

June 17, 2026

Stock turns ex-bonus following 1:3 bonus issue

About the stock: Brigade Enterprises (BEL) is one of the leading property developers in South India. Its offerings include Grade-A commercial property, affordable to ultra-premium housing in real estate business and operational marquee hotel assets in hospitality segment (listed entity). Given the healthy end user demand, strong launches, it has reported a robust sales value CAGR of ~22% over FY21-26 to ₹ 7,424 crore

Key Development: The company's 1:3 bonus issue has come into effect, with the stock turning ex-bonus on June 17, 2026. Under the issue, shareholders will receive one bonus equity share for every three equity shares held.

Investment Rationale

- Eyeing 20% YoY pre-sales growth in FY27:** The company is eyeing ₹ 9000 crore pre-sales in FY27 (+21% YoY) led by a strong launch pipeline of ₹ 11,900 crore for FY27 (₹ 10,000 crore GDV projects launched in FY26). Of the 11.5 msf launch pipeline for FY27, 4.5 msf is expected to be launched in Bengaluru while 3 msf each in Chennai and Hyderabad. Project approval related delays, which had impacted FY26 pre-sales (-5% YoY) and collections (flattish YoY) is said to be largely behind it. Overall, out of its ongoing residential portfolio of ~₹ 28,000 crore, it has unsold inventory of ~₹ 10,000 crore which would be sold over the next three years. On the demand front, it continues to see 10-12% footfall conversions and NRI buyers stable at ~10%.
- Leasing rentals targeted to grow to ~₹ 2000+ crore in 6 years from ~₹ 1300 crore in FY26:** In its leasing portfolio, it had launched ~1.3 msf in FY26, 3 msf ongoing projects and has 4.5/5.5 msf upcoming launches in FY27/FY28. Ongoing projects along with 4.5 msf additions in FY27 is expected to generate incremental rentals of ₹ 800 crore post completion/leasing of assets. Overall, its rental income is targeted to reach ~₹ 1600 crore/ ~₹ 2000+ crore over the next 3 years/ 6 years from ₹ 1303 crore in FY26. It would be incurring ₹ 6000 crore capex over the next 4 years towards scaling up its leasing portfolio. In hospitality, it plans to add 1700 keys (doubling its portfolio of hotels to 18 hotels) over the next 4-5 years.

Rating and Target Price

- BEL's residential segment is expected to revert to growth trajectory from FY27 while commercial and hospitality are expected to maintain healthy growth trajectory aided by its scale up plans.
- Factoring stock bonus, we revise our SOTP based target price to ₹ 780, and continue to maintain Buy rating on the stock.

Key Financial Summary

Particulars (Rs. In crore)	FY23	FY24	FY25	FY26	3 yr CAGR (FY23-26)	FY27E	FY28E	2 yr CAGR (FY26-28E)
Net Sales	3445	4897	5074	5697	18.3%	6976	7922	11.6%
EBITDA	859	1194	1414	1427	18.4%	1799	2052	12.9%
EBITDA Margin(%)	24.9	24.4	27.9	25.1		25.8	25.9	
Net Profit	291	452	686	658	31.2%	797	909	11.4%
EPS (₹)	8.9	13.8	21.0	20.2		24.4	27.9	
P/E(x)	63.3	40.9	26.9	28.0		23.2	20.3	
EV/EBITDA(x)	25.0	18.4	14.4	15.3		13.0	12.2	
RoE(%)	9.0	12.7	11.6	8.7		9.8	10.3	
RoCE(%)	8.5	11.9	12.2	9.7		10.9	11.1	

Source: Company, ICICI Direct Research



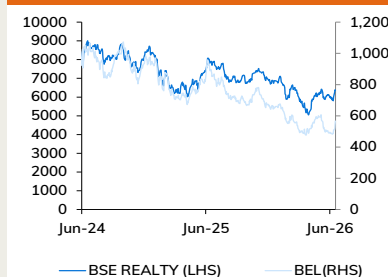
Particulars

Particulars	(Rs. in crore)
Market Cap	18428
Total Debt FY26	6110
Cash FY26	2685
EV	21853
52 week H/L (Rs.)	909/ 451
Equity capital	326.2
Face value (Rs.)	10.0

Shareholding pattern

Particular	Jun-25	Sep-25	Dec-25	Mar-26
Promoters	41.1	41.1	41.1	41.1
FII's	19.3	18.7	18.1	16.8
DII's	23.4	23.3	23.6	24.7
Others	16.1	16.9	17.2	17.4

Price Chart



Key risks

- Slowdown in demand especially in its core Bengaluru market.
- Inability to scale up its leasing and hospitality portfolio.

