



**“Arihant Superstructures Limited  
Q4 & FY25 Earnings Conference Call”  
May 27, 2025**



**MANAGEMENT:** **MR. ASHOK CHHAJER – CHAIRMAN AND MANAGING DIRECTOR – ARIHANT SUPERSTRUCTURES LIMITED**  
**MR. PARTH CHHAJER – WHOLE TIME DIRECTOR – ARIHANT SUPERSTRUCTURES LIMITED**  
**MR. DHIRAJ JOPAT – CHIEF FINANCIAL OFFICER – ARIHANT SUPERSTRUCTURES LIMITED**

**MODERATOR:** **MS. KUNJAL AGARWAL – ARIHANT CAPITAL MARKETS**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Q4 and FY '25 Earnings Conference Call of Arihant Superstructures Limited hosted by Arihant Capital Markets Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Ms. Kunjal Agarwal from Arihant Capital. Thank you, and over to you, ma'am.

**Kunjal Agarwal:** Hello, and good afternoon to everyone. On behalf of Arihant Capital Markets Ltd., I thank you all for joining the Q4 FY '25 Earnings Conference Call of Arihant Superstructures Limited. Today from the management, we have Mr. Parth Chhajer, the Whole-Time Director; and Mr. Dhiraj Jopat, CFO.

So without any further delay, I would hand over the call to the management for their opening remarks. Over to you, sir.

**Parth Chhajer:** Thank you. Good afternoon, everyone, and thank you for taking time to join Arihant Superstructures Limited conference call to discuss Q4 FY '25 results and business updates. I believe you would have gone through the financials and the presentation, which is being filed on the exchanges.

Let me first start with briefing you on the financial highlights for the quarter under review. The consolidated operating revenue for Q4 FY '25 was INR153 crores against INR161 crores in Q4 FY '24, which is a Y-o-Y decrease of around 5%.

The total EBITDA for Q4 FY '25 stands at INR22 crores against INR35 crores in Q4 FY '24, which is a decrease of 37% on a Y-o-Y basis. The EBITDA margin for Q4 FY '25 stands at 14.55%. The profit after tax for Q4 FY '25 stood at INR11 crores.

Whereas the full financial year 2025, the operating revenue stood at INR499 crores. The total EBITDA stood at INR104 crores and the EBITDA margin reported at 20.91%. The profit after tax was totaling INR255 crores.

Now talking about the key operating highlights for this quarter. The company achieved the sales bookings of 272 units, which is equivalent 2.49 lakh square feet of area amounting to INR186 crores in value. The average price per square foot was around INR7,462 per square foot during the quarter, which has grown by 20% on a year-on-year basis. The average price per unit sold stood at INR68 lakhs for the quarter. And the total collections for the quarter stood at INR139 crores.

For the financial year, the company achieved total sales bookings of 1,568 units equivalent to 14.61 lakh square feet of area, which was totaling to a value of INR889 crores. The price per square foot during the year stood at INR6,084 per square foot. And the average price per unit

was around INR56.7 lakhs. Total collections for the year stood at INR545 crores, which is an 8% year-on-year increase.

One of the important metrics in the real estate business is customer collections, which continues to remain very healthy for ASL. On the delivery front, in Q4, we achieved occupancy certificate for Arihant Aloki Phase III and we are looking forward to many more completions, which will add on to the company's legacy in the coming financial year as well.

With almost 307 acres + of land bank in hand and upcoming launches, we are well positioned to gain the market share and obviously increase on the high opportunity corridors, which the Navi Mumbai MMR region has to offer. We remain confident and committed to addressing the evolving aspirations of homebuyers across the entire spectrum.

With this now, I would like to open the floor for question and answers.

**Moderator:** Thank you very much. The first question is from the line of Suyash Bhavne from Wealth Guardian.

**Suyash Bhavne:** Yes. So I had a question on World Villas, which seems we have sold 1 villa in Q4, up from 40 to 41 units. Any impact as to what kind of -- is there any slowdown as such? And what kind of targets do we have, or maybe on a quarterly basis, sales? And how do we view this?

**Parth Chhajare:** Yes. We agree that quarter 4 was not so good when it came to World Villas sales. Obviously, there were external factors, which led to postponing of decisions from the clients. One of them was obviously the equity markets having a lot of plunge in the indexes -- indices, sorry, which led to decisions being postponed.

