

On-Track Performance; Poised for Growth

Recommendation Rationale

- **Pre-sales for the year remain intact:** Signature Global clocked pre-sales of Rs 2,640 Cr for the quarter, down 15% YoY. This decline was primarily driven by delayed launches, which were caused by approval delays and are expected to continue into H2FY26. The company is positioned to achieve its FY26 target of pre-sales of Rs 12,500 Cr, having already achieved 21% of the target. The collections stood at Rs 930 Cr. The average ticket size per unit was ~Rs 3.4 Cr, mainly driven by the launch of premium projects. This quarter, the company launched 2 Mn sq. ft. with a GDV of Rs 3,900 Cr. Flagship launch was Cloverdale in Sector 71, phase 2 of its Titanium project. The pricing of Cloverdale was about 12.5% higher than Titanium, which was launched a year prior, indicating strong market demand and price appreciation.
- **Strong Upcoming Launches and Execution:** For FY26, the company has planned 2 major launches, 3-3.5 Mn sq. ft. in Sector 37D and 4 Mn sq. ft. in Sector 71, with approvals at an advanced stage and expected by Oct/Nov'25. The company has strategically engaged Grade A contractors like Ahluwalia Contracts (For DXP), Arabian Construction Company (for twin tower DXP) and Capacite (for Titanium SPR) to enhance construction pace. It has delivered over 15 Mn sq. ft. of projects to date. In addition, over 9 Mn sq. ft. of projects, primarily mid-income homes, are in advanced stages of completion, with rapid delivery targeted in the current and upcoming fiscal years.
- **Business Development and Cashflows:** Signature Global's collections stood at Rs 930 Cr for the quarter, down by 23% YoY. The company has anticipated a significant improvement in collections for H2FY26. It continues to expand its land bank, having acquired 10 acres near the Daxin project in the Sohna corridor. Signature's portfolio includes 24+ Mn sq. ft. of land stage inventory, holding a substantial GDV potential of over Rs 40,000 Cr, intended for launch over the next 2-3 years. A key aspect of its strategy is operating on owned land, which constitutes comfortably less than 10% of the share of land owners across its portfolio, ensuring a higher internal cash surplus. Future expansion possibilities include a potential 100-acre Phase 2 development for its project in Sona, although such acquisitions are time consuming. In Sector 71, 70 acres out of the initial 93 acres remain unutilized, with potential to add another 3-4 Mn sq. ft. of developable area beyond the existing land bank.

Sector Outlook: Positive

Company Outlook & Guidance: Signature Global maintains a confident outlook for FY26, projecting pre-sales of Rs 12,500 Cr and revenue recognition of Rs 4,800 Cr, driven by healthy demand, a strong launch pipeline, and disciplined execution. The company has an ambitious target to launch over 10 Mn sq. ft. of new projects in FY26, with an estimated Gross Development Value of ~Rs 17,000 Cr. Key upcoming launches for the remainder of the year include 3 to 3.5 Mn sq. ft. in Sector 37D and another 4 Mn sq. ft. in Sector 71, with approvals progressing well and launches anticipated in H2FY26.

Current Valuation: 3.8x FY27E Pre-sales/EBITDA (Earlier 3.8x FY27E Pre-sales/EBITDA)

Current TP: Rs 1,470/share (Earlier TP: Rs 1,470 /share).

Recommendation: With a 32% upside from the CMP, we **maintain our long-term BUY** rating on the stock.

Financial Performance

The company reported revenue of Rs 866 Cr for Q1FY26, up 116% YoY. EBITDA stood at Rs 33 Cr, compared to -1 Cr in Q1FY25, with margins at 3.8% compared to (0.3%) for the previous year. PAT stood at Rs 35 Cr, up 496% YoY. For FY25, revenue came in at Rs 2,498 Cr, up 101% YoY. For the year, pre-sales stood at Rs 2,640 Cr and collections were Rs 930 Cr. It delivered projects totalling 15.7 Mn sq. ft.

