



## ASL Investor Presentation

Feb 2019

NSE  
BSE  
BLOOMBERG

: ARIHANTSUP  
: 506194  
: ARSU IN

ASL believes REAL ESTATE is a retail product with a flavour of an Asset Class.

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*The data is as of 31<sup>st</sup> Dec, 2018.*

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Commenting on the real estate sector, **Mr. Ashok Chhajer, CMD of Arihant Superstructures** said,

“The turmoil in the NBFC as well as Housing Finance space in the last few months had it’s effect on the housing sector. However, we at Arihant have been fairly insulated since we are dealing with the top rated institutions. We believe that these developments will lead to further consolidation in the sector which should stand in good stead for a respected brand like ours.

We have noticed green shoots in the affordable housing space with demand slowly picking up from end-users which translated into sales of 214 units this quarter. We also launched Arihant Amber at Taloja Phase II. Despite the slowdown witnessed earlier, our commitment continues for timely delivery of the projects. We handed over possession of 500 units during the quarter.

With the Budget booster for the middle class, we expect affordable housing demand to gather momentum, especially post elections”.

- Housing since 2009, One of the Largest Developers in Navi Mumbai – MMR & Jodhpur region having projects in hand for next 10 years.
- Delivered 9000+ homes worth 7.5+ Mn Sq. ft. across 50+ projects over past 2 decades by the Group
- 17 Projects in hand consisting of 13,500+ homes translating into 13.7+ Mn Sq. ft.
- Quality of construction is Scheme we achieved by **Standard Operation Processes (SOPs)**, Low overheads, Optimum construction cost and timely completion.
- Impeccable record of planning and execution of projects backed by **Professional Management.**

# Arihant Superstructures Ltd (ASL): At A Glance

## Company Profile

1. A leading real estate company focused on Affordable Luxury Segment
2. Strong execution track record of project completion
3. Strong brand recognition in high growth markets of Navi Mumbai – MMR and Jodhpur
4. Fully paid up land bank for projects to be executed in the next ten years

## On Going Projects

**13,500+ Homes**  
under construction



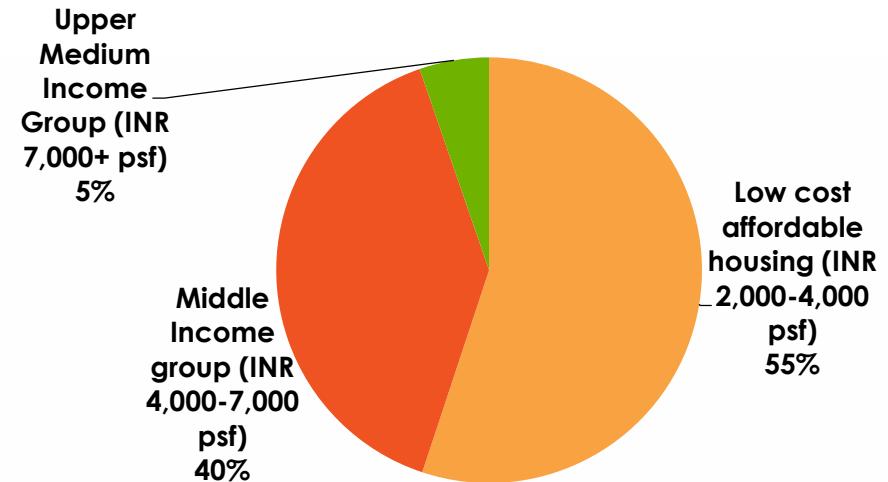
**13.7+ mn sq.ft.**  
under development



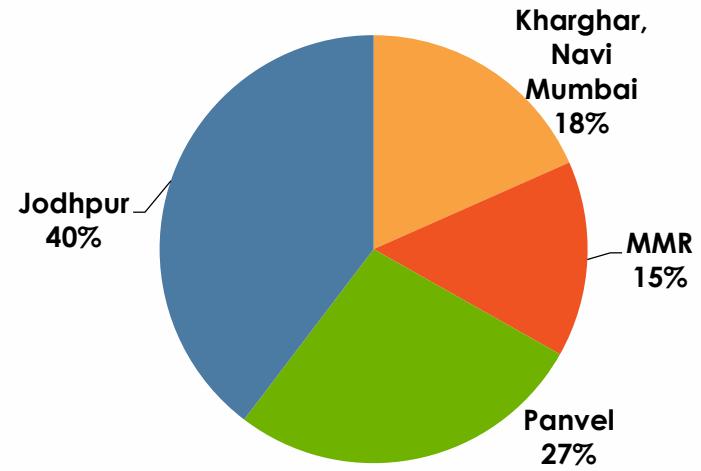
**17 Landmark projects**  
under execution



## CATEGORY-WISE PROJECT PROFILE



## AREA WISE PROJECT PORTFOLIO



## Navi Mumbai

- The **Mumbai Trans Harbour Link (MTHL)** connecting Mumbai and Navi Mumbai has got work started by the contractors in full swing ready. It will be ready by 2022 and will have 1.5-kilometre-long connector linking with the Eastern Freeway, RA Kidwai Marg and Acharya Donde Marg in Sewri, and the proposed Sewri-Worli elevated road to the MTHL.
- **Kharghar Corporate Park** : CIDCO plans to auction plots in 2019 spread over 300 Acre on the lines of BKC, adjoining to 180 Acre ready Golf Course and 240 Acre Central Park along with Amusement Park in Kharghar. **Potential to generate ~200,000 employment and housing demand**
- **Navi Mumbai International Airport** work has gained momentum. CM Fadnavis stated the airport might miss its 2019-end deadline but one runway and the terminal building would be ready by April 2020. The first flight from the upcoming Navi Mumbai International Airport could start operating by **September 2021**, as per Civil Aviation Secretary R N Choubey.
- Expansion of MIDC at Pen, Pali, Khalapur and Mangaon will generate additional Jobs.
- Widening of all NH & road network of ~400 Kms
- 3 Special Planning Authorities viz. Panvel Municipal Corporation (PMC), NAINA & MSRDC will make the adjoining 640 sq. kms a New City.
- The work for 3<sup>rd</sup> Vashi bridge connecting Navi Mumbai and Mumbai tender awarded to L &T has started and will be completed by 2022.
- Coastal Speed corridor connecting Kharghar to NMIA to come up in 2 years time frame 2021.
- Strong **Political Will** of the incumbent State Government to change the landscape & lifeline of Navi Mumbai
- Government initiative of **Rs.1 Trillion spend on Infrastructure Projects**

## Jodhpur

- Jodhpur located in Western Rajasthan is the **economic capital** of the Rajasthan state
- All 7 Districts viz Pali, Marwar, Barmer, Jaisalmer, Bikaner, Jalore and Nagore look upto Jodhpur as place of **inward migration** for Education, Occupation and Employment
- **Rs. 431 bn HPCL Refinery** resumes work; almost Rs 60 bn spent on civil work & structures. Refinery to generate **employment** over 100,000 jobs
- 37 acres adds to Jodhpur **Airport expansion**; Instrumental Landing System (ILS) has also been installed and made operational.

## Benefits to MIG Flat Buyers by Government

- **Interest subsidy** upto Rs 267,000 on purchase of house for a family having income upto Rs 1.8 Mn per year
- No processing fee
- Change in base year from 1981 to 2001 as well as reduction of time frame to **2 years for Capital Gains benefit** will make Real Estate Investment as an asset class more attractive
- **Low interest** rates on home loans
- Infrastructure projects using **at least 50% of the FAR/FSI** for dwelling units with carpet area of **not more than 60 sqm** qualify for **effective GST rate @ 8%**

## Benefits to Real Estate Developers

- Income tax exemption for developers (under Section 80-IBA) has been extended for one more year for affordable housing projects approved until March 31, 2020. Project start date is 1st Jun, 2016. Thus, developers will continue to receive a 100% deduction of profits (MAT applicable) for projects with unit size of up to 30 sqmtr/60 sqmtr in four metros/other cities.
- Government has extended the exemption from tax levy on notional rent for unsold ready inventory by one year to two years (after the end of the year in which the project is completed)
- Availability of low cost funds due to **Infrastructure Status** which will ensure easier access to institutional credit and help in reducing developers' cost of borrowing.
- FDI and Equity Investment is likely to grow due to award of Infrastructure status

# Key Investment Highlights

## Strategically Well-positioned In High Growth Markets

- 2 • Navi Mumbai – 2<sup>nd</sup> Best Place in terms of ease of living Index in India rated recently
- 3 • Top 3 Growth Centres in India
- Jodhpur – strong migrant inflow from around western Rajasthan

## Significant Monetization Yet To Come



- At an inflection point; strong future cash flows

## Large Land Bank Acquired At Low Cost



- Average purchase price of Rs. 250/sq ft

## Project Funding Secured



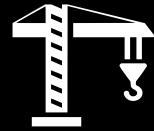
- INR 3.82 Billion secured loans
- 12 out of our 17 projects are self sustainable and we have NOT taken secured loans against these projects

