

Ashiana Housing Ltd — Nov 2025 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Operational Inline / Financial Beat **One-line:** The thesis is strengthening as Ashiana pivots capital toward a high-margin national Senior Living platform, with the Q2 P&L finally reflecting the margin expansion promised from higher realizations.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Financial Beat	PAT of ₹27.54 Cr (up 116% QoQ) despite lower revenue; beat on margins.	□
Earnings Quality	Moderate (One-off)	₹18.5 Cr Maitri settlement (₹4 Cr PBT impact); however, OCF remains 4.4x PAT.	□
Guidance Confidence	Strong	₹2,000 Cr presales target maintained; H2 launches (Aaroham/Amaya) provide the bridge.	□
Management Credibility	Strong	Successfully initiated Advik handovers; transparent about Gurgaon market fragmentation.	□
Business Quality Signal	Improving	Pivot to Senior Living is accelerating with 22.7-acre Chennai acquisition (₹1,200 Cr potential).	□
Key Q&A Exchange	Q# 11 + 11a	Focus on Senior Living land being "reasonable" vs Group Housing being "out of whack."	□
The Street's Primary Anxiety	Gurgaon Velocity	Fear of a slowdown in Amarah; Mgmt response: "Market is splitting, we are not laggards."	□
Capital Cycle Stage	Investment	Aggressive land acquisition in Chennai; IFC funding (₹100 Cr) for Aaroham.	□
Margin / Return Ratio Trajectory	Improving	Net Profit Margin hit 15.6% (vs 4.2% in Q1) as high-margin Advik deliveries began.	□
Pricing Power	Expanding	Avg Realization up to ₹7,346/sq ft (up 34% YoY); mid-teen margins guided for FY28.	□
FCF Conversion & Quality	Strong	Pre-tax OCF of ₹122.62 Cr; business is self-funding growth and land Refilling.	□
Competitive Moat Signals	Widening	Using brand premium in Senior Living to enter micro-markets unviable for group housing.	□
Balance Sheet Strength	Strong	Net cash accretion continues; debt used strategically for land (IFC NCDs).	□
Working Capital Efficiency	Improving	EAC at 7.25 Lakh sq ft (up 18% QoQ); execution pace is accelerating.	□
Mgmt Guidance Track Record	Reliable	Meeting delivery timelines for legacy projects (Advik, Tarang).	□
Key Vulnerability / Red Flag	Land Pricing	Management admits group housing land prices are "pricing in" excessive future delta.	□
Management Tone	Selective	Bullish on Senior Living; increasingly cautious/selective on pure residential land.	□

Key Takeaways (Positives & Negatives): * **Positives:** The "Margin J-Curve" has begun; Net Profit margins jumped to 15.6% this quarter as the delivery mix shifted toward higher-priced projects like Ashiana Advik. Cash generation remains elite, with ₹122.62 Cr in pre-tax OCF—nearly double the quarterly average of FY25. The 22.7-acre Chennai land deal is a massive strategic win, securing a ₹1,200 Cr pipeline in Ashiana's best-performing Senior Living market. * **Negatives:** Presales (₹303 Cr) normalized lower QoQ in the absence of major new launches. The Gurgaon market is becoming "non-secular," meaning sales are no longer "easy" for every developer; differentiation is now required. * **Street Concern:** Analysts are worried about the gap between land prices and project returns in residential housing. Management responded by signaling a disproportionate capital shift toward Senior Living, where they can command pricing premiums and bypass "heated" micro-markets. * **Forward Watchpoint:** The launch of Ashiana Aaroham (Gurgaon) and Amaya (Jamshedpur) in Q4 will determine if the company hits its ₹2,000 Cr FY26 presales target.

2. BUSINESS PERFORMANCE

2A. KEY METRICS DATA SOURCE: PPT figures primary. Concall used for commentary.

