

# Lodha Developers | BUY

## Steady quarter, strong BD momentum

Lodha Developers Limited (Lodha) reported quarterly pre-sales of INR 44.5bn (+10% YoY, down 7% QoQ), which was slightly below of our estimates of INR 46bn. Collections were healthy at INR 28.8bn for 1QFY26, growing 7% on a YoY basis. Net debt stood at INR 50.8bn during 1QFY26, up by INR 11bn sequentially due to record BD and continued spends on approvals of ongoing projects. We remain positive on Lodha as it continues to execute well across all parameters and maintain BUY with a TP of INR 1,480.

- **Pre-sales came in lower than our estimates:** Lodha reported quarterly pre-sales of INR 44.5bn (+10% YoY, down 7% QoQ), which was slightly below of our estimates of INR 46bn. According to the management, business was impacted by the geopolitical tensions in the first half of the quarter, and maintained its full year pre-sales guidance of INR 210bn. Collections came in at INR 28.8bn for 1QFY26, growing 7% on a YoY basis and company expects it to sharply pickup in 2HFY26.
- **Business development update:** In 1QFY26, Lodha added five new projects – 3 in MMR and 1 each in Pune and Bengaluru with total GDV of INR 227bn. With these acquisitions, the company has achieved c. 90% of full year guidance of INR 250bn.
- **Update on net debt:** Net debt stood at INR 50.8bn during 1QFY26, up by INR 11bn sequentially due to record BD and continued spends on approvals of ongoing projects. However, it remains well below the target ceiling of 0.5x Net Debt/Equity.

### Exhibit 1.Lodha Developers: 1QFY26 pre-quarter update

Particulars	1QFY26	1QFY25	4QFY25	YoY	QoQ	1QFY26E	Variance
Pre-Sales (INR bn)	44.5	40.3	48.1	10%	-7%	46.0	-3%
Collection (INR bn)	28.8	26.9	44.3	7%	-35%	32.2	-11%

Source: Company, JM Financial



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