## Strong Focus On Corporate Governance



- Industry leading disclosure standards

## Superior Growth Profile



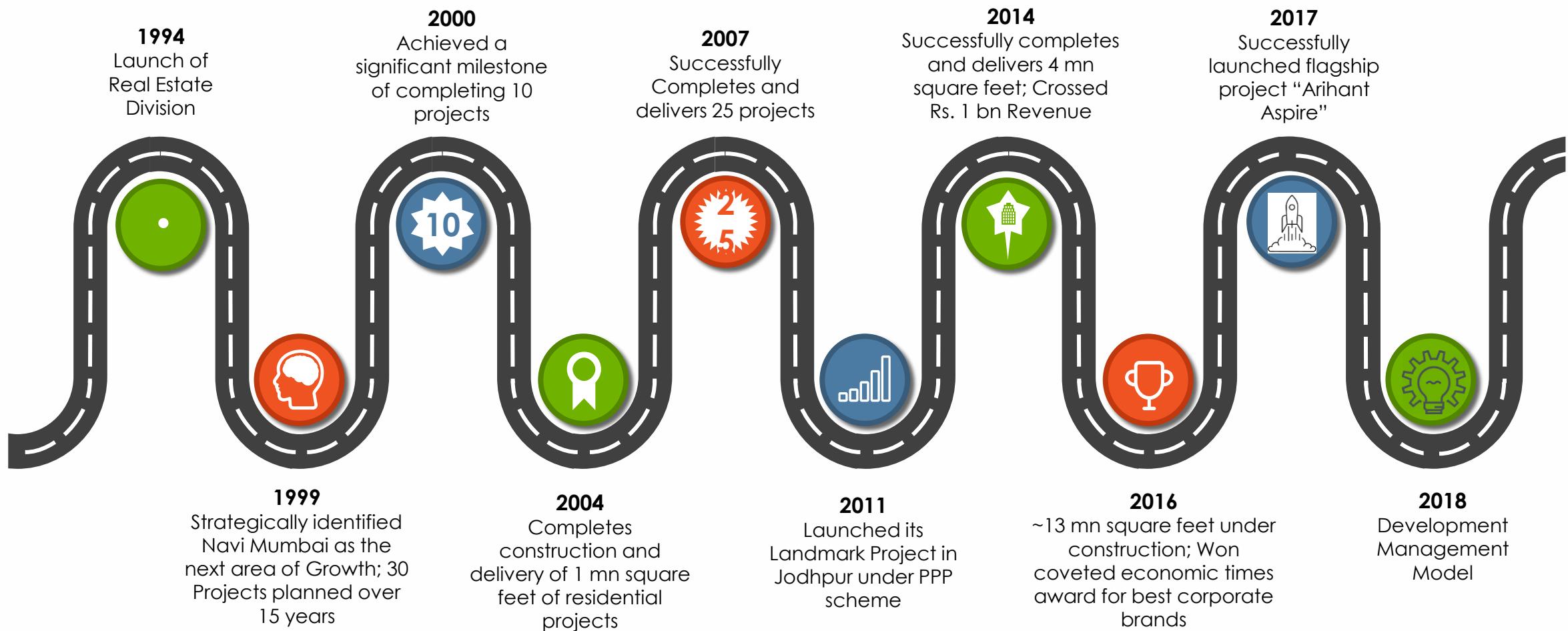
- ~13.7 mn sq feet under development – spread between MMR and Jodhpur



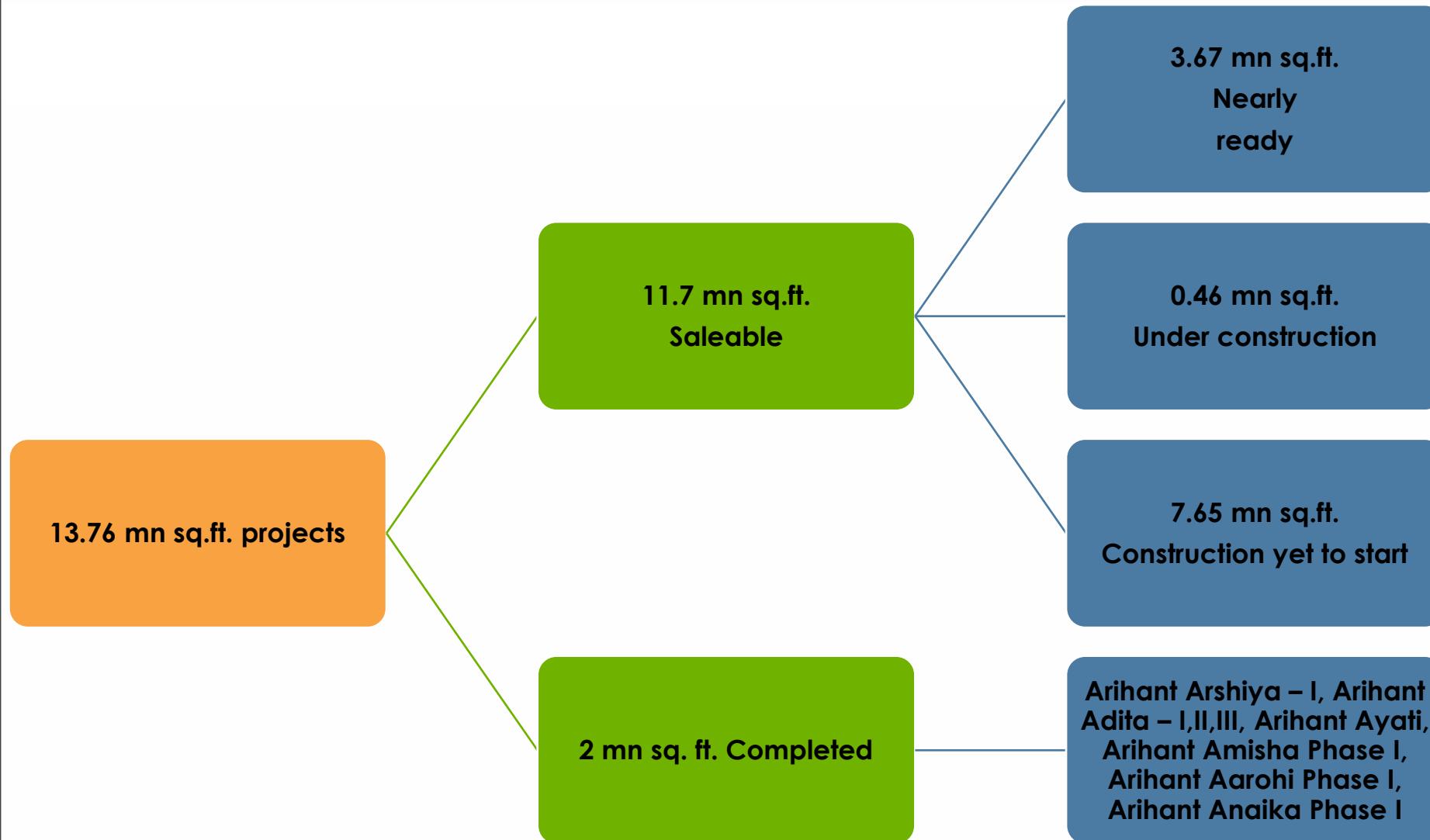
- Projects showing good traction -

Source: CII – JLL; media articles

# Our Value Creation Journey



# Strong Project Pipeline



**ARIHANT AAROHI - I**



**ARIHANT ADITA – I, II, III**



Actual Photo

**Land Acquisition Ongoing; Leveraging wide relationship network / JDA**

# Proven Track Record (Some Key Group Projects)

Location	Projects	Saleable area (sq.ft.)	Units Sold
Airoli	1	32,500	40
Badlapur	2	349,125	490
CBD Belapur	2	166,000	185
Ghansoli	5	261,100	355
Kharghar	7	1,071,494	1012
Koperkhairane	3	140,000	228
Nerul	7	159,900	215
Panvel	1	406,950	501
New Panvel	2	57,500	73
Sanpada	1	154,000	133
Thane	1	5,500	28
Vashi	6	279,500	265



# De-risked And Scalable Business Model

## Product Strategy

To have products across various stages of construction to serve varied customer needs



## Land Acquisition

Fully paid up land bank for projects to be executed in the next ten years; Land back acquired at historical cost levels



## Sales and Marketing

Strong marketing base with sales through direct and multiple channel partners; normally 15%-20% sales achieved in launch



## Development Model

Adopted DM model to de-risk the business



## Execution

9000+ Affordable homes built; 50+ projects executed by Group; minimal delays in executed projects



## Design and Architecture

In-house design, engineering & project implementation optimizes quality and timeline; significant cost savings



## For Customer

**No lock-in period**

**No transfer charges**

**No Escalation Cost**

**Full cheque payment**

## For Sustainable Development

**Social Development by supporting Rural infrastructure, School etc**

**Water Preservation by Rain water harvesting & STP and Energy Conservation measures**

**Economic Development by working with SME vendors & employing local people**

**Participation in Government policy formulation for sustainable urban development**



## Customer Centric Approach

- The Company follows a customer centric approach in the entire lifecycle of the project
- Some of the customer-centric policies that the Company adopts is
  - No lock in period for buyers
  - No transfer charges on re-sale of property



## High Level of Standardization

- High level of standardization with superior technology such as “cast-in-place”
- Design to value approach leading to significant cost savings
- Centralized and efficient procurement



