Volume: 1, Issue No.4 DATE: 29-04-2025

MAHINDRA LIFESPACE DEVELOPERS LIMITED

DATE: 29-04-2025

BSE CODE	532313
NSE CODE	MAHLIFE
MARKET CAPITAL (INR)	₹5288 Crores
FACE VALUE	₹10/-
CURRENT PRICE	₹ 341/-
BUYING RANGE	₹300-360
TARGET PRICE	₹750-1000
HOLDING PERIOD	36 months to 60 Months
STOPLOSS	₹235/-
SUITABLE WEIGHTAGE	3-4%
DEBT EQUITY RATIO	0.76
EPS	₹3.95
PE	86.30
RISK	HIGH
STOCK TYPE	GROWTH
TOTAL EQUITY CAPITAL	₹155 Crores
PROMOTER STAKE	51.14%
PLEDGE SHARES PRECENTAGE	NIL
STAKE HELD BY FII	9.55%
STAKE HELD BY DII	20.11%
INDIVIDUAL INVESTOR'S STAKE	15.40%

Stock Graph of Last 3 Years

MAHINDRA LIFESPACE DEVELOPERS LIMITED

The company is promoted by Mahindra group, and it represents the Mahindra group's interest in the real estate industry, and it remains strategically important to the parent, given its visibility and branding as a Mahindra venture. The group has also identified MLDL as one of its "growth gems". Mahindra Group is fully committed to support MLDL's growth aspirations.

Mahindra Lifespace Developers Limited (MLDL) is a prominent real estate development company established in 1994, and a growth gem of the Mahindra Group. Mahindra Lifespaces brings the Group's philosophy of 'Rise' through thriving residential communities and enabling business ecosystems. It stands out as a leading player in the sector, renowned for its sustainable approach, innovative designs, and dedication to creating vibrant, inclusive communities. Along with its subsidiary companies and joint ventures (JVs), Mahindra Lifespaces is engaged in developing residential projects as well as industrial developments — integrated cities (IC) and industrial clusters (IC).

With a strong track record of successful projects and a focus on meeting the evolving needs of urban dwellers, the company continues to play a significant role in shaping the future of urban living in India.

BUSINESS SEGMENTS

The company's business operations are broadly divided into three segments.

1. **Residential Development** – MLDL develops premium and mid-premium housing projects. Company has done 50+ projects since 1996 (47.56 msft) with 20k+ satisfied customers. Strategic partnerships with Actis and HDFC Capital. Company has focus on mid premium and premium segment, it is defined for projects of more than 1 crores and less than 10 crores in Mumbai region. While remaining regions it would be more than 1 crore and less than 5 crores.

2. **Integrated Cities & Industrial Clusters (IC&IC)** – The company builds large-scale industrial parks and smart cities to support business growth. IC&IC Business includes 2 World Cities, 3 Industrial parks. Company has been into Industrial Development since 1994. Company has done strategic partnerships with TIIDCO, RIICO, IFC and Sumitomo. It has 262 clients

