
INVESTOR PRESENTATION

Q1 – FY 2022



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CMD'S MESSAGE

“First wave of COVID has taught us important lessons which has helped us navigate the second wave of COVID unscathed. As a result, we have achieved one of the best Q1 performance in our history in terms of Sales & Profitability. Our new launches have also helped us in achieving better overall performance ”

KEY HIGHLIGHTS FOR Q1-FY22

QUARTERLY HIGHLIGHTS – Q1 FY22

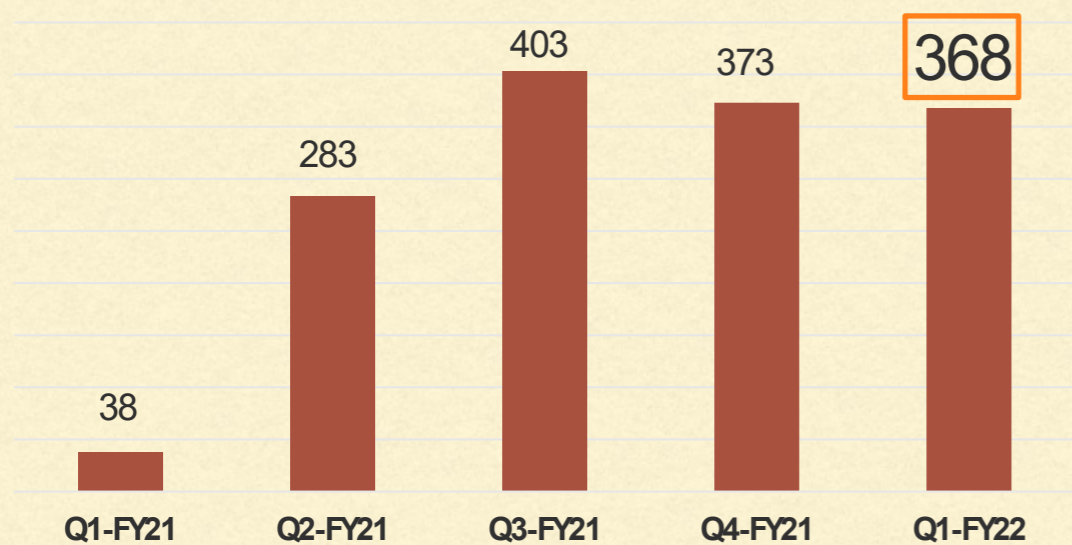
- Successful digital launches of two projects - Arihant Advika at Vashi, Navi Mumbai targeted at High Income Group and Arihant 5Anaika at Taloja, Navi Mumbai in the affordable category
- Sales bookings of **368 units** aggregating **3.07 lac sft** in Q1 FY22 owing to successful digital launches
- Collections sequentially **stood at INR 93.89** Cr in the current quarter despite covid restrictions
- **Delivered 280 units** in Q1FY22 totaling to 2.03 Lac sft
- No significant change in debt position

| Particulars | Q1 FY22 | Q4 FY21 | %change |
|---------------------------|---------|---------|---------|
| Units Sold (No.) | 368 | 373 | -1.3% |
| Value of Sales (INRCr) | 178.7 | 181.2 | -1.4% |
| Total Collections (INRCr) | 93.9 | 112.5 | -16.5% |
| Total Debt (INRCr) | 297.8 | 295.5 | 0.8% |

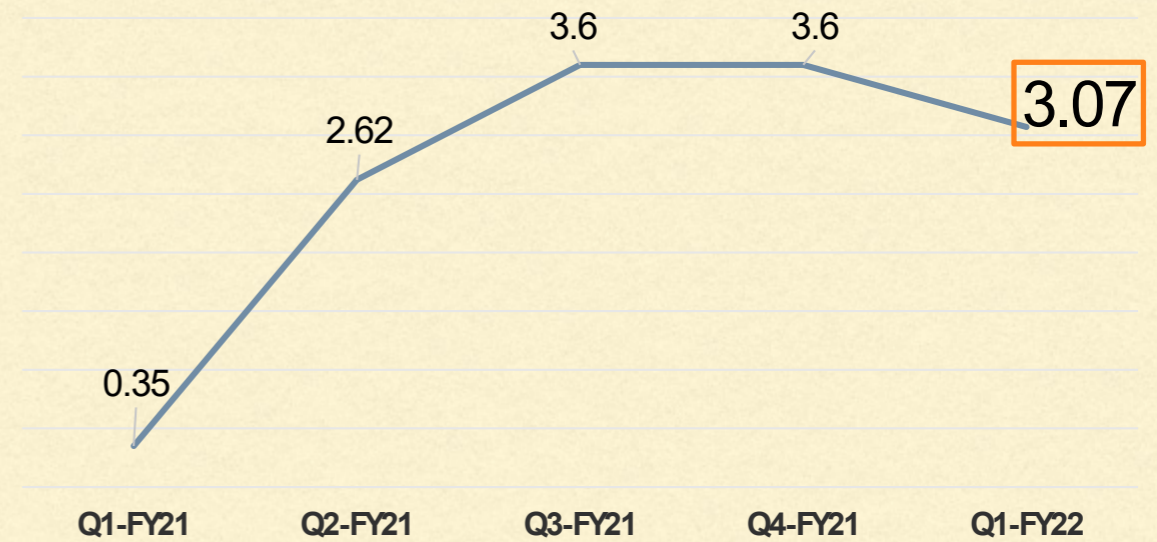
Note: Prior period figures are not comparable as the same may be restated due to cancellations and/or reclassification.

QUARTERLY SALES TREND

No. of Units Sold











Area Sold (Lakh Sft)



| Particulars | Q1 FY22 | Q4 FY21 | Q1 FY21 | Q1 FY20 |
|------------------------|---------|---------|---------|---------|
| Units Sold (No.) | 368 | 373 | 38 | 149 |
| Area Sold (Lakh Sft) | 3.07 | 3.60 | 0.35 | 1.45 |
| Value of Sales (INRCr) | 178.7 | 181.2 | 12.9 | 64.1 |

Note: Prior period figures are not comparable as the same may be restated due to cancellations and/or reclassification.

QUARTERLY RESULTS – Q1 FY22

| Particulars (INR Cr) | Q1 FY22 | Q1 FY21 | % change | | Q4 FY21 | % change | |
|--------------------------|--------------|---------------|-----------------|---|---------------|---------------|---|
| Total Revenue | 84.66 | 10.15 | 733.84% |  | 124.26 | 31.86% |  |
| Total Operating Expenses | 69.28 | 8.81 | | | 103.42 | | |
| EBITDA | 15.38 | 1.34 | 1043.88% |  | 20.84 | 26.15% |  |
| Interest | 5.35 | 7.90 | | | 6.49 | | |
| Depreciation | 0.47 | 0.52 | | | 0.48 | | |
| PBT | 9.57 | (7.08) | |  | 13.87 | 31.00% |  |
| Tax | 1.28 | 0.04 | | | 0.40 | | |
| PAT | 8.28 | (7.04) | |  | 13.47 | 38.46% |  |

KEY HIGHLIGHTS FOR FY21

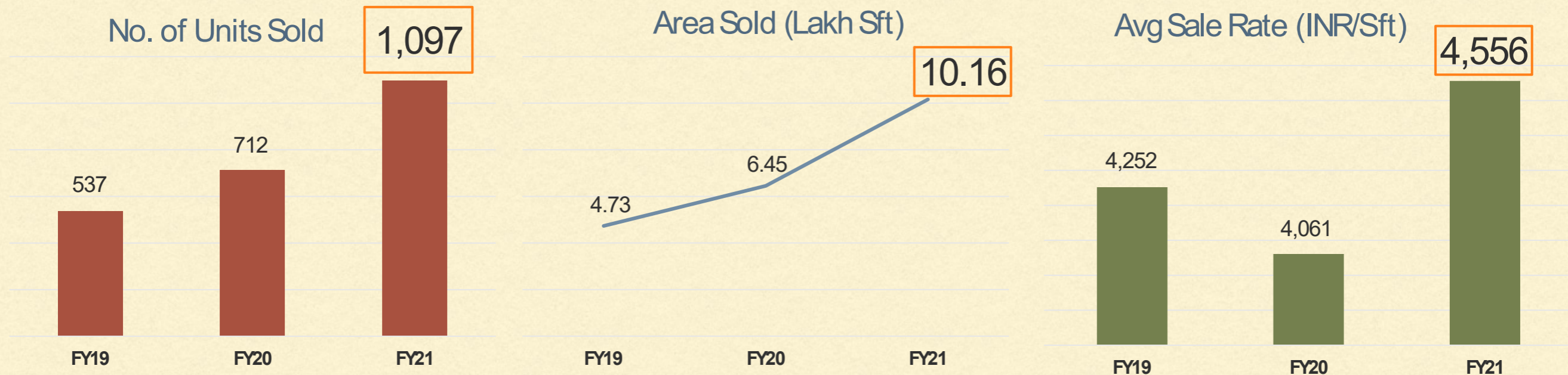
OPERATIONAL HIGHLIGHTS

Sales

- Sales bookings crossed **1,097 units** for the full year FY21 for the first time in Company's history showcasing strength of Brand Arihant
- In area terms, sales bookings crossed **1 million Sft**, a growth of ~59% over FY20 with an aggregate value of bookings rising to **INR 463 Cr**

Collections

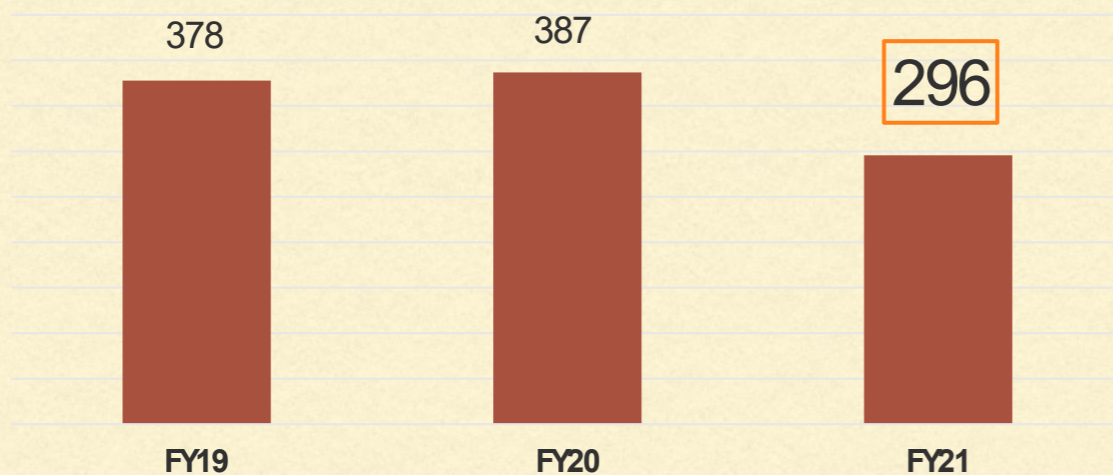
- Collections rose strongly by **24%** to ~**INR 293 Cr** in FY21 despite the pandemic impact



