



Suraj Estate Developers Limited

IPO Note



IPO Details		Company Background					
Opening Date	Dec 18, 2023	<ul style="list-style-type: none"> Suraj Estate Developers Limited was originally carried on as a partnership firm in 1986 and had its registered office in Mumbai, Maharashtra. The company develop real estate across the residential and commercial sectors in the South-Central Mumbai region. The company is focused primarily on value luxury, luxury segments and commercial segments. The company is now venturing into residential real estate development in the Bandra sub-market. As of 30th September 2023, the Company had 126 employees on its payroll. 					
Closing Date	Dec 20, 2023						
Stock Exchange	NSE, BSE						
Lot Size	41 Shares						
Issue Price	₹340 to ₹360 per share						
Issue Size	Aggregating up to 400 Cr.						
Fresh Issue	Aggregating up to 400 Cr.						
Offer for Sale	-						
Application Amount (Price at Upper Band)	Min. Inv. - ₹ 14,760 (41 shares) Max. Inv. - ₹ 1,91,880 (533 shares)						
IPO Objective		Market Capitalization (In Cr.)					
1. Repayment/Prepayment of the borrowings of the company and its subsidiaries.		Pre-Issue	Post-Issue				
2. Acquisition of land or land development rights.		₹ 1,197	₹ 1,597				
3. General corporate purposes.		Financial Summary (In Cr.)					
Pre-Issue Shareholding		For the Period Ended	Mar-21	Mar-22	Mar-23	Jun-23	
Category	No. of Shares	% of Total Shares	Total Assets	792.00	864.00	942.58	994.73
Promoter & Promoter Group	3,32,49,800	100.00%	Net Assets	29.15	39.16	71.39	86.11
Public	200	-	Total Borrowings	600.48	638.16	593.09	598.50
Promoter of the Company		Total Revenue	244.00	273.91	307.89	102.81	
1. Rajan Meenathakonil Thomas.		Profit After Tax	6.28	26.50	32.06	14.53	
Competitive Strengths		Tentative Timeline					
1. Established brand with a long-standing presence in the value luxury and luxury segment.		Opening Date	Dec 18, 2023				
2. Diversified portfolio encompassing product offerings across various points in the value luxury and luxury segment.		Closing Date	Dec 20, 2023				
3. Strong expertise in tenant settlement in redevelopment projects.		Basis of Allotment	Dec 21, 2023				
5. Marketing and sales strategies.		Initiation of Refunds	Dec 22, 2023				
6. Experienced promoters and management team.		Credit of Shares to Demat	Dec 22, 2023				
		Listing Date	Dec 26, 2023				



Company Background and Analysis

Suraj Estate Developers Limited has been involved in the real estate business since 1986. The company develops real estate across the residential and commercial sectors in the South-Central Mumbai region. The company have a residential portfolio located in the markets of Mahim, Dadar, Prabhadevi and Parel, which are sub-markets of the South-Central Mumbai micro-market where the company have established a presence. The company is focused primarily on value luxury, luxury segments and commercial segments. The company is now venturing into residential real estate development in the Bandra sub-market.

The company's focus area of operation is the South-Central region in Mumbai mainly consisting of Mahim, Matunga, Dadar, Prabhadevi and Parel, as the expertise lies in the redevelopment of tenanted properties under Regulation 33(7) of the Development Control and Promotion Regulations (“DCPR”) in the Mumbai region. The company identify cessed/ non-cessed properties with existing tenants and ties up with the landlords of such tenanted properties by entering into a development agreement or on an outright purchase basis through a conveyance deed.

The company have completed forty-two (42) projects with a developed area of more than 1,046,543.20 square feet in the South-Central Mumbai region. In addition to the Completed Projects, the company has thirteen (13) Ongoing Projects with a developable area of 20,34,434.40 square feet and saleable carpet area of 6,09,928 square feet and sixteen (16) Upcoming Projects with an estimated carpet area of 7,44,149 square feet.

