

AGI Infra Ltd



CMP: INR 822

Rating: Buy

Target: INR 1327

Stock Info

BSE	539042
NSE	AGIL
Bloomberg	AGIL:IN
Sector	Real Estate
Face Value (INR)	5
Equity Capital (INR Mn)	122
Mkt Cap (INR Mn)	20,070
52w H/L (INR)	972/329
Avg Yearly Volume (in 000')	29.5

Shareholding Pattern %

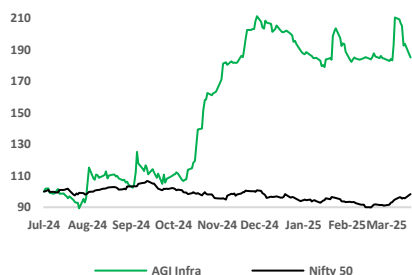
(As on September, 2024)

Promoters	72.95%
DII	0.02%
FII	1.04%
Public & Others	26%

Stock Performance (%) 1m 6m 12m

AGIL	2.4%	73.5%	88.6%
NIFTY	5.11%	-7.92%	3.63%

AGIL vs Nifty



AGI Infra Ltd. is a real estate developer that builds residential and commercial properties in North India. The company strategically caters to both affordable and premium housing segments, targeting middle-class and high-income buyers; they are leading players in Punjab. Leveraging advanced construction methodologies such as MIVAN technology, it has enhanced project efficiency, ensuring faster execution and superior structural durability. With an established presence in key cities like Jalandhar, Ludhiana, Amritsar, and Mohali, the company is actively pursuing expansion into new markets. It has a strong financial track record, a good reputation for timely delivery, and is committed to sustainable, high-quality housing.

Investment Thesis

Strategic Land Bank Reserve for Long-Term Growth – AGI Infra holds a land bank of 160 acres of land (625,000 sqft) which provides a strong foundation for future expansion and revenue growth. The company has developable land parcels across key high-growth locations, including Jalandhar, Ludhiana, Mohali, and New Chandigarh, positioning it well for long-term scalability in the real estate sector. As infrastructure development and urbanization expand in Punjab, the company's strategic land holdings will appreciate, strengthening its balance sheet.

Strong Pipeline of Upcoming Projects – It has a well-diversified and extensive project pipeline, ensuring stable revenue visibility and long-term growth. AGI Infra has a robust project pipeline, ensuring sustained growth and strong revenue visibility over the coming years. In FY24, the company achieved INR 2,923.3 Mn in revenue and INR 521 Mn in net profit, reflecting its operational strength and growing market presence. The company is actively developing multiple residential and commercial projects, with a total saleable area of 11.437 Mn sq. ft. These projects include Jalandhar Heights III & IV, AGI Maxima, Sky Villas, and URBANA Square, along with expansions into Ludhiana, Mohali, and New Chandigarh. With a strong focus on timely execution and high-quality development.

Adoption of Advanced Construction Technology – AGI Infra has adopted MIVAN construction technology, through which they are investing in modern construction techniques, quality and durability. This advanced technology helps in reducing project completion time, as now they are able to produce 2x, reduce labor cost, material waste and result in higher margins; this also helps in increasing the lifespan of the building.

Expansion into New Markets for Supply Chain Optimization and Risk Diversification – The company's strategic entry into new markets like Chandigarh, strengthens its supply chain resilience and reduces dependency on the Jalandhar market. This geographical diversification mitigates risks associated with over-reliance on a single region, particularly as real estate cycles and demand patterns vary across locations. Moreover, realization rates in emerging markets like Chandigarh are higher, providing AGI Infra with a pricing leverage that enhances revenue potential.

Outlook & Valuation: We see strong growth potential in AGI Infra, backed by its healthy pipeline of upcoming projects, expansion in Tier-2 cities, and the use of advanced construction technologies to improve infrastructure quality. The company's solid financial management and execution capabilities further support its long-term prospects. On the valuation front, we have used the DCF Model to value AGI Infra; it has a healthy and consistent cash flow generation over the forecasted period. We initiate coverage with a BUY rating at a Target Price of INR 1327 per share; an upside of 61.7%.

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Investment Thesis

Strategic Land Bank Reserve for Long-Term Growth-

AGI Infra has 160 acres of land across Punjab, which will be used for future projects:

Key Land Holdings includes -

1. New Chandigarh – 19 acres *(For residential & commercial projects)*
2. Mohali (Sector 69, Airport Road) – FAR for 6,25,000 Sq. Ft. *(Group housing project planned)*
3. Ludhiana – 35 acres *(For large-scale residential & commercial development)*
4. Jalandhar – 106 acres *(For new townships & housing projects)*

The company's strategic land bank positions it for long-term growth by leveraging its existing assets in high-potential markets. The appreciation of land value over time strengthens the company's balance sheet, enhancing its financial stability and borrowing capacity. These land parcels, located in high-growth areas, amplify their investment potential. For instance, the Mohali land, situated near the airport, is set for substantial value appreciation due to its proximity to key infrastructure—a factor known to drive real estate price growth. Chandigarh, recognized as one of the top Tier-2 cities for real estate absorption, offers a prime entry point into a high-demand market, providing a competitive advantage over regional peers. In Jalandhar, where the company already holds a market-leading position, the acquired land aligns with the growing trend of vertical construction, catering to evolving urban demands and further solidifying its portfolio. Collectively, these strategic land reserves enable the company to capitalize on market opportunities, ensuring sustained growth and market leadership in key regions.

Land Bank

Place	AREA	
	Acres	SQ FT
1. Land at new Chandigarh (Purchased for Residential and Commercial projects)	19	6,25,000
2. FAR Purchased for Group Housing at Sector 69, Airport Road, Mohali		
3. Land at Ludhiana (Purchased for Residential and Commercial projects)	35	
4. Land at Jalandhar (Purchased for Residential and Commercial)	106	
GRAND TOTAL	160	6,25,000

Source: Company's Presentation, Arianth Research

Strong Pipeline of Upcoming Projects-

AGI Infra has a strong presence in Punjab's real estate market, with completed, ongoing, and upcoming projects across Jalandhar, Ludhiana, Mohali, and New Chandigarh.

Completed Projects- AGI Infra has successfully delivered 10 projects, covering a total saleable area of 8.98 Mn sq. ft. More than 90% of completed project inventory is sold out, reflecting high demand and strong execution.

1. Residential Projects:

- Jalandhar Heights I & II – The company's flagship residential project, featuring over 2,100 flats and introducing organized apartment living in Jalandhar.
- AGI Palace – A luxury residential project with 4+1 BHK flats and penthouses spanning 3.24 lakh sq. ft..
- AGI Sky Garden – A premium high-rise apartment project built with luxurious amenities and 70% open green spaces.
- AGI Smart Homes I – A modern residential project designed for mid-income buyers, offering swimming pools, landscaped gardens, and modular kitchens.
- AGI Maxima M1 & M2 – Developed under affordable housing, with M2 still under construction and expected to be completed by Dec 2024.
- Urbana by AGI – A plotted villa township, offering independent homes with premium amenities.

2. Commercial Projects:

- AGI Pride – A commercial complex in Jalandhar, already leased to premium brands.
- AGI Business Centre – A commercial hub catering to immigration and travel businesses in Jalandhar.