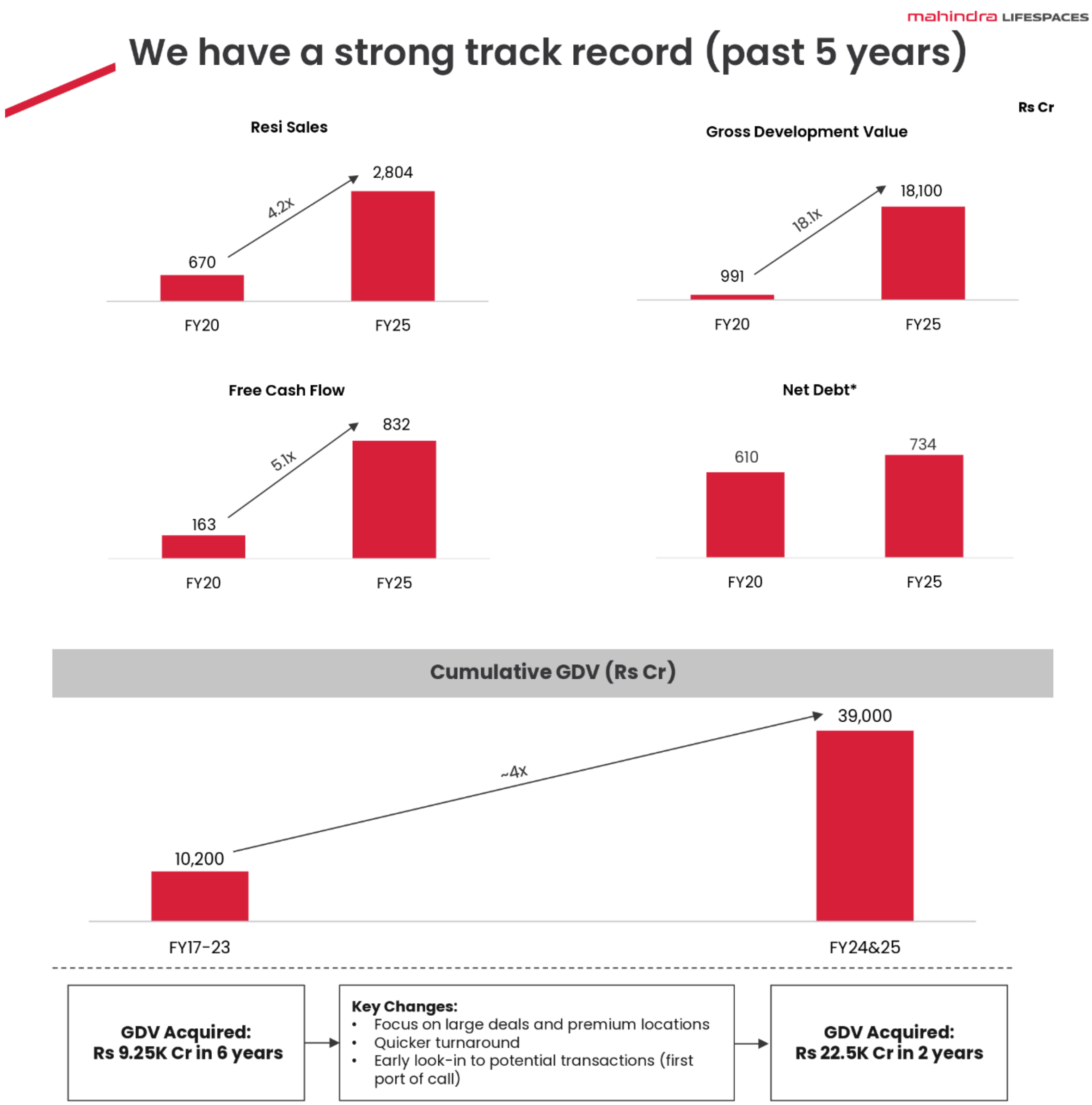
from 15+ countries. It is an area which allows the company to attract all the industrial companies from around the world who find its industrial parks, world cities quite favourable. The China Plus One, domestic consumption, PLI, all these stories are attractive to many of them, and the company helps them with a plug-and-play infrastructure. Company has a Very healthy pipeline here, there has been a lot of interest in India from many industrial clients, hence company is looking forward to working closely with them to give them a ready-to-move-in, plug-and-play infrastructure.

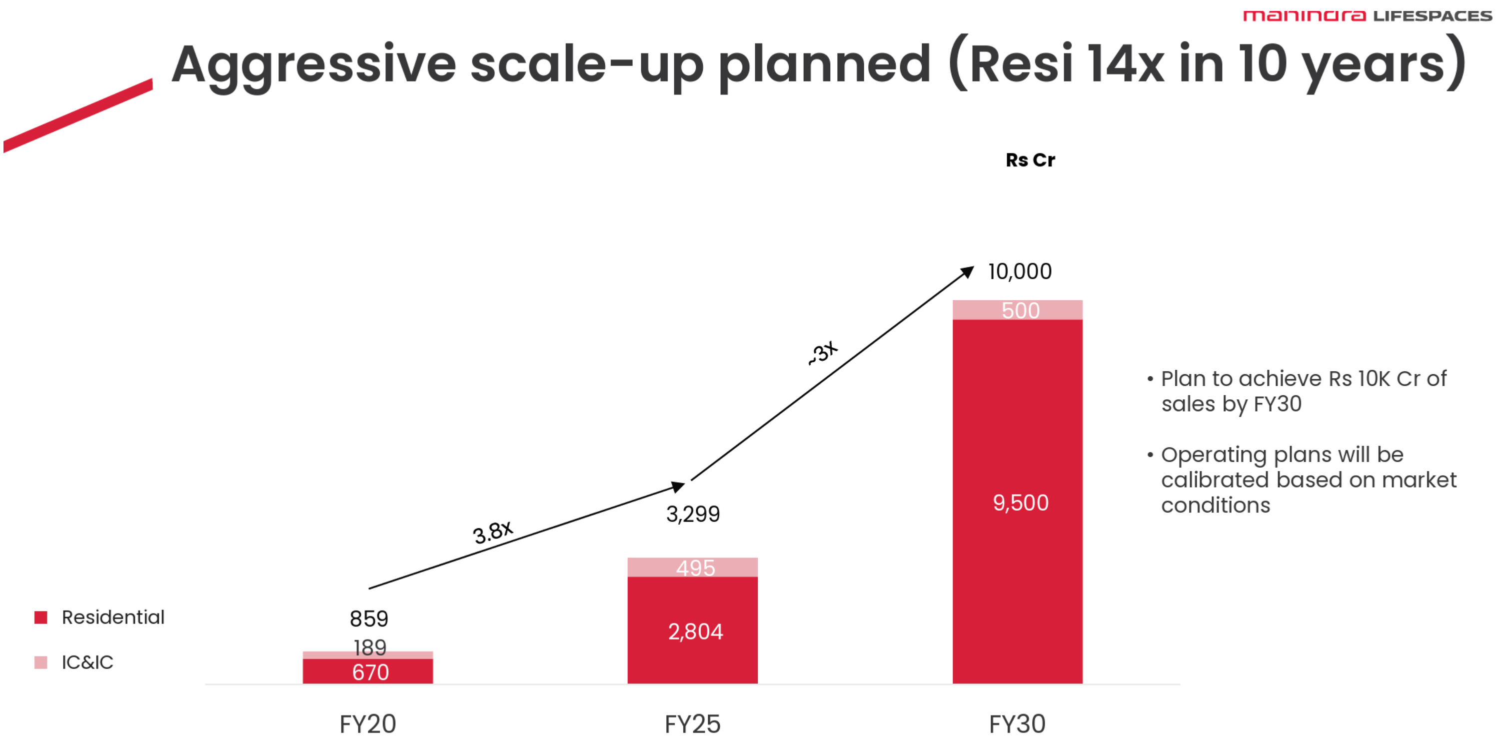
3. **Redevelopment Projects** – Mahindra Lifespace Developers Limited (MLDL) has been actively expanding its redevelopment portfolio, focusing on urban renewal and revitalizing prime locations in Mumbai. These projects aim to modernize aging infrastructure while integrating sustainable and premium living spaces.

