

Aditya Birla Real Estate



Shaping homes | Crafting legacies!

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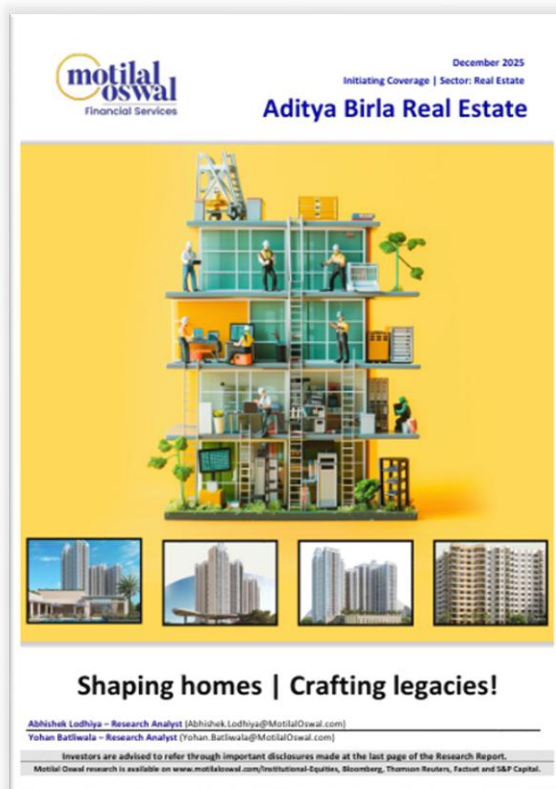
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- ❖ Aditya Birla Real Estate (ABREL), the rebranded identity of Century Textiles & Industries, has swiftly transformed into a focused real estate developer by leveraging the Birla Estates platform launched in 2016. The company has steadily scaled its presence across Mumbai, NCR, Bengaluru, and Pune, with a clear focus on premium and luxury residential projects, while selectively incorporating mixed-use and commercial assets.
- ❖ Backed by disciplined land acquisition and capital-light partnerships, ABREL has built a launch pipeline of INR698.7b GDV (of which INR513.0b is unsold), with marquee projects such as Birla Niyaara in Mumbai and Birla Arika in Gurugram driving strong sales momentum. In FY25, ABREL recorded presales of INR80.9b, with collections more than doubling YoY to INR26.6b. However, profitability was impacted by the divestment of legacy businesses, resulting in a net loss of INR1.6b vs a profit of INR505m in FY24.
- ❖ With completions on track, revenue is poised to clock a 69% CAGR over FY25-28E to reach INR58.9b. It is likely to post a 20% YoY growth in FY26 to INR14.6b. EBITDA and PAT are expected to see multifold growth at INR10.1b and INR9.8b, respectively, in FY28. With a robust project pipeline, deep parentage support, and improving execution, ABREL is well-placed to post a 26% CAGR in presales over FY25-28E and emerge as a top-tier player in the Indian real estate market.

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Aditya Birla Real Estate

BSE Sensex

84,482

S&P CNX

25,816



Stock Info

Bloomberg	ABREL IN
Equity Shares (m)	112
M.Cap.(INRb)/(USDb)	191.9 / 2.1
52-Week Range (INR)	2798 / 1563
1, 6, 12 Rel. Per (%)	-1/-34/-43
12M Avg Val (INR M)	433
Free float (%)	49.8

Financial Snapshot (INR b)

Y/E march	FY26E	FY27E	FY28E
Sales	14.6	20.2	58.9
EBITDA	0.4	2.7	10.1
EBITDA Margin (%)	2.4	13.3	17.2
Adj PAT	(0.4)	2.5	9.8
EPS (Rs)	(3.7)	22.3	87.8
EPS Growth (%)	(74.5)	(707.0)	293.2
BV/Share (Rs)	338.2	358.5	444.2

Ratios

Net D:E	0.8	0.8	(0.3)
RoE (%)	(1.1)	6.4	21.9
RoCE (%)	0.5	2.9	10.7
Payout (%)	(54.4)	9.0	2.3

Valuations

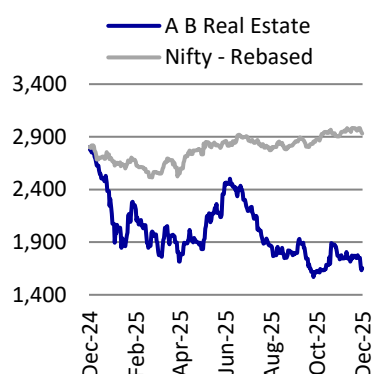
P/E (x)	(466)	77	20
P/BV (x)	5.1	4.8	3.9
EV/EBITDA (x)	625.0	82.7	17.4
Div. Yield (%)	0.1	0.1	0.1
EV/Sales (x)	15.2	11.0	3.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	50.2	50.2	50.2
DII	16.4	16.8	15.9
FII	10.1	10.2	10.5
Others	23.2	22.9	23.4

FII Includes depository receipts

Stock Performance (1-year)


CMP: INR1,718
TP: INR2,275 (+33%)
Buy

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Leveraging brand legacy to drive 26% presales CAGR

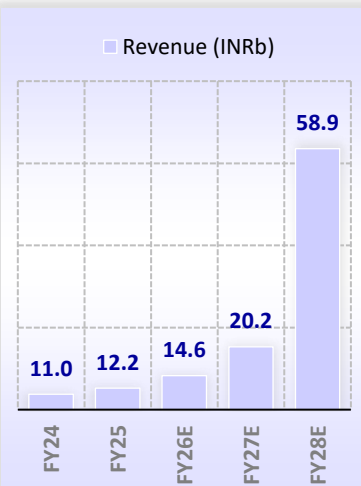
- Aditya Birla Real Estate (ABREL) commenced operations in 2016 under the 'Birla Estates' division of its listed entity, Century Textiles. Following the divestment of legacy businesses such as textiles and pulp & paper, the company was rebranded as 'Aditya Birla Real Estate Limited' in Oct'24, emerging as a focused real estate platform.
- From its inception, ABREL has positioned itself in the premium, luxury, and ultra-luxury housing segments, with selective forays into the commercial and retail spaces. Its business model is built on redevelopment opportunities, joint development agreements, and asset-light partnerships, complemented by selective outright acquisitions.
- This capital-efficient approach has enabled the company to scale rapidly, delivering ~INR 81b in presales in FY25, reflecting a strong 90% CAGR since FY21.
- Over the years, ABREL has developed a robust launch pipeline totaling 35.1msf (~INR700 b of GDV) for the next 2-4 years. This includes ~INR51b in unsold inventory from ongoing projects, ~INR462b from upcoming launches, and INR186b from sold inventories (excluding Birla Pravaah which is sold in 3QFY26).
- With design-led offerings and strong positioning in core markets such as the Mumbai Metropolitan Region (MMR), Bengaluru, Pune, and the National Capital Region (NCR), ABREL is likely to deliver ~26% CAGR in presales over FY25-28.
- ABREL benefits from the longstanding brand equity of the Aditya Birla Group, a trusted conglomerate with decades of presence across diverse industries. This heritage enhances customer confidence, attracts high-quality land partners, and enables smoother execution—providing a strong competitive advantage in a fragmented market.
- We initiate coverage on ABREL with a BUY rating and a TP of INR 2,275, implying a 33% upside potential.**

Strong cash flow visibility backed by robust collections

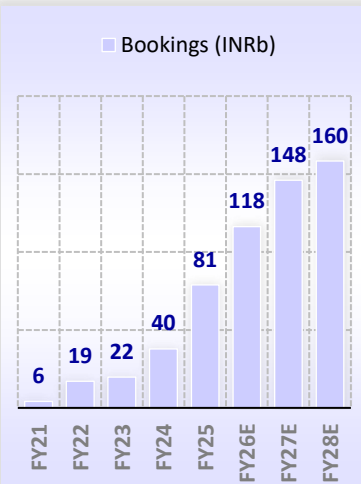
- Collection CAGR at 52%:** Collections recorded a robust 104% CAGR over FY21-25, outpacing presales by 14%. With 50-60% of the projects expected to be completed by FY28, collections are projected to reach INR94b by FY28, reflecting a 52% CAGR from FY25 levels. This underscores strong buyer demand and ABREL's efficiency in converting bookings into actual cash.
- Collection efficiency target of 60%:** Collection efficiency is expected to improve from 33% to ~60% by FY28, significantly boosting operating cash flows. This enhanced cash conversion will allow ABREL to fund growth and working capital needs without depending heavily on external debt.
- Inventory cash potential of INR176b:** With unsold inventory of INR50.9b and pending collections from sold inventory of INR120.3b, ABREL has strong near- and medium-term visibility into cash inflows. This provides a solid financial base to support continuous launches and strategic expansions.
- Surplus post-costs at INR74.2b:** After accounting for INR96.9b in project completion costs, ABREL anticipates a surplus of INR74.2b. This surplus provides flexibility to reduce debt, accelerate execution, and fund new projects, enhancing overall financial stability.

A strong launch pipeline of INR139b planned for FY26 across core markets

ABREL to report a 69% revenue CAGR over FY25-28E



Expect a presales CAGR of 26% over FY25-28



Financial upcycle ahead with a 69% CAGR in revenue and margin expansion

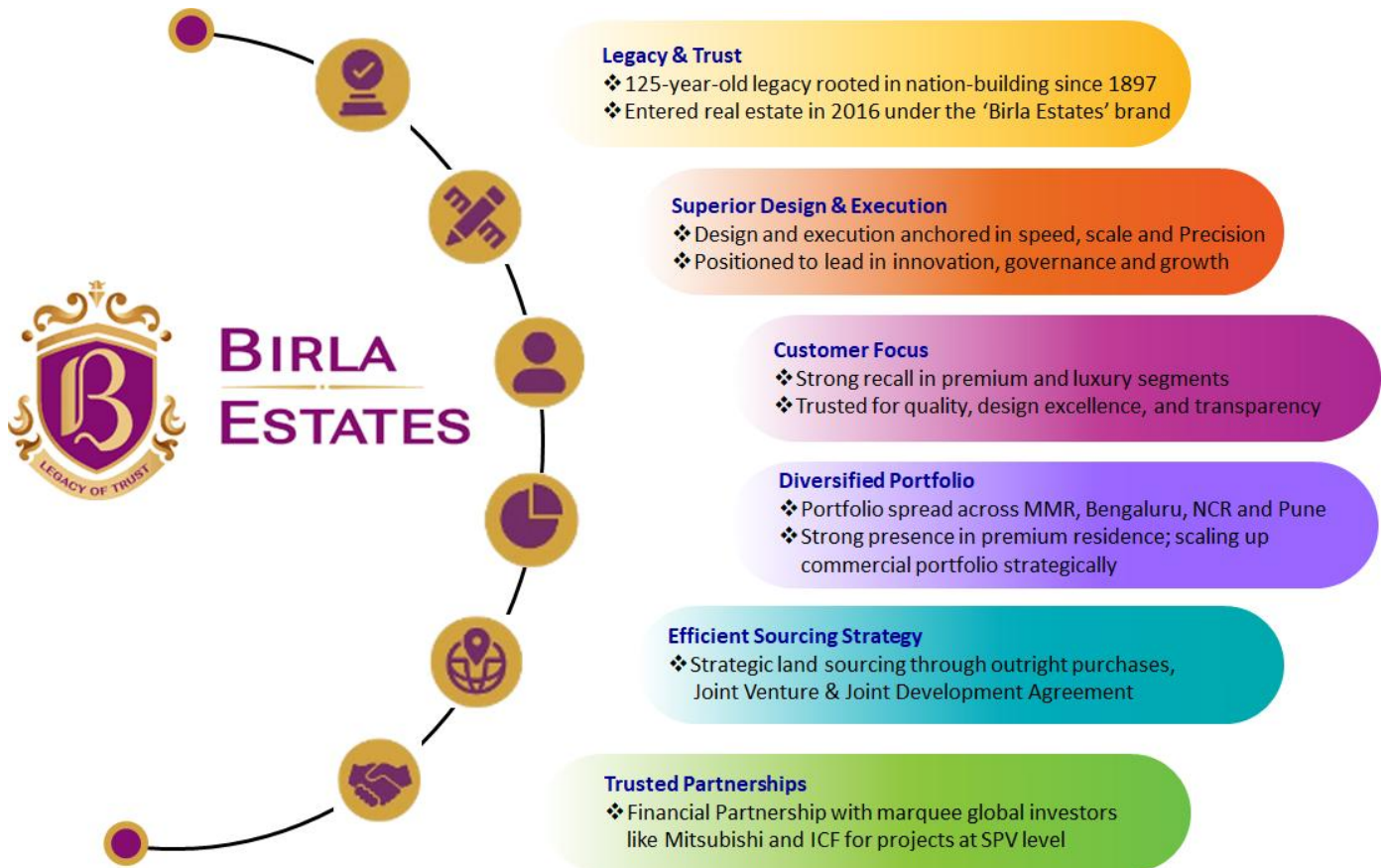
- ABREL has built a pan-India presence with launches across MMR, Pune, Bengaluru, and NCR, including key projects such as Birla Vanya, Birla Niyaara, Birla Alokya, Birla Trimaya, and Birla Navya. The company has a strong development pipeline, with ~INR139b of launches planned for FY26 across these core markets.
- Its portfolio spans luxury to mid-premium housing in both established and emerging locations, reflecting a strategy of geographic diversification, balanced market exposure, and scale benefits. This approach not only supports growth but also mitigates risks and enhances brand strength.
- With project completions anticipated to gather pace, ABREL's revenue trajectory is set for a sharp upswing, projected to record a CAGR of 69% over FY25–28 to reach INR58.9b. For FY26 alone, revenue growth is estimated at 20% YoY, taking the total revenue to INR14.6b. This strong momentum highlights the company's ability to translate its development pipeline into sizeable financial outcomes.
- On the profitability front, EBITDA and PAT are anticipated to witness significant acceleration, projected at INR10.1b and INR9.8b, respectively, by FY28E.
- Reported margins are expected to strengthen meaningfully, with EBITDA margin rising to 17.2% and PAT margin turning 16.7% in FY28E, a marked improvement from FY25. Return ratios are also forecast to improve, with ROE estimated at 21.9% and ROCE at 10.7%, underscoring the company's stronger earnings profile and capital efficiency.

