli micro-market by adding two more assets with leasable area of 1.75 mn sq ft over the coming years.

Commercial development in the existing Worli plot

At its 24-acre Worli plot (adjacent to Birla Niyaara), it has earmarked an area of 1.3 mn sq ft for development of a Grade-A commercial asset. It intends to begin construction of the asset in FY27, which we expect to be completed in five years thereon. We expect the asset to stabilize by FY33E, with annual rental potential of Rs7.8bn.

Redevelopment of Century Bhavan

Adjacent to Birla Aurora, ABREL has a legacy retail complex of three storeys, viz., Century Bhavan. It currently houses tenants like Croma, Starbucks, and Nature's Basket among others. However, given the vintage, the quality as well as FSI utilization of the asset is sub-par. ABREL plans to redevelop the asset and increase its leasable area to 0.45 mn sq ft. We expect the asset to come onstream in FY32E. At peak occupancy, we see the asset clocking rentals of Rs3bn.

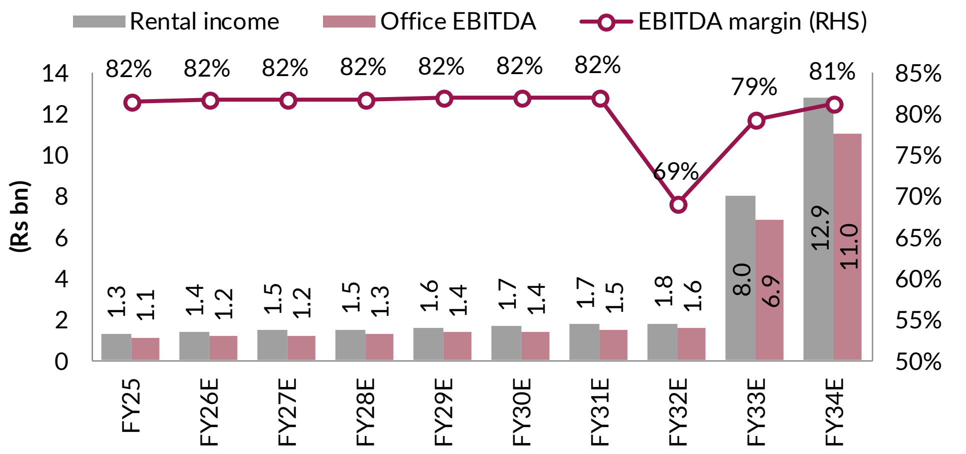
Exhibit 54: ABRE's upcoming commercial assets at a glance, to add annuity income of Rs11bn p.a. once stabilized

Asset	City	Location	Leasable area	Launch date	Commercialization date	Expected monthly rental rates (Rs psf)	Expected stabilized rent income p.a. (Rs mn)	Estimated capex (Rs mn)	Implied rental yields
Worli Land Plot	MMR	Worli	1.30	Sep-26	Sep-31	500	7,800	31,850	24%
Century Bhavan redevelopment	MMR	Worli	0.45	Sep-27	Sep-32	550	2,970	12,128	24%
Total			***1.75***				***10,770***	***43,978***	***24%***

Source: Company, Axis Capital

Once onstream, we see these assets competing with some of the upcoming marquee assets by Oberoi Realty (~1 mn sq ft), Phoenix Mills (~1.1 mn sq ft), and Prestige Estate Projects (~3 mn sq ft), in addition to the Extended CBD market. However, with (1) the strong leasing environment (annual gross leasing run rate of over 2 mn sq ft in Extended CBD market), (2) its superior location (in case of Century Bhavan), and (3) its integrated offering (in case of Worli plot), we expect the ABREL assets to see strong leasing once commercialized. In FY34E, we see the commercial segment generating cumulative rental of Rs12.9bn (vs Rs1.3bn in FY25). EBITDA of the segment is seen scaling in line with rentals. We see commercial segment EBITDA at Rs12.3bn in FY34, with an EBITDA margin of 90%.

Exhibit 55: With two assets (1.75 mn sq ft) coming onstream, we see office EBITDA jumping ~10x over FY25-34E



Source: Company, Axis Capital

Robust cashflows and slump sale of paper business to drive growth

ABREL's ongoing and upcoming project pipeline is expected to generate Rs300bn of operating cashflows over the next 10-15 years, leading to annual run-rate of Rs25-30bn. Internal accruals will be sufficient to drive business development additions. Further, the slump-sale of paper business to ITC at a consideration of Rs35bn will de-lever the balance sheet with D/E coming down to 0.3x of equity. Low leverage will allow ABREL to be aggressive on business development.

Ongoing and upcoming projects to generate over Rs290bn of cashflows

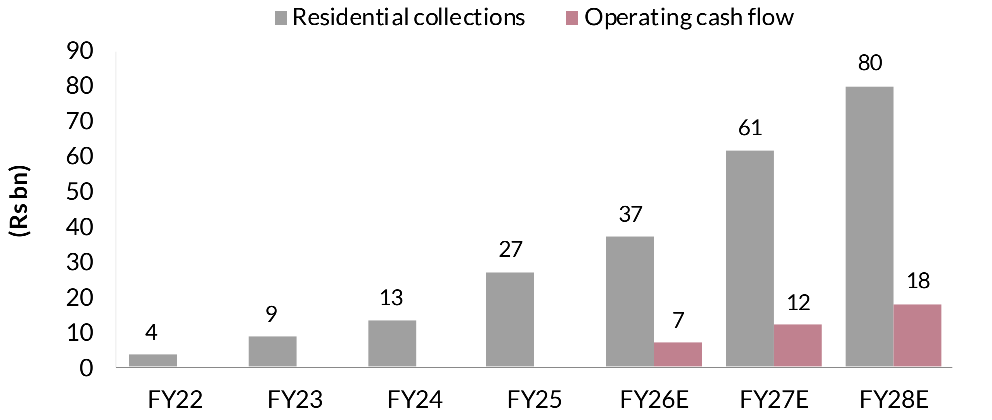
Since commencement, ABREL has launched projects worth Rs237bn till end of Sep'25, of which it has sold Rs186bn, with the balance inventory expected to be monetized before completion. Pending collections worth Rs120bn are more than sufficient to fund the balance project spend (including overheads and capitalized interest) of Rs97bn. Thus, surplus cashflows of Rs74bn from ongoing projects will be realized over the next five to six years.