The company has collaborated with Actis and HDFC Capital for residential developments and with Sumitomo Corporation, Japan, and IFC for IC&IC projects. Additionally, it has a JV with Actis to develop Built-to-Suit facilities in India's industrial and warehousing sector. In November 2024, the company signed a supplemental agreement with Sumitomo for an investment of ₹225 Cr in Mahindra Industrial Park Chennai.

The company is doing outright land purchases, JDA, society redevelopment, company is not yet venturing into SRA flats. (Slum Rehabilitation Authority).

EXPONENTIAL KEY PERFORMANCE INDICATORS





KNWOLEDGE CENTER

There are different metrics to see growth in companies, for example, a retail store like dmart and reliance retail will see sales per square foot, banks will see growth of loan book and levels of NPA, steel tubes and PVC companies will see volume growth and EBIDTA Per tonne. A software as a service company will see monthly or annual recurring revenue to see growth in subscription, same way for real estate companies, one of the best metrics is pre-sales and collection.

RESIDENTIAL COLLECTIONS AND PRE-SALES OF MAHINDRA LIFESPACE DEVELOPERS LIMITED

(₹ in Crores)

YEAR	COLLECTIONS	PRE-SALES
FY20	930	670
FY21	758	695
FY22	1153	1028
FY23	1165	1812
FY24	1385	2328
FY25	1831	2804

Now if we see the total revenue of MLDL as a whole, company did a total revenue of ₹372 crores including IC&IC. But when you see the collections and pre-sales figures, it will create a good amount of confusion as the company has done sizable pre sales and collections and still revenue is significantly low! This is a catch of accounting policy in real estate business which makes it very much difficult to value a particular real estate company based on this accounting policy.

-It is because of the provisions of IND AS 115. Which says Revenue from real estate projects can be recognized when the real estate company satisfies its performance obligation, and the customer obtains control of the property. Hence, all the above amounts are to be recognized as revenue once the ownership of the property is transferred to the buyer of the property. Hence booking amounts, pre sales and collections becomes key performance indicators for valuing a real estate company.

The company has set a revenue aspiration of ₹10000 crores by FY 30.

MANAGEMENT OF THE COMPANY

Mr. Amit Kumar Sinha

Managing Director & CEO, MLDL

Mr. Amit has been associated with the Mahindra Group since November 2020, when he joined as President – Group Strategy. He became a member of the Group Executive Board in April 2021. Since then, he has played a key role in leading strategic initiatives across various Group companies, focusing on growth, transformation, and capital allocation. He currently serves on the boards of Mahindra Finance, Mahindra Susten, and Mahindra First Choice.

Before joining the Mahindra Group, he was a Senior Partner and Director at Bain & Company, where he spent over 18 years across the US and India, leading large-scale strategy and performance improvement programs across sectors such as infrastructure, real estate, construction, energy, and technology. His early career includes roles at Tata Motors and IGate Patni (now Capgemini) in technology leadership positions across India, Singapore, and the US.

Amit holds an MBA in Finance and Strategy from The Wharton School, University of Pennsylvania, where he was a Palmer Scholar and a recipient of the Siebel Scholarship. He also holds a Bachelor's degree in Electrical and Electronics Engineering from Birla Institute of Technology, Ranchi, and is an Ananta Aspen Fellow under their India leadership program.

SIGNIFICANT BUSINESS DEVELOPEMENTS

- Mahindra Lifespace Developers Limited (MLDL) has been appointed as the preferred partner for the redevelopment of two residential societies in the Lokhandwala Complex, Andheri West, Mumbai.

  The project, valued at approximately ₹1,200 crore, will be pursued under the state's cluster development scheme. Strategically located, the site is 15 minutes from the upcoming Versova-Bandra Sealink, offering excellent connectivity to other parts of the city.