Key Financials (Consolidated)

(Rs Cr)	Q1FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Net Sales	401	520	866	116%	66%
EBITDA	(1)	44	33	-2742%	-24%
EBITDA Margin (%)	-0.3%	8.4%	3.8%	415bps	-459bps
Net Profit	6	62	35	496%	-44%
EPS (Rs)	0.4	4.4	2.5	496%	-44%

Source: Company, Axis Securities Research

(CMP as of 8th August, 2025)

CMP (Rs)	1,111
Upside /Downside (%)	32%
High/Low (Rs)	1,647/1,011
Market cap (Cr)	15,625
Avg. daily vol. (1m) Shrs.	3,61,357
No. of shares (Cr)	14.05

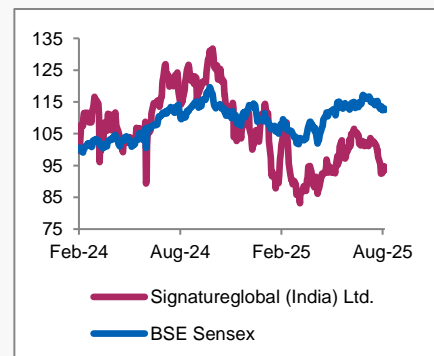
Shareholding (%)

	Dec-24	Mar-25	Jun-25
Promoter Group	69.6	69.6	69.6
FII	12.0	10.4	10.6
MFs/Banks	1.3	1.7	1.8
Others	17.0	18.3	17.9

Financial & Valuations

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Net Sales	2,498	3,697	5,176
EBITDA	45	331	516
Net Profit	102	309	511
EPS, Rs	7.3	22.0	36.4
PER, x	153.1	50.5	30.6
EV/EBITDA, x	368.8	49.9	29.9
P/BV	21.5	15.1	10.1

Relative Performance



Source: Ace Equity, Axis Securities Research

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Outlook

Signature Global boasts a robust future pipeline, with 24+ Mn sq. ft. of land stage inventory carrying a GDV potential of over Rs 40,000 Cr, slated for unveiling over the next 2-3 years. The company's strategy of operating primarily on owned land, with land owner share comfortably less than 10% of its portfolio, ensures higher operating cash surpluses. Management expects construction activity and collections to significantly ramp up, aiming for a quarterly construction spend run rate of Rs 700-800 Cr in the coming CY25, with Q3 and Q4 expected to be strong quarters for collections. The reduction in the cost of debt, with new construction finance loans secured in the 9-9.5% range, and an A+ rating from CARE for its planned non-convertible debentures, further supports its financial flexibility and positive trajectory.

Valuation & Recommendation

We continue to value the company using a Pre-Sales/EBITDA valuation and arrive at a TP of Rs 1,470/share (3.8x FY27E), implying a 32% upside from the CMP.

Key Highlights

- **Cash Surplus:** The company invested over Rs 500 Cr in construction and approvals, resulting in a surplus of nearly Rs 200 Cr.
- **Cost of Debt:** Signature Global noted a reduction in its cost of debt, with new construction finance loans being raised in the 9-9.5% range. Additionally, the company received an A+ rating from CARE for its planned listed non-convertible debentures.
- **Flagship Launch – Cloverdale:** The company's flagship launch, Cloverdale in Sector 71, Gurugram, which is Phase 2 of its Titanium project. Cloverdale contributed almost 65% to the quarter's pre-sales. The pricing of Cloverdale was about 12.5% higher than Titanium.
- **Completions:** To date, Signature Global has delivered over 15 Mn sq. ft. of projects. An additional 9+ Mn sq. ft are in advanced stages of completion.
- **Net Debt:** Net debt stood at Rs 890 Cr as on Q1FY26, vs Rs 880 Cr in Q4FY25. The Company aims to keep net debt below 0.5x the projected operating surplus for FY26.

Key Risks to Our Estimates and TP

- **Approval Delays:** The company's pre-sales are heavily dependent on launching new projects, as it has very low inventory remaining in its ongoing projects. Any delays in approvals or launches could result in the company failing to follow its collection guidance.
- **Concentration Risk:** Signature Global's entire portfolio is located within the Gurgaon and its outskirts. Any challenges arising in this region due to regulations will directly impact the company.

