



SMC Ranking

★ ★ ☆ ☆ ☆ (2/5)

Issue Highlights

Industry	Residential Projects
Fresh Issue (Shares)	15,000,000
Net Offer to the Public	15,000,000
Issue Size (Rs. Cr.)	195-210
Price Band (Rs.)	130-140
Offer Date	10-Sep-26
Close Date	15-Sep-26
Face Value	10
Lot Size	107

Issue Composition

	In shares
Total Issue for Sale	15,000,000
QIB	7,500,000
NIB	2,250,000
Retail	5,250,000

About the company

Veegaland Developers Limited develops and sells multi-storey residential apartments in Kerala under the Veegaland Homes brand, across mid-premium, premium, ultra-premium, luxe and ultra-luxury segments. Projects are RERA-registered and executed mainly through third-party contractors with in-house engineering supervision, quality control and sales. Presence is concentrated in Kochi, Thiruvananthapuram, Kozhikode and Thrissur. Customers are end-users and investors, including NRKs and HNIs seeking ready or under-construction homes. As of June 30, 2026 the portfolio comprised 10 completed projects (11.05 lakh sq. ft., 692 units, 100% sold), 12 ongoing projects (18.57 lakh sq. ft.) and 3 upcoming projects (4.62 lakh sq. ft.). Revenue from operations rose from Rs. 110.77 crore in FY24 to Rs. 192.38 crore in FY25 and Rs. 250.98 crore in FY26; PAT was Rs. 7.87 crore, Rs. 20.43 crore and Rs. 26.61 crore respectively. FY26 sales value was Rs. 393.62 crore and pre-sales Rs. 405.82 crore; contracted order book stood at Rs. 909.42 crore.

Strengths

Strong track record of timely delivery and sales: The company has built a strong reputation for completing projects on time and selling inventory quickly. ICRA ranked it as Kerala's fastest-selling residential developer as of December 8, 2025. Importantly, all 10 completed projects, covering 692 units including JDA landowner units, have achieved 100% sales. Recent projects such as Exotica, Zinnia, Bliss, Thejus and Springbell were completed either ahead of or close to their RERA timelines. The same momentum is visible in ongoing projects, with Green Fort 100% sold, Green Heights 99.29%, Maybell 98.77% and Green Capitol 84.90% of saleable area sold as of June 30, 2026. Sales value has also grown strongly, from Rs. 186.96 crore in FY24 to Rs. 393.62 crore in FY26, a CAGR of around 45%, providing good visibility for collections and future revenue.

Healthy project pipeline with diversified land sourcing: The company has projects spread across completed, ongoing and upcoming stages, which provides a steady pipeline of deliveries and cash flows. While outright land purchases form the larger part of the pipeline, the company also uses Joint Development Agreements selectively. This helps reduce the upfront capital requirement for certain projects. Its 6.51-acre land reserves in Kochi and Kozhikode provide additional room for future launches. Geographically, the company is present across Kochi, Thrissur, Thiruvananthapuram and Kozhikode, while its portfolio ranges from mid-premium to luxury housing. This reduces dependence on any single location or customer segment.

End-to-end control over project execution: A key strength is the company's integrated approach to development. It manages the entire process—from land due diligence and design to approvals, K-RERA

Shareholding Pattern (%)

Particulars	Pre-issue	Post-issue
Promoters & promoters group	92.00%	63.69%
QIB	8.00%	20.93%
NIB	0.00%	4.62%
Retail	0.00%	10.77%
Total	100.00%	100.00%

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Funding a part of the expense to be incurred in the development of the Ongoing Projects and Upcoming Projects
2. Funding unidentified acquisition of land and general corporate purposes

Book Running Lead Manager

- Cumulative Capital Private Limited

Name of the registrar

- MUFG Intime India Private Limited

registration, procurement, construction supervision, billing, handover and post-handover support. Its in-house engineering team monitors contractors, while centralised procurement and quality-control processes help maintain consistency across projects. The company also has more than 30 years of legal title history on its properties, which supports bank financing and home-loan approvals for customers and, in turn, helps collections.