- Mahindra Lifespace Developers Limited (MLDL), **in partnership with Livingstone Infra Private Limited**, has announced a cluster redevelopment project in Mahalaxmi, South Mumbai, with a Gross Development Value (GDV) of ₹1,650 crore. The project is located in a prime area offering excellent connectivity to major business hubs, essential services, and leisure destinations across South Mumbai.

- Company has secured another redevelopment project in Mumbai, being appointed as the developer for a ₹950 crore GDV project in Lokhandwala Complex, Andheri West.

  The project involves the redevelopment of three residential societies under the state’s cluster redevelopment policy and is strategically located just 15 minutes from the upcoming Versova-Bandra Sealink, ensuring strong citywide connectivity.

- Mahindra Lifespaces, through its subsidiary Anthurium Developers Ltd (ADL), has **acquired an 8.2-acre land parcel in North Bengaluru with a GDV of nearly ₹1,000 crore**.

The project, offering ~0.9 million sq. ft. of saleable area, will feature mid-premium residential apartments.

Strategically located off the Bangalore-Hyderabad Highway, near the upcoming Doddajala metro station (1.8 km), it benefits from proximity to the international airport, IT hubs, commercial centers, and robust social infrastructure.

The launch is planned within the next nine months, further strengthening its position as a leading developer of thoughtfully designed and sustainable residential spaces in Bengaluru, one of India's fastest growing real estate markets.

- Mahindra Lifespaces, through its subsidiary Mahindra World City Developers Ltd. (MWCDL), has announced Phase 2 of its ***"Origins by Mahindra***" Industrial Park in Tamil Nadu, in continued partnership with Sumitomo Corporation, Japan. This expansion marks a significant step in enhancing industrial growth in the region.

  The Joint Venture Agreement originally signed in 2015, with Sumitomo Corporation was further strengthened through a Supplemental Agreement which involves an investment of approximately ₹225 crores by MWCDL and Sumitomo Corporation, Japan in Mahindra Industrial Park Chennai Limited (MIPCL), in proportion of their existing shareholding.

  The project focuses on land acquisition and infrastructure development to expand the 307-acre park, which already houses global and domestic industries, aiming to boost regional industrial growth.

- Company, through its wholly owned subsidiary Anthurium Developers Ltd., has **entered into a joint development agreement with GKW Ltd for a 37-acre land parcel in Bhandup, Mumbai, with a development potential of 3.6 million sq. ft**.

  This will be one of MLDL's largest urban mixed-use developments, primarily residential, with supporting commercial and retail spaces. The site offers excellent connectivity via the Jogeshwari-Vikhroli Link Road, Eastern Express Highway, and strong rail and metro access.

- Mahindra Lifespaces Developers Ltd. (MLDL) has announced the closure of two major real estate deals with a combined **Gross Development Value (GDV) of ₹2,050 crore,** further expanding its presence in two high-potential markets, Mumbai and Bengaluru.

1. In Mumbai, the company has been selected as the preferred partner for the redevelopment of seven residential societies located in the prestigious Borivali West neighbourhood.

   This project will be developed under the state's cluster redevelopment policy and is estimated to **have a GDV of approximately ₹1,800 crore.** The scale and location of this project highlight Mahindra Lifespaces' growing footprint in Mumbai's residential redevelopment space.

2. In Bengaluru, MLDL has acquired a 2.37-acre land parcel in Singasandra, South Bengaluru, adjacent to its well-received Mahindra Zen project. The newly acquired land offers a developable potential of about 0.25 million sq. ft. and is expected to **generate a GDV of around ₹250 crore.**