Metric	Current Qtr	YoY Change	QoQ Change	Trend	Mgmt Commentary
Presales (₹Cr)	303.43	↑ 409%	↓ 29.6%	↑	Normalization after high Q1 (₹431 Cr). YoY growth is distorted by low Q2FY25 base.
Equiv. Area Constructed (L-sqft)	7.25	↑ 20.6%	↑ 17.9%	↑	Execution momentum remains high; 13.4 L-sqft completed in H1FY26.
Pre-tax Operating Cash Flow (₹Cr)	122.62	↑ 56.8%	↑ 13.4%	↑	Driven by strong collections and Advik Phase 1 handover starts.
Realization/sqft (₹)	7,346	↑ 33.6%	↑ 1.4%	↑	Pricing Power: Sustainable levels above ₹7,000; price hikes continuing but at slower pace.
Revenue Potential Locked (₹Cr)	4,758.27	N/A	↑ 1.6%	↑	Value of area booked in ongoing projects. Total including unsold: ₹5,871 Cr.
Revenue (₹Cr)	176.18	↑ 196%	↓ 41.8%	↑	Lower QoQ due to delivery timing; YoY higher due to Gurgaon/Chennai handovers.
PAT (₹Cr)	27.54	↑ 465%	↑ 116.5%	↑	Mix Shift: Higher profits despite lower revenue due to better-margin projects (Advik).
Land Bank (L-sqft)	108.78	N/A	↑ 6.6%	↑	Sum of future phases (51.78) and land for development (57.00).
D/E Ratio	0.34	→	→	→	PPT reports FY25 base; Concall notes ₹100 Cr IFC NCD issue for Aaroham.

2B. SEGMENT BREAKDOWN (Q2 FY26 Area Booked Mix) | Segment | Presales (L-sqft) | % of Mix | Margin | Trend | vs Co. Avg | Key Development | | :--- | :--- | :--- | :--- | :--- | :--- | :--- | | Jaipur | 1.15 | 28% | Moderate | → | Inline | Ekansh and Nitara are steady volume drivers. | | Bhiwadi | 0.99 | 24% | High | ↑ | Above Avg | Tarang and Advik Phase 2 contributing well. | | Pune | 0.82 | 20% | Moderate | ↑ | Inline | Malhar and Amodh seeing good sustainment. | | Chennai | 0.54 | 13% | High | → | Above Avg | Strong demand for Vatsalya and Swarang. | | Gurgaon | 0.47 | 12% | High | ↓ | Above Avg | Amarah velocity slowing (47k sqft vs 76k sqft QoQ). | | Jodhpur | 0.13 | 3% | Moderate | → | Inline | Dwarka Phase 5 steady. |

3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery	Risk Flag
Guidance	Presales	₹2,000 Cr for FY26.	Needs ₹1,267 Cr in H2 (₹633 Cr/qtr). Requires massive Q4 launch success.	Met FY25 target.	Moderate
Guidance	Margins	Net Profit margins 10-11% in FY26; mid-to-high teens by FY28.	On track; Q2 reached 15.6% due to Advik mix.	Low in FY25 (3.3%).	Low
Guidance	Deliveries	24 Lakh sq ft for FY26.	Completed 13.4 L-sqft in H1 (55.8% of target). Highly feasible.	Historically lumpy.	Low
Strategy	Senior Living	Disproportionate capital allocation to SL.	Recent 22.7-acre Chennai deal validates this pivot.	#1 SL Brand.	Low
Strategy	Geography	Focus on SL in Bangalore and Panvel (Mumbai).	Both sites stuck in CP (Conditions Precedent) for 2-3 quarters.	Mixed.	Moderate
Macro	Gurgaon Market	Market is "non-secular" (fragmented).	Aaroham (premium) vs Amarah (mid) positioning is key.	Reliable assessment.	Low
Balance	Debt	Use of IFC NCDs for specific project funding.	₹100 Cr raised for Aaroham.	Debt kept low.	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	Himanshu / Steadfort	Pipeline	Management Outlook	Pipeline of ₹1,000 Cr till FY30 seems high vs current 5-7M sqft land bank.	Management clarified that the ₹1,000 Cr figure represents total top-line revenue potential to be recognized by FY30, not just the launch pipeline. This confirms a clear roadmap for ~₹2,200 Cr annual revenue recognition over the next 5 years.	None	4.0	Clear and quantified
2	3.5	Himanshu / Steadfort	Digital Sales	Business Overview	Gaps between digital leads (521 units) and total units booked (1,843).	Management explained that digital is just one source; Gurgaon/ Pune rely heavily on Channel Partners, while other markets see 60-70% referral bookings. High referral rates in non-metro markets underscore strong brand equity and lower CAC.	None	4.0	Directional with evidence
3	4.5	Himanshu / Steadfort	Litigation	Governance	What is the status of the ₹50 Cr compensation suit for	Management is contesting the "class action" suit from 226 customers,	None	3.0	Vague but consistent

