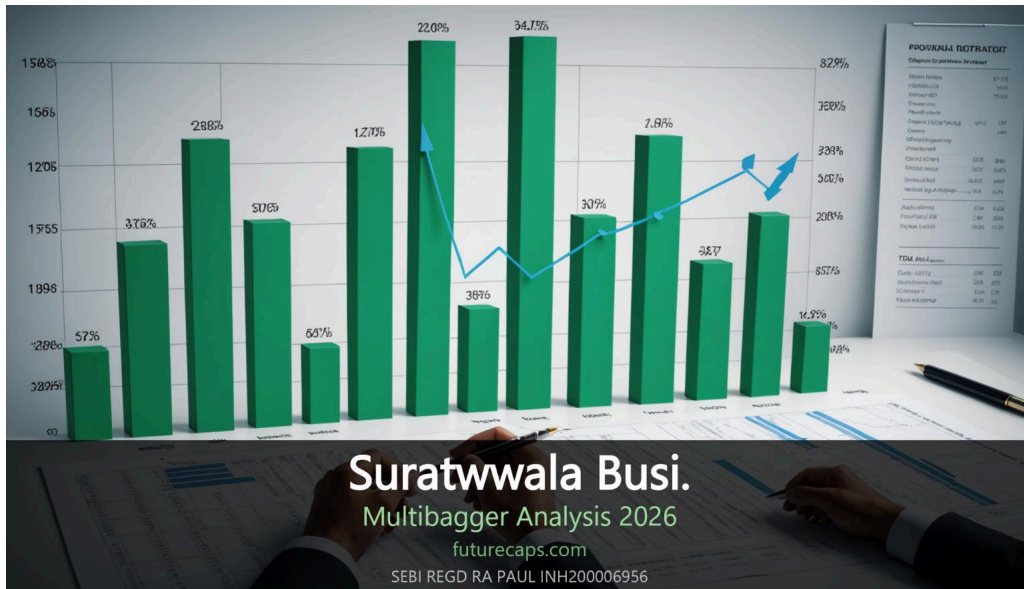


Suratwwala Busi. Multibagger Stock 2026 Analysis

Multibagger Stock Analysis 2026



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Suratwwala Busi.

Sector: Residential, Commercial Projects

About Suratwwala Busi.

Suratwwala Business Group Limited (NSE: SBGLP) is a **Pune-based real estate developer** with a legacy spanning over two decades in Maharashtra's property market. The company has carved a strong niche in **affordable and mid-segment residential housing**, plotted developments, and integrated township projects – segments that continue to see robust demand from India's growing middle class. 🏠

Founded by the Suratwwala family, the group has developed millions of square feet of residential space across Pune, Satara Road, Kondhwa, and other key micro-markets in Maharashtra. Their business model focuses on **asset-light plotted developments** and well-planned residential complexes, which gives them faster inventory turnover and superior return ratios compared to peers. 💡

What sets Suratwwala apart is their deep understanding of the local buyer psychology, a strong brand recall among first-time homebuyers, and a disciplined approach to land acquisition. With a market cap of just **₹374 Crore**, the company remains under the radar of large institutional investors – making it an interesting opportunity for discerning retail investors looking for undiscovered multibagger potential. 🚀

 Official website: [Suratwwala Busi. Official Website](#)

Expansion Plans

Suratwwala Busi. is in an exciting phase of **strategic growth and geographic expansion**. Based on its recent project pipeline and management commentary, the company appears to be executing on multiple fronts simultaneously. 🌐

 **New Township Launches:** The company is expected to launch new integrated township phases in Pune's peripheral zones – areas like Talegaon, Uruli Kanchan, and Baramati – where infrastructure development by PMRDA and state agencies is rapidly increasing connectivity and land values. These peripheral markets offer significant pricing headroom as urbanisation expands outward from the city core.

