Ashiana Housing Ltd — Feb 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Financial Beat **One-line:** The investment thesis is rapidly transitioning from a volume-led "recovery" to a margin-led "compounding" story as the pivot toward the high-moat Senior Living (SL) segment accelerates.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Strong Beat	Surpassed □2,000 Cr FY26 presales target in 10 months; PAT up 105% QoQ.	□
Earnings Quality	High (Core driven)	CFO-to-PAT ratio of 3.16x; earnings driven by delivery volume and better realizations.	□
Guidance Confidence	Strong	Re-affirmed 20% ROE target for next year; SL share of mix rising to 25%.	□
Management Credibility	Strong	Honest about GRAP delays; clear "no-go" signal on Jaipur land if CPs aren't met.	□
Business Quality Signal	Improving	Creating a "Portfolio" strategy in SL (different ticket sizes) to dominate micro-markets.	□
Key Q&A Exchange	Q# 11 & 14	Pivot to SL as a "cycle-resistant" moat and decision to outsource medical care (Epoch).	□
The Street's Primary Anxiety	Land Pipeline	Stalled acquisitions in Bangalore/Jaipur; Mgmt indicated 3-6 month resolution window.	□
Capital Cycle Stage	Investment/ Harvesting	Aggressive SL land buying while harvesting high-margin Gurgaon (Aaroham) cash.	□
Margin / Return Ratio Trajectory	Improving	PAT margin jumped to 15.1% (vs 15.6% in Q2, but on much higher base).	□
Pricing Power	Expanding	SL realizations now reaching □7k-10k/sqft; Aaroham command □15.2k/sqft.	□
FCF Conversion & Quality	Strong	Pre-tax OCF at □179.05 Cr; self-funding land acquisitions in Chennai and Karjat.	□
Competitive Moat Signals	Widening	20-year learning curve in SL; transitioning from "active" to "medicalized" care value-add.	□
Balance Sheet Strength	Strong	Net cash accretion continues; debt-free land strategy persists (outright/perpetual).	□
Working Capital Efficiency	Improving	Strong collections leading to OCF expansion despite GRAP construction halts.	□
Mgmt Guidance Track Record	Reliable	Surpassing annual targets early; transparent on project-specific slippages (Anmol).	□
Key Vulnerability / Red Flag	GRAP Restrictions	Construction halts in NCR impacting EAC; management admits it is now a permanent reality.	□
Management Tone	Confident/ Pragmatic	Bullish on SL white space; disciplined on pricing over volume.	□

Key Takeaways (Positives & Negatives): * **Positives:** Ashiana has fundamentally de-risked its FY26 outlook by surpassing its □2,000 Cr presales target one quarter early, primarily through the massive □767 Cr launch success of Aaroham (Gurugram). Profitability has shifted gears; PAT is now scaling faster than revenue (105% PAT growth on 112% Revenue growth QoQ) as high-realization phases (Advik, Shubham) dominate the delivery mix. The strategic pivot to Senior Living is no longer just "thematic"—at 25% of expected FY26 sales, it is becoming the primary driver of capital allocation. * **Negatives:** Execution velocity (EAC) slowed 15% QoQ due to GRAP restrictions in Delhi-NCR, which management now views as a perennial risk. The land pipeline is showing minor friction; while 31.5 L-sqft of potential was added in Chennai and Karjat, major deals in Bangalore and Jaipur remain stuck in regulatory "Conditions Precedent" (CPs). * **Street Concern:** Analysts pressed on the sustainability of the □2,000 Cr presales run-rate if the Gurgaon inventory dries up. Management responded by highlighting the SL growth engine (25-30% CAGR), which commands higher margins and allows them to enter micro-markets unviable for traditional residential players. * **Forward Watchpoint:** The closure of the Bangalore land deal and the launch of Ashiana Oma (Jaipur) in FY27 are the next key catalysts to maintain the growth trajectory beyond the current "harvesting" phase.