Experienced promoter and execution team: The company benefits from the experience of promoter Kochouseph Thomas Chittilappilly, founder of listed V-Guard and Wonderla, who continues to serve as Whole-Time Director and Vice Chairman. The leadership team also includes Whole-Time Directors Bijoy Ambattu Bahuleyan, who has more than 31 years of construction experience, and Kurian Thomas, who oversees marketing. With 127 employees, including 45 project-monitoring engineers, the company has a reasonably strong execution team. Its association with the broader V-Guard group also provides brand recognition and credibility.

Strategy

Focus on timely completion of the existing pipeline: The immediate priority is to deliver the 12 ongoing and three upcoming projects within their RERA timelines. To achieve this, the company is focusing on faster contractor mobilisation, advance procurement of materials, tighter site supervision and completing design, consultant appointments and statutory approvals earlier in the project cycle. Timely execution is important not only for customer confidence but also for collections, revenue recognition and maintaining the company's brand reputation.

Expand land bank without taking excessive risk: The company plans to acquire additional land in its existing Kerala markets while also exploring nearby growth pockets. A portion of the IPO proceeds is proposed to be used for acquiring unidentified land, subject to the stated cap and general corporate purposes. Combined with its existing 6.51-acre land reserves, this should help maintain a multi-year project pipeline. The key focus, however, will be to balance land acquisition with the company's ability to execute projects efficiently.

Increase the Luxe portfolio while maintaining product diversity: The company is looking to expand its Luxe segment, which focuses on larger and more private 3–4 BHK homes, generally priced around Rs. 9,000–Rs. 10,000 per sq. ft. Projects such as Flora and Lluvia Garden have already been launched, while Fortune is upcoming and additional land has been identified in Kozhikode. At the same time, premium and ultra-premium projects are expected to remain the core of the business. This diversified product mix allows the company to address different customer segments across its markets.

Build a stronger brand and improve digital sales: Going forward, the company plans to invest more in digital marketing, virtual property walkthroughs, project-specific websites, broker networks and CRM-led customer management. Its internal “Veega-NOVA” initiative is aimed at strengthening the technology backbone, including migration to Oracle NetSuite and the use of live dashboards. The objective is to make sales, project monitoring and customer service more data-driven and scalable.

Key Risk Factors

- All projects are in Kerala, so any local downturn, regulatory change, flooding or labour/material disruption can hit the entire business.
- Delays, cost overruns or failure to complete ongoing and upcoming projects on RERA timelines would defer revenue and cash flows.
- Construction is outsourced to third-party contractors and consultants; poor performance or disputes can cause quality issues and extra cost.
- Steel, cement and other input prices are volatile and not locked on long-term contracts, squeezing margins if costs cannot be passed on.
- Building permits, fire/environment NOCs, K-RERA registrations and occupancy certificates can be delayed or modified, stalling launches or construction..

Peer Comparison

Company	Total Sales	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Puravankara	4064.15	160.32	6.76	31.42	2.82	75.38	5	212.4	5037.06
Shriram Properties	1249.37	91.26	5.35	14.22	0.89	85.55	10	76.1	1298.68
Veegaland Developers Limited	250.98	26.61	5.46	25.64	1.43	97.83	10	140.00	682.50

*Peer companies financials are TTM based

***Veegaland Developers Limited financials are based on FY26

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs. 140, the stock is priced at pre-issue P/E of 17.74x on FY2026 EPS of Rs. 7.89. Post issue, the stock is priced at a P/E of 25.64x on its EPS of Rs. 5.46. Looking at the P/B ratio at Rs. 140 pre issue, book value of Rs. 79.08 of P/BV of 1.77x. Post issue, book value of Rs. 97.83 of P/BV of 1.43x.

Considering the P/E valuation, on the lower end of the price band of Rs. 130, the stock is priced at pre-issue P/E of 16.49x on FY2026 EPS of Rs. 7.89. Post issue, the stock is priced at a P/E of 23.81x on its EPS of Rs. 5.46. Looking at the P/B ratio at Rs. 130 pre issue, book value of Rs. 79.08 of P/BV of 1.64x. Post issue, book value of Rs. 97.83 of P/BV of 1.33x.