## Superior Design with World-Class Facilities

- The Company focuses on providing superior infrastructure and facilities to customers
- Have pioneered concepts like Fire Escape Chute in its projects
- High focus on overall design and aesthetics - implemented concepts like ‘design-to-value’



## Strong Focus on Buyers' Profile

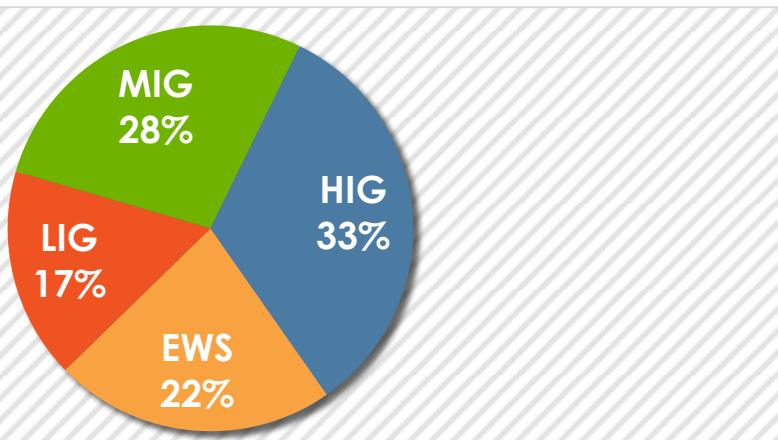
- Focused on Mid Income Segment
- Non-Investor Profile and end-use customer

- Retail / Consumer is the biggest Wealth Creating sectors
- ASL believes REAL ESTATE is a retail product with a flavour of an asset class.

## Opportunity of Vision – Housing for all by 2022

- 1 The Central Government has a stated vision to provide housing for all citizens of the country by 2022
- 2 Currently housing shortage is 60 mn units. Estimated demand is 110 mn units by 2022
- 3 70 percent of the urban housing need is in the affordable segment
- 4 USD 2 trillion investment is possibly required to achieve the vision

## Industry Investment pattern by 2022 US\$ 2.3 tn



## All India Demand Pattern

Housing Particulars	Urban (mn units)	Rural (mn units)	Total (mn units)
Current Shortage	19	40	59
Required units by 2022	26 - 29	23 - 25	49 – 54
Total need	45 - 48	63 - 65	107 - 113

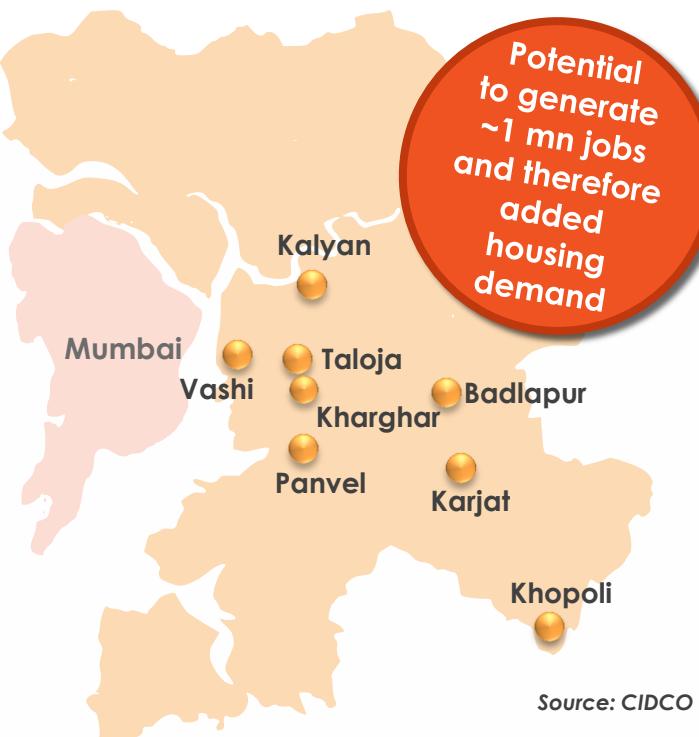
## Required units by 2022 – Maharashtra & Rajasthan

Particulars	Urban (mn units)	Rural (mn units)	Total (mn units)
Maharashtra	5.0	5.5	10.5
Rajasthan	2.1	4.5	6.6
Total need in 2 states	7.1	10.0	17.1

Source: Decoding Housing for all by 2022 – KPMG - NAREDCO

- Almost 16% of the total urban housing units required by 2022 from the states of Maharashtra & Rajasthan alone
- Arihant currently developing over 13,500+ units in Urban Maharashtra & Rajasthan combined compared to requirement of 71,00,000 units

# Business Region In Focus - MMR



## CIDCO's INR 500bn Investment Plan

- Navi Mumbai International Airport(70b)
- JNPT Expansion(80b)
- NAINA Pilot Project(40b)
- National Highway Expansion(30b)
- CIDCO's Railway & METRO Projects(131b)
- CIDCO's Infra Development Projects(74b)
- Kharghar Corporate Park
- Projected Job Creation of ~ 1mn jobs**

## Key Factors

	Population (mn)		Growth
	2008	2025	CAGR
MMR	22	34	2.6%
Greater Mumbai	14	17	1.1%
RoMMR	8	17	4.5%

Source: Housing Policy in MMR Region by Bombay First

Income Level	Households in mn		Growth
	2010	2020	2032
0.09 Mn – 0.2 Mn	2.53	1.61	0.51
0.2 Mn – 0.5 Mn	2.79	4.35	6.22
0.5 Mn – 1 Mn	0.12	1.34	2.8

Source: Concept Plan for MMR - Deloitte

- Population growth in RoMMR is expected to be at a CAGR of 4.5%
- Household Income in the 0.2 Mn–0.5 Mn and 0.5 Mn – 1.0 Mn expected to rise fastest indicating need for affordable houses

## Growth Drivers

- Metro line in Navi Mumbai connecting Navi Mumbai Airport.
- MTHL (Mumbai Trans Harbour Link) from Sewri (Mumbai) to Uran (Navi Mumbai)
- Kharghar Corporate Park (BKC 2) in 300 acres @ Kharghar
- Water transport connecting Mumbai and Navi Mumbai
- Navi Mumbai International Airport for improved connectivity
- NAINA, 600 sq. km New Township development by CIDCO
- Additional metro corridor between Mankhurd and Ghatkopar proposed to go up to Panvel via NMIA
- DMIC - Dedicated freight corridor (DFC) between Delhi & Mumbai (originating from JNPT) NAINA & KNT
- Alibaug-Virar Multi Modal Corridor

Source: CIDCO news & IDP for NAINA by CIDCO, Sept, 2017

## What We Have?

Mumbai (11 Projects)	Phases	Area	Units
Ongoing	11	3243303	3337
Completed	4	906569	1109
Future	9	4201982	4668
Total		8351854	9114

# Navi Mumbai 2nd in List Of Best Cities To Live In India



- The '**Ease of Living**' index is an initiative of the **Ministry of Housing and Urban Affairs** to assess the most livable cities all over India and rank them on a 100 point scale.
- The report evaluated 111 cities on a 100-point scale across 78 indicators under four primary parameters which was divided- Institutional, Social, Economic and Physical. Few indicators are

## Performance parameters

City	Navi Mumbai	Mumbai
Overall rank	2	3
Governance	1	23
Identity and culture	15	2
Education	2	36
Health	3	23
Safety and security	13	35
Economy and employment	16	63
Housing and inclusiveness	35	6
Public open spaces	13	1
Mixed land use, compactness	25	1
Power supply	74	16
Transport and mobility	4	8
Assured water supply	7	3
Waste water management	8	7
Solid waste management	10	17
Reduced pollution	48	54

# Business Region In Focus - Jodhpur



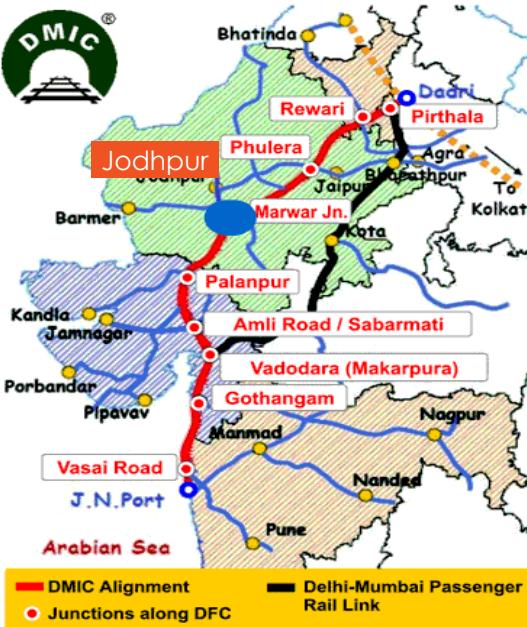
## Key Factors

- 2nd largest 'Metropolitan City' of Rajasthan
- Industrial cluster and export hub of Gaur Gum, Textiles, SS utensils, Stone processing, Handicrafts & Solid Wooden Furniture,
- Population base of 1.29 mn (source census, Wikipedia)
- Tourism boom: This 'Sun city' and 'Blue City' has topped the Lonely Planet's list of 'Most Extraordinary Places to Stay in 2014'
- Education hub: IIT, ICAI, AIIMS, NIFT, IIHT, FDDI, NLU, JNVU, SN Medical College and MBM Engineering College

