

Date – 19 May 2025

Rec Price: 1423

Finkhoz Rating: 8.9/10

Guidance : Accumulate

About the company:

Macrotech Developers Ltd (MDL) is one of India’s leading real estate players with a strong focus on affordable and mid-income housing. Established in the 1980s, the company operates primarily in the Mumbai Metropolitan Region (MMR), Pune, and entered the Bengaluru market in Nov’23. It has developed over 85 msf (Million Square Feet) and is currently developing ~95 msf across 40 ongoing and 30 planned projects. MDL also has a growing presence in logistics, industrial parks, and commercial real estate. The company follows an integrated business model, managing the entire value chain in-house to ensure timely delivery and strong returns. With a robust sales and distribution network targeting both Indian and NRI customers, MDL holds a market share of ~10% in MMR, 5% in Pune, and 2% in Bengaluru, aiming for 15% in Bengaluru over the medium term. Its land reserves exceed 600 msf, the largest in India. MDL reported record pre-sales of INR 17,600 Cr in FY25.

Company Outlook:

**Presales Target-** For FY26, Macrotech Developers targets presales of INR 21,000 Cr, reflecting a 20% growth over FY25 presales of INR 17,600 Cr. The strategy includes a 6% increase each in walk-ins and pricing, along with a 6–7% improvement in conversion rates. The company expects to maintain healthy underlying EBITDA margins of ~33% on these presales. Operating cash flow is projected at over INR 7,500 Cr in FY26, a strong recovery from INR 6,600 Cr in FY25.

**Gross Development Value (GDV)-** In FY25, Macrotech Developers added 10 new projects with a total Gross Development Value (GDV) of INR 23,700 Cr, exceeding its full-year guidance of INR 21,000 Cr. In Q4FY25 alone, the company added 2 projects with a GDV of INR 4,300 Cr. For FY26, it has guided for a GDV addition of INR 25,000 Cr.

**Annuity Business-** Macrotech Developers is actively expanding its annuity business with a focus on digital infrastructure, including warehousing and industrial spaces. The company has leased substantial space and acquired land in key regions like NCR and Chennai. Annuity income run rate is expected to grow from INR 250 Cr in FY25 to nearly INR 400 Cr by FY26, with a long-term target of INR 15 billion by FY31.

Expansion:

**Bangalore’s Expansion-** MDL has successfully completed the pilot phase in Bengaluru and entered the growth phase, adding three new projects with a GDV of INR 6,600 Cr. Bengaluru currently contributes 2–3% of total sales, with a long-term target of reaching 15% over the next decade. As part of its expansion strategy, the company plans to initiate a pilot phase in another city in FY26.

**Township Projects (Palava & Upper Thane)-** Macrotech Developers is strategically shifting its township projects in Palava and Upper Thane from lower mid-income to mid-income and premium housing. This move is backed by upcoming infrastructure developments such as new freeways, airports, and transit systems. The company targets INR 8,000 Cr in sales from these townships by the end of the decade, with expected EBITDA margins nearing 50%.

Expert View:

Macrotech Developers is well-positioned for long-term growth, backed by a strong project pipeline, expanding presence in Bengaluru, and focus on mid-to-premium housing. With robust land reserves, a presales target of INR 21,000 Cr for FY26, and rising annuity income, the company is poised to deliver strong cash flows and margin expansion through disciplined execution and strategic asset mix.