But Q1 onwards, we started gaining momentum, and Q2, we'll really be able to cover up a lot because majorly this is -- I mean, today, we see a great weather with respect to World Villa sales and clients who are going are very much attracted to the greenery and the environmental development over there. So we'll be able to cover it up in the next 2 quarters, Q1 and Q2.

**Suyash Bhavne:** All right. So -- and in terms of competition specifically for World Villas, not our overall project as such, do we have -- are there any other competing projects of a similar size or quality or scale as World Villas in that area? Any insight on that?

**Parth Chhajare:** So at our product level, there is no direct competition. Everybody, whoever is making villas also, their villas are below par to what we are making and to what our designs are. Ours is a very unique concept where we are having almost 390 villas spread across 63 acres. And along with that, there's a Gymkhana of 2 lakh square feet spread on 10.5 acres of land and adjoining to it is also a 5-star hotel of 225 rooms. So our configuration is quite unique, which is helping us to distinguish ourselves also from the others. And we are very much confident.

The work has progressed for the Gymkhana wherein we are able to come out of the plant level also by today. So things are progressing very well. And we are also working on the infrastructure development for the project.

- Suyash Bhav:** All right. And what I see from Q4 is that I think this is the first time we have crossed average price per square feet our ticket size of INR7,000 mark as in this year, we are at INR7,462 per square feet. Is it because there was some higher contribution from premium? Or has there been an overall uptick in prices across all the segments as in can you give the share as to affordable and premium? And what is driving this higher price?
- Parth Chhaj:** Yes. So we saw great sales happening -- or sorry, better sales happening at Arihant Advika. We sold around 23 units, which is around INR53 crores in value. So that led to the price per square foot going above INR7,000, which is for the first time it has happened for -- in the company's history.
- So going forward, more contribution will come from premium. So our average pricing, which is at a year-on-year basis around INR6,000 will shoot up to INR6,500, INR6,700 in the coming quarters.
- Suyash Bhav:** Okay. So on an annual basis, that will be the new range that we can look at, as in INR6,500 or so.
- Parth Chhaj:** Correct.
- Suyash Bhav:** Okay. And regarding guidance as in we have long been given 20% CAGR across the board for whether it's presales revenue, EBITDA or PAT. So are we sticking to that for the coming year? As in are we seeing -- considering that as for this year, we were not able to, but I'm assuming if you can give some insights into what factors are causing the slowdown? And are we going to stick to the guidance for FY '26 as well?
- Parth Chhaj:** We'll stick to the guidance of 20%, 25% growth. This year, why we couldn't achieve it is because few of our projects are stuck in the environmental clearances, which is having a stay from the Supreme Court of India since 1 year, which impacted the start of construction for all the projects. To name a few, Arihant Anaika, Arihant World Villas, Arihant Avanti. So these projects are still awaiting the clearance. So due to that, no revenues could be booked or no revenues could be triggered.
- Apart from environmental clearance, we also put in a lot of investments in land over the last 2 years to the tune of around INR300 crores so -- wherein this was all investments without any fundraising. All the money that came in for -- which is the INR300 crores has come through internal accruals and debt.
- So to service the debt also, the interest costs have been booked in the P&L, which resulted in a decline in the total PBT. Apart from that, we also have hired good professionals from -- for the sales and the engineering departments, which has increased our employee cost as well.
- So due to these factors, we were unable to achieve the PAT growth that we had envisaged in the beginning of the year. But we are confident that we'll be able to cover it up in the coming

financial years because the new sales and new projects that have been acquired are having good margins, healthy margins, and we'll be able to make up for that.

**Suyash Bhav:** All right. Sir, just one last question. For FY '26, which would be the key projects that you would see are driving sales?

**Parth Chhajer:** With respect to presales, key projects will continue to be again Advika -- yes. So with respect to presales, Arihant Advika at Vashi, the World Villas at Chowk, Arihant Aalishan in Kharghar, Arihant Aspire and Arihant Avanti. These will contribute at large with respect to presales in terms of value.

And in the P&L, we should see contributions coming from Arihant Aalishan, Arihant Aspire, Arihant Advika. These 3 projects will contribute at large apart from the other ongoing projects in which many of them are nearing completion for the coming financial year, which is the affordable housing category, basically.

**Suyash Bhav:** Okay. Okay. So affordable will probably be a driver for FY '26.

**Moderator:** The next question is from the line of Urmish Shah from Moneywisers.

**Urmish Shah:** Actually, the previous participant has answered most of the questions. But I just have one question for this quarter. Our margins have declined -- I expect -- I know that the revenue has been declined, but margins have shrunk considerably. Any reason for that, year-on-year?