Exhibit 56: ABREL expects operating cash surplus of Rs74bn from ongoing projects

Source: Company, Axis Capital

Additionally, as per ABREL, it has an upcoming launch pipeline of over Rs460bn, which, incorporating the current market prices and inflationary rise, has potential to generate Rs230bn of operating cashflows at ABREL share over 10-15 years. Thus, annual post tax operating cashflow from its residential segment is expected to rise from Rs6bn in FY26 to Rs20bn by FY28E.

Exhibit 57: We expect collections to gradually catch up with pre-sales, expect 43% CAGR over FY25-28E; OCF margin at 23% in FY28E



Source: Company, Axis Capital

Disciplined and diverse land acquisition strategy

ABREL commenced its operations with the development of residential project in Kalyan on a factory land owned by group company Century Rayon. Four projects acquired/launched since then till end of FY22 were largely asset-light, barring an outright project in Whitefield, Bengaluru. By FY23, ABREL had already reported a five-fold jump in pre-sales and established itself as a brand with success at its flagship project in Worli but had a thin pipeline of Rs100bn for further scale-up. It needed an aggressive intent to further scale-up the platform.

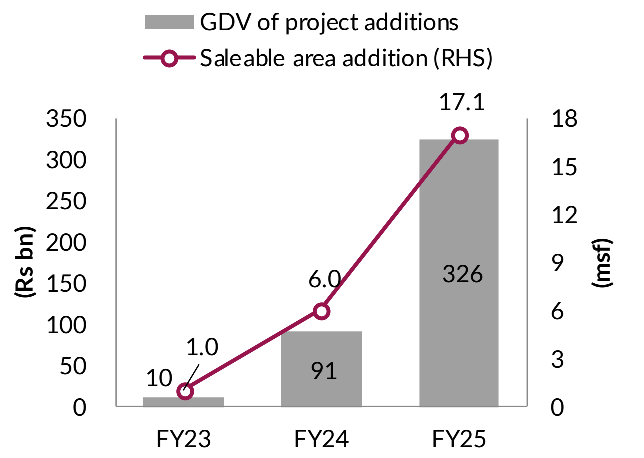
Exhibit 58: While business development scale-up was steep, all the acquisitions were backed by financial discipline; land cost for outright acquisitions averages at just 10% of GDV

Project	Date of acquisition	Launch date	Structure	Ownership	Land size (acres)	Saleable area (mn sq ft)	GDV (Rs bn)	Land cost (Rs bn)	Land cost as % of GDV
Alokya	n.a.	Jul-19	Outright	100%	7.9	0.6	4.0	n.a.	n.a.
Navya	Jun-19	Dec-20	JV	50%	47.0	1.9	23.8	-	n.a.
Tisya	Nov-19	Dec-21	JV	40%	4.7	0.7	6.5	-	n.a.
Trimaya	Mar-22	Sep-23	JV	47%	51.0	3.6	31.5	-	n.a.
Ojasvi	Sep-22	Sep-24	Outright	100%	10.4	1.0	10.2	1.3	13%
Punya	Apr-23	Feb-25	Outright	100%	5.8	1.6	27.3	3.8	14%
Anayu	Apr-23	Sep-24	Outright	100%	0.2	0.1	5.7	1.7	30%
Evara	May-23	Mar-25	JV	51%	28.6	2.9	30.3	3.1	10%
Mathura Road	Jul-23	To be launched	JDA	64%	6.8	1.4	27.7	-	n.a.
Arika	Jun-24	Feb-25	JDA	58%	13.3	2.4	32.4	-	n.a.
Evam	Jun-24	To be launched	JV	56%	16.5	3.1	27.2	3.5	13%
Pravaah	Jul-24	Nov-25	Outright	100%	5.0	1.1	14.1	1.9	13%
Thane	Sep-24	To be launched	JV	56%	24.5	6.4	98.7	6.4	6%
Worli new	Sep-24	To be launched	Outright	100%	10.0	2.6	148.7	11.0	7%
Boisar	Dec-24	To be launched	Outright	100%	70.9	1.5	4.7	1.1	23%
Total					***302.5***	***30.8***	***492.9***	***33.8***	***9%***

Source: Company, Axis Capital

ABREL added nine projects over FY24-25 spread across 182 acres with saleable area potential of 23 mn sq ft. As a result, its total project pipeline increased to over Rs700bn from Rs215bn. The pipeline addition was aggressive yet disciplined. ABREL paid Rs32.5bn to acquire these projects, which has an estimated GDV potential of ~Rs415bn, implying a cumulative land cost of less than 10% and not more than 15% for most of the projects. It was also diverse, as ~15% of the projects by area were JDA. Another 55% of added area was converted into a JV, as ABREL formed a JV with Mitsubishi and IFC for Bengaluru/Pune and Thane projects for 51%:49% and 56%:44% stakes, respectively, for a consideration of Rs9.8bn.