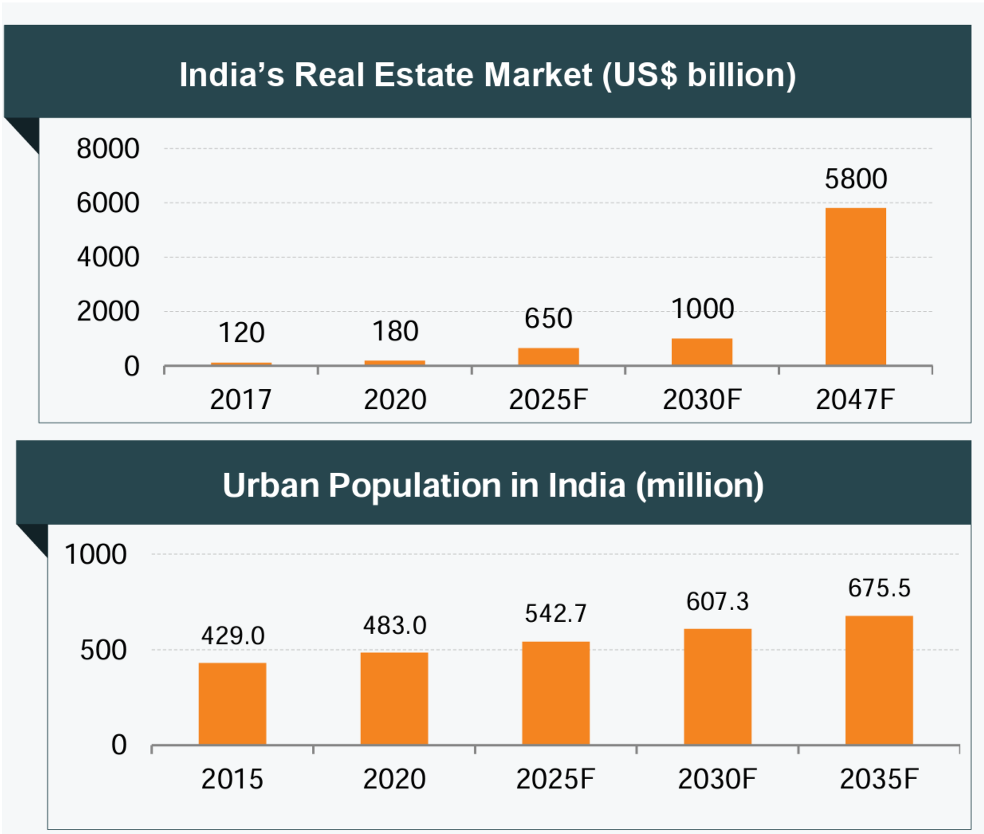
   This acquisition aligns with the company's strategy of deepening its presence in Bengaluru's key residential corridors and leveraging the success of existing developments.

Amit Kumar Sinha, Managing Director & CEO, Mahindra Lifespace Developers Ltd., said*, "These strategic moves in Mumbai and Bengaluru, with a combined GDV potential of ₹2050 crore, mark a significant milestone in our growth trajectory. Our third redevelopment project in Mumbai, with a GDV of ₹1800 crore, reinforces our commitment to urban renewal by creating value in established neighbourhoods. Simultaneously, our ₹250 crore GDV land acquisition in Bengaluru's Singasandra area positions us to further capitalize on the city's robust real estate demand. Both deals align with our focus on high-potential markets and underscore Mahindra Lifespaces' dedication to delivering quality living spaces across diverse urban landscapes."*

SECTOR OUTLOOK

Real estate sector in India is expected to reach US$ 1 trillion by 2030. By 2025, it will contribute 13% to the country's GDP. Rapid urbanization bodes well for the sector. The number of Indians living in urban areas is expected to reach 542.7 million by 2025 and 675.5 million by 2035. Construction is one of the largest sectors in terms of FDI inflow. FDI in the sector (including construction development & activities) stood at Rs. 3,83,229.78 crore (US$ 44.46 billion) from April 2000-September 2024.

In 2023, demand for residential properties surged in the top 8 Indian cities, driven by mid-income, premium, and luxury segments despite challenges like high mortgage rates and property prices. India's physical retail landscape is poised for a substantial boost, with nearly 41 million sq. ft of retail developments set to be operational between 2024 and 2028 across the top 7 cities, encompassing projects in various stages from construction to planning.



Focus on modernization, rising per capita income and thriving residential construction activities would boost the demand for the sector.

In summary, the Indian Real Estate sector has sustained growth on the back of strong demand, led by rise in per capita income and shifting consumer behaviour. Despite the moderate increase in property prices, the real estate sector is expected to experience continuous growth due to encouraging GDP per capita, disposable income and urbanization.

The Indian real estate industry is witnessing steady growth and undergoing significant transformation. With the government's policy initiatives, increased transparency, and the adoption of technology, the sector is expected to thrive in the coming years. However, it will need to address challenges related to project delays, funding, and legal issues to unlock its full potential.

Affordable segment in the real estate market has actually de grown, earlier it used to be around 50% of the residential market and now it’s only 25% in terms of volume. Value wise it’s even lower.

Luxury segment has grown really well rather a crazy growth. Luxury segment means a residential property above ₹5 crores in markets except Mumbai. While in Mumbai a residential property above ₹10 crores will be counted under luxury segment. It is now 1% of the overall residential market in terms of volume but by value it has become 10% of market. While the mid segment, which is mid premium and premium (Value ₹1-5 crores) where MLDL plays has continued to remain healthy and it has gained market share from affordable segment in a significant way. There is demand for shifting to quality properties by branded players.

In India we sell more than 5 lakhs homes annually, while China sells more than 1 crore homes annually, now if we look at India and China, we both have similar size of population, while there is a huge difference in the construction and selling of homes. It shows we have a big room for growth for many years to come. Yes real estate business is a cyclical business, and we may expect good amount of up cycles in coming decades.

