



SH/XII/098/2026-27

30th October, 2026

Corporate Relationship Department
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Dalal Street, Fort,
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Scrip Code: 500040

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th floor,
Bandra-Kurla Complex
Bandra (East), Mumbai-400 051.
Scrip Code: ABREL

Dear Sir/ Madam,

Sub: Transcript of Q2/H1-FY2026-27 Earnings Conference Call of Aditya Birla Real Estate Limited ('the Company')

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Pursuant to Regulation 30 of Listing Regulations, please find attached transcript of Q2/H1-FY2026-27 Earnings Conference Call conducted on 26th October, 2026 at 05:00 P.M. (IST) after the meeting of the Board of Directors of the Company held on 26th October, 2026.

The above is also available on the website of the Company viz. www.adityabirlarealestate.com

This is for your information and record.

Thanking you,

Yours truly,
For Aditya Birla Real Estate Limited
(Formerly Century Textiles and Industries Limited)

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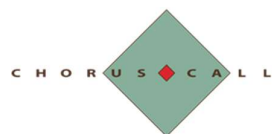
Atul K. Kedia
Jt. President (Legal) & Company Secretary
Encl: as above





“Aditya Birla Real Estate Limited
2QFY27 Earnings Conference Call”

October 26, 2026



MANAGEMENT: **MR. R.K. DALMIA – MANAGING DIRECTOR – ADITYA BIRLA REAL ESTATE LIMITED**
MR. K. T. JITHENDRAN – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – BIRLA ESTATES PRIVATE LIMITED
MR. KEYUR SHAH – CHIEF FINANCIAL OFFICER – ADITYA BIRLA REAL ESTATE LIMITED

MODERATOR: **MR. KARAN KHANNA – AMBIT CAPITAL PRIVATE LIMITED**



Moderator:

Ladies and gentlemen, good day and welcome to Aditya Birla Real Estate Limited 2QFY27 Earnings Call. 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 this 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 over the conference to Mr. Karan Khanna from AMBIT Capital Private Limited. Thank you, and over to you.

Karan Khanna:

Thank you, Iqra. Good evening, everybody. On behalf of AMBIT Capital, I would like to welcome you all to the 2Q and 1HFY27 Earnings Conference Call of Aditya Birla Real Estate. From the management team, we have with us today Mr. R.K. Dalmia, Managing Director, Aditya Birla Real Estate; Mr. K. T. Jithendran, MD and CEO, Birla Estates and Mr. Keyur Shah, CFO, Aditya Birla Real Estate.

I will now hand over the call to the management team for the opening remarks, post which we will have the forum open for Q&A. Thank you, and over to you, gentlemen.

R. K. Dalmia:

Thank you, Karan. I'm R.K. Dalmia. A very good evening to you all. India's economy maintained strong momentum in 2QFY27, supported by resilient domestic demand and investment activity. 1QFY27 GDP growth stood at 7.8%, ahead of the RBI's earlier estimate with healthy PMI readings and GST collections. Reflecting this resilience, the RBI revised its FY27 GDP growth forecast upward to 7.1%.

The external environment continued to face headwinds from geopolitical tensions, elevated energy prices and tighter financial conditions. Headline CPI inflation rose from 4.45% in July to 5.4% in September. Nevertheless, the domestic growth demand remains supportive of the real estate sector.

MMR remained the largest residential market with sales of approximately INR59,500 crores, up 11% Y-o-Y. Pune and Bengaluru also maintained healthy momentum and with absorption growing 3% Y-o-Y and prices increasing 3% in Pune and 8% in Bengaluru. Together, MMR, Bengaluru, Pune and NCR accounted for around 65% of Pan-India sales by value.

The commercial office segment remained strong in 2QFY27, reaching approximately 21 million square feet, up 6% Y-o-Y, taking 9 months leasing to a record 66.4 million square feet. GCCs remained the key demand driver, accounting for around 41% of leasing, alongside robust demand for Grade A and green-certified assets.

Against this backdrop, we delivered a strong 1HFY27 performance. Total income increased 309% Y-o-Y to INR355 crores including INR268 crores in Q2, up 755% Y-o-Y. Collections increased 39% Y-o-Y to INR1,465 crores in 1HFY27. This Q2 collection was INR752 crores, up 47% Y-o-Y. We also crossed the landmark milestone of INR10,000 crores in cumulative collection across our projects.