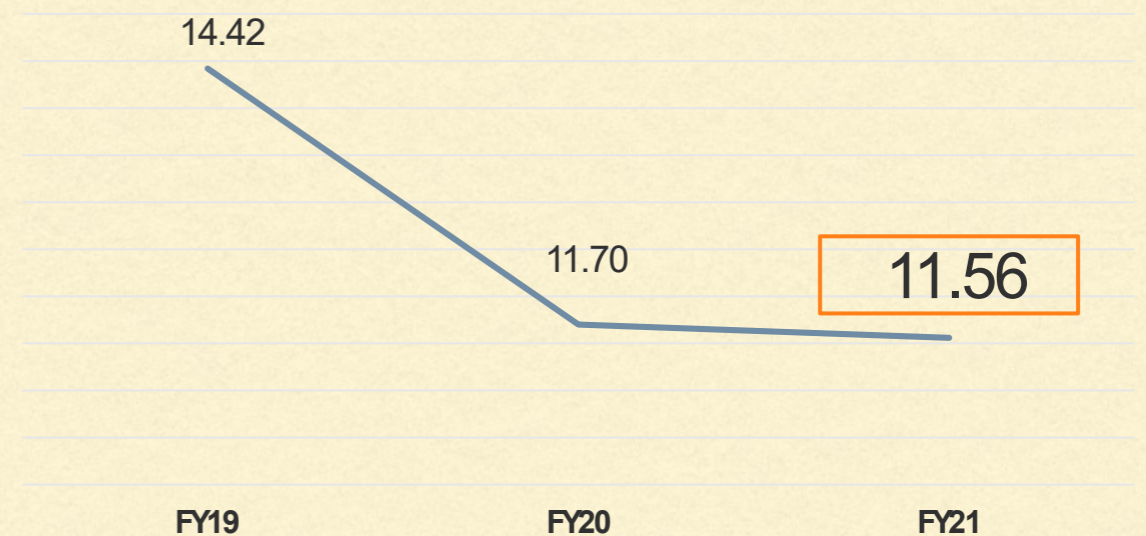
FINANCIAL HIGHLIGHTS

- Strong all-round performance demonstrated by Arihant Superstructures Limited (ASL) in FY21
- With record sales & collections, ASL was able to **reduce its debt by INR 91 Cr** on a Y-o-Y basis which will enable us to reduce finance costs substantially
- The weighted average **cost of capital reduced from 14.42% in FY19 to 11.56%** in FY21
- Combined, this should result in stronger balance sheet and improved margins

Consolidated Debt Levels
(INR Cr)



Weighted Average Cost of Capital (%)



READINESS FOR THE UPCYCLE

Creating ready possession inventory

- Real Estate is characterized with 5-year cycles. With over 2 decades of experience, ASL's strategy incorporates such cyclical nature
- The slowdown experienced in the property markets provided an opportunity to consolidate
- ASL could envision the need for ready / near ready that would follow the RERA & NBFC crisis
- Even during toughest time, though our debt levels rose, we kept consistency of construction & completing projects in time
- This strategy led to creating a stock of ready possession inventory enabling us to capitalize on the opportunity we strongly believed the market would offer

Strong construction momentum

- Strong collections have enabled us to significantly increase our engineering spends and expedite the construction activity on all its sites
- We believe that this will result in creating inventory in all categories (new launch to ready possession) and enter a virtuous cycle
- Hugely impact customer confidence in product and enhance the brand equity of the Company

READINESS FOR THE UPCYCLE

Healthy & expanding project pipeline

- Two new projects were added in FY21 – one in affordable housing admeasuring ~24,130 sqm and one redevelopment project in upper mid income/luxury segment on a land area admeasuring 14,996 sqm
- These projects will add more than 1.1 mn sft to the overall portfolio
- The business development team is engaging with landowners for either a buyout or a majority in JV/JD structure as well as for development management opportunities
- Backed by strong financial position, the company is embarking on scaling up acquisitions significantly over next 6-8 quarters

Team

- In the toughest lockdown months when the industry was laying off, ASL not only retained employee strength but also assured salaries winning the trust of the employees
- In the months to follow, sensing the opportunity to come, the company aggressively recruited and increased its team strength by more than 75 people including 50 in sales
- The strategy bore results as the company logged in good sales figures

COMPANY OVERVIEW

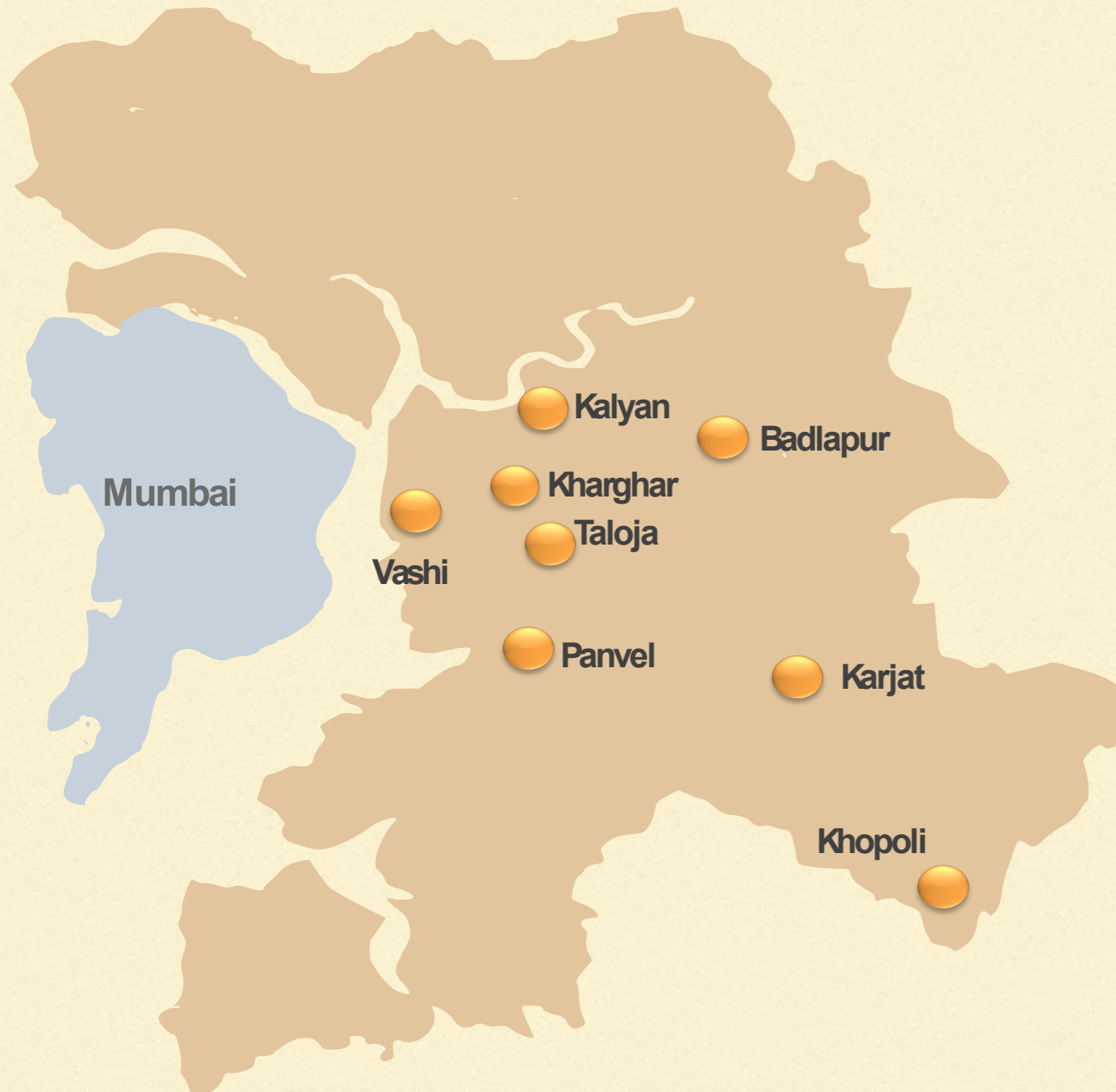
OVERVIEW

- Arihant Superstructures Limited (ASL) is one of the largest real estate player in affordable and mid-income housing consisting of **96% of its portfolio in affordable and mid-income housing**
- Geographically well diversified portfolio across Navi Mumbai, MMR and Jodhpur regions
- Ongoing & upcoming projects comprise of **~12,000+ homes** admeasuring **~11 Mn Sq. ft.** across **17+ projects** over next 7 years
- Well poised to embark on the next phase of growth with over 2 decades of operations across multiple real estate cycles



Delivered **9,500+ homes** admeasuring **8 Mn Sft** across **59 projects** over past **2 decades** by the Group

GEOGRAPHICAL SPREAD - MMR



13 Lifestyle Defining Projects

| Region | No of Projects |
|----------|----------------|
| Vashi | 1 |
| Taloja | 6 |
| Kharghar | 1 |
| Panvel | 1 |
| Kalyan | 1 |
| Badlapur | 1 |
| Karjat | 1 |
| Khopoli | 1 |

GEOGRAPHICAL SPREAD – JODHPUR

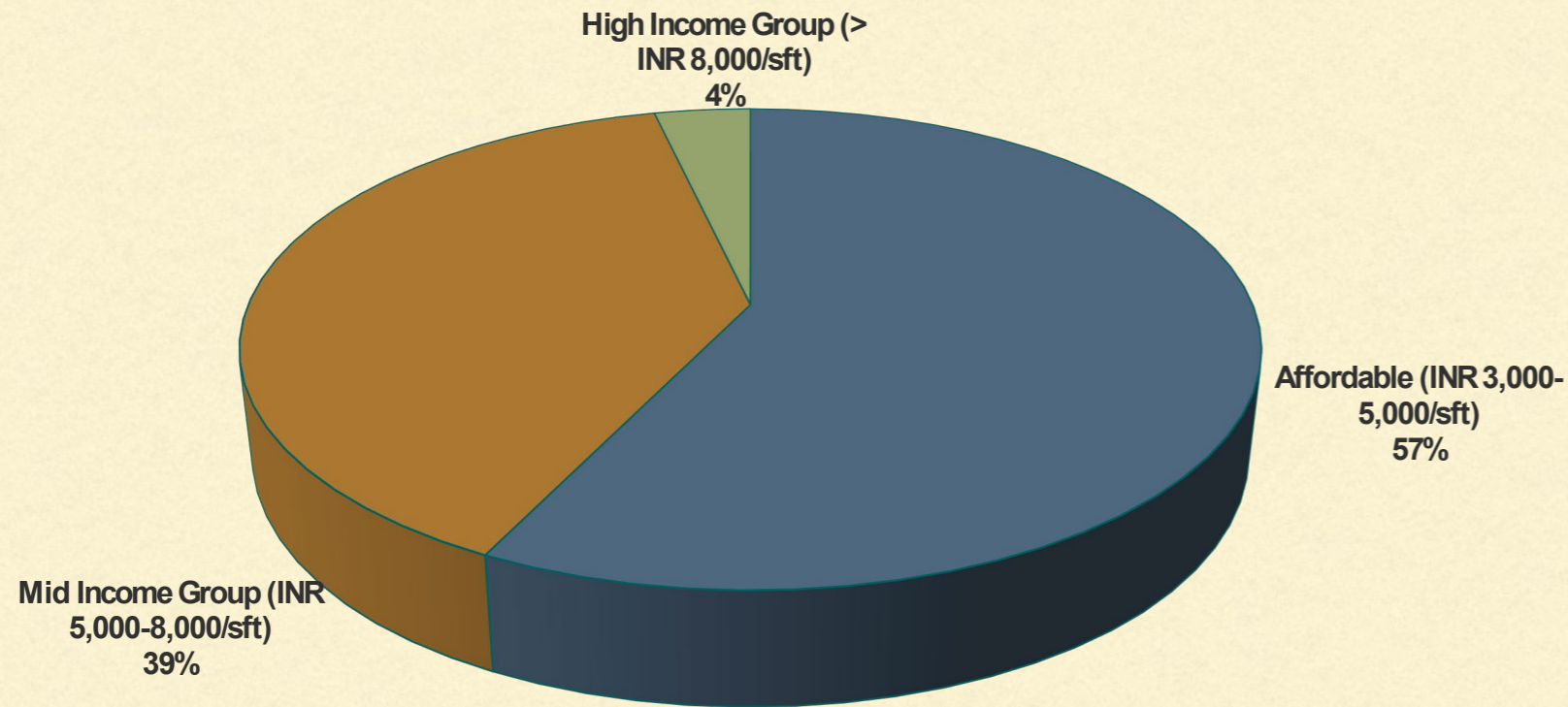


4 Market Defining Projects

| Region | No of Projects |
|------------------|----------------|
| Dali Bai Circle | 3 |
| Pal Gangana Road | 1 |