Exhibit 59: Since FY23, ABREL has added GDV of Rs427bn…



Source: Company, Axis Capital

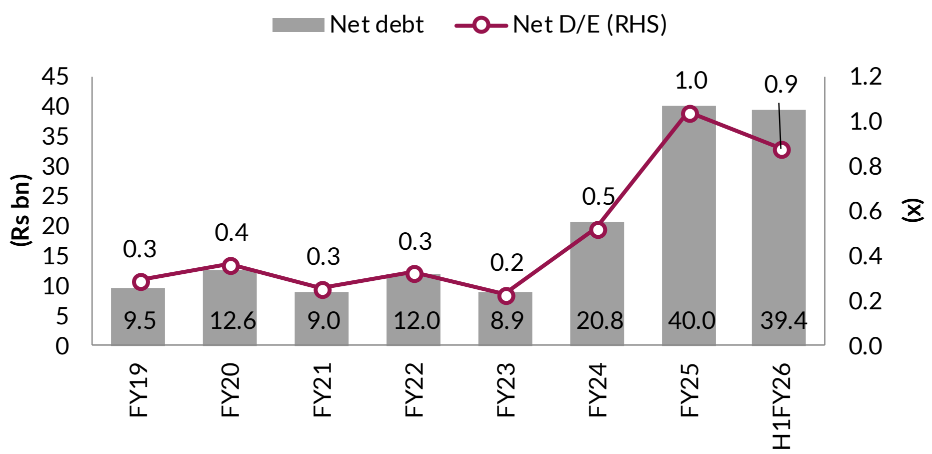
Exhibit 60: …across 11 projects with saleable area of 24 mn sq ft

Projects (Rs bn)	FY23	FY24	FY25
Ojasvi	10		
Punya		27	
Anayu		6	
Evara		30	
Mathura Road		28	
Arika			32
Evam			27
Pravaah			14
Thane			99
Worli new land			149
Boisar			5
Total	***10***	***91***	***326***

Source: Company, Axis Capital

ABREL's management has remained disciplined in terms of maintaining a comfortable leverage position, but it has not shied away from taking aggressive bets when needed. A case in point, for the Worli land, it paid Rs11bn and secured 10 years of pipeline visibility in the same location by just spending 7% of the total GDV potential. This aggression was helped by low leverage position, with net debt-to-equity of 0.26x as of end of FY23, which increased to 0.9x at the end of Sep'25.

Exhibit 61: Healthy balance sheet supports its aggressive business development



Source: Company, Axis Capital

The upcoming launch pipeline looks strong at Rs460bn, but ~70% is concentrated in two locations – Worli and Thane. Thus, the company will continue to focus on business development and aims to add at least Rs100-150bn worth of projects in FY26. Management aims to maintain the similar acquisition discipline going ahead and follow stringent criteria, as follows.

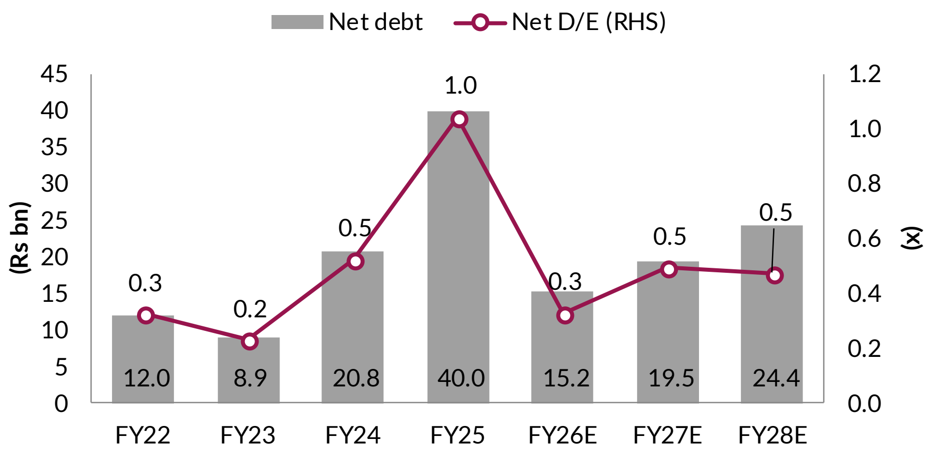
- Land cost of not more than 20%
- 20% + IRR, no specific margin hurdle
- Open for any structure; outright/JDA
- Continue to seek for project partnerships on case-to-case basis
- Do not exceed net debt-to-equity of 1:1

Thus, we expect ABREL to spend Rs13-15bn annually on project additions through FY26-27E and add an estimated GDV of Rs250bn, which will be sufficient to maintain 20% CAGR through FY28E.

Sale of paper business to ITC will lighten the balance sheet

ABREL has announced that it will sell its pulp-and-paper business to ITC for a consideration of Rs35bn. The deal received the CCI nod in Dec'25 and is expected to be concluded by the end of FY26. Once completed, ABREL is expected to receive a post-tax consideration of Rs32-33bn, of which Rs20bn will be spent in retiring existing debt, reducing net debt to Rs22bn from Rs42bn as of end of Sep'25. We expect ABREL to spend Rs13bn on new project acquisition which will largely come from Rs12-13bn surplus from the sale of the paper business. ABREL is expected to generate OCF of Rs7bn which will further reduce debt.

Exhibit 62: Proceeds from sale of paper business to lighten balance sheet by FY26-end and support further business development investments



Source: Company, Axis Capital

Commercial capex can lead to net debt increase but ABREL looking for a capital partner

On the commercial segment, the two operational assets will continue to contribute Rs1.4bn of rental income. ABREL will commence construction on two upcoming commercial assets in Worli in FY27-28. The capex for 1.75 mn sq ft of upcoming office assets is expected at Rs44bn, which if funded with debt, would lead to peak debt of Rs26bn by FY28E. However, ABREL will look to bring in a capital partner at the project SPV level to cap the increase in debt and de-risk the project.

