Ashiana Housing Ltd — Aug 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Inline (Operational) / Miss (P&L Timing) **One-line:** Q1 was a non-event P&L-wise due to delivery timing, but the thesis is materially strengthened by a massive post-quarter sales catch-up (July) and a strategic land acquisition in Pune that secures the Senior Living growth engine for the next decade.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Inline (Operational)	Q1 presales (□360.42 Cr) were soft, but FYTD July hit □859 Cr, putting AHL on track for □2,200 Cr target.	□
Earnings Quality	High (Core driven)	CFO-to-PAT ratio is an exceptional 9.23x; collections (□409 Cr) remain decoupled from P&L recognition.	□
Guidance Confidence	Strong	Management reiterated □2,200 Cr presales and 15%+ ROE floor, supported by H2 launch pipeline.	□
Management Credibility	Strong	High transparency on "July catch-up" and specific structure of Pune land acquisition (NCD mimicking equity).	□
Business Quality Signal	Improving	Realizations grew 37% YoY to □9,923/sqft; 100% of future land bank is now dedicated to Senior Living (SL).	□
Key Q&A Exchange	Q# 1, 2, 10	July sales catch-up and the strategy to make 15% ROE the business "floor."	□
The Street's Primary Anxiety	Presales Momentum	Concern over soft Q1 volumes; Mgmt responded with the Ashiana Oma (Jaipur) July success.	□
Capital Cycle Stage	Re-investing	Deploying □800 Cr budget for land (□180 Cr YTD) to pivot fully toward high-margin SL.	□
Margin / Return Ratio Trajectory	Improving	PAT margins at 10.94% (vs 4.2% YoY); Mgmt targeting 20% ROE in FY27 as Gurgaon handovers kick in.	□
Pricing Power	Expanding	Blended realizations hit □9,923/sqft, driven by premiumization and Senior Living pricing strength.	□
FCF Conversion & Quality	Strong	Pre-tax OCF of □121 Cr (concall) vs □13.11 Cr PAT; self-funding growth via robust collections.	□
Competitive Moat Signals	Widening	Consolidating SL leadership with the 20 L-sqft Vadgaon (Pune) deal, the largest in AHL history.	□
Balance Sheet Strength	Strong	Net Cash position remains healthy; new NCDs are project-specific with revenue-share structures.	□
Working Capital Efficiency	Improving	Strong collections (□409 Cr) vs EAC (□233 Cr) indicates high customer-funded construction.	□
Mgmt Guidance Track Record	Reliable	Consistent delivery on execution (EAC) despite external demand moderation in general residential.	□
Key Vulnerability / Red Flag	Delivery Lumpiness	Significant revenue depends on OC timing (e.g., Gurgaon OCs delayed by ~15 days into Q2).	□
Management Tone	Confident & Pivot-focused	Bullish on Senior Living as a "structural" cycle-resistant play vs. traditional housing.	□

Sentiment: □Positive **Key Takeaways:** * **Positives:** Q1 was a "timing" quarter where reported revenue was low (□107.44 Cr) simply because two major Gurgaon OCs arrived in mid-July instead of June. Operationally, the July launch of Ashiana Oma transformed the FYTD sales trajectory to □859 Cr, proving demand resilience. The acquisition of 28.55 acres in Vadgaon (Pune) for a □1,800 Cr GDV Senior Living project is thesis-critical, as it secures long-term inventory in AHL's most profitable segment. * **Negatives:** Sales volume in Q1 (3.6 L-sqft) was significantly lower than the prior year (8.48 L-sqft) due to lack of fresh inventory in Gurgaon and Jaipur. Reported PAT remains volatile due to the project-completion accounting method, which can mislead short-term investors. * **Street Concern:** Analysts were anxious about the soft Q1 start. Management effectively quelled this by revealing post-quarter performance and a clear H2 launch schedule (Aaroham Phase 3). * **Forward Watchpoint:** The definitive documentation for the South Bengaluru (Kanakapura Road) SL project in Q2/Q3 will be the next major catalyst for the "National SL Leader" narrative.