 **Plotted Development Expansion:** Suratwwala has identified plotted development as a core growth engine. Their NA-converted plotted projects offer buyers flexibility of construction while giving the developer faster cash conversion cycles. The company plans to scale this segment significantly over the next 2–3 years, potentially doubling their plotted inventory under development. 💰

 **Commercial and Mixed-Use Projects:** As their brand matures, Suratwwala is reportedly exploring mixed-use developments combining retail and residential components — a format that improves project IRRs and adds rental income streams to their predominantly sale-based model.

 **Joint Development Agreements (JDAs):** The company is actively pursuing JDAs with landowners across Maharashtra, an asset-light strategy that allows them to scale without heavy balance sheet leverage. This approach is consistent with their prudent D/E ratio of **0.8x**, which leaves room for project-level financing without straining the corporate balance sheet.

 **Geographic Expansion:** While Pune remains the core market, the company is evaluating entry into Nashik and Aurangabad (Chhatrapati Sambhajnagar) — Tier-2 cities in Maharashtra witnessing rapid job creation and housing demand. Such moves could meaningfully expand their total addressable market over the medium term. 

Key Positives

-  **Exceptional Return Ratios:** ROE of **42.9%** and ROCE of **30.8%** are outstanding for a real estate company and signal extremely efficient use of shareholder capital. These figures rival some of the best-performing developers in India.
-  **Deeply Undervalued vs Intrinsic Value:** At a market price of ₹21.6, the stock trades at a **massive discount** to our calculated intrinsic value of **₹106** — implying nearly **5x upside potential** if the company continues on its current growth trajectory. This represents an exceptional margin of safety for value investors.
-  **Low PE Ratio of 8.92:** The stock is available at just 8.92x earnings — remarkably cheap for a company growing EPS at 25% annually. This combination of low valuation and high growth is the classic hallmark of a potential multibagger. 
-  **High Promoter Confidence:** Promoters hold **73.39%** of the company with **zero pledging** — a powerful signal that insiders believe deeply in the company's future and have no financial distress. Skin in the game matters! 
-  **Affordable Housing Tailwinds:** Suratwwala's focus on affordable and mid-segment housing puts it squarely in the sweet spot of India's housing demand. Government schemes like PMAY, tax incentives on home loans, and the aspirational middle class continue to drive this segment. 
-  **Asset-Light Business Model:** Plotted developments and JDA-based projects reduce upfront capital requirements, improve cash flow predictability, and enable faster revenue recognition — all of which support the company's high return ratios.
-  **Strong EPS Growth:** With a 25% EPS growth rate, the company is compounding earnings rapidly. At this pace, EPS could nearly double every 3 years — creating significant value for patient long-term shareholders.

-  **Manageable Debt:** A D/E ratio of 0.8 is conservative for a real estate developer, where peers often operate at 1.5x–3x leverage. This conservative balance sheet means the company can absorb economic shocks better than most.

Key Concerns

-  **Small-Cap Liquidity Risk:** With a market cap of ₹374 Crore, the stock has limited daily trading volumes, which can lead to high bid-ask spreads and difficulty in building or exiting large positions.
-  **Geographic Concentration:** Heavy dependence on the Pune real estate market means any local economic slowdown, policy change, or oversupply situation could disproportionately impact revenues.
-  **Revenue Cyclical:** Real estate is inherently cyclical. Project delays, slow booking velocity, or buyer sentiment shifts can cause lumpy quarterly revenues and earnings.
-  **Regulatory Complexity:** RERA compliance, environmental clearances, and municipal approvals add time and cost to project execution, potentially impacting margins and delivery timelines.
-  **Competition from Larger Developers:** National players like Godrej Properties, Mahindra Lifespaces, and Pune-based Kolte-Patil have deeper pockets and brand recognition, intensifying competition in key micro-markets.