**Parth Chhajer:** Margins coming down. The main reason for that is the interest cost increasing and also the employee cost increasing. So that has led to the decrease in the margin. So whatever new projects we acquired in the last 2 years, we've already set the teams for that for execution and implementation for those projects.

So that cost is already incurred in the last year, which will give us fruits in the coming years. And the amount of funds that has come in, the servicing of interest is also to be done. So that led to the decrease in the margin.

**Urmish Shah:** Okay. And what will be -- you said that the INR7,000 per square feet will be around the range that we look forward for FY '26-'27, right?

**Parth Chhajer:** It will be around INR6,500, INR6,700 on average so -- on a year-on-year basis. So this year, we did INR6,084 per square feet, which we expect it to go to around INR6,500 on a total financial year basis.

**Moderator:** The next question is from the line of Kriya Agarwal from -- who is an individual investor.

**Kriya Agarwal:** Can you break down the pricing...

**Moderator:** Sorry to interrupt you, ma'am, but your voice is low. Can you...

- Kriya Agarwal:** Can you break down the pricing across key micro markets like Panvel, Taloja and Kharghar? And how you expect the blended realization to evolve in FY '26?
- Parth Chhajer:** Can you just repeat your second question?
- Kriya Agarwal:** How you expect the blended realization to evolve in FY '26?
- Parth Chhajer:** Okay. So I'll just break up the prices that we are selling on average today. So at Panvel, we have Arihant Aspire, which is our project. We are selling at around INR7,100 per square foot on saleable area, which is translating to around INR11,500 on carpet area. So that's the price we are able to achieve on an average basis today.
- For Taloja, we have prices across the projects ranging from INR4,800 to INR5,200. So average is around INR5,000 in Taloja on saleable basis, which means INR8,250 on carpet. In Kharghar, we are able to achieve prices of around INR8,600 per day on saleable, which is translating to around INR14,000 on carpet.
- So these are the prices ongoing for our projects today. How the price trends could be on a blended basis for the next year, we expect at least 5% to 7% increase in the prices for these locations because these are the hot destinations today. These destinations command the largest supply and also have the highest sales and very close to the airport. The infrastructure that is to be done, the ATAL-SETU and the metros and all are already operational. And the airport opening in the next 2, 3 months will have a significant impact in the sales. So we see good price lift also happening in these 3 micro markets.
- Kriya Agarwal:** Sir, will you the funding the marketing for World Villas?
- Parth Chhajer:** Will I be funding?
- Kriya Agarwal:** Marketing spending for World Villas.
- Parth Chhajer:** We'll be continuing the marketing spend for World Villas, the way it has happened last year. So we are able to take up price hikes over there, and we'll continue to do the strong marketing and have the presence that is required. So visibility is very important for this kind of a project, and we'll continue to do that.
- Kriya Agarwal:** Okay. Sir, so any presale guidance for current year and project pipeline for the FY '26, also the capex plan?
- Parth Chhajer:** So we want to keep it restricted, say, and be very conservative about it. We expect to grow at 20%, 25%, but there should be surprises. And with respect to capex for construction, our target is to do construction of around INR650 crores for the financial year.
- Moderator:** The next question is from the line of Siddhant Mayecha from Tusk Investments.
- Siddhant Mayecha:** Could you throw some light on the launches, any new launches that are planned for FY '25?