In the company’s residential portfolio, the company is present across the “value luxury” and “luxury” segments across multiple price points with unit values ranging from ₹1.00 Cr. to ₹13.00 Cr. In the commercial portfolio, the company has constructed and sold built-to-suit corporate headquarters to the institutional clientele namely, Saraswat Cooperative Bank Limited (Prabhadevi) and Clearing Corporation of India Limited (Dadar).

The Ongoing Project details of the company is as follows -

Project Name	Total Sale Carpet Area (lakhs square feet)	Sale Carpet Area sold, as of October 31, 2023 (lakhs square feet)	% of Sale Carpet Area sold, as of October 31, 2023	Sale Carpet Area sold prior to the receipt of the OC (lakhs square feet)	% of Sale Carpet Area sold prior to the receipt of the OC
Value Luxury					
Louisandra	0.29	0.29	100.00%	0.29	100.00%
Emmanuel	0.28	0.27	96.84%	0.27	96.84%
Ave Maria	0.23	0.22	96.86%	0.22	96.86%
Vitalis	0.81	0.48	59.75%	0.48	59.75%
Suraj Eterna	0.33	0.18	54.62%	0.18	54.62%
Birvana	0.91	0.67	73.42%	0.67	73.43%
Suraj Parkview 2	0.21	0.15	69.65%	0.15	69.65%
Luxury					
Palette	1.80	1.22	67.89%	1.22	67.89%
Ocean Star-I	0.60	0.42	70.13%	0.42	70.13%
Total	5.46	3.90	71.51%	3.90	71.51%

(OC – Occupancy Certificate.)

To conclude, the company has vast experience in the industry in which the company operates. The company has 13 ongoing projects. The company is raising total gross proceeds of Rs. 400.00 Cr.

Business Strategies

1. Enhance the leading market position in the South-Central Mumbai region by leveraging the Upcoming Projects.

The company continues to focus primarily on residential projects in the Value Luxury and Luxury Segments within select micro-markets of the South-Central Mumbai region by leveraging the brand, deep experience and track record of successful execution.

2. Continue to focus on redevelopment projects through the asset-light model.

The Company aims to strengthen the redevelopment project portfolio pre-dominantly through an asset-light model entering into development agreements with housing societies and with landlords of properties on area sharing basis.

3. Continue to pursue the differentiated product offerings in the value luxury segment.

The Company intends to further strengthen its presence in delivering value luxury 1 BHK flats and compact 2 BHK flats in the South-Central Mumbai region. propose to achieve this by continuing to focus on 1 BHK flats with ticket sizes ranging between ₹1.0 Cr and ₹2.0 Cr and flat sizes ranging between 300 square feet up to 500 square feet along with parking and other amenities. The company is also developing compact 2 BHK flats, with ticket sizes ranging between ₹20.00 million and ₹30.00 million and flat sizes ranging between 500 square feet to 800 square feet along with parking and other amenities.

4. Continue to expand Land Reserves in the South-Central Mumbai region and opportunistically build the position in other sub-markets within the MMR region-

The company intends to take advantage of emerging consolidation opportunities in the real estate industry generated by regulatory changes, such as RERA, and other market factors, by following a flexible strategy for land acquisition. The company intends to continue to evaluate various land acquisition models, such as outright purchase, joint ventures, joint development and development management to increase the market penetration across the various market segments in which they operate. In particular, the strong execution record and customer relationships provide them with the continued ability to source land in strategic locations and help them to continue to focus on and execute projects.

5. Continue to selectively develop Commercial projects in the South-Central Mumbai Region -

The company intends to continue to focus on the development of commercial spaces to enable them to create value through complementary asset classes.

Competitive Scenario and Peer Mapping

Competition

The company faces significant competition in this Industry. The residential real estate sector has a larger number of new entrants and existing players from whom the company faces competition. The industry in which the company operates in is competitive and highly fragmented resulting in increased competition. The industry has fewer barriers to entry. The bargaining power with the customers is moderate in the sector in which the company operates.

