



**BRIGADE**  
ENTERPRISES LTD



**EQUITY RESEARCH**



**Rating**

Business	★ ★ ★ ★ ☆
Financials	★ ★ ★ ☆ ☆
Valuation	★ ★ ★ ☆ ☆
Management	★ ★ ★ ★ ★

**Company : Brigade Enterprises Limited. Sector : Reality**

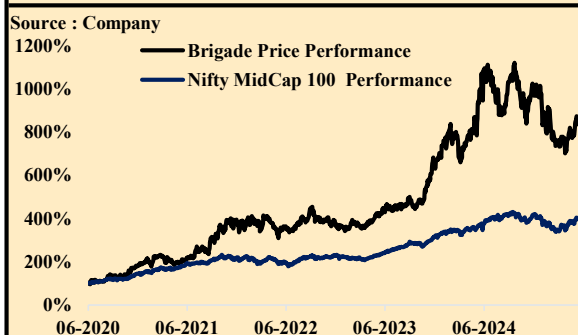
<b>Buy Range : ₹ 1270-1290</b>	<b>Target- 1 : ₹1425</b>	<b>Target- 2 : ₹1600</b>	<b>Potential Upside: 24.00%</b>	<b>Research Report</b>
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<b>Stock Info</b>	
Market Cap (₹ in cr)	31633.697
52-Weeks High/Low	1,453.10/852.00
Avg Volume	4,21,190
No. of eq shares (cr)	24.44
Face Value	10.00
Bse Code	532929
Nse Code	BRIGADE
Free Float (cr)	17834.347

<b>Source : NSE/BSE</b>		
<b>Particulars</b>	<b>2024</b>	<b>2025</b>
Gross Margin	44.08%	50.37%
Operating Margin	24.39%	27.87%
Net Margin	8.19%	13.41%
Financial Leverage	1.58	0.95
Equity/Assets	0.20	0.27
Debt/EBITDA	4.14	3.39
ROE	11.97%	14.37%
ROA	2.34%	3.40%
ROCE	10.83%	11.53%

<b>Sorce : Company</b>		
<b>Particulars</b>	<b>2024</b>	<b>2025</b>
Promoters	43.72%	41.14%
Mutual Funds/AIF	22.10%	20.96%
Insurance co.	0.92%	1.33%
Other DIIs	0.82%	0.58%
FII	14.87%	20.21%
Retails and Others	17.57%	15.78%
Total	100.00%	100.00%

<b>Sorce : NSE/BSE</b>	
<b>Particulars</b>	<b>TTM</b>
P/E	45.10
P/B	5.35
EV/EBITDA	20.52
P/S	6.23
EPS	28.68
P/CF	31.79



**Brigade Enterprises Limited:** Brigade Enterprises Ltd, established in 1986 and headquartered in Bengaluru, is a leading South Indian real estate developer. Its core segments include Real Estate, Hospitality, and Leasing, with the Real Estate segment contributing the highest revenue through residential and commercial property development. The company has completed over 250 projects spanning 70+ million sq. ft. across cities like Bengaluru, Mysuru, Chennai, Hyderabad, Kochi, and Ahmedabad. Its portfolio includes villas, apartments, townships, senior living, and mixed-use developments.

