CMP: ₹ 477 | Target ₹ 610 (28%) | Target Period: 12 months | BUY

August 18, 2026

Growth outlook intact for residential & annuity biz

About the stock: Max Estates Limited (MEL), is the real estate arm of Max Group, primarily focused in the Delhi-NCR region across residential and commercial developments.

- Residential portfolio comprises ~₹ 29,710 crore GDV (launch pipeline of ~₹ 17,200+ crore).
- Commercial assets rental income expected to scale up to ₹ 700 crore (company's share ~₹ 350 crore) over five years from ₹ 158 crore in FY26.

Q1FY27 performance: Max Estates reported revenue, EBITDA and PAT of ₹ 51.9, ₹ 8.1 and ₹ 8.4 crore in Q1FY27. Commercial leasing remained steady, with lease rental income rising 4.5% YoY to ₹ 39.7 crore, while Max Asset Services revenue grew 16% YoY to ₹ 14.6 crore. Total leased area stood at 1.24 mn sq ft as of June 2026. Earlier Max Estates had reported a strong operational update for Q1FY27 with presales at ₹ 1100 crore led by project launch The Terraces phase 1 which is fully sold. Sustenance sales also witnessed healthy activity with Pre-sales from sustenance and new launches sales were ₹ 600 crore and ₹ 500 crore respectively.

Investment Rationale:

- **Strong pre-sales pipeline of ₹ 16,150 crore:** MEL has total project portfolio size of ₹ 29,710 crore, out of which it has till date launched ₹ 17,560 crore GDV projects and sold ₹ 13,560 crore (77%). Consequently, it has ₹ 16,150 crore balance pre-sales potential (new launches - ₹ 12,150 crore, sustenance sales - ₹ 4000 crore) for 2-3 years. For 9MFY27, it plans to launch ₹ 5000-5500 crore new projects along with contribution from sustenance sales contribution (₹ 4000 crore inventory). The embedded PBT from launched projects (₹ 17,560 crore) is estimated at a robust ₹ 4600-5400 crore (~26-31%). It has a 16.2 msf business development pipeline with an aspirational target of adding ~3msf of projects.

- **Under-construction annuity assets stay on track:** MEL has three operational assets totalling ~1.5 msf, operating at 100% occupancy and over 90% EBITDA margins (₹ 158 crore rental income in FY26). Its under-construction assets remain on track. Max Square Two (1 msf) is expected to receive its OC by Q2FY28, adding ₹ 125 crore to annuity income. Max District (~1.6 msf) will be delivered in two phases — Q2FY28 and Q3FY29 — adding ₹ 225+ crore to annuity income. Max One commercial portion to add ₹ 145 crore annuity income. Overall commercial portfolio is poised for an annuity rental income potential of over ₹ 700 crore on a 100% basis in the next five years. (company's share ~₹ 350 crore).

Rating and Target Price:

- We retain Buy on the stock with our unchanged SOTP based price target of ₹ 610.

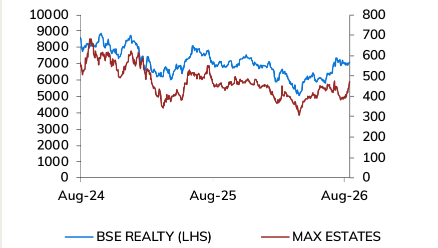
Market data

Particulars	Rs. in crore
Market Capitalisation	7,989
Debt (FY26)	2,379
Cash (FY26)	615
EV	9,753
52 Week H/L (Rs.)	504/305
Equity Capital	161.0
Face Value (Rs.)	10.0

Shareholding pattern

	Sep-25	Dec-25	Mar-26	Jun-26
Promoter	45.2	44.9	45.3	45.3
FII	26.6	25.7	25.9	25.8
DII	6.8	7.8	7.7	8.2
Others	21.4	21.7	21.2	20.7