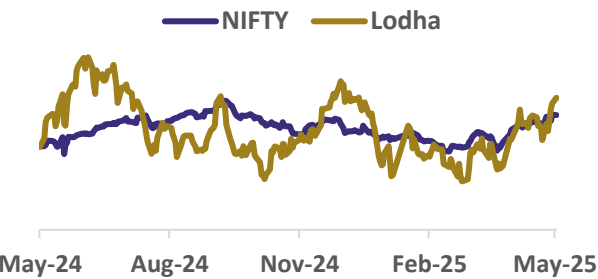
Company Data

|                             |                   |
|-----------------------------|-------------------|
| Market cap (INR crs)        | : 1,39,180 (₹)    |
| Segment                     | : Realty          |
| 52 Weeks H/L                | : 1650 / 1035 (₹) |
| Institutional Change(%)     | : - 0.08%         |
| Inst. Holding (till Mar-25) | : 27.01%          |
| Annual Upside               | : 35.36%          |

Debt Metrics

|                   |         |
|-------------------|---------|
| Debt to Equity    | : 0.35x |
| Interest Coverage | : 7.47x |

| Absolute Returns          | Lodha   | Nifty  |
|---------------------------|---------|--------|
| 1 Year                    | 16.67%  | 11.83% |
| 3 Years                   | 197.80% | 18.02% |
| Since Listed - April 2021 | 424.82% | 7.21%  |



Financial Performance

|                              |           |
|------------------------------|-----------|
| Sales 5 Yr CAGR (%)          | : 26.00%  |
| PAT 5 Yr CAGR (%)            | : 125.00% |
| Latest Qty Sales Growth YoY  | : 5.12%   |
| Latest Qty Profit Growth YoY | : 38.50%  |
| Operating Margin             | : 29.00%  |

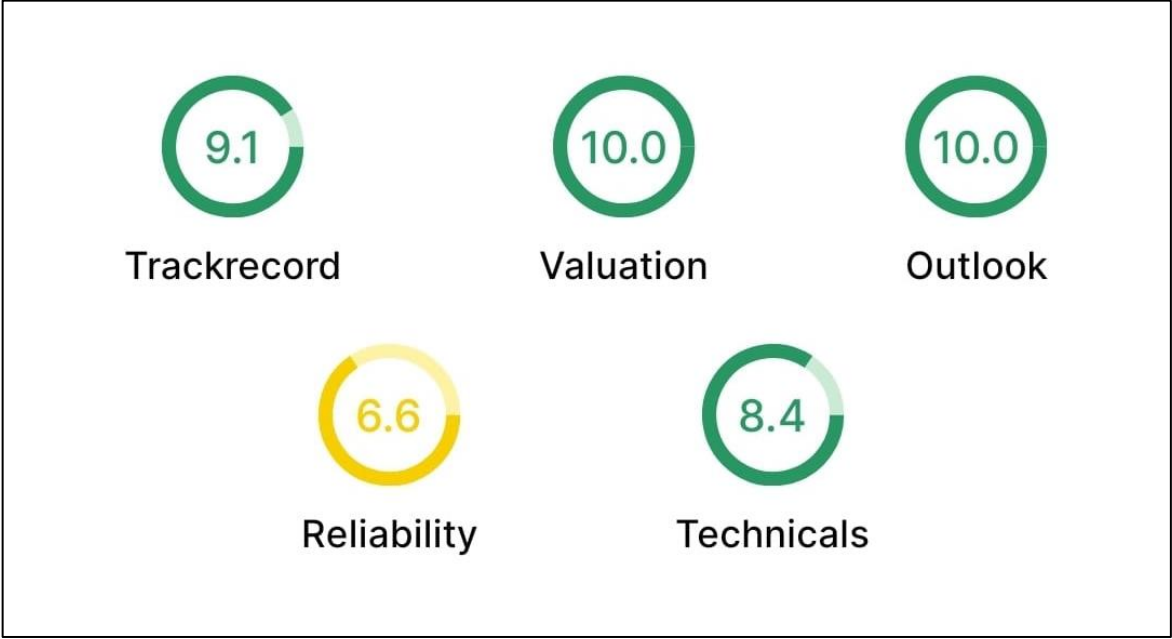
Valuation Metrics

|             |            |
|-------------|------------|
| Stock PE    | : 49.49x   |
| Historic PE | : 69.99x   |
| Segment PE  | : 55.81x   |
| EPS (INR)   | : 27.7 (₹) |