Valuation and view: Initiate coverage with a BUY rating

- ABREL reported a strong 90% CAGR in presales over FY21-25, driven by an increase in projects under execution, geographic diversification, and premium realizations. With a strong launch pipeline of upcoming premium projects, the company is expected to sustain momentum and post a 26% CAGR in bookings over FY25-28.
- Strong presales growth will drive rapid scaling of operations across key parameters, such as cash flows, revenue, and profitability, boosting confidence in the company's execution capabilities and future growth prospects.
- Based on the DCF method, we value ABREL's residential project pipeline at INR184b.
- Existing commercial projects are valued at INR15b, while the 157-acre land bank is valued at INR39b.
- **We initiate coverage on ABREL with a BUY rating and an SoTP-based TP of INR2,275/share, implying a 33% upside potential.**

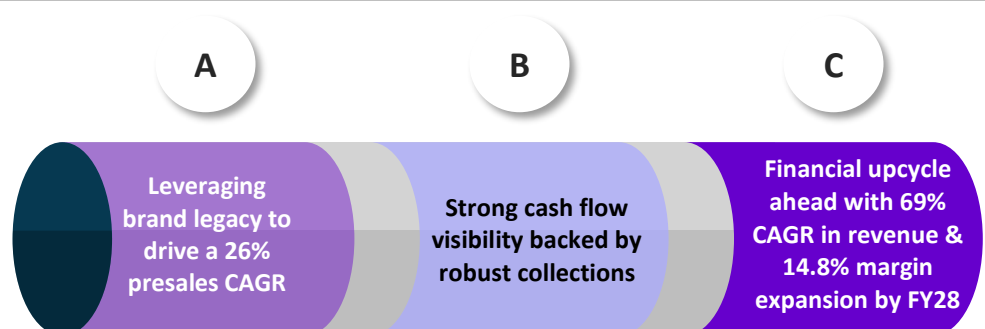
STORY IN CHARTS

Rooted in legacy, powered by execution, built for the future

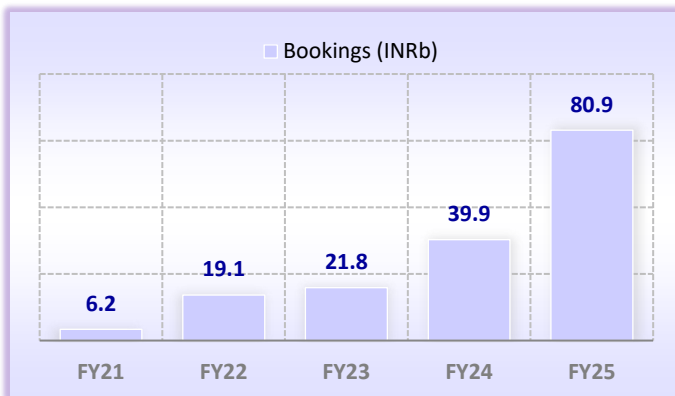


Source: Company, MOFSL

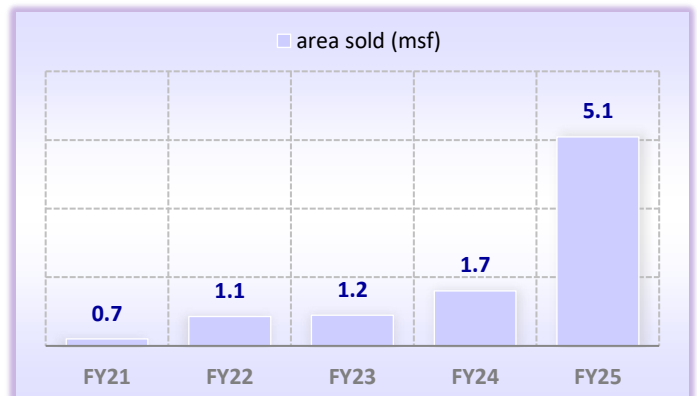
Leveraging legacy for strong growth & financial upswing



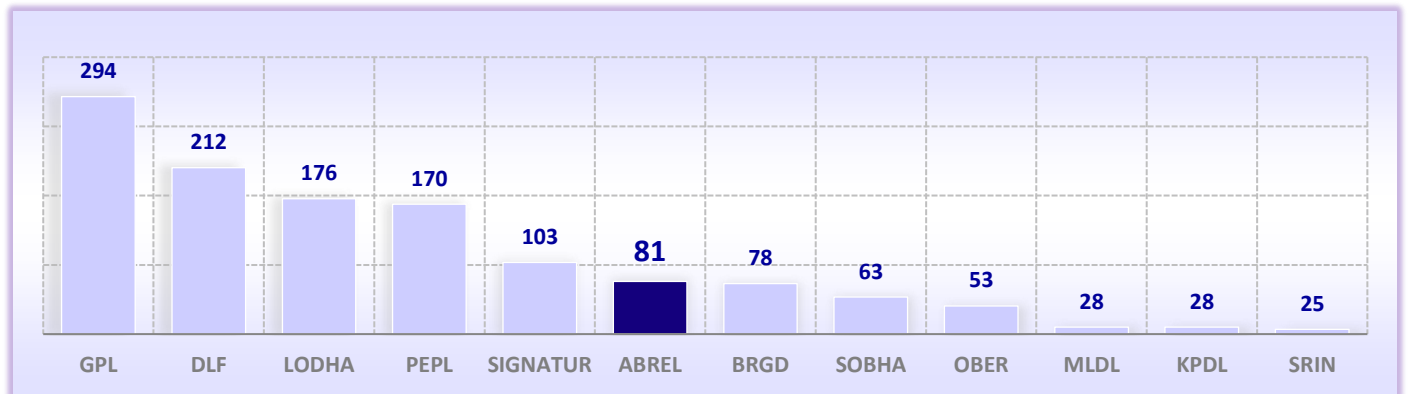
Bookings reflected a 90% CAGR over FY21-25, reaching INR81b



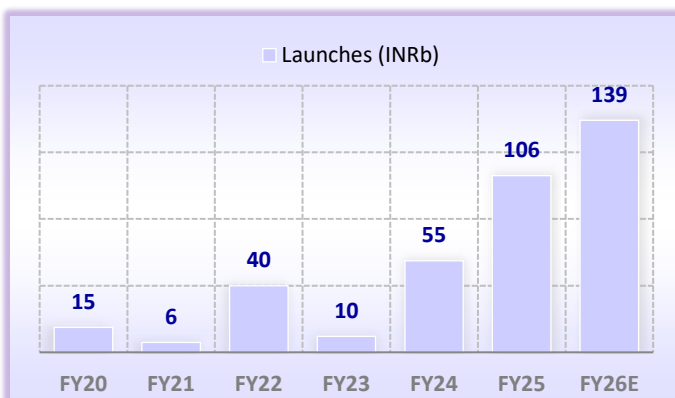
Area sold likely to post a 67% CAGR, reaching 5.1msf by FY28



Reported presales of INR81b in FY25, outperforming its peers

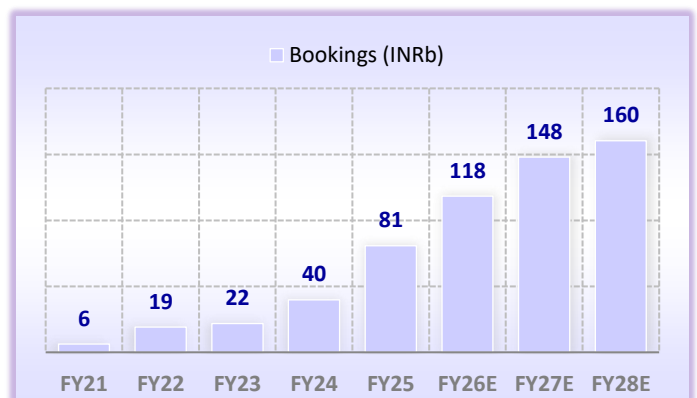


Launches are projected to grow by 31% YoY in FY26



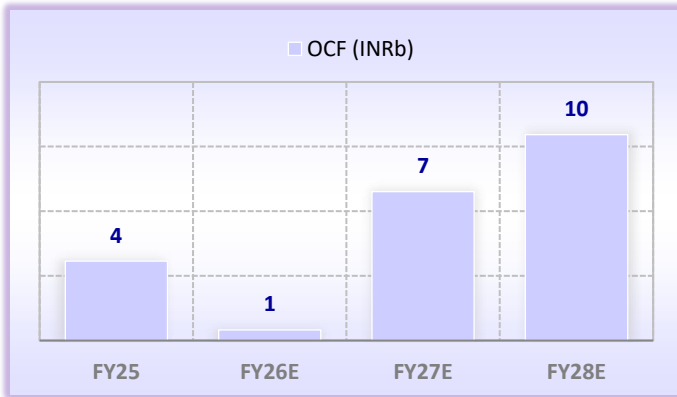
Source: MOFSL, Company

Presales to post a 26% CAGR over FY25-28

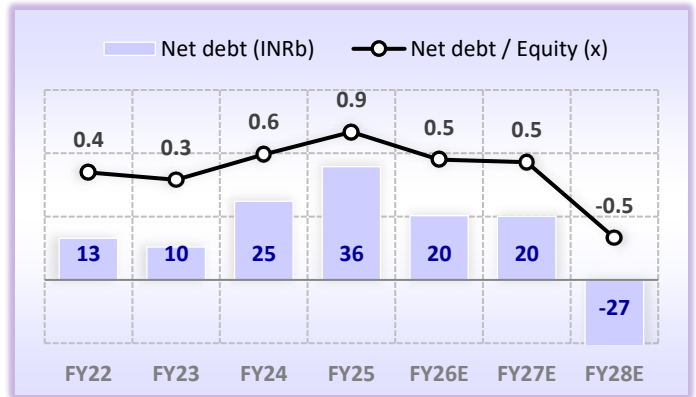


Source: MOFSL, Company

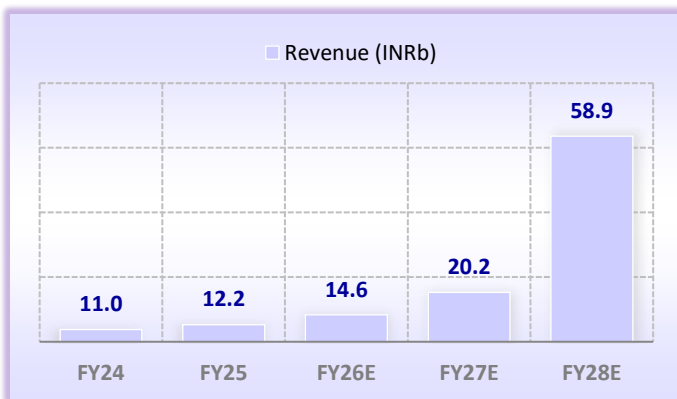
ABREL to clock a 34% CAGR in OCF...



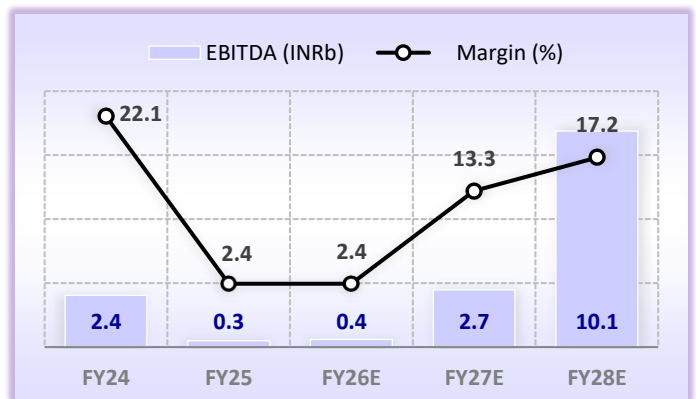
...resulting in a net cash balance sheet by FY28



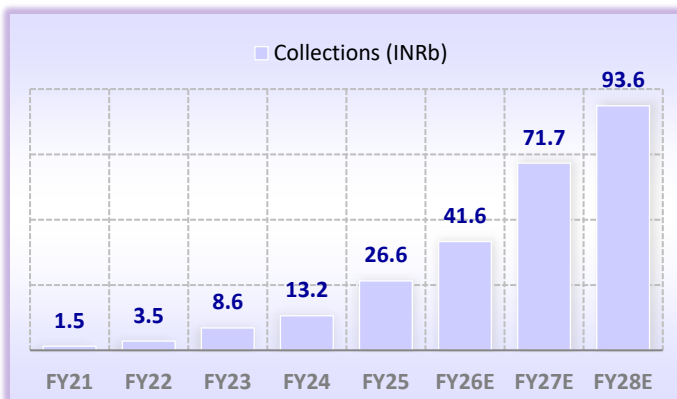
ABREL to report a 69% revenue CAGR over FY25-28E



EBITDA likely to increase to INR10b, with a 17% margin

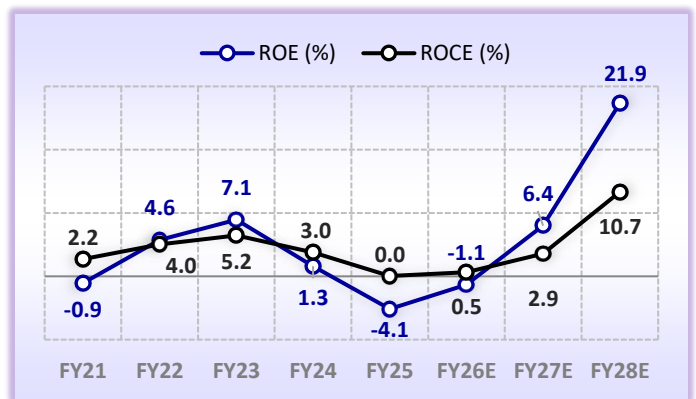


Collections CAGR at 52% to be higher than bookings over FY25-28E



Source: MOFSL, Company

RoE and RoCE to improve as the company's EBITDA and PAT would increase



Source: MOFSL, Company

Premium residential core with strategic expansion across key regions

ABREL operates through a mix of outright purchases, JV's, and JDA, which ensures efficient capital deployment

- Century Textiles, historically a diversified conglomerate operating in cement, textiles, and paper, has gradually divested these businesses over time. Cement was merged with UltraTech, textiles were monetized, and in FY24, the paper business was transferred to ITC through a slump sale. Following these divestments, the company was fully rebranded as ABREL, sharpening its focus on real estate.
- ABREL has firmly positioned itself in the premium and aspirational residential category. Its flagship projects, such as Birla Niyaara (Worli, Mumbai), Birla Alokya (Bangalore), and Birla Trimaya (North Bangalore), are examples of large-scale, lifestyle-led developments with strong consumer traction.
- In addition to housing, the company has been scaling up in the commercial real estate segment. Signature projects like Birla Aurora and Birla Centurion in Worli, Mumbai have established ABREL's credentials in Grade-A office spaces, while upcoming developments in Worli, Thane, and Century Bhavan (Prabhadevi) will further diversify rental income streams.
- Rather than focusing on a single city, ABREL has built a diversified presence across major urban hubs—MMR, Bangalore, Pune, and Gurgaon. This multi-city footprint reduces concentration risk and captures demand across India's top-performing housing markets.
- The company operates through a mix of outright purchases, joint ventures, and joint development agreements (JDA), which ensures efficient capital deployment. Land acquisition through JDAs minimizes upfront land cost, keeping project IRRs attractive while maintaining scalability.
- While the anchor remains in luxury and upper-premium offerings, ABREL has also tapped into mid-premium housing in markets like Pune and Bangalore, catering to a wider consumer base without diluting its aspirational brand positioning.
- Over FY21-25, ABREL reported a robust CAGR of ~90% in presales, driven by an expansion in project launches and premiumization. With a strong launch pipeline ahead, the growth trajectory is expected to sustain through FY28.
- By leveraging partnerships, JVs, and development management models, ABREL continues to scale without heavy balance sheet risk, aligning with industry best practices and investor expectations.