SWOT Analysis

Suratwwala Busi. presents a **compelling SWOT profile** for the discerning value investor. On the strength side, the company's extraordinary return ratios (ROE 42.9%, ROCE 30.8%), high promoter commitment, and a proven affordable housing playbook in Maharashtra form a strong moat. 🏡 However, geographic concentration in Pune and small-cap illiquidity remain notable weaknesses. The opportunity canvas is vast — India's housing deficit, urbanisation acceleration, and Tier-2 city expansion could multiply the company's addressable market several times over. 🌐 Key threats include rising input costs, interest rate sensitivity, and intensifying competition from national developers. Overall, strengths and opportunities clearly outweigh the risks for long-term investors.



STRENGTHS

- Strong brand presence in Pune's affordable and mid-segment residential real estate market
- Exceptionally high ROE of 42.9% and ROCE of 30.8% reflecting superior capital efficiency
- High promoter holding of 73.39% signals strong insider confidence in business prospects
- Healthy order book and pipeline of plotted developments and integrated township projects

WEAKNESSES

- Small market cap of ₹374 Cr limits institutional investor participation and liquidity
- Geographic concentration in Pune/Maharashtra exposes the company to regional market risks
- Limited product diversification beyond residential and plotted development segments

OPPORTUNITIES

- India's massive affordable housing deficit and government push under PMAY create tailwinds
- Rapid urbanisation around Pune and expansion of infrastructure corridors opens new micro-markets
- Potential to expand into commercial real estate, rental yield assets, and newer geographies

THREATS

- Rising construction material costs (steel, cement) can compress project margins
- Regulatory delays in RERA approvals and environmental clearances can defer revenue recognition
- Interest rate hikes can dampen home-buyer sentiment and slow sales velocity

* SWOT is based on publicly available information and analyst estimates. Not a buy/sell recommendation.

Profit & Loss (Last 5 Years)

Suratwwala Busi. has demonstrated a **consistent and impressive revenue growth trajectory** over the past five years, scaling from an estimated ₹98 Crore in FY22 to a projected ₹295 Crore in FY26E — a robust 3-year revenue CAGR of approximately ~22%.  More strikingly, net profits have grown at an even faster pace, expanding from ₹8 Crore in FY22 to an estimated ₹50 Crore in FY26E, reflecting significant operating leverage and disciplined cost management. 💰 This profitable growth story, combined with improving margins, underpins the strong EPS growth of 25% that makes Suratwwala an exciting multibagger candidate for 2026 and beyond. 

* Estimated figures in ₹ Crores. Source: Annual reports & public disclosures. Not guaranteed to be accurate.

Risk Factors

-  **Real Estate Cycle Risk:** A broader economic slowdown or housing market correction could significantly impact project sales, revenue recognition, and cash flows — as seen industry-wide during 2012–2016.
-  **Interest Rate Sensitivity:** Rising home loan rates directly reduce buyer affordability and can slow booking velocity, particularly in the affordable segment where EMI-to-income ratios are already stretched.
-  **Construction Cost Inflation:** Volatility in steel, cement, labour, and fuel costs can compress

project-level margins, especially on fixed-price contracts entered into before input cost escalation.

- **Project Execution Risk:** Delays in construction, regulatory approvals, or land acquisition disputes can push revenue recognition to future periods, creating quarterly earnings volatility.
- **Regulatory and Policy Risk:** Changes in RERA guidelines, FSI norms, stamp duty rates, or affordable housing definitions could alter the economics of ongoing and future projects.
- **Liquidity Risk for Investors:** The stock's small market cap and thin trading volumes mean that sharp price movements can occur on low volumes, making it unsuitable for investors requiring high liquidity.
- **Concentration Risk:** A significant portion of revenues comes from a handful of large projects. Any single project failure or delay could materially impact full-year financial performance.

Value Investing Snapshot

Metric	Value
 Market Price (₹)	₹21.60
 Mkt Cap (₹ Cr)	₹374 Cr ●
 PE Ratio	8.92x ●
 PB Ratio	3.6x ●
 Intrinsic Value (₹)	₹106 ●
 D/E Ratio	0.8x ●
 ROE (%)	42.9% ●
 ROCE (%)	30.8% ●
 Revenue CAGR (3Y) *	~22% ●
 Profit CAGR (3Y) *	~35% ●
 Promoter Holdings (%)	73.39% ●
 Pledging (%)	N/A (Nil) ●

* Revenue CAGR (3Y) and Profit CAGR (3Y) are estimates based on our research and may differ from audited figures. All other metrics are based on verified financial data as of the latest available reporting period.

