



IPO INSIGHTS



Arkade Developers Limited

Issue Dates - Opens: 16-09-2024 | Closes: 19-09-2024

IPO Note	<ol style="list-style-type: none"> 1. Arkade Developers Limited is a real estate development company focused on developing high-end, sophisticated lifestyle residential developments in Mumbai, Maharashtra. 2. The Company is involved in the development of new projects and the redevelopment of existing buildings.
Rating	★★★(Good)

IPO SNAPSHOT

Issue Size	₹ 410.00 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹ 410.00 Crores
Offer for Sale	-
Face Value Per Share	₹ 10
Price Band Per Share	₹ 121 to ₹ 128
Minimum Lot Size	110 shares
Listing On	BSE, NSE
Registrar to the Issue	Bigshare Services Private Ltd

IPO SNAPSHOT- Arkade Developers Limited

About the Company

- Incorporated in 1986.
- Arkade Developers Limited is a real estate development company concentrating on the development of premium aspirational lifestyle residential premises in Mumbai, Maharashtra, India's commercial capital.
- Their business can broadly be classified into two categories: (i) development / construction of residential premises on land acquired by the company (New Projects) and (ii) redevelopment of existing premises (Redevelopment Projects).
- Their operations are strategically located in Mumbai, one of the biggest and most expensive real estate markets in India.
- They owe their strong brand recognition in MMR, Maharashtra and their track-record to their customer-centric approach.
- Their business model which lays emphasis on developing high-end and premium budget aesthetically designed, sustainable residential premises with life-style amenities and facilities in the high-density areas in MMR, Maharashtra.
- They also have a consistent track-record of meeting their project delivery timelines which is a critical aspect of their brand.
- The company has completed the redevelopment of 10 projects in the western suburbs of Mumbai and 1 project in south-central Mumbai (through a partnership firm in which the company held a majority stake) with a total built-up area of 1,000,000 square feet (approx.).

Competitive Strengths

- Strategic location of projects in micro-markets of MMR, Maharashtra.
- They are a leading player and amongst top 10 developers in terms of supply in select micro-markets of, and an established developer in, MMR, Maharashtra.
- Experienced Promoter and strong and technically proficient management team.
- Strong in-house resources.
- Timely completion of projects.

Financials (₹ in Crores)

Particulars	31-3-2022	31-3-2023	31-03-2024	Y-o-Y
Revenue	228.93	220.15	634.73	188%
EBITDA	61.72	64.46	168.39	161%
EBITDA Margin	27.0%	29.3%	26.5%	
PAT	50.84	50.76	122.80	142%
PAT Margin	22.21%	23.06%	19.35%	

Valuation

- Attributing Annualized FY23 Earnings asking P/E = 16.01

Peers

Company Name	P/E ratio
Keystone Realtors Limited	70.78
Godrej Properties Limited	110.11
Macrotech Developers Limited	74.44
Suraj Estate Developers Limited	40.96

Note- P/E ratio is calculated as on 9th September, 2024

Promoters

- Amit Mangilal Jain

Objects of the issue

- Funding is part of the costs to be incurred in developing the on-going Projects.
- Funding acquisition of yet-to-be-identified land for real estate projects and general corporate purposes.

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