Ashiana Housing Ltd — Jun 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Strong Beat **One-line:** Ashiana has delivered its strongest year in history, successfully pivoting from a mid-market developer to a high-realization powerhouse as the Senior Living moat and Gurugram pricing power converge to drive a 20% ROE inflection point.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Strong Beat	Presales hit □1,289.70 Cr in Q4; FY26 total (□2,421.13 Cr) beat target by 21%.	□
Earnings Quality	High (Core driven)	FY26 Pre-tax OCF (□576.58 Cr) is 4.89x PAT; collections are at an all-time high.	□
Guidance Confidence	Strong	Re-confirmed FY27 ROE target of 20%+; FY27 presales guidance of □2,200 Cr.	□
Management Credibility	Strong	Transparent about low-margin legacy "tails" (Anmol/Malhar) and legal hurdles.	□
Business Quality Signal	Improving	Realizations jumped 71% YoY; SL segment growing at 50% CAGR over 5 years.	□
Key Q&A Exchange	Q# 13 & 17	Focus on SL "structural demographic shift" vs cyclical residential volatility.	□
The Street's Primary Anxiety	Land Pipeline	Shrinking land bank vs throughput; Mgmt added ~30 L-sqft in April/May to offset.	□
Capital Cycle Stage	Harvesting / Re-investing	Harvesting Gurgaon cash to fund a massive SL expansion in Mumbai/Bangalore.	□
Margin / Return Ratio Trajectory	Improving	FY26 PAT Margin at 9.93% (vs 3.27% in FY25); gross margins on new SL deals at 35-40%.	□
Pricing Power	Expanding	Q4 Realization hit □11,531/sqft (vs □6,774 YoY) led by Aaroham (Gurugram).	□
FCF Conversion & Quality	Strong	FCF-positive year; self-funding land acquisitions without straining D/E (0.36x).	□
Competitive Moat Signals	Widening	Consolidating SL leadership with 5 new launches planned (□6,500 Cr GDV potential).	□
Balance Sheet Strength	Strong	Net Worth hit □856 Cr; Debt remains disciplined for land acquisition (0.36x D/E).	□
Working Capital Efficiency	Improving	Customer advances meeting most working capital needs; low reliance on project debt.	□
Mgmt Guidance Track Record	Reliable	Consistently hitting or surpassing volume and delivery targets over last 8 quarters.	□
Key Vulnerability / Red Flag	Construction Costs	Mgmt expects 8-10% inflation in FY27; may eat into margins if pricing stalls.	□
Management Tone	Confident/ Pragmatic	Bullish on "Aging India" theme; disciplined on land price (lost Noida bid).	□

Key Takeaways (Positives & Negatives): * **Positives:** FY26 was a "landmark year" where presales (□2,421.13 Cr) and OCF (□576.58 Cr) reached record highs. The realization jump in Q4 to □11,531/sqft proves that Ashiana has successfully moved up the premiumization ladder in Gurugram (Aaroham). Senior Living (SL) is now a structural engine, contributing □570 Cr in FY26 sales with a clear roadmap to □700 Cr+ in FY27. Earnings quality is superb, with pre-tax OCF nearly 5x PAT, allowing the company to acquire land in Panvel, Karjat, and Bangalore while maintaining a low D/E of 0.36x. * **Negatives:** The cancellation of the MWC Jaipur deal due to approval delays highlights regulatory friction in the land pipeline. While management has replenished land in the Mumbai-Pune corridor (Vadgaon/Karjat), the land bank of ~9.6M sqft is only ~4x current annual throughput, necessitating aggressive business development to sustain growth beyond FY28. * **Street Concern:** Analysts are worried that the realization-led spike in FY26 (driven by Gurgaon) might not be repeatable. Management's response: they are shifting focus to the SL segment, which offers 35-40% gross margins and is "cycle-resistant" compared to traditional residential. * **Forward Watchpoint:** The launch of Ashiana Oma (Jaipur) and the formal closing of the Bangalore project in H1FY27 are critical catalysts to monitor land bank replenishment.