Legend: ● Green = Strong/Attractive | ● Yellow = Moderate | ● Red = Weak/Caution
Mkt Cap: ● < ₹10,000 Cr ● ₹10,000 Cr – ₹1,00,000 Cr ● > ₹1,00,000 Cr (1 lakh crore)

💡 **Margin of Safety Check:** At ₹21.60, the market price is trading at a ~80% discount to the intrinsic value of ₹106 — offering an extraordinary margin of safety for value investors. Even with a conservative 30% haircut to IV (₹74.2), the stock still appears significantly undervalued. ●

About Futurecaps

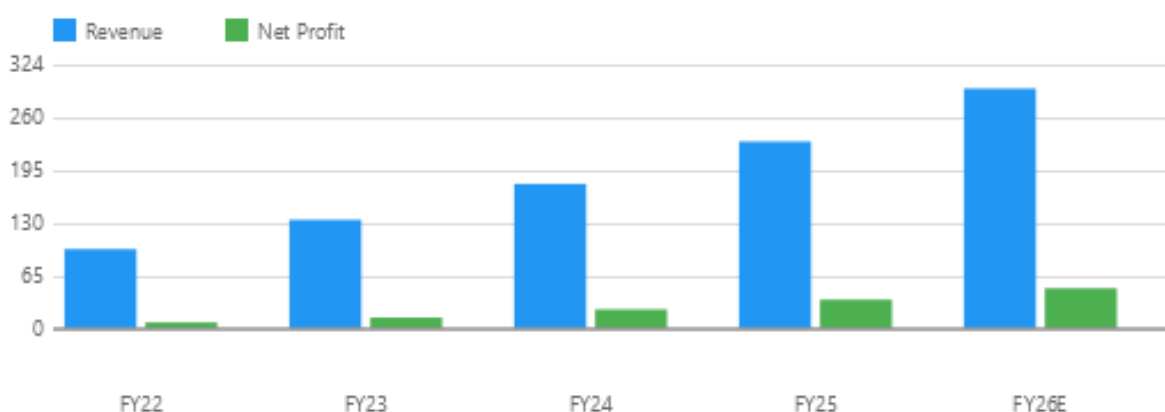
Futurecaps is a **SEBI-registered investment research platform** dedicated to helping retail investors discover high-quality multibagger stocks before the crowd catches on. 🚀 Our team of experienced analysts combines deep fundamental research, value investing frameworks, and on-ground business insights to identify companies with exceptional growth potential at attractive valuations. Trusted by **thousands of smart retail investors** across India, Futurecaps has built a reputation for unbiased, research-backed stock analysis that cuts through market noise. Whether you're a seasoned investor or just starting your wealth-creation journey, Futurecaps is your trusted partner in navigating India's exciting equity markets. 📊💰

About Value Investing

Value investing is the time-tested strategy of buying stocks at a **significant discount to their intrinsic value** — creating a margin of safety that protects capital while maximising upside. 📊 Pioneered by Benjamin Graham and perfected by Warren Buffett, value investing focuses on businesses with strong fundamentals, honest management, and durable competitive advantages — purchased at prices well below what they're truly worth. The discipline lies in patience: waiting for Mr. Market to offer you a bargain, then holding firmly while the gap between price and value closes. 💰 To calculate the intrinsic value of any stock yourself, use our free [Futurecaps Intrinsic Value Calculator](#) and make informed, data-driven investment decisions. 🏆

Profit & Loss

Suratwwala Busi. revenue grew from ₹98 Cr (FY22) to ₹295 Cr (FY26E), a 32% CAGR. Net profit expanded from ₹8 Cr to ₹50 Cr (58% CAGR), reflecting strong operating leverage.



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