---

2. BUSINESS PERFORMANCE

2A. KEY METRICS *PPT figures used as primary source. Concall used for OCF and Mgmt Commentary.*

Metric	Current Qtr (Q1FY27)	YoY Change	QoQ Change	Trend	Mgmt Commentary
Presales (□Cr)	360.42	↓ 43.1%	↓ 67.8%	↓	Soft Q1 due to inventory gaps; July saw a recovery to □859 Cr FYTD.
Equiv. Area Constructed (L-sqft)	5.60	↓ 33.9%	↓ 78.6%	↓	Construction remains steady; Q4 was an outlier due to Gurgaon completions.
Pre-tax Operating CF (□Cr)	121.00	↑ 12.0%	↓ 27.5%	↑	Strong collections (□409 Cr) despite lower reported sales.
Realization/sqft (□)	9,923	↑ 37.4%	↓ 13.9%	↑	YoY growth driven by premiumization; QoQ lower as Q4 had Aaroham peak.
Revenue Potential Locked (□Cr)	7,681.77	N/A	↑ 30.2%	↑	Total value of ongoing projects; □6,183.82 Cr already booked.
Revenue (□Cr)	107.44	↓ 63.3%	↓ 66.7%	↓	Driven by handovers at Nitara (Jaipur); Gurgaon handovers slipped to Q2.
PAT (□Cr)	13.11	↑ 3.1%	↓ 37.5%	→	Margin expansion (10.9%) offset lower volume vs YoY.
Land Bank (Acres)	50.40	N/A	↑ 130%	↑	Vadgaon (28.55 acres) addition significantly boosted SL pipeline.
D/E Ratio	0.36	→	→	→	Maintained healthy leverage; Net Cash position sustained.

2B. SEGMENT BREAKDOWN

Segment	Booking Value (Q1 □Cr)	YoY Growth	Margin (Est)	Trend	vs Company Avg	Key Development
Senior Living	81.33	↓ 48%	30-35%	↑	Above Avg	Shift to "Active Adult" premium products; Vadgaon Pune added to pipeline.
Kid Centric	118.89	↓ 63%	20-25%	→	Inline	Dominant in Gurgaon (Amarah); Aaroham Ph-3 launch expected in H2.
Premium/ Elite	160.20	↑ 20%	20-25%	↑	Inline	Driven by Jaipur (One44) and Jamshedpur (Amaya) steady sales.

3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery	Risk Flag
Guidance	Presales	₹2,200 Cr for FY27.	Needs ₹1,341 Cr over next 9 months (~₹447 Cr/qtr). Highly feasible given July FYTD is already ₹859 Cr.	Surpassed FY26 target (₹2,421 Cr vs ₹2,000 Cr).	Low
Guidance	ROE	15% floor; targeting 20% in high-delivery years (FY27).	Requires ₹2,000 Cr+ revenue recognition. Slide 15 shows ₹2,040 Cr scheduled for FY27.	Improved from 3.3% to 15% in FY26.	Low
Guidance	Margins	30% Gross Margin / 12-13% PAT Margin at project level.	Blended Q1 PAT margin was 10.9%; requires high-margin SL mix to increase.	Improving realization helps pricing power.	Moderate
Guidance	Land Capex	Deploy ₹800 Cr in FY27.	₹180 Cr deployed YTD; requires ₹620 Cr in next 3 quarters. Active talks in Chennai/Mumbai.	Strategic acquisition at Vadgaon delivered.	Low
Strategy	Senior Living	Target ₹1,500 Cr presales from SL by FY29-30.	Requires 25% CAGR in SL segment. Pipeline of 50 L-sqft future SL land supports this.	SL sales grew from ₹100 Cr to ₹570 Cr in 5 years.	Low
Strategy	Bangalore	Definitive documentation for South Bangalore SL project soon.	Critical for geography diversification; currently missing from future land table.	Delayed by CPs, but team now deployed.	Moderate
Macro	Cyclicality	Reduce cyclicality via Senior Living pivot.	SL demand is demographic-led and less interest-rate sensitive.	SL remained resilient during broader Q1 softening.	Low
Balance	Debt	Use NCDs for land title acquisition but maintain low D/E.	Redeemed 25% (₹31.25 Cr) of ICICI NCDs in Q1.	Disciplined leverage (0.36x).	Low

4. ANALYST Q&A

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
1	5.0	Rohan Joshi / Indiv.	FY27 Guidance	Mgmt Commentary	"What gives the confidence in hitting the FY27 guidance... given this soft start?"	Management revealed that by July 31st, sales reached ₹859 Cr due to the Ashiana Oma launch, implying H1 will exit at ₹1,050-1,100 Cr. This removes the "soft start" concern and confirms the ₹2,200 Cr target is highly conservative.	None	5.0	Specific and verifiable
2	4.5	Rohan Joshi / Indiv.	Presales Growth	Mgmt Commentary	"What is the sustainable presales trajectory for the next 3-5 years?"	Management admitted to a potential near-term dip in volume due to inventory gaps but is shifting focus to a 15% ROE "floor" and 25% CAGR in Senior Living. This signals a shift from volume-chasing to margin-compounding.	None	4.0	Directional with evidence
3	4.5	Rohit / iThought PMS	July Sales	Financials	"When you were giving the update on the July month, that was for presales. Is that correct?"	Management confirmed the ₹859 Cr figure is for presales and they expect to hit ₹2,200 Cr for the full year. This provides a clear bridge between the quiet Q1 and the full-year target.	None	5.0	Clear and quantified
4	4.0	Rohit / iThought PMS	Bangalore Project	Business Overview	"Anything further on [Bengaluru]... We haven't	Management indicated progress on clearing	Final timeline for launch	3.5	Specific timeline given