In terms of profitability, Birla Tisya recognized EBITDA of INR181 crores at 28% EBITDA margin, while Birla Navya contributed INR39 crores at 35% EBITDA margin. Our financial position also strengthened with CARE improving BEPL's credit outlook from AA stable to AA

positive. 2QFY27 booking value stood at INR298 crores, with Birla Taranya and Birla Niyaara in MMR being the largest contributors, supported by sustenance sales across our key markets.

On business development, in October '26, we announced a JDA for 5.6 acres prime residential land parcel in Hinjewadi Phase 1, Pune. The project has a GDV potential of approximately INR1,650 crores, further strengthening our Pune portfolio and future development pipeline. At our flagship Worli development, we have chosen to redesign Tower C to unlock its full potential.

The revised plan has approximately INR1,900 crores of net GDV and is expected to be highly accretive to profitability, while the resultant deferment of the launch to the next financial year may impact current presales. This reflects our disciplined focus on long-term shareholder value over near-term launch timelines.

We continue to strengthen our redevelopment portfolio and are in active discussions to close additional opportunities across high demand MMR micro markets- this remains an important avenue of growth supported by trusted partnerships and disciplined capital allocation. ESG remains integral to our operations. In the 2026 GRESB assessment, Birla scored 95.9 out of 100 and received a 5-star rating for standing investments and 100 out of 100 for development. We were recognized as a global sector leader in both benchmarks and ranked first in Asia for management score. Looking ahead, we remain focused on disciplined growth and consistent execution supported by a strong balance sheet and a robust opportunity pipeline.

Our priorities are to expand selectively across key markets, deliver high-quality development, strengthen our portfolio through business development and redevelopment and create sustainable long-term value for all stakeholders. Thank you. We will now open the floor for Q&A.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Jainam Shah from Equirus Securities.

Jainam Shah: Am I audible?

Moderator: Yes, sir.

Jainam Shah: My question would be, firstly, on the presales. So, we did around INR300 crores of presales. What would be the cancellations during this particular quarter across the projects, and what would be our gross presales for the particular quarter?

K. T. Jithendran: We are really talking about net sales only. So, we don't talk about the gross. So, I think, suffice to say that the focus is clearly on net sales. So, the net sales has been INR298 crores. Given our current inventory, I think it's been a steady performance. And once the launches start kicking in, I think we'll really accelerate on this.

Jainam Shah: Got it, sir. One more thing, sir, I just wanted to understand one more thing, which is like our collection is largely in line with our construction. Like we have all the collection linked with the construction. Is this understanding, correct?

- K. T. Jithendran:** Yes, largely. Yes, collections are pretty strong.
- Jainam Shah:** Got it, sir. Sir, what could be, let's say, largely embedded EBITDA margin that we generally see at the project level? Any broader number that you can suggest for the same?
- K. T. Jithendran:** Broader EBITDA margins you're talking about?
- Jainam Shah:** At the project level?
- Keyur Shah:** Yes. Our EBITDA margin for every project ranges from 25% to 30%..
- Jainam Shah:** Just two more things on this. So if you see our cash flow that you have started giving over the last two quarters, in that particular thing, when we see our collection versus our construction cost as well as other project-related outflow and corporate costs, if we combine everything, then we are not making any major margin if you exclude the leasing inflow as well as our construction and collection have been largely along the similar lines?
- Then how does this collection and construction-related outflow differ from the margin we provide? And also on the Slide number 27, the cash flow that we are giving about the remaining estimated project cost, that also suggests that all the launch project, our margin post launch is somewhere of around 35-odd percentage, which excludes the land stamp duty and approval cost. So I just wanted to check on these 2 parts for the 25% odd EBITDA margin number at the project level?
- Keyur Shah:** So see, the cash flow which we have given is what we've collected, less the construction spend and the other spend we've got. We also charge off all the sales, marketing and all expenses are charged off to the P&L, including for projects which are yet to be launched. So all the expenses which are overheads are charged off to the P&L. Only the direct liaison or operation-related expenses are inventorized.
- So in a way, it's not like-to-like. The collections are only for the launch projects, but the expenses which are incurred are for the entire portfolio. So that's the way one needs to look at it. Now coming to Slide number 27, where you talk about the future potential, we have excluded all the costs or we've included all the costs we need to incur on the launched projects, including the unsold inventory, and thereafter the surplus cash flow potential has been determined.
- Jainam Shah:** In this INR12,963 crores amount, which is remaining estimated cost of the project, this includes the admin and overheads and the corporate costs are included or it will be excluding those?
- Keyur Shah:** No, it includes the entire cost, mainly approval costs, everything. All the costs related to the projects which have been launched.
- Jainam Shah:** Okay. So just one thing, sir. If you see total sales that we have done for all the launched projects combined is somewhat of INR24,500-odd crores, and our collection is almost around INR9000-odd crores, which suggests that around you can say 35% odd collection has been done while 65% of collections are pending across the portfolio?

