

Reco/View: **POSITIVE**

CMP: **Rs. 971**

Price Target: **Rs. 1,400**

**VIEWPOINT**

Result Update - Q3FY2026

**SECTOR**

Real Estate

**COMPANY DETAILS**

Market cap:	Rs. 94,829 cr
52-week high/low:	Rs. 1,534/864
NSE volume: (No of shares)	13.02 lakh
BSE code:	543287
NSE code:	LODHA
Free float: (No of shares)	28.1 cr

Source: NSE, BSE, Mirae Asset Sharekhan Research

**SHAREHOLDING (%)**

Promoters	71.9
FII	23.5
DII	3.2
Others	1.5

Source: NSE, BSE, Mirae Asset Sharekhan Research

**PRICE CHART**


Source: NSE, BSE, Mirae Asset Sharekhan Research

**PRICE PERFORMANCE**

(%)	1m	3m	6m	12m
Absolute	-10.1	-20.7	-23.6	-16.2
Relative to Sensex	-7.6	-19.0	-25.5	-24.1

Source: Mirae Asset Sharekhan Research, Bloomberg

**Quick Snapshot**

- Revenue rose 14% y-o-y to Rs. 4,673 crore (8% above estimates); EBITDA grew 8.4% to Rs. 1,415 crore (11.4% above expectations).
- Pre-sales hit Rs. 5,620 crore (+24.6% y-o-y), reaching 70% of the Rs. 21,000 crore FY26 target. Collections fell 17% to Rs. 3,560 crore.
- Company added 11 projects (GDV Rs. 58,800 crore), exceeding annual guidance by 2.35x.
- We maintain a "Positive" view with a revised PT of Rs. 1,400, on strong pipelines and demand.

**Result overview**

- Projects/phases worth Rs. 9,600 crore (1.9 msf) launched in Q3FY26 Rs. 12,820 crore (7 msf) of projects eyed in Q4FY26.
- Collections declined y-o-y due to a high base and temporary construction delays caused by environmental clearance issues. Management noted that construction activity has re-accelerated since mid-November, and collections are expected to recover over the next 12 months.
- Pricing grew ~4% YTD, with management reiterating 5–6% price growth for FY26. Disciplined pricing strategy maintained, with price hikes below wage growth to preserve affordability and sustain demand.
- Management reiterated a very positive outlook for Palava and Upper Thane projects, supported by multiple connectivity projects nearing completion. The company plans to accelerate premiumisation, with the share of premium residential expected to rise from ~25% currently to ~50% by the end of the decade.
- Lodha has earmarked ~400 acres at Palava for data centres with 3 GW power capacity. Land values have already moved up, with the last transaction at Rs. 21 crore/acre, and management expects this to rise to Rs. 50–60 crore/acre over the next three years.
- With GDV additions nearing Rs. 60,000 crore in FY26, Lodha now has a ready development pipeline of over Rs. 2 lakh crore for the next five years, excluding the large land reserves at Palava and Upper Thane, which provide additional multi-decade growth upside.

**Our Call**

Lodha eyes a 20% CAGR in pre-sales over the medium term, while steadily building its annuity portfolio and maintaining comfortable leverage (<0.5x D/E). Lodha's leadership in MMR and expansion into Pune and Bengaluru, provides multi-city growth visibility. With a robust launch pipeline, improving product mix and rising monetisation from its large land bank, the company is transitioning from an expansion-led phase to an execution- and cash flow-driven growth cycle. At current valuation, we believe Lodha's structural demand tailwinds, premiumisation at Palava, and emerging data-centre monetisation opportunity. We stay Positive on Lodha Developers and revised our PT to Rs. 1,400 driven by sustained momentum in housing demand and a strong execution track record.

**Key Risks**

Slowdown in real estate demand, especially in MMR and Pune, is a crucial risk to our call. Unfavourable macroeconomic indicators, such as any rise in interest rates, can dampen demand.