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					Ashiana Town?	claiming Net Promoter Scores (NPS) remain high. While likely manageable, this litigation acts as a minor overhang on the Bhiwadi portfolio sentiment.			
4	4.0	Himanshu / Steadfort	Project Delay	Management Outlook	Why has Ashiana Aaroham been delayed repeatedly?	Management cited interpretation differences in fire/building codes and recalibration of drawings to increase saleable area. The project has all approvals now and expects RERA by end-month for a Q4 launch.	None	4.5	Specific timeline given
5	5.0	Rohit / ithought PMS	P&L Bridge	Financials	How do you bridge the gap from ₹6,300 Cr ongoing value to the ₹11,000 Cr target?	Management attributed the bridge to Aaroham (₹1.5k-1.8k Cr), Amaya/ Oma (₹1k Cr), and future phases of existing projects (₹2.5k Cr). This provides a transparent inventory-to-revenue waterfall for long-term models.	None	4.5	Specific timeline given

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6	4.0	Rohit / ithought PMS	Margins	Financials	Will profitability improve significantly starting this year?	Management expects low double-digit net profit margins this year, with FY28 being the true breakout as low-margin Malhar/Anmol phases exit. This confirms FY26 is the inflection point for the margin J-curve.	None	4.0	Directional with evidence
7	3.5	Rohit / ithought PMS	Expansion	Capex and Allocation	Status of Bangalore/ Panvel land deals mentioned last year.	Management stated both are stuck in government-linked CPs; they will likely walk away if not resolved in 2-3 quarters. This reflects a disciplined approach to capital—refusing to over-wait for "stuck" land.	None	3.0	Vague but consistent
8	4.0	Rahul Jain / Indiv.	Other Income	Financials	Impact of the Maitri dispute settlement on this quarter's ₹27.5 Cr PAT.	Management confirmed a ₹4 Cr PBT (~₹3 Cr PAT) contribution from the Kolkata settlement. Stripping this out, core PAT is still ~₹24.5 Cr, a massive sequential jump from Q1.	None	5.0	Specific and verifiable
9	4.0						None	4.0	

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
		Rahul Jain / Indiv.	Pricing Power	Business Overview	Are you seeing pricing pressures?	Management indicated prices are still being increased, but the pace has slowed compared to the prior 12-18 months. Stability in pricing supports the mid-teen margin guidance for future phases.			Directional with evidence
10	3.0	Himanshu / Steadfort	Gurgaon Market	Business Overview	Phase 5 Amarah velocity seems slow; is the Gurgaon market cooling?	Management noted Amarah Phase 5 was priced much higher to maximize profit; they are comfortable with a 30k sqft/quarter run-rate. The intent has shifted from "fast cash flow" to "profit maximization" in Gurgaon.	None	4.0	Directional with evidence
11	5.0	Nikhil Upadhyay / SIMPL	Land Arbitrage	Capex and Allocation	Why are senior living land prices "more reasonable" than group housing?	Management explained they can operate in cheaper micro-markets (e.g., Talegaon) because seniors don't need to be near workspaces, unlike group	None	5.0	Specific and verifiable