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
					heard any update."	"Conditions Precedent" (CPs) and has deployed a team in South Bangalore for a launch "sooner than later." This de-risks the geographic concentration in North India.			
5	5.0	Rohit / iThought PMS	ROE Target	Financials	"Is it not fair that we will probably cross 20% ROE this year on a reported basis?"	Management agreed that 20% ROE is likely this year, but their strategic objective is to make 15% ROE the long-term floor. This sets a high-quality benchmark for the company's capital efficiency.	None	4.0	Directional with evidence
6	4.5	Rohit / iThought PMS	SL Growth	Strategy	"How do we balance that 15% ROE... and also grow [from 2,200 Cr level]?"	Management is targeting 1,500 Cr of presales from Senior Living alone by FY29-30, supported by a 10,000 Cr GDV pipeline. This identifies SL as the primary engine for breaking through the current 2,000-2,500 Cr sales ceiling.	None	4.0	Directional with evidence
7	4.0	Chetan Thacker / M3	ROE Floor	Financials	"Earlier we were highlighting a 20% plus ROE. And	Management clarified that while FY27 will see 20%+, 15% is the structural	None	4.0	Clear and quantified

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
					today, you've commented that long run, it remains 15%."	floor they are building the business to withstand during cyclical troughs. This provides a clear downside protection narrative for long-term investors.			
8	4.0	Chetan Thacker / M3	Project Margins	Financials	"How does the project margin change for you... which gets you to 15%?"	Management targets 30% Gross Margins, 18% PBT, and 12-13% PAT margins at the project level to achieve teen-level ROEs. This transparency allows for easy verification of project-level feasibility during new acquisitions.	None	5.0	Clear and quantified
9	3.5	Ankit Shah / White Eq.	New BD	Strategy	"Apart from Bengaluru, any other business development near closure?"	Management is in active talks in Jamshedpur, Chennai, Mumbai, and Pune, with announcements expected in Q3. This confirms the land acquisition engine is running at a pace to meet the □800 Cr budget.	None	3.5	Specific timeline given
10	4.5	Aditya Banerjee / Indiv.	Revenue Quality	Financials	"What's the underlying run rate for bookings? Is Q1 FY27 closer to	Management noted Q1 was not normal and pointed to □2,000 Cr of annual revenue	None	5.0	Specific timeline given

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
					steady state?"	recognition, emphasizing that real estate P&L is driven by OC timing. This warns investors not to annualize Q1's weak revenue.			
11	3.5	Aditya Banerjee / Indiv.	Volume vs Price	Business Overview	"Units sold fell... is this deliberate or a genuine volume slowdown?"	Management attributed the volume drop to a lack of inventory in key markets like Gurgaon and Jaipur, not a demand slowdown. The July catch-up validates this "supply-constrained" rather than "demand-constrained" view.	None	4.0	Directional with evidence
12	5.0	Khushi Solanki / Indiv.	Vadgaon Pune	Capex and Allocation	"Can you walk us through the payback assumptions on the INR1,800 crores [Vadgaon]?"	Management expects □9,000-10,000/ sqft realization with a 7-10 year development cycle and 2-3 L-sqft annual absorption. This provides a clear GDV-to-cashflow roadmap for AHL's largest project ever.	None	5.0	Specific and verifiable
13	4.5	Khushi Solanki / Indiv.	Vadgaon NCDs	Financials	"Why is the NCD funding for this land... while internal cash accruals given are INR785 crores?"	The NCDs were issued to the landlords to mimic a 25% equity stake they wanted to retain, allowing AHL to take full title of the land.	None	5.0	Specific and verifiable

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						This clever structuring protects AHL's cash while aligning landlord interests with project success.			
14	4.0	Himanshu / Steadfort	Land Budget	Capex and Allocation	"What type of capex we are expecting [for the FY27 BD pipeline]?"	Management confirmed an ₹800 Cr deployment budget for the year, including the ₹180 Cr already spent. This signals an aggressive expansion phase is underway.	None	5.0	Clear and quantified
15	3.5	Himanshu / Steadfort	IFC Partnership	Governance	"Are those agreements with IFC still continues or it is over?"	The current platform is exhausted, but AHL is in active talks for a new partnership as IFC enjoys the returns AHL generates. A renewal would be a significant "seal of approval" for AHL's governance and SL model.	None	3.0	Vague but consistent
16	4.5	Nikhil / Indiv.	Operating Leverage	Business Overview	"In case of multiple projects, how does operating leverage work?"	Operating leverage kicks in through falling marketing costs (from 8% to 4-5%) as AHL builds location brand and captured value in later phases of large projects. This	None	4.0	Directional with evidence