If I apply the similar to the construction cost as well, the 35% construction cost would have incurred all the cost and balance 65% would have been left out, then our construction cost for, let's say, estimated project cost would be around INR20,000 crores odd number versus INR30,000 crores of total launched inventory, which also suggests we are making some 35% odd margin, and this is all the cost which we are going to incur going forward. So anything that I'm missing because this also gives me the 35% odd number over here?

Keyur Shah: Jainam, let's take this offline. I mean, we have the other participants also waiting in queue. As I mentioned, the INR12,000 crores, which we have considered for the estimated project cost includes all the projects, all the -- entire project costs of the launched inventory and not necessarily of the sold inventory. We'll take the balance questions offline.

Moderator: The next question is from the line of Harsh Pathak from Motilal Oswal Financial Services Limited.

Harsh Pathak: So, my first question is on the Niyaara project. So, we have received some additional area. What has led to this new area flowing through? And what is the consideration paid? Because even if I see the PPT, it says a net GDV addition of INR1,900 crores. But if I take the difference of GDV between the Q1 and Q2 presentation, it indicates that the GDV addition is close to INR3,000 crores. So where am I missing?

K. T. Jithendran: So essentially, Harsh, what we have done is that Niyaara first plot and the second plot that we acquired later from the Wadia's, we have been able to amalgamate both of them. And we have been able to use some of those FSI from the other plot; we have been able to load it onto the current Tower C.

So actually, we are bringing forward what we otherwise would have launched at a later date, and we are now creating and optimizing this product Tower C. And therefore, we are increasing the GDV of Tower C by INR3,000 crores. So, part of that is coming from the adjacent plot, which we have now been able to amalgamate. So therefore, now this being a very vantage location, we are redesigning the product to a better configuration and optimizing it. And with that, we are pretty confident that we're able to attain much better value, which is resulting in a net increase of GDV by INR1,900 crores.

Harsh Pathak: Understood. So in our entire Worli land parcel, we should see that the entire GDV goes up by INR1,900 crores.

K. T. Jithendran: Yes. Net GDV goes up by INR1,900 crores. But for Tower C, the GDV goes up by INR3,000 crores.

Harsh Pathak: Understood. And when can we now expect the launch happening in FY '28? And which are...

K. T. Jithendran: Yes, we're trying to do it as quickly as possible. With this redesign, I think we should be ready to come into the market by Q2 of next year.

Harsh Pathak: Q2. Understood. And which are the other projects that we are planning from the pipeline for FY '28? And also wanted to check when are we launching this Khar project in the current year?