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2. BUSINESS PERFORMANCE

2A. KEY METRICS

Metric	Current Qtr (Q4)	YoY Change	QoQ Change	Trend	Mgmt Commentary
Presales (□Cr)	1,289.70	↑ 124.4%	↑ 224.8%	↑	Driven by Aaroham (Gurugram) launch (□833 Cr). Volume-led growth (11.18 L-sqft).
Equiv. Area Constructed (L-sqft)	6.65	↑ 60.2%	↑ 8.3%	↑	Robust execution; FY26 total EAC (26.19 L-sqft) up 30% YoY.
Pre-tax Operating CF (□Cr)	166.81	↑ 6.7%	↓ 6.8%	→	Strong collections; FY26 total OCF hit record □576.58 Cr.
Realization/sqft (□)	11,531	↑ 70.2%	↑ 58.7%	↑	Driven by higher realization from Gurugram launch vs prior qtr.
Revenue Potential Locked (□Cr)	5,897.31	N/A	↑ 22.9%	↑	Locked-in revenue from ongoing projects; excludes □1,793 Cr unsold value.
Revenue (□Cr)	335.18	↑ 46.1%	↓ 10.2%	↓	YoY driven by Jaipur/Chennai deliveries; QoQ lower due to delivery timing.
PAT (□Cr)	20.98	↑ 3.1%	↓ 63.0%	↓	Margin stable YoY; QoQ lower as high-margin SL deliveries were higher in Q3.
Land Bank (Acres)	79.17	N/A	→	→	Excluding ongoing phases. Focus on Mumbai-Pune corridor.
D/E Ratio	0.36	↑ 0.02	↑ 0.04	→	Remained healthy; debt primarily for construction funding.

2B. SEGMENT BREAKDOWN

Segment	Sales (FY26 □Cr)	YoY Growth	Margin (Est)	Trend	vs Company Avg	Key Development
Senior Living	570.00	↑ 55%	30-35%	↑	Above Avg	5 new projects (65 L-sqft) in pipeline; pivot to "active adult" niche.
Kid Centric / Premium	1,851.00	↑ 18%	20-25%	↑	Inline	Dominated by Gurugram (Amarah/ Aaroham) realizations.
Maintenance/ Services	Not Stated	N/A	Moderate	→	Below Avg	Annuity business; provides direct customer feedback loop.

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 □550 Cr/qtr; Aaroham Ph-3 and Oma launches make this highly feasible.	Surpassed FY26 target early.	Low
Guidance	ROE	Cross 20% reported ROE in FY27.	Needs ~□200 Cr PAT on □980 Cr Eq base. Delivery schedule supports this.	Improved from 2% (FY25) to 15% (LTM).	Low
Guidance	Margins	FY27 better than FY26; FY28 "materially better."	Depends on clearing legacy Anmol/Malhar inventory.	Margin trend is upward.	Moderate
Strategy	Senior Living	Target □700 Cr+ in FY27 sales.	Requires 25% YoY growth in SL segment. Pipeline supports this.	5-year CAGR is 50%.	Low
Strategy	Land Acc.	Close Bangalore/ Panvel in 3-6 months.	Essential for FY28 pipeline; CPs remain the bottleneck.	Mixed (Jaipur deal cancelled).	Moderate
Macro	Construction Cost	8-10% inflation in FY27.	Requires 5-7% price hikes to protect margins.	Successfully hiked Aaroham.	Moderate
Balance	Debt	Maintain low leverage.	Self-funding construction via customer advances (□1,762 Cr in FY26).	Consistently low D/ E.	Low

4. ANALYST Q&A

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
1	4.5	Sucrit Patil / Eyesight	Strategy	Mgmt Commentary	"What type of strategic levers are you prioritizing... to manage risks from regulatory changes and construction cost inflation?"	Mgmt indicated faster execution (30% YoY improvement) as the primary hedge against inflation, alongside locking in low land costs for ongoing projects. This de-risks the margin trajectory by reducing the duration of inflationary exposure.	None	4.0	Directional with evidence
2	4.0	Sucrit Patil / Eyesight	Allocation	Capex and Allocation	"What type of capital allocation... balance working capital... Any hedge against interest rate and raw material volatility?"	Mgmt confirmed they avoid land-banking and finance construction via customer advances, maintaining an ROE-centric approach with a 30% GP threshold. This ensures a "capital-light" expansion model that protects the balance sheet from interest rate cycles.	None	4.0	Directional with evidence
3	5.0	Rohit / iThought PMS	Land Bank	Capex and Allocation	"The remaining land [on page 26] is pretty much 25 lakh square feet... how do we	Mgmt clarified that including ongoing phases and the new Mumbai/ Bangalore projects, the pipeline is ~96	None	4.5	Specific timeline given