FINANCIALS

Let's discuss the results of fourth Quarter that is January to March (January to March FY 2024-25):

AMOUNT IN CRORES(₹)

Particulars	Qtr ended March, 2025 (₹)	Qtr ended Dec, 2024 (₹)	QoQ %	Qtr ended March, 2024 (₹)	YoY %	Year ended March, 2025 (₹)	Year ended March, 2024 (₹)	YoY %
Revenue	**9.24**	**167.28**	**-94.48%**	**14.29**	**-35.34%**	**372.27**	**212.09**	**75.52%**
Operating Expense	-64.42	-192.68		-68.39		-542.14	-383.19	
Operating Profit	**-55.18**	**-25.4**	**-117.24%**	**-54.1**	**2.00%**	**-169.87**	**-171.1**	**-0.72%**
Depreciation	-5.5	-3.97		-3.82		-17.81	-13.73	
Interest	-2.12	-4.23		-2.61		-19.38	-7.39	
Other Income	46.2	18.49		40.31		91.6	67.03	
Share of Joint Venture	103.16	9.96		78.8		185.96	179.48	
PBT	**86.56**	**-5.15**	**1780.78%**	**58.58**	**47.76%**	**70.5**	**54.29**	**29.86%**
Tax	-1.47	-17.32		-12.90		-9.15	-44.01	
PAT	**85.09**	**-22.47**	**478.68%**	**71.48**	**19.04%**	**61.35**	**98.3**	**-37.59%**
Operating Profit Margin	-597.19%	-15.18%		-378.59%		-45.63%	-80.67%	

Quarterly Results:

- Last year, January to March (FY 2023-24), the company did revenue (sales) and profit of ₹14.29 crores and ₹71.48 crores respectively.
- In the immediate past quarter, i.e., October to December (FY 2024-25), the company did revenue (sales) and loss of ₹167.28 crores and ₹22.47 crores respectively.

- And in the latest January to March (FY 2024-25) quarter, the company has done revenue (sales) and profit of ₹9.24 crores and ₹85.09 crores respectively.
- In YoY terms, the company's sales have decreased by 35.34% but profits have increased by 19.04%.
- In QoQ terms, the company's sales have decreased by 94.48% but profits increased by whopping 478.68%.
- Basic EPS was ₹5.49 for the quarter as compared to (₹1.49) in Q3 FY '25.

FY25 v/s FY24:

- Yearly results (April to March 2024) for FY 2023-24, the company a revenue of ₹212.09 crores and profit of ₹98.3 crores.
- The fiscal year 2025 concluded with a revenue of ₹372.27 crore and PAT of ₹61.35 crore.
- In YoY terms the company has increased its sales by 75.52% but profit has decreased by 37.59%.
- The net debt-to-equity ratio remains low at 0.39.

Quarterly Results

[redacted]

Consolidated Figures in Rs. Crores / View Standalone

	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023	Mar 2024	Jun 2024	Sep 2024	Dec 2024	Mar 2025
Sales +	162	95	70	187	255	98	18	82	14	188	8	167	9
Expenses +	197	127	109	198	283	141	53	121	68	230	55	193	64
Operating Profit	**-36**	**-32**	**-39**	**-11**	**-27**	**-43**	**-35**	**-39**	**-54**	**-42**	**-48**	**-25**	**-55**
OPM %	-22%	-34%	-56%	-6%	-11%	-44%	-196%	-48%	-379%	-22%	-627%	-15%	-597%
Other Income +	117	119	31	51	38	37	8	82	119	55	45	28	149
Interest	2	2	2	3	3	4	0	0	3	6	7	4	2
Depreciation	2	2	3	3	3	3	3	4	4	4	4	4	6
Profit before tax	**78**	**83**	**-14**	**33**	**4**	**-14**	**-30**	**39**	**59**	**3**	**-14**	**-5**	**87**
Tax %	-77%	9%	-47%	-4%	86%	-69%	-36%	-28%	-22%	-314%	0%	336%	2%
Net Profit +	**138**	**76**	**-8**	**34**	**1**	**-4**	**-19**	**50**	**71**	**13**	**-14**	**-22**	**85**
EPS in Rs	8.85	4.88	-0.50	2.15	0.03	-0.28	-1.22	3.23	4.61	0.82	-0.90	-1.45	5.49

Profit & Loss

[redacted]

Consolidated Figures in Rs. Crores / View Standalone

	Mar 2014	Mar 2015	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023	Mar 2024	Mar 2025
Sales +	705	1,086	593	762	566	593	611	166	394	607	212	372
Expenses +	535	662	508	712	509	567	692	260	481	717	383	542
Operating Profit	**171**	**424**	**86**	**50**	**57**	**26**	**-81**	**-94**	**-88**	**-110**	**-171**	**-170**
OPM %	24%	39%	14%	7%	10%	4%	-13%	-56%	-22%	-18%	-81%	-46%
Other Income +	51	61	92	113	123	134	-100	34	200	239	246	278
Interest	50	51	36	20	41	12	8	11	7	11	7	19
Depreciation	10	13	4	5	4	4	8	7	7	12	14	18
Profit before tax	**161**	**421**	**138**	**139**	**135**	**143**	**-196**	**-78**	**99**	**106**	**54**	**70**
Tax %	32%	33%	31%	24%	23%	17%	-1%	-8%	-63%	3%	-81%	13%
Net Profit +	**110**	**283**	**95**	**106**	**103**	**119**	**-195**	**-71**	**162**	**103**	**98**	**61**
EPS in Rs	6.57	17.31	5.96	6.64	6.56	7.77	-12.55	-4.66	10.00	6.56	6.34	3.95