- K. T. Jithendran:** Yes. Khar should be coming sometime in Jan, Feb in the coming year, but we have Vashi, which we have finalized as a new launch, new phases of Taranya, new phases of Punya. We have also now finalized a new project in Pune in Hinjewadi. So that also, hopefully, by Q4 of next year, we should be able to launch.
- Harsh Pathak:** Understood. Just wanted to check on this Hinjewadi project, what is our share in this project? And what considerations have we paid towards this?
- K. T. Jithendran:** So, it's been a pretty attractive deal for us. Top line is about INR1,650 crores. It's a rev share of 75% to us and 25% to the partner. And the upfront is about INR50 crores.
- Harsh Pathak:** INR50 crores, okay. And in Niyaara, have we paid some consideration to load the additional FSI?
- K. T. Jithendran:** No, no, no. It's just a reconfiguration of the FSI.
- Harsh Pathak:** Understood. Okay. And my last question is on the NCR projects. So, for both Birla Arika and Pravaah, we have seen some cancellations happening. So Arika this quarter also, we have seen some INR14 crores of cancellations. Both the quarters put together, it's INR120 crores. Even in Birla Pravaah, we have seen some INR7 crores of cancellations. So, I wanted to check what is happening at these projects? And how do you see the NCR sales panning out? Because even we have Birla Navya project to be launched this year in H2. So how do you see the demand in NCR per se?
- K. T. Jithendran:** Yes. So, Birla Pravaah, as you know, we had sold out the entire inventory of about INR1,850 crores. There have been 3 cancellations, all of which have been rebooked at higher prices. Arika, if you know that in the first phase, we have sold about INR3,000 crores. And in the second phase, we sold another about INR1,700 crores, INR1,800 crores.
- Together, we have done about INR4,700 crores or so, which is basically 323 apartments plus 151 apartments, so about 475 apartments. So, we had about 11 cancellations, that's okay. I mean that happens. There are some of the people who don't pay, we terminate some of them, they cancel. So, this has been a 50-50 situation in our case.
- The good news is that about 6 of these apartments, we have resold at least about INR2,000 per square feet higher price. So that's the outcome. So, when the entire portfolio gets sold, sometimes this kind of a few flats get cancelled. Sometimes they don't pay up, we also terminate. But I can assure you that all these are getting resold at much higher prices. The market of NCR continues to be very resilient and very strong, and we are very positive and optimistic about it. And we are looking for many more projects to launch in this market.
- Moderator:** The next question is from the line of Biplab Debbarma from Emkay Global.
- Biplab Debbarma:** So, my first question is on the -- you have removed Niyaara from the launch pipeline of this financial year. So, we have limited inventory to sell, and even if we sell well, there is a high chance of our presales number falling short of last year's presales numbers. So, it looks like you

will be doing some INR6,000 crores, INR7,000 crores this year. So, is my assumption correct? Do you see this year's presales doing like last year's presales?

K. T. Jithendran: Biplab, this is exactly what I tell you when I refrain from giving guidance. Short-term guidance is very difficult because there are so many ways it could go aside. That's why I'm more happy giving a long-term guidance because in the quest of meeting the guidance, I don't want to kind of compromise the value that's clearly, we can add sometimes which comes up -- these opportunities which come from time to time.

So, we will continue to add more value to our investors, stockholders to the project, et cetera, and continue to optimize and improve the GDV and the value. So, yes, I mean, it is not INR8,000 crores for sure for this year. But as I mentioned, we will refrain from giving a clear guidance, and rather I'll be happy giving you a long-term guidance.

Biplab Debbarma: That's okay, sir. Second question is, we have done revenue recognition in Tisya and some in NCR project. But what is the expected revenue recognition for the remainder of this financial year? And what kind of revenue recognition can we expect next financial year in FY '28?

Keyur Shah: So, Biplab, most of the revenue has already been recognized. So, for very few apartments, the revenue is yet to be recognized. So, the forthcoming revenue recognition is not going to be substantial.

Biplab Debbarma: In this financial year?

Keyur Shah: Yes, yes.

Biplab Debbarma: And what about next year?

Keyur Shah: Next year, we'll have other projects. But current year, we have fully considered whatever we have in our portfolio.

K. T. Jithendran: Biplab, I also wanted to add and tell you that, we have been able to recognize this revenue about 4 months ahead of schedule. We are supposed to do it last week, but we have delivered this project about 4, 5 months ahead of the RERA timeline, which we have been committed to our customers. Project has come out very well with an NPS score of 95%. So, we are very happy with the outcome and customers are very delighted. And this talks a lot about our execution focus and capability, and this will continue to happen in all our projects.

Biplab Debbarma: There is no doubt about your execution capability, sir. That's a great news. Sir, one final question is on the business development. We have done -- correct me if I'm wrong, 2 deals this year, GDV of INR4,200 crores around. So, our guidance of INR10,000 crores to INR15,000 crores, are we on track to do that kind of business development?