**Key Highlights:**

- ❑ The company concluded two marquee deals: it acquired 11 acres near ITPL, Whitefield for ₹486 crore, targeting an office project with a GDV of ~₹2,000 crore. Additionally, it secured a 5.41-acre parcel in Velachery, Chennai for ₹441 crore, earmarked for a premium residential development with revenue potential of ₹1,600+ crore.
- ❑ In FY25, the company's leasing portfolio generated ₹1,165 crore in revenue, marking a 24% YoY growth. It launched 2 million sq. ft. of commercial space, with Brigade Twin Towers witnessing strong demand from manufacturing, flex offices, and retail tenants. Retail consumption rose 4% YoY, led by electronics, specialty lifestyle, and accessories across its three malls.
- ❑ **Update On IPO :** Brigade Hotel Ventures Ltd filed its DRHP with SEBI in October and has received approval. Due to publicity restrictions, the company cannot comment on the hospitality business or IPO. However, it reported a 20% YoY growth in the hospitality segment.
- ❑ In FY25, the real estate segment reported a turnover of ₹3,613 crore with ₹697 crore EBITDA. The leasing segment recorded ₹1,165 crore in revenue (up 24% YoY) and ₹771 crore EBITDA. Consolidated revenue stood at ₹5,314 crore, with EBITDA of ₹1,654 crore (up 21% YoY) and a margin of 31%. PAT after minority interest rose 52% YoY to ₹686 crore.
- ❑ In Q4 FY25, consolidated PAT after minority interest stood at ₹247 crore. Collections for the quarter totaled ₹1,929 crore, up 9% QoQ, while net cash flow from operating activities rose 30% QoQ to ₹586 crore.
- ❑ **Growth Targets:** The company targets 15-20% YoY growth in presales value for FY26, supported by a robust pipeline of about 16 million sq.ft across residential, commercial, and hospitality segments. External forecasts from suggest earnings growth of 23.6% per annum and revenue growth of 17.9% per annum, with EPS expected to grow by 22.9% per annum.
- ❑ **Project Pipeline:** Planned launches of approximately 12 million sq.ft in the next four quarters, including 8 residential projects in Bangalore, 5 in Chennai, 1 in Hyderabad, and 2 in Mysuru. The total upcoming projects stand at 15.40 million sq.ft, with Brigade's economic interest at 11.45 million sq.ft.
- ❑ **Market Expansion:** The company is strengthening its presence in Chennai and Hyderabad, with potential entry into Mumbai or NCR in FY26, depending on market conditions. This expansion is expected to diversify revenue streams and reduce geographic risk.
- ❑ **Land Acquisitions:** Recent acquisitions include 11 acres in Whitefield, Bangalore, for office development with a GDV of INR 2,000 Cr, and 5.41 acres in Velachery, Chennai, for residential development with a revenue potential of INR 1,600 Cr or more. These moves enhance the land bank and support expansion plans.
- ❑ **Business Development:** For FY26, Brigade plans to maintain a stable strategy, aiming to replenish the 11.5 million sq.ft launched in FY25 with similar or higher volumes, targeting a GDV upwards of INR 12,500 Cr.
- ❑ **Leasing and Commercial:** For Brigade Twin Towers, the company targets completing leasing of the remaining 600,000 sq.ft by the end of FY25, with rentals expected between INR 70 to INR 75 per sq.ft. The office project opposite ITPL in Whitefield will primarily follow a lease model, indicating stable future revenue from leasing activities.

**Key Risk :**

- ❑ Rising interest rates impacting borrowing costs, though the average cost of debt decreased to 8.67% from 8.82%.
- ❑ Increased SG&A expenses, as noted in Q3 FY25 results, could impact future profit margins if not managed effectively.
- ❑ Market volatility in new expansion areas like Mumbai or NCR.

### **RATING SCALE: DEFINITION OF RATINGS**

- **BUY** – We expect the stock to deliver more than 10%-20% returns over the next 9 months.
- **ACCUMULATE** – We expect the stock to deliver 5% - 12% returns over the next 9 months.
- **REDUCE** – We expect the stock to deliver 0% - 5% returns over the next 9 months.
- **SELL** – We expect the stock to deliver negative returns over the next 9 months.
- **NR** – Not Rated. Fin2Research is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
- **RS** – Rating Suspended. Fin2Research has suspended the investment rating and price target for this stock, either because there is not a Sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.
- **NA** – Not Available or Not Applicable. The information is not available for display or is not applicable.
- **NM** – Not Meaningful. The information is not meaningful and is therefore excluded.
- **NOTE** – Our target prices are with a 9-month perspective. Returns stated in the rating scale are our internal benchmark.

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