Completed Projects

Project Name	NATURE OF THE PROJECT	SALEABLE		Total
		Delivered	To Be Delivered	
JALANDHAR HEIGHTS-I	GROUP HOUSING	20,73,650	0	20,73,650
JALANDHAR HEIGHTS-2	GROUP HOUSING	20,06,410	1,58,400	21,64,810
AGI PALACE	GROUP HOUSING	3,24,000	0	3,24,000
AGI SMART HOMES	GROUP HOUSING	4,59,200	0	4,59,200
	AFFORDABLE			
AGI PRIDE	COMMERCIAL	76,660	0	76,660
	(Rental)			
AGI BUSINESS	COMMERCIAL	43,500	0	43,500
AGI MAXIMA	GROUP HOUSING	2,09,300	26,400	2,35,700
	AFFORDABLE			
AGI SKY GARDEN	GROUP HOUSING	10,44,680	0	10,44,680
URBANA by AGI	PLOTTED	23,95,000	0	23,95,000
AGI MAXIMA (M2)	GROUP HOUSING	1,63,000	0	1,63,000
	AFFORDABLE			

Source: Company's Presentation, Arihant Research

Ongoing Projects - AGI Infra currently has 10 projects under construction, covering a saleable area of 11.43 Mn sq. ft. across Jalandhar, Ludhiana, and Mohali.

Residential Projects –

1. Jalandhar Heights III (*Jalandhar*) – A 50-acre premium residential township with modern amenities.
2. AGI Sky Garden Maxima II (*Jalandhar*) – An affordable housing project benefiting from tax incentives and lower GST.
3. AGI Sky Villas (*Ludhiana*) – A luxury high-rise project offering premium apartments with panoramic views.
4. AGI Smart Homes II (*Jalandhar*) – A mid-income residential project with modern amenities and green spaces.
5. Jalandhar Heights III Extension (*Jalandhar*) – An expansion of the highly successful Jalandhar Heights III project.
6. Urbana Township (*Jalandhar*) – A plotted villa community with premium independent homes.
7. AGI Sky Garden II (*Jalandhar*) – A luxury high-rise project with spacious apartments and green landscapes.
8. Jalandhar Heights IV (*Jalandhar*) – One of the largest upcoming housing projects in Jalandhar, covering 18 acres.

Commercial projects -

1. Urbana Commercial Complex (*Jalandhar*) – A retail and office development featuring 160 shops and 200 SOHO units.
2. Urbana Square (*Jalandhar*) – A 350-unit commercial hub, designed for high-end retail and business spaces.

Upcoming Projects

Project Name	NATURE OF THE PROJECT	SALEABLE AREA	Total
AGI SKY VILLAS	GROUP HOUSING	28,00,000	13
JALANDHAR HEIGHT-III	GROUP HOUSING	6,26,000	12
JALANDHAR HEIGHT-III (EXT.)		13,30,000	
URBANA TOWNSHIP	PLOTTED	10,72,000	40
URBANA SQUARE	COMMERCIAL	3,00,000	4
AGI SMART HOMES-II	GROUP HOUSING		
	AFFORDABLE	17,00,000	14
AGI SMART HOMES-II (EXT.)	GROUP HOUSING		
	AFFORDABLE		
AGI SKY GARDEN - 1 1	GROUP HOUSING		
	AFFORDABLE	7,00,900	10
AGI SKYCARDEN - 1 1 1	GROUP HOUSING		
	AFFORDABLE	3,08,100	
JALANDHAR HEIGHTS-IV	GROUP HOUSING	26,00,000	18

Source: Company's Presentation, Arihant Research

Projects Under Approval - AGI Infra has 4 major projects in the approval stage, with a saleable area of 9.75 Mn sq. ft., expected to be completed within the next 5 years.

Key Projects Under Approval

- Utopia by AGI (New Chandigarh) – A luxury residential project with 600 flats across 10 acres.
- AGI Sky Villas II (Ludhiana) – A 20-acre high-rise project with 1,200 premium apartments.
- AGI Sky Garden IV (Jalandhar) – A 14-acre residential project with 1,100 flats.
- Prestige by AGI (Jalandhar) – An 8-acre premium housing project with 810 units.

Growth Potential: These projects will significantly expand AGI Infra's presence, especially in New Chandigarh, Ludhiana, and Jalandhar, tapping into high-demand real estate markets.

Projects under Approvals

Project Name	Acres	saleable area (sq. ft.)
UTOPIA By AGI (NEW Chandigarh)	10	25,00,000
AGI Sky villas 2	20	40,00,000
AGI Sky garden -4	14	22,00,000
Prestige by agi (Jalandhar)	8	10,53,000
	52	97,53,000

Source: Company's Presentation, Arianth Research

Adoption of Advanced Construction Technology

AGI Infra has started using MIVAN construction technology, a modern aluminum formwork system that helps build stronger, faster, and more cost-effective structures. By using this advanced method, AGI Infra can complete projects quicker, improve building quality, and reduce costs, giving it an advantage over competitors.

Currently, in this year they have shifted 90% of their operations to MIVAN Technology, it is an aluminum framework which has setup cost of around 700 – 800 Mn. Earlier they were delivering 2 lakh square feet per month but after implementing this technology they can now produce 5 lakh square feet per month, which is double their previous capacity.

MIVAN is a new construction method where pre-made aluminum are used to pour concrete for walls, floors, and ceilings all at once. Unlike traditional brick-and-cement buildings, this creates a single, solid structure that is stronger and longer-lasting.

MIVAN helps complete buildings 30-40% faster than traditional methods. The solid concrete design makes buildings earthquake-resistant and increases their lifespan. It also reduces labor costs, as fewer workers are needed because most of the work is done using pre-designed aluminum panels.

This method is also better for the environment, as it reduces the use of bricks and wood, making construction more sustainable. AGI Infra is working toward LEED certification, and MIVAN technology supports its eco-friendly approach.

Many big real estate companies in India now using MIVAN, but in Punjab, no other builder has adopted it yet. This gives AGI Infra a first-mover advantage, making it a leader in modern, high-quality construction in the region.



Expansion into New Markets for Supply Chain Optimization and Risk Diversification - AGI Infra's strategic expansion into new markets, particularly Chandigarh, alongside its established presence in Jalandhar, Ludhiana, Mohali, and New Chandigarh, represents a pivotal growth driver. This move optimizes the company's supply chain by reducing its reliance on the Jalandhar market, where it has traditionally dominated but faced concentration risk. By diversifying geographically, AGI Infra mitigates vulnerabilities associated with regional economic fluctuations, regulatory changes, or oversupply in Jalandhar. For instance, the company's land bank in Chandigarh (19 acres) and Mohali (625,000 sq. ft. FAR) taps into Tier-2 cities experiencing robust demand, with Chandigarh recording a 120% absorption growth from FY20-FY24. This expansion is further supported by ongoing and approved projects like Utopia by AGI (New Chandigarh) and AGI Sky Villas II (Ludhiana), adding 9.75 Mn sq. ft. of saleable area. A key advantage of this expansion is the higher realization rates in emerging markets like Chandigarh compared to Jalandhar. While average ticket prices in Tier-2 cities like Chandigarh stand at INR 9 Mn, reflecting a 91% appreciation since 2018, Jalandhar's market, though mature, offers lower per-square-foot returns due to saturation. This pricing leverage allows AGI Infra to command premium valuations on new projects, enhancing revenue potential and profitability. For example, the company's planned luxury residential project, Utopia by AGI, on 10 acres in New Chandigarh, is poised to capitalize on the growing demand for high-end homes, a trend driving over 20% of luxury segment supply in Tier-1 cities which is now extending to high-growth Tier-2 areas. Moreover, this geographical diversification strengthens AGI Infra's supply chain resilience by decentralizing construction and sales operations. With 10 ongoing projects (11.43 million sq. ft.) and 4 under approval (9.75 million sq. ft.) spread across multiple cities, the company reduces logistical bottlenecks and material dependency on a single region. This is particularly critical as Punjab's infrastructure projects, such as improved connectivity under the Smart Cities Mission, boost demand in secondary markets. The diversified portfolio also balances risk exposure—while Jalandhar contributes stability, Chandigarh and Ludhiana offer high-growth upside, aligning with the industry's shift toward Tier-2 hotspots. This strategic expansion is expected to drive AGI Infra's revenue target of INR 30,000 Mn within 5-6 years, reinforcing its long-term financial stability and market leadership.