Peer Analysis

The comparison of the key performance indicators of the listed peers as of Mar-23 is given below -

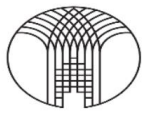
Particulars	Suraj Estate Developers Limited	Oberoi Realty Limited	Sunteck Realty Limited	Keystone Realtors Limited	Shriram Properties Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	10.49%	45.43%	0.28%	11.66%	10.09%
EBITDA Margin	49.39%	50.37%	17.68%	15.16%	6.38%
Return on Capital Employed	10.32%	13.51%	1.71%	4.98%	2.73%
Return on Equity	22.39%	15.60%	0.04%	4.79%	5.67%
EPS (INR)	10.10	52.38	0.10	7.20	3.88

Particulars	Suraj Estate Developers Limited	Mahindra Lifespace Developers Limited	D B Realty Limited	Hubtown Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	10.49%	17%	-13%	9%
EBITDA Margin	49.39%	-18%	-102%	28%
Return on Capital Employed	10.32%	-7%	-21%	6%
Return on Equity	22.39%	6%	-5%	2%
EPS (INR)	10.10	6.56	-2.57	4.00

The comparison of the key performance indicators of the listed peers as on Mar-22 is given below -

Particulars	Suraj Estate Developers Limited	Oberoi Realty Limited	Sunteck Realty Limited	Keystone Realtors Limited	Shriram Properties Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	9.72%	38.86%	4.87%	10.72%	4.16%
EBITDA Margin	48.30%	43.88%	18.52%	14.03%	17.09%
Return on Capital Employed	8.74%	8.91%	2.71%	13.38%	6.17%
Return on Equity	33.63%	10.05%	0.90%	14.58%	1.59%
EPS (INR)	8.35	28.80	1.71	13.96	0.58

Particulars	Suraj Estate Developers Limited	Mahindra Lifespace Developers Limited	D B Realty Limited	Hubtown Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	9.72%	41%	10%	-67%
EBITDA Margin	48.30%	-22%	-45%	-32%
Return on Capital Employed	8.74%	-5%	-3%	-4%



S U R A J

Suraj Estate Developers Limited

IPO Note



Return on Equity	33.63%	9%	1%	-10%
EPS (INR)	8.35	10.00	1.04	-17.65

The comparison of the key performance indicators of the listed peers as on Mar-21 is given below -

Particulars	Suraj Estate Developers Limited	Oberoi Realty Limited	Sunteck Realty Limited	Keystone Realtors Limited	Shriram Properties Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	2.62%	36.00%	1.11%	27.33%	-15.74%
EBITDA Margin	36.10%	48.76%	10.50%	12.01%	3.94%
Return on Capital Employed	1.49%	9.66%	8.00%	8.07%	1.09%
Return on Equity	12.00%	7.89%	21.26%	28.96%	-7.91%
EPS (INR)	1.98	20.33	2.86	31.04	-4.60

Particulars	Suraj Estate Developers Limited	Mahindra Lifespace Developers Limited	D B Realty Limited	Hubtown Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	2.62%	-43%	-668%	-46%
EBITDA Margin	36.10%	-57%	-436%	-6%
Return on Capital Employed	1.49%	-6%	-4%	-1%
Return on Equity	12.00%	-4%	-13%	-9%
EPS (INR)	1.98	-4.66	-6.98	-16.72

Industry Overview

Exhibit 1: Market size of Real Estate in India (US\$ bn)