## Growth Drivers

- IT and ITeS companies looking at Tier II cities are making Jodhpur as a hub
- Jodhpur Airport Expansion of 37 acres for 24x7 running,
- HPCL Rajasthan Refinery Ltd will generate employment for over 100,000 people
- Study conducted by NCAER, Barmer refinery will generate revenues of nearly INR 4 Trillion in 15 years
- On DMIC lines, development of New Civil Airport and Integrated Multi-Modal Logistics Hub in Jodhpur
- Mass Rapid Transit System (MRTS) in Jodhpur and Pali
- Mega Leather Cluster at an investment of INR 1.25 Billion will be in Jodhpur

## What We Have?



Jodhpur (6 Projects)	Phases	Area	Units
Ongoing	3	658320	735
Completed	4	1086314	817
Future	5	3670070	2976
Total		5414704	4528

# A Few Cases Reflecting ASL's Business Strategies

## Case 1: Arihant Aalishan: Turnaround from a Distressed Asset to a Marquee Project

Land Acquisition



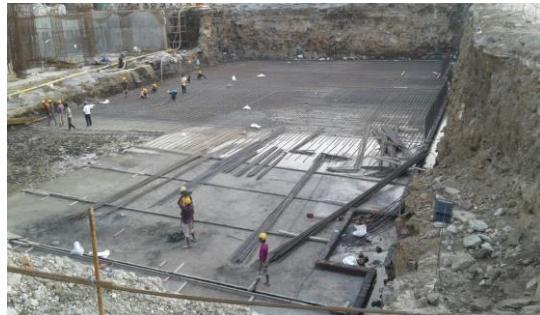
Approvals



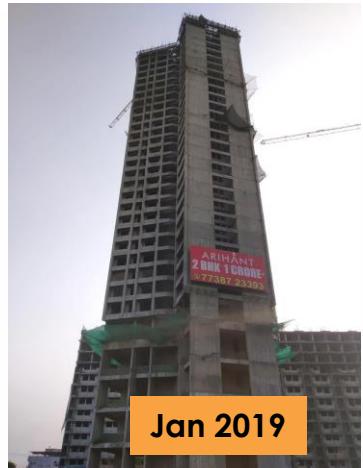
Project Launched



Construction Begins



Current Status



Jan 2016

Feb 2016

Mar 2016

Mar 2016

Jan 2019

## Case 2: Arihant Anaika – Phase 2: Deep Dive Study of Market to Ensure High Velocity and Avoid Speculation

Change in Design



Approvals



Phase Launched



Sales



Current Status



Nov 2017

Dec 2017

Jan 2018

May 2018

Jan 2019



## Contributing to the construction of school building, Jodhpur

- Construction of school building to replace open classrooms
- The building would have basic infrastructure such as 10 classrooms and multi-purpose hall



## Village Infrastructure Development, Navi Mumbai

- Infrastructure development near Panvel to address water shortage
- Road widening for village near Taloja



## Amphitheatre Construction for College

- Construction of a new Dias and Amphitheatre for students' extra curricular activities



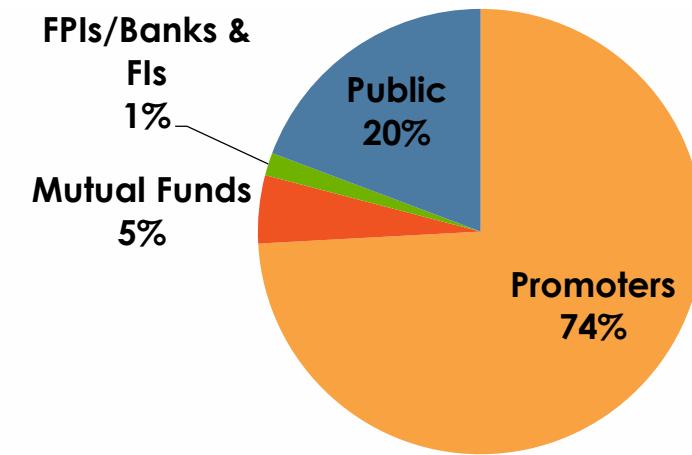
# FINANCIAL SNAPSHOT

# Capital Market Data

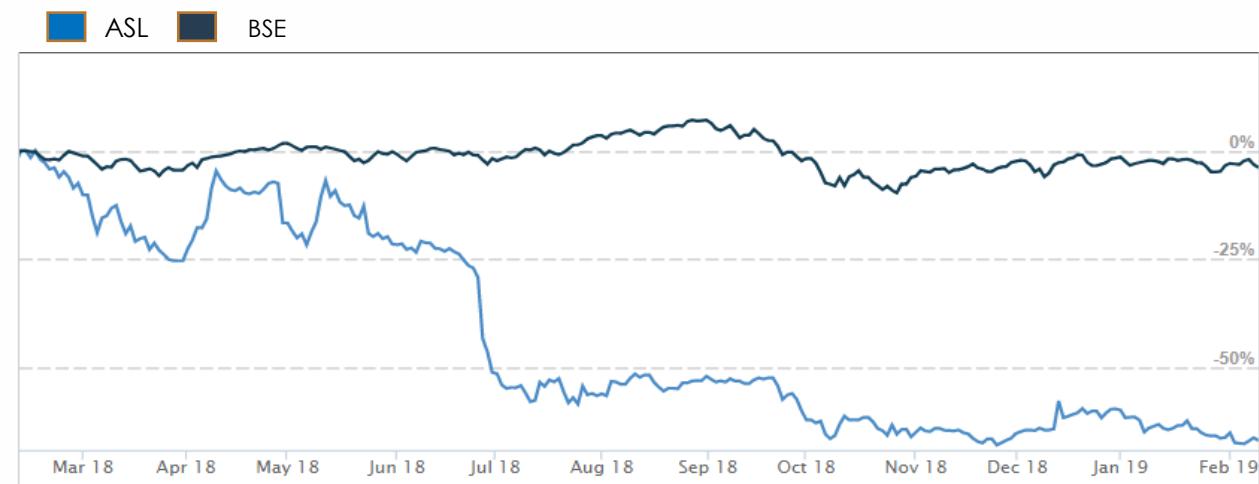
## Capital Market Details

BSE Scrip Code	506194
NSE Trading Symbol	ARIHANTSUP
Bloomberg Code	ARSU IN
GICS Sector	Real Estate
Market Cap as on 31 <sup>st</sup> December, 2018	INR 2,047 Mn
52 Week High	INR 154
52 Week Low	INR 45.75