Balance Sheet

[redacted]

Consolidated Figures in Rs. Crores / View Standalone

	Mar 2014	Mar 2015	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023	Mar 2024	Mar 2025
Equity Capital	41	41	41	41	51	51	51	51	155	155	155	155
Reserves	1,221	1,434	1,589	1,659	2,008	1,878	1,650	1,580	1,634	1,651	1,718	1,741
Borrowings +	1,401	1,238	784	652	459	228	237	245	286	268	877	1,439
Other Liabilities +	764	896	596	535	481	836	603	697	963	1,537	2,213	3,085
Total Liabilities	**3,427**	**3,609**	**3,010**	**2,886**	**2,998**	**2,994**	**2,542**	**2,573**	**3,037**	**3,611**	**4,963**	**6,421**
Fixed Assets +	323	354	77	100	95	95	98	91	103	37	24	26
CWIP	15	8	1	8	9	10	12	15	3	5	5	5
Investments	301	222	816	742	926	688	548	558	622	905	914	904
Other Assets +	2,787	3,026	2,116	2,036	1,967	2,201	1,883	1,909	2,308	2,664	4,020	5,486
Total Assets	**3,427**	**3,609**	**3,010**	**2,886**	**2,998**	**2,994**	**2,542**	**2,573**	**3,037**	**3,611**	**4,963**	**6,421**

Now dear readers, if we see the quarterly and yearly profit and loss account above, there looks no consistency in growth. In fact, there are some years when company has shown a degrowth. And based on the above profit and loss account, it will be a tough investment decision to make for any investor looking to invest in this company, rather many investors will avoid this company based on above profit and loss account.

But as discussed in "knowledge center" on page number 6 of this report. Most of the companies in real estate sector including MLDL, follow IND AS 115, hence in initial years revenues and profits are quite lumpy and due to that the P&L figures are misleading many times. Hence we have to focus on other key performance indicators like bookings, pre sales, collections, free cash flows etc. and if we look at the pre sales, collections and free cash flows of MLDL, they are pretty much impressive, company has grown these metric exponentially. And based on that it does make a good investment decision for long term perspective.

Commenting on the performance, Mr. Amit Kumar Sinha, Managing Director & CEO, Mahindra Lifespace Developers Ltd., said, *"We had a very successful year with GDV additions of Rs 18,100 Cr, ~4x over FY24. We also had a 20.4% growth in our residential pre-sales, driven by successful launches such as Vista Ph2, Ivy Lush, Zen and Green Estates during the year. Our IC&IC business also had a strong with marquee transactions closed during the year. This positions us well to achieve our stated target of 8,000 - 10,000 Cr sales in 5 years. Further our balance sheet remains strong with highest ever operating cash flows and well-controlled net debt to equity."*

RECENT DEVELOPMENTS

- **RIGHT ISSUE BY THE COMPANY**

  Mahindra Lifespace Developers Ltd. (MLDL) has approved a fundraise of up to ₹1,500 crore through a Rights Issue to its eligible shareholders. The primary objectives of this capital infusion are to reduce the company's existing debt obligations and fuel its future growth plans, particularly in the areas of redevelopment projects and land acquisitions across key urban markets like Mumbai and Bengaluru.

  This Rights Issue reflects Mahindra Group's strategic confidence in MLDL's long-term growth prospects. Mahindra & Mahindra Ltd. (M&M), the parent company, has not only committed to fully subscribing to its rights entitlement in both Mahindra Lifespaces (MLDL) and Mahindra Finance (MMFSL) but has also announced its intention to subscribe to any additional or unsubscribed portion of the issue, up to the full issue size.

Post the rights issue, MLDL's net-worth expected to be Rs 3,400 Cr

- *In terms of future readiness, 70–80% of the land needed to achieve its targeted revenue range of ₹8,000–10,000 crore is already secured. This ensures visibility and stability for the years ahead*.

- **Compared to last year, the company is now setting more stringent guardrails. While earlier it was comfortable with an IRR of 18–20%, it is now targeting a higher range of 20–22% to improve returns as it enters the next phase of growth.**

- *Mahindra Lifespaces has nine projects in the pipeline for upcoming completion in FY26: five large projects and one plotted development, which is awaiting approval in Jaipur. Additionally, there are three affordable projects in progress.*

- *The Bhandup micro-market, along with the fringes of Mulund, sees an annual sales volume of around 5,000 units, making it a strong and captive market.*

- Company's Bhandup design is complete, and the first stage of approval for I2R is already secured. The project will feature over 3,000 apartments and substantial commercial space**. As per the management *"it is going to be a great story there".***

- In New Haven (Bangalore), the company has achieved strong sales with a significant price increase compared to nearby projects, indicating that the market remains robust and healthy.