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2. BUSINESS PERFORMANCE

2A. KEY METRICS (Real Estate) *PPT available — figures prioritized.*

Metric	Current Qtr (Q3)	YoY Change	QoQ Change	Trend	Mgmt Commentary
Presales (□Cr)	397.03	↑ 120% (vs 180.2)	↑ 30.8%	↑	Driven by Ashiana Amaya (Jamshedpur) and Vatsalya Phase 2. Surpassed □2,000 Cr annual target.
Equiv. Area Constructed (L-sqft)	6.14	↓ 11% (vs 6.9)	↓ 15.3%	↓	Impacted by GRAP-related construction restrictions in Delhi NCR.
Pre-tax Operating CF (□Cr)	179.05	↑ 241% (vs 52.4)	↑ 46%	↑	Strong collections and higher delivery volume. OCF-to-PAT at 3.16x.
Realization/sqft (□)	7,200 (approx)	↑ 15%	↓ 1.9%	→	Q4 expected to spike to □15,200+ on Aaroham mix. SL floor price now at □7,000.
Revenue Potential Locked (□Cr)	4,800+	N/A	↑	↑	Value of area booked in ongoing projects remains robust.
Revenue (□Cr)	373.35	↑ 102% (vs 184.8)	↑ 112%	↑	Driven by higher deliveries in Advik, Shubham, and Ekansh.
PAT (□Cr)	56.65	↑ 103% (vs 27.8)	↑ 105%	↑	Margin expansion as delivery mix shifts to high-margin SL and Gurgaon phases.
Land Bank (L-sqft)	70.0 (Approx)	↓ 30%	→	↓	Dropped from 10M to 7M over 2 years; replacement pipeline stuck in CPs.
D/E Ratio	0.32	→	→	→	Maintained healthy levels; cash flow self-funding acquisitions.

2B. SEGMENT BREAKDOWN (Based on Presales/Activity)

Segment	Sales Potential (₹ Cr)	Land Area (Acres)	Margin Profile	Trend	vs Co. Avg	Key Development
Senior Living (Active)	500.0 (FY26E)	22.7 (Chennai)	High	↑	Premium	Pivot to 25% of total presales value.
Senior Living (Sophisticated)	1,200.0 (MWC)	8.8 (Wavarle)	Very High	↑	Premium	4th project launching in Southern India; Mumbai entry via Karjat.
Gurugram	767.0 (Launch)	N/A	Very High	↑	Above Avg	Aaroham Phase 1 & 2 alone represent ₹1,100 Cr+ in sale value.
Jamshedpur	N/A	N/A	Moderate	↑	Inline	Ashiana Amaya launch drove Q3 volumes.

3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery	Risk Flag
Guidance	Presales	Surpass ₹2,000 Cr in FY26.	**Achieved.** SURPASSED in Q3/early Q4.	Reliable	Low
Guidance	Margins / ROE	Target 20% ROE in FY27.	Needs ~₹200-220 Cr PAT on ₹1,100 Cr Net Worth. PAT 9M is ₹96.9 Cr; Q4 delivery spike makes this feasible.	Improved from 15%	Low
Guidance	Deliveries	Higher handovers in H2.	9M EAC is 19.54 L-sqft vs 24 L-sqft target. Needs 4.5 L-sqft in Q4. Highly Feasible.	Reliable	Low
Strategy	Senior Living	25% of presales from SL in FY26.	Currently at 20% (FY25). Step-up required in Q4.	Consistent	Low
Strategy	Land Acquisition	Close Bangalore/ Panvel in 3-6 months.	Critical for FY27/28 launch pipeline.	Mixed (Delayed)	Moderate
Macro	Construction Halt	GRAP is a permanent "reality."	Requires aggressive H1/H2 (Pre-winter) construction buffers.	Impacted Q3	Moderate
Balance	Cash Flow	Strong pre-tax OCF.	Pre-tax OCF (₹179 Cr) > PAT (₹56 Cr). Highly self-funding.	Strong	Low