- Parth Chhajer:** So we have phased -- new phase launches for FY '26 for the existing projects. So one of them is at Arihant Avanti in Shilphata where we'll be opening the third tower. There's also more launches planned -- lined up in Arihant Aspire Panvel, which is also one of our largest projects. So we expect approvals for that by August, and in Q3, we can plan -- Q2 or Q3 and we can plan up a launch.
- Apart from that, Arihant Aloki at Kharghar, that's lined up for the last 2 towers. Arihant Anmol at Badlapur also, there are 2 more buildings to be completed over there. So we expect to launch these future phases of these projects in this coming year.
- Siddhant Mayecha:** Got it. And just one last question from my end. For the World Villas, we had mentioned where we are currently ongoing some environmental clearance issues, right? So what's kind of the time line on that? And how does that impact revenue recognition?
- Parth Chhajer:** So we expect it to be cleared by, say, Q2 or maybe October, basically, which is Q3. So once that is done, recognition can start in 1 or max 2 quarters. So we expected that recognition should happen from Q4 of FY '26. So fingers crossed.
- Moderator:** The next question is from the line of Harsh, an Individual Investor.
- Harsh:** Yes. So I wanted to ask so as you mentioned that last year we acquired a lot of land. So -- and that was funded through internal accruals in debt, which has resulted in our debt rising. So what is the debt-to-equity ratio that the company is comfortable with? And in future, if for any expansion would you consider fundraising? Or would you be more comfortable with raising more debt?
- Parth Chhajer:** So as of now, we are at around INR685 crores of net debt and we'll be comfortable with the debt going to around INR750 crores, INR800 crores. So out of this INR685 crores, INR300 crores is unsecured loans, which is payable when and able. So balance the net debt, which is secured debt is only INR385 crores. So we'll be comfortable to sustain the secured debt to around INR500 crores. So that is comfortably manageable.
- Also, the debt coming forward is going to be utilized for majorly the annuity assets that we are creating, which is the Gymkhana and the hotel. So that is where the new debt will be utilized going forward.
- With respect to more acquisitions. So we have not lined up many more acquisitions in this coming financial year. We feel we have enough land now to execute and implement the projects, which can give out good, positive cash flows to the company over the next 2 to 3 years. So limited investments will happen towards land acquisitions in FY '26 at least.
- Harsh:** Right. Okay, sir. Got it. And another question was with respect to the environmental clearance that you mentioned. So what I wanted to understand is until we get any environmental clearance on the project, so the construction activity is also halted for the period of time? Or we can go ahead with the construction and just the revenue recognition delays?

- Parth Chhajer:** So the construction is halted till we get the clearance, although sales is happening.
- Moderator:** The next follow-up question is from the line of Kriya Agarwal, an Individual Investor.
- Kriya Agarwal:** Sir, what is the planning for Town Villas?
- Parth Chhajer:** We are in the design stage at the moment for Town Villas, and it should take another 1 year for it to start. So it's all FY '27 onwards.
- Moderator:** The next question is from the line of Suyash Bhawe from Wealth Guardian.
- Suyash Bhawe:** Yes. So regarding this Supreme Court clear -- environment clearance. So is it like a blanket ban as in no more clearances are to be granted? Or have they made the process more stringent such that the clearance time line increases?
- Parth Chhajer:** So there is a stay on certain locations. I mean, entire MMR is affected because any property, which is in a 5-kilometer radius, from any eco-sensitive zone, the mangrove park or a forest or a wetland area or a flamingo area or any other eco-sensitive zone. So 5-kilometer radius is all having a stay as on today, which we expect that it should be overturned over the next 2, 3 months.
- So it's just a matter of time now because the CREDAI as a body has been representing also the entire fraternity, and they are very much confident that they'll have this in the favor of all the developers going forward. But yes, many new projects in MMR are stuck wherever the buildup area is more than 20,000 square meters.
- Suyash Bhawe:** So maybe on an average across our portfolio, our total GDV of INR12,500-odd crores, approximately how much would be affected by this -- is currently affected by this?
- Parth Chhajer:** 2,600 Crores.
- Moderator:** The next question is from the line of Anukool from InVed.
- Anukool:** I wanted to know what will be the sustainable EBITDA margins going forward?
- Parth Chhajer:** Yes, we should be able to sustain at around 24%, 25% in the coming quarters once the new projects start contributing, which we have acquired over the last 2 years. They will have higher EBITDA margins. So then we expect it to grow around 26%, 27% once those projects also start contributing to the revenue.
- Anukool:** Okay, sir. 24%, 25% is for Q1 is what you're guiding?
- Parth Chhajer:** No, I'm not saying Q1. We expect the whole financial year to be that way. We cannot comment on any quarter because real estate is not a quarterly business.
- Moderator:** Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Ms. Kunjal Agarwal for closing comments.



- Kunjal Agarwal:** Thank you to the management and participants for joining the Q4 FY '25 Conference Call of Arihant Superstructures Limited. I will now hand over the call to the management for the closing remarks.
- Parth Chhajer:** Thank you, everyone, for joining the earnings call. I hope you were able to get all the answers to your satisfaction. If you have any further questions or would like to know more about the company, feel free to reach out to our Investor Relations team at Valorem Advisors. And you can also contact our finance department and our CFO, and they will be happy to take it forward. And we also thank Arihant Capital for hosting the call as well. Thank you.
- Moderator:** Thank you. On behalf of Arihant Capital Markets Ltd., that concludes this conference. Thank you for joining us, and you may now disconnect your lines.