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						housing. This geographical flexibility is a massive competitive advantage for Senior Living ROI.			
12	4.5	Nikhil Upadhyay / SIMPL	Margin Mix	Financials	Why wait until FY28 for significant margin improvement if realizations are already high?	Management explained that current handovers (Malhar/ Anmol) have high revenue shares (35%) or historical low prices, whereas future projects (Amarah/ Aaroham) have better deal terms. Margin expansion is a function of the delivery schedule, not just current sales.	None	4.5	Specific timeline given
13	4.0	Piyush Goyal / India Cap	Positioning	Business Overview	Positioning of Aaroham vs Amarah in Gurgaon.	Management described Aaroham as "curated kid-centric" with higher density of amenities and better design at a ₹3-5 Cr ticket size. This multi-tier product strategy allows Ashiana to capture a wider wallet	None	4.0	Directional with evidence

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
14	3.5	Piyush Goyal / India Cap	Kid-Centric Moat	Business Overview	Is the kid-centric theme as differentiated as Senior Living?	Management admitted the differentiation is not yet as "stark" as Senior Living, but they are seeing rental premiums. They will "double down" on Senior Living now and work on the KC differentiation over the next 3-4 years.	None	4.0	Directional with evidence

PATTERN FLAGS & SENTIMENT * The "Non-Secular" Gurgaon Market: Analysts are digging into the Gurgaon slowdown. Management's posture was refreshingly honest—they admitted the market has shifted from "everything sells" to a "branded developer" game. This shift actually favors Ashiana's niche (Kid-Centric) but requires more deliberate sales effort than in 2023. * **Senior Living as the ROI Engine:** A clear theme emerged that Senior Living is the core capital allocation priority because it avoids the "out of whack" land prices of prime residential zones. By taking senior living to Talegaon or peripheral Chennai, Ashiana is effectively conducting a land-cost arbitrage that pure residential players cannot replicate.

Analyst Sentiment Verdict: **Positive.** Despite the QoQ dip in presales, analysts were encouraged by the margin expansion in the P&L (PAT more than doubled on lower revenue). The management's clear waterfall for the ₹11,000 Cr revenue target through FY30 satisfied long-term investors.

GUIDANCE GAPS REVEALED IN Q&A | Topic | What Mgmt Claimed (Opening/PPT) | What Q&A Revealed | Gap / Walk-back | Risk to Thesis | | :--- | :--- | :--- | :--- | :--- | | Gurgaon Velocity | Steady demand | Market is "non-secular" and splitting. | Admission that the market is becoming harder and more fragmented. | Low; favors branded players. | | Aaroham Launch | Expected FY25/H1FY26 | Bookings in Q4FY26 | Further push-back of the booking launch to the final quarter of the fiscal. | Moderate; H2 sales target dependent on this. |

5. WHAT CHANGED vs PRIOR QUARTER

What Changed	Prior Quarter (Q1FY26)	This Quarter (Q2FY26)	Direction
PAT Margin	4.2%	15.6%	↑
Pre-tax OCF	₹108.10 Cr	₹122.62 Cr	↑
Land Portfolio	66.53 Acres for dev.	74.58 Acres for dev.	↑
Senior Living Pipeline	Chennai focus	Added 22.7 acres (MWC)	↑
Gurgaon Launch Timing	Q3 FY26	Q4 FY26 (Bookings)	↓
One-off Income	None	₹18.5 Cr (Maitri Settlement)	↑
Presales Value	₹430.97 Cr	₹303.43 Cr	↓

Investor Notes: * Earnings Quality: The CFO-to-PAT ratio of 4.4x is exceptional. While the Maitri settlement (₹4 Cr PBT) inflated the profit slightly, the core performance is robust. The divergence is caused by **strong collection cycles** from high-realization Gurgaon/Pune bookings that are not yet recognized as revenue. *

Strategic Pivot: Management is now explicitly choosing Senior Living over Group Housing for new land due to better ROI. This is a fundamental "Quality" signal—they are not chasing growth at the expense of returns. *

The Gurgaon Filter: Amarah velocity normalized down (47k sqft). The market is no longer a "rising tide" that lifts all boats; Ashiana is positioning Aaroham as a "curated" premium product to counter this fragmentation. *

Bangalore/Panvel Watch: The potential "walk away" from these deals if CPs aren't met shows high capital discipline, but leaves a gap in the growth story for those specific cities.