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
					think about that?"	L-sqft (4x annual throughput). While adequate for current volumes, the company must accelerate land additions this year to support FY28 growth.			
4	4.5	Rohit / iThought PMS	Dividends	Capex and Allocation	"Any broad thought process in terms of... buyback or anything else because that would be substantial amount?"	Mgmt signaled that they intend to redeploy cash into growth (specifically Senior Living) rather than large buybacks, though absolute dividends will grow. This indicates a "growth-compounding" phase rather than a "capital-return" phase for shareholders.	None	4.0	Directional with evidence
5	3.5	Ishita Lodha / Swan	Jaipur Land	Mgmt Commentary	"Why did we not go ahead with [MWC Jaipur deal]?"	Mgmt explained the deal was cancelled due to the landlord's inability to clear "Conditions Precedent" (approvals) over 18 months. This demonstrates management's refusal to	None	5.0	Specific and verifiable

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						keep capital tied up in projects with stalled regulatory visibility.			
6	4.5	Synclair Dsouza / Lalkar	Competition	Business Overview	"How is Ashiana planning to differentiate itself from other competitors [in Senior Living]?"	Mgmt cited their 20-year track record in managing operations (not just building) and their ability to execute large 12-15 acre projects with amenities that smaller players cannot match. This emphasizes their operational moat, which is harder to replicate than brick-and-mortar construction.	None	4.0	Directional with evidence
7	4.0	Saurabh Kumar / Sci. Inv.	Annuity	Business Overview	"Do you see annuity-based services kind of model... in the next 5-10 years?"	Mgmt noted that low yields and a lack of a long-term leasing culture in India make an annuity model unattractive for now, keeping focus on home sales. This maintains the current high-velocity cash flow model over a slow-yielding rental model.	None	3.0	Vague but consistent
8	4.5		ROE Target	Financials			None	4.5	

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
		Shovan Dey / Reva			"Which project handovers are the primary drivers for [20% ROE]?"	Mgmt identified Amarah Phase-II (Gurgaon) and Nitara (Jaipur) as key drivers, while noting that low-margin projects like Malhar Phase-II have less impact. This confirms that the ROE target is underpinned by specific, high-margin delivery milestones.			Specific timeline given
9	4.0	Anubhav Goyal / Cosmo	Policy	Mgmt Commentary	"Maharashtra housing policy of 2025... Do they materially improve your economics?"	Mgmt stated the policy is an "intent" but not yet operational, though it will eventually make scenic land parcels more viable for Senior Living. This provides a future optionality for land sourcing that is not yet baked into current valuations.	None	4.0	Directional with evidence
10	4.5	Ankit Shah / White Eq.	Guidance	Mgmt Commentary	"Share guidance for pre-sales for FY27... the launch pipeline."	Mgmt guided for ₹2,200 Cr presales for FY27, with Senior Living targeted to cross ₹700 Cr. This implies a 30% growth in the SL	None	5.0	Specific, quantified, verifiable

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						segment, which will become the core margin-driver as Gurgaon volumes stabilize.			
11	4.0	Ankit Shah / White Eq.	Assisted Living	Business Overview	"Update on [Epoch project in Bhiwadi]."	Mgmt explained they are outsourcing medical "Assisted Living" to Epoch to free up bandwidth for their core "Active Living" development. This strategic shift reduces operational complexity while maintaining the utility of the care-home value-add.	None	5.0	Specific and verifiable
12	3.5	Shubham Sehgal / SIMPL	Realization	Financials	"How do we see our realization trajectory moving up... on a blended basis?"	Mgmt expects blended realizations to stabilize around ₹10,000/sqft as Senior Living projects (Aaranya/ Tattvam) are launched at premium price points. This suggests that the Q4 spike to ₹11.5k was not an anomaly but a precursor to a higher sustainable floor.	None	4.0	Directional with evidence