Consensus Estimates

| IN INR Cr         | FY25   | FY26E  | FY27E  |
|-------------------|--------|--------|--------|
| Revenue           | 13,780 | 16,705 | 17,170 |
| YOY Growth %      | 34%    | 21%    | 3%     |
| EBITDA            | 3,987  | 4,713  | 5,052  |
| EBITDA Margin (%) | 29%    | 28%    | 29%    |
| PAT               | 2767   | 3,205  | 3,433  |
| YOY Growth %      | 78%    | 16%    | 7%     |
| EPS (IN INR)      | 27.70  | 32.80  | 35.10  |

Exhibit 1: Finkhoz’s Evaluation out of 10

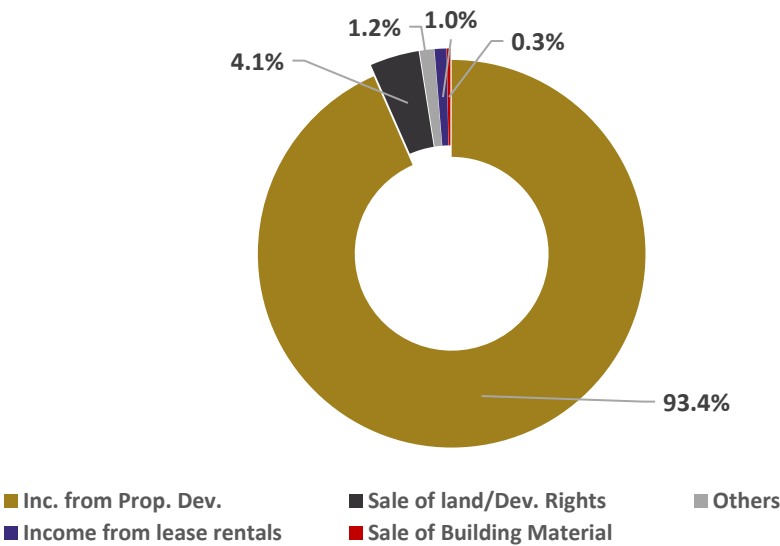


Analysis

|              |         |
|--------------|---------|
| Track record | Healthy |
| Valuation    | Robust  |
| Outlook      | Robust  |
| Reliability  | Average |
| Technical    | Strong  |

As per the Finkhoz Rating, the stock shows strong potential with a perfect Outlook score of 10.0, backed by a solid Track Record (9.1) and Technicals (8.4), indicating strong momentum and investor interest. The Valuation score of 10.0 suggests it’s potentially priced, while the Reliability score of 6.6 indicates average consistency or predictability. Overall, the fundamentals remain solid, making it a favorable candidate for long-term accumulation.

Exhibit 2: Product wise revenue mix



Q4 FY25 Result Update:

In Q4 FY25, Macrotech Developers achieved record quarterly presales of INR 4,810 Cr—the fifth straight quarter of over INR 4,000 Cr, reflecting strong consistency. Notably, 70% of FY25 sales came from existing projects, underscoring strong inventory monetization. Sales conversion rate improved to 8% (vs. 6.5% three years ago), with average ticket size rising to INR 2.3 Cr (vs. INR 1.7 Cr in FY24). Embedded EBITDA margin for FY25 stood at ~33%, beating its 30% guidance, despite higher investments in BD and annuity assets. Cost of funds declined to 8.7%, while net debt further reduced. The company also saw a 4% price increase in like-to-like projects, slightly below the 5–6% guidance due to macro headwinds.

Performance was driven by a diversified project mix, sharp sales execution, and ongoing real estate consolidation favoring top-tier players.

Exhibit 3: Revenue trend (In ₹ Cr.)