Outlook and Valuation –

AGI Infra is a leading real estate developer in Punjab, specializing in residential (affordable and mid-segment housing) and commercial properties. The company has successfully delivered 10 projects, covering a total saleable area of 8.98 Mn square feet. Currently, AGI Infra has 10 projects under construction, with a saleable area of 11.43 Mn square feet. The company aims to achieve a potential revenue of INR 30,000 Mn within the next 5–6 years. Having established a strong presence in Jalandhar and Ludhiana, AGI Infra is now expanding into the Chandigarh region. The company pioneered vertical construction in the area, capitalizing on the growing trend of high-rise developments as more people shift toward this housing model.

AGI Infra focuses on developing properties on its own land and handles construction in-house, utilizing Mivan technology to ensure faster, more sustainable, and high-quality construction. The upcoming boom in vertical construction, coupled with increasing interest from Non-Resident Indians (NRIs) in investing in these regions, is expected to drive demand for AGI Infra's projects.

For valuation, we have employed a Discounted Cash Flow (DCF) model for AGI Infra, which demonstrates healthy and consistent cash flow generation over the forecasted period. The cash flows have been discounted using the Weighted Average Cost of Capital (WACC), resulting in a valuation of INR 1327 per share. We initiate coverage with a "BUY" rating and set a target price of INR 1,327 per share, implying an upside potential of 61.7%.

WACC	
We	98.6%
Wd	1.4%
Ke	10.2%
Kd	6.2%
WACC	10.2%

Valuation Assumptions	
g (World Economic Growth)	3.0%
Rf	7.0%
Rm	13%
Beta	0.5
CMP	821

Valuation Data	
Total Debt (long term borrowings) (2022)	1,377
Cash & Cash Equivalents (2023)	1,003
Number of Diluted Shares (2023)	122
Tax Rate (2024)	21%
Interest Expense Rate (2024)	8%
MV of Equity	1,00,299
Total Debt	1,377
Total Capital	1,01,676

FCFF & Target Price									
FCFF & Target Price									
Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
EBIT * (1-Tax Rate)	369	463	507	702	1,258	1,860	2,272	2,728	4,365
Dep	40	59	116	194	225	261	301	342	383
Purchase of Assets	-385.8	173.4	-338.8	150.0	180.0	210.0	240.0	240.02	240.03
Changes in Working Capital	623	144	(86)	400	2,223	(115)	7,208	11,134	18,495
FCFF	1,032	666	538	1,297	3,706	2,006	9,781	14,204	23,243
FCFF	1,032	666	538	1,297	3,706	2,006	9,781	14,204	23,243
Terminal Value									3,23,488
Total Cash Flow	1,032	666	538	1,297	3,706	2,006	9,781	14,204	3,46,731

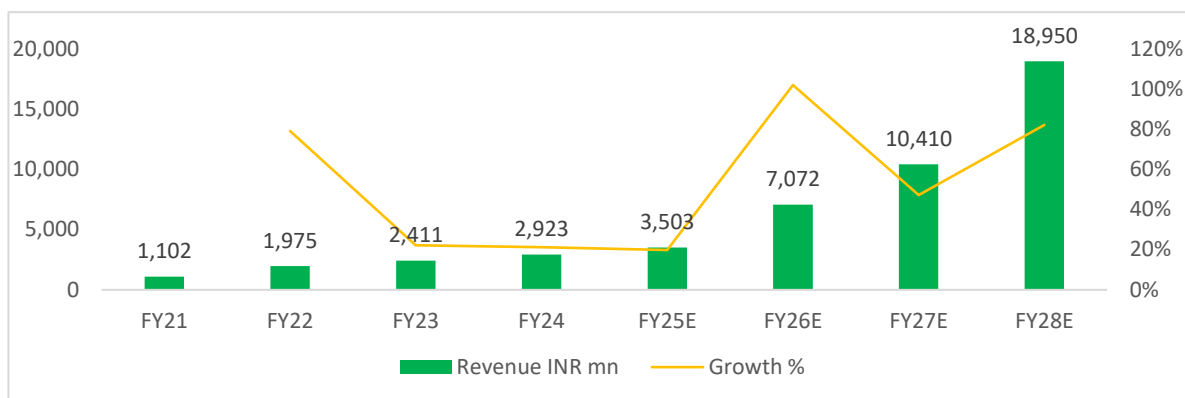
Enterprise Value (EV)	1,62,508
Less: Debt	1,377
Add: Cash	1,003
Equity Value	1,62,134
Equity Value per share (INR)	1,327

Source: Company, Arian Research

% Returns	61.7%
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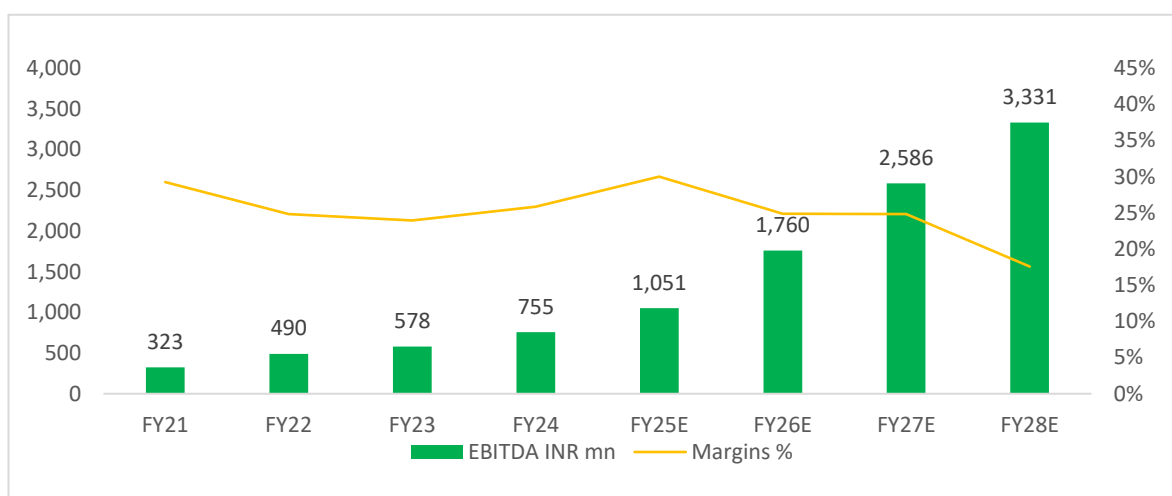
Rating	BUY
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Revenue & Growth