Price Chart



Key risks

(i) Delay in under-construction annuity & residential projects

(ii) Inability to acquire new residential projects

(iii) Geographic concentration

Research Analyst

Ronald Siyoni
ronald.siyoni@icicisecurities.com

Samarth Khandelwal
samarth.khandelwal@icicisecurities.com

Result Update

ICICI Securities – Retail Equity Research

Key Financial Summary

Particulars (₹ crore)	FY24	FY25	FY26	2-year CAGR (FY24-26)	FY27E	FY28E	2-year CAGR (FY26-28E)
Revenues	92.9	160.5	199.5	46.5	231.0	2138.1	327.4
EBITDA	17.8	44.4	23.7	15.6	75.5	747.2	561.1
EBITDA margin (%)	19.1	27.7	11.9		32.7	34.9	
Net Profit	2.3	40.8	12.5	133.9	43.2	492.2	627.1
EPS (Rs)	0.1	2.5	0.8		2.6	30.1	
P/E (x)	3458.1	193.8	632.1		182.9	16.1	
EV/EBITDA (x)	480.5	190.1	407.7		130.2	12.6	
RoCE (%)	-0.4	0.5	-0.2		0.7	14.4	
RoE (%)	0.2	1.8	0.5		1.8	16.7	

Source: Company, ICICI Direct Research

Q1FY27 – Earnings call summary

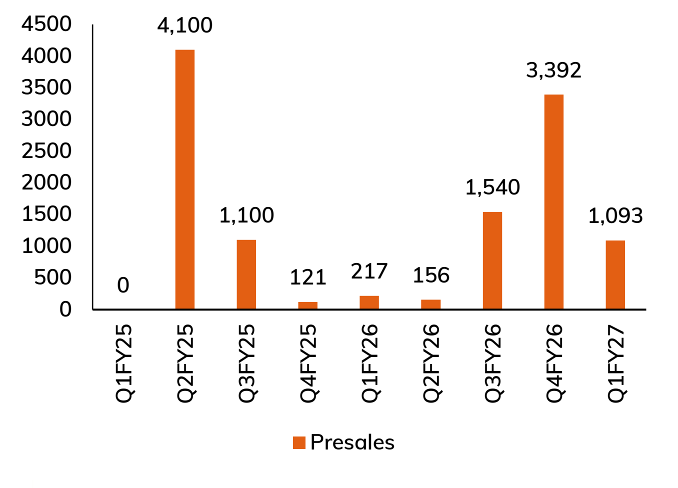
- **Guidance:** The company reserved giving pre-sales guidance for FY27 as of now owing to cautious market sentiments led by prevailing global uncertainties and focus on quality sales over volume. However, it still has a strong GDV pipeline of ₹ 1,2000+ crore for 9MFY27.
- **FY27 launch pipeline:** It launched The Terraces phase 1 (precinct within Estate 361) having GDV of ₹ 500 crore in May 2026 (The terraces has an overall GDV of ₹ 1200 crore and Estate 361 has an overall GDV of ₹ 9000 crore). It targets to launch sector 59, Golf Course Extension Road, Gurugram project having-GDV of ₹ 3500+ crore in Q3/Q4FY27. Further, it plans to launch phase 2 of Estate 105, Noida (phase I - ₹ 3000 crore out of overall ₹ 6000 crore GDV was launched in March 2026).
- **Collections:** During Q1FY27, collections stood at ₹ 575 crore, up 36% YoY. The company expects collections of ₹ 2500-3000 crore during FY27.
- **Business Development:** The company maintained its annual BD target of ~2 msf residential and 1 msf commercial projects per annum.
- **Commercial portfolio:** Under-construction assets remain on track and will materially scale the annuity portfolio. Max Square Two (1 msf) is expected to receive its OC by Q2FY28, adding ₹ 125 crore to annuity income. Max District (~1.6 msf) will be delivered in two phases — Q2FY28 and Q3FY29 — adding ₹ 225+ crore to annuity income. Together, these two assets will add ₹ 350+ crore to the annuity portfolio upon full completion. Overall commercial portfolio is poised for an annuity rental income potential of over ₹ 700 crore on a 100% basis (across delivered, under construction and in acquisition), in the next five years.
- Capex: The company plans to deploy ₹1500 -1800 crore for projects and an additional ₹ 750-1000 crore for business development efforts.
- **Net Debt:** The company's gross debt stands at ₹ 1961 crore (including LRDs of ₹ 934 crore) and cash & cash equivalents of ₹ 1727 crore (~₹ 1233 crore RERA cash) translating to net debt of ₹ 234 crores.