## Shareholding Pattern



## Comparative Stock Price Performance - BSE

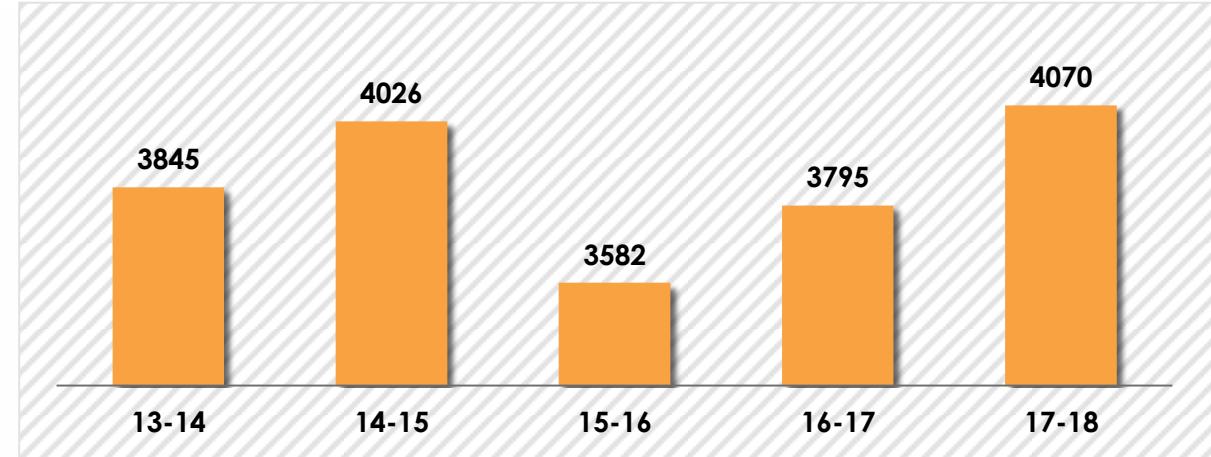


# Superior Track Record With Strong Brand Recall

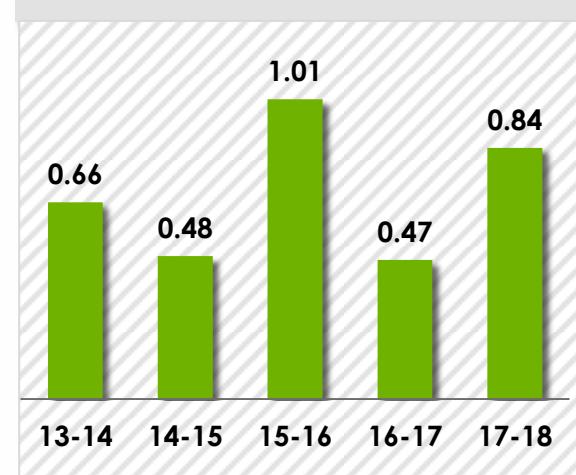
## Key Strengths



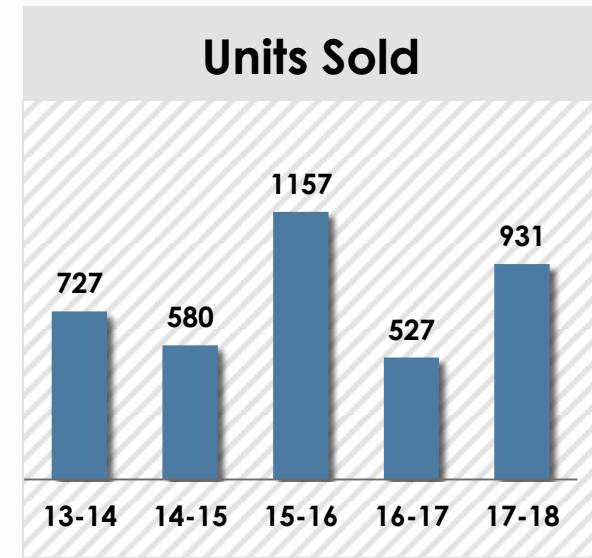
## Average Realizations (INR per sq.ft.)



## Area Booked (mn sq.ft)



## Units Sold



# Prudent Financial Management Leading To Superior Shareholder Value



## Strategic Land Acquisition

- Land acquired at historical prices
- Honest and credible dealing with land owners making Arihant a preferred buyer



## Superior cash flow management

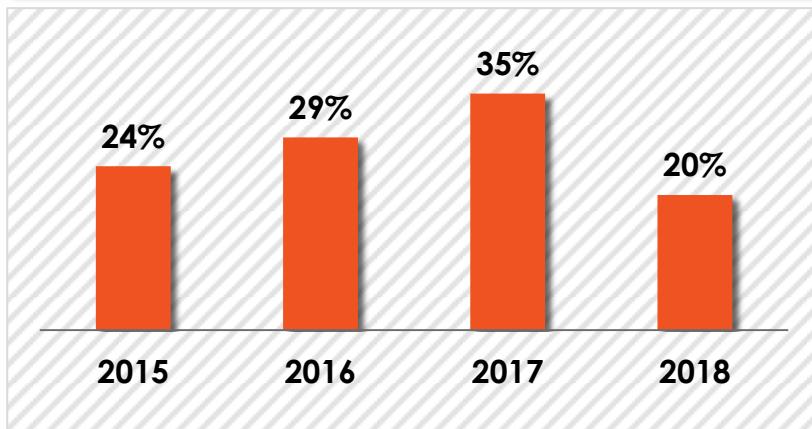
- 15% -20% launch sales target
- 100% sales completed before project completion
- Low inventory model
- Adoption of DM model



## Strong Risk Management and Internal Audits

- Strong and independent board with industry experts
- Strong internal audit

### EBIDTA Margin



### EPS (Rs/Share)



### Net Worth (INR Mn)



# Project Status - MUMBAI

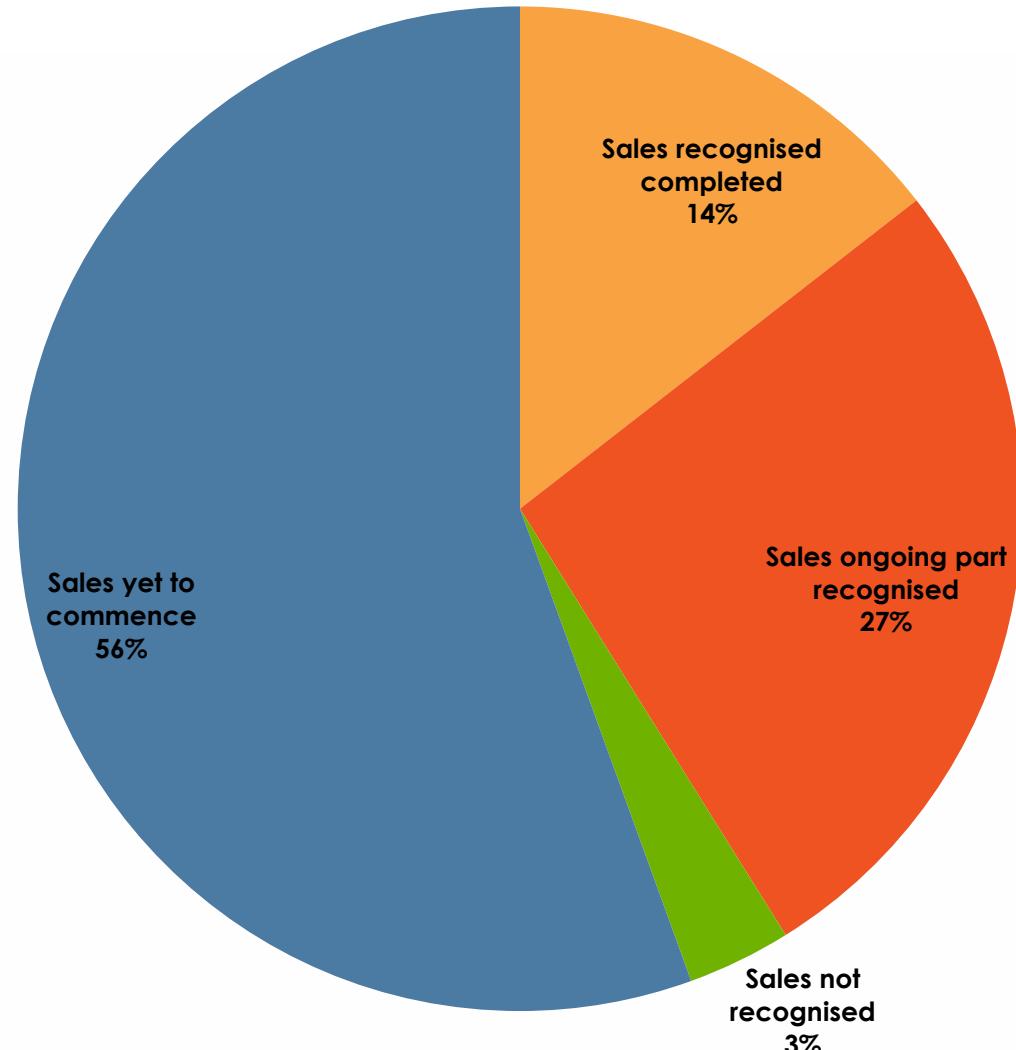
	Project	Location	Total Area with Common Area	Area Sold (SqFt)	% Area Sold	Total Units	Units Sold	Units Unsold	% Units Sold	Project Completion %	Average Rate	Estimated Value of Unsold Area	ATS* Value (in Mn)	Amount Received (in Mn)	Bal ATS Receivable (in MN)
<b>MUMBAI - MMR</b>															
<b>COMPLETED PROJECTS</b>															
Arihant Arshiya - I	Khopoli	358,718	276,611	77%	522	409	113	78%	100%	3,074	267	850	796	54	
Arihant Aarohi - I	Thane Shil Road	211,602	194,519	92%	223	209	14	94%	100%	4,935	85	960	946	14	
Arihant Amisha - I	Taloja	134,960	124,355	92%	176	164	12	93%	100%	3,370	73	419	373	46	
Arihant Anaika - I	Taloja (Nr Kharghar)	201,289	151,547	75%	188	145	43	77%	100%	4,048	199	613	550	63	
<b>ONGOING PROJECTS</b>															
Arihant Anshula	Taloja (Nr Kharghar)	509,483	257,111	50%	504	278	226	55%	86%	4,005	1,009	1,030	898	131	
Arihant Anaika - II	Taloja (Nr Kharghar)	201,016	191,449	95%	267	255	12	96%	37%	4,080	38	781	449	332	
Arihant Arshiya - II	Khopoli	148,052	95,261	64%	251	165	86	66%	96%	3,121	172	297	251	61	
Arihant Arshiya - III	Khopoli	61,530	10,230	17%	67	13	54	19%	66%	3,793	167	39	20	19	
Arihant Anmol - III	Badlapur	193,861	107,057	55%	238	140	98	59%	52%	3,372	286	361	286	75	
Arihant Amber	Taloja (Nr Kharghar)	50,073	24,041	48%	71	34	37	48%	0%	3,541	91	85	7	78	
Arihant Aspire - I	Panvel	1,245,783	295,654	24%	1,083	272	811	25%	12%	5,430	6,663	1,605	434	1,171	
<b>ONGOING PROJECTS - JV</b>															
Arihant Aalishan - I	Kharghar	458,608	180,674	39%	389	162	227	42%	20%	7,865	2,307	1,421	547	873	
Arihant Aloki - I	Karjat	109,884	55,899	51%	113	59	54	52%	94%	3,360	167	188	156	32	
Arihant Aloki - II	Karjat	82,727	20,660	25%	90	28	62	31%	10%	3,324	192	69	19	50	
<b>ONGOING PROJECTS - DEVELOPMENT MANAGEMENT MODEL</b>															
Arihant 3Anaika	Taloja (Nr Kharghar)	182,286	145,273	80%	264	203	61	77%	0%	4,306	159	626	103	523	
<b>Subtotal MUMBAI</b>		<b>4,149,872</b>	<b>2,130,341</b>		<b>4,446</b>	<b>2,536</b>	<b>1,910</b>				<b>11,877</b>	<b>9,345</b>	<b>5,836</b>	<b>3,524</b>	
<b>FUTURE PROJECTS</b>															
Arihant Arshiya - IV	Khopoli	908,342	-	0%	1,608	-	1,608	0%	0%	-	-	-	-	-	
Arihant Aspire - II	Panvel	1,177,812	-	0%	1,111	-	1,111	0%	0%	-	-	-	-	-	
Arihant Aspire - III	Panvel	729,274	-	0%	982	-	982	0%	0%	-	-	-	-	-	
Arihant Amisha - II	Taloja	266,000	-	0%	377	-	377	0%	0%	-	-	-	-	-	
Arihant Anamika	Vashi	360,464	-	0%	-	-	-	0%	0%	-	-	-	-	-	
Arihant Aarohi - II	Thane Shil Road	51,990	-	0%	37	-	37	0%	0%	-	-	-	-	-	
<b>FUTURE PROJECTS - JV/DM</b>															
Arihant Aalishan - II	Kharghar	512,855	-	0%	336	-	336	0%	0%	-	-	-	-	-	
Arihant Aloki - III	Karjat	155,278	950	1%	217	1	216	0%	0%	3,263	509	3	-	3	
Arihant Aloki - IV	Karjat	39,967	-	0%	-	-	-	0%	0%	-	-	-	-	-	
<b>Grand Total MUMBAI</b>		<b>8,351,854</b>	<b>2,131,291</b>		<b>9,114</b>	<b>2,537</b>				<b>12,387</b>	<b>9,348</b>	<b>5,836</b>	<b>3,527</b>		