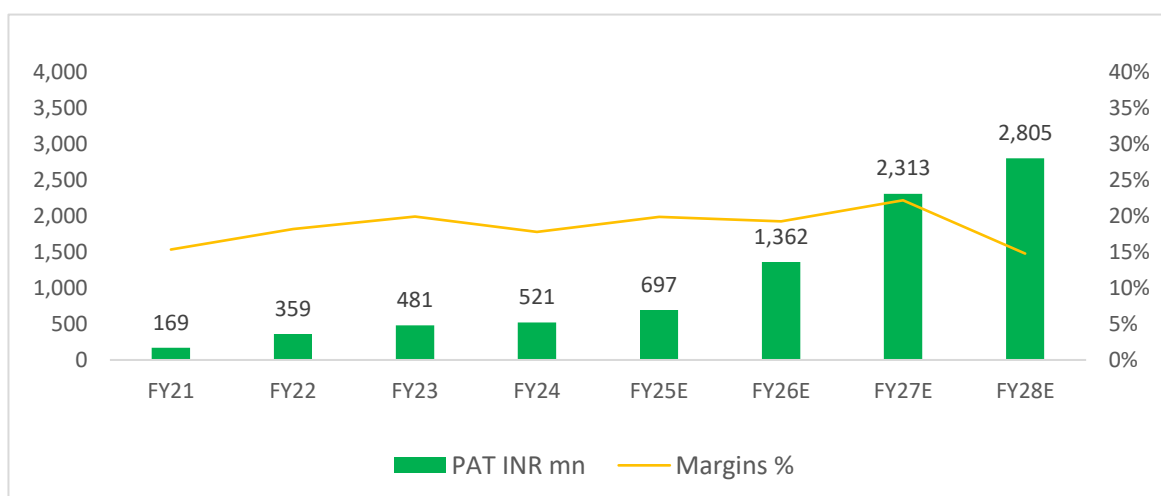
Source: Company, Arianth Research

EBITDA & EBITDA Margin %



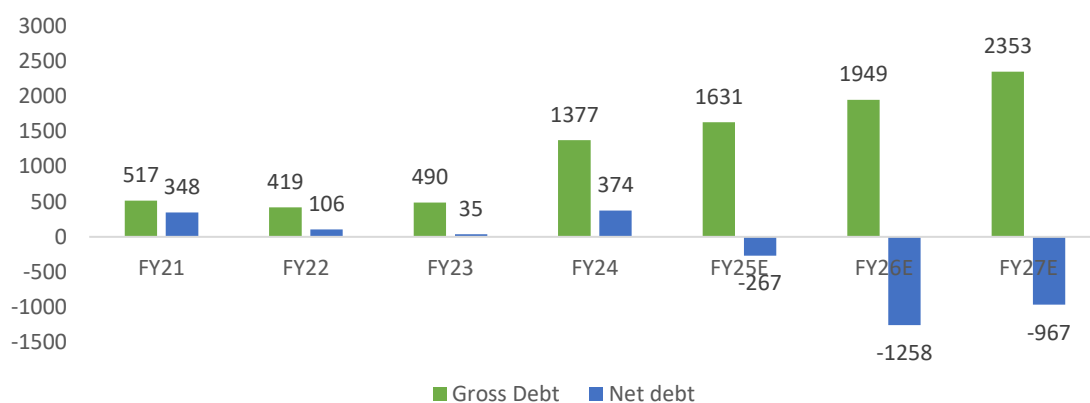
Source: Company, Arianth Research

PAT & PAT Margin %



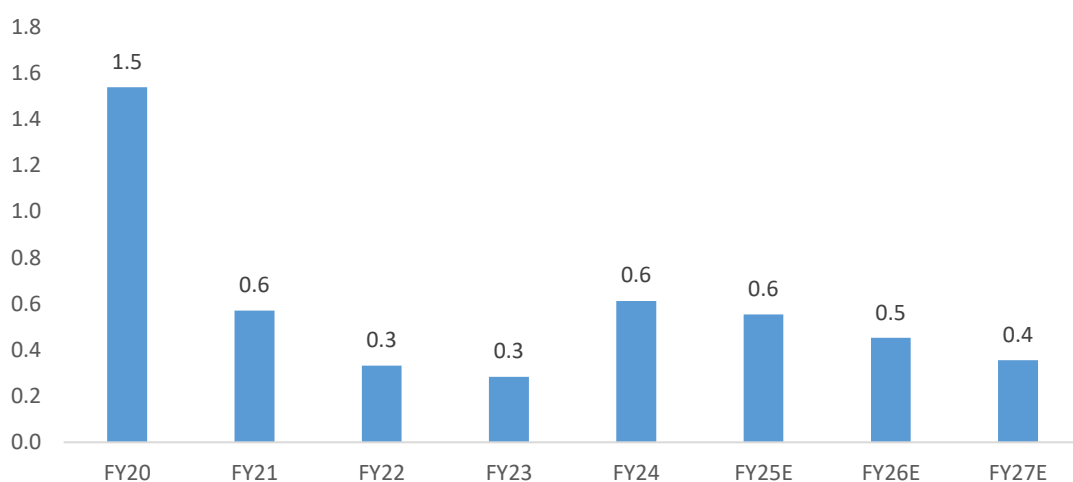
Source: Company, Arianth Research

Borrowings

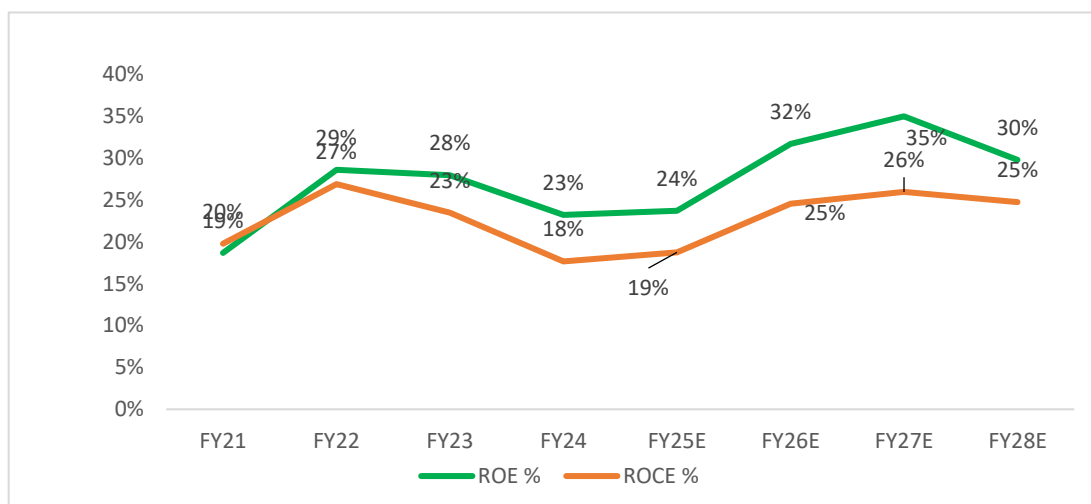


Source: Company, Arianth Research

Debt to equity



Source: Company, Arianth Research



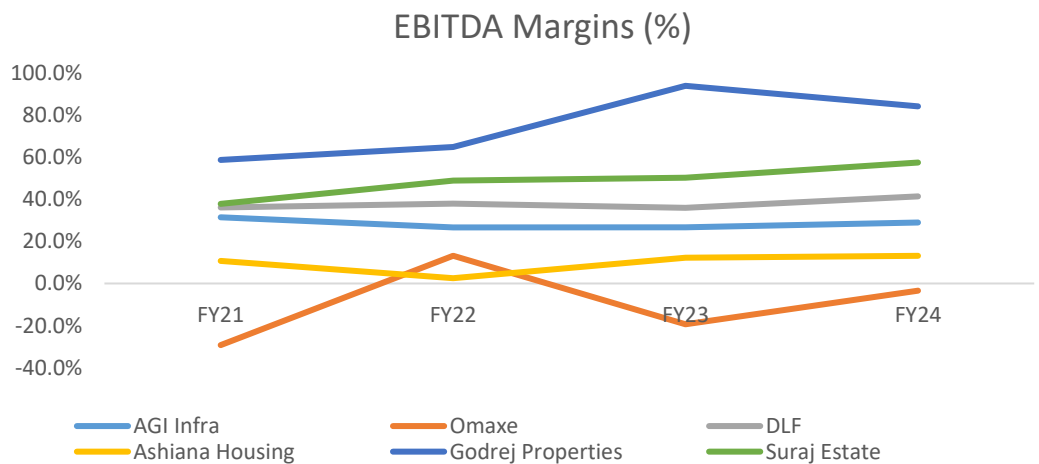
Source: Company, Arianth Research

Particulars (INR Mn)	AGI Infra			Omaxe			DLF			Ashiana Housing			Godrej Properties		
	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24
Revenue	1,970	2,400	2,920	6,180	7,730	16,140	57,170	56,950	64,270	2,220	4,100	9,440	18,250	22,520	30,360
EBITDA	524	639	845	812	-1,500	-541	21,627	20,428	26,544	56	503	1,238	8,893	11,280	17,411
Net Debt	1,055	348	3,738	706	529	189	30,283	8,284	2,143	345	258	450	535	42,005	65,636
Net debt/Equity (x)	0.3	0.3	0.6	0.3	0.4	0.4	0.1	0.2	0.2	0.2	0.2	0.2	0.6	0.6	1.0
Net debt/EBITDA (x)	2.0	0.5	4.4	0.9	-0.4	-0.3	1.4	0.4	0.1	6.2	0.5	0.4	0.1	3.7	3.8
EBITDA Margins %	26.6%	26.6%	28.9%	13.1%	-19.4%	-3.4%	37.8%	35.9%	41.3%	2.5%	12.3%	13.1%	48.7%	50.1%	57.4%