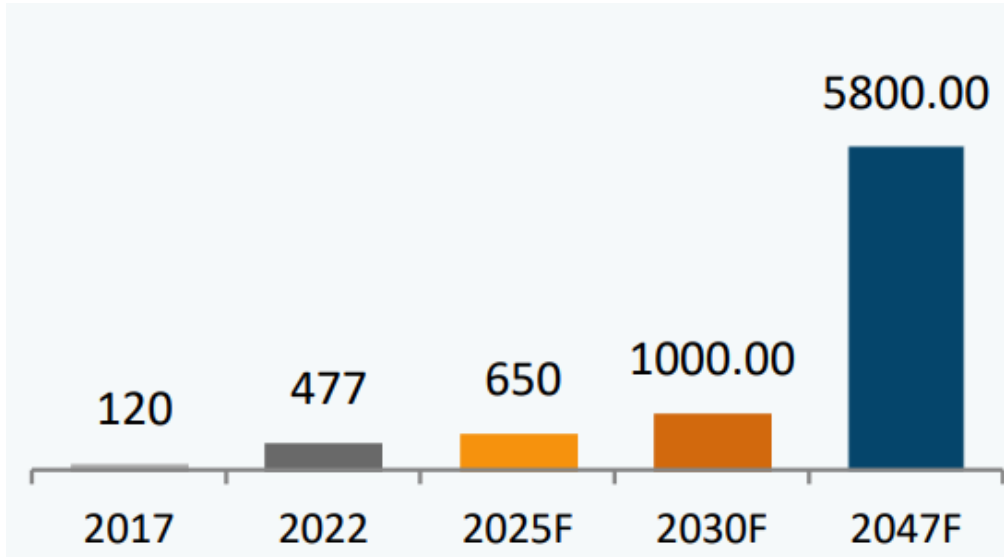
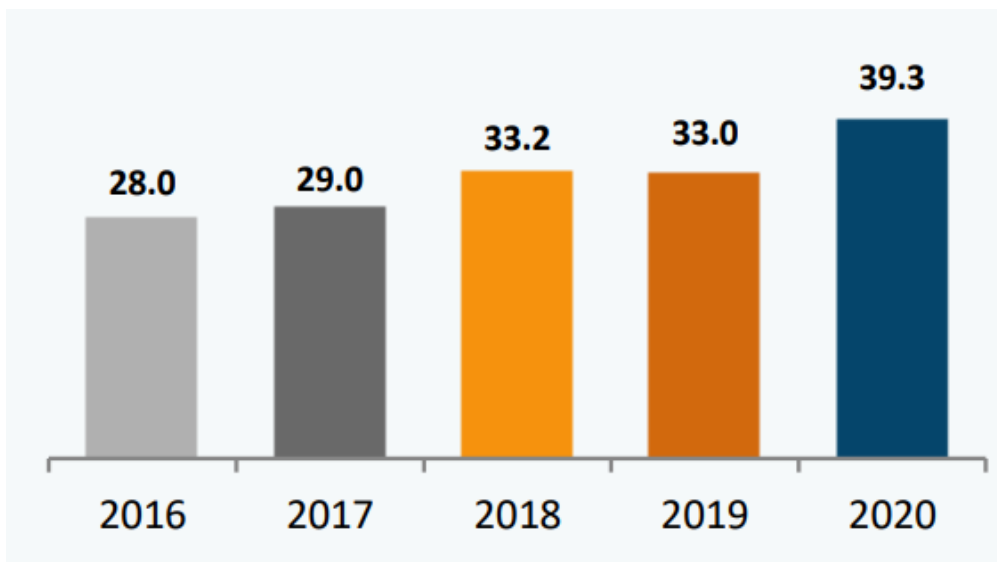


Exhibit 2: Demand for Commercial Space in Top 8 cities (mn sq ft)



(Source: Prospectus)



Overview of Indian Residential Market -

In last six to seven years, the real estate sector in India has witnessed several changes because of demonetization, the liquidity crisis and the implementation of RERA and GST. Despite the spiraling COVID-19 pressure across the country, the Indian residential sector made a significant comeback in 2021 with absorption rebounding to 171% of the corresponding period in 2020. In 2019, the absorption was recorded at 2.61 lakhs units which depicts that 2021 absorption has attained ~90% of the absorption recorded in 2019. This clearly demonstrated a steady recovery as compared to 2020.