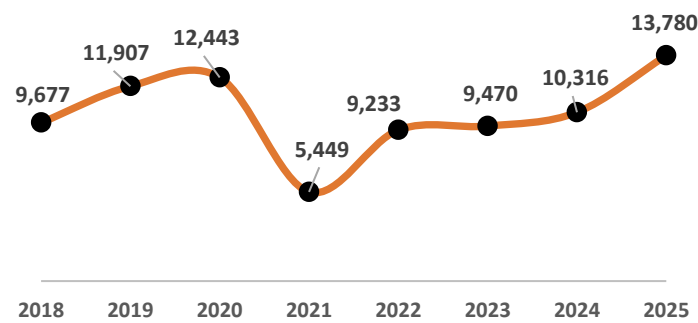


Exhibit 4: QoQ Revenue trend (In ₹ Cr.)

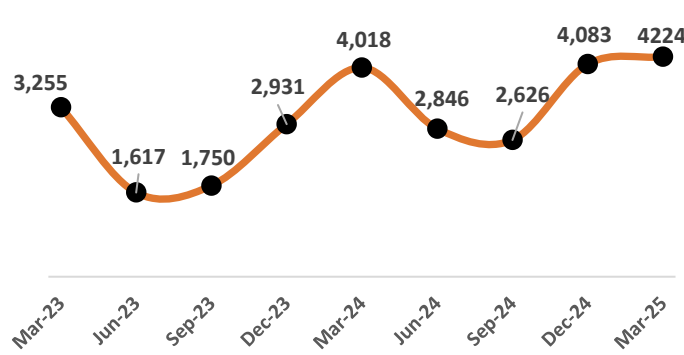


Exhibit 5: Net profit trend (In ₹ Cr.)

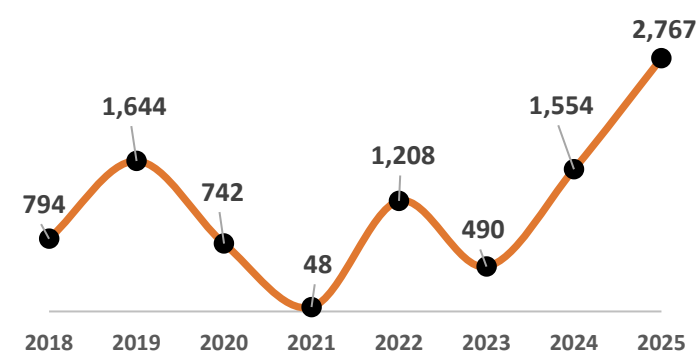


Exhibit 6: QoQ Net profit trend (In ₹ Cr.)

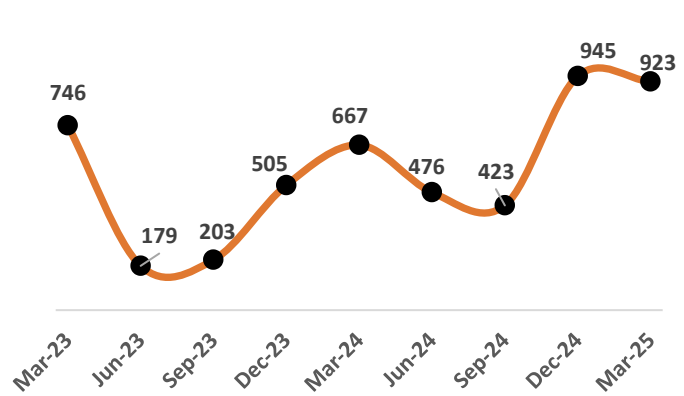


Exhibit 7: EBITDA Margin Trend (%)

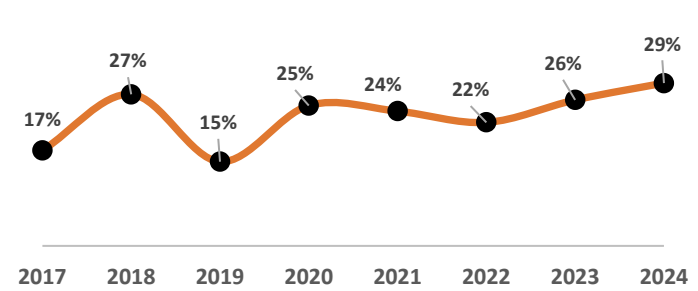


Exhibit 8: QoQ EBITDA Trend (in ₹ Cr.)