PAT Margins %	18.4%	20.0%	17.8%	-18.5%	-42.1%	-19.9%	14.8%	19.3%	25.4%	-3.4%	7.7%	9.1%	9.7%	10.5%	16.4%
ROE %	28.9%	27.9%	23.2%	-6.3%	-19.0%	-21.6%	4.1%	5.4%	6.9%	-0.8%	3.5%	10.4%	67.3%	45.0%	13.1%

Source: Company, Arianth Research

EBITDA (%)	FY19	FY20	FY21	FY22	FY23	FY24
AGI Infra	30.02%	38.51%	31.4%	26.6%	26.6%	28.9%
Omaxe	35%	38%	-29.2%	13.1%	-19.4%	-3.4%
DLF	33.52%	31.89%	36.0%	37.8%	35.9%	41.3%
Ashiana Housing	16.98%	1.34%	10.7%	2.5%	12.3%	13.1%
Godrej Properties	38.36%	43.39%	58.6%	64.7%	93.7%	84.1%
Suraj Estate	-	-	37.8%	48.7%	50.1%	57.4%

Source: Company, Arianth Research

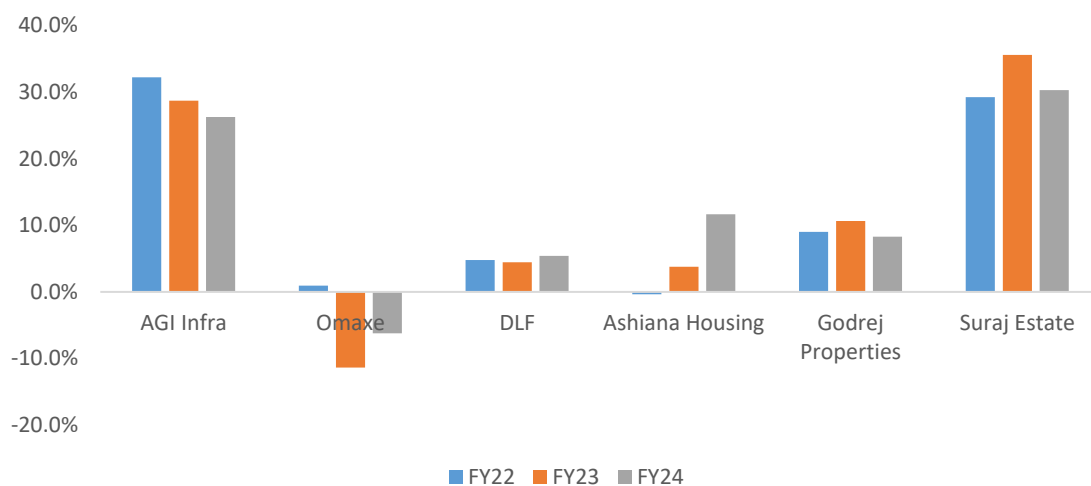


Source: Company, Arianth Research

Companies	ROE (%)			ROCE (%)		
	FY22	FY23	FY24	FY22	FY23	FY24
AGI Infra	28.9%	27.9%	23.2%	32.2%	28.7%	26.3%
Omaxe	-6.3%	-19.0%	-21.6%	0.9%	-11.4%	-6.2%
DLF	4.1%	5.4%	6.9%	4.8%	4.4%	5.4%
Ashiana Housing	-0.8%	3.5%	10.4%	-0.4%	3.8%	11.7%
Godrej Properties	5.7%	6.6%	5.4%	9.0%	10.7%	8.3%
Suraj Estate	67.3%	45.0%	13.1%	29.2%	35.6%	30.3%

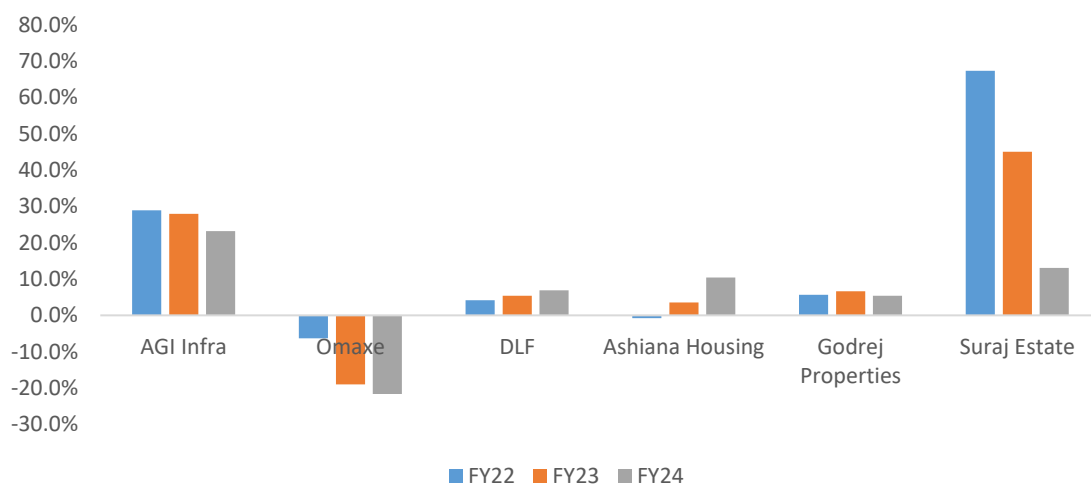
Source: Company, Arianth Research

ROCE (%)



Source: Company, Arianth Research

ROE (%)