K. T. Jithendran: Yes. So, if you look at the last few months, of course, as you very rightly mentioned, we did INR2,600 crores from Vashi, INR1,600 crores from Hinjewadi. In March, we did about INR1,600 crores again from Khar project. We also added about INR1,900 crores of extra value from Niyaara Tower C.

So overall, you look at it, we have added worth about INR8,000 crores in the last few months. If you look particularly at this year, including Niyaara, we have added about INR6,200 crores of new projects that increased the GDV. In a 6 months' time, as I mentioned, we have guided for about INR10,000 crores. So, we have already achieved INR6,000 crores in a way. But I'm pretty confident that we should be able to cross the INR10,000 crores guideline that we had mentioned at the beginning of the year.

Moderator: The next question is from the line of Akash Gupta from Nomura.

Akash Gupta: Am I audible?

Moderator: Yes.

K. T. Jithendran: Yes, Akash.

Akash Gupta: So, my question is on the sustenance sales. I mean, we have INR19 billion of inventory in Worli. We have INR10 billion of inventory in Thane. INR3 billion of sustenance sales on a quarterly basis, it's lower than our expectations. So just wanted to understand your thoughts as to how the offtake is going on? Is it like in your projects, is it in line with your expectations? So that's my first question.

K. T. Jithendran: Yes. So, Akash, if you look at our inventory, overall, 78% is already sold. What is left is only 22%. And if you look at Niyaara, etcetera, I mean, I would say we have done well because we have sold 6 apartments in Niyaara in this period combined of Tower A and C, B together. We don't have much inventory left. So, this number varies from project to project. We can't generalize it.

We have also done reasonably well in Taranya, as you mentioned, because we did about INR250 crores of sales in Taranya in these 2 quarters. So, I think considering the kind of strong momentum we have been able to attain during the launches and whatever the balance inventory level, we are doing in a steady state.

If you know in Taranya, we did more than INR1,000 crores, which is one of the highest selling launch projects in Thane at the launch stage. So, bulk of that momentum was snatched during the launch itself. And now whatever is the balance, it will go at a steady pace. So, I think it's quite fine.

There may be 1 or 2 projects like Birla Mrida, which are not firing. We need to now bring more power into pushing that across different markets to get momentum there and also bring balance to the overall portfolio of sales. But if you look at the key projects, if you look at Taranya has done well.

Punya has done reasonably. Pune also has done about INR92 crores and from whatever inventory balance we had. So, all of them, I think, are reasonably firing. Barring a couple projects where we have to do some focus. And there have been some negative sales also, which was again because of the very, very strong sales in the past. There was no inventory left. So that correction will happen over a course of time.

Akash Gupta:

Understood. Sir, my second question is on the share price. The share has corrected from INR3,000 levels to roughly INR1,000 right now. There is definitely a mismatch between how investors are thinking about your stock, and how we are thinking about our strategy. Even FY '27 presales, I think, from INR80 billion is now going down to roughly INR50 billion, INR60 billion because Niyaara, which was expected to launch this year, has now been moved.

So just wanted to understand how we are thinking about our long-term presales guidance because I think we were expecting roughly INR15,000 crores in FY '28. Now we are taking it probably to FY '29. So, there is definitely a mismatch. I just wanted to -- for you to address the question. How should investors think about the company?

K. T. Jithendran:

I think the investors should very clearly see this as a long-term investment, not a short-term linear sort of a sale company. We are continuously working for improving the long-term value of our investors. We stand firm to our commitment of reaching presales of INR15,000 crores by FY '29.

We're also, as you know, continuously adding projects new projects. We have increased our GDV value by almost INR7,000 crores or INR8,000 crores in the last few months. We are also trying to extricate more value of our current portfolio, the way you saw Tower C, now with the GDV is going up by almost INR3,000 crores.

We are bringing in what would have happened in Niyaara 2 forward by putting it more into Tower C. So, each of these actions of ours is very carefully thought out and planned to improve the value of our shareholders and investors. So, it's not just presales, presales is only one part of it.