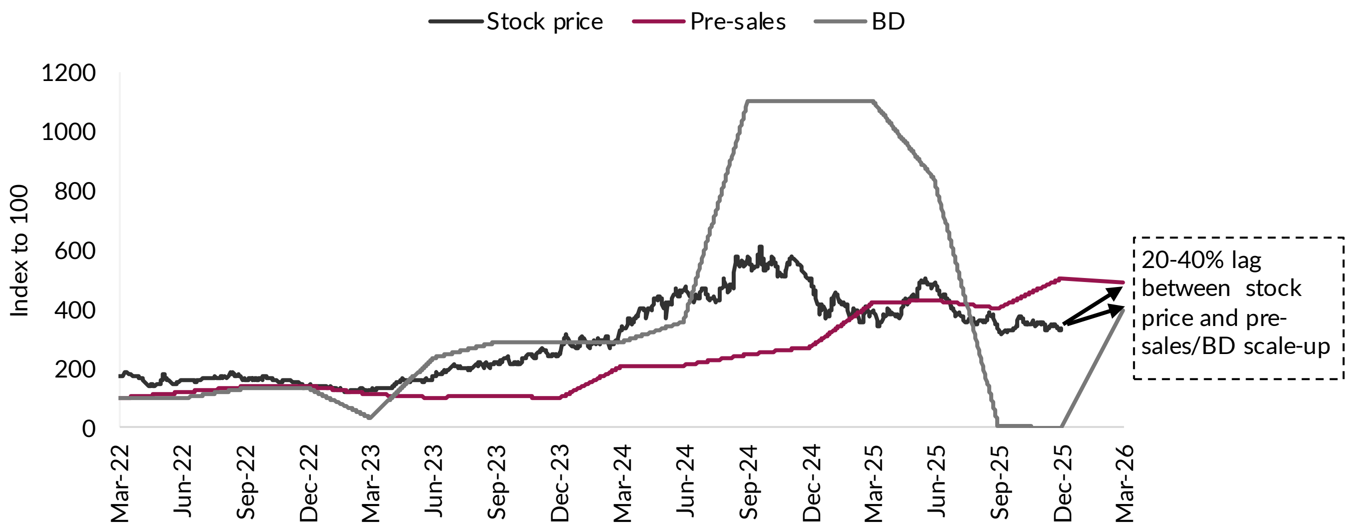
Growth revival & project additions to drive stock performance

ABREL underperformed its peers in FY25 with ~34% negative return, after significantly outperforming in CY23-24. This underperformance was led by near-term growth visibility in the absence of annual guidance and lack of new project additions. We believe the company is on track to deliver on growth in FY26E, given its Rs140bn new launch pipeline, and meet its annual business development guidance. At CMP, it trades at 10-30% discount to its peers, which should narrow on recovery in performance. It also trades closer to the discounted value of its existing pipeline, limiting downside risk and headroom for value creation from commercial segment growth.

Over a one-and-a-half-year period since the beginning of FY24, ABREL's stock delivered about five-fold return on the back of a four-fold jump in project pipeline and a strong two-fold growth guidance in pre-sales in FY25, after doubling its pre-sales in FY24. ABREL's focus on scaling up the real estate business was also quite evident as it discontinued its textile business in Mar'24, and media reports suggested that company is also looking to sell its paper and pulp business.

However, after reaching a high of Rs3,140 in Oct'24, stock corrected 40% until end of FY25 due to concerns around ABREL missing its pre-sales guidance. Eventually ABREL managed to achieve the guidance and stock recovered 20% from Mar'25. YTD, the stock is still down 33%, as the company refrained from giving pre-sales guidance for FY26 and instead chose to give a three-year growth outlook. This raised concerns around near-term growth visibility, and in addition, its H1 performance was not encouraging, with a reported 21% decline in pre-sales and no new project addition.

Exhibit 63: Improvement in pre-sales performance and BD will be key driver for stock performance in near term



Source: Company, Axis Capital

We believe these concerns are overplayed. With a strong Rs140bn of projects slated to be launched in H2FY26, ABREL seems on track to report 15-20% YoY growth. Some of the launches in Q3 have already been successful and are expected to contribute ~40% of H2FY26E required pre-sales. ABREL's presence across four of the Top 7 markets in India and 0.5-3.0% market share in these four markets as of FY25 provide reasonable headroom for growth in the medium term. Timely addition of pipeline is key. ABREL has not added any new project in H1FY26 but remains confident of adding Rs100-150bn worth of projects in H2.

We believe that revival of growth in the residential segment and further growth visibility through project additions will be a key trigger for stock performance.

Arrive at a fair value of Rs2,350 using SoTP

We value ABREL by way of SoTP, using the DCF methodology for the residential segment and the capitalization method for the commercial segment. We value the residential segment at Rs203bn, or Rs1,815/share, of which Rs140bn, or Rs1,250/share, comes from the existing pipeline and the balance is terminal value is arrived at by using a terminal growth rate of 5% applied on FY30E OCF (post land investments).

Of the Rs140bn value from existing pipeline: (1) **ongoing projects** contribute Rs40bn, as we discount Rs120bn of receivables, Rs50bn of inventory net of Rs97bn of pending costs over a period of five years; (2) **future phases of ongoing projects** with GDV potential of Rs110bn add up another Rs23bn; and (3) **upcoming launches** of Rs350bn add up another Rs76bn of value, as we discount the cashflows over 10-12 years.

Commercial segment – We value the commercial segment at Rs49bn, or Rs 440/share, with (1) operational assets valued at Rs16bn for its Rs1.3bn EBITDA potential in FY28E, and (2) upcoming commercial assets valued at Rs33bn, as we discount Rs10bn EBITDA potential in FY34-35E back to FY28E and deduct the capex.