Operational Performance

(Rs Cr)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	FY25	FY26
Bookings (Pre-Sales)	3,120	2,780	2,770	1,620	2,640	10,290	12,500
Collections	1,210	920	1,080	1,170	930	4,380	
% Completion					21%		

Source: Company, Axis Securities Research

Results Review

Y/E Mar (Rs Cr)	Q1FY25	Q4FY25	Q1FY26	YoY growth %	QoQ growth %
Sales	401	520	866	116.1	66.3
Revenue	401	520	866	116.1	66.3
Cost of materials consumed	311	321	667	114.7	107.6
Purchases of stock-in-trade	0	0	1	492.1	110.1
Total	311	322	668	114.8	107.6
Employee Cost	32	48	68	111.3	41.2
Other expenses	59	106	96	64.1	(9.7)
EBITDA	-1	44	33	(2,741.8)	(24.3)
EBITDA Margin (%)	-0	0	0	(1,322.6)	(54.5)
Depreciation	-5	-8	-8	46.1	(4.1)
EBIT	-7	36	26	(487.2)	(29.2)
Other Income	27	50	33	19.4	(34.6)
Interest	-7	-13	-13	68.9	(2.9)
PBT	13	73	46	245.3	(37.5)
Tax	-6	-12	-11	74.4	(4.0)
Tax Rate (%)	49	16	25	(49.5)	53.7
Adj PAT	6	62	35	495.7	(43.9)
PAT Margin (%)	1	12	4	175.7	(66.3)
Recurring PAT	6	62	35	495.7	(43.9)
PAT Margin (%)	1	12	4	175.7	(66.3)

Source: Company, Axis Securities Research

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Net sales	2,498	3,697	5,176
Growth, %	101.4	48.0	40.0
Other operating income	-	-	-
Total income	2,498	3,697	5,176
Raw material expenses	(1,906)	(2,810)	(3,882)
Employee expenses	(172)	(259)	(362)
Other Operating Expenses	(376)	(298)	(416)
EBITDA (Core)	45	331	516
Growth, %	(261.2)	639.4	55.9
Margin, %	1.8	8.9	10.0
Depreciation	(27)	(22)	(29)
EBIT	17	309	487
Growth, %	(135)	1,680	58
Margin, %	1	8	9
Interest paid	(51)	(45)	(65)
Other Income	140	148	259
Pre-tax profit	106	412	681
Tax provided	(4)	(103)	(170)
Profit after tax	102	309	511
Growth, %	536.4	203.1	65.2
Net Profit (adjusted)	102	309	511

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Cash & bank	1,498	1,272	2,874
Marketable securities at cost	-	-	-
Debtors	64	304	425
Inventory	9,280	7,698	10,635
Loans & advances	146	146	146
Other current assets	1,390	1,361	1,361
Total current assets	12,378	10,781	15,442
Investments	0	-	-
Gross fixed assets	142	194	219
Less: Depreciation	-	(49)	(78)
Net fixed assets	142	152	148
Non-current assets	17	42	42
Total assets	12,865	11,303	15,960
Current liabilities	10,520	8,848	12,494
Provisions	47	47	47
Total current liabilities	10,568	8,895	12,542
Non-current liabilities	1,569	1,369	1,869
Total liabilities	12,136	10,264	14,410
Paid-up capital	14	14	14
Reserves & surplus	713	1,022	1,532
Shareholders' equity	730	1,039	1,549
Total equity & liabilities	12,866	11,302	15,960

Source: Company, Axis Securities Research

Cash Flow

(Rs Cr)

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Pre-tax profit	106	412	681
Depreciation	27	22	29
Chg in working capital	484	(326)	587
Total tax paid	(58)	(103)	(170)
Cash flow from operating activities	559	4	1,127
Capital expenditure	(54)	(32)	(25)
Cash flow from investing activities	(54)	(32)	(25)
Free cash flow	505	(27)	1,102
Equity raised/(repaid)	-	-	-
Debt raised/(repaid)	259	(200)	500
Cash flow from financing activities	260	(201)	500
Net change in cash	764	(228)	1,602
Opening cash balance	736	1,498	1,272
Closing cash balance	1,498	1,272	2,874

