Company Name: Arkade Developers Limited

Quarter under review: Q1-FY27

Arkade Developers Limited– Q1-FY27 Concall Highlights:

Arkade Developers Ltd. (Consolidated)					
INR In Mn	**Q1-FY27**	**Q1-FY26**	**Y-o-Y**	**Q4-FY26**	**Q-o-Q**
Operational Income	1,470	1,594	-7.78%	1,966	-25.23%
EBITDA	278	342	-18.71%	379	-26.65%
EBITDA M (%)	18.91%	21.46%	-255 bps	19.28%	-37 bps
PAT	191	288	-33.68%	-1,096	NA
PAT M (%)	12.99%	18.07%	-508 bps	-55.75%	NA
Diluted EPS	1.03	1.55	-33.55%	-5.90	NA

Operational Highlights:

- Pre-sales grew 9% YoY to INR 155 crore, reflecting healthy customer demand and continued traction across the company's project portfolio.
- Development pipeline expanded to approximately INR 12,800 crore of GDV, covering nearly 42 lakh sq. ft. of saleable carpet area, providing strong medium-term growth visibility.
- The company is targeting approximately INR 3,000 crore of project launches in FY27, significantly higher than its historical annual launch levels.
- The FY27 launch pipeline includes projects in Santa Cruz, Malad and Thane, with these three projects together having a potential sale value of around INR 3,000 crore.
- Launch pipeline is expected to scale from around INR 1,500 crore historically to INR 3,000 crore in FY27, followed by a targeted INR 5,000 crore+ in FY28, indicating accelerated growth in project launches.
- Projects are spread across multiple stages of business development, approvals, launches and construction, creating a staggered pipeline and reducing dependence on any single project launch.
- Around 20% of a project's sale potential is typically monetized during the launch phase, providing an early contribution to pre-sales as new projects are introduced.
- Arkade continues to focus on redevelopment opportunities in the MMR, supported by land scarcity and the large base of older/dilapidated buildings requiring redevelopment.
- The company is expanding its presence into new geographies and higher-ticket projects, including larger-ticket developments in South Mumbai.
- New project opportunities are evaluated with a target of approximately 20%+ IRR, consistent with the company's historical return expectations.
- The Filmistan project, along with two additional projects, is expected to be launched in FY28, providing further visibility to the development pipeline beyond FY27.
- Arkade's project strategy remains focused on mature Mumbai markets and the aspiring segment, where management sees relatively stronger and more established demand rather than taking exposure to untested markets.

Key Questions & Answers discussed during the Concall:

- **What is the outlook for project launches in FY27 and FY28?** We are targeting around INR 3,000 crore of launches in FY27, compared with our historical launch pipeline of around INR 1,500 crore. We expect this to scale further to INR 5,000 crore+ in FY28, supported by multiple projects across our pipeline.

- **How do we see pre-sales progressing with the increased launch pipeline?** We expect around INR 500 crore of pre-sales from new FY27 launches and another INR 500 crore from ongoing projects. This gives us a potential INR 1,000 crore of pre-sales contribution, supported by the higher launch activity and continued sales momentum across existing projects.

- **What is the current size of our development pipeline?** Our development pipeline stands at approximately INR 12,800 crore of GDV, covering around 42.5 lakh sq. ft. of saleable carpet area. This provides us with strong visibility for future launches and gives us a sizeable base to support growth in pre-sales over the coming years.

- **How are we approaching project acquisitions?** We remain selective and disciplined in acquiring new projects, focusing on opportunities that can generate attractive returns rather than pursuing growth purely through aggressive land acquisition. We generally look for projects capable of generating 20%+ IRR.

- **What is our strategy for redevelopment opportunities in Mumbai?** We continue to focus on redevelopment opportunities across the MMR, where the large base of ageing buildings provides a significant opportunity. We remain selective in evaluating these projects and aim to add redevelopment opportunities that can generate attractive returns while strengthening our overall project pipeline.

- **How are we expanding geographically within the MMR?** While maintaining our presence in established Mumbai markets, we are also expanding into new micro-markets and higher-ticket projects, including opportunities in South Mumbai, to diversify and increase the scale of our development portfolio.

- **What is the status and timeline for the Madh Marve project?** The existing wireless station is expected to be shifted during FY27, following which approvals are targeted in FY28. We currently expect the project to be launched around FY29.

- **What is the typical contribution from a project during the launch phase?** We generally expect to monetize around 20% of a project's overall sale potential during the launch phase, with the balance being monetized progressively as construction advances.

- **What is the outlook for the Filmistan project?** We expect the Filmistan project, along with two additional projects, to be launched in FY28, providing additional visibility beyond the FY27 launch pipeline.

- **What is our approach toward larger-ticket projects?** We are looking at larger-ticket projects, particularly in South Mumbai, as part of our strategy to expand the scale of our development portfolio. At the same time, we remain focused on markets and project segments where we have established execution capabilities and see strong demand visibility.

- **How do we view the long-term growth opportunity for Arkade?** We see strong long-term growth potential from scaling the launch pipeline, expanding redevelopment opportunities across the MMR, and selectively adding new projects. With the launch pipeline expected to increase from around INR 3,000 crore in FY27 to INR 5,000 crore+ in FY28, we believe the business has significant room to scale while maintaining a disciplined approach toward project selection and returns.

Key Participants

- *Dhananjay Mishra - Centrum Broking*
- *Kedar - NAN Partners*
- *Sahil Patani - Strokes Capital*