ABREL has firmly positioned itself in the premium and aspirational residential category.

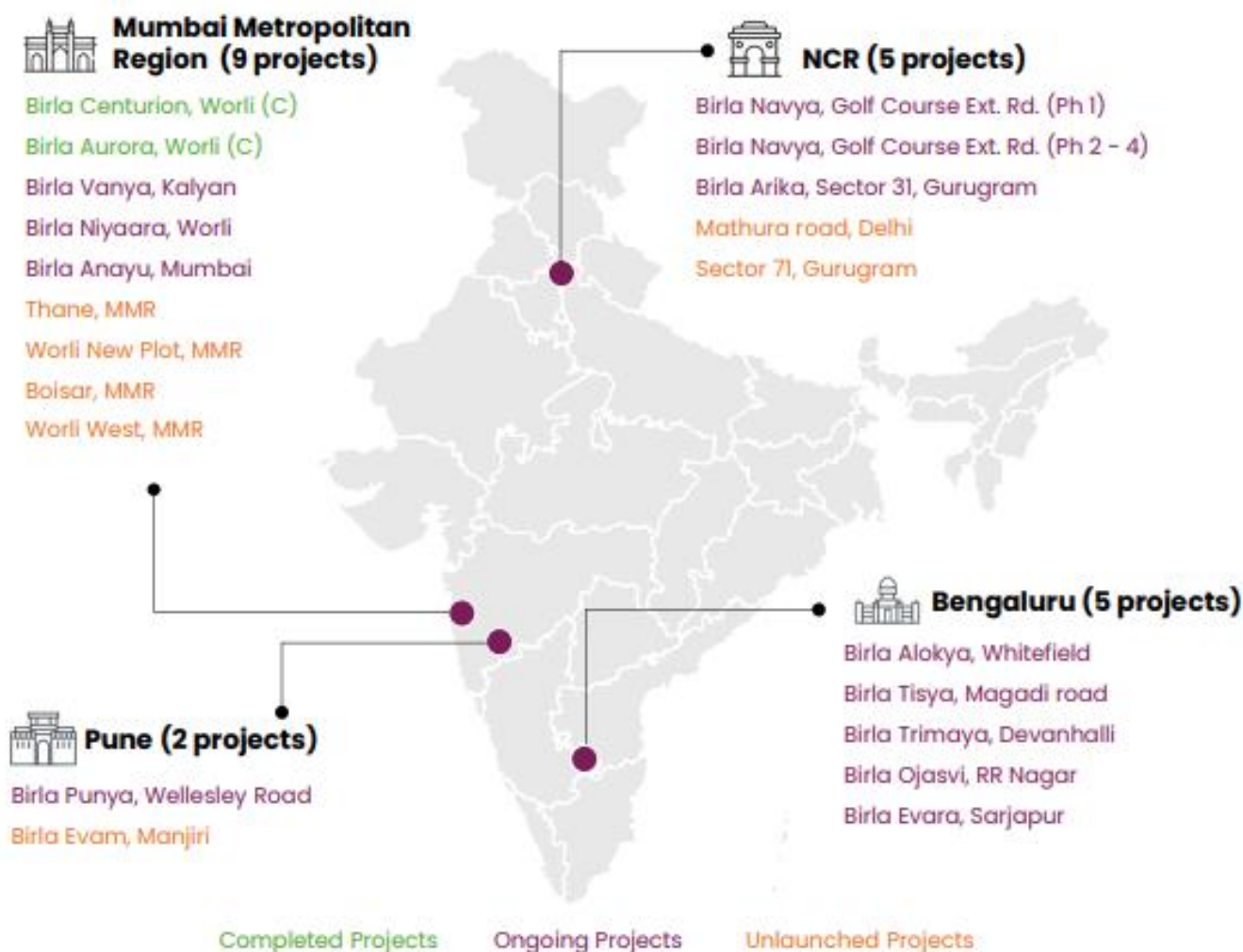
Ongoing residential projects experiencing strong sales velocity

- **MMR:** As of 2QFY26, ABREL's MMR region recorded the highest ongoing/launched GDV at INR105b, or 3.18msf, of which INR25b, or 0.5msf remained unsold. Bookings to date stood at INR80b, while collections reached INR32b.
- **Birla Vanya (Luxury | Kalyan):** Launched in April 2019, this township offers over 7 acres of greens in Kalyan Smart City, with a launched area of 1.33msf, of which 1.18msf was sold as of 2QFY26. Cumulative presales and collections stood at INR9.5b and INR8.9b, respectively. Unsold inventory stands at INR2.1b. The project has received i occupancy certificate (OC).
- **Birla Niyaara (Ultra-Luxury | Worli):** Launched in Jan 2022, Niyaara is India's first LEED Platinum pre-certified residential project, spread over 14 acres with 2.48msf saleable area and three bespoke clubhouses. As of 2QFY26, 1.8msf of area has been launched, with 1.48msf sold. Cumulative presales and collections stand at INR67.6b and INR22.4b, respectively. Unsold inventory stands at INR19.9b.

ABREL's MMR recorded the highest ongoing/launched GDV at INR105b

- **Birla Anayu (Ultra-Luxury | Malabar Hill):** Launched in July 2024, Anayu is a LEED Gold pre-certified boutique tower featuring single-residence floors, private parking, and heritage-inspired exclusivity in South Mumbai. The project covers a total area of 0.06msf, which has been fully launched. The project is expected to be completed in March 2029. Cumulative presales and collections stand at INR2.8b and INR879m, respectively. Unsold inventory stands at INR2.9b.

Exhibit 1: MMR at the core, with growth momentum building across NCR, Pune, and Bengaluru



Source: Company, MOFSL

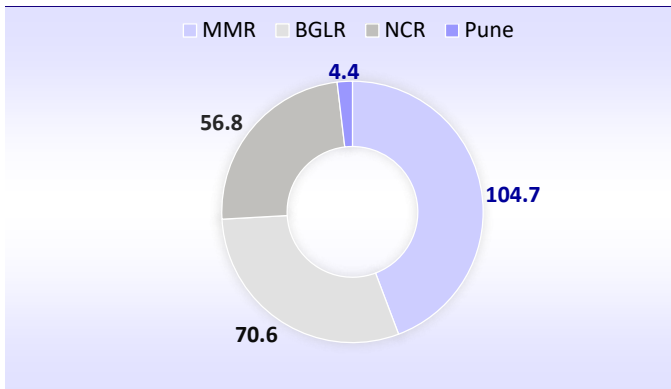
- **Bengaluru (BGLR):** As of 2QFY26, BGLR had an ongoing/launched GDV of INR71b or 7.49msf, of which INR21.0b or 2.0msf remained unsold. Cumulative bookings stood at INR50b and collections stood at INR19b.
- **Birla Alokya (Luxury | Whitefield):** Alokya, launched in Oct 2019, is an IGBC Gold pre-certified low-density development comprising 218 villaments across 7.8 acres, featuring over 30 curated amenities. It is spread across a total area of 0.55msf and is nearly fully sold. Total sales to date stand at INR3.9b, with collections broadly in line. The project has received its OC, and its unsold inventory stands at INR15m.

BGLR had an ongoing/launched GDV of INR71b wherein cumulative bookings are INR50b

ABREL is present in NCR at highly sought after locations and +92% of launched inventory is sold out

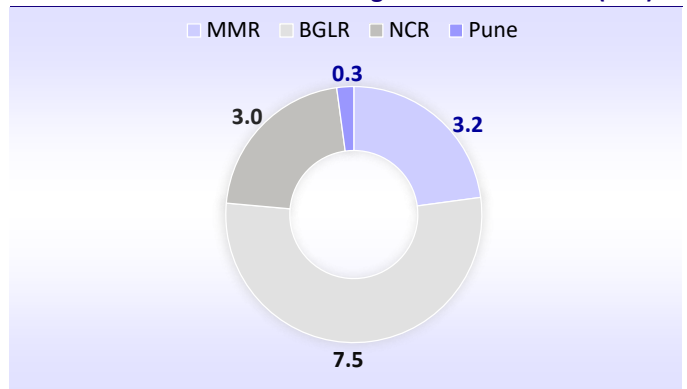
- **Birla Tisya (Luxury | Rajajinagar):** Launched in Oct 2021, Tisya features IGBC Platinum pre-certified twin 31-storey towers on 5 acres, offering premium community living with modern comforts. ABREL holds a 40% stake through a JV with Subhadra Textile Private Limited. The entire ~0.65msf project is launched and fully sold out. Lifetime presales total INR6.5b, and the company has collected INR4.9b so far. Construction is expected to be completed by December 2026.
- **Birla Ojasvi (Luxury | RR Nagar):** Launched in July 2024, Ojasvi is a nature-inspired 10-acre development in Bengaluru with an IGBC Gold target. The project blends towers and row houses to create an inclusive lifestyle ecosystem. Spanning 1.01msf, it was fully launched in FY25, with 0.15msf unsold as of 2QFY26. Sales and collections to date stand at INR8.7b and INR2.4b, respectively. The project is scheduled to be completed in January 2031. Unsold inventory stands at INR1.9b.
- **Birla Trimaya (Luxury | Devanahalli)** – Trimaya is a 47% owned JV project with MSR Realty. It is a 52-acre township with an IGBC Gold target. The development is themed across three experiential zones—The Hill, The Park, and The Bay—and is being launched in four phases. The third phase is expected to be launched in FY26, with overall completion targeted for FY31. Of the total 3.62msf area, 2.34msf area has been launched, with ~2.19msf sold. Bookings and collections to date stand at INR17.8b and INR5.8b, respectively. Unsold inventory stands at INR1.1b.
- **Birla Evara (Luxury | Sarjapur):** Launched in FY25, Evara is a 28.6-acre, car-free residential project targeting IGBC Gold, offering a serene nature-focused lifestyle in Bengaluru's IT corridor. Of the 2.94msf launched, ~1.22msf has been sold. Bookings and collections to date are INR12.6b and INR1.9b, respectively. Unsold inventory stands at INR17.9b. The project is expected to be completed in FY32.
- **NCR:** As of 2QFY26, the NCR region had ongoing/launched GDV of INR57b or 2.99msf, with INR4.5b or 0.2msf unsold. Bookings to date stand at INR52.3b and collections stand at INR13.5b.
- **Birla Navya (Luxury | Gurugram):** Launched in FY21, Navya is an IGBC Gold pre-certified 47-acre township featuring independent floor residences with exclusive lifestyle-driven amenities in NCR. It is a joint venture with Anant Raj Ltd, with ABREL holding a 50% share. Of the total 1.92msf area, 1.6msf has been launched, with ~1.38msf sold to date. Bookings and collections to date stand at INR19.9b and INR10.2b, respectively. Unsold inventory of INR3.9b relates entirely to the fourth phase, which is expected to be completed by FY31.
- **Birla Arika (Luxury | Sector 31, Gurugram)** – Sector 31 in Gurugram has attracted reputed developers like Godrej Properties, Raheja, and Signature Global due to its premium location, robust infrastructure, and strong demand for luxury and high-end residential projects. ABREL launched Arika in FY25, a 13.3-acre project along NH-48, blending prime urban connectivity with vibrant social infrastructure in Gurugram. The project's total area of 1.41msf is almost fully sold. Bookings and collections to date stand at INR32.4b and INR3.2b, respectively. Unsold inventory stands at INR566m. The project is expected to be completed by FY32.
- **Pune (Birla Punya):** As of 2QFY26, the Pune project, Punya, reported ongoing/launched GDV of INR4.4b or 0.31msf, with INR600m or 0.04msf remaining unsold. Bookings to date stand at INR3.8b, and collections at INR576m. The project is estimated to be completed by FY32.