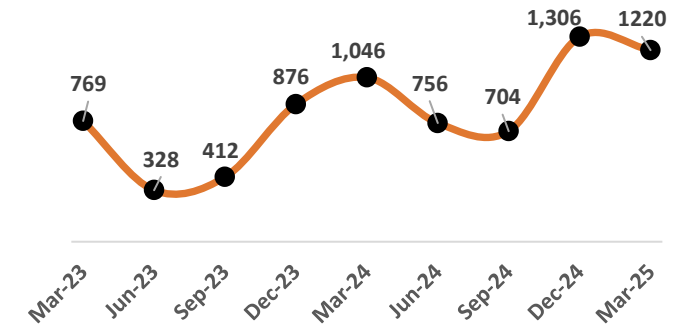
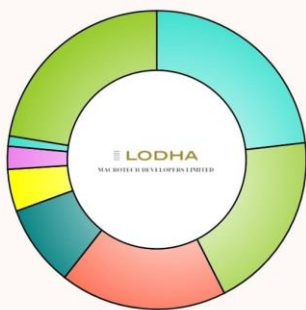


Exhibit 9: Shareholding Pattern



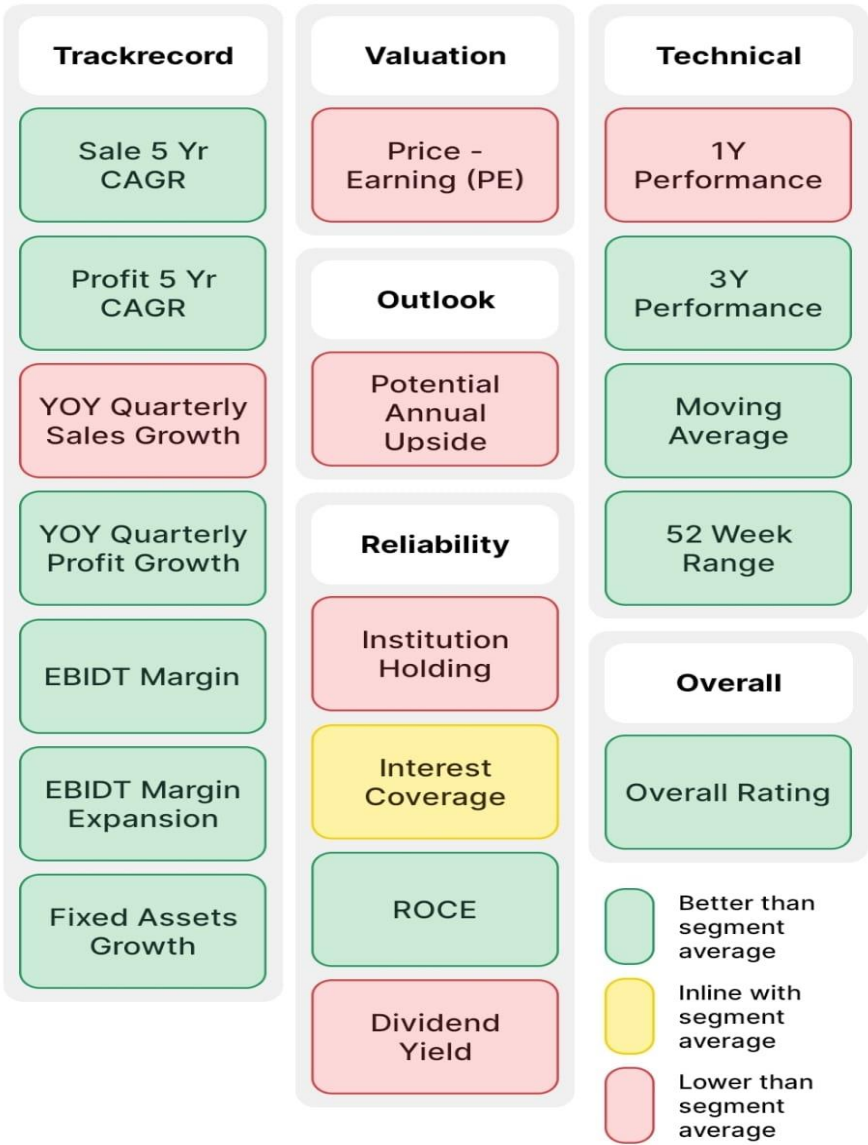
Share Holding Pattern as on Mar 2025

Institutional holding decreased by -0.08% over previous quarter

Exhibit 10: Share-holders with > 1%

| MORE THAN 1%  | % STAKE HOLDING |
|---|-----------------|
| Sambhavnath Trust (through Its Trustees Abhishek Lodha And Vinti Lodha) | 23.15%          |
| Hightown Constructions Private Limited                                  | 19.39%          |
| Lodha Philanthropy Foundation   | 18.04%          |
| Sambhavnath Infrabuild And Farms Private Limited                        | 8.86%           |
| New World Fund Inc  | 4.56%           |

Exhibit 11: Performance compared to peers in the segment



Top Peer Comparison: Performance & Valuation

| Name                 | Market Cap (Rs. Cr.) | P/E (TTM) | EV/EBITDA (TTM) | ROCE (%) | ROE (%) | Sales 5Yr CAGR (%) | OP Growth TTM (%) | NP Growth TTM (%) |
|----------------------|----------------------|-----------|-----------------|----------|---------|--------------------|-------------------|-------------------|
| Macrotech Developers | 139,180              | 49        | 33              | 16       | 14      | 26                 | 49%               | 87%               |
| DLF                  | 177,975              | 47        | 63              | 6        | 7       | 7                  | -21%              | 61%               |
| Godrej Properties    | 65,941               | 47        | 37              | 7        | 10      | 59                 | -39%              | -20%              |
| Oberoi Realty        | 61,790               | 27        | 19              | 18       | 15      | 26                 | 68%               | 71%               |
| Prestige Estates     | 61,667               | 106       | 21              | 15       | 13      | 3                  | 61%               | -80%              |
