

GODREJ PROPERTIES LTD (CMP: 1821.50 P. Close: 1820.80)

Buying Price	Stop-Loss	Target	Time Frame
1821.50	1692 (7.13%)	2082 (14.14%)	1.5 - 2 Months

Daily Chart-



Godrej Properties has rebounded sharply from the ₹1,690–₹1,705 demand zone, signaling strong buying interest. The stock has reclaimed the ₹1,800–₹1,820 resistance area, which now acts as immediate support. RSI is above 50 and trending higher, reflecting strengthening momentum. MACD has given a bullish crossover with expanding histogram bars, indicating improving upside traction. Rising volumes confirm active buyer participation. Sustaining above ₹1,800 can push the stock toward ₹2,082. A close below ₹1,692 would invalidate the bullish setup.

Income / Expenditure Statement

(Rs in Millions)

Description	202503	202403	202303	202203	202103
Net Sales	49228.40	30356.20	22522.60	18248.80	7649.20
Total Income	69670.50	43342.20	30390.00	25856.90	13330.90
Total Expenditure	48784.80	31653.00	20046.30	16917.20	10982.80
PBIDT	20885.70	11689.20	10343.70	8939.70	2348.10
PAT	13892.30	7470.60	6206.00	3505.50	-1893.00
Dividend %	-	-	-	-	-
Adj. EPS(Rs)	46.48	26.09	20.55	12.68	-6.81

Godrej Properties (GPL) continues to consolidate leadership in India's residential real estate upcycle, with CY25 marking its strongest year across operating metrics. Pre-sales of ₹341.7 billion (+19% YoY), collections of ₹189.8 billion, operating cash flow (OCF) of ₹72.5 billion, and earnings of ₹15.8 billion reflect sustained scale momentum. Over CY22–CY25, bookings CAGR stands at 44%, with market share doubling to 4.8%. Importantly, economic interest in bookings has risen to 87% (vs ~50% in CY21), structurally improving earnings quality and consolidation-led margins. GPL has achieved ~74% of FY26 pre-sales guidance (₹325 billion) in 9M and management expects to exceed the full-year target, supported by a Q4-heavy launch pipeline across NCR, MMR, Bengaluru, Pune, and select Tier-2 markets. Management reiterated confidence in sustaining growth into FY27, subject to macro stability.

While 9MFY26 OCF moderated to ₹32 billion (-7% YoY), this was execution-led. Direct construction spend rose 66% YoY as GPL accelerated deliveries. With ~10 msf deliveries guided for FY26 (skewed toward Q4), management expects a sharp uptick in collections and OCF in Q4, potentially surpassing FY25 levels. This sets up stronger cash conversion and ROE expansion in FY27–FY28. GPL targets 10–15% net margins (~25% EBITDA). A disciplined, cycle-aware land strategy, combined with inventory visibility of ~₹1.35 trillion GDV, reduces near-term reliance on aggressive business development and supports underwriting discipline. Speculative demand is cooling, particularly in Gurgaon, but end-user demand remains robust. With supply growth modest (~3–4% degrowth in 2025), organized players with execution capability are likely to gain share. Risks include collections timing spillovers, auction-led land price inflation, and IT-sector hiring uncertainty. However, diversified geography (no single market >30% of bookings) and moderate leverage provide balance sheet resilience. GPL offers scalable pre-sales growth, improving cash flow visibility, and market-share gains positioning it as a structural compounder within India's formalizing residential real estate cycle. In FY27, we expect the company's EPS to be ~₹83 and is expected to trade at ~36x.

Assets and Liabilities

(Rs in Millions)

Share Capital	1506.00 Net Block	12085.20
Reserve	181604.60 Long term Investments	26931.70
Share Holder's Funds	183110.60 Short term investments	45852.20
Long Term Debt	32500.00 Total Investments	72783.90
Short Term Debt	129225.60 Cash and Bank Bal	53182.10
Total Debt	161725.60 Net Current Assets	166426.40