The Mumbai Metropolitan Region (“MMR”), Pune, Bengaluru, Hyderabad, the National Capital Region (“NCR”), Chennai and Kolkata (“Top Seven Indian Markets”) recorded absorption of approximately 2.37 lakh units in 2021 as compared to 1.38 lakh units in 2020. Further, the absorption numbers in 2022 have improved to 3.65 Lakh units. In Q1 2023 the absorption already is about 1.13 Lakh units and at same rate it stands to beat 2022 Absorption Levels. New launches have jumped by 185% - from 127,959 units in 2020 to 236,693 units in 2021. The same is almost in line with the launches recorded in 2019. There has also been an improvement in the 2022 numbers where the total launches are 3.58 Lakhs units. In H1 2023 there are 2.12 Lakhs launched units.

Mumbai Metropolitan Region (MMR) - Introduction

Mumbai is the commercial and financial capital of India and houses the two stock exchanges which account for most of the securities traded in the country. With the busiest single-runway airport in India and two large seaports, Mumbai accounts for over half of India’s foreign trade, generates 6% of India’s GDP and one-third of the country’s tax revenues. Home to a flourishing media and film industry, the city also serves as the entertainment capital of the country. Its economic base is well diversified with a large presence of Banking and Financial Services Industry (BFSI), engineering, services, and IT/ITeS sectors, and logistic companies. Mumbai is one of the biggest real estate markets in India. It has various micro-markets along with Mumbai City, suburbs, extended suburbs and neighboring areas such as Thane and Navi Mumbai. With the recent infrastructure projects completing such as Mono and Metro, Mumbai witnessed significant physical infrastructure improvements. Upcoming infrastructure projects (coastal roads, metros, etc.) in the medium term will improve the connectivity further.

Demand Drivers for the Housing in MMR -

Mumbai has a diverse base of industries and small and medium businesses. Mumbai creates employment opportunities across the value chain for both front and back offices. On a qualitative basis, the announcement of addition of office space (employment generation) in the city-centric and the suburban areas affect the select residential pockets of suburban areas (e.g., Ghodbunder Road) with a lag of 2 – 3 years. Extended nodes of Mumbai such as Panvel, Bhiwandi, Kalyan have seen growth in logistics, e-commerce and warehousing activities. The workforce working there has contributed to the housing demand for mid and affordable category at the projects in Extended Eastern Suburbs, Thane & Navi Mumbai.

(Source: Prospectus)



Key Managerial Personnel

Rajan Meenathakonil Thomas, aged 67 years, is the Promoter, Chairman and Managing Director of the Company. He holds a bachelor's degree in arts. He has been associated with the Company since its incorporation. He has received a Lifetime Achievement Award from ET Now in the year 2022. He has over 36 years of experience in various aspects of the real estate business.

Rahul Rajan Jesu Thomas, aged 36 years, is the Whole-Time Director of the Company. He holds a bachelor's degree in commerce and a corporate finance certificate. He has received a 40 under 40 award from Realty+ in the year 2022. He has over 16 years of experience in various aspects of real estate business.

Sujatha R. Thomas, aged 64 years, is the Non-Executive Director of the Company. She holds a bachelor's degree in arts. She has been associated with the Company since its incorporation. She has over 30 years of experience in various aspects of real estate business.

Mrutyunjay Mahapatra, aged 63 years, is the Independent Director of the Company. He holds a bachelor's degree in science (Physics) and a master's degree in science (Physics). He has experience in various aspects of banking.

Sunil Pant, aged 69 years, is the Independent Director of the Company. He holds a bachelor's degree in science, a bachelor's degree in Labour Law, a master's degree in physics, and member of the Indian Institute of Bankers and All India Management Association. He has over 36 years of experience in banking.

Satyendra Shrishar Nayak, aged 74 years, is an Independent Director of the Company. He holds a master's degree in commerce, and a Doctor of Philosophy from the University of Bombay. He has authored a book called "Globalization and the Indian Economy". He was on the board of Bharat Wire Ropes Limited. He has experience in consulting.