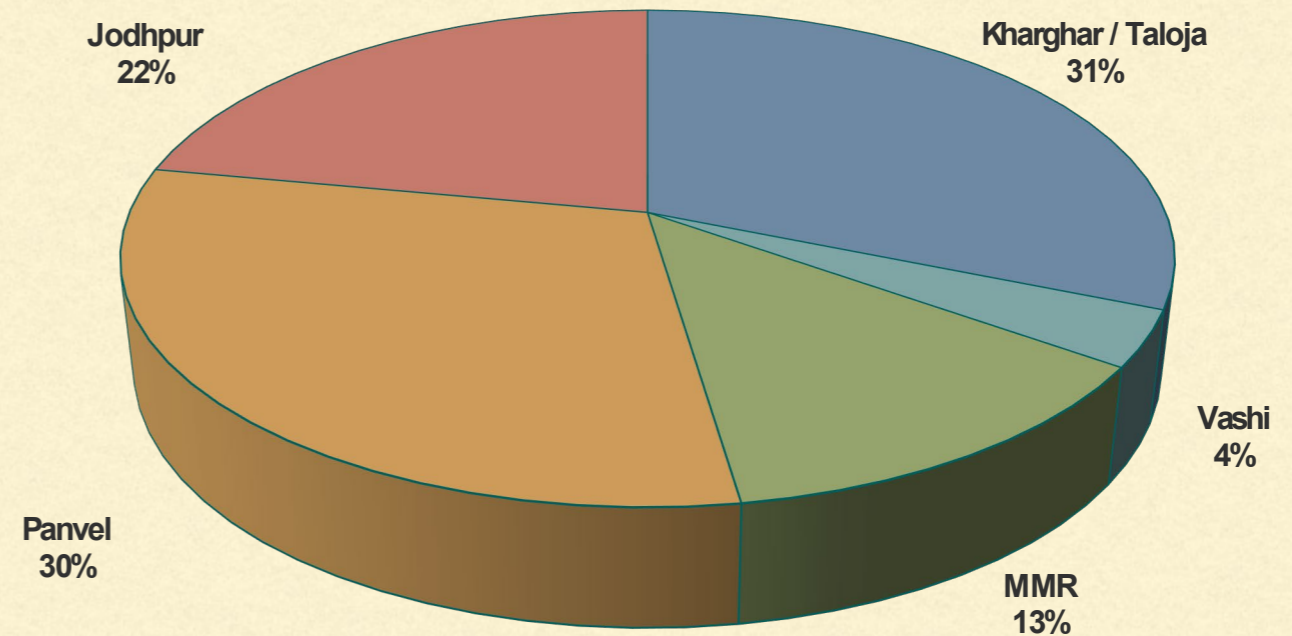
PORTFOLIO MIX

Category-wise portfolio mix



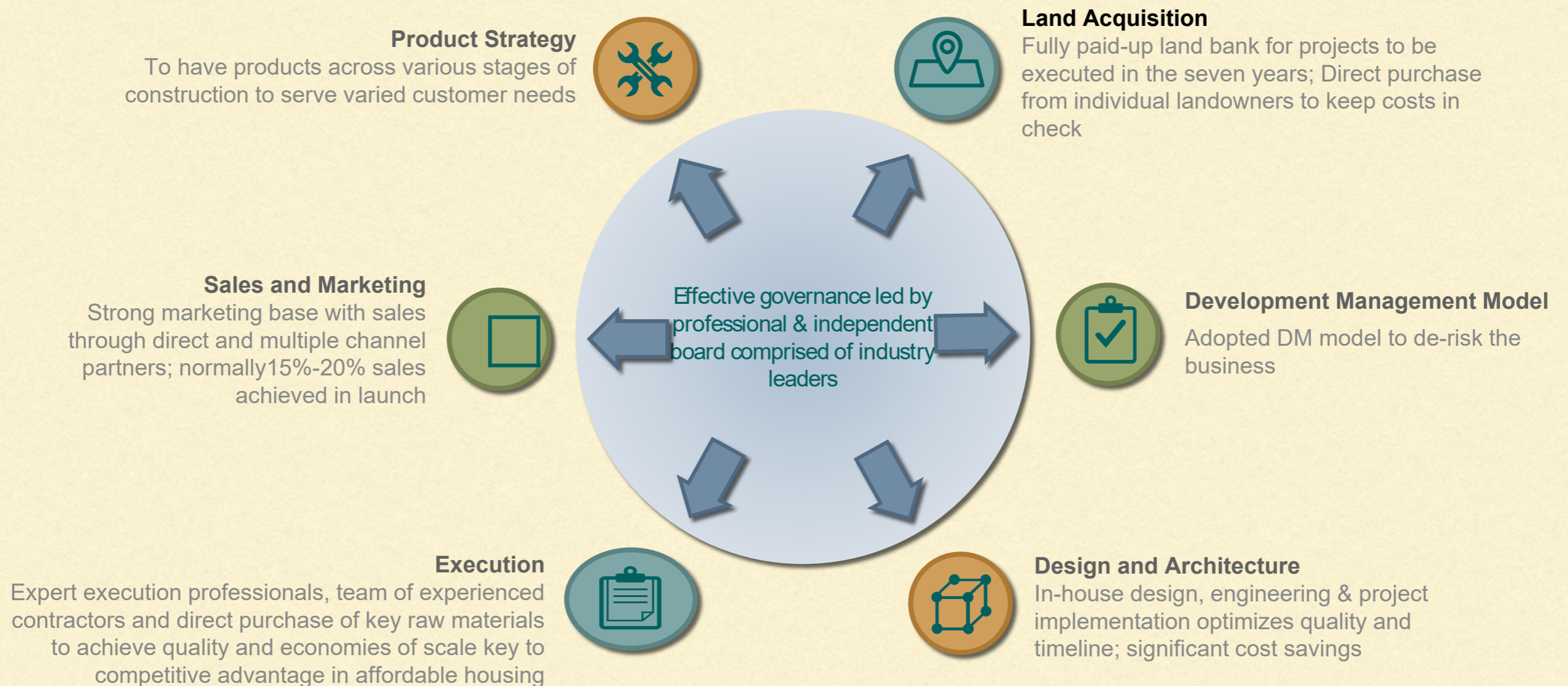
Diversified portfolio mix across geographies with focus on affordable and mid income housing

Area-wise Portfolio Mix

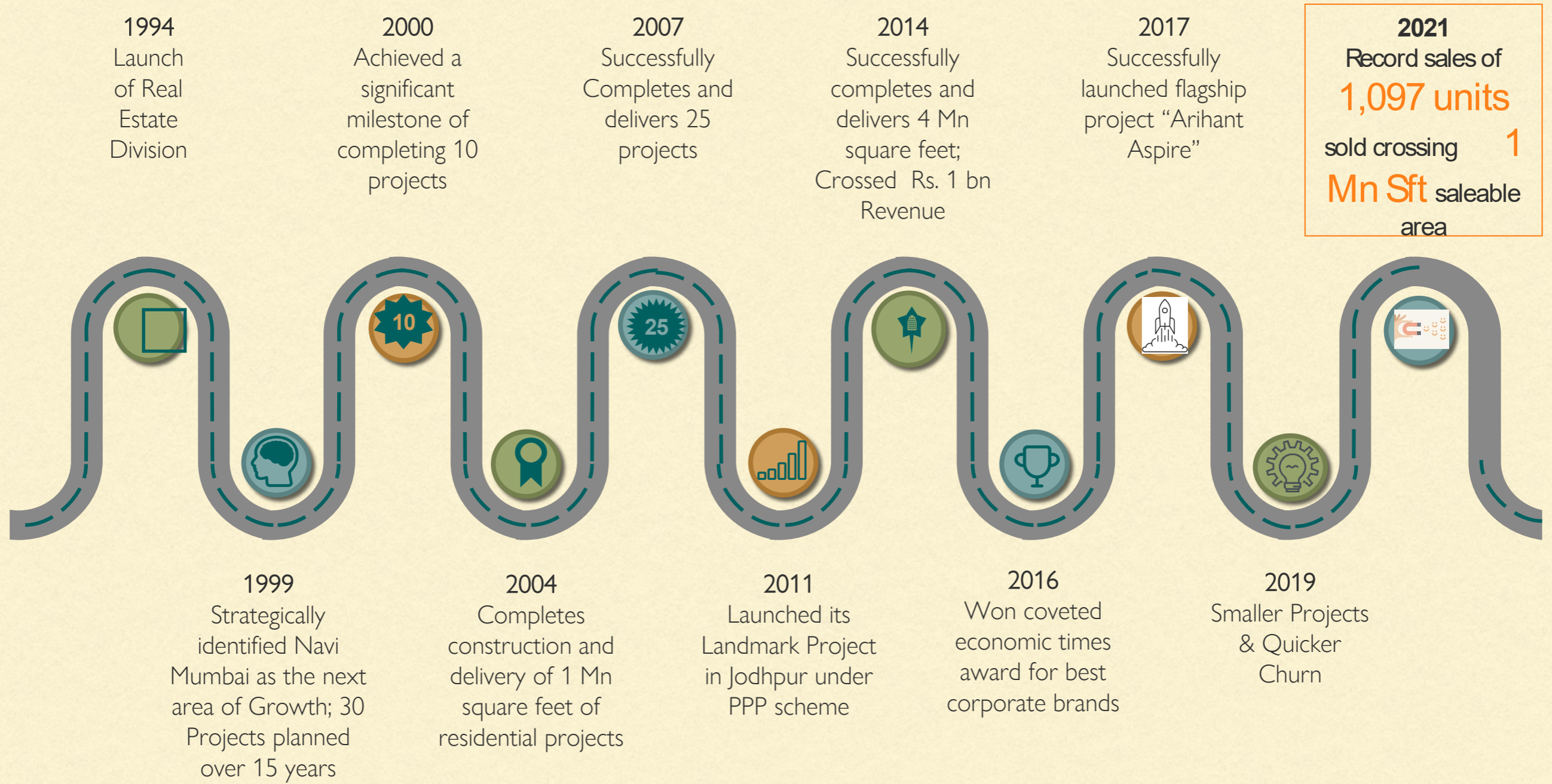


Established leadership position in the geographies and market segments by building capabilities and competitive advantage

STRENGTHS & BUSINESS MODEL



VALUE CREATION JOURNEY



BOARD OF DIRECTORS

Ashok Chhajer, *Promoter, CMD*

- Over 4 decades experience including 2 decades in the real estate business
- Prior experience ranging from textile, oil refinery to real estate financing
- At Arihant, he oversees corporate strategy, project design and land acquisition functions
- Works relentlessly towards, transparency, corporate governance and stakeholder management

Nimish Shah, *Whole-Time Director*

- A civil engineer with over 17 years experience in construction
- Actively involved in all the nuances of engineering including Planning and Execution, project estimation, contracts and site organization of projects
- Earlier associated with Hiranandani group and Soham Group, Thane

Virendra Mittal, *Independent Director*

- IIT Alumnus and a fellow chartered engineer
- Vast experience in construction, real estate, power plants, mining and highway projects
- Has been part of leadership team in ITC Ltd, The Leela Ventures, Ansal Properties,, Mukand Ltd etc.
- Has also held position with the Government of Rajasthan

Chandra Iyengar *Independent Director*

- 1973 batch IAS Officer
- Led several departments in GOM and GOI, such as Women & Child Development, Higher Technical Education, Rural Development and Health.
- Was Additional Chief Secretary-Home dept. for GOM. Served as Chairperson for the Maharashtra Energy Regulatory Commission.

Raj Narain Bharadwaj, *Independent Director*

- Over 38 years of experience in economics, banking, finance and portfolio management
- Former Chairman and Managing Director of Life Insurance Corporation of India
- Also a former Member of the Securities Appellate Tribunal

Divya Momaya, *Women independent Director*

- Over 16 years of experience and has been into whole time Company Secretarial Practice for more than 12 years.
- She was IPO team member of Bombay Stock Exchange.