Industry Overview

India remains among the fastest-growing major economies, with real GDP estimated at about 7.7% in FY26 and medium-term growth around 6.5%. Construction GVA has stayed resilient. Kerala's residential market is driven by urbanisation in Kochi, Thiruvananthapuram, Kozhikode and Thrissur, NRK remittances and preference for branded, RERA-compliant apartments over plotted or unorganised supply. Demand is strongest in premium and above segments where end-users seek amenities, ventilation and timely delivery. Opportunities include mid-premium to luxe product gaps and infrastructure-led micro-markets. Challenges include high land and construction costs, monsoon and flood risk, fragmented competition, interest-rate sensitivity of home loans, and long approval cycles. ICRA's commissioned report positions organised developers with delivery track records as better placed to capture share as buyers shift toward compliant, completed or well-progressed inventory.

Outlook

Near-term visibility of the company remains strong supported by a Rs. 909 crore order book, 63%+ booking of ongoing saleable area and 64.8% YoY growth in Q1 FY27 pre-sales. IPO funds of Rs. 120 crore will support eight projects. However, key risks include Kerala concentration, execution delays, contractor dependence, input-cost inflation and regulatory approvals, which could impact margins, cash flows and growth.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Thu, Sep 10, 2026
IPO Close Date	Tue, Sep 15, 2026
Tentative Allotment	Wed, Sep 16, 2026
Initiation of Refunds	Thu, Sep 17, 2026
Credit of Shares to Demat	Thu, Sep 17, 2026
Tentative Listing Date	Thu, Sep 18, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	250.98	192.38	110.77
Total expenditure	211.52	162.45	97.89
Operating Profit	39.46	29.93	12.88
OPM%	15.72	15.56	11.62
Other Income	3.18	3.84	3.85
Total Net Income	42.64	33.77	16.72
Interest	0.72	0.47	0.41
PBDT	41.92	33.30	16.32
Depreciation	5.72	5.04	5.09
PBT	36.20	28.27	11.23
Tax	9.59	7.84	3.36
Profit & Loss	26.61	20.43	7.87

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property, plant and equipment	22.55	2.55	1.73
Other intangible assets	0.04	0.00	0.00
Intangible assets under development	0.26	0.00	0.00
Financial assets			
Other financial assets	44.63	11.21	10.48
Deferred tax assets (net)	0.00	0.31	0.00
Other non-current assets	3.38	1.48	0.85
Total non-current assets	70.86	15.55	13.05
Current assets			
Financial Assets			
Inventories	287.97	219.14	151.56
Financial Assets			
Trade receivables	45.15	27.40	10.52
Cash and cash equivalents	20.53	36.68	29.21
Bank balances other than cash and cash equivalents	12.68	0.01	0.01
Other financial assets	31.01	14.23	8.84
Current tax assets (net)	0.00	0.00	0.15
Other current assets	15.63	13.65	7.67
Total current assets	412.95	311.10	207.96
Total Assets	483.81	326.65	221.01
LIABILITIES			
Non-current liabilities			
Borrowings	27.17	104.18	85.21
Other financial liabilities	1.50	4.82	7.17
Provisions	3.33	2.82	2.45
Deferred tax liabilities (net)	0.35	0.00	0.34
Other non-current liabilities	0.07	2.62	5.04
Total non-current liabilities	32.42	114.44	100.20
Current liabilities			
Financial liabilities			
Borrowings	58.42	72.79	35.02
Trade payables			
Total outstanding dues of micro and small enterprises	1.53	0.59	1.63
Total outstanding dues of creditors other than MSMEs	5.64	6.13	3.91
Other financial liabilities	9.17	5.93	5.42
Other current liabilities	109.04	54.16	29.71
Provisions	0.07	0.06	0.05
Current tax liabilities (net)	0.62	7.11	0.00
Total current liabilities	184.49	146.77	75.74
Total liabilities	216.91	261.21	175.94
Net worth represented by:			
Equity share capital	33.75	5.00	5.00
Other equity	233.15	60.44	40.07
Total Equity	266.90	65.44	45.07

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★ ★
FAIR	★ ★ ★
GOOD	★ ★ ★ ★
EXCELLENT	★ ★ ★ ★ ★

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