To Conclude, the company has only one promoter, and he has vast experience in the fields directly linked to the operations. The Remaining Directors of the company have good knowledge and experience in their respective fields which helps in the overall growth of the company.



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Suraj Estate Developers Limited

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**Financial Snapshot**

Profit and Loss Statement				(In Cr.)
Particulars	FY 21	FY 22	FY 23	Jun-23
Revenue from Operations	239.99	272.72	305.74	102.41
Other Income	4.01	1.19	2.15	0.40
Total Income	244.00	273.91	307.89	102.81
Expenses				
Operating and project expenses	164.20	180.74	166.00	28.02
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	-22.31	-55.70	-31.30	18.16
Employee benefits expense	7.61	9.74	11.60	3.33
Finance Costs	79.21	93.10	107.35	27.19
Depreciation and Amortization expense	2.39	3.68	2.58	0.58
Other expenses	3.86	6.20	8.44	6.16
Total Expenses	234.95	237.76	264.68	83.44
Earnings Before Interest, Taxes, Depreciation & Amortization	86.63	131.73	151.00	46.73
EBITDA Margin	36%	48%	49%	46%
Profit before exceptional and extraordinary items and tax	9.05	36.15	43.21	19.37
Exceptional items	-	-	-	-
Profit/(Loss) before tax	9.05	36.15	43.21	19.37
Tax Expense				
Current Tax	2.82	10.05	13.57	8.68
Deferred Tax Charge (Credit)	-0.05	-0.40	-2.42	-3.83
Total Tax Expense	2.77	9.65	11.15	4.84
Profit/(Loss) for the year	6.28	26.50	32.06	14.53
Net Profit Margin	3%	10%	10%	14%

Balance Sheet				(In Cr.)
Particulars	FY 21	FY 22	FY 23	Jun-23
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	4.94	3.77	3.44	4.18
Intangible Assets	14.21	12.73	12.09	12.03
Right of Use Assets	2.01	1.15	0.29	0.07
Financial Assets	-	-	-	-
Investments	1.11	0.11	8.85	8.85
Other Financial Assets	2.80	4.50	22.65	12.31
Deferred tax asset (Net)	0.75	1.11	3.51	7.34
Total Non-Current assets	25.83	23.37	50.84	44.79
Current Assets				
Inventories	565.28	620.98	652.27	634.11
Financial Assets				
(i) Investments	-	-	-	-
(ii) Trade Receivables	80.67	93.23	113.05	156.31
(iii) Cash and Cash Equivalents	6.82	7.69	12.11	26.09
(iv) Other Bank Balances	14.04	15.91	15.92	21.45
(v) Loans	23.63	24.14	8.20	6.95
(vi) Other financial assets	7.87	2.08	3.95	4.07



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Suraj Estate Developers Limited

IPO Note



Balance Sheet					(In Cr.)
Other current assets	67.64	76.09	85.49	100.14	
Income Tax Assets (Net)	0.23	0.52	0.77	0.81	
Total Current assets	766.18	840.63	891.74	949.94	
Total Assets	792.00	864.00	942.58	994.73	
EQUITY AND LIABILITIES					
Equity					
Share Capital	6.35	15.88	15.88	15.88	
Other Equity	22.92	39.44	71.66	86.38	
Capital reserve on business combination	-0.13	-16.15	-16.15	-16.15	
Total equity attributable to equity holders of the company	29.15	39.16	71.39	86.11	
Non-controlling interests (NCI)	0.22	0.22	0.12	-0.05	
Total Equity	29.37	39.38	71.51	86.06	
Liabilities					
Non-current liabilities					
Financial Liabilities					
(i) Borrowings	464.05	396.60	345.73	330.72	
(ii) Lease liabilities	1.52	0.40	-	-	
(iii) Others	3.04	4.46	4.57	4.68	
Provisions	0.90	1.04	1.11	1.28	
Total Non-current liabilities	469.50	402.50	351.41	336.67	
Current liabilities					
Financial Liabilities					
(i) Borrowings	136.43	241.55	247.37	267.78	
(ii) Trade Payables					
total outstanding dues of micro enterprises and small enterprises	0.38	0.23	0.15	0.09	
total outstanding dues of creditors other than micro enterprises and small enterprises	13.78	19.07	26.81	18.14	
(iii) Other Financial Liabilities	32.49	45.05	48.68	56.51	
(iv) Lease Liabilities	0.80	1.04	0.39	0.10	
Other Current Liabilities	107.98	108.23	182.04	206.85	
Provisions	0.11	0.11	0.12	0.14	
Income tax liabilities (Net)	1.17	6.84	14.12	22.41	
Total Current liabilities	293.14	422.12	519.66	572.00	
Total Liabilities	762.64	824.62	871.07	908.67	
Total Equity and Liabilities	792.00	864.00	942.58	994.73	