Exhibit 2: Ongoing launched GDV (INRb), with MMR in the lead



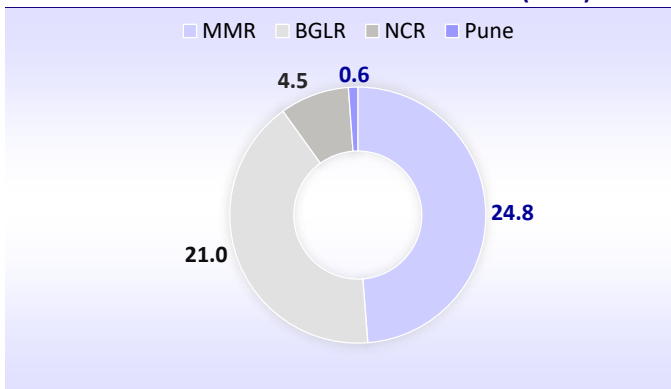
Source: Company, MOFSL

Exhibit 3: BGLR witnessed the highest area launches (msf)



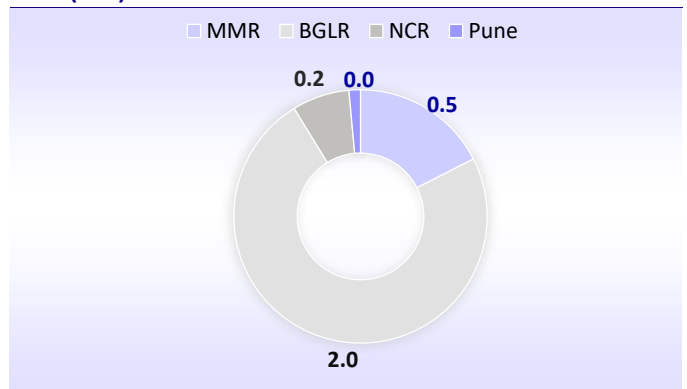
Source: Company, MOFSL

Exhibit 4: ~22% of the ongoing pipeline remains unsold, with 90% valued at INR46b in MMR and BGLR (INRb)



Source: Company, MOFSL

Exhibit 5: BGLR has the largest unsold inventory in terms of area (msf)



Source: Company, MOFSL

ABREL has an upcoming potential of INR326b in MMR across Boisar (INR1b), Thane (INR66b) and Worli (INR11b)

Upcoming residential projects to drive bookings of INR462b

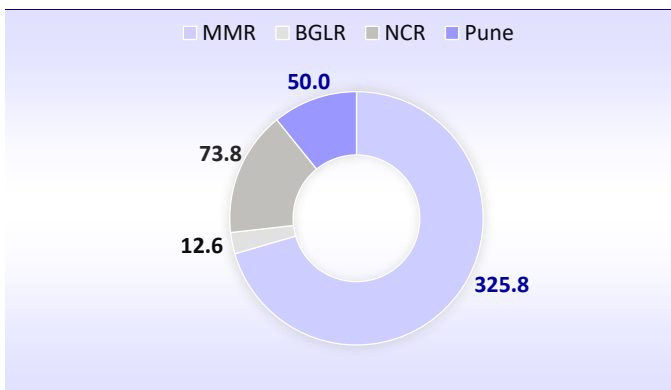
- **MMR:** The region has an upcoming potential of INR326b, with a total area of 11.6msf across four projects. This includes new phase launches of existing projects as well as upcoming projects. MMR is set to witness three new project launches in the near future.
 - **Boisar plot:** ABREL has acquired a 70.92-acre land parcel in Boisar, Palghar district (MMR), for INR1.04b, marking a significant move into one of Mumbai's emerging suburbs. The development is planned as a large-scale township that offers a mix of apartments, villas, and plots, targeting 1, 2, 3, and 4 BHK units to cater to varied lifestyles and investor preferences. Its total project area is 1.5msf, of which 0.9msf is scheduled for launch in FY26.
 - **Thane project:** This project is a part of the IFC corporation deal, where the total developable area is 6.43msf. The company's revenue share in this project is 56%. An area of 1.3msf is scheduled for launch in FY26.
 - **Wadia plot:** In 2QFY25, ABREL acquired a 10-acre adjoining land parcel from the Wadia Group for ~INR11b, unlocking development potential of ~2.6msf. The transaction is highly value-accretive, with land cost representing less than 10% of the estimated GDV. With its strategic location, the company's strong brand pull, and attractive project economics, this development is expected to generate robust profitability and sustain healthy margins.
- **NCR:** The region has an upcoming potential of INR74b, with a total area of 3.8msf across two projects. This includes new phase launches of existing projects as well

ABREL has an upcoming potential of INR74b in NCR across 3 projects and in Pune has INR74b across two projects.

as upcoming projects. NCR is set to witness three project launches in the near future.

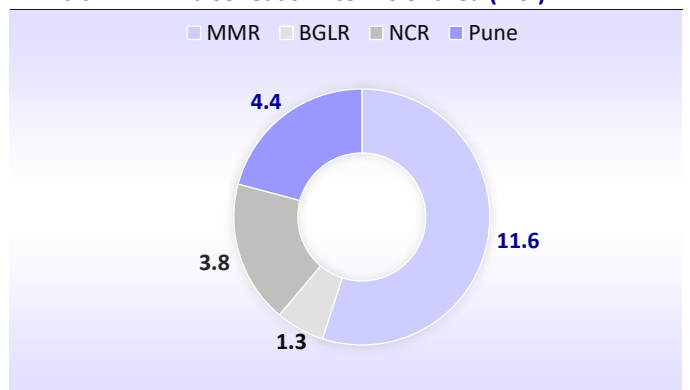
- **Sector 71, Gurugram (Birla Pravaah):** ABREL acquired a five-acre land parcel in Sector 71, Gurugram, with a development potential of ~1msf. The project was launched in 3QFY26 and is fully sold out at INR18b through luxury high-rise residential towers with premium amenities and landscaped surroundings. Located along the Southern Peripheral Road (SPR), the site ,benefits from connectivity to Delhi NCR via Dwarka Expressway, Sohna Road, Golf Course Extension Road, and other major arteries. It is close to reputed schools, hospitals, and retail hubs.
- **Mathura Road, Delhi:** The project spans 53 acres of land and includes over 3,000 residential units, with more than 65% open/green spaces. It offers over 50 amenities, including a clubhouse, swimming pool, gym, landscaped gardens, and sports facilities. The total project area is 1.4msf.
- **Sector 150, Noida:** Located in Sector 150, Noida (along the Noida-Greater Noida Expressway), the project spans ~131 acres of prime land. It is being developed through a joint development agreement with Lotus Greens Constructions Private Limited (LGCPL Group) and spans a total area of 10msf.
- **Pune:** The region has an upcoming potential of INR74b, with a total area of 3.8msf across two projects. This includes new phase launches of existing projects as well as upcoming projects. Pune is set to witness three new projects in the near future.
- **Birla Evam:** Birla Evam, a 3.1msf premium residential project by ABREL, is situated in the rapidly developing Manjri area of Pune. Spanning 16.5 acres, the project offers 2 and 3 BHK apartments with sizes ranging from 707-975 sqft. The project's total sales potential is INR25b. 1msf of area is expected to be launched in FY26.

Exhibit 6: ~70% of the upcoming projects (in INRb) planned in MMR



Source: Company, MOFSL

Exhibit 7: MMR also leads in terms of area (msf)



Source: Company, MOFSL

Residential market trends: Bengaluru, MMR, and NCR – FY25 snapshot

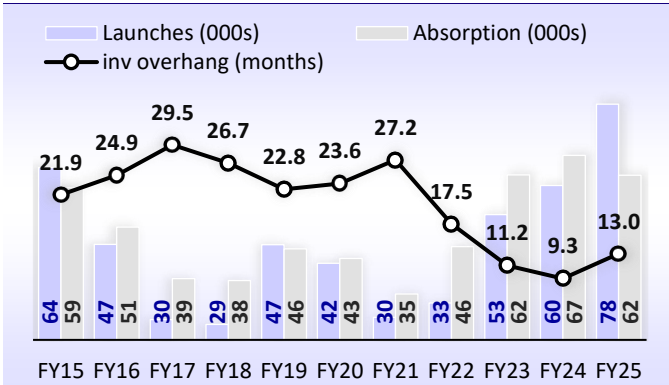
- Bengaluru saw 31% YoY growth in new launches in FY25, remaining highly affordable (EMI-to-income ratio 27%) with strong end-user and investor demand, 16% price appreciation, record leasing, and resilient sales. These factors highlight long-term growth potential despite moderate inventory buildup.
- MMR remains India's least affordable housing market (EMI-to-income 50%), though absorption outpaced supply by ~20% there in FY25, with modest rental yields of 2-3%, steady price growth of 5-6%, declining inventory, and strong demand for premium and luxury homes, offering consolidation and expansion opportunities for top developers.
- NCR saw a 224% YoY surge in launches in FY25, with improved affordability (EMI-to-income 27%) and strong end-user demand. Despite higher inventory at 14.6 months, robust sales of premium projects and consolidation among top developers indicate strong long-term growth potential.

Bengaluru recorded its highest-ever leasing of 18.1msf in CY24 while 9MCY25 surpassed full year and recorded gross leasing at 22.4msf (+63% YoY)

Bengaluru – Affordable growth with strong end-user demand

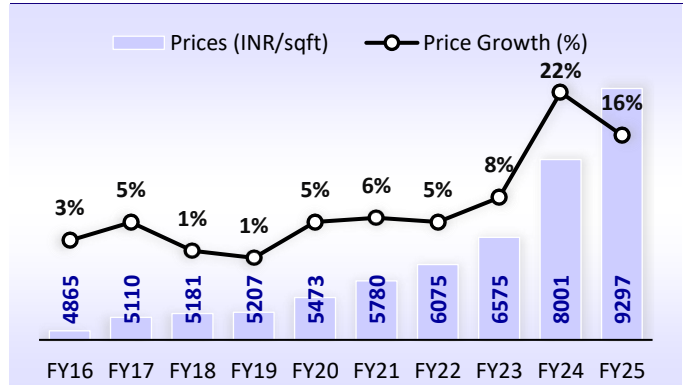
- Contrary to the overall performance of Tier-1 cities, Bengaluru witnessed 31% YoY growth in new launches in FY25, though absorption did not keep pace, resulting in a moderate inventory build-up. Despite this, the city remains highly affordable, with an EMI-to-income ratio of 27% as of CY24, positioning it among India's most favorable micro-markets for homebuyers.
- Rental yields are attractive in Bengaluru, ranging from 3-6%, which continues to draw investor interest alongside end-user demand. The market is undergoing consolidation, with the top 10 developers reclaiming market share, signaling a strong buyer preference for credible and established brands.
- While overall demand remains steady, the influx of incremental launches in FY25 has increased unsold stock, leading to higher inventory at 13 months. Nevertheless, prices continued to appreciate by 16% YoY in FY25 due to steady end-user demand. Developers are aggressively expanding across multiple geographies within the city, supported by diversification strategies that mitigate local risks.
- Bengaluru's office market demonstrated exceptional strength. CY24 saw record-high leasing of 18.1msf, cutting the vacancy rate from 15% to 12%. This momentum accelerated in the first nine months of CY25, with gross leasing hitting a new peak of 22.4msf, marking a 63% year-over-year (YoY) increase. With the supply of new completions simultaneously dropping by 21% YoY, the vacancy rate is projected to fall even further.
- Overall, Bengaluru continues to be a growth-oriented, affordability-driven market, offering strong long-term prospects despite short-term supply-demand mismatches.

Exhibit 8: Bengaluru witnessed 31% YoY growth in launches



Source: Company, MOFSL

Exhibit 9: Price appreciated by 16% YoY in FY25

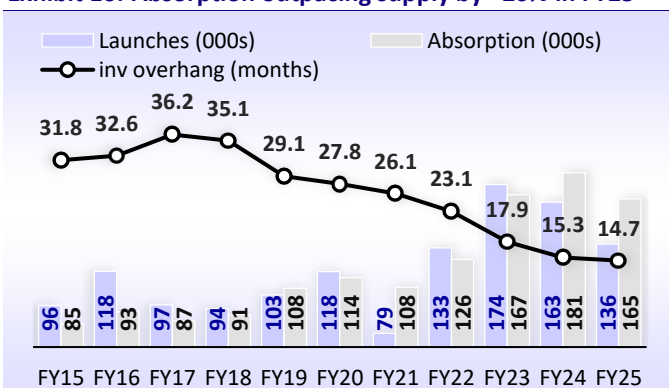


Source: Company, MOFSL

MMR – Luxury-driven, scale-heavy market with tight inventory

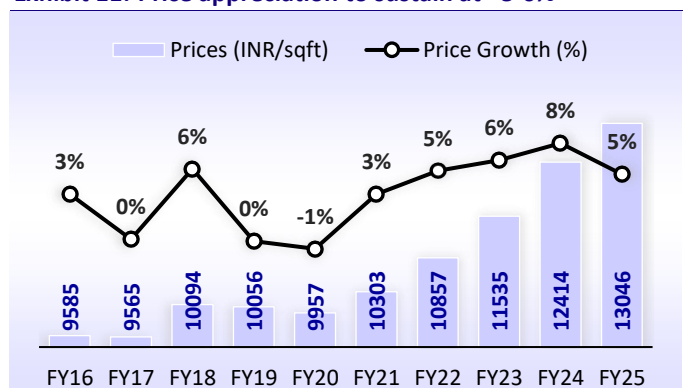
- MMR remains India's least affordable housing market, with an EMI-to-income ratio of 50%, though this marks a significant improvement from 93% in CY10. Despite affordability challenges, the region saw absorption outpace supply by ~20% in FY25, keeping inventory levels relatively tight.
- Rental yields are modest at 2-3%, but strong capital appreciation potential continues to attract investors. Price growth was stable at 5-6%.
- Inventory overhang in MMR improved, declining from 15.3 months to 14.7 months in FY25, suggesting better alignment between demand and supply. The market offers strong consolidation opportunities, with top developers well-positioned to gain market share.
- MMR's rental rates are the highest in India, averaging INR118/sqft per month in CY24, reinforcing demand from both corporates and investors. Developers continue to expand aggressively, capitalizing on high-value luxury and redevelopment projects.
- Overall, MMR remains a scale-intensive, price-sensitive market characterized by rising affordability and strong consolidation potential, supported by robust demand for premium and luxury homes.