4. ANALYST Q&A

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
1	4.0	Ankit Shah / White Equity	Strategic Rationale	Business Overview	Is a small 8.8 acre land parcel in a small town (Karjat) worth management bandwidth?	Management explained that 8.8 acres is a standard size for them and fits into a multi-tier "portfolio" strategy for the Mumbai-Pune corridor to target different ticket sizes. This confirms a shift from single-project focus to micro-market dominance.	None	4.0	Directional with evidence
2	5.0	Ankit Shah / White Equity	Land Bank	Capex and Allocation	The launch pipeline (10M sqft to 7M sqft) is drying up; what is the status of Bangalore/ Panvel/ Jaipur?	Management admitted the slowdown but expects Bangalore and Panvel CPs to resolve in 3-6 months; Jaipur remains stalled. Delay in these major projects could create a launch vacuum in late FY27.	None	3.0	Vague but consistent
3	4.0	Ankit Shah / White Equity	Pricing	Financials	Aaroham realizations (□15k) are similar to Amarah Phase 5; shouldn't a premium project be higher?	Management stated they kept launch prices attractive to ensure financial closure (sales covers construction) and will hike prices for Phase 3. This indicates a	None	4.5	Specific timeline given

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						"de-risking" strategy for new premium launches.			
4	3.5	Mihir Desai / Desai Inv.	Sales Velocity	Management Outlook	What is the traction in new projects like Amaya and Vatsalya Phase 2?	Management reported good momentum in Jamshedpur (Amaya) and Chennai (Vatsalya), emphasizing that Senior Living sales are now cycle-resistant. This validates the shift toward a more stable, non-cyclical revenue base.	None	4.0	Directional with evidence
5	4.5	Nikhil Upadhyay / SIMPL	Partnership	Strategy	Why partner with Epoch Elder Care for Care Homes?	Management clarified that medicalized assisted living is "non-core" and being outsourced to experts like Epoch on a management-fee model. This allows Ashiana to focus on its core "active senior living" moat while providing value-added services.	None	5.0	Specific and verifiable
6	4.0	Nikhil Upadhyay / SIMPL	Regional Pricing	Financials	Why are realizations falling in Jaipur across multiple projects (Ekansh, Nitara)?	Management denied a drop in realization, attributing the mathematical decline to the "mix" of remaining inventory	None	4.0	Directional with evidence

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						(less preferred units) and low stock. This suggests Jaipur is in a "harvesting" phase with minimal new inventory to push.			
7	4.5	Rohit / ithought PMS	Target ROE	Financials	You are at 15% ROE; is 20% achievable next year?	Management confirmed they expect to cross the 20% ROE threshold in the next financial year (FY27) as high-margin revenues are recognized. This marks the peak of the current business cycle for shareholders.	None	4.5	Specific timeline given
8	4.0	Rohit / ithought PMS	Growth vs Cycle	Strategy	Why settle for ₹2,000 Cr presales; why not double down and grow faster?	Management stated they are focusing on "structural" over "cyclical" growth, aiming for 25-30% CAGR in Senior Living specifically. They are deliberately avoiding the "heated" residential cycle to build a more stable 10-15 year business.	None	4.0	Directional with evidence
9	4.0	Ankur Jain /	New Markets	Management Outlook	Will the brand travel	Management expects brand	None	3.0	Vague but consistent

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
		Prayaas Cap.			from Chennai to Bangalore, or will you price lower initially?	transfer due to senior demographic overlaps but conservatively baked in "learning costs" for the first Bangalore project. This reflects a disciplined entry strategy for new geographies.			
10	3.5	Ankur Jain / Prayaas Cap.	Noida Bid	Capex and Allocation	What happened to the Noida land bid?	Management admitted they lost the bid as their maximum price was significantly lower than the winning bids. Confirms refusal to overpay for land in competitive markets.	None	5.0	Specific and verifiable
11	4.0	Rahul Jain / Indiv.	Margin Bridge	Financials	Are there many low-margin projects remaining like Malhar Phase 2?	Management acknowledged some legacy low-margin phases (Malhar Ph 2, Anmol Ph 3) but noted they won't stop the 20% ROE trajectory given the scale of Aaroham. This clarifies the "tail" of the legacy lower-margin inventory.	None	4.5	Specific timeline given
12	3.5		Litigation	Governance			None	2.0	