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						explains how AHL can expand ROE without massive volume growth.			
17	4.0	Varun Yadav / Indiv.	Margin Quality	Financials	"How much approximately net margins are there in Anmol Phase 3 and Amarah Phase 1?"	Management admitted these are lower-margin phases (mid-20s Gross Profit) compared to the 30%+ target, as pricing was locked in earlier. This implies a "margin tailwind" as AHL moves into Phase 3+ of these projects where realizations are higher.	None	4.5	Specific and verifiable

PATTERN FLAGS & SENTIMENT * **The "July Catch-up" Narrative:** The primary anxiety was the sharp YoY drop in Q1 sales and revenue. Management effectively pivoted the conversation to post-quarter performance (July sales hitting □500 Cr+), framing Q1 as a supply-constrained anomaly. This reinforces the view that AHL is currently inventory-starved in its best markets. * **Senior Living as a "Moat":** Multiple questions probed the sustainability of ROEs. Management's defense was the structural, non-cyclical nature of Senior Living. By committing 100% of future land to SL, they are positioning the company as a "utility-like" specialist in a demographic-growth sector, moving away from the volatility of general residential. * **Land Acquisition Structuring:** The Street was curious about the NCD structure in Pune. Management's explanation of "mimicking equity" for landlords showed financial sophistication and a desire to maintain full control of land titles while sharing risk—a positive governance and capital-efficiency signal.

Analyst Sentiment Verdict: □Positive. Analysts were initially skeptical of the Q1 P&L but were won over by the July sales update and the scale of the Vadgaon acquisition. The transition from "Volume Growth" to "ROE Floor" appears to be gaining buy-in. The primary unresolved risk is the speed of the Bangalore launch, which has been "in the works" for several quarters.

GUIDANCE GAPS REVEALED IN Q&A | Topic | What Mgmt Claimed (Opening / Prior Q) | What Q&A Revealed | Gap / Walk-back | Risk to Thesis | | :--- | :--- | :--- | :--- | :--- | | FY27 Presales | □2,200 Cr Target. | Q1 only did 16% of target. | Requires massive back-ended performance; July start (□500 Cr) narrows this gap. | Low (given July data). | | IFC Platform | Active co-investment. | Platform timeline is over. | No current active deployment; future deals under discussion. | Moderate (Capital sourcing). | | Pune Premium | Multi-segment growth. | Pivoting solely to SL in Pune. | General residential margins (Malhar) were not hitting targets. | Low (Focus is better). |

5. WHAT CHANGED vs PRIOR QUARTER

Comparison of Q1FY27 vs Q4FY26 (Prior Context provided).

What Changed	Prior Quarter (Q4FY26)	This Quarter (Q1FY27)	Direction
Sales Realization	₹11,531 / sqft (Aaroham launch)	₹9,923 / sqft (Blended)	↓
Quarterly Presales	₹1,290 Cr	₹360 Cr	↓
Land Pipeline Focus	Mixed (Residential/SL)	100% Senior Living (Future projects)	↑
Pune Footprint	Small (Amodh/Malhar)	Massive (Vadgaon 20 L-sqft added)	↑
Earnings Quality	CFO/PAT 4.89x	CFO/PAT 9.23x	↑
Management Focus	Hitting record sales.	Building a 15% ROE "Floor."	↑
Liquidity Use	Harvesting cash.	Redeeming NCDs (₹31.25 Cr).	↑
Revenue Catalyst	Gurugram Sales.	Jaipur/Gurgaon OCs (Delivery timing).	→

Investor Notes: * **CFO Divergence:** The CFO (₹121 Cr) is 9.2x reported PAT (₹13 Cr). This is driven by ₹409 Cr in customer collections against very low revenue recognition (deliveries only in Jaipur). This confirms that AHL's cash engine is much stronger than its P&L suggests this quarter. * **Strategic Concentration:** The termination of the Jaipur MWC deal (prior quarter) and the massive pivot to Pune Senior Living (this quarter) shows a management team that is aggressively cutting low-yielding regional deals to double down on high-moat SL markets. * **ROE Logic:** The jump to 20% ROE in FY27 is now a high-probability event because the deliveries (Slide 15) are largely pre-sold at older, lower construction costs but higher current realizations. The "Floor" of 15% is the more important number for long-term valuation. * **BD Pipeline:** With ₹180 Cr spent of an ₹800 Cr budget, expect significant land acquisition news in Q2 and Q3, particularly in South India.

(End of Analysis)