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Financial Summary

Exhibit 1: Profit and loss statement ₹ crore

Year-End-March	FY25	FY26	FY27E	FY28E
Net Sales	5,074.2	5,697.2	6,975.8	7,922.1
Other Income	239.3	211.8	222.4	233.5
Total revenues	5,313.5	5,909.0	7,198.1	8,155.6
Cost of Materials Sold	2,316.8	2,706.9	3,357.0	3,822.2
Employee Cost	404.7	481.9	530.0	583.1
Other Expenditure	938.5	1,081.1	1,290.2	1,465.2
Total Operating Exp.	3,660.0	4,269.9	5,177.2	5,870.4
EBITDA	1,414.2	1,427.3	1,798.6	2,051.7
Interest	495.5	409.4	519.0	592.0
Depreciation	288.8	312.4	359.5	397.5
PBT	869.3	903.5	1,142.5	1,295.7
Tax	188.8	179.1	251.3	285.1
Profit before MI	680.5	724.4	891.1	1,010.6
Minority Interests	(5.3)	80.4	94.3	101.8
PAT	685.8	658.2	797.2	909.3
EPS (₹)	21.0	20.2	24.4	27.9

Source: Company, ICICI Direct Research

Exhibit 2: Cash Flow Statement ₹ crore

Year-End-March	FY25	FY26	FY27E	FY28E
Profit before Tax	869	904	1,142	1,296
Depreciation	289	312	359	397
Interest paid	495	409	519	592
CF before wc changes	1,472	1,451	1,705	1,950
Net Increase in CA	(1,667)	(2,617)	(2,622)	(3,147)
Net Increase in CL	1,510	1,533	2,256	1,859
Net CF from op. activities	995	(137)	977	244
Purchase of Fixed Assets	(639)	(1,739)	(1,780)	(1,400)
(Purchase)/Sale of Inv.	12	(12)	-	-
Interest received	161	166	222	233
Others	134	(60)	(334)	(102)
Net CF from inv. activities	(331)	(1,640)	(1,892)	(1,268)
Equity Raised	-	-	-	-
Proceeds from Borrowing	(92)	911	1,000	1,000
Interest Paid	(467)	(464)	(519)	(592)
Dividend Paid	(46)	(61)	(82)	(82)
Net CF from fin. activities	860	1,202	399	326
Net Cash flow	1,524	(576)	(516)	(698)
Opening Cash	1,737	3,261	2,685	2,169
Closing Cash	3,261	2,685	2,169	1,471

Source: Company, ICICI Direct Research

Exhibit 3: Balance sheet ₹ crore

Year-End-March	FY25	FY26	FY27E	FY28E
Equity Capital	244	245	326	326
Reserves & Surplus	5,394	6,576	7,210	8,037
Networth	5,915	7,524	8,145	8,871
Total Debt	5,274	6,110	7,110	8,110
Deferred Tax Liability	14	49	49	49
Source of Funds	11,204	13,683	15,304	17,030
Gross Block	1,612	1,989	1,612	1,612
Less: Accumulated Dep	620	932	765	838
Net Block	992	1,057	847	775
Capital WIP	1,929	3,590	3,990	4,390
Net Investment Properties	4,081	4,075	5,545	6,220
Total Fixed Assets	7,002	8,722	10,382	11,385
Goodwill	20	20	20	20
Investments	43	62	62	62
Deferred Tax Assets	459	740	740	740
Inventories	8,869	11,401	13,681	16,417
Trade Receivables	629	601	704	829
Loans & Advances	475	668	783	922
Cash & Bank Balances	3,261	2,685	2,169	1,471
Other Current Assets	512	709	831	978
Other Non-current assets	820	646	757	891
Total Current Assets	14,566	16,709	18,926	21,509
Trade Payable	786	882	1,034	1,217
Provisions	33	54	54	54
Other Current Liabilities	8,858	10,335	12,215	13,621
Total Current Liabilities	9,677	11,270	13,302	14,891
Net Current Assets	3,680	4,138	4,099	4,823
Application of Funds	11,204	13,683	15,304	17,030

Source: Company, ICICI Direct Research

Exhibit 4: Key ratios

Year-End-March	FY25	FY26	FY27E	FY28E
Per Share Data				
Reported EPS	21.0	20.2	24.4	27.9
Cash EPS	29.9	29.8	35.5	40.1
BVPS	181.4	230.7	249.7	272.0
Operating Ratios				
EBITDA / Net Sales	27.9	25.1	25.8	25.9
PAT / Net Sales	13.5	11.6	11.4	11.5
Return Ratios				
RoE	11.6	8.7	9.8	10.2
RoCE	12.2	9.7	10.9	11.1
Valuation Ratios				
EV / EBITDA	14.4	15.3	13.0	12.2
P/E	26.9	28.0	23.2	20.3
EV / Net Sales	4.0	3.8	3.3	3.2
Market Cap / Sales	3.6	3.2	2.6	2.3
Price to Book Value	3.1	2.5	2.3	2.1
Turnover Ratios				
Asset turnover	0.5	0.4	0.5	0.5
Gross Block Turnover	3.1	2.9	4.3	4.9
Solvency Ratios				
Net Debt / Equity	0.3	0.4	0.6	0.7
Current Ratio	1.0	1.1	1.1	1.1
Quick Ratio	0.1	0.2	0.2	0.2

Source: Company, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

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