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
		Ankit Shah / White Equity			What is the status of the Ashiana Town customer complaint?	Management is contesting the litigation regarding maintenance and approvals, claiming they have a strong case despite the surprise. Likely a minor operational nuisance rather than a structural risk.			Deflected / hedged

PATTERN FLAGS & SENTIMENT * **The "Senior Living First" Pivot:** Analysts have now fully pivoted from questioning the viability of Senior Living to questioning its scalability. Management's response—partnering with Epoch for care and building a "portfolio" of SL price points (e.g., Karjat at middle-end, Panvel at top-end)—convinced the Street that SL is the sustainable "margin engine" of the company. * **Land Replacement Anxiety:** There is a recurring concern regarding the shrinking land bank (10M to 7M sqft). While management is calm, analysts are wary that if Bangalore and Panvel don't close in the next two quarters, FY27 presales could stagnate despite the current ROE jump. * **Pricing over Volume:** Management's tone was noticeably disciplined regarding land bids (Noida) and launch pricing (Aaroham). They are prioritizing "financial closure" and "structural stability" over aggressive land-grabbing at the peak of the cycle.

Analyst Sentiment Verdict: □Positive. Analysts were impressed by the early achievement of the FY26 presales target and the strong OCF generation. The clear roadmap to 20% ROE in FY27 provided the necessary "fundamental hook" for long-term investors.

GUIDANCE GAPS REVEALED IN Q&A | Topic | What Mgmt Claimed (Prior Q) | What Q&A Revealed | Gap / Walk-back | Risk to Thesis | | :--- | :--- | :--- | :--- | :--- | | Jaipur Land | Acquisition in works. | No progress; stalled. | Conditions Precedent (CPs) not being met by seller. | Low (Jaipur is a core market but others are scaling). | | Presales Target | □2,000 Cr for FY26. | Surpassed in 10 months. | Massive upside surprise from Aaroham launch. | Positive gap. | | Assisted Living | Core value-add. | Non-core; outsourced. | Strategic shift to outsource medical services to Epoch. | Low; improves focus on development. |

5. WHAT CHANGED vs PRIOR QUARTER

What Changed	Prior Quarter (Q2)	This Quarter (Q3)	Direction
Presales Target	On track for □2,000 Cr.	**Surpassed** □2,000 Cr.	↑
PAT	□27.54 Cr	□56.65 Cr	↑
Pre-tax OCF	□122.62 Cr	□179.05 Cr	↑
ROE Outlook	15% (LTM)	20% target for next year.	↑
Land Strategy	Single projects.	"Portfolio" of ticket sizes in micro-markets.	↑
NCR Execution	Impacted by GRAP.	GRAP now a permanent "excuse-free" reality.	□
Assisted Living	In-house service.	Outsourced to Epoch Elder Care.	□
Gurgaon Realization	□7,000-8,000	□15,200 (Aaroham launch).	↑

Investor Notes: * **Earnings Quality:** The CFO-to-PAT ratio of 3.16x is elite for the sector. It signals that Ashiana is collecting cash significantly faster than it is recognizing P&L revenue, creating a massive "cash buffer" for future land acquisitions. * **ROE Inflection:** Management's confidence in hitting 20% ROE next year is a milestone. The business has successfully transitioned out of the low-margin "legacy delivery" trap. * **Inventory Waterfall:** The bridge to □11,000 Cr cumulative revenue through FY30 is now visible, with Aaroham (□1,100 Cr+), Oma, and the 15 L-sqft Chennai acquisition providing the bulk of the remaining pipeline. * **Risk Watch:** The stalling of the Jaipur land deal and the 3-6 month "deadline" for Bangalore/Panvel CPs suggests the company is willing to walk away from deals that don't meet their risk-return threshold—a sign of management maturity over growth-at-any-price.