| Median               |                      | 47        | 33              | 15       | 13      | 26                 | 49%               | 61%               |

**Note:** The data in this table represents developments till Dec-24 (Q3FY25).

Macrotech Developers outperforms peers with strong growth and profitability metrics. It delivered 49% YoY operating profit growth and 87% net profit growth—among the best in the sector. With ROCE at 16% and ROE at 14%, it stands above the median. Its 5-year sales CAGR of 26% is solid, matching Oberoi and ahead of DLF and Prestige. Despite a higher EV/EBITDA (33), its performance justifies the premium valuation.

**Disclaimer :** This research report is purely for learning and educational insights.

This information / document does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. The information contained herein is obtained from Finkhoz.com or publicly available data or other sources believed to be reliable and the author has not independently verified the accuracy and completeness of said data and hence it should not be relied upon as such.

The Author is a SEBI Registered Investment Analyst. This document is prepared as a part of an educational purpose. Investment in the securities market are subject to market risks, read all the related documents carefully before investing. The securities quoted are for illustration only and are not recommendary. It is requested you that please consult with SEBI registered analyst before making any investment decision based on the based on this report and the author of this report shall not be responsible for any gain or losses arising from investment in the company based on this report.

This report has been prepared by the research team led by –

- Arpit Goel, Research Head Finkhoz Robo Advisory
- Subir Saha (Senior Research Analyst)
- Ashish Kumar Singh (Research Analyst)
- Tanishque Pathak (Research Trainee)

Arpit Goel,  
INA100014055,  
Sebi Reg. Investment Advisor



Website: <https://finkhoz.com/>