\*ATS = Agreement to Sale

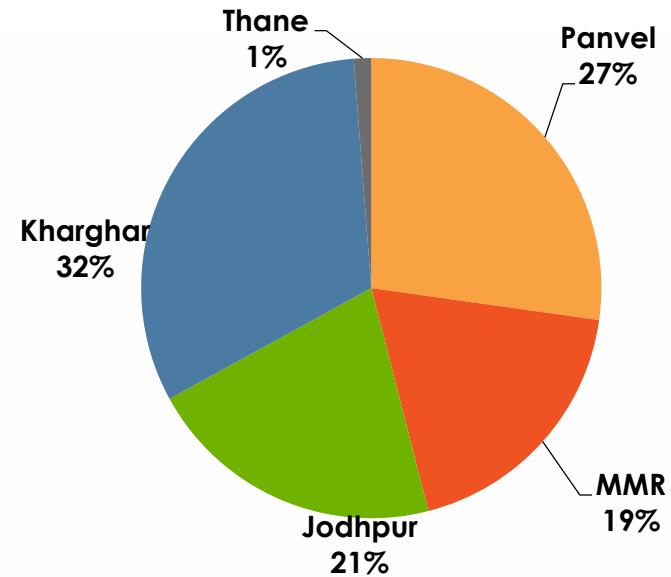
# Project Status - JODHPUR

	Project	Location	Total Area with Common Area	Area Sold (SqFt)	% Area Sold	Total Units	Units Sold	Units Unsold	% Units Sold	Project Completion %	Average Rate	Estimated Value of Unsold Area	ATS* Value (in Mn)	Amount Received (in Mn)	Bal ATS Receivable (in MN)
<b>JODHPUR</b>															
COMPLETED PROJECTS															
	Arihant Adita - I	Jodhpur	506,941	479,703	95%	408	383	25	94%	100%	2,313	82	1,110	1,050	60
	Arihant Adita - II	Jodhpur	180,330	109,590	61%	164	100	64	61%	100%	2,623	212	287	251	36
	Arihant Adita - III	Jodhpur	187,875	140,515	75%	165	126	39	76%	100%	2,732	142	384	353	30
	Arihant Ayati	Jodhpur	211,168	109,352	52%	80	38	42	48%	100%	4,160	407	455	410	45
ONGOING PROJECTS															
	Arihant Adita - IV	Jodhpur	133,920	37,850	28%	82	23	59	28%	19%	2,703	288	102	20	82
	Arihant Aangan	Jodhpur	45,600	33,440	73%	121	89	32	74%	51%	2,203	26	74	46	28
	Arihant Aanchal - I	Jodhpur	478,800	302,400	63%	532	336	196	63%	37%	2,136	406	646	442	204
	<b>Subtotal JODHPUR</b>		<b>1,744,634</b>	<b>1,212,850</b>		<b>1,552</b>	<b>1,095</b>	<b>457</b>				<b>1,563</b>	<b>3,058</b>	<b>2,572</b>	<b>486</b>
FUTURE PROJECTS															
	Arihant Adita - V	Jodhpur	299,070	-	0%	236	-	236	0%	0%	-	-	-	-	-
	Arihant Ashray	Jodhpur	39,000	-	0%	123	-	123	0%	0%	-	-	-	-	-
	Arihant Aanchal - II	Jodhpur	226,800	-	0%	252	-	252	0%	0%	-	-	-	-	-
	Arihant Aanchal - III	Jodhpur	1,436,400	-	0%	1,540	-	1,540	0%	0%	-	-	-	-	-
	Arihant Aakarshan	Jodhpur	1,668,800	-	0%	825	-	825	0%	0%	-	-	-	-	-
	<b>GRAND TOTAL JODHPUR</b>		<b>5,414,704</b>	<b>1,212,850</b>		<b>4,528</b>	<b>1,095</b>					<b>1,563</b>	<b>3,058</b>	<b>2,572</b>	<b>486</b>
	<b>GRAND TOTAL MUMBAI + JODHPUR</b>		<b>13,766,558</b>			<b>13,642</b>									

\*ATS = Agreement to Sale



## Expected Revenue: Geographical Split



## Revenue Recognition Method

Revenue has been recognized as per IND AS 115 'Revenue from Contracts with Customers' on fulfillment of the following conditions :

- 10% of the construction and development of the project / phase of project is completed; and
- 10% of the agreement consideration have been realized against such sales.

# Income Statement – INR Mn

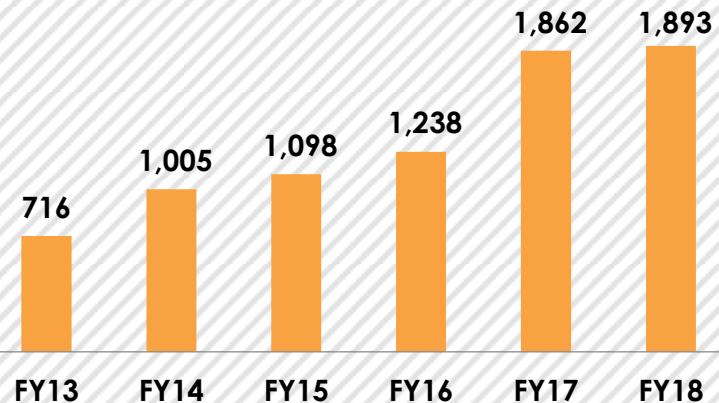
Particulars	FY 14	FY 15	FY 16	FY 17	FY 18
<b>Total Revenue</b>	<b>1,005</b>	<b>1,098</b>	<b>1,238</b>	<b>1,862</b>	<b>1,893</b>
Cost of materials consumed	1,128	1,208	1,144	2,074	1,285
Changes in inventories	-461	-543	-480	-1130	-161
Employee benefits expense	61	65	79	85	127
Other Expenses	71	102	133	190	256
<b>Total Expenses</b>	<b>799</b>	<b>832</b>	<b>876</b>	<b>1219</b>	<b>1508</b>
<b>EBITDA</b>	<b>206</b>	<b>266</b>	<b>362</b>	<b>643</b>	<b>385</b>
<b>EBITDA Margin</b>	<b>20%</b>	<b>24%</b>	<b>29%</b>	<b>35%</b>	<b>20%</b>
Depreciation	6	11	11	10	13
Interest & Finance Charges	142	64	37	101	150
<b>PBT</b>	<b>58</b>	<b>191</b>	<b>314</b>	<b>532</b>	<b>222</b>
Total Taxes	40	77	104	173	75
<b>PAT (Before Minority)</b>	<b>17</b>	<b>113</b>	<b>210</b>	<b>359</b>	<b>147</b>
Share of Minority	-14	-12	-20	-32	-21
<b>Net Profit (Attributable)</b>	<b>3</b>	<b>101</b>	<b>190</b>	<b>327</b>	<b>126</b>
<b>Net Profit Margin</b>	<b>0%</b>	<b>9%</b>	<b>15%</b>	<b>18%</b>	<b>7%</b>
<b>EPS (Basic) (Rs)</b>	<b>0.4</b>	<b>2.5</b>	<b>4.63</b>	<b>7.94</b>	<b>3.05</b>

