Veegaland Developers Ltd

IPO Note

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Biophilic Urban Homes

Industry	Real estate

Scrip Details	
Listing	BSE & NSE
Open Date	10th Sept, 2026
Close Date	15th Sept, 2026
Price Band	INR 130 – 140
Face Value	INR 10
Market Lot	107 Shares
Minimum Lot	1

Issue Structure	
Issue Size (INR cr)	INR 210
Issue Size sh. (in cr.)	1.50
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre-Issue sh. (in cr.)	3.37
Post Issue sh. (in cr.)	4.87
Post Issue Market Cap (in cr)	INR 682.50

Shareholding (%)	Pre (%)	Post (%)
Promoter	92.0	65.0
Public	8.0	35.0
TOTAL	**100**	**100**

Veegaland Developers Limited is a Kerala-based real estate developer specializing in the planning, construction, and sale of multi-storied residential apartments. Operating under the brand name "Veegaland Homes", the company is part of the prominent V-Guard Group, which was established in 1977 by promoter Kochouseph Thomas Chittilappilly. The developer addresses the market across five distinct residential categories: premium (contributing INR 118.31 crore or 47.14% of FY26 revenue from operations), ultra-premium (INR 89.81 crore or 35.78%), luxe-series (INR 23.91 crore or 9.53%), mid-premium (INR 18.94 crore or 7.55%), and ultra-luxury (nil in FY26). Its geographical footprint is entirely concentrated in Kerala, with major urban micro-markets in Kochi (representing 59.70% of ongoing saleable area), Thiruvananthapuram, Kozhikode, and Thrissur. Total sales value grew at a 45.10% CAGR over FY24-26, rising from INR 186.96 crore in FY24 to INR 393.62 crore in FY26 as customer demand expanded.

The company's competitive moat is anchored by its strong V-Guard brand heritage, a stellar execution track record, and a balanced project portfolio. Backed by the institutional goodwill of listed parent group companies like V-Guard Industries and Wonderla Holidays, Veegaland is recognized as one of Kerala's fastest-selling real estate developers. As of June 30, 2026, the company completed 10 projects aggregating 11.05 lakh square feet of saleable area with a 100% sell-through rate across all completed units. The developer operates an asset-light expansion model by selectively utilizing Joint Development Agreements (JDAs) alongside outright land purchases, as shown in its completed portfolio (3 projects developed under JDAs) and its ongoing "Elanza" project. Operationally, the company leverages its "Veega-NOVA" digital transformation program to migrate its core systems to Oracle NetSuite ERP and Salesforce CRM to drive multi-project scalability.

Financially, Veegaland has delivered exceptional top-line expansion, with revenue from operations growing at a 50.5% CAGR over the FY24-FY26 period. Revenue reached INR 250.98 crore in FY26, up 30.46% YoY from INR 192.38 crore in FY25 and INR 110.77 crore in FY24. This growth was primarily driven by higher construction progress and milestone-linked billing on ongoing projects, which contributed INR 247.58 crore to operations in FY26. EBITDA rose strongly from INR 16.72 crore in FY24 to INR 33.77 crore in FY25, and reached INR 42.64 crore in FY26. EBITDA margins expanded from 14.59% in FY24 to 17.21% in FY25, before settling at 16.78% in FY26.. Return on Equity (ROE) stood at 16.02% in FY26 (moderating from 36.96% in FY25 due to an expanded equity base following bonus and rights share issuances), while Return on Capital Employed (ROCE) was 11.89% in FY26. Leverage was materially reduced, with the Debt-to-Equity ratio improving from 2.70 in FY25 to 0.32 in FY26 following the complete repayment of INR 102.89 crore in outstanding director and promoter debt. Total outstanding borrowings stood at INR 85.59 crore as of March 31, 2026. While operating cash flows recorded an outflow of INR 74.26 crore in FY26, this was a strategic result of aggressive working capital deployment for land acquisitions and project work-in-progress to fuel its massive future development pipeline.

Key Consolidated Financial Data (INR Cr, unless specified):

	Revenue	EBITDA	PAT	EBITDA %	PAT%	adj EPS	Adj BVPS	ROE	ROIC	EV/EBITDA	P/BV	P/E
FY24	110.8	12.9	7.9	11.6	7.1	5.2	30.0	17.5	9.2	60.1	4.7	26.7
FY25	192.4	29.9	20.4	15.6	10.6	13.6	43.6	31.2	14.3	27.5	3.2	10.3
FY26	251.0	39.5	26.6	15.7	10.6	17.7	177.9	10.0	11.7	18.9	0.8	7.9

Source: Ventura Research & Company update

Issue Structure and Offer Details:

Veegaland Developers IPO is a book build issue of INR 210.00 crores. The issue is entirely a **fresh issue** of 1.50 crore shares of INR 210.00 crore.