MANAGEMENT TEAM

Akshay Agarwal, *Director - Procurement*

- Young and dynamic leader, he oversees operations, post sales and procurement functions
- Dual specialization in Marketing and Logistics from Ohio State University, Columbus USA

Abhishek Shukla, *Chief Strategy Officer*

- Seasoned business and finance professional with over 15 years experience in P&L Management, Corporate Finance, Business Development and Investment Banking.
- Leads the strategy function - Investor Relations, Strategic Finance ,new acquisitions etc.
- He is a CFA charter holder (CFA Institute, USA), MBA (Finance) and a Bachelor of Engineering

Deepak Lohia, *Chief Financial Officer*

- CA having 23 years of experience in the areas of Taxation, Accounts & Finance.
- Responsible for Corporate Finance, Internal Controls, Budgeting & Forecasting
- Has earlier worked with ABG Shipyard and Runwal Group to name a few

Kapil Sengar, *VP Sales*

- 17 Years of experience in sales across industries such as Real Estate, Finance & Insurance
- Prior to joining ASL, Kapil has worked with reputed brands like Reliance, Kotak Mahindra, HSBC and Adhijraj Constructions,
- Kapil has an MBA from DAVV, Indore

Ravindra Parakh *Head – Accounts*

- CA, having 11 years experience in areas of Taxation, Accounts & Finance.
- Responsible for Accounts and taxation – both direct and indirect of the group

Govind Rao, *Company Secretary*

- A Company Secretary with experience in corporate affairs and legal framework
- Specialization in corporate law, corporate governance and SEBI related matters .

AWARDS & ACCOLADES (SINCE 2017)

Over **25** Awards & Recognitions over the last decade



2019

Zee Business Award – Developer of the Year (Affordable Housing)



Iconic Award by Radio City for Arihant Aspire, Panvel



2018

IGBC Pre-certified Platinum Rating for Aspire project



Affordable Housing Project of the Year for Arihant Arshiya



2018

Arihant Adita – Jodhpur's no.1 Housing Society Award, Red FM



Dainik Bhaskar (94.3 MYFM) – Award for Excellence in Quality Construction



Award for Quality construction in affordable housing by The Economic Times, ET Realty award



Arihant Adita 'India's Top 100 projects' by CRISIL



Mumbai Hot 50 Brands by HT



Corporate Excellence award



Best Business Practices award in Real Estate

SELECT PROJECT ELEVATIONS

Arihant Advika, Vashi



Arihant Aspire, Panvel



Arihant Anaika, Talaja



Arihant Aalishan, Kharghar



SELECT PROJECT ELEVATIONS

Arihant Aoki, Karjat



Arihant Adita, Jodhpur



Arihant Arshiya, Khopdi



Arihant Ayati, Jodhpur



SUSTAINABLE DEVELOPMENT

Social development by supporting rural infrastructure, school etc.

Water preservation by rain water harvesting & STP and energy conservation measures

Solar water heating system, energy efficient lighting and use of low VOC paints & adhesives

Economic development by working with SME vendors & employing local people

Participation in Government policy formulation for sustainable urban development

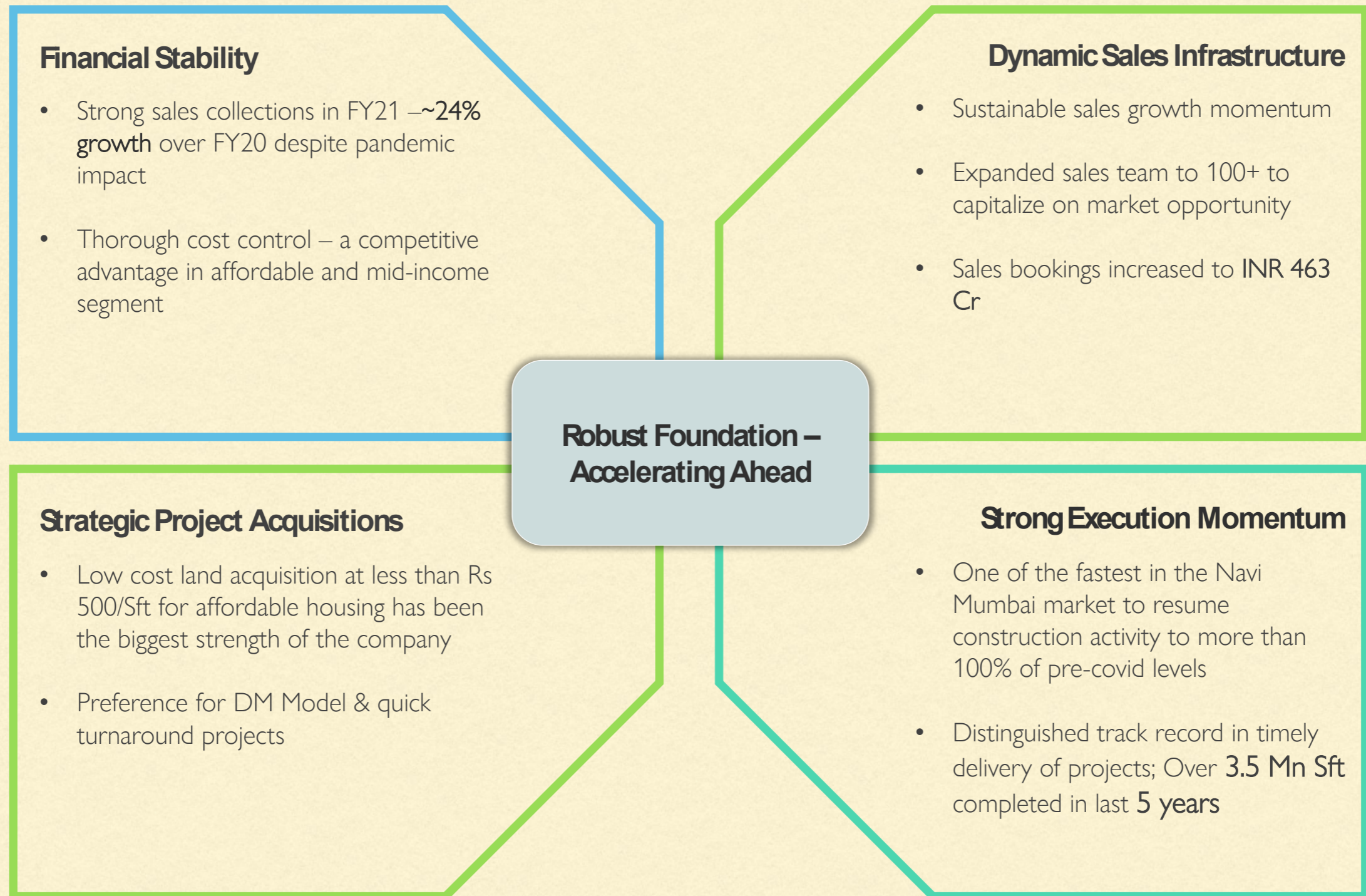
Eco-friendly construction practices, waste segregation & composite wood

CSR INITIATIVES

- Providing Ration to all laborers & their families staying at the sites during the Lockdown
- Grant to Shri Maruti Mandir Trust (Palaspe) for education & livelihood enhancement projects
- Construction of Road at Ekatpada village
- Construction of Road at Koynaville village

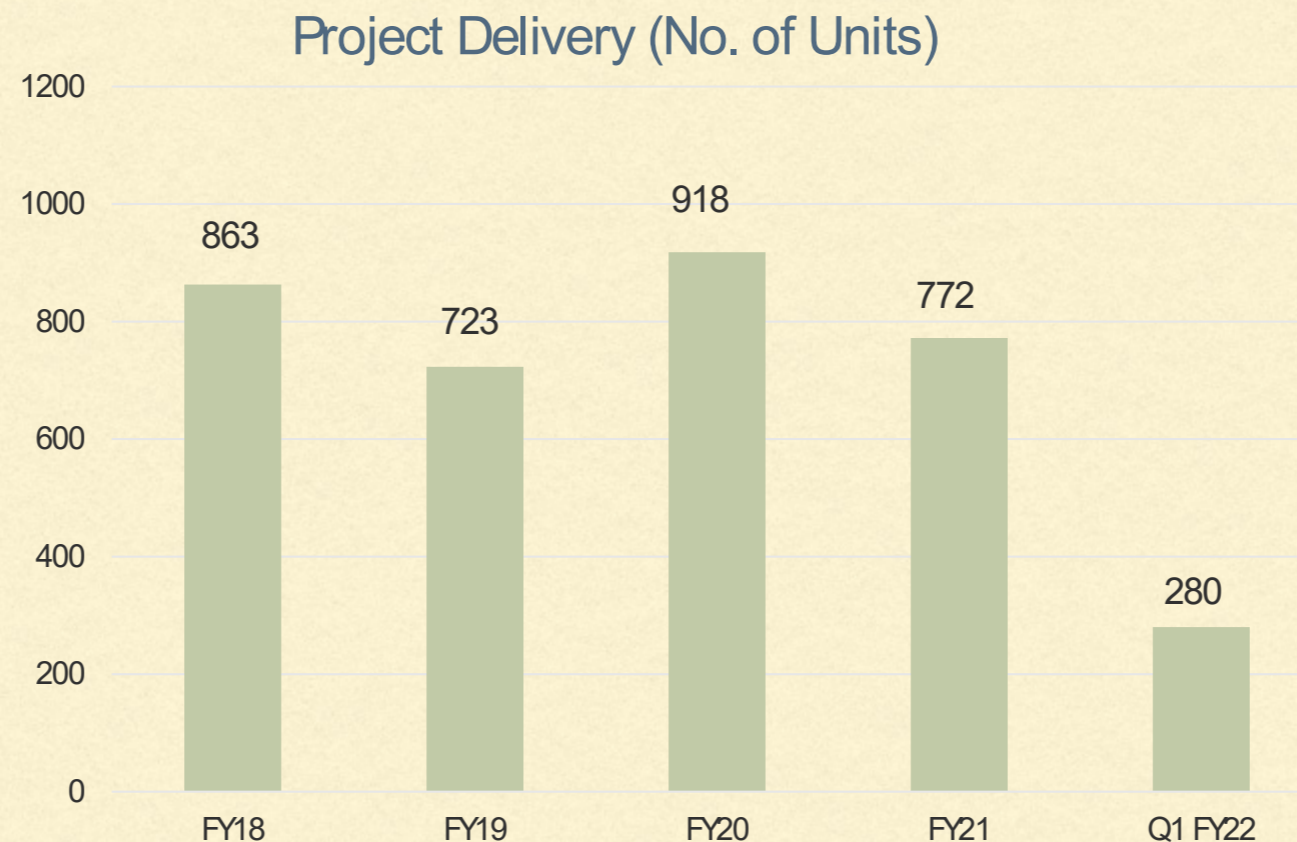
GROWTH DRIVERS

ROBUST FOUNDATION



CONSISTENT PACE OF DELIVERY

- We move forward with a strong belief that timely delivery with superior quality will be the key differentiator in the future
- ASL has consistently delivered 700-900 units year on year since past many years and is working towards improving the pace
- While construction activity in 2020-21 was affected significantly due to Covid-19 pandemic, ASL continued its focus on construction and delivery



ACQUISITIONS IN LAST 5 YEARS

| Year | Location | Project | Type of Acquisition | Land Area (Sqm) | Saleable Area Potential (Sft) | Est. Revenue Potential (INR Cr) |
|--------------|---------------------------------|-------------------|---------------------|-----------------|-------------------------------|---------------------------------|
| 2016-17 | Rohinjan, Kharghar, Navi Mumbai | Aalishan | Land purchase | 20,470 | 10,01,432 | 820 |
| 2017-18 | Taloja | Amber | Land purchase | 1,560 | 32,547 | 15 |
| 2018-19 | Panvel | Future Project | Land purchase | 21,800 | 3,92,400 | 274 |
| | Taloja | Amber | Land purchase | 1,050 | 21,925 | 10 |
| | Taloja | Amisha - Phase II | Land purchase | 13,920 | 4,17,600 | 188 |
| | Taloja | Future Project | Land purchase | 1,830 | 54,900 | 25 |
| 2019-20 | Taloja | Anaika – Phase IV | Land purchase | 9,740 | 2,04,140 | 96 |
| | Taloja | Anaika – Phase V | Land purchase | 8,160 | 2,80,000 | 126 |
| | Taloja | Akarshan | Land purchase | 9,400 | 3,85,617 | 154 |
| | Kalyan | Aarohi | Land purchase | 3,690 | 72,378 | 40 |
| 2020-21 | Taloja | Akarshan | Land purchase | 24,130 | 9,89,888 | 325 |
| | Vashi | Advika | Redevelopment | 14,996 | 4,21,260 | 632 |
| Total | | | | 1,30,746 | 42,74,087 | 2,776 |