Exhibit 64: We initiate coverage on ABREL with a BUY rating and an SoTP-based TP of Rs2,350

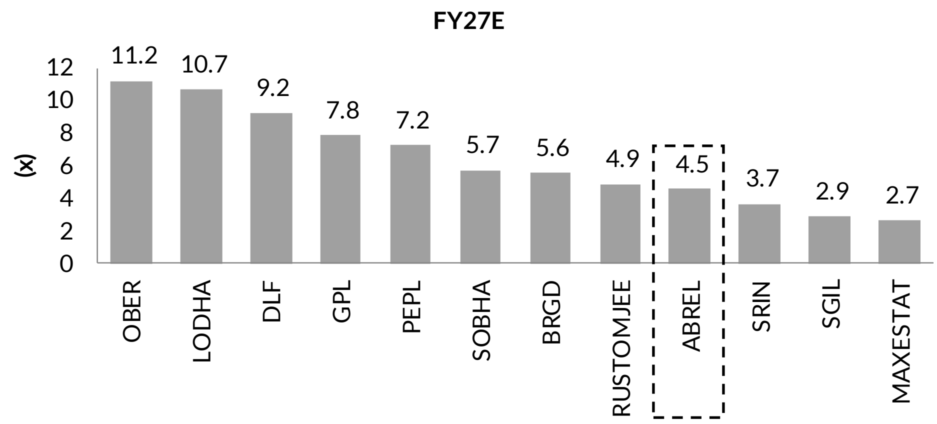
Particulars	Description	Rs bn	Rs/share	% of NAV
Residential projects		**224**	**2,010**	**86%**
- Ongoing	Net post tax cash flows of Rs85bn discounted over 6-8 years at a WACC of 10.7%	63	566	24%
- Upcoming	Pipeline of ~16msf, with a GDV of ~Rs 470bn expected to generate net post tax surplus of Rs160bn, discounted over 10-12 years at a WACC of 10.7%	76	684	29%
- Terminal growth	Derived by assuming 5% terminal growth on FY30E cash flows of Rs16bn post land investment	85	760	32%
Commercial projects		**53**	**476**	**20%**
- Ongoing	Two assets with GLA of ~0.6msf expected to generate EBITDA of Rs 1.3bn in FY28E, valued at 8% cap rate	16	146	6%
- Upcoming	Two assets with GLA of ~1.8msf, expected stabilized EBITDA of Rs 10bn, discounted to FY28 and valued at 8% cap rate	37	329	14%
GAV		**278**	**2,485**	**106%**
Net (debt)/cash	FY26E Net debt	-15	-136	-6%
NAV		**262**	**2,350**	**100%**
CMP		**184**	**1,668**	
Upside			**41%**	

Source: Company, Axis Capital

On a relative basis, ABREL trades at 4.5x EV/EBITDA on FY27E pre-sales, while its comparable peers with multi-market presence and similar margin profiles, such as PEPL, GPL, Brigade, and Sobha, trade at 5x-7x EV/EBITDA.

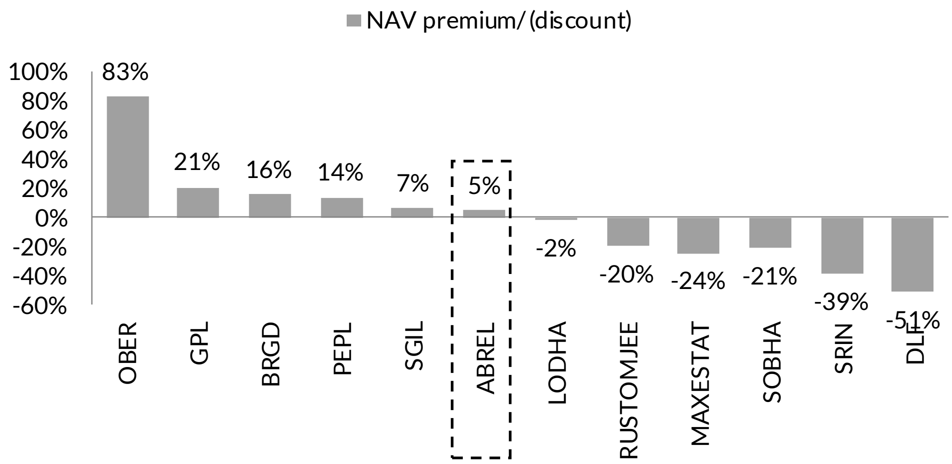
At CMP, ABREL trades at 5% premium to the value of its existing residential and commercial pipeline which is at a discount to its comparable peers which trade at 5-15% premium. The lower premium also implies a limited going concern value and downside risk.