Cash Flow Statement					(In Cr.)
Particulars	FY 21	FY 22	FY 23	Jun-23	
Net Cash Flow from Operating Activities	-14.93	69.76	188.53	24.51	
Net Cash Flow from Investing Activities	-12.27	-21.06	-27.12	4.03	
Net Cash Flow from Financing Activities	26.96	-44.68	-155.72	-15.13	



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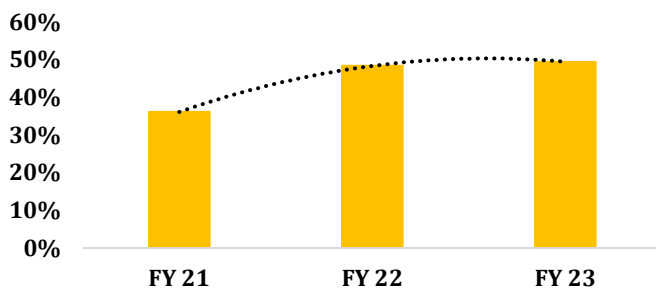
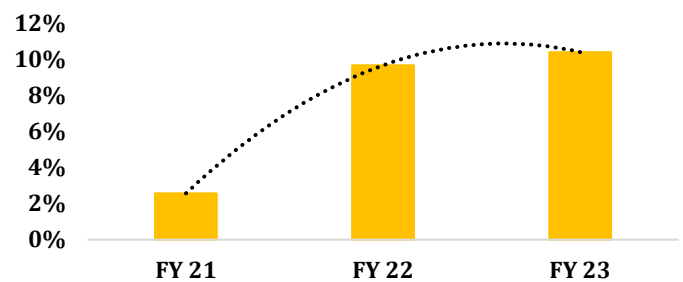
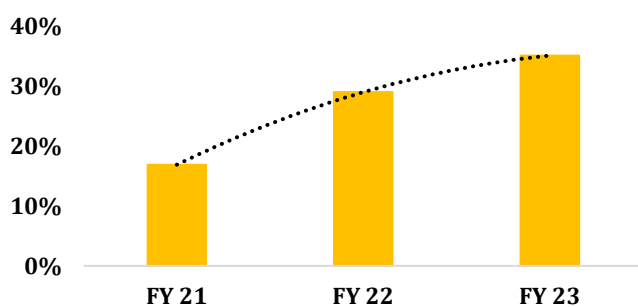
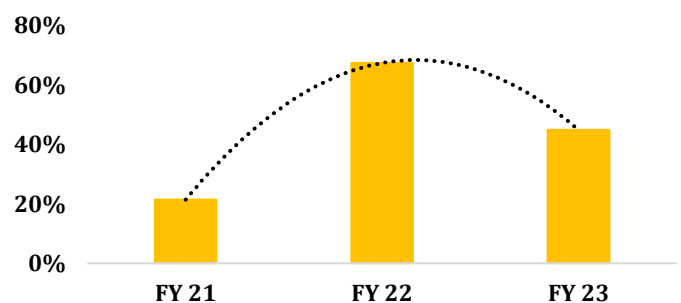
Suraj Estate Developers Limited