Exhibit 1: Quarterly trend

	Q1FY27	Q1FY26	YoY (Chg %)	Q4FY26	QoQ (Chg %)	Comments
Operating Income	**1,115.6**	**1,281.1**	**-12.9**	**1,457.6**	**-23.5**	Real Estate/ Leasing/ Hospitality revenues stood at ₹ 707/ ₹ 264 /₹ 144 crore respectively
Other Income	63.7	51.7	23.1	65.5	-2.8	
Total Revenue	1,179.2	1,332.9	-11.5	1,523.1	-22.6	
Raw materials costs	564.8	580.9	-2.8	692.0	-18.4	
Employees Expenses	135.3	109.2	24.0	131.9	2.6	
Other Expenses	250.8	215.7	16.3	336.4	-25.4	
Total Expenditure	**361.4**	**323.7**	**11.7**	**364.7**	**-0.9**	
EBITDA	32.4	25.3	714 bps	25.0	738 bps	Real estate margin improved to 21% vs 12% in Q1FY26
EBITDA margins (%)	73.2	75.6	-3.1	80.2	-8.7	
Interest	109.2	105.6	3.3	111.7	-2.3	
Depreciation	**242.7**	**194.1**	**25.0**	**238.4**	**1.8**	
PBT						
Tax						
Minority Interest						
PAT	67.9	35.9	89.4	54.2	25.4	

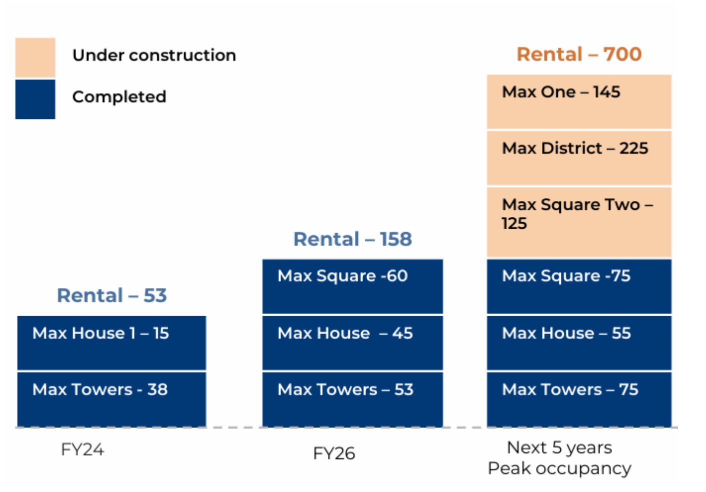
Source: Company, ICICI Direct Research

Exhibit 2: Pre-sales quarterly trend booking



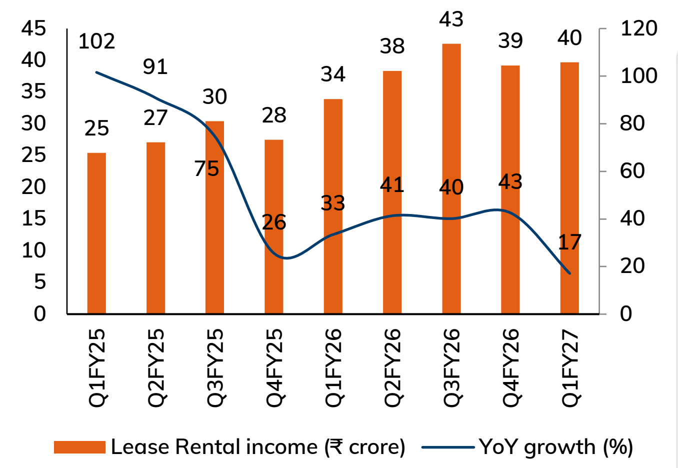
Source: Company, ICICI Direct Research

Exhibit 3: Commercial -annuity portfolio (100%[2]) (₹ crore)