ONGOING PROJECTS

| Project | Location | No. of units | Area (Sft) | Est. Sale Potential (INR Cr) | Category |
|---------------|----------|--------------|------------------|------------------------------|------------|
| 2Anaika | Taloja | 279 | 2,03,384 | 92 | Affordable |
| 4Anaika | Taloja | 396 | 2,69,694 | 121 | Affordable |
| Aarohi | Kalyan | 37 | 72,381 | 38 | Affordable |
| Aloki Ph 2 | Karjat | 297 | 1,96,003 | 68 | Affordable |
| Aalishan Ph 1 | Kharghar | 542 | 6,32,047 | 506 | Mid-Income |
| Aspire Ph 1 | Panvel | 658 | 7,41,368 | 482 | Mid-Income |
| Anmol Ph 3 | Badlapur | 119 | 84,938 | 30 | Affordable |
| Amber | Taloja | 82 | 54,491 | 22 | Affordable |
| Adita* | Jodhpur | 81 | 1,44,975 | 43 | Affordable |
| Anchal | Jodhpur | 532 | 4,78,800 | 134 | Affordable |
| Ayati* | Jodhpur | 10 | 20,000 | 10 | Mid-Income |
| Total | | 3,033 | 28,98,081 | 1,545 | |

* Represents current inventory in hand

NEW LAUNCHES

| Project | Location | Timeline | No. of units | Area (Sft) | Est. Sale Potential (INR Cr) | Category |
|---------------|----------|----------|--------------|------------------|------------------------------|------------------|
| 5Anaika | Taloja | Q1 FY22 | 433 | 3,62,272 | 167 | Affordable |
| Advika | Vashi | Q1 FY22 | 327 | 4,21,260 | 632 | Upper Mid-Income |
| Anmol Ph 4 | Badlapur | Q2 FY22 | 31 | 22,412 | 8 | Affordable |
| Aalishan Ph 2 | Kharghar | Q2 FY22 | 271 | 3,69,385 | 299 | Affordable |
| Amisha Ph 2 | Taloja | Q2 FY22 | 452 | 2,95,578 | 112 | Affordable |
| Aloki | Karjat | Q3 FY22 | 345 | 2,06,380 | 72 | Affordable |
| Aspire Ph 2 | Panvel | Q3 FY22 | 494 | 4,31,376 | 280 | Mid-Income |
| Arshiya | Khopoli | Q3 FY22 | 150 | 1,19,842 | 40 | Affordable |
| Akarshan | Taloja | Q4 FY22 | 390 | 2,50,000 | 100 | Affordable |
| Adita | Jodhpur | Q2 FY22 | 84 | 1,51,200 | 45 | Affordable |
| Total | | | 2,977 | 26,29,705 | 1,756 | |

FUTURE PROJECTS

| Project | Location | No. of units | Area (Sft) | Est. Sale Potential (INR Cr) | Category |
|--------------|----------|--------------|------------------|------------------------------|------------|
| Aloki | Karjat | 265 | 1,72,769 | 60 | Affordable |
| Arshiya | Khopoli | 985 | 7,88,500 | 260 | Affordable |
| Aspire | Panvel | 1,648 | 19,53,599 | 1,368 | Mid-Income |
| Akarshan | Taloja | 1,756 | 11,25,505 | 450 | Affordable |
| Anchal | Jodhpur | 1848 | 16,63,200 | 466 | Affordable |
| Ashray | Jodhpur | 200 | 1,00,000 | 30 | Affordable |
| Total | | 6,702 | 58,03,573 | 2,633 | |

| | | | | |
|---|---------------|--------------------|--------------|--|
| Grand Total (Ongoing + New Launches + Future Projects) | 12,712 | 1,13,31,359 | 5,934 | |
|---|---------------|--------------------|--------------|--|

INFRASTRUCTURE DEVELOPMENT



Navi Mumbai International Airport

- The 16,000-crore Navi Mumbai airport is touted to be one of the world's largest Greenfield airports with a capacity to handle 20 Mn passengers per annum in the first phase and 90 Mn final capacity
- Takeover by Adani Group recently is expected to expedite the delivery of the project
- CIDCO recently kicked off Aerocity project spread across 300 hectares



Mumbai Trans Harbor Link (MTHL)

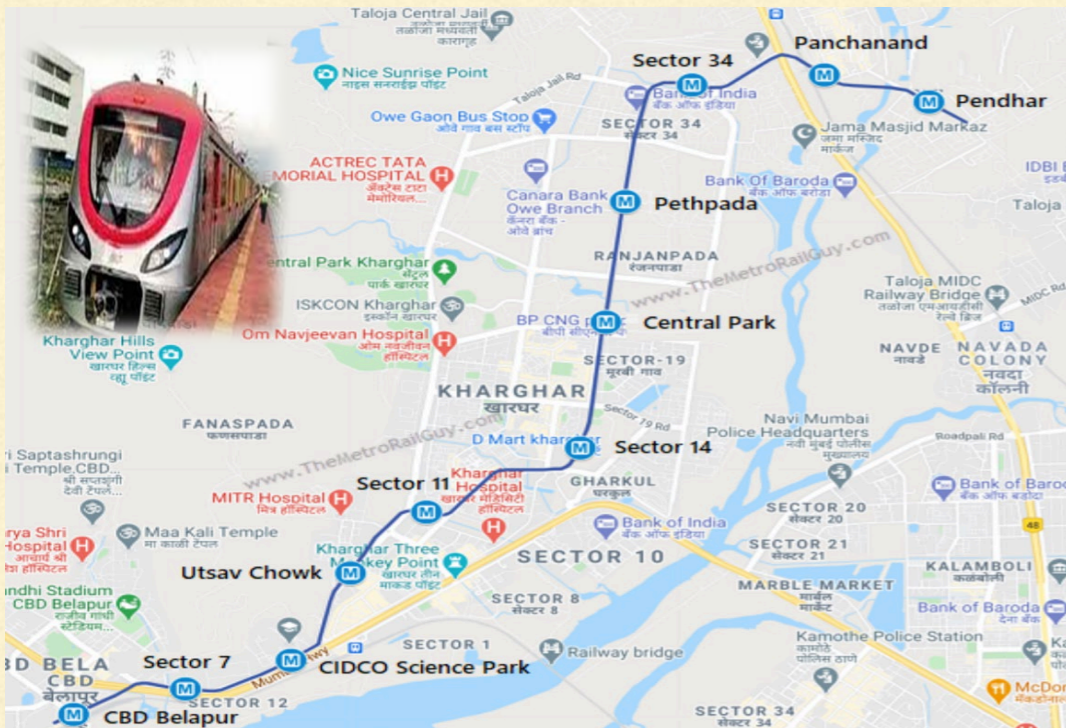
- Longest sea bridge measuring 21.8 km connecting Sewri in Mumbai to Nhava Sheva in Navi Mumbai at a project cost of Rs 18,000 Cr
- Financed by Japan International Cooperation Agency and executed by L&T, IHI Corporation (Japan), Daewoo and Tata Projects
- As per reports 35% of the works have been completed and is scheduled to be completed in 2023

INFRASTRUCTURE DEVELOPMENT



Multi Modal Corridor

- Virar-Alibaug Multi Modal Corridor is a 126 kms road network connecting NH-8, Bhiwandi bypass, NH-3, NH-4 and NH-4B, Mumbai-Pune Expressway, NH-17, etc.
- Designed to promote 7 growth centers in MMR such as Virar, Bhiwandi, Kalyan, Dombivali, Panvel, Taloja and Uran.

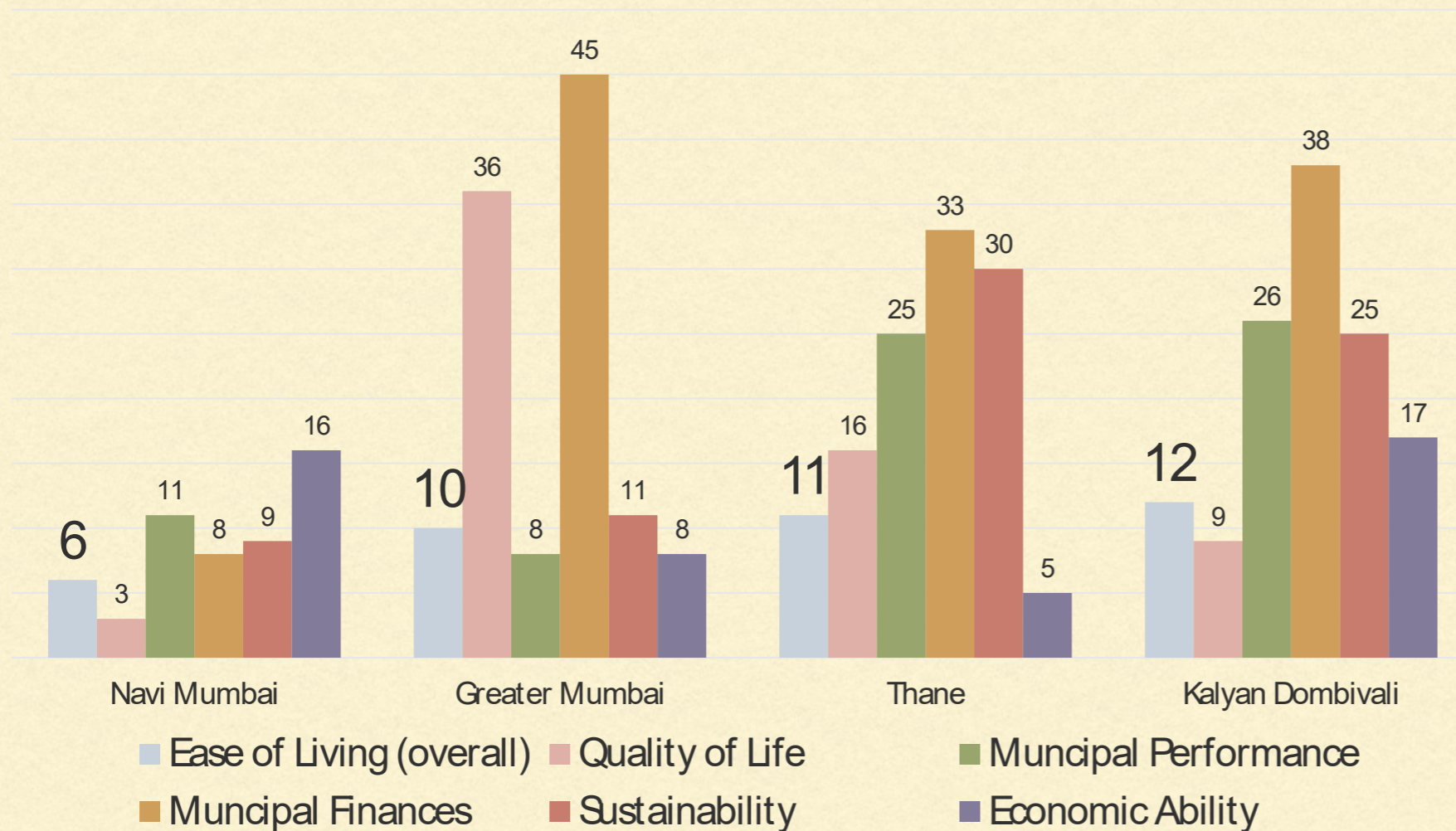


Navi Mumbai Metro

- The Navi Mumbai Metro, implemented by CIDCO spans across 106.4 kms
- The 23 kms phase I will consist of 20 stations and link CBD Belapur, Kharghar, Taloja, Taloja MIDC, Kalamboli and the Khandeshwar and eventually terminate at Navi Mumbai Airport
- Services between Kharghar to Taloja is planned to be operational by Dec-21 with the remaining sections at the route likely to be started by Dec-22

MARKET ATTRACTIVENESS

Ranking among 111 cities – Ministry of Housing and Urban Affairs (2020)



- *Navi Mumbai has consistently ranked in top 10 out of a total of 111 cities ranked through the Ease of Living Index*
- *It is also ranked in top 15 for all the key parameters*

CONSTRUCTION PROGRESS

PROJECT STATUS – AALISHAN (KHARGHAR)