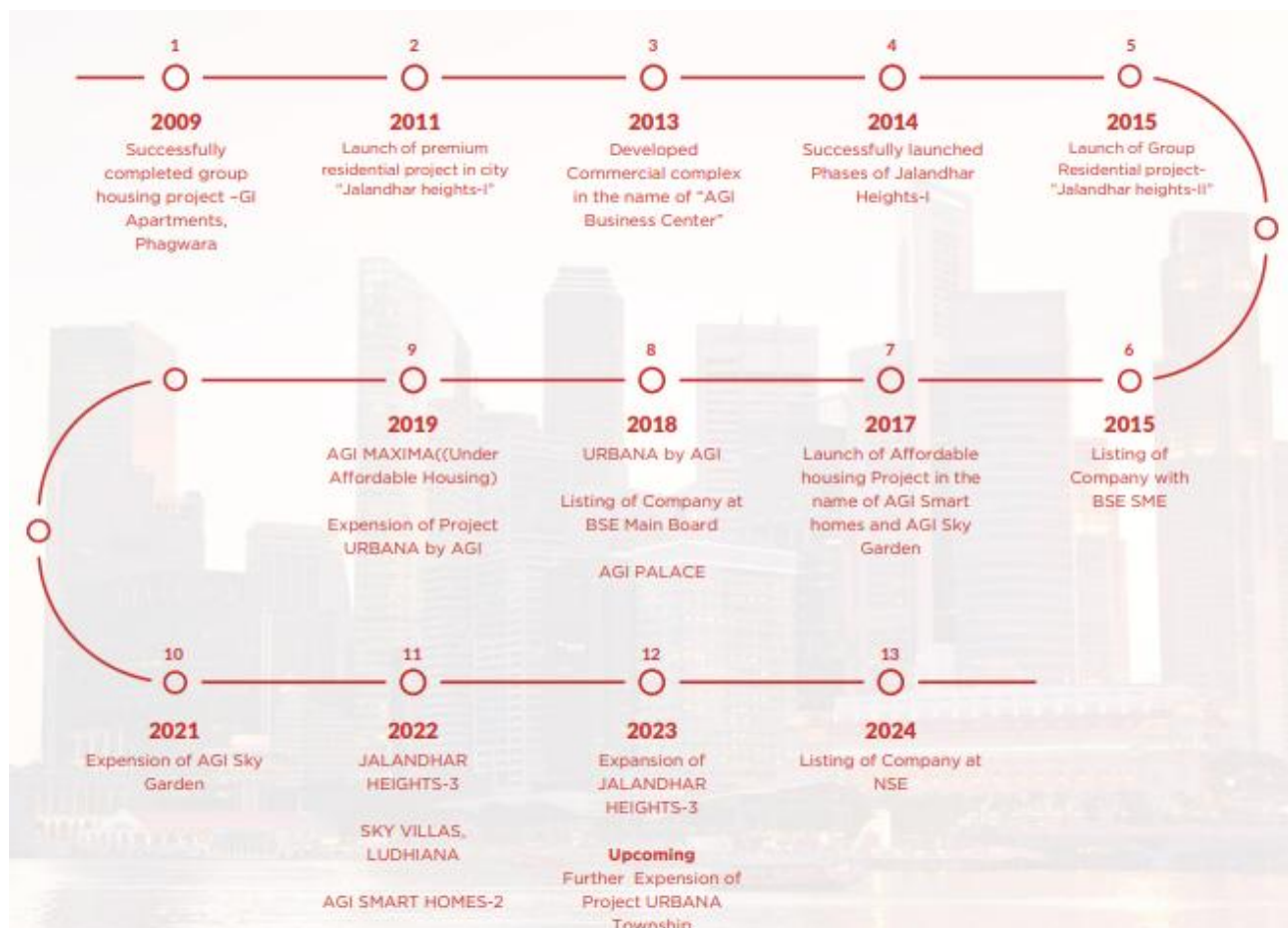


Source: Company, Arianth Research

Company Overview :

AGI Infra Limited is a real estate developer based in Jalandhar, Punjab. The company was originally incorporated in 2005 under the name G. I. Builders Private Limited and later rebranded as AGI Infra Limited in 2011. It is one of the prominent real estate players in Punjab, specializing in the development and construction of world-class group housing, office spaces, commercial, institutional buildings, and township projects. Over the last decade, the company has successfully delivered 10 projects with a cumulative saleable area of approximately 89,80,200 sqft. These projects include group housing, commercial developments, and plotted developments.

Currently, AGI Infra has 10 ongoing projects under construction, covering group housing and commercial projects with a cumulative saleable area of 1,14,37,000 sqft. Additionally, the company has 4 projects under approval across different cities in Punjab, spanning a saleable area of 97,53,000 sqft, which are expected to be completed in the next 5 years. Combining all ongoing and approved projects, AGI Infra has a total planned saleable area of over 2,11,90,000 sqft.



Source: Company Presentation, Arihant Research

Company Structure

AGI Infra Limited operates as a publicly listed company and is a key player in Punjab's real estate sector. The company was officially listed on the stock exchange in 2015, marking a significant milestone in its growth journey. It has a strong presence in cities like Jalandhar, Ludhiana, and Chandigarh, where it develops residential and commercial projects.

AGI Infra's business model focuses on delivering premium real estate solutions through strategic land acquisitions, modern construction techniques, and customer-centric project planning. The company follows an asset-light approach, ensuring sustainable expansion while maintaining financial stability. With a clear vision to provide high-quality infrastructure and urban development solutions, AGI Infra continues to set benchmarks in the real estate industry.



Source: Company Presentation, Arianth Research

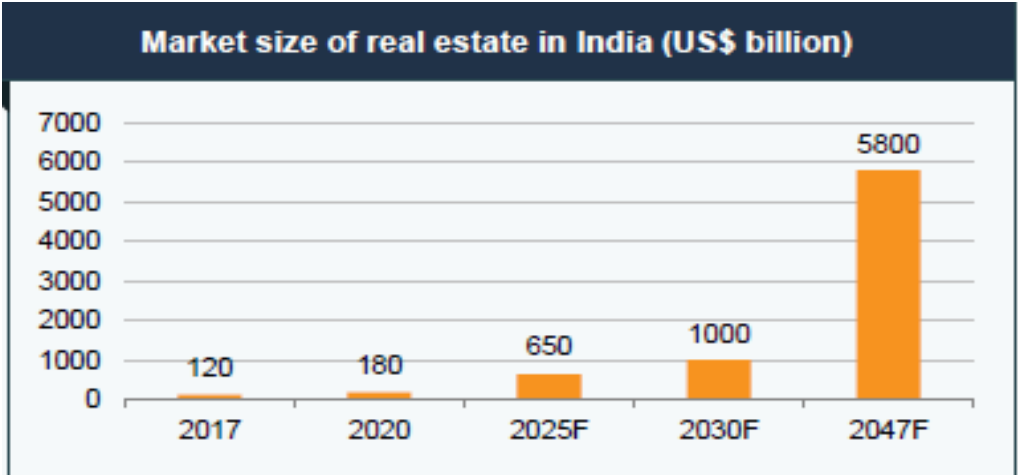
Experienced Management Team:

Personnel	Designation	Description
Sukdev Singh Khinda	Managing Director	Mr. Sukhdev Singh Khinda is one of the founding members of AGI Infra Limited. He holds a Bachelor's and Master's degree in Commerce as well as degree of Doctor of Philosophy in Real Estate. He has an experience of more than 35 years in the field of Construction.
Anuj Rai Bansal	Chairman and Non-Executive Director	Anuj Rai Bansal holds a Bachelor's degree in Commerce from Guru Nanak Dev University, Jalandhar. He is a Fellow Member of the Institute of Company Secretaries of India (ICSI) and also holds a Law degree. With over 22 years of professional experience, he has expertise in Secretarial and Corporate matters, having served as a Practicing Company Secretary throughout his career.
Sawinderjit Kaur	Whole time director	Mrs. Salwinderjit Kaur is a founding member and promoter of AGI Infra Limited. She holds a Bachelor's degree in Arts from Punjab University and has 18 years of professional experience in interior decoration and green development. She is actively involved in the interior designing of the residential flats developed by the company and possesses in-depth knowledge of construction and real estate development.
Simran Kaur Josan	Whole time director	Ms. Simran Kaur Josan is Business Graduate under the affiliation of Guru Nanak Dev University and is also pursuing Chartered Accountancy (Final) from ICAI. She is currently working at AGI Infra Limited
Amrik Singh Chawla	Independent Director	Mr. Amrik Singh Chawla holds an LLB and a B.Sc. in Civil Engineering from Guru Nanak Dev University and Panjab University, respectively. With over 22 years of experience, he specializes in civil engineering works and soil strength assessment. As a registered advocate, he also brings legal expertise to the company.
Mohit Saluja	Independent Director	Mr. Mohit Saluja is a Practicing Company Secretary with 14+ years of experience in corporate laws, SEBI regulations, and compliance. He holds an M.Com, LLB, and is a Certified CSR Professional. His expertise in corporate governance, secretarial audits, and regulatory compliance significantly contributes to the company.
Balwinder Singh Sandha	Chief Financial Officer	Mr. Balwinder Singh Sandha holds a Master's in Commerce, CAIIB certification, a Doctorate in Management Studies, and an MBA. He served Punjab Gramin Bank for over 36 years, retiring as Senior Manager in November 2020. With expertise in finance, accounts, and banking, he joined AGI Infra Limited as Chief Financial Officer (CFO) in February 2021.
Aarti Mahajan	Company Secretary	Ms. Aarti Mahajan is a qualified Company Secretary .She has experience of 8 years in the field of secretarial and legal matters, listing compliances, corporate governance and Corporate Social Responsibilities.

Industry Overview:

The Indian real estate sector is a key driver of economic growth, contributing approximately 7% to the country’s GDP as of 2023, with expectations to reach 13% by 2025, driven by rapid urbanization, infrastructure development, and rising demand across residential and commercial segments.

The market, which was valued at around US\$ 200 bn in 2021, is projected to reach US\$ 1 trillion by 2030 and could potentially grow to US\$ 5-7 trillion by 2047, with a possibility of surpassing US\$ 10 trillion. This growth is being driven by rapid urbanization, rising household incomes, increasing demand for homeownership, and expansion in the rental market.



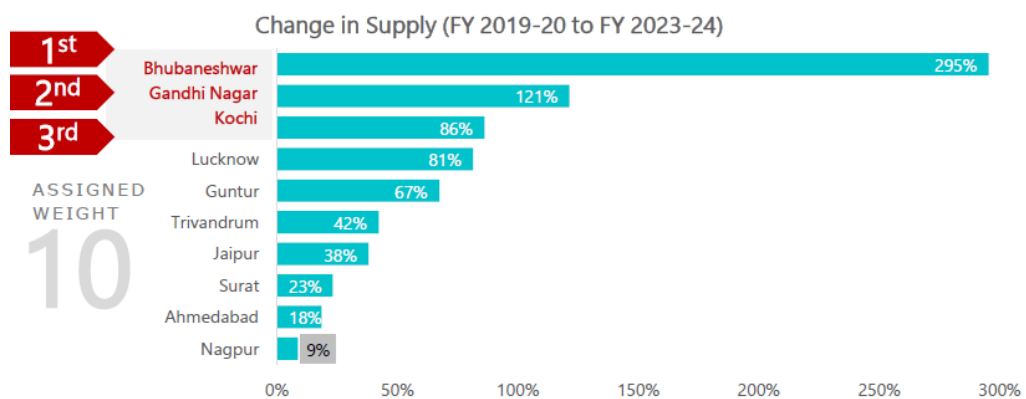
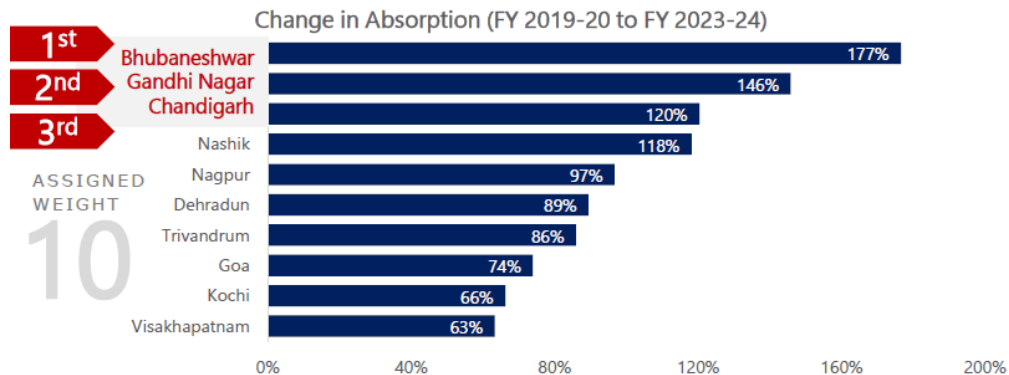
Source : IBEF, Arianth research

Over the past few years, the sector has undergone multiple transformations, with the impact of demonetization, GST, RERA, and the COVID-19 pandemic shaping its trajectory. However, the residential segment has made a strong recovery post-pandemic, people wanted to move from rent houses to buying their own houses, which increased home sales to hit all time high of INR 34,700 bn in FY23, marking a 48% YoY increase, with 379,095 units sold. Developers in urban areas are meeting this demand, with 558,000 homes completed in 2023 alone.



Source : IBEF, Arianth Research

Private Equity and Venture Capital (PE/VC) investments in real estate have fluctuated, peaking at \$6.7 billion in 2019, declining to \$3.4 billion in 2022, and showing signs of recovery with \$3 billion in the first half of 2024.

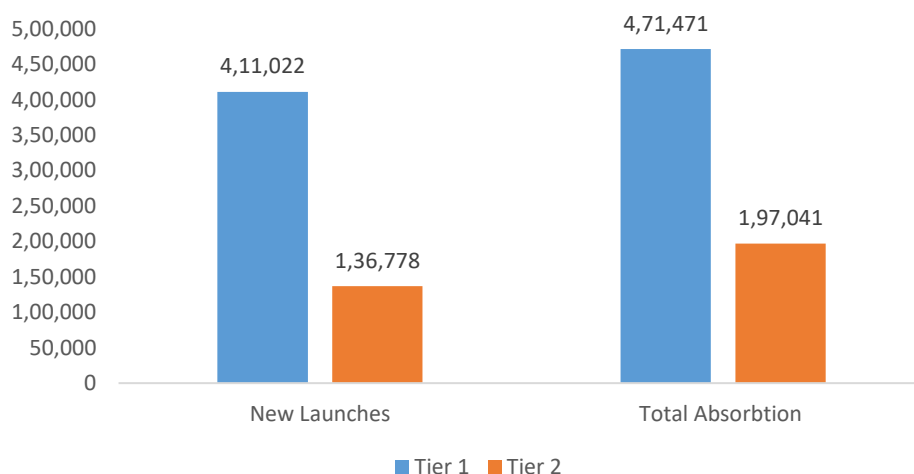


Source : Propequity, Arianth research

The Indian real estate industry has seen a significant boom in Tier-2 cities. Cities like Bhubaneswar(177%), Gandhi Nagar(146%), and Chandigarh(120%) have recorded the highest absorption growth from FY 20 – FY 24, reflecting strong housing demand. Simultaneously, new supply has surged, with Bhubaneswar leading at 295% growth, followed by Gandhi Nagar (121%) and Kochi (86%).