Exhibit 65: A snapshot of imputed EV/EBITDA multiple across peers



Source: Company, Axis Capital

Exhibit 66: Peer comparison of NAV premium/(discount), ABREL trades near its NAV



Source: Company, Axis Capital

About the company

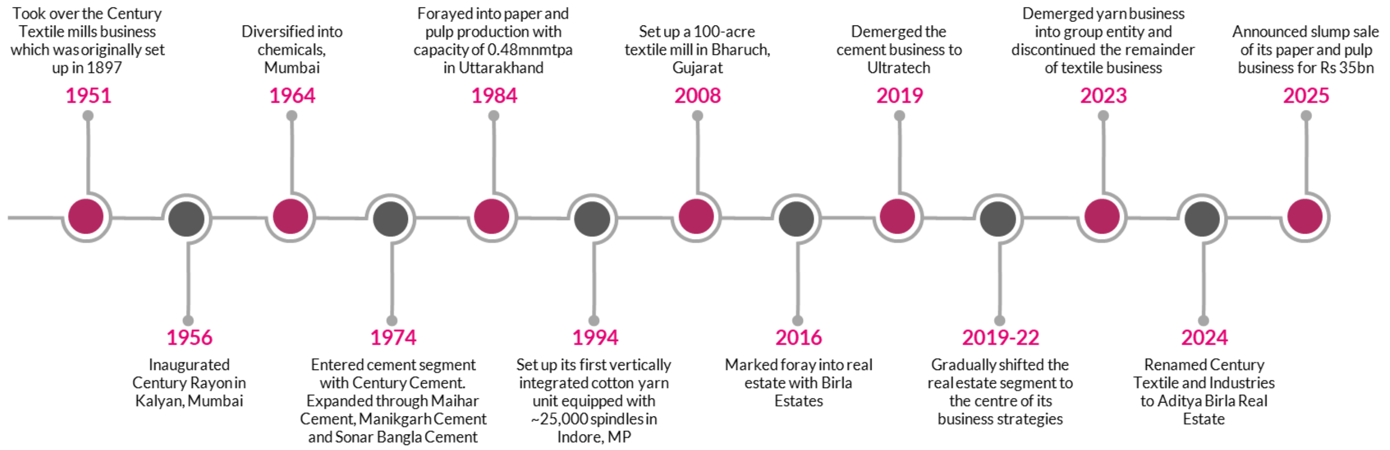
Over its 125 years of legacy, Aditya Birla Real estate (formerly Century Textiles and Industries) forayed into multiple businesses such as textiles, chemicals, cement, paper and pulp, and eventually real estate (ABREL – erstwhile Century Textiles and Industries). Over the years, the Group restructured its chemicals and cement businesses under separate umbrellas to focus on becoming a Top 3 player in those segments. It also discontinued the textiles business and recently sold the paper business and aims to be in the Top 3-5 in India's real estate space. ABREL's experienced management team is headed by Mr Kumar Mangalalm Birla, overseeing operations as chairman of the board.

With over 125 years of legacy, Aditya Birla Real estate (formerly Century Textiles and Industries), a part of Aditya Birla Group forayed into real estate in CY16 under the brand Birla Estates, which was then a wholly owned subsidiary of Century Textiles and Industries Limited (CTIL). The operation during the initial years was limited to leasing and managing the two legacy assets of CTIL, Birla Aurora and Birla Centurion. In CY19, the company forayed into core real estate development when it launched an affordable project in Kalyan (MMR), Birla Vanya, on land which was already owned by the company and was non-yielding. It also shortly added a new project in Bengaluru, Birla Alokya, and launched it in the same year. The inflection point for the company was when Birla Estates launched its flagship luxury project in Worli, Birla Niyaara, on the mill land owned by the company. The project, with a total sales potential of Rs290bn, has become the anchor for the company's growth since its launch in FY22. On the back of Birla Niyaara, the company scaled its pre-sales from Rs6.2bn in FY21 to Rs40bn in FY24. Utilizing the credentials as well as cashflows from the sales at Niyaara and leveraging the group's corporate relationships, it significantly scaled business development activities from FY22 onwards and launched 7.4 mn sq ft in FY25. Consequently, pre-sales doubled to Rs81bn in FY25.

In the background, the company restructured its business in line with the shift in its strategic focus towards the real estate business. It demerged its specialty yarn manufacturing business into a group entity and discontinued the remainder of its textile business in CY23. In Sep'24, it renamed the business from CTIL to Aditya Birla Real Estate. However, it continued its paper and pulp business under ABREL until very recently. In Mar'25, ABREL announced a slump sale of its paper and pulp segment to ITC Ltd for an EV of Rs35bn. The transaction is expected to conclude by FY26-end. Post the transfer, ABREL will be a pure-play real estate developer.

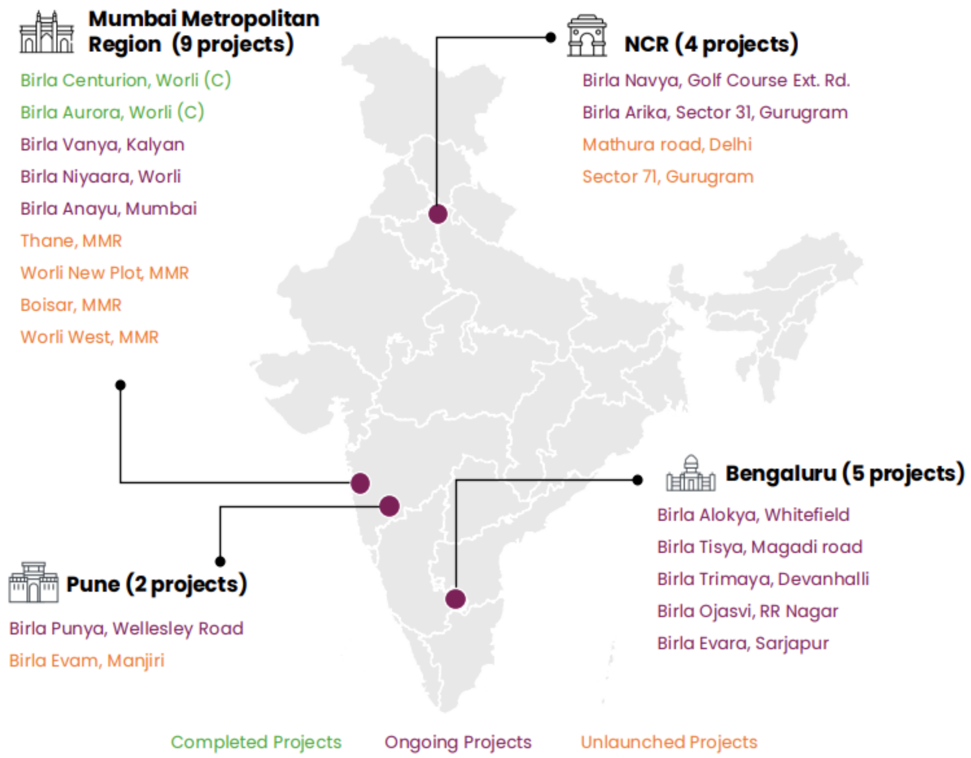
As of Sep'25-end, in the residential segment, ABREL had 11 ongoing projects with a saleable area of 14 mn sq ft and inventory of 3.6 mn sq ft worth ~Rs60bn. Its pipeline includes another six new projects with area of 13.9 mn sq ft worth ~Rs350bn and unlaunched area of 10.4 mn sq ft in existing projects worth ~Rs98bn.