Kaveh



Baraz-I



PROJECT STATUS – ASPIRE (PANVEL)

Iliana

Hortensia



22nd floor completed in Iliana

22nd floor completed in Hortensia

PROJECT STATUS – 3 ANAIKA (TALOJA)

M Wing



Internal finishing in progress

KWing



External painting and finishing in progress

PROJECT STATUS – 4 ANAIKA (TALOJA)

O Wing



P Wing



10, 8, 7 and 9 floors completed in N, O, P & Q Wings respectively; Internal works in progress

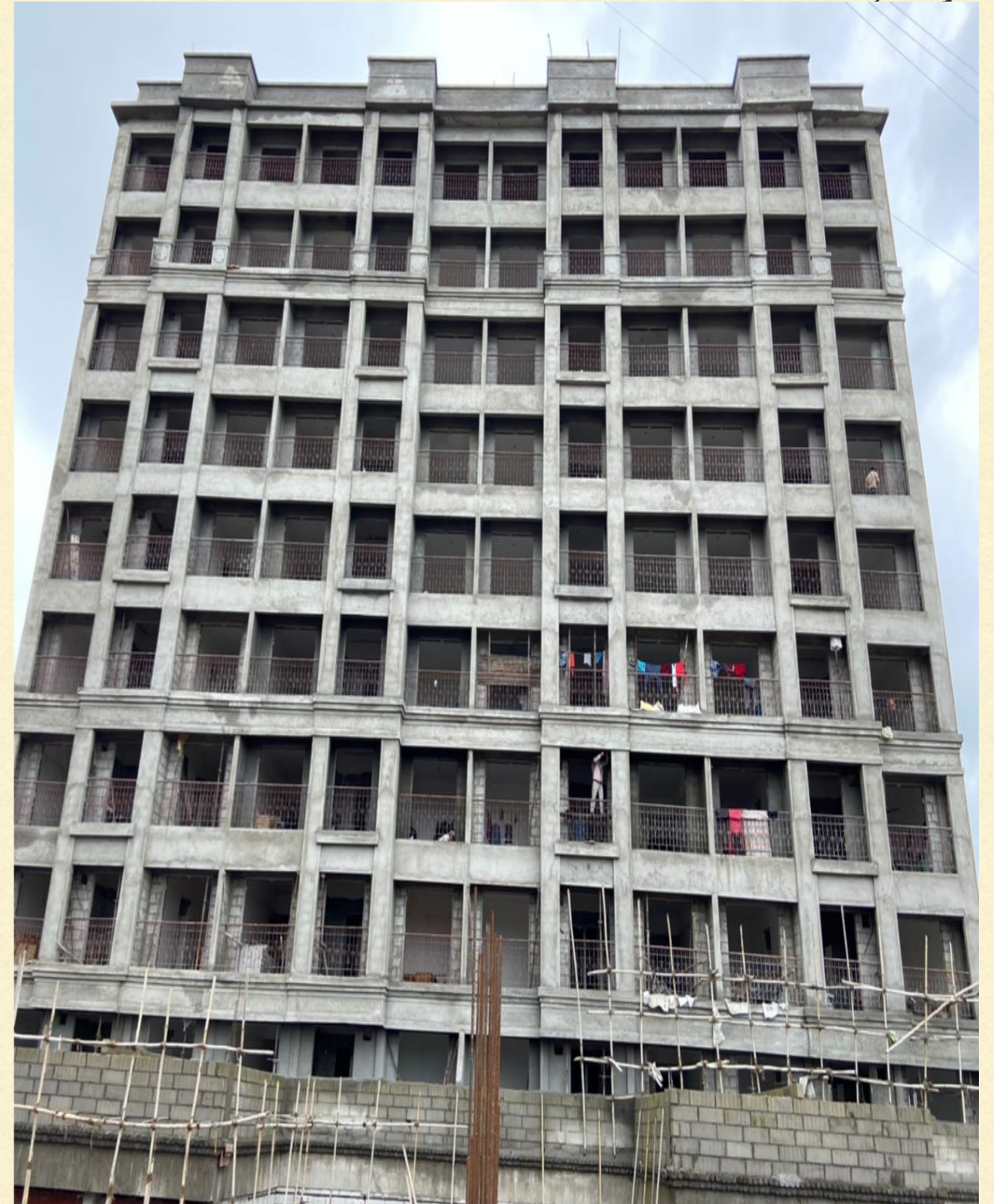
PROJECT STATUS – AMBER & ALOKI

Amber, Taloja



Painting, flooring, firefighting works in progress

Aloki, Karjat



Internal finishing work in progress in Wing-B2

PROJECT STATUS – AROHI & ANMOL

Arohi, Kalyan



14th floor completed

Anmol, Badlapur



PROJECT STATUS – ANCHAL (JODHPUR)



A1 to A4, B1 to B7, C1 to C3, D1 to D5 under construction

PROJECT STATUS – ADITA (JODHPUR)

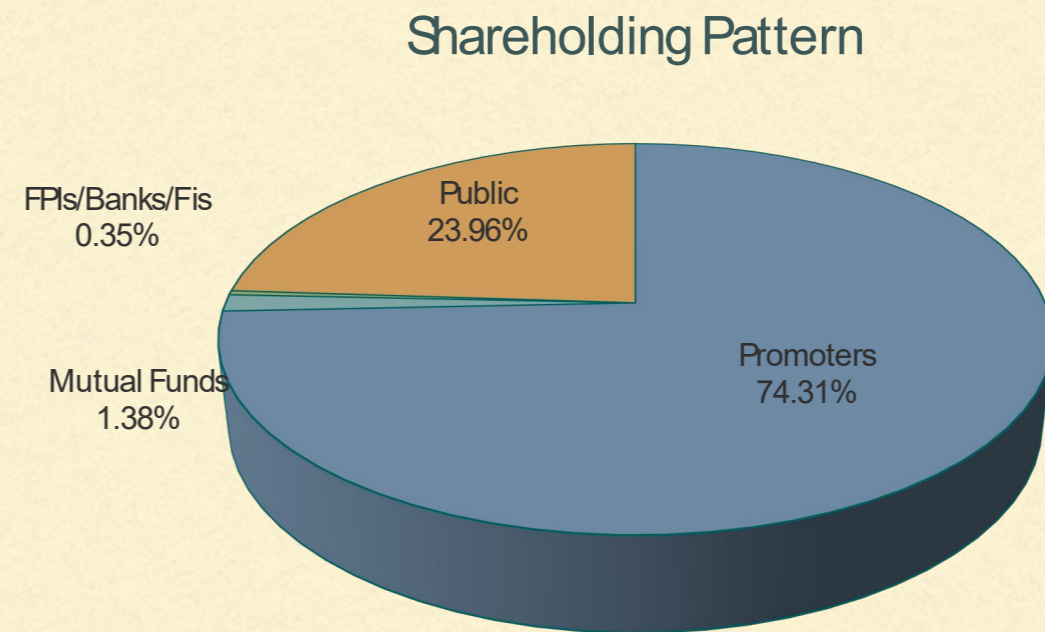


RCC nearing completion & Internal finishing works in progress

FINANCIAL SNAPSHOT

CAPITAL MARKET DATA

| | |
|---|--------------|
| BSE Scrip Code | 506194 |
| NSE Trading Symbol | ARIHANTSUP |
| Bloomberg Code | ARSU:IN |
| GICS Sector | Real Estate |
| Market Cap as on 18 th June 2021 | INR 3,733 Mn |
| 52 Week High | INR 102.4 |
| 52 Week Low | INR 18.5 |



CONSOLIDATED INCOME STATEMENT

| Particulars (INR Cr) | FY18 | FY19 | FY20 | FY21 |
|--|--------------|--------------|--------------|--------------|
| Total Revenue | 189.3 | 242.2 | 237.6 | 272.3 |
| Cost of Construction, Land & Development | 128.5 | 195.5 | 119.2 | 149.2 |
| Changes in Inventories | -16.1 | -51.1 | 33.6 | 33.4 |
| Employee Benefits Expense | 12.7 | 13.8 | 12.1 | 11.9 |
| Other Expenses | 25.6 | 27.1 | 25.2 | 27.6 |
| Total Expenses | 150.7 | 185.3 | 190.1 | 222.1 |
| EBITDA | 38.6 | 56.9 | 47.5 | 50.2 |
| Depreciation | 1.3 | 1.9 | 2.0 | 2.0 |
| Interest & Finance Charges | 15.0 | 32.4 | 30.0 | 28.1 |
| PBT | 22.3 | 22.6 | 15.5 | 20.1 |
| Total Taxes | 7.5 | 4.4 | 4.5 | 4.3 |
| PAT | 14.8 | 18.2 | 11.0 | 15.8 |
| Less: Non-controlling Interest | 2.1 | 4.6 | 5.4 | 4.6 |
| Net Profit (after Non-controlling Interest) | 12.7 | 13.6 | 5.6 | 11.2 |
| EPS (Basic) (Rs) | 3.05 | 3.32 | 1.37 | 2.71 |

CONSOLIDATED BALANCE SHEET

| Equity and Liabilities (INR Cr) | FY18 | FY19 | FY20 | FY21 |
|--|--------------|--------------|--------------|--------------|
| Share Capital | 41.2 | 41.2 | 41.2 | 41.2 |
| Reserves and Surplus | 76.4 | 80.7 | 85.6 | 97.5 |
| Net worth | 117.6 | 121.9 | 126.8 | 138.7 |
| Non-Controlling Interest | 9.8 | 13.9 | 20.0 | 24.6 |
| Long Term Borrowings | 171.9 | 237.7 | 316.8 | 249.9 |
| Short Term Borrowings | 104.8 | 140.1 | 69.8 | 45.6 |
| Advance from Customers | 200.3 | 143.8 | 144.5 | 170.0 |
| Other Liabilities | 34.1 | 31.5 | 9.0 | 7.2 |
| Trade Payables | 37.6 | 40.4 | 63.0 | 52.8 |
| Total Liabilities | 676.1 | 729.2 | 749.9 | 688.8 |
| | | | | |
| Assets | FY18 | FY19 | FY20 | FY21 |
| Fixed Assets | 9.8 | 10.6 | 9.5 | 9.0 |
| Investment in Property | 0.0 | 0.0 | 9.8 | 11.4 |
| Non - Current Investment | 17.6 | 1.5 | 0.0 | 0.0 |
| Long Term Loans & Advances | 34.0 | 40.2 | 47.3 | 31.7 |
| Current Investment | 0.2 | 0.2 | 0.2 | 0.0 |
| Inventories | 361.3 | 421.7 | 381.7 | 350.4 |
| Trade Receivables | 50.8 | 28.3 | 35.1 | 26.0 |
| Cash and Cash Equivalents | 12.3 | 14.9 | 11.5 | 12.0 |
| Short Term Loans & Advances | 10.9 | 28.9 | 23.2 | 4.9 |
| Land | 158.1 | 155.1 | 189.8 | 199.8 |
| Other Assets | 21.1 | 27.8 | 41.8 | 43.5 |
| Total Assets | 676.1 | 729.2 | 749.9 | 688.8 |