Exhibit 10: Absorption outpacing supply by ~20% in FY25



Source: Company, MOFSL

Exhibit 11: Price appreciation to sustain at +5-6%



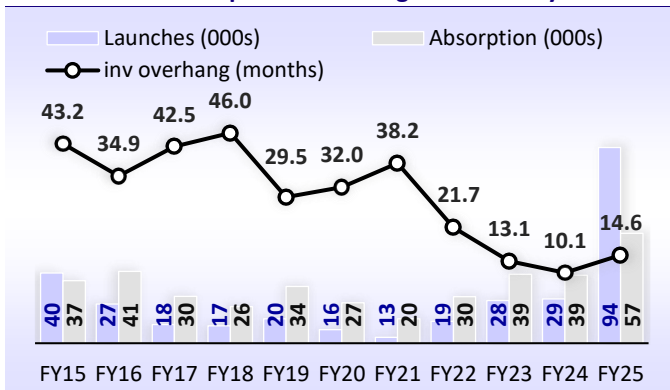
Source: Company, MOFSL

NCR – Rapid launch growth with consolidation and premium demand

NCR's affordability has improved substantially, with the EMI-to-income ratio declining to 27% in CY24 from 53% in CY10

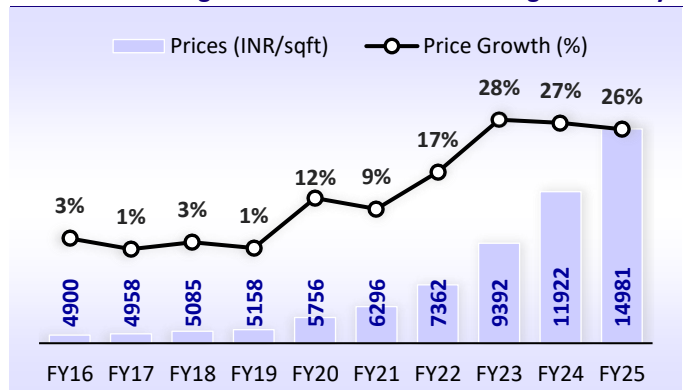
- NCR was the only market to post significant growth in FY25, with launches soaring 224% YoY. A sharp spike in 2QFY25 launches (up 13x YoY and 5x QoQ) led to a sudden jump in inventory. The city's affordability has improved substantially, with the EMI-to-income ratio declining to 27% in CY24 from 53% in CY10, providing a strong boost to housing demand.
- Rental yields in NCR range around 2-4%, lower than those in Bengaluru and Pune, but the market benefits from strong end-user activity. Consolidation is pronounced, with the top 10 developers accounting for 74% of new launches and 60% of absorption.
- Demand remained resilient, highlighted by marquee launches such as Trump Tower Gurgaon (INR32.5b), which sold out in two days. Luxury projects such as DLF Privana North, worth INR110b, were also fully subscribed, reflecting strong appetite for premium housing.
- Despite robust demand, inventory rose sharply in FY25 to 14.6 months from 10.1 months in FY24 due to the surge in launches, causing a temporary moderation in price growth.
- Looking ahead, NCR is well-positioned to benefit from improving affordability, continued consolidation, and strong demand for premium housing, providing positive long-term market momentum.

Exhibit 12: Launch spike leads to higher inventory in NCR



Source: Company, MOFSL

Exhibit 13: Price growth to moderate due to high inventory



Source: Company, MOFSL

Presales to clock 26% CAGR during FY25-28E

Collection efficiency to increase to ~60% from current levels of 33%

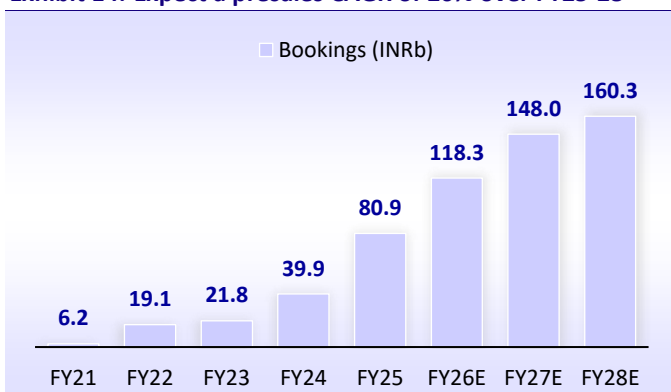
- ABREL achieved a stellar ~90% CAGR in presales during FY21-25, laying a strong foundation for its next growth phase across key metros.
- In the past two years, business development accelerated sharply, adding projects with a combined GDV of ~INR404-442b across MMR, Bengaluru, NCR, and Pune.
- The company targets launches worth GDV of INR139b in FY26, with marquee projects of Birla Niyaara Phase 3, Birla Navya Phase 4, Birla Punya, and Birla Evam.
- Supported by a robust launch pipeline and favorable demand, ABREL is expected to sustain a presales CAGR of ~26%, reaching ~INR160.3b by FY28.

Targeting launches of INR139b for FY26. ABREL to achieve 26% CAGR in presales, reaching INR160.3b by FY28E

Bookings to see healthy growth as new projects scale up

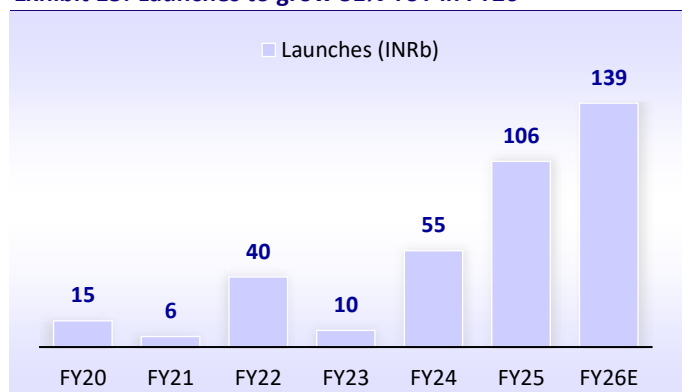
- ABREL has delivered an exceptional performance over the past four years, recording a remarkable 90% CAGR in presales during FY21-25. With such a strong foundation, the company is now entering the next phase of growth, underpinned by an accelerated pace of project additions, launches, rising brand salience, and a deepening presence across India's key metropolitan markets.
- After a measured start, ABREL meaningfully scaled up its business development efforts in FY24, securing projects with an aggregate GDV of INR404b across MMR, Bengaluru, NCR, and Pune in the last two years.
- For FY26, the company is targeting launches worth a cumulative GDV of INR139b, the bulk of which are expected in 2H. Key launches are lined up in MMR (Birla Niyaara phase 3 with a GDV of INR44.3b, Thane phase 1 with a GDV of INR16.3b, Plotted development in Boisar with a GDV of INR2.8b), NCR (Birla Navya phase 4 with a GDV of INR6.4b, Sector 71 with a GDV of INR6.7b and Birla Arika with a GDV of INR25.6b), BGLR (Birla Trimaya phase 3 with a GDV of INR6.7b) and Pune (Birla Punya with a GDV of INR22.9b and Birla Evam with a GDV of INR7.6b).
- This robust pipeline, supported by ABREL's execution capabilities and favorable demand tailwinds, provides strong visibility for sustained growth. We expect a healthy 26% CAGR in presales, reaching INR160.3b by FY28E, reinforcing ABREL's emergence as one of the country's most dynamic real estate developers.

Exhibit 14: Expect a presales CAGR of 26% over FY25-28



Source: Company, MOFSL

Exhibit 15: Launches to grow 31% YoY in FY26



Source: Company, MOFSL

INR20b of the sale proceeds will be utilized to reduce debt, thereby turning net cash positive

Paper business divestment to boost real estate growth

- ABREL has divested its pulp and paper business to ITC Limited for a total consideration of INR35b through a slump sale.
- The move marks ABREL's complete exit from the cyclical paper segment, in line with its transformation into a pure-play real estate company.
- INR20b of the sale proceeds will be utilized to reduce debt, strengthening the balance sheet and improving cash flows as the company turns net cash positive. The remaining proceeds are expected to be invested in real estate growth initiatives, including land acquisition, new launches, and construction progress.
- Exiting the paper business unlocks value from a low-margin, commodity-linked segment and allows management to channel focus and capital into higher-growth real estate. The divestment will improve ABREL's financial flexibility, enabling it to take larger, more strategic bets in premium and luxury housing markets.
- The transaction also enhances return metrics, as real estate projects typically deliver higher EBITDA margins compared to paper manufacturing.
- This sharper focus on real estate positions ABREL to accelerate the scaling of its pan-India footprint, while maintaining discipline in debt management and capital allocation. Overall, the divestment provides both strategic clarity and financial muscle to drive ABREL's growth trajectory in India's fast-expanding housing market.

Brand-driven: Scaling excellence with ABREL

ABREL's strong corporate reputation significantly enhances buyer confidence and market traction.

- **Brand equity as a trust multiplier:** Just as conglomerates like Adani are entering real estate and Godrej has successfully expanded into housing by leveraging its brand, ABREL's strong corporate reputation significantly enhances buyer confidence and market traction.
- **Land ownership advantage:** Owning prime land parcels allows the company to plan large-scale, integrated developments efficiently, while brand recognition ensures quicker absorption and premium pricing, creating a significant competitive edge.
- **Industrialized processes for faster execution:** By adopting standardized design, prefabricated construction, and efficient project management, ABREL reduces timelines and cost overruns, consistently ensuring high-quality delivery across projects.
- **Scalability through replicable models:** ABREL leverages the strength of the Birla brand, a diversified conglomerate with presence across textiles, cement, metals, financial services, and telecom, tapping multiple industries and using its strong brand presence to build trust and scale in real estate and beyond.
- **Enhanced profitability and efficiency:** Streamlined operations combined with brand-driven demand reduce marketing costs, accelerate sales, and improve return on investment, illustrating the synergy between industrialization and brand power.
- **Strategic positioning in a crowded market:** In a landscape where global and national conglomerates are entering real estate, ABREL's combination of industrialization and brand trust positions it uniquely to attract high-end and aspirational buyers.

Strategic city focus supports robust launch momentum

- ABREL has steadily established a meaningful presence across India's top urban markets by adopting a disciplined and selective approach to expansion. The company first entered the MMR in 2016 with commercial office developments, establishing a base in one of the country's most dynamic real estate markets.
- In FY19, it expanded into Bengaluru with the launch of Birla Alokya, marking its entry into the fast-growing premium residential segment of South India. This was followed by its foray into NCR in FY20, where it has since scaled up with projects such as Birla Navya in Gurugram.
- ABREL also has plans to launch Birla Evam in Manjri, Pune, during the remainder of FY26, with a total developable area of 1msf and a GDV of INR7.7b. This will mark its pilot in Pune. The project will be launched in multiple phases. The total estimated GDV of the project is INR27b, with a total developable area of 3.13msf.
- By focusing on high-potential metros with strong economic drivers, deep housing demand, and favorable demographics, ABREL has been able to diversify its portfolio, reduce market concentration risks, and capture demand across regions.
- Strategic city selection has been a key pillar of ABREL's performance over the past four to five years. With a strong pipeline of upcoming launches across these core markets, this strategy is expected to sustain momentum and position ABREL as a leading pan-India developer in the following decade.

Exhibit 16: MMR contributes nearly 68% of the pipeline at INR351b

Region	Ongoing (unsold)		Upcoming		Total	
	Area (msf)	GDV (INRb)	Area (msf)	GDV (INRb)	Area (msf)	GDV (INRb)
MMR	0.5	24.8	11.6	325.8	12.1	350.6
BGLR	2.0	21.0	1.3	12.6	3.3	33.6
NCR	0.2	4.5	3.8	73.8	4.0	78.3
Pune	0.0	0.6	4.4	50.0	4.4	50.6
	2.7	50.9	21.1	462.2	23.8	513.0

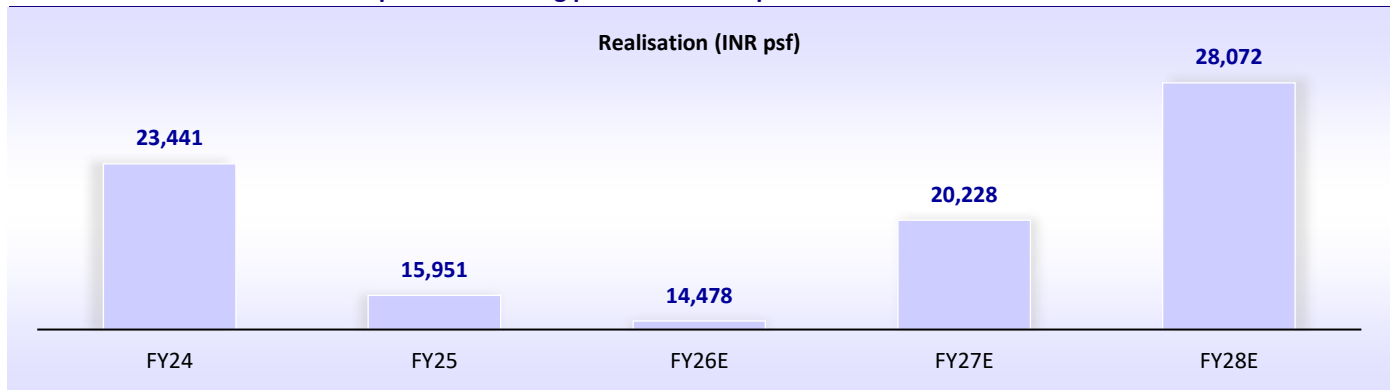
Source: Company, MOFSL

Exhibit 17: About 73% of FY26 launches would be in MMR and NCR regions

Projects	Location	Region	Ownership	Economic interest (%)	Launch area (msf)	Launch GDV (INRb)
Birla Niyaara - C	Worli	MMR	Own	100%	0.7	44.3
Thane Project	Thane	MMR	JDA	56%	1.3	16.3
Plotted	Boisar	MMR	Own	100%	0.9	2.8
Birla Navya	Golf Course	NCR	JV	50%	0.3	6.4
Sector 71	Gurgaon	NCR	Own	100%	0.5	6.7
Birla Arika	Gurgaon	NCR	JDA	58%	1.0	25.6
Birla Trimaya	Devanahalli	BGLR	JV	47%	0.7	6.7
Birla Punya	Wellesley Road	Pune	Own	100%	1.3	22.9
Birla Evam	Manjri	Pune	JDA	56%	1.0	7.7
					7.7	139.3

Source: Company, MOFSL

Exhibit 18: Realization to shoot up with increasing premium mix of products



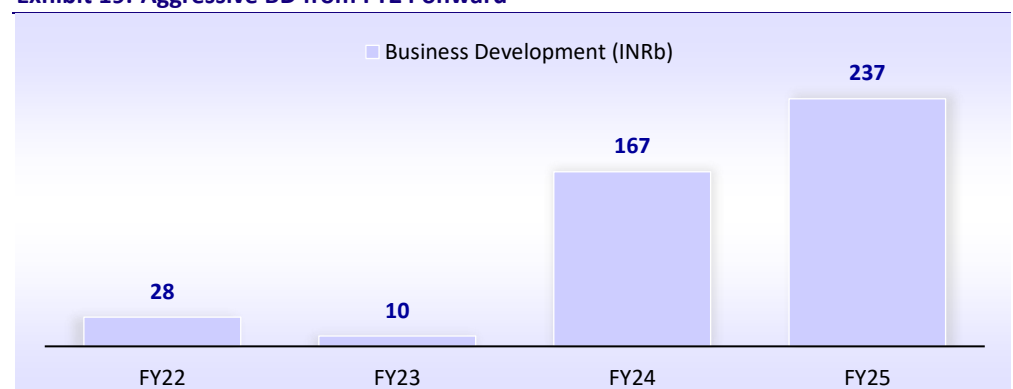
Source: Company, MOFSL

ABREL targets annual GDV additions of INR150b through a balanced mix of outright and JV/JDA structures

Accelerated business development driving the next wave of growth

- ABREL has demonstrated an exceptional ~90% CAGR in presales during FY21-25. To sustain this trajectory, the company initially pursued a measured approach toward project additions.
- From FY22 onward, however, the strategy shifted gears with a significant ramp-up in business development, leading to cumulative project additions of nearly INR442b in GDV, of which 90% were secured in just the past two years.
- These additions have been strategically focused on high-potential urban hubs such as MMR, Bengaluru, NCR, and Pune, underscoring the company's commitment to scale up in markets with strong demand.
- Looking ahead, management aims to maintain this pace by targeting annual GDV additions of INR150b. The pipeline will be built through a balanced mix of outright land acquisitions and partnerships via JV/JDA structures, enabling faster execution and capital efficiency.
- With this strategy, ABREL is positioned to capitalize on its strong brand and execution capabilities, setting the stage for sustained expansion over the next 3-4 years.