Government initiatives like Smart Cities Mission and improved connectivity have further fueled this expansion. With Tier-1 cities reaching saturation, developers and investors are increasingly focusing on high-growth, cost-effective Tier-2 markets, making them the next real estate hotspots in India.

Supply-Absorption Dynamics in CY'24



Source : Propequity, Arihant Research

From a supply perspective, Tier-1 cities outperformed Tier-2, with 411,022 new launches compared to 136,778. This indicates a significantly larger trading volume in metropolitan areas. However, residential real estate in Tier-1 cities witnessed a decline in new launches, largely attributable to reduced activity in historically strong markets like Pune, Thane, and Hyderabad, which collectively saw a 34% decline in CY'24. In contrast, Bengaluru witnessed the highest new supply among Tier-1 cities, with an increase of 27% in CY'24. Furthermore, Delhi NCR surpassed Mumbai in terms of new supply for the first time since 2018.

A similar pattern was observed in absorption rates, which were higher in Tier-1 (471,471 units) than in Tier-2 (197,041 units). However, Tier-2 cities demonstrated a robust market with demand exceeding supply by 44%. In terms of market share, Tier-1 accounted for 80%, while Tier-2 represented 20%.

The average ticket price in Tier-1 cities was INR 1.4 Crore, significantly higher than the INR 0.9 Crore in Tier-2. Both Tier-1 and Tier-2 experienced substantial price appreciation since 2018, with Tier-1 seeing a 92% increase (from INR 0.73 Crore) and Tier-2 a 91% increase (from INR 0.5 Crore).

Notably, Tier-1 cities are experiencing a surge in demand for luxury and smart homes, driven by a growing preference for premium amenities and exclusive lifestyles. Major cities like Delhi NCR, Mumbai, Bengaluru, and Hyderabad are leading this trend, accounting for over 20% of the luxury segment's supply among Tier-1 cities in India.

Profit & Loss Statement (Consolidated)

Particulars (INR Mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Net Revenue	2,411	2,923	3,503	7,072	10,410
Op. Expenses	1,833	2,168	2,452	5,312	7,824
EBITDA	578	755	1,051	1,760	2,586
Depreciation	59	116	194	225	261
EBIT	519	639	856	1,535	2,325
Other income	64	91	116	283	489
Interest Exp.	44	73	122	156	212
Extra Ordinary Items	-	-	-	-	-
Reported PBT	540	657	850	1,662	2,603
Tax	58	136	153	299	290
PAT	481	521	697	1,362	2,313
Adjusted EPS (INR)	19.7	21.3	28.5	55.7	94.6

Source: Arianth Research

Balance Sheet (Consolidated)

Particulars (INR Mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Share Capital	122.22	122.22	122.22	122.22	122.2
Reserves & Surplus	1,602	2,124	2,821	4,184	6,497
Net worth	1,724	2,247	2,944	4,306	6,619
Debt	490	1377	1631	1949	2353
Others	-	-	-	-	-
Capital Employed	2,214	3,623	4,574	6,255	8,972
Intangible Assets	0	0	0	0	0
Property, Plant and Equipment	324	551	508	463	412
Other Non-Current Assets	81	57	68	138	203
Net Fixed Assets	406	608	576	601	615
Investments	1,381	1,961	2,452	5,021	7,495
Non Current Investments	1,381	1,961	2,452	5,021	7,495
Current Investments					
Current Assets, Loans & Advances	5,805	8,226	10,134	17,899	22,095
Inventory	5,226	6,604	7,677	13,563	17,112
Debtors	27	28	34	69	101
Cash & Bank balance	455	1,003	1,897	3,207	3,320
Loans & advances and others	97	590	525	1,061	1,562
Current Liabilities & Provisions	5,378	7,172	8,585	17,264	21,232
Liabilities	5,368	7,158	8,569	17,232	21,201
Provisions	10	14	16	33	31
Net Current Assets	427	1,054	1,548	635	863
Application of Funds	2,214	3,623	4,576	6,257	8,973

Source: Arianth Research

Cash Flow Statement (consolidated)

Particulars (INR Mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Profit before tax	540	657	850	1,662	2,603
Add: Depreciation	59	116	194	225	261
Add: Interest cost	44	73	122	156	212
Less: Other Income	(0)	-	-	-	-
Less: Dividend Income	(14)	(38)	(48)	(116)	(201)
Others	(3)	(3)	-	-	-
Operating profit before working capital changes	625	805	1,119	1,926	2,875
Working Capital changes	144	(86)	400	2,223	(115)
Cash from Operations	769	720	1,520	4,149	2,760
Less: Taxes	103	105	153	299	290
Cash flow from Operations	666	615	1,367	3,850	2,470
Cash flow from investing	(540)	(881)	(604)	(2,703)	(2,549)
Cash flow from Financing	15	815	132	162	192
Net cash Inflow/Outflow	141	548	894	1,309	113
Opening cash	314	455	1,003	1,897	3,207
Closing cash	455	1,003	1,897	3,207	3,320

Source: Arianth Research

Ratio Analysis

Per share data

Column1	FY23	FY24	FY25E	FY26E	FY27E
No. of shares (Mn)	122	1222	1223	1224	1225
Diluted no. of shares (m)	24	24	24	24	24
BVPS (INR)	71	92	120	176	271
CEPS (INR)	22.1	26.1	36.5	64.9	105.3

Source: Arianth Research

Margins (%)

	FY23	FY24	FY25E	FY26E	FY27E
EBITDA Margin(%)	24%	26%	30%	25%	25%
PBTM (%)	22%	22%	24%	23%	25%
PAT Margin(%)	20%	18%	20%	19%	22%

Source: Arianth Research

Growth Indicators (%)

	FY23	FY24	FY25E	FY26E	FY27E
Revenue(%)	22%	21%	20%	102%	47%
EBITDA(%)	18%	31%	39%	67%	47%
Adj PAT(%)	34%	8%	34%	95%	70%

Source: Arianth Research

Turnover ratio (x)

	FY23	FY24	FY25E	FY26E	FY27E
Debtors Days	4.1	3.6	3.6	3.6	3.6
Inventory Days	791.1	824.6	800.0	700.0	600.0
Payable Days	20.0	13.4	13.4	13.4	13.4

Source: Arianth Research

Valuation (x)

	FY23	FY24	FY25E	FY26E	FY27E
P/E (x)	45.7	42.3	31.6	16.1	9.5
P/BV (x)	12.8	9.8	7.5	5.1	3.3
EV/EBITDA (x)	38.1	29.6	20.7	11.8	8.1
EV/Sales (x)	9.1	7.7	6.2	2.9	2.0

Source: Arianth Research

	FY23	FY24	FY25E	FY26E	FY27E
Roe (%)	28%	23%	24%	32%	35%
RoCE (%)	23%	18%	19%	25%	26%
Net Debt/Equity (x)	0.3	0.6	0.6	0.5	0.4
EBIT/Interest (x)	11.9	8.8	7.0	9.8	11.0

Source: Arianth Research

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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