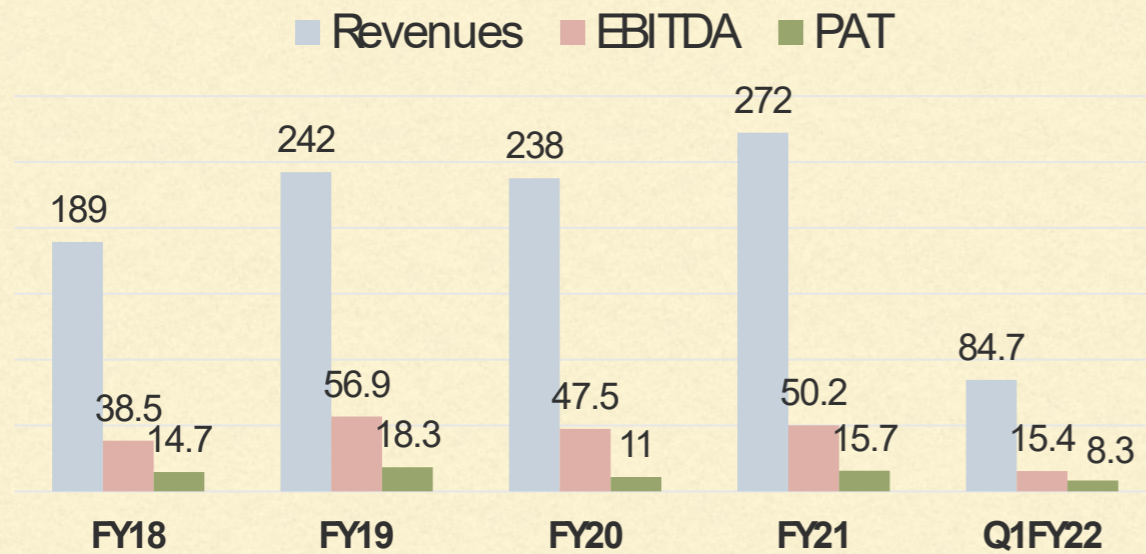
CONSOLIDATED DEBT - 30TH JUNE 2021

| Entity | Entity Debt (INR Cr) | % holding | Debt attributable as per % holding (INR Cr)* |
|---------------------------------|----------------------|-----------|--|
| ASL | 14.70 | 100% | 14.70 |
| Arihant Vatika | 1.25 | 60% | 0.75 |
| Arihant Aashiyana | 39.18 | 60% | 23.51 |
| Arihant Abode | 243.90 | 60% | 146.34 |
| Arihant Gruhnirman | 15.00 | 60% | 9.00 |
| Less: Intercompany Eliminations | 16.17 | | 16.17 |
| | 297.85 | | 178.12 |

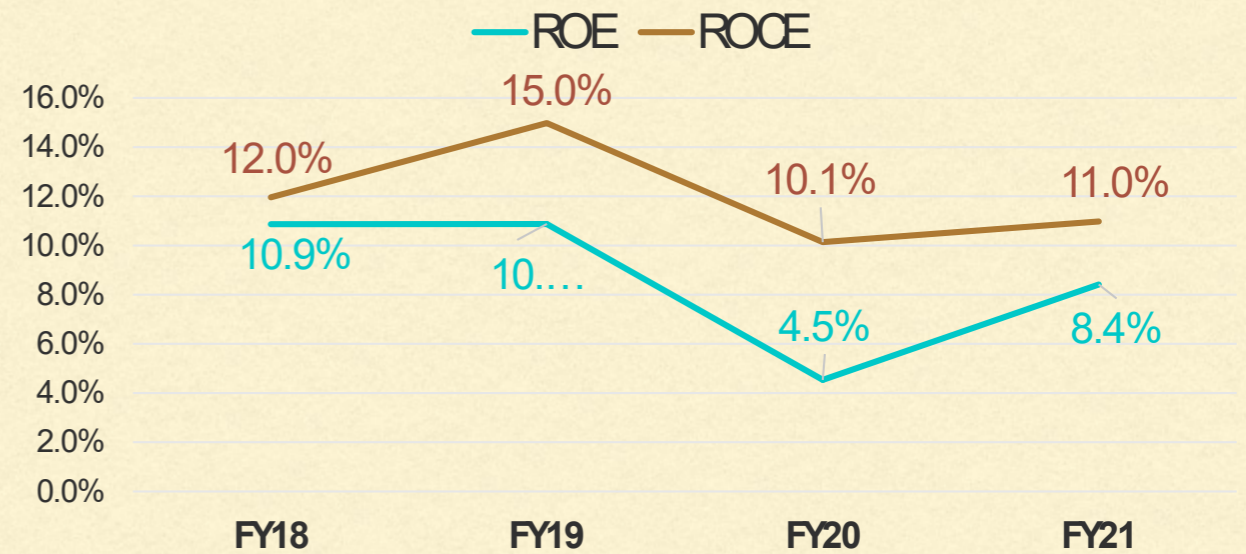
- Effective debt of ASL is worked out based on ASL's shareholding in subsidiaries
- Any liability of the holding company is attributable at 100% and that of the subsidiaries is attributable at its shareholding i.e. 60% to the Holdco

FINANCIAL PERFORMANCE

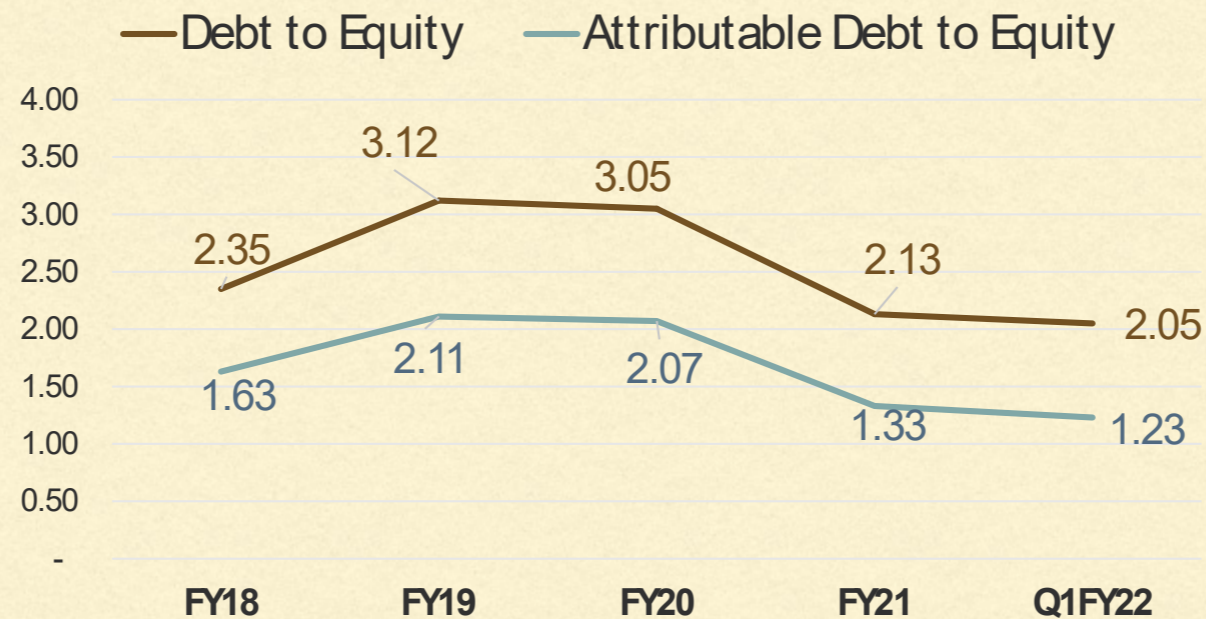
Income Statement (INR Cr)



Return Ratios



Debt to Equity



INDUSTRY OUTLOOK

MACRO-ECONOMIC INDICATORS

- **Negative real rates pushing preference towards physical assets** - India is witnessing negative real rates after many years which boosts the attractiveness of owning physical assets over the financial assets. As per an analysis by Jefferies, 1 year G-Sec yields less CPI is pegged at negative 3-4% for the first time in 6 years.
- **Uptick in real estate credit** - No. of loans sanctioned to real estate developers grew 81% y-o-y and the sanctioned loan amount grew at 180% y-o-y to ~INR 38,000 Cr during the December quarter of 2020 as per Propstack indicating uptick in demand, customer confidence and developer outlook.
- **Favourable yield gap** - With reduction in interest rates the gap between the rental yield and deposit rates have narrowed resulting in improved investor appetite for real estate resulting in investors coming back to the market since demonetization.
- **All time high property registrations** - Registration of residential sales in Mumbai rose 192% from a year ago in December 2020 to touch an all time high of over 18,500 transactions. In Sep 20-Feb-21 period, Mumbai recorded registration of over 61,000 units.

KEY REFORMS & INTERVENTIONS

2017 RERA & GST

RERA & GST are arguably the most important landmark structural reforms post the opening of economy in 1991. RERA has hugely pushed the hitherto unorganized sector towards transparency increasing consumer confidence.

2019 GST Reduction

GST reduction to 5% for under-construction housing and 1% for affordable housing provided a big relief to homebuyers especially in the affordable housing category. Low transaction costs have added to the affordability.

2021 Structural Upcycle

The last 5 years have laid the foundation for a structural upcycle contributed by the demand pickup, industry consolidation, improved affordability, government support and lower interest rate regime.

2016 Demonetization

Resulted in a fundamental shift in focus of real estate towards the end-user as investors dried out in the market. The product, delivery and financial stability of the developers came to the fore starting the phase of consolidation.

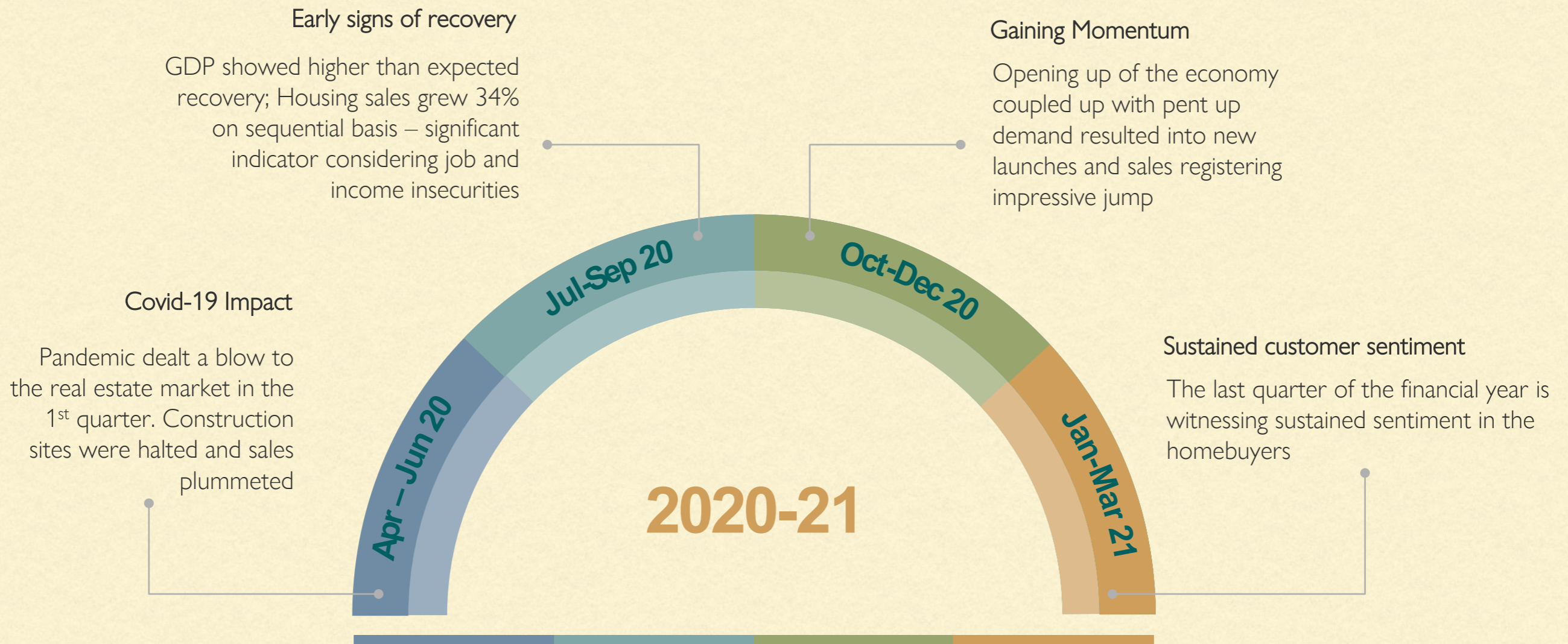
2018 NBFC Crisis

NBFCs' developer loan book grew ~7x between 2009-2018 and contributing over 60% of the new sanctions. With the door closing, most developers found it difficult to complete projects and only financially sound companies survived