Exhibit 19: Aggressive BD from FY24 onward



Source: Company, MOFSL

Strategic partnerships assisting execution

ABREL forged alliances with Mitsubishi and IFC, strengthening liquidity access, reducing funding costs, and accelerating project timelines

- ABREL follows a prudent, partnership-driven model for sourcing land, prioritizing transactions with reputed and financially sound landowners. This disciplined approach not only enhances deal transparency but also minimizes risks associated with ownership disputes, regulatory clearances, and potential litigation. As a result, the company secures development-ready, clean-title parcels that allow for smoother execution.
- In addition to selective outright acquisitions, ABREL leverages joint venture and joint development agreements to expand into high-demand micro-markets with limited upfront investment. This asset-light strategy enables the business to scale efficiently while diversifying its geographic presence.
- Over the years, it has forged alliances with globally recognized and credible partners such as Mitsubishi and IFC, strengthening liquidity access, reducing funding costs, and accelerating project timelines. These collaborations also improve profitability and cash flow generation by sharing risks and leveraging combined expertise.
- Looking forward, the company is actively exploring similar strategic partnerships to fuel its planned foray into the commercial real estate space.

Exhibit 20: Strategic partnerships

Projects	Location	Partners	Area (msf)	Investment	Economic interest (%)
Brila Evara, Sarjapur	BGLR	Mitsubishi	2.94	5.6	51
Thane	MMR	IFC	6.43	1.5	56
Manjri Project	Pune	IFC	3.13	2.8	56
			12.5	9.9	

Source: Company, MOFSL

Expanding horizons in commercial space

Strategic project launches to steer the next phase of value creation

ABREL's office portfolio could expand 5-6x to 3.4msf from the current ~0.6msf, driving meaningful growth in annuity income

- ABREL's commercial portfolio in Mumbai includes Birla Aurora and Birla Centurion, fully leased across ~0.58msf, generating ~INR1.3b annually at INR169-215/sqft per month.
- Birla Aurora is a 22-storey landmark tower housing marquee tenants like Siemens, General Atlantic, and Grasim, offering premium office and select retail spaces.
- Birla Centurion, a 14-storey standalone office, hosts tenants including Woori Bank, Hindalco, and Huawei, providing functional, modern workspaces with optimized floor plates.
- Upcoming developments in Worli, Thane, and Century Bhavan could expand the portfolio to ~3.4msf, boosting annual rental income to ~INR7-7.4b and diversifying revenue streams.

Fully occupied operational portfolio driving steady cash flows

- ABREL has built a strong commercial presence in Mumbai through two premium Grade-A office developments in Worli — Birla Aurora and Birla Centurion. Together, these projects offer ~0.58msf of leasable space and generate annual rental income of INR1.3b, translating into an average realization of INR190psfpm.
- **Birla Aurora:** A 22-storey landmark tower, distinguished by its striking elliptical design and contemporary architecture. The building provides a premium commercial setting with well-planned office spaces and select retail offerings, creating an expansive and upscale environment for occupiers and visitors. It houses marquee tenants such as General Atlantic, Siemens, TA Associates, and Grasim Industries. As of FY25, Aurora reported annual lease rentals of INR672m at INR215psf pm.
- **Birla Centurion:** A 14-storey standalone office complex, designed with a focus on functionality and efficiency. Featuring refined lift lobbies, optimized floor plates, and modern safety provisions, the property delivers a professional workspace environment. Key tenants include Woori Bank, VI Cellular, Hindalco Industries, Birla Carbon, and Huawei Telecommunications. As of FY25, Centurion reported annual lease rentals of INR649m at INR169psf pm.

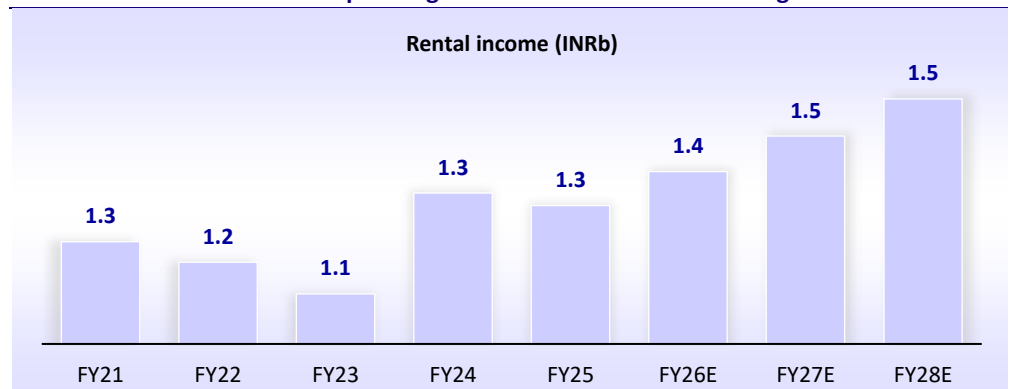
ABREL's commercial addition at Worli and Thane can add INR10b revenues to current run rate of INR1.3b

Scaling up the commercial portfolio from 0.6msf to 3msf

- ABREL is planning a new commercial development in Worli (besides Birla Niyaara land), with construction to commence in FY26. The project will offer ~1.4msf of leasable area, with 0.1msf for retail and 1.3msf for office. The expected rental rate is ~400/sqft per month and could generate ~INR6.7b of annual rental income at full occupancy. This project is expected to be completed by FY31.
- The company is also planning ~1msf of office development at its Thane land parcel, leveraging strong demand from BFSI and IT/ITES occupiers in this growing micro-market. Our estimated rental rate is ~180-200psfpm, and could generate ~INR2-2.4bn of annual rental income at full occupancy. The project is expected to be completed by FY33-34.
- A further ~0.4msf of office space is being added at Century Bhavan, Worli, which is expected to be completed by FY31 and generate rentals of INR300psfpm, enhancing ABREL's presence in Mumbai's core business districts and strengthening its commercial footprint.

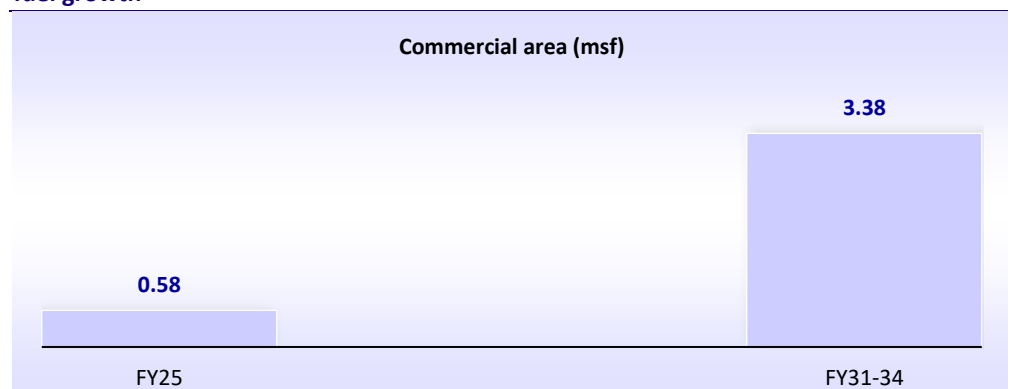
- With these additions, ABREL's commercial portfolio could expand nearly 5-6x to 3.4msf from the current ~0.6msf, driving meaningful growth in its annuity income base and diversifying revenues beyond residential.

Exhibit 21: Rental income of operating assets to clock 5% CAGR during FY25-28E



Source: Company, MOFSL

Exhibit 22: Upcoming projects – Worli office and Retail, Thane, and Century Bhavan to fuel growth



Source: Company, MOFSL

Strong collections to enable continued investment in growth

Pending collections from sold inventory of INR120.3b and unsold inventory of INR50.9b leaves surplus of INR74.2b provides strong financial flexibility to invest in business development.

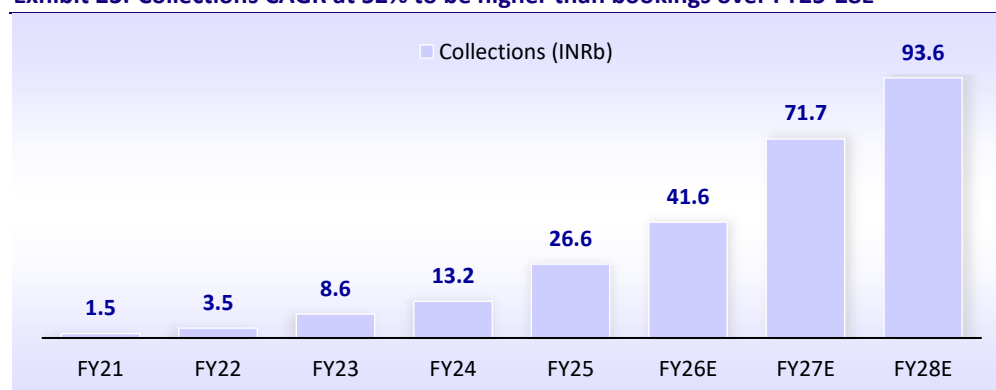
- Collections recorded a 104% CAGR over FY21-25, 14% higher than presales, which doubled consecutively in FY22, FY24, and FY25. Collections are projected to clock a 52% CAGR to INR94b by FY28E, reflecting strong cash inflows.
- With collection efficiency expected to rise from 33% to ~60% by FY28E, ABREL is well-positioned to generate healthy operating cash flows. This cash can be strategically deployed for business development, new launches, and accelerated project execution.
- Pending collections from sold inventory of INR120.3b and unsold inventory of INR50.9b provide ABREL with near- and medium-term visibility into cash flows. After factoring in project costs of INR96.9b, a surplus of ~INR74.2b is expected. This highlights a strong financial flexibility.
- The surplus from completed and ongoing projects strengthens working capital and allows disciplined capital allocation. It can reduce net debt further while funding new launches, supporting ABREL's growth in premium and luxury housing.

Collections to outgrow sales

Collections to outpace presales and clock 52% CAGR over FY25-28E. Collection efficiency to increase to ~60% in FY28E from 33%, showcasing strong cashflows.

- Since FY21-25, collections have clocked a 104% CAGR, showcasing 14% higher growth than pre-sales. With presales doubling in FY22, FY24 and FY25 consecutively, we believe collections will continue to outpace bookings and can clock a 52% CAGR over FY25-28E to INR94b.
- With sharp growth in presales, we expect collections to outgrow bookings in the near term, which would consequently result in healthy OCF, which can then be utilized for further business development activities.
- Collection efficiency is expected to increase to ~60% in FY28E from the current levels of 33%, showcasing better positioning of cash flows.
- Management-calculated collection efficiency stands at 98% as of FY25 as it calculates collections out of invoices raised to customers. This means that INR27.6b of the INR81b of sales booked in FY25 were billed in the year, of which 98% or INR27b was collected.

Exhibit 23: Collections CAGR at 52% to be higher than bookings over FY25-28E



Source: Company, MOFSL

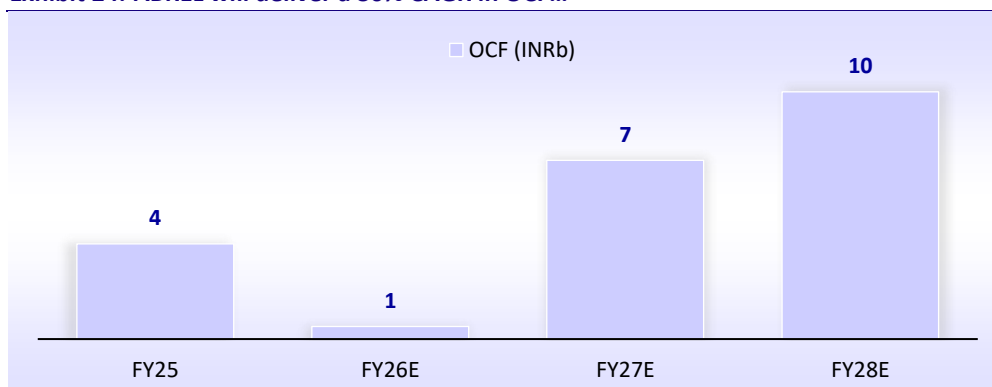
Strong OCF sufficient for BD spending; net debt to decline further

- ABREL expects total collections of ~INR171.2b from sold and unsold inventory, with project completion costs of INR96.9b, resulting in a surplus of ~INR74.2b.
- This surplus framework is ABREL's way of quantifying cash-flow potential beyond just sales/bookings—it represents what remains after delivering the projects. It provides visibility into how much real profit or free cash might be realized from existing launches.