Source: Company, Axis Securities Research

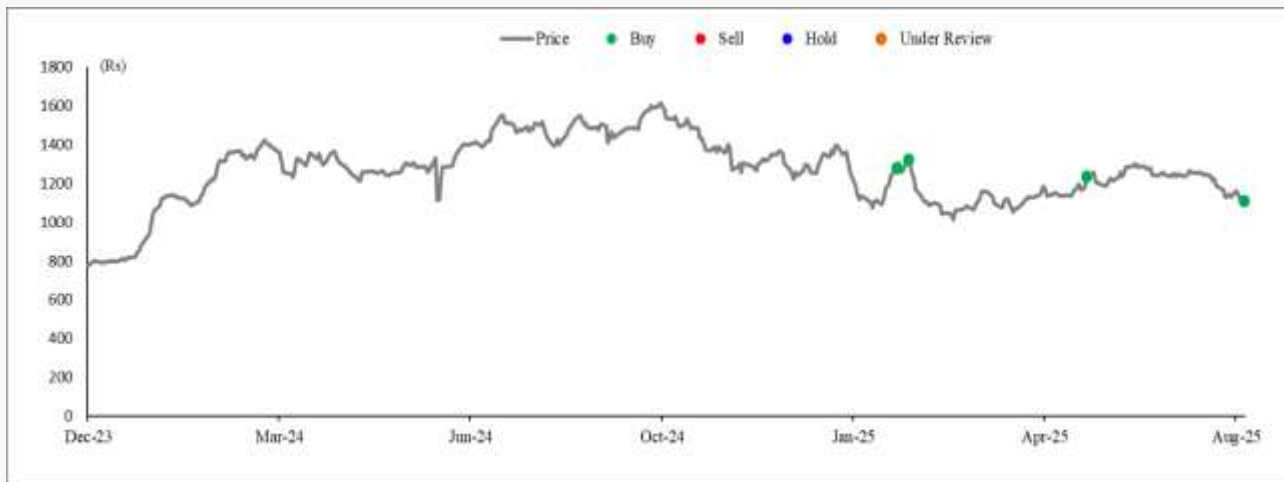
Ratio Analysis

(%)

Y/E Mar	FY25	FY26E	FY27E
EPS (Rs)	7.3	22.0	36.4
Growth, %	536.4	203.1	65.2
Book NAV/share (Rs)	51.7	73.7	110.1
FDEPS (Rs)	7.3	22.0	36.4
DPS (Rs)	-	-	-
Return ratios			
Return on assets (%)	1.4	2.9	4.2
Return on equity (%)	14.0	29.8	33.0
Return on capital employed (%)	7.1	14.8	19.5
Turnover ratios			
Asset turnover (x)	1.7	2.4	3.7
Sales/Total assets (x)	0.2	0.3	0.4
Sales/Net FA (x)	19.4	25.1	34.5
Working capital/Sales (x)	0.1	0.2	0.0
Liquidity ratios			
Current ratio (x)	1.2	1.2	1.2
Quick ratio (x)	0.3	0.3	0.4
Interest cover (x)	0.3	6.9	7.5
Total debt/Equity (%)	3.3	2.1	1.7
Net debt/Equity (%)	1.5	1.1	(0.0)
Valuation			
PER (x)	153.1	50.5	30.6
PEG (x) - y-o-y growth	0.3	0.2	0.5
Price/Book (x)	21.5	15.1	10.1
EV/Net sales (x)	6.6	4.5	3.0

Source: Company, Axis Securities Research

Signature Global Price Chart and Recommendation History



Date	Reco	TP	Research
04-Feb-25	BUY	1,645	Initiating Coverage
11-Feb-25	BUY	1,645	Result Update
17-May-25	BUY	1,470	Result Update
11-Aug-25	BUY	1,470	Result Update

Source: Axis Securities Research

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