2020 Covid-19

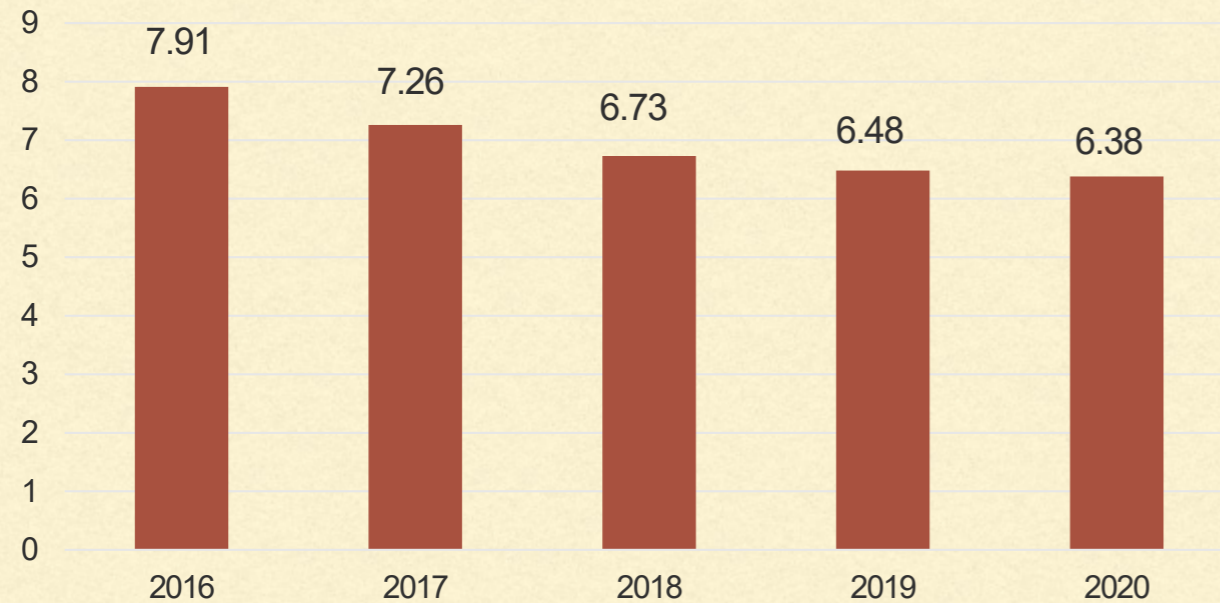
While the pandemic resulted in contraction of the economy and uncertainty about the future, the frontline real estate developers responded to the challenge and capitalized on the renewed buyer vigor in property purchases

RESIDENTIAL MARKET



DECLINING INVENTORY LEVELS

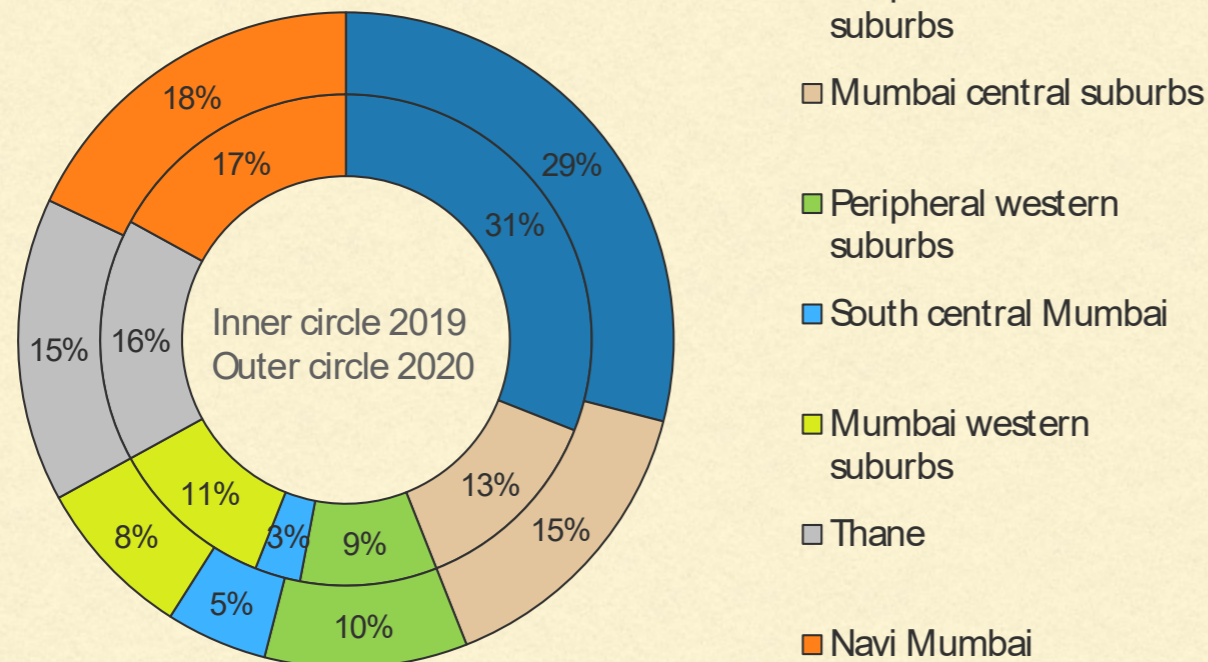
Unsold Inventory (units in lakhs)



- Limited launches in last two years and sales pickup has resulted in unsold inventory declining ~20% since 2016 at 6.38 lakh units in top 7 cities.

- Unsold inventory in MMR at 2 lakh units is down 6% in 2019 alone.

Supply & Absorption break-up



- As per Anarock, ~53% of the transactions were under INR 80 lakhs ticket-size and ~76% transactions were under INR 1.5 Cr showing clear preference for affordable and mid-income housing

Source: Anarock Research

Inner circle: Supply, Outer circle: Absorption

KEY TRENDS

1

Ownership vs Rent

Lockdown reinforced the need of owning the house

Work from home pushed the idea of increased size of the apartments

Preference for large complexes with healthy living amenities & open spaces

2

Historically low interest rates

Central bank continues to hold the low interest rate regime

Mortgage rates at all time low of 6.65-6.7%

With prices being stagnant over last few years, the affordability index has jumped

3

Government Initiatives

Stamp duty reduction of 2-3% in states like Maharashtra, Rajasthan and others

Extension of additional interest deduction for affordable housing

Interest rate subsidy under CLSS widened to include middle-income groups

4

Accelerating Consolidation

The crisis precipitated by the pandemic has resulted in a clear preference of buyers towards branded and reputed developers

The financial stability of the developers is a key parameter of the buyer today

KEY TRENDS



5

Peripheral markets

As many companies embrace remote working model, the peripheral markets and satellite towns will gain ground due to its ability to offer better product at affordable rates



6

Affordable Housing

80% of the new launches were in the sub INR 10 Mn category*

Government has also extended tax holiday on profits from affordable housing projects till Mar122

Infrastructure status accorded to affordable housing



7

Technology Adoption

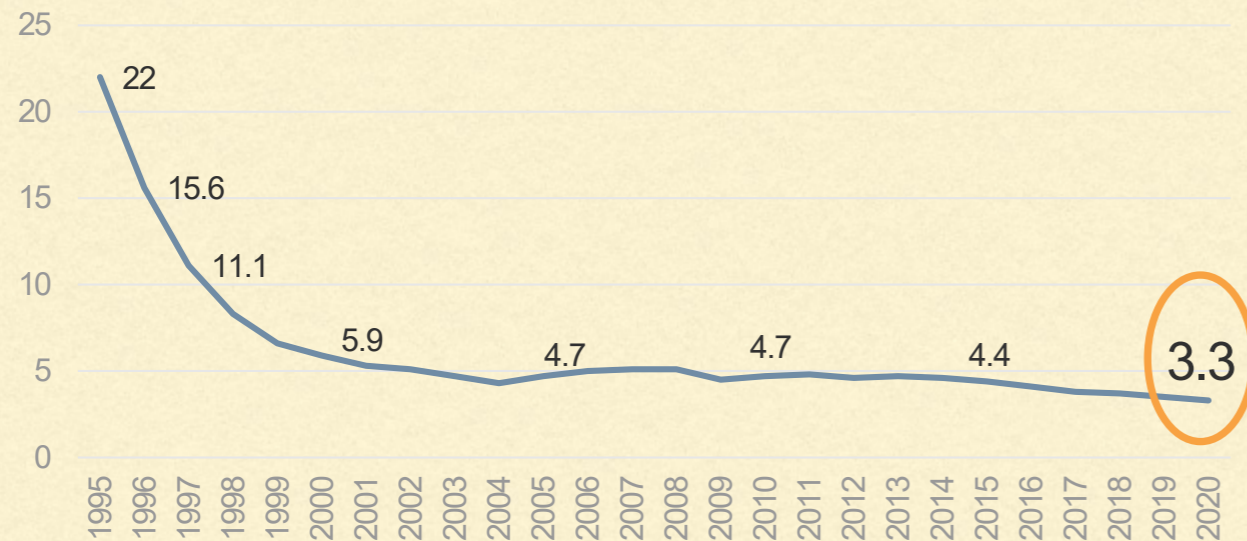
The success of digital adoption among the market leaders as reflected in the sales has shown the way for the future

The share of traditional channels of marketing and selling is expected to reduce

*Source: Jones Lang Lasalle

BEST EVER AFFORDABILITY

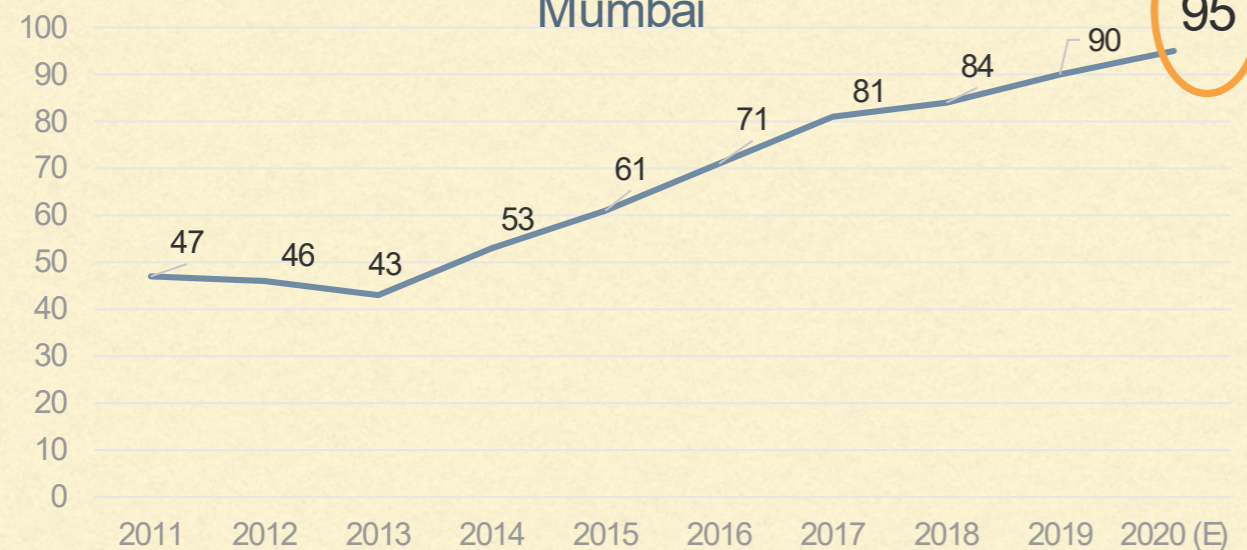
Best affordability in **25** years



Affordability = Property prices / Annual Income

Source: HDFC Limited

Home Purchase Affordability Index (HPAI) - Mumbai



HPAI (%) = Avg household income / Income required to avail home loan for 1000 sft unit

Source: Jones Lang LaSalle

- Stable Property prices and **all-time low** mortgage rates have resulted in the best affordability in past two and a half decades.
- It is expected to be even more favourable in satellite cities established peripheral micro markets
- The affordability in Mumbai has doubled as compared to a decade ago period.
- Navi Mumbai HPAI is expected to be closer to Pune and Bangalore (in the range of 150-200) meaning an average home buyer has more than sufficient income to buy a 1,000 Sft apartment.
- The interest subsidy under Credit Linked Subsidy Scheme (CLSS), paid upfront, further benefits affordable housing projects.

Thank you!

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