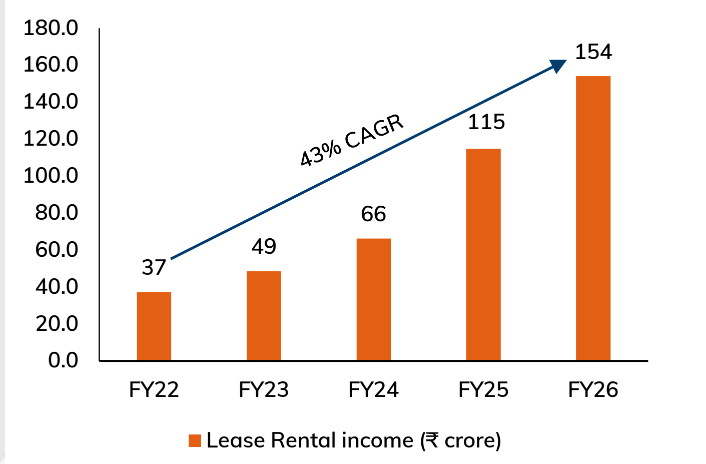
Source: Company, ICICI Direct Research; 2. Max Estates owns 51% of the beneficial interest and 49% is owned by New York Life Insurance, 4. The under-construction projects will reach their peak over the next 5+ years.

Exhibit 4: Quarterly lease rental income trend



Source: Company, ICICI Direct Research

Exhibit 5: Annual lease rental income trend



Source: Company, ICICI Direct Research

Exhibit 6: Indicative BD pipeline

Project location	Development Type	SBUA (msf)	Type	Stage
Delhi	Residential	0.1	JDA	Commercial negotiation
Delhi	Residential	0.1	Outright	Commercial negotiation
Noida	Residential	1.5	JDA	Commercial negotiation
Gurugram	Residential	2.6	Outright	Commercial negotiation
Gurugram	Residential	0.9	JDA/JV	Commercial negotiation
Delhi	Residential	4.1	JDA	Regulatory approval
Noida	Mix-Use	1.4	Outright	Under evaluation
Noida	Mix-Use	3.1	Outright	Under evaluation
Noida	Residential	0.7	Outright	Commercial negotiation
Total		14.5		

Source: Company, ICICI Direct Research

Valuation

Max estate stays on course with respect to maintaining healthy pre-sales growth trajectory for residential business over the next two years and increasing annuity income multi-fold over the longer tenure. However, timely project launches would be critical in maintaining healthy pre-sales growth momentum over the next two years. We retain Buy with our unchanged SOTP based price target to ₹ 610.

Exhibit 7: Valuation mix

Particulars	Valuation methodology	Value per share (Rs)
Residential	Project-wise NAV	274
Commercial	Capitalisation	255
Max Asset Services	EV/EBITDA	15
Net Debt		14
Total NAV		530
NAV premium	15% premium to NAV	80
Price Target (Rounded)		610

Source: Company, ICICI Direct Research

Financial summary

Exhibit 8: Profit and loss statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Revenue	160.5	199.5	231.0	2,138.1
% Growth	72.7	24.3	15.8	825.4
Other income	89.2	97.3	100.0	100.0
Total Revenue	249.7	296.8	331.0	2,238.1
% Growth	107.6	18.9	11.5	576.1
Total Raw Material Costs	4.6	3.8	6.9	652.3
Employee Expenses	17.6	33.3	43.2	56.2
Other expenses	93.9	138.6	105.4	682.4
Total Operating Expenditure	116.1	175.7	155.6	1,390.9
Operating Profit (EBITDA)	44.4	23.7	75.5	747.2
% Growth	149.8	(46.6)	218.1	890.0
Interest	61.9	65.4	97.6	95.2
PBDT	71.7	55.7	77.9	752.0
Depreciation	34.1	32.4	42.0	51.0
PBT before Exceptional Items	37.6	23.3	35.9	701.0
Total Tax	11.2	7.6	11.7	227.8
PAT before MI	26.4	15.7	24.2	473.2
PAT	40.8	12.5	43.2	492.2
% Growth		-69	246	1,038
EPS	2.5	0.8	2.6	30.1