Issue Structure	
Investor Category	**Allocation**
QIB	**Not more than 50% of the Net Offer**
NII (HNI)	**Not less than 15% of the Net Offer**
Retail	**Not less than 35% of the Net Offer**

Number of shares based on a higher price band of INR 140

Source: Company Reports

Objects of the Issue:

	Issue Objects	Est Amt (*₹ Cr.)*
1	Funding a part of the expense to be incurred in the development of the Ongoing Projects and Upcoming Projects	119.83
2	General Corporate Purposes	
	Total	**119.83**

Financial Summary

Fig in INR Cr (unless specified)	FY24	FY25	FY26
Income Statement			
Revenue	110.8	192.4	251.0
YoY Growth (%)	*(97.7)*	*73.7*	*30.5*
Raw Material Cost	78.8	139.4	180.9
RM Cost to Sales (%)	*71.2*	*72.4*	*72.1*
Employee Cost	4.5	5.9	7.7
Employee Cost to Sales (%)	*4.1*	*3.1*	*3.1*
Other Expenses	14.6	17.2	23.0
Other Exp to Sales (%)	*13.1*	*8.9*	*9.2*
EBITDA	12.9	29.9	39.5
Margin (%)	*11.6*	*15.6*	*15.7*
YoY Growth (%)	*(99.0)*	*132.4*	*31.8*
Depreciation & Amortization	0.4	0.5	0.7
EBIT	12.5	29.5	38.7
Margin (%)	*11.3*	*15.3*	*15.4*
YoY Growth (%)	*(98.7)*	*136.2*	*31.5*
Other Income	3.8	3.8	3.2
Bill discounting & other charges	5.1	5.0	5.7
Fin Charges Coverage (X)	2.5	5.8	6.8
Exceptional Item	0.0	0.0	0.0
PBT	11.2	28.3	36.2
Margin (%)	*10.1*	*14.7*	*14.4*
YoY Growth (%)	*(98.1)*	*151.7*	*28.1*
Tax Expense	3.4	7.8	9.6
Tax Rate (%)	*29.9*	*27.7*	*26.5*
PAT	7.9	20.4	26.6
Margin (%)	*7.1*	*10.6*	*10.6*
YoY Growth (%)	*(98.2)*	*159.6*	*30.3*
Min Int/Sh of Assoc	0.0	0.0	0.0
Net Profit	7.9	20.4	26.6
Margin (%)	*7.1*	*10.6*	*10.6*
YoY Growth (%)	*(98.2)*	*159.6*	*30.3*
Balance Sheet			
Share Capital	5.0	5.0	33.8
Total Reserves	40.1	60.4	233.2
Shareholders Fund	45.1	65.4	266.9
Long Term Borrowings	85.2	104.2	27.2
Deferred Tax Assets / Liabilities	0.3	0.0	0.4
Other Long Term Liabilities	12.2	7.4	1.6
Long Term Trade Payables	0.0	0.0	0.0
Long Term Provisions	2.5	2.8	3.3
Total Liabilities	145.3	179.9	299.3
Net Block	1.7	2.5	22.6
Capital Work in Progress	0.0	0.0	0.0
Intangible assets under developm	0.0	0.0	0.3
Non Current Investments	0.0	0.0	0.0
Long Term Loans & Advances	10.5	11.2	44.6
Other Non Current Assets	0.8	1.8	3.4
Net Current Assets	132.2	164.3	228.5
Total Assets	145.3	179.9	299.3

Fig in INR Cr (unless specified)	FY24	FY25	FY26
Per share data & Yields			
Adjusted EPS (INR)	5.2	13.6	17.7
Adjusted Cash EPS (INR)	5.5	13.9	18.2
Adjusted BVPS (INR)	30.0	43.6	177.9
Adjusted CFO per share (INR)	5.9	(29.3)	(49.5)
CFO Yield (%)	4.2	(21.0)	(35.4)
Adjusted FCF per share (INR)	5.6	(30.2)	(63.5)
FCF Yield (%)	4.0	(21.6)	(45.4)
Solvency Ratio (X)			
Total Debt to Equity	2.7	2.7	0.3
Net Debt to Equity	2.0	2.1	0.2
Net Debt to EBITDA	7.1	4.7	1.6
Return Ratios (%)			
Return on Equity	17.5	31.2	10.0
Return on Capital Employed	7.5	12.2	11.0
Return on Invested Capital	9.2	14.3	11.7
Working Capital Ratios			
Payable Days (Nos)	18.3	12.8	10.4
Inventory Days (Nos)	499.4	415.8	418.8
Receivable Days (Nos)	34.7	52.0	65.7
Net Working Capital Days (Nos)	515.8	455.0	474.0
Net Working Capital to Sales (%)	119.4	85.4	91.0
Valuation (X)			
P/E	26.7	10.3	7.9
P/BV	4.7	3.2	0.8
EV/EBITDA	60.1	27.5	18.9
EV/Sales	7.0	4.3	3.0
Cash Flow Statement			
PBT	11.2	28.3	36.2
Adjustments	7.1	4.2	7.0
Change in Working Capital	(5.8)	(75.2)	(102.1)
Less: Tax Paid	(3.6)	(1.2)	(15.4)
Cash Flow from Operations	8.8	(44.0)	(74.3)
Net Capital Expenditure	(0.4)	(1.3)	(21.0)
Change in Investments	2.3	1.1	1.2
Cash Flow from Investing	1.9	(0.2)	(19.8)
Change in Borrowings	(1.9)	56.7	(91.4)
Less: Finance Cost	(5.1)	(5.0)	(5.7)
Proceeds from Equity	0.0	0.0	175.0
Buyback of Shares	0.0	0.0	0.0
Dividend Paid	0.0	0.0	0.0
Cash flow from Financing	(7.0)	51.7	77.9
Net Cash Flow	3.7	7.5	(16.2)
Forex Effect	0.0	0.0	0.0
Opening Balance of Cash	25.5	29.2	36.7
Closing Balance of Cash	29.2	36.7	20.5

Source: Ventura Research

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Corporate Office: I-Think Techno Campus, 8th Floor, ‘B’ Wing, Off Pokhran Road No 2, Eastern Express Highway, Thane (W) – 400608