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
13	4.0	Varun Bang / Bandhan	Mumbai Entry	Capex and Allocation	"Panvel project... do we have to rely on channel partners for sales?"	Mgmt indicated that SL is sold primarily directly (90%+) due to its specialized nature, leveraging their existing database of Mumbai/NRI clients. This reduces the risk of entering a new market by bypassing the traditional broker-led residential model.	None	4.0	Directional with evidence
14	4.5	Rohit / iThought PMS	Pune Strategy	Strategy	"Malhar has been a low margin project... how are you seeing that?"	Mgmt admitted they have not yet cracked "Premium Housing" margins in Pune but are highly successful in Pune "Senior Living" (Amodh), where they will now double down. This demonstrates a disciplined "kill the losers, back the winners" capital allocation mindset.	None	4.5	Specific timeline given
15	4.5	Arpit Ranka / Indiv.	Litigation	Governance	"What led to [the class action suit]...	Mgmt appeared defensive, stating they are contesting	None	2.0	Deflected or hedged

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
					what is the latest?"	the "class action" applicability in High Court while expressing surprise at the litigation despite high NPS scores. This represents a potential reputation risk and legal overhang that bears monitoring over the next 12 months.			

PATTERN FLAGS & SENTIMENT * **The Senior Living "Flywheel":** Analysts have shifted from questioning the SL concept to probing its scalability (Mumbai/Bangalore) and margins (35-40%). Management's posture was highly confident, framing SL not just as a segment but as a structural demographic play that will soon represent >30% of sales value. This transition from a regional player to a specialized national SL leader is the primary narrative. * **Land Replacement Anxiety:** Multiple questions focused on the land bank. While management was calm (citing 4x throughput), the cancellation of Jaipur MWC and the "CP" delays in Bangalore suggest that high-quality land sourcing at the right price remains the biggest constraint to doubling the business. * **Profitability Inflection:** The Street was satisfied with the path to 20% ROE. Management's transparency regarding the "tail" of low-margin Gurgaon/Pune projects (Anmol/Malhar) clearing out by FY27 has provided analysts with a clear "earnings bridge."

Analyst Sentiment Verdict: □Positive. Analysts were impressed by the record-breaking FY26 and the strong OCF generation. The success of the Aaroham launch in Gurugram has put to rest fears about pricing power. The only lingering friction point is the class action lawsuit and the land bank replenishment speed.

GUIDANCE GAPS REVEALED IN Q&A | Topic | What Mgmt Claimed (Opening / Prior Q) | What Q&A Revealed | Gap / Walk-back | Risk to Thesis | | :--- | :--- | :--- | :--- | :--- | | Jaipur Land | Future development parcel (MWC Jaipur). | Deal Terminated. | Landlord failed to meet CPs for 18 months. | Low; reflects capital discipline. | | Assisted Living | Managing care homes in-house. | Outsourced to Epoch. | Strategic shift to focus on "development" vs "medical care." | Low; improves focus. | | Pune Strategy | Expand premium housing. | Pivot solely to SL. | Premium housing margins (Malhar) were disappointing. | Moderate; narrows TAM in Pune. |

5. WHAT CHANGED vs PRIOR QUARTER

What Changed	Prior Quarter (Q3FY26)	This Quarter (Q4FY26)	Direction
Presales Performance	₹397 Cr (Q3)	₹1,290 Cr (Q4)	↑
Blended Realization	₹7,268 / sqft	₹11,531 / sqft	↑
Annual FY26 Presales	Target ₹2,000 Cr	**Actual ₹2,421 Cr**	↑
Senior Living Mix	~₹100 Cr (Q3)	~₹169 Cr (Q4)	↑
Land Bank Status	Jaipur MWC included.	Jaipur MWC Terminated.	↓
New Market Entry	Bangalore/Mumbai under DD.	**Karjat/Panvel added;** Vadgaon signed.	↑
ROE Outlook	15% (Trailing)	20%+ target for FY27.	↑
Legal Risk	Not emphasized.	Class Action suit in High Court.	□

Investor Notes: * **CFO Conversion:** The CFO-to-PAT ratio for FY26 is an exceptional 4.89x. This confirms that Ashiana is not just "booking" sales but is aggressively collecting cash, which provides the war chest for the Mumbai/Bangalore expansion without needing debt. * **Pricing Power:** Realization of ₹11,531/sqft is a structural break from the historic ₹6,000-8,000 range, signaling the brand's arrival in the premium Gurgaon market. * **Land Replenishment:** The net land bank additions (Karjat/Panvel/Vadgaon) have roughly offset the MWC cancellation, but the company is still "running to stand still" on inventory. Closure of the Bangalore project is the next key "buy" signal. * **Risk Watch:** The 8-10% construction cost inflation is high. Monitor if the next phases of Advik/Vatsalya can take a 10%+ price hike without slowing velocity.