Source: Company, ICICI Direct Research

Exhibit 9: Cash flow statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Profit after Tax	41	13	43	492
Depreciation	34	32	42	51
Interest	(66)	(73)	98	95
Cash Flow before WC changes	48	32	175	847
Net Increase in Current Assets	(2,039)	(3,209)	(981)	(1,096)
Net Inc in Current Liabilities	2,288	2,618	1,169	1,402
Net CF from Operating activities	225	(616)	351	926
(Purchase)/Sale of Fixed Assets	(677)	(81)	(409)	(409)
Change in Investments	(473)	232	-	-
Others	12	(883)	-	-
Net CF from Investing activities	(1,139)	(732)	(409)	(409)
Issue of Equity	800	113	-	-
Proceeds from borrowings	632	608	(0)	(0)
Others	335	158	(98)	(95)
Net CF from Financing Activities	1,766	879	(98)	(95)
Net Cash flow	853	(468)	(156)	421
Opening Cash/Cash Equivalent	231	1,083	615	459
Closing Cash/ Cash Equivalent	1,083	615	459	881

Source: Company, ICICI Direct Research

Exhibit 10: Balance sheet ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Equity Capital	161	163	163	163
Reserve and Surplus	2,500	2,998	3,022	3,495
Total Shareholders funds	2,661	3,161	3,185	3,659
Total Debt	1,615	2,379	2,379	2,379
Total Liabilities	4,276	5,540	5,565	6,038
Gross Block	2,132	2,640	3,049	3,459
Acc: Depreciation	85	117	159	210
Net Block	2,047	2,523	2,890	3,248
Capital WIP	0	0	0	0
Total Fixed Assets	2,047	2,523	2,890	3,248
Non Current Assets	659	557	557	557
Inventory	2,285	6,888	7,715	8,640
Debtors	15	12	13	13
Other Current Assets	1,141	1,818	1,973	2,143
Cash	1,083	615	459	881
Total Current Assets	4,524	9,334	10,159	11,677
Current Liabilities	2,945	6,862	8,030	9,432
Provisions	9	12	12	12
Total Current Liabilities	2,954	6,874	8,042	9,444
Net Current Assets	1,570	2,460	2,117	2,232
Total Assets	4,276	5,540	5,565	6,038

Source: Company, ICICI Direct Research

Exhibit 11: Key ratios

(Year-end March)	FY25	FY26	FY27E	FY28E
EPS	2.5	0.8	2.6	30.1
Cash per Share	4.6	2.7	5.2	33.2
DPS	-	-	-	-
BV	139.4	148.1	150.7	180.8
Operating Ratios				
EBITDA Margin	27.7	11.9	32.7	34.9
PAT Margin	25.4	6.3	18.7	23.0
Return Ratios				
RoE	1.8	0.5	1.8	16.7
RoCE	0.5	(0.2)	0.7	14.4
Valuation Ratios				
EV / EBITDA	190.1	407.7	130.2	12.6
P/E	193.8	632.1	182.9	16.1
EV / Net Sales	52.6	48.5	42.5	4.4
Sales / Equity	0.1	0.1	0.1	0.6
Market Cap / Sales	49.3	39.7	34.2	3.7
Price to Book Value	3.5	3.3	3.2	2.7
Working Capital Management Ratios				
Inventory Days	5,196.7	12,605.2	12,187.5	1,475.0
Debtor Days	33.0	22.4	19.8	2.2
Creditor Days	1,030.5	1,863.7	1,608.9	173.9
Asset Turnover	0.0	0.0	0.0	0.4
Solvency Ratios				
Debt / Equity	0.6	0.8	0.7	0.7
Current Ratio	1.5	1.4	1.3	1.2
Quick Ratio	0.8	0.4	0.3	0.3

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

Pankaj Pandey Head – Research pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

ANALYST CERTIFICATION

I/We, Ronald Siyoni, PGDBM, Samarth Khandelwal, Chartered Accountant, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stockbroker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stockbroker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report