ABREL to generate a surplus of INR74.2b and to focus on business development post-debt reduction

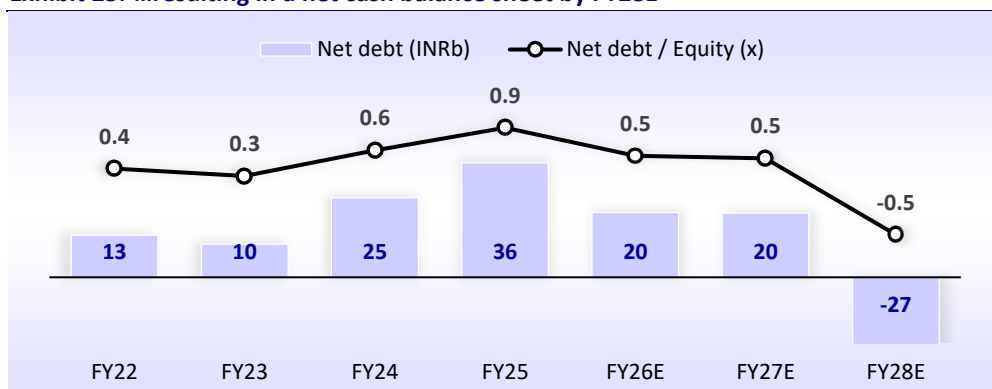
- Pending collections from sold inventory (INR120.3b) give ABREL strong near-term visibility into collections, while the unsold portion (INR50.9b) gives runway for medium-term cash flows. Together, they form the backbone of the company's working capital strategy.
- Moreover, net debt (debt less cash and cash equivalents, which include long- and short-term financial investments) stands at INR20b as of FY26E. After the INR20b payout used from the sale of its paper business, the company will be net debt-free.
- We believe that management ensures disciplined deployment of capital. Surplus cash from these collections can help reduce debt, fund new launches, or accelerate execution without heavily leaning on external borrowings.

Exhibit 24: ABREL will deliver a 30% CAGR in OCF...



Source: Company, MOFSL

Exhibit 25: ...resulting in a net cash balance sheet by FY28E



Source: Company, MOFSL

Margins poised to improve

Expect 69% revenue CAGR and multifold growth in EBITDA/PAT over FY25-28

Revenue recognition to gain momentum from FY28; however, is projected to clock a 69% CAGR during FY25-28

- ABREL has positioned itself in the premium and aspirational housing markets, aligning with evolving consumer demand in key metropolitan markets.
- Average realizations have recorded a 14% CAGR over the last five years, with JV/JDA land strategies enabling strong GDV growth and margin expansion.
- Focus on lifestyle-driven and aspirational projects enhances pricing power and profitability, with flagship developments like Niyaara driving EBITDA margins at 45-50%.
- Consolidated revenue is projected to clock a 69% CAGR during FY25-28, with a blended EBITDA margin of ~30% and the company turning profitable by FY28.

Premiumization strategy anchoring growth and margin upside

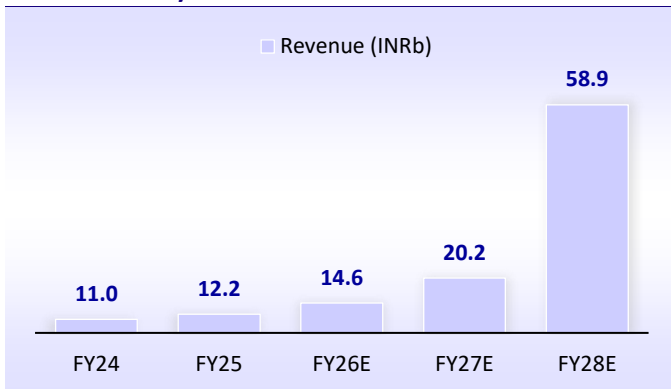
ABREL is targeting a blended EBITDA margin of around 30% across its portfolio.

- ABREL, since the beginning, has established itself as premium and aspirational housing, aligning with evolving consumer demand in its core markets.
- Over the past five years, average realization has registered a healthy double-digit CAGR of 14%, reflecting a clear indication towards premium and luxury projects. This method, coupled with disciplined practices of the JV/JDA medium of acquiring land where land cost is completely negated, is expected to drive meaningful margin expansion.
- The company has sharpened its focus on lifestyle-led and aspirational developments that command pricing power. While these products come with higher design and amenity-related costs, they also open up stronger profitability potential compared to pure mid-income offerings.
- Revenue recognition is projected to gain strong momentum from FY28 onwards, coinciding with the scheduled handover of Niyaara Tower 1, one of ABREL's most iconic luxury developments in Worli.
- Being developed on a legacy land parcel, Niyaara is expected to generate superior profitability, with EBITDA margins in the range of 45–50%, significantly higher than typical portfolio averages.
- On a consolidated basis, ABREL is targeting a blended EBITDA margin of around 30% across its portfolio, reflecting a healthy mix of premium launches, disciplined cost management, and rising scale across key metros.

Resilient financials fueled by proven execution strength

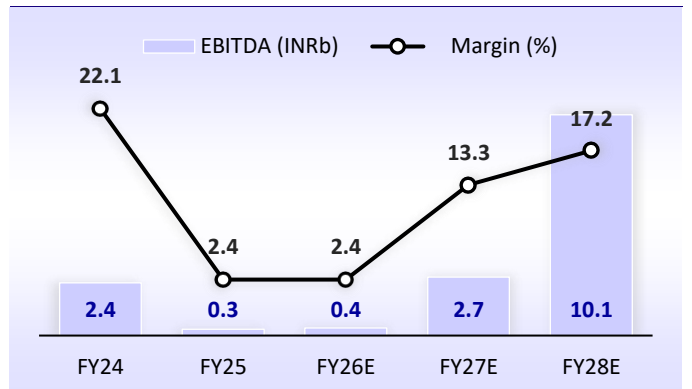
- The company follows the project completion method for revenue recognition.
- With completions falling in place, revenue is poised to clock a 69% CAGR over FY25-28E to INR58.9b while posting a 20% YoY growth in FY26 to INR14.6b.
- EBITDA and PAT are likely to experience multifold growth at INR10.1b and INR9.8b, respectively, in FY28.
- ABREL's EBITDA margin is projected to be ~15% higher in FY28 at 17.2%, while its PAT margin in FY25 is anticipated to be 17.2% in FY28 (similar to the EBITDA margin of 17.2%).
- The company is expected to showcase strong RoE and RoCE at 21.9% and 10.7%, respectively, by FY28.

Exhibit 26: As the projects near the completion stage, revenue is likely to clock a 69% CAGR over FY25-28E



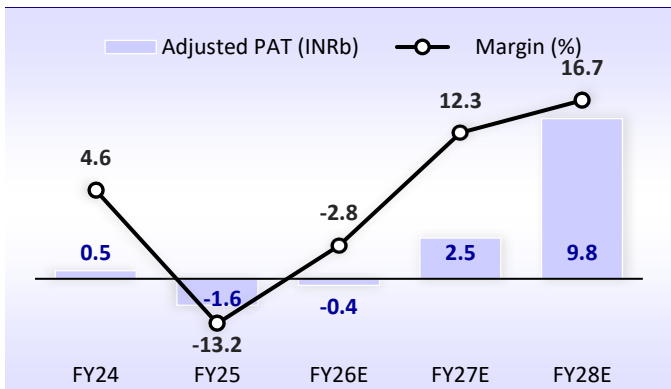
Source: Company, MOFSL

Exhibit 27: EBITDA to exhibit multifold growth with margins at 17%



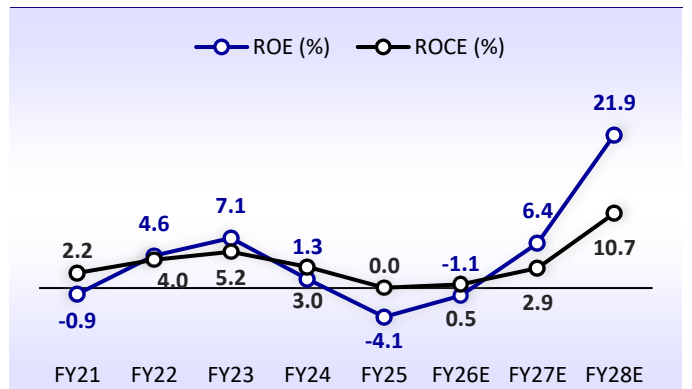
Source: Company, MOFSL

Exhibit 28: ABREL to turn profitable with a 16.7% margin level



Source: Company, MOFSL

Exhibit 29: RoE and RoCE to improve as the company's EBITDA and PAT would increase



Source: Company, MOFSL

Initiate coverage with a BUY rating and a TP of INR2,275

- ABREL reported a strong 90% pre-sales CAGR over FY21-25, driven by a rise in projects under execution and geographical diversification. As the company gears up with a strong launch pipeline of premium projects, we expect the growth momentum to remain intact and estimate ABREL to deliver a 26% CAGR in bookings over FY25-28E.
- Strong pre-sales growth will also lead to a rapid scale-up in operations across the key parameters, e.g., cash flows, revenue, and profitability, which will give confidence in the company's execution capability and future growth potential.
- Based on the DCF method, we value the company's existing and upcoming project pipeline of ~35msf at INR184b.
- We initiate coverage on ABREL with a BUY rating and a TP of INR2,275, implying a 33% upside potential.

Valuation methodology

- The ongoing and upcoming projects are valued based on DCF, using a WACC of 11.5%. Most of the projects are getting completed in FY32-FY36, due to which cash flows are being spread post-FY30. Major contributors of cash flows post-FY31 are the Worli plot (Wadia), Thane, and Sector 150, Noida.
- Commercial operating projects are valued at an 8% cap rate. We have not valued the upcoming commercial additions in the NAV.
- About 157 acres of land bank will create a value of INR39b, assuming 2x FSI potential, securing a margin of 20%.
- We value ABREL at a gross asset value of INR238b, and by netting off INR20b of net debt as of FY26E, we arrive at a net asset value (NAV) of INR217b. We assign a 20% premium on the residential pipeline to arrive at an NAV (post-premium) of INR254b, or INR2,275/share, indicating a 33% upside potential.

Exhibit 30: Based on our SoTP approach, we arrive at a NAV (post-premium) of INR254b or INR2,275/sh with an upside of 33%

Particulars	Rationale	Value (INR b)	Per share	% contribution
Own and JV/JDA projects	❖ Discounted cash flow of residential portfolio, including recent BD and land investment	184	1,650	70
Commercial projects	❖ Cap rate of 8% for operational assets	15	132	6
Landbank	❖ 157 acres of landbank at 20% value creation in the near future, assuming 2x FSI potential	39	345	15
Gross Asset Value		238	2,126	97
Net debt	FY26	(20)	(181)	-8
NAV		217	1,945	85
Premium/Going Concern	20% premium on resi pipeline	37	330	15
NAV (post-premium)		254	2,275	100
No. of shares (m)			112	
CMP			1,713	
Upside (%)			33	

Source: Company, MOFSL

Exhibit 31: Cash flow details on a yearly basis

Particulars (INR b)	FY26E	FY27E	FY28E	FY29E	FY30E	FY31-38E
Collections	30.7	52.8	63.6	57.3	57.3	400.9
Cost to be incurred	-29.4	-42.9	-50.2	-34.2	-32.2	-101.6
OCF	1.3	9.9	13.4	23.1	25.1	299.3
Taxes	-0.3	-2.5	-3.4	-5.8	-6.3	-75.3
NOPLAT	1.0	7.4	10.1	17.3	18.8	224.0
PV of CF	1.0	7.0	9.0	14.7	15.1	137.4
Cumulative CF						184.2

Source: Company, MOFSL

Key downside risks

- **Execution & delivery delays:** Any slippage in approvals, construction timelines, or partner coordination could defer revenue recognition and cash flows.
- **Dependence on the premium segment:** A sharp focus on premium and luxury housing makes the business sensitive to cyclical demand slowdown and affordability challenges.
- **Regulatory and policy risks:** Changes in RERA norms, state-specific policies, or taxation can materially affect project economics and launch timelines.
- **Rising input and financing costs:** Escalation in land, construction, or funding costs could pressure margins, especially in capital-intensive projects.
- **Geographic concentration:** While ABREL has expanded pan-India, a large share of its GDV remains concentrated in MMR; a slowdown in this market could weigh on growth.
- **JV/JDA dependence:** Heavy reliance on joint development models exposes the company to risks from partner alignment, revenue sharing, and land title clarity.

Management overview



Mr. Kumar Mangalam Birla, Chairman of Birla Group

- Mr. Kumar Mangalam Birla, Chairman of the Aditya Birla Group, has led the USD65b conglomerate for nearly three decades, expanding it to 40 countries across six continents.
- Under his leadership, the Group has executed over 40 landmark acquisitions globally, driving scale, diversification, and sectoral leadership across cement, metals, chemicals, fashion, and financial services.
- A Chartered Accountant and an MBA from London Business School, he has built a meritocratic organization of 187,000 employees from 100 nationalities, delivering sustained stakeholder value.



Mr. Rajendra Kumar Dalmia, Managing Director

- Mr. Rajendra Kumar Dalmia, Managing Director of Aditya Birla Real Estate Ltd. (formerly CTIL), has been associated with the Birla Group for over four decades, rising from senior leadership roles to MD in 2022.
- A Chartered Accountant by qualification, he has led businesses across textiles and real estate while also serving on several industry bodies, chambers, and research foundations.
- Beyond business, he actively contributes to education and philanthropy, managing Birla schools in India and abroad and spearheading the development of prominent temples and social initiatives.



Mr. Snehal Shah, Chief Financial Officer

- Mr. Snehal Shah, CFO of Century Textiles & Industries Ltd., brings over 30 years of experience across strategy, finance, risk management, and operations, with expertise spanning financial services, metals, cement, textiles, and chemicals.
- A Chartered Accountant, he has held leadership roles across the Aditya Birla Group, including Corporate Management Services, Aditya Birla Capital, and Birla Copper, where he managed treasury and trading operations.
- Earlier in his career, he worked closely with the Chairman's office as Executive Assistant, gaining deep insights into Group strategy and governance.