- The Navy project, the company's first redevelopment project, involves a detailed process, including design approval, customer handholding, vacationing, demolition, and the necessary clearances.

- *The entire site has now been vacated, and the project is ahead of schedule. The company expects to launch the Navy project in Q1 FY26*.

CLOSING REMARKS

Mahindra Lifespaces is emerging as a focused, financially disciplined, and future-ready real estate developer, strategically consolidating its presence in high-growth urban centers. The company has consciously exited non-core geographies like Nagpur and Hyderabad, while limiting new projects in NCR, in favour of building deeper scale and market share in Mumbai Metropolitan Region (MMR), Pune, and Bengaluru. This sharper focus is yielding tangible results. Company believes depth in market is more important than breadth of the portfolio.

From pre-sales of ₹670 crore in FY20, the company has grown over 4x to ₹2,804 crore in FY25. Its Gross Development Value (GDV) has multiplied 18-fold, from under ₹1,000 crore in FY20 to ₹18,100 crore in FY25. Remarkably, Mahindra Lifespaces's GDV increased from ₹10200 crores to ₹39,000 crore in just two years (FY24 and FY25), almost four times what it added in the previous six years combined (FY17–FY23), underlining a significant acceleration in its development pipeline. This scale-up has been achieved with strong fiscal discipline.

To sustain its momentum and long-term aspirations including the internal vision of achieving ₹1–1.1 lakh crore GDV by FY35–FY40. the company aims to maintain an annual GDV addition of ₹5,000–10,000 crore.

Free cash flows have increased more than fivefold to ₹832 crore over the past five years, while net debt has risen marginally from ₹610 crore to ₹734 crore (even after the exponential growth), demonstrating prudent capital deployment.

The company's profitability frameworks are robust, with IRR and PBT margin guardrails that include corporate overheads, ensuring true cost visibility and helping maintain a consistent 18–20% margin range across projects. As the business enters a new growth phase, the company is now tightening its investment filters further, aiming for IRRs in the 20–22% range to protect returns and mitigate downside risks.

Investor and market perception of Mahindra Lifespaces is changing meaningfully. Where earlier the company pursued deals, today landowners are increasingly approaching Mahindra Lifespaces as their partner of choice, a testament to the company's credibility and delivery track record. Projects like New Haven have seen strong sales and healthy price appreciation, highlighting the underlying market strength and the brand's growing customer pull.

The recently announced Rights Issue, backed by strong promoter participation, further reinforces confidence in Mahindra Lifespaces' growth strategy. This capital infusion not only strengthens the balance sheet but also provides additional flexibility to pursue large-scale redevelopment and land aggregation opportunities. It also aligns with the company's long-term ESG and technology-driven vision.

Around 51.14% stake is held by promoters, 9.55% stake is held by FII, DII hold around 20.11% stake, and around 15% stake is held by retail individual investors.

Amid a cyclical recovery in the residential real estate sector supported by end-user demand, constrained ready inventory and enhanced regulatory clarity under RERA, Mahindra Lifespaces is expanding its presence with a structured and capital-efficient approach. The company's growth is guided by defined strategic priorities, governance standards and support from the broader Mahindra Group. As it continues to scale operations, Mahindra Lifespaces is building a platform that aims to deliver steady performance and long-term value for all stakeholders.

We believe MLDL is one of the ignored companies in stock market in real estate sector, whereas it has solid parentage and high growth drivers. Gradually when the company will show profits in years to come based on IND AS 115, this company may catch the eyes of investors.

***Now time to do some math and estimating the future potential. Once sizable ownership of residential properties are transferred to the owners, and that is converted in the revenue as per IND AS 115, then in the next 5 years we may expect company to reach to the PAT levels near ₹440 crores and if we assign a moderate PE of 35 then market cap of this company can go up to ₹15400 crores (₹440cr*35). While current market cap is around ₹5288 crores.**

**The above calculation is as per our estimate based on the management guidance on various aspects like GDV, future launches, future cash flow guidance etc. and it will hold true only if management executes future expansion plans well, management has achieved a sizable number in GDV now it's time to execute the same.*

Accumulation strategy: It must be noted that as it's a small company, it is suitable only for aggressive investors. The b*est accumulation strategy for long-term investment would be to buy in 2-3 parts during market dips in the buying range. Buying in a phased manner can also be a great strategy. It must be noted that currently we are having a situation of war with Pakistan and due to that we may see some short-term turbulence in the market and we may witness volatility in the market, hence buying in a phased manner is recommended. The best rate for this company will be around ₹290. And the whole range of ₹300 to ₹360 can be used as an ideal buying range.*

We remain positive for MLDL, and we expect this company to grow and multifold yet much more going forward. We assign a long-term target of ₹750-1000 in 3-5 years.

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Note: In the above research report, information has been sourced from past annual reports, press releases and the website of the company. We have also taken data from JPC, PIB India, IBEF etc.

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