# Balance Sheet – INR Mn

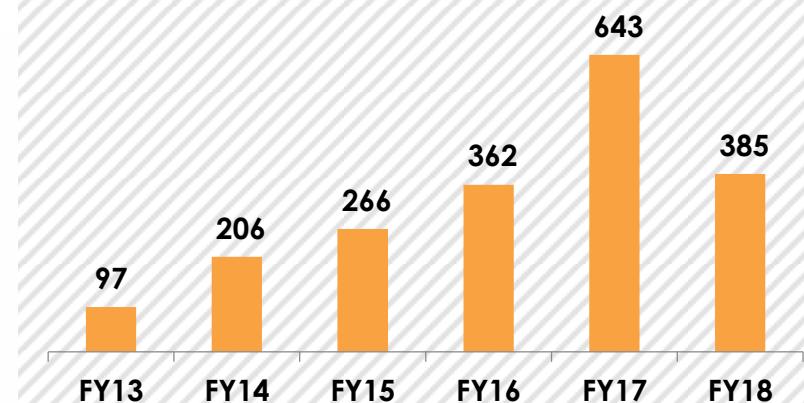
<b>Equity and Liabilities</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Share Capital	412	412	412	412	412
Reserves and Surplus	101	206	397	724	764
Net worth	513	617	809	1136	1176
Minority Share	15	27	47	79	98
Long Term Borrowings	403	971	1778	2013	1745
Short Term Borrowings	1065	489	327	545	1022
Advance from Customers	1069	1563	1485	1590	1880
Other Liabilities	98	196	320	487	356
Trade Payables	81	84	154	244	371
<b>Total Liabilities</b>	<b>3244</b>	<b>3947</b>	<b>4920</b>	<b>6094</b>	<b>6648</b>
<b>Assets</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Fixed Assets	278	53	48	41	98
Non - Current Investment	55	10	50	91	176
Long Term Loans & Advances	32	122	272	323	74
Current Investment	1	-	2	2	2
Inventories (WIP)	1274	1716	2230	3115	3382
Inventories (Finished Goods)	22	127	91	337	230
Trade Receivables	32	66	95	335	387
Cash and Cash Equivalents	55	31	46	90	123
Short Term Loans & Advances	218	295	305	364	499
Land	1264	1524	1742	1366	1567
Other Assets	13	3	39	31	110
<b>Total Assets</b>	<b>3244</b>	<b>3947</b>	<b>4920</b>	<b>6094</b>	<b>6648</b>

# Financial Performance

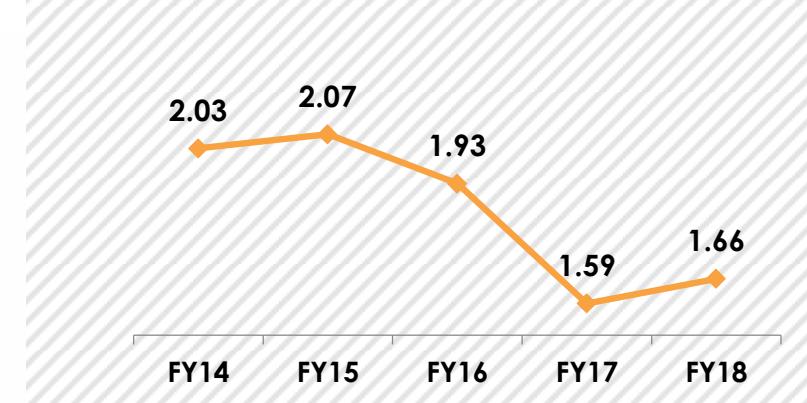
**Total Revenues (Rs Mn)**



**EBITDA (Rs Mn)**

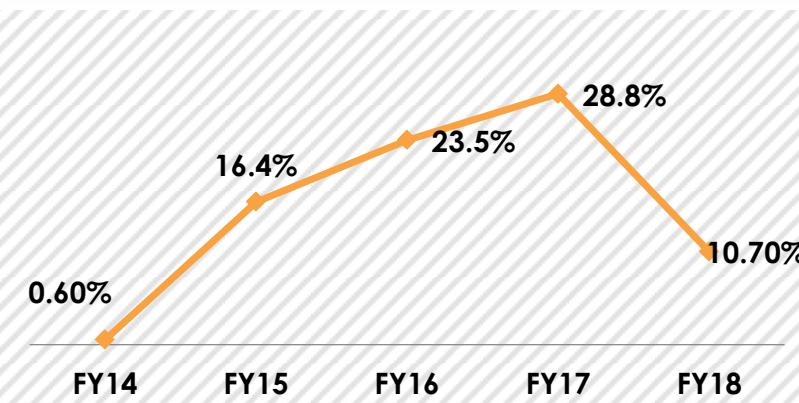


**Net Debt/Equity (x)\***

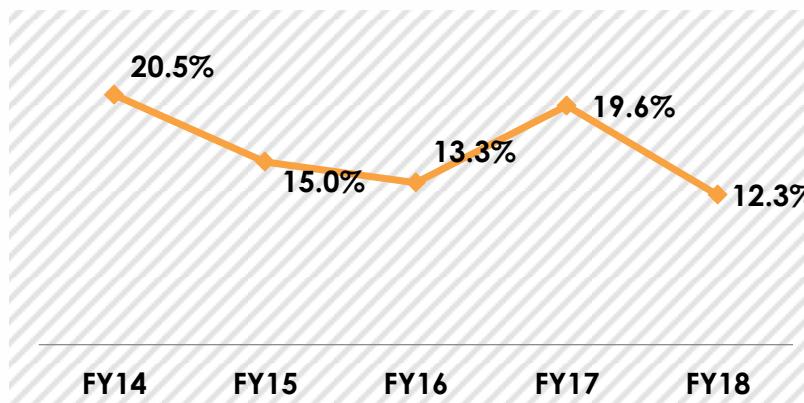


\*The debt on holding company is 100% liability of ASL. The debt on subsidiary company is worked out to the extent of ASL share holding of 60%.

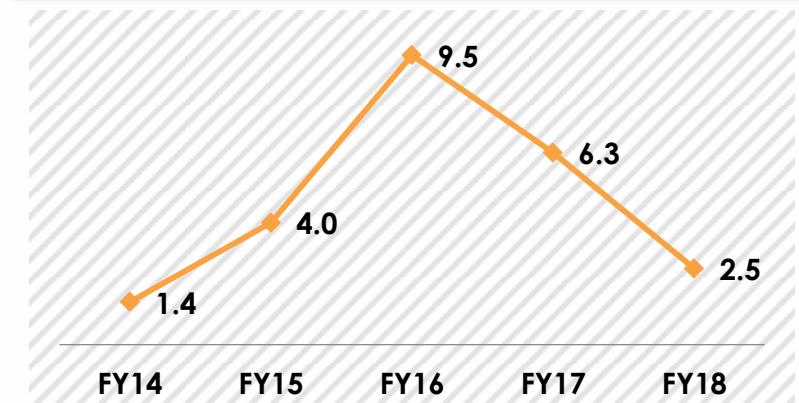
**Return on Equity (%)**



**Return on Capital Employed (%)**



**Interest coverage ratio (x)**



# Net Worth & PAT for the Quarter ended 31<sup>st</sup> December 2018



Company (INR Mn)	Net Worth	PAT
Arihant Superstructures Limited	1136.16	6.11
Arihant Vatika Realty Private Limited	195.90	33.53
Arihant Abode Limited	4.64	3.05
Arihant Gruhnirman Private Limited	(1.70)	(0.02)
Arihant Aashiyana Private Limited	130.13	3.01
	<b>1465.12</b>	<b>45.68</b>

Figures per Standalone Balance Sheet of each Company

## Performance Highlights

1. Total aggregate area booked for Q3 at 181,991 sq. ft. (214 Units) with value of INR 812.10 Mn
2. 192 units sold (1,54,686 sq. ft.). INR 731.3 Mn at MMR / Navi Mumbai
3. 22 units sold (27,305 sq. ft.). INR 80.80 Mn at Jodhpur, Rajasthan
4. Launch of Arihant Amber at Taloja Phase II
5. 188 Flats delivered with O.C. at Arihant Anaika – Phase 1 amounting to 201,289 sq. ft.
6. 312 Flats delivered with Part – O.C. at Arihant Anshula amounting to 289,323 sq. ft.

## Consolidated Financial Highlights

1. Revenue for Q3FY19 recorded at INR 794 Mn and for 9M FY19 at INR 1,735 Mn.
2. EBITDA for Q3FY19 at INR 176 Mn and for 9M FY19 at INR 429 Mn.
3. PBT for Q3FY19 at INR 84.56 Mn and for 9M FY19 at INR 177.63 Mn.
4. PAT for Q3FY19 at INR 71.39 Mn and for 9M FY19 at 147.98 Mn.