IPO Note

TIARE
Enabling Your Path To Success

Ratio Sheet				
Particulars	FY 21	FY 22	FY 23	Jun-23*
Per Share Data				
Diluted EPS	1.98	8.35	10.1	13.07
BV per share	6.57	8.83	16.09	122.97
Operating Ratios				
EBITDA Margins	36%	48%	49%	46%
PAT Margins	3%	10%	10%	14%
Inventory days	859.74	831.10	778.69	563.46
Debtor days	122.68	124.78	134.95	138.90
Creditor days	31.48	38.98	59.26	59.17
Return Ratios				
RoCE	17%	29%	35%	22%
RoE	21%	67%	45%	11%
Valuation Ratios (x)				
EV/EBITDA	7.19	5.08	4.32	5.74
Market Cap / Sales	6.65	5.86	5.22	3.90
P/E	181.82	43.11	35.64	27.55
Price to Book Value	54.79	40.78	22.37	2.93
Solvency Ratios				
Debt / Equity	4.75	6.25	3.52	1.01
Current Ratio	2.61	1.99	1.72	1.66
Quick Ratio	0.69	0.52	0.46	0.55
Asset Turnover	0.30	0.32	0.32	0.10
Interest Coverage Ratio	1.06	1.38	1.38	1.70

*Annualized Figures

Financial Charts**EBITDA Margin****Net Profit Margin****Return On Capital Employed****Return on Equity**

Key Risk Factors

1. The company has negative operating cash flow for the FY ended 2021. Any negative cash flows in the future would adversely affect the cash flow requirements.
2. The company have certain contingent liabilities amounting to Rs. 27.23 Cr. which if they materialize, may adversely affect the business, financial condition and results of operations.
3. There are certain outstanding litigation proceedings involving the Company, Subsidiaries, Directors and Promoter amounting to Rs. 56.72 Cr. Any adverse outcome in such proceedings may have a material adverse impact on the reputation, business, financial condition, results of operations and cash flows.

Track Record of Lead Manager

The lead manager to the issue is ITI Capital Limited and Anand Rathi Advisors Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times

ITI Capital Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Hariom Pipe Industries Limited	130.05	153.00	April 13, 2022	69.80
2.	Nureca Limited	100.00	400.00	February 25, 2021	286.00

The company has had 02 mandates in the past four years (including the current year)

Anand Rathi Securities Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Electronics Mart India Limited	500.00	59.00	October 17, 2022	301.00
2.	Anand Rathi Wealth Limited	660.01	550.00	December 14, 2021	206.00
3.	Paras Defence and Space Technologies Limited	170.78	175.00	October 01, 2021	736.00

The company has had 03 mandates in the past three years (including the current year)

*CMP for the above-mentioned companies is taken as of 18th December 2023.

As per the offer document, from the above-mentioned mandates, all the mandates are opened at a premium on the listing date.



Recommendation

The company has been in the industry since 1986 and thus has vast experience in the industry. The company has seen a sudden surge in the increase of its bottom line which may or may not sustain going forward. The company has seen decent growth in terms of revenue over the years. The management outlook of the company is satisfactory.

The P/E on a post-IPO basis is around 49.81 times which makes it aggressively priced by looking at the performance of the company and its peers.

The company faces high competition in the industry in which the company operates. The company does have a high P/E. The company has seen a sudden surge in the increase of its bottom line which may or may not sustain going forward. The company has established a brand with a long-standing presence in Value Luxury Segment and Luxury Segment in the residential real estate market of South-Central Mumbai region. The company has 13 ongoing projects which we believe will yield good growth in the future. Thus, we recommend **APPLY** for this IPO keeping in mind it is for long-term perspective.



S U R A J

Suraj Estate Developers Limited

IPO Note



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