**Valuation**

	Rs cr				
Particulars	FY24	FY25	FY26E	FY27E	FY28E
Revenue	10316.1	13779.5	16484.4	19197.9	23038.5
OPM (%)	25.9	28.9	29.6	30.5	30.7
Adjusted PAT	1654.0	2764.3	3281.0	4146.9	5066.3
YoY growth (%)	NA	67.1	18.7	26.4	22.2
Adjusted EPS (Rs.)	16.6	27.8	33.0	41.7	50.9
P/E (x)	58.4	34.9	29.4	23.3	19.1
P/B (x)	5.2	4.6	4.0	3.5	2.9
EV/EBITDA (x)	39.9	26.8	21.9	18.2	15.1
RoNW (%)	11.0	14.8	15.2	16.6	17.2
RoCE (%)	9.0	12.1	12.3	13.6	14.6

Source: Company; Mirae Asset Sharekhan estimates

## Concall highlights

- Regarding volume slowdown in the sector, the company mentioned that, the consumers are preferring branded players (Lodha volumes rose 24 in sq ft for 9MFY26) and second affordable homes below Rs. 75 lakhs have declined in supply and sales. Lodha has exited that segments 2-3 years ago.
- New launches contributed 33% of the pre-sales for 9MFY26.
- Embedded EBITDA margin stood at ~32%.
- FY26 OCF expected to be ~Rs. 7,000 crore (earlier ~Rs. 7,700 crore); the revision is timing-related, not structural.
- Net debt-to-equity remained comfortable at 0.28x, well below the internal ceiling of 0.5x. Management expects further moderation in leverage, supported by strong operating cash flows.

## Geographic Update

- MMR:** Footfalls and conversions remain steady; some oversupply pockets exist but do not impact Lodha, as demand continues to consolidate toward strong brands.
- Pune:** Lodha is the No. 2 developer and aims to become #1 within two years.
- Bengaluru:** Pilot phase completed; full year sales expected to exceed Rs. 2,500 crore.
- NCR:** Entry via a pilot phase; two projects signed with expected GDV of ~Rs. 3,300 crore, covering ~1.1 msf under JDAs, with launches targeted for FY27.

## Results

	Rs cr				
Particulars	Q3FY26	Q3FY25	Y-o-Y %	Q2FY26	Q-o-Q %
<b>Net sales</b>	<b>4672.5</b>	<b>4083.0</b>	<b>14.4</b>	<b>3798.5</b>	<b>23.0</b>
Other income	102.9	63.6	61.8	80.4	28.0
<b>Total income</b>	<b>4775.4</b>	<b>4146.6</b>	<b>15.2</b>	<b>3878.9</b>	<b>23.1</b>
Total expenses	3257.4	2777.1	17.3	2689.7	21.1
<b>Operating profit</b>	<b>1415.1</b>	<b>1305.9</b>	<b>8.4</b>	<b>1108.8</b>	<b>27.6</b>
Depreciation	97.5	67.2	45.1	71.4	36.6
Interest	185.0	144.1	28.4	156.5	18.2
<b>Profit Before Tax</b>	<b>1235.5</b>	<b>1158.2</b>	<b>6.7</b>	<b>961.3</b>	<b>28.5</b>
Taxes	285.4	213.7	33.6	171.0	66.9
<b>PAT</b>	<b>950.1</b>	<b>944.5</b>	<b>0.6</b>	<b>790.3</b>	<b>20.2</b>
Exceptional items	0.0	0.0	NA	0.0	NA
Inc from JV/MI	0.0	0.1	NA	0.0	NA
<b>Adj PAT</b>	<b>956.9</b>	<b>944.4</b>	<b>1.3</b>	<b>788.7</b>	<b>21.3</b>
EPS	9.6	9.5	1.4	7.9	21.3
			<b>BPS</b>		<b>BPS</b>
OPM (%)	30.3	32.0	-170	29.2	110
NPM (%)	20.3	23.1	-280	20.8	-47
Tax rate (%)	23.1	18.5	465	17.8	531

Source: Company; Mirae Asset Sharekhan Research

## Additional Data

### Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Sambhavnath Trust	23.12
2	Hightown Construction Pvt	19.37
3	Lodha Philanthropy	18.02
4	Sambhavnath Infrabuild	8.85
5	Capital Group	5.40
6	Homecraft Developers	2.49
7	Vanguard Group	1.53
8	Blackrock,Inc	1.46
9	GqG Partners, LLC	1.13
10	Nordea Bank abp	0.91

Source: Bloomberg

### Key management personnel

Name	Designation
Shaishav Dharia	Whole-time Director, CEO - Extended Eastern Suburbs
Abhishek Lodha	Managing Director and CEO
Sanjay Chauhan	Chief Financial Officer

Source: Company Website

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