Mr. K. T. Jithendran, Non-Executive Director

- Mr. K. T. Jithendran, MD & CEO of Birla Estates, has been pivotal in shaping the Aditya Birla Group's real estate venture into a pan-India player across NCR, MMR, Bengaluru, and Pune, with a strong focus on quality and sustainability.
- With over 32 years of experience, he previously served as Executive Director at Godrej Properties, where he played a key role in scaling the business into a leading national developer.
- An IIT Kharagpur Civil Engineer and IIM Calcutta alumnus with an AMP from Harvard, he combines technical expertise and strategic vision to drive landmark developments and set new benchmarks in the sector.



Mr. Atul Kumar Kedia, Company Secretary

- Mr. Atul K. Kedia, Jt. President (Legal), Company Secretary & Compliance Officer, has been with the organisation for over 30 years, bringing deep expertise in secretarial, legal, and governance matters.
- A Commerce and Law graduate and member of the Institute of Company Secretaries of India, he also has extensive experience in investor relations and corporate compliance.

ESG initiatives



Environment and Sustainability initiatives

- ABREL demonstrated strong progress in its GRESB performance, with Standing Investments improving from a score of 80 in 2023 to 90 in 2024, while Developments advanced from 91 to 96 over the same period.
- Commercial assets Birla Aurora and Birla Centurion were awarded the Energy Star Rating Certification by the Bureau of Energy Efficiency (BEE), highlighting best-in-class operational efficiency.
- To future-proof its portfolio, ABREL has undertaken comprehensive climate risk assessments for projects such as Birla Anayu, Birla Punya, and Birla Trimaya, ensuring long-term resilience and sustainability.

Governance initiatives

- ABREL has been officially awarded Integrated Management System (IMS) certification, reflecting its strong focus on governance, compliance, and operational excellence.
- The certification covers ISO 9001:2015 for Quality Management, ISO 14001:2015 for Environmental Management, and ISO 45001:2018 for Occupational Health & Safety Management.
- This integrated approach underscores ABREL's commitment to maintaining transparent processes, stringent quality standards, and sustainable business practices across all developments.

CSR initiatives

- ABREL has received international recognition for safety and well-being practices, including the ROSPA Silver Award (Jul'24).
- Birla Niyaara was awarded the 5-Star rating by the British Safety Council, reinforcing global standards in occupational health and safety.
- The company has successfully achieved 49m safe man-hours without any Lost Time Injury (LTI) across all ongoing projects and operational sites.
- Introduced an annual wellness calendar to strengthen employee engagement and well-being initiatives at BEPL.

Bull and Bear cases



Bull case

- ❖ We expect a booking CAGR of 30% (vs. 26% in the base case) over FY25-28E, assuming acceleration in bookings for upcoming projects.
- ❖ Collections during the same period would grow at a 60% CAGR, resulting in a cumulative OCF of INR52.4b (vs. INR22.6b in the base case).
- ❖ We arrive at a TP of INR2,748, which indicates an upside of 60%.



Bear case

- ❖ Increased competition within the company's targeted micro-market can lead to lower than anticipated offtake of launch inventory, and hence, we expect a booking CAGR of 13% (vs. 26% in the base case).
- ❖ Collections would clock a 21% CAGR during the same period, resulting in a cumulative operating cash outflow of INR12b (vs. INR22.6b operating cash inflow in the base case).
- ❖ We also assume increased costs impacting the company's margins.
- ❖ We arrive at a TP of INR1,848, which indicates an upside of 8%.

Scenario analysis – Bull case

INRb except growth, TP and upside	FY25	FY26E	FY27E	FY28E
Presales (INRb)	80.9	135.1	164.8	177.1
Growth (%)	103	67	22	7
Collections (ABREL share, INRb)	18.6	44.0	66.1	76.9
Cost to be incurred (INRb)	-13.0	-29.4	-42.9	-50.2
OCF (INRb)	5.6	14.6	23.2	26.7
Taxes (INRb)	-1.4	-3.7	-5.8	-6.7
NOPLAT (INRb)	4.2	10.9	17.3	20.0
Cumulative CF (INRb)				211
Commercial projects (INRb)				15
Landbank (INRb)				39
Gross Asset value (INRb)				264
Net debt (INRb)				-20
Net Asset value (INRb)				244
Premium/Going Concern 30% (INRb)				63
NAV post Premium (INRb)				307
Target Price (INR)				2,748
CMP (INR)				1,713
Upside %				60

Source: Company, MOFSL

Scenario analysis – Bear case

INRb except growth, TP and upside	FY25	FY26E	FY27E	FY28E
Presales (INRb)	80.9	93.1	122.8	117.7
Growth (%)	103	15	32	-4
Collections (ABREL share, INRb)	18.6	33.1	33.1	33.1
Cost to be incurred (INRb)	-13.0	-33.8	-44.5	-42.7
OCF (INRb)	5.6	-0.6	-11.4	-9.6
Taxes (INRb)	-1.4	0.2	2.9	2.4
NOPLAT (INRb)	4.2	-0.5	-8.5	-7.2
Cumulative CF (INRb)				151
Commercial projects (INRb)				15
Landbank (INRb)				39
Gross Asset value (INRb)				204
Net debt (INRb)				-20
Net Asset value (INRb)				184
Premium/Going Concern 15% (INRb)				23
NAV post Premium (INRb)				206
Target Price (INR)				1,848
CMP (INR)				1,713
Upside %				8

Source: Company, MOFSL

SWOT analysis

- ❖ Backed by the Aditya Birla Group, giving it strong financial credibility and customer trust.
- ❖ Premium and aspirational positioning has enabled consistent double-digit realization growth.
- ❖ The asset-light JV/JDA strategy reduces upfront capital intensity while expanding the portfolio.

S

STRENGTH



- ❖ Still smaller in scale compared to top-tier developers like Lodha, DLF, or Godrej.
- ❖ Heavy reliance on premium/luxury housing may limit diversification across segments.
- ❖ Execution timelines for large-scale projects can create lumpiness in revenue recognition.

W

WEAKNESS



- ❖ Rising demand for lifestyle-led and premium housing in urban micro-markets.
- ❖ Increasing scope for redevelopment projects in Mumbai and other metros.
- ❖ ESG-focused development and certifications open avenues for institutional capital inflows.

O

OPPORTUNITY



- ❖ Regulatory hurdles and delays in approvals can affect project launches.
- ❖ Inflation in construction costs (steel, cement, and labor) may pressure margins.
- ❖ Intense competition from established national developers could limit market share gains.

T

THREATS



Financials and valuations

Consolidated - Income Statement

(INR M)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	41,310	38,318	11,006	12,189	14,636	20,224	58,853
Change (%)	57.9	-7.2	-71.3	10.7	20.1	38.2	191.0
Total Expenditure	36,874	32,631	8,579	11,893	14,281	17,533	48,715
% of Sales	89.3	85.2	77.9	97.6	97.6	86.7	82.8
EBITDA	4,435	5,687	2,427	296	355	2,690	10,138
Margin (%)	10.7	14.8	22.1	2.4	2.4	13.3	17.2
Depreciation	2,298	1,959	590	638	665	665	665
EBIT	2,138	3,728	1,837	-342	-310	2,025	9,473
Int. and Finance Charges	522	342	299	458	579	518	488
Other Income	431	246	481	385	835	817	1,590
PBT bef. EO Exp.	2,046	3,632	2,020	-415	-54	2,324	10,575
EO Items	0	1,342	0	-1,240	0	0	0
PBT after EO Exp.	2,046	4,974	2,020	-1,655	-54	2,324	10,575
Total Tax	504	1,729	513	-303	-10	425	1,934
Tax Rate (%)	24.6	34.8	25.4	18.3	18.3	18.3	18.3
Minority Interest	-47	-55	323	174	367	-594	-1,160
Reported PAT	1,589	3,299	1,184	-1,526	-411	2,493	9,801
Adjusted PAT	1,664	2,719	505	-1,613	-411	2,493	9,801
Change (%)	-646.7	63.4	-81.4	-419.2	-74.5	-707.0	293.2
Margin (%)	4.0	7.1	4.6	-13.2	-2.8	12.3	16.7

Consolidated - Balance Sheet

(INR M)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	1,117	1,117	1,117	1,117	1,117	1,117	1,117
Total Reserves	36,071	37,751	38,674	37,286	36,652	38,921	48,499
Net Worth	37,188	38,868	39,791	38,403	37,769	40,038	49,616
Minority Interest	1,580	1,521	1,156	480	480	480	480
Total Loans	13,363	10,593	25,017	49,965	44,965	39,965	39,965
Deferred Tax Liabilities	-569	-74	-833	-2,048	-2,050	-1,973	-1,626
Capital Employed	51,562	50,908	65,131	86,800	81,164	78,510	88,436
Gross Block	78,864	79,392	78,312	85,246	85,246	85,246	85,246
Less: Accum. Deprn.	37,909	39,868	40,459	41,096	41,761	42,426	43,091
Net Fixed Assets	40,955	39,524	37,853	44,149	43,484	42,819	42,154
Capital WIP	1,739	1,896	572	242	242	242	242
Total Investments	3,942	2,046	6,909	10,848	10,481	11,074	12,234
Curr. Assets, Loans&Adv.	30,183	40,569	58,818	1,07,546	82,644	1,00,533	1,29,748
Inventory	23,309	32,561	47,258	89,434	60,149	83,112	64,496
Account Receivables	2,168	1,564	1,656	1,047	1,210	1,573	3,568
Cash and Bank Balance	1,143	1,511	4,015	10,006	14,225	8,789	54,624
Loans and Advances	3,563	4,933	5,889	7,059	7,059	7,059	7,059
Curr. Liability & Prov.	25,257	33,127	39,021	75,984	55,686	76,158	95,943
Account Payables	8,580	7,855	7,483	8,272	9,566	12,432	28,200
Other Current Liabilities	14,843	23,423	29,660	65,872	43,909	60,672	58,853
Provisions	1,834	1,849	1,879	1,841	2,211	3,055	8,890
Net Current Assets	4,926	7,442	19,796	31,562	26,958	24,375	33,805
Appl. of Funds	51,562	50,908	65,131	86,800	81,164	78,510	88,436

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)							
EPS	14.9	24.3	4.5	-14.4	-3.7	22.3	87.8
Cash EPS	35.5	41.9	9.8	-8.7	2.3	28.3	93.7
BV/Share	333.0	348.0	356.3	343.8	338.2	358.5	444.2
DPS	4.0	5.0	5.0	2.0	2.0	2.0	2.0
Payout (%)	28.1	16.9	47.2	-14.6	-54.4	9.0	2.3
Valuation (x)							
P/E	115.0	70.4	378.6	-118.6	-465.9	76.8	19.5
Cash P/E	48.3	40.9	174.7	-196.3	752.4	60.6	18.3
P/BV	5.1	4.9	4.8	5.0	5.1	4.8	3.9
EV/Sales	4.9	5.2	19.3	19.0	15.2	11.0	3.0
EV/EBITDA	45.9	35.2	87.5	781.6	625.0	82.7	17.4
Dividend Yield (%)	0.2	0.3	0.3	0.1	0.1	0.1	0.1
FCF per share	-15.8	13.7	-43.9	-126.6	114.2	24.2	427.8
Return Ratios (%)							
RoE	4.6	7.1	1.3	-4.1	-1.1	6.4	21.9
RoCE	4.0	5.2	3.0	0.0	0.5	2.9	10.7
RoIC	3.8	5.4	2.8	-0.5	-0.4	2.9	19.4
Working Capital Ratios							
Fixed Asset Turnover (x)	0.5	0.5	0.1	0.1	0.2	0.2	0.7
Asset Turnover (x)	0.8	0.8	0.2	0.1	0.2	0.3	0.7
Inventory (Days)	206	310	1,567	2,678	1,500	1,500	400
Debtor (Days)	19	15	55	31	30	28	22
Creditor (Days)	76	75	248	248	239	224	175
Leverage Ratio (x)							
Current Ratio	1.2	1.2	1.5	1.4	1.5	1.3	1.4
Interest Cover Ratio	4.1	10.9	6.2	-0.7	-0.5	3.9	19.4
Net Debt/Equity	0.3	0.2	0.5	1.0	0.8	0.8	-0.3

Consolidated - Cash Flow Statement

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	2,153	4,063	738	-1,924	-54	2,324	10,575
Depreciation	2,298	1,959	590	638	665	665	665
Interest & Finance Charges	522	342	299	458	579	518	488
Direct Taxes Paid	-652	-747	-1,361	-966	8	-349	-1,586
(Inc)/Dec in WC	-4,036	-2,073	-7,655	-14,194	12,390	361	39,234
CF from Operations	285	3,544	-7,389	-15,988	13,589	3,520	49,376
Others	-796	-835	4,236	3,054	-835	-817	-1,590
CF from Operating incl EO	-511	2,710	-3,153	-12,934	12,754	2,703	47,786
(Inc)/Dec in FA	-1,258	-1,180	-1,746	-1,200	0	0	0
Free Cash Flow	-1,769	1,530	-4,900	-14,134	12,754	2,703	47,786
(Pur)/Sale of Investments	-983	1,311	-2,797	-3,350	0	0	0
Others	478	1,254	-698	150	835	817	1,590
CF from Investments	-1,762	1,385	-5,241	-4,400	835	817	1,590
Issue of Shares	198	14	-464	-714	0	0	0
Inc/(Dec) in Debt	2,867	-4,356	15,523	25,012	-5,000	-5,000	0
Interest Paid	-838	-706	-1,751	-1,597	-4,147	-3,732	-3,317
Dividend Paid	-115	-447	-554	-553	-223	-223	-223
Others	-44	-41	-32	36	0	0	0
CF from Fin. Activity	2,068	-5,535	12,722	22,184	-9,371	-8,956	-3,541
Inc/Dec of Cash	-206	-1,440	4,327	4,850	4,219	-5,436	45,835
Opening Balance	442	237	-1,204	3,123	7,974	12,192	6,756
Closing Balance	237	-1,204	3,123	7,974	12,192	6,756	52,592

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

NOTES

RECENT INITIATING COVERAGE REPORTS

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Financial Services

December 2025
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Crompton 2.0 unlocking potential!

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Financial Services

December 2025
Initiating Coverage | Sector: Retail
Arvind Fashions

Fashioning a new cycle of profitable growth

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