# Q3-FY19 - Income Statement

Amount in INR Mn except as stated

Particulars	Q3 FY19	Q3 FY18	Q2 FY19
Total Revenue	794.11	410.48	503.34
Total expenses	618.06	325.94	403.55
EBITDA	176.06	84.54	99.79
EBITDA Margin (%)	22.17%	20.60%	19.83%
Interest	86.53	37.06	66.81
Depreciation	4.96	2.75	4.45
PBT	84.56	44.73	28.53
Tax	13.17	18.08	7.51
PAT	71.39	26.65	21.02
PAT Margin (%)	8.99%	6.49%	4.18%
Minority Interest	14.97	-1.87	8.43
Attributable PAT	56.42	28.52	12.59
EPS (Rs)	1.37	0.69	0.31

# FY18 - Income Statement

INR Mn (except as stated)	FY18	FY17
Revenue	1892.52	1862.46
Total Expenditure	1507.62	1218.94
EBITDA	384.90	643.52
EBITDA Margin (%)	20.3%	34.6%
Interest	150.10	101.22
Depreciation	13.36	10.20
PBT	221.44	532.10
Tax	74.96	172.93
PAT	146.48	359.16
PAT Margin (%)	7.7%	19.3%
Minority Interest	20.83	32.36
Attributable PAT	125.66	326.81
EPS (Rs)	3.05	7.94

## FY18 - Operating Overview

1. Total units launched – 1,293 units equivalent to 1,279,051 sq. ft.
2. Launch of Flagship Project, Arihant Aspire – Phase 1 (622 units) (November, 2017)
3. Total Net Sales: 931 units amounting to INR 3.43 bn.
4. MMR/Navi Mumbai : 717 units sold (613,343 sq. ft.)
5. Jodhpur : 214 units sold (229,223 sq. ft.)
6. Total homes delivered: 863 units (Navi Mumbai – MMR 698 units equivalent to 511,800 sq. ft.; Jodhpur 165 units equivalent to 242,529 sq. ft.)

## FY18 - Operating Overview

1. Revenue increased to INR 1,893 mn
2. EBITDA decreased to INR 385 mn
3. PAT decreased to INR 146.48 mn

## REVENUE DRIVERS

Fast tracking of Navi Mumbai airport to boost demand from home buyers

To add more projects in the affordable housing segment.

DM model to drive revenue.

Events planned throughout the year to boost sales

## MARGIN DRIVERS

Efficiency in low cost land purchase

Low overheads

Low cost of finance

Controlled timeline of project completion

## FUTURE PLANS

To infuse funds for land purchase to take current developable area from 13.7 mn sq. ft. to 25 mn sq. ft.

Exploring fund raising via equity/debt or PE

Open for all types of Asset-Light models which will add to both revenues and profitability

# Holding Company Debt Liability as of 31<sup>st</sup> December, 2018

Entity	Holding	Entity Debt (INR mn)	Liability of ASL (INR mn)*
ASL	100%	847.83	847.83
Vatika	60%	228.06	136.80
Aashiyana	60%	1,045.66	626.14
Abode	60%	1,695.39	1,007.02
Gruhnirman	60%	128.08	13.61
		3,945.02	2,631.41

\* After netting off Intercompany Loan

- The company accounts for & have adopted the method of liabilities V/s Shareholding percentage. The debt on holding company is 100% liability of ASL. The debt on subsidiary company is worked out to the extent of ASL share holding of 60%.
- Effective Debt-to-Equity ratio: 2.32**

# Board Of Directors

## Ashok Chhajer, *Promoter, CMD*

- Over 4 decades experience includes 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

## Nimish Shah, *Whole-Time Director*

- A civil engineer with over 17 yrs experience in construction
- Earlier association with Hiranandani group and Soham Group, Thane
- Responsible for Planning and Execution, project estimation, Infrastructure and site organization of projects

## Virendra Mittal, *Independent Director*

- IIT Alumnus and a fellow chartered engineer
- Vast experience in construction, real estate, power plants, mining and highway projects
- Ex-government employee with Rajasthan

## Vinayak Nalavde, *Independent Director*

- Over 25 years experience with various government departments
- Earlier associated with CIDCO as Joint Managing Director

## Dinesh Chandra Babel, *Independent Director*

- A Chartered Accountant retired as President - Finance & Commercial at Ispat Industries Ltd
- Earlier associated with companies like Birla Corp, Jaiprakash Industries, and JK Corp

## Vijayalakshmi Iyer, *Independent Woman Director*

- Nearly 4 decades experience in the financial services industry
- Former Chairperson and Managing Director of Bank Of India
- Member (Finance and Investment s) of IRDAI

## 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

# Experienced and dedicated management team

## Akshay Agarwal, Director - Procurement

- Dual specialization in Marketing and Logistics from Ohio State University, Columbus USA
- At Arihant, he is involved in purchase & procurement

## Piyush Dosi, Director - Jodhpur

- A civil engineer with over 20 years' experience in project planning and execution
- At Arihant, he drives the project execution at the Jodhpur region

## Pradeep Mehta, CFO

- A CA and IIM Alumini with over 22 years' experience in cement, steel and Oil & Gas sectors in leading companies like Grasim, Essar and JSPL
- Responsible for Corporate Finance, Internal Controls, Budgeting & Forecasting

## Jitendra Mehta COO

- CA, LLB with 3 decades of experience in Operations, Corporate and tax audit in sectors like Real Estate, Textiles, etc
- At Arihant, he is responsible for Business Development & land portfolio, Recoveries, Legal & HR function

## Umesh Jhawar, VP - Strategy and IR

- MBA, BSc.(Tech) UDCT and over 22 years of industry experience in Business Strategy, Planning, Sales & Business Development
- Heads Investor relations, Marketing and business strategy

## Ajay Purohit Head - Civil

- Experience of 18 years in field of construction both industrial and residential civil works
- At Arihant, he is the head of civil affairs in the Jodhpur region

## Sharmin Davar VP – Sales & Leasing

- MBA with 15 years of experience in Sales in real estate industry
- At Arihant is responsible for Sales & leasing of Navi Mumbai - MMR projects

## 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 .

# Past Awards and Accolades



2015

Best Business Practice Award in 2015 for 2014



Winner of Mumbai Hot 50 Brands by One India and Paul Writer



Best Corporate Brands 2016 - Real Estate by the Economic Times



2016

Most Esteemed Ongoing Project of the Year – Navbharat Realty Business Achievers Award 2016



NDTV awards Arihant as the best developer in affordable category for budget housing in metro cities, 2016.



2011

Best Developer in affordable housing



2012

Power Brands Entrepreneur of the year



Public Award Popular choice Developer - MCHI



2013

Innovation leaders of new India 2013,  
Power Brand Glam,



2014

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



2014

Mumbai Hot 50  
Brands by HT



Corporate Excellence award



Best Business Practices award in Real Estate-  
2014 by Accommodation Times

# Mumbai Hot 50 Brands (2 Times) - 2015 and 2014

 ASIAN PAINTS	 AUDI INDIA	 ASL	 AXIS BANK	 BERGGRUEN HOTELS	 BHARTI AXA	 BOOKMYSHOW	 BURGER KING
 CADBURY DAIRY MILK	 CELIO	 CIPLA	 COLORPLUS	 CROMA RETAIL	 EUREKA FORBES	 GODREJ PROPERTIES	 HAAGEN-DAZS
 HDFC LIFE	 HEADPHONE ZONE	 HOUSING.COM	 ICICI BANK	 IDBI FEDERAL	 IDEA CELLULAR	 IIFL	 ITZ CASH CARD
 KOTAK MAHINDRA BANK	 LIC	 LOVABLE	 MAHINDRA HOLIDAYS	 MUMBAI INDIANS	 OBEROI REALTY	 PARK AVENUE	 PEPPERFRY
 PHOENIX MARKETCITY	 PIDILITE INDUSTRIES	 QUICK HEAL	 SAFFRONART	 SHAADI.COM	 SHOPPERS STOP	 SKODA	 STATE BANK OF INDIA
 TABcab	 TATA CONSULTANCY	 TATA HOUSING	 TAXI FABRIC	 THAT'S PERSONAL	 THOMAS COOK	 VIBGYOR HIGH	 WESTSIDE
 FAASOS	 YES BANK						

**Arihant Superstructures Ltd. bags the most prestigious Mumbai's Hot 50 Brands Award for consecutive 2 years, 2014 & 2015 presented by One India & Paul Writer**  
**Thanks for the support**



Iconic Award by Radio City for Arihant Aspire,  
Sept 2018



IGBC PreCertified Platinum Rating for Aspire project,  
July 2018

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



**Award for Excellence in Quality Construction**  
– D B corp Ltd.(Dainik Bhaskar) organised  
by 94.3 MY FM, Jodhpur Excellence Award  
2017

## Arihant Adita – Jodhpur's no1 Housing Society Award, Red FM



- In their drive to promote cleanliness in Jodhpur city, RED FM 93.5 had organized a contest among the societies in Jodhpur.
  - In the Online Voting contest, for the Best Township in Jodhpur, Arihant Adita, won by huge margins, accounting for around 70% of total votes

## Affordable Housing Project of the Year – 2018



The **MCHI CREDAI** in their prestigious **GOLDEN PILLAR award** 2018 has given Affordable Housing Project of the Year award to Arihant Superstructures Ltd (ASL)

## Affordable Low Cost Quality Housing - 2018



Award for Quality construction  
affordable housing – Recognition by **The Economic Times, ET Realty award, 2018**

# Thank you !!

*For further Information please contact*

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**VP – Strategy & IR**

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