Exhibit 67: With heritage of over a century, ABREL has navigated across multiple segment but is now entirely focused on real estate



Source: Company, Axis Capital

Exhibit 68: An overview of ABREL's ongoing and upcoming projects



Source: Company

Exhibit 69: A diverse board with vast experience

Name	Designation	Remarks
Shri. Kumar Mangalam Birla	Chairman	He is a Chartered Accountant and holds an MBA degree from the London Business School. Mr Birla chairs the Boards of all major Group companies in India and globally. In the 28 years at the helm of the Group, he has accelerated growth, built meritocracy and enhanced stakeholder value. In the process he has raised the Group's turnover by well over 30x to US$65bn.
Smt. Rajashree Birla	Non-executive non-independent Director	Mrs Birla oversees the Group's social and welfare driven work across its companies. She is the Chairperson of the FICCI – Aditya Birla CSR Centre for Excellence, Habitat for Humanity (India) and is on the Board of the Asia Pacific Committee as well as Habitat's Global Committee.
Ms. Preeti Vyas	Independent Director	As a thought leader, she has curated a program called Designomics for Bloomberg and has been on the advisory councils of ISDI Parsons School of Design, MIT School of Design, member of the India Design Council and the governing council of National Institute of Design (NID), Amravati. She also serves as an Independent Director on the Board of Aditya Birla Fashion and Retail Limited and TCNS Clothing Company Limited and as a Non-Executive Director on the Board of Birla Estates Private Limited.
Mr. Sunirmal Talukdar	Independent Director	He has over three decades of rich experience in the areas of strategic and tactical planning, M&A, Corporate Governance, Project Evaluation and Financing, Equity and Debt Syndication, Taxation, Organizational Restructuring, etc. He retired as Group Executive President and CFO of Hindalco Industries in 2012. He is a CA from ICAI.
Mr. Pramod Kabra	Independent Director	A Chartered Accountant, he is currently an advisor to a private equity firm – True North. Prior to this, he worked in various senior positions in Hindustan Lever Ltd. and Unilever PLC. He was on the global category board of Unilever's home care business (London), head of treasury for Asia and Africa (Singapore), and head of purchasing for Hindustan Lever (Mumbai).
Mrs. Sukanya Kripalu	Independent Director	Alumnus of IIM Calcutta, she is a consultant in the fields of marketing, strategy, advertising and market research. Her experience includes working with leading companies such as Nestle India and Cadbury India. She was also the CEO of Quadra Advisory, a WPP PLC group Company. Presently on the Board of various companies like CEAT, Entertainment Network (India) Limited (Radio Mirchi), Colgate-Palmolive (India) Limited and Hindalco Industries.

Source: Company, Axis Capital

Exhibit 70: A strong management with robust track record

Name	Designation	Remarks
Mr. K.T. Jithendran	MD & CEO - Birla Estates Pvt Ltd	He has played a pivotal role in driving the company's vision of transforming the real estate sector. Before Birla Estates, he was Executive Director of Godrej Properties (GPL). He is a Civil Engineer from the IIT Kharagpur and completed his PGDM from IIM Calcutta. He has a rich experience of over 32 years.
Mr. Rajendra K. Dalmia	Managing Director	A Chartered Accountant, Mr. Dalmia has been with the Birla Group for over four decades. Started in 1978 as Vice-President at the Technological Institute of Textiles and Sciences, Haryana, transferred to CTIL, Mumbai in 1985, achieved the position of President/CEO in 1999, and ascended to Managing Director in Jul'22. He is responsible for the overall direction of the company.
Mr Keyur Shah	CFO	With over three decades of work experience in consulting, private equity, mergers and acquisitions, financial services and real estate space, he has substantial experience in investments, finance, treasury, fund raising in private and public market space with a global network of relationships. Prior to ABRE, he has spent over 18 years at HDFC Property Ventures and risen through ranks to become the MD & CEO. He is a CA from ICAI.

Source: Company, Axis Capital

Financial Summary Consolidated

Profit & Loss (Rs mn)

Y/E March	2024	2025	2026E	2027E	2028E
Net sales	11,006	12,189	16,216	3,068	58,481
Other operating income	-	-	-	-	-
Total operating income	**11,006**	**12,189**	**16,216**	**3,068**	**58,481**
Cost of goods sold	(5,071)	(7,420)	(7,615)	(395)	(27,511)
Gross profit	5,935	4,769	8,601	2,673	30,971
Gross margin (%)	54	39	53	87	53
Total operating expenses	(3,508)	(4,473)	(7,694)	(9,983)	(13,131)
EBITDA	**2,427**	**296**	**907**	**(7,310)**	**17,840**
EBITDA margin (%)	22	2	6	(238)	31
Depreciation	(590)	(638)	(670)	(699)	(729)
EBIT	**1,837**	**(342)**	**237**	**(8,008)**	**17,111**
Net interest	(299)	(458)	(1,274)	(1,294)	(1,391)
Other income	481	385	404	424	445
Profit before tax	**2,020**	**(415)**	**(633)**	**(8,879)**	**16,165**
Total taxation	(513)	303	159	2,235	(4,069)
Tax rate (%)	25	73	25	25	25
Profit after tax	1,507	(112)	(474)	(6,644)	12,096
Minorities	0	0	0	0	0
Profit/ Loss associate co(s)	(224)	(135)	0	0	0
Adjusted net profit	1,283	(248)	(474)	(6,644)	12,096
Adj. PAT margin (%)	12	(2)	(3)	(217)	21
Net non-recurring items	0	(1,240)	0	0	0

Balance Sheet (Rs mn)

Y/E March	2024	2025	2026E	2027E	2028E
Paid-up capital	1,117	1,117	1,117	1,117	1,117
Reserves & surplus	38,674	37,286	45,106	38,462	50,558
Net worth	39,791	38,403	46,223	39,579	51,675
Borrowing	25,017	49,965	49,965	51,558	57,548
Other non-current liabilities	5,285	4,694	4,879	5,075	5,283
Total liabilities	**1,05,102**	**1,60,190**	**1,88,682**	**2,40,908**	**2,73,315**
Gross fixed assets	78,174	29,991	31,482	32,827	34,232
Less: Depreciation	(41,206)	(15,826)	(16,816)	(17,851)	(18,932)
Net fixed assets	36,968	14,165	14,666	14,976	15,299
Add: Capital WIP	952	473	473	2,065	8,055
Total fixed assets	37,920	14,637	15,138	17,041	23,355
Total Investment	6,917	10,848	10,848	10,848	10,848
Inventory	47,258	89,434	1,08,331	1,41,728	1,41,595
Debtors	1,656	1,047	1,256	1,507	1,733
Cash & bank	4,015	10,006	42,215	57,357	81,950
Loans & advances	21	24	28	34	39
Current liabilities	33,737	66,149	86,635	1,43,717	1,57,830
Net current assets	23,140	40,159	72,152	65,258	77,088
Other non-current assets	2,440	25,850	1,362	1,498	1,648
Total assets	**1,05,102**	**1,60,190**	**1,88,682**	**2,40,908**	**2,73,315**

Source: Company, Axis Capital

Cash Flow (Rs mn)

Y/E March	2024	2025	2026E	2027E	2028E
Profit before tax	2,020	(415)	(633)	(8,879)	16,165
Depreciation & Amortisation	(590)	(638)	(670)	(699)	(729)
Chg in working capital	(9,851)	(10,916)	277	22,096	12,820
Cash flow from operations	**(8,438)**	**(11,283)**	**1,747**	**17,446**	**27,036**
Capital expenditure	2,911	22,645	(1,171)	(2,601)	(7,043)
Cash flow from investing	**(1,952)**	**18,706**	**(1,171)**	**(2,601)**	**(7,043)**
Equity raised/ (repaid)	(359)	(1,141)	8,294	0	0
Debt raised/ (repaid)	14,424	24,949	0	1,593	5,990
Dividend paid	0	0	0	0	0
Cash flow from financing	**12,894**	**(1,432)**	**31,632**	**298**	**4,599**
Net chg in cash	2,504	5,991	32,209	15,143	24,593

Key Ratios

Y/E March	2024	2025	2026E	2027E	2028E
OPERATIONAL					
FDEPS (Rs)	11.5	(2.2)	(4.2)	(59.5)	108.3
CEPS (Rs)	16.8	(7.6)	1.8	(53.2)	114.8
DPS (Rs)	2.0	2.0	2.0	2.0	0.0
Dividend payout ratio (%)	0.0	0.0	0.0	0.0	0.0
GROWTH					
Net sales (%)	(71.3)	10.7	33.0	(81.1)	1,805.9
EBITDA (%)	(57.3)	(87.8)	206.6	(906.1)	(344.1)
Adj net profit (%)	(31.9)	(119.3)	91.3	1,301.8	(282.1)
FDEPS (%)	(31.9)	(119.3)	91.3	1,301.8	(282.1)
PERFORMANCE					
RoE (%)	3.3	(0.6)	(1.1)	(15.5)	26.5
RoCE (%)	3.6	0.1	0.7	(7.6)	16.5
EFFICIENCY					
Asset turnover (x)	-	-	-	-	-
Sales/ total assets (x)	0.1	0.1	0.1	0.0	0.2
Working capital/ sales (x)	1.3	2.0	1.9	6.2	0.0
Receivable days	54.9	31.3	28.3	179.3	10.8
Inventory days	2,010.7	2,744.8	2,582.9	4,984.6	1,271.7
Payable days	318.4	253.9	314.7	824.6	255.6
FINANCIAL STABILITY					
Total debt/ equity (x)	0.6	1.3	1.2	1.2	1.2
Net debt/ equity (x)	0.4	0.9	0.1	(0.2)	(0.6)
Current ratio (x)	1.7	1.6	1.8	1.5	1.5
Interest cover (x)	6.2	(0.7)	0.2	(6.2)	12.3
VALUATION					
PE (x)	145.3	(751.8)	(393.1)	(28.0)	15.4
EV/ EBITDA (x)	84.2	751.0	209.4	(24.1)	8.8
EV/ Net sales (x)	0.0	0.0	0.0	0.0	0.0
PB (x)	4.7	4.9	4.0	4.7	3.6
Dividend yield (%)	0.1	0.1	0.1	0.1	0.0
Free cash flow yield (%)	(3.0)	6.1	0.3	8.0	10.8

RATINGS & DEFINITIONS

FUNDAMENTAL RESEARCH		ALTERNATIVE RESEARCH	
BUY	We expect this stock to deliver more than 15% returns over the next 12 months.	**TACTICAL LONG**	We expect this stock to deliver >10% returns over the next 45 days.
ADD	We expect this stock to deliver 5-15% returns over the next 12 months.	**TACTICAL SHORT**	We expect this stock to deliver <-10% returns over the next 45 days.
REDUCE	We expect this stock to deliver 5% to -10% returns over the next 12 months.	**RELATIVE LONG**	We expect this stock to outperform the benchmark/stock (specified in this report) by 10% or more over the next 45 days.
SELL	We expect this stock to deliver <-10% returns over the next 12 months.	**RELATIVE SHORT**	We expect this stock to underperform the benchmark/stock (specified in this report) by 10% or more over the next 45 days.

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