We -- when we do add projects in business development, we are extremely careful how these -- each of these projects are going to add long-term value, how is the risk framework turning out? Are we taking the right risk or are we speculating too much. And also in execution, we are razor sharp. We are razor focused. Execution is going in a well-executed plan. We are delivering projects ahead of time with very high IRRs and very high margins. So, I think all of these goes as a complete package in building the long-term value of our investors.

Moderator:

The next question is from the line of Pritesh Sheth from Axis Capital.

Pritesh Sheth:

Just continuing on the sustenance sales part question from the previous participant. So, in Niyaara, we used to sell like 15, 20 apartments or 20, 25 apartments a year. In the first half, you saw we have sold 6-odd units. I know, I mean, inventory is one side of the story. But is there also some slowdown in terms of sales because of the competition around, or you would purely attribute it to the kind of inventory that we are now left with?

K. T. Jithendran:

So, Pritesh, see, I had about four cancellations here. And each of these flats got sold. Together, the four resales generated INR15 crores of extra revenue. So, I think the demand is very strong. The Birla Niyaara brand has been built very strongly. There is pretty strong demand -- positive demand for these projects, both Tower A and Tower B.

The only issue is that lack of inventory. So, it will take its time. I think we have sold bulk of the inventory. We have sold 401 out of 413 in Tower A, 119 out of 148 in Tower B. So, I really don't see any need for any rush. I think we are looking for value now. We are cash positive. Construction is going well. We're well capitalized.

So, I mean, it will take its time. I mean, really, there's no need to rush the balance inventory, as the value is continuously going up. So, we are sitting pretty in -- I mean, there's no cause for any worry as far as Niyara is concerned. And now with Tower C, we are even adding more value. So, we see it in a very positive light.

Pritesh Sheth:

Sure. And just a second question, see, while I think this year, anyways, we have not guided for any presales per se on a yearly basis, but declining in a year doesn't go well with how investors perceive our business. So in that case, we have one more tower in Arika, would it not have been prudent to prepone some of the launches which you have kept for future to this year, just to ensure that there is a steadiness in terms of the business rather than being lumpy of having one very strong year and then two years of flattish to decline kind of growth. So, what's your thought on that, please?

K. T. Jithendran:

I think we can extract much higher value by launching Arika at a later date. We want some construction progress to happen on the other launched structures. And I think there's huge value to be unlocked in the last tower of Arika. And I think we are absolutely confident about that. So, I don't want to take any knee-jerk reaction and prelaunch Arika 2. It was a well-thought-out strategy. The strategy is doing well. And I don't think there needs to be any change in that philosophy.

Pritesh Sheth:

Sure, sure. That's helpful. And just one -- final two questions. If you can just provide an update on Vashi launch, will it happen this year or I know it's not there in the pipeline, but any big chance of doing it this year or most likely it should be next year?

K. T. Jithendran:

That will be next year, not this year.

Pritesh Sheth:

Sure. And on the business development, we spent like some INR260-odd crores this quarter for land. So, was it for like new acquisitions? And how should we think about the spend for rest of the 2 quarters in the year?

K. T. Jithendran:

So, we've made some payments for the Thane land also.

Keyur Shah:

Deferred payment.

K. T. Jithendran:

Yes, it's a deferred payment. So we've paid some for the Thane land. Also, we've paid some deposit for the deals. And we've also recovered some deposits. So overall, that's the net number which you are seeing in the cash flow.

Pritesh Sheth:

Sure. And how should we look at the rest of the year in terms of spends for this INR10,000 crores plus kind of BD that you're guiding?

K. T. Jithendran:

Yes, yes. We are firmly positive about it. We should be able to meet that guidance.

- Moderator:** The next question is from the line of Abhinav Sinha from Jefferies.
- Abhinav Sinha:** Sir, a couple of questions. Firstly, on the debt trajectory, and now with the inflows in -- from the paper business sale, what are you thinking about it over the next few years? So that's one. And secondly, if you can also include commentary on how the commercial build-out is being planned from here on in the medium term?
- Keyur Shah:** Yes. So, Abhinav, our balance sheet is very, very well capitalized. We have strong cash balances, including mutual funds for funding the acquisition. As K.T. mentioned, we've done almost INR7,000 crores of GDV addition in the last 6 to 7 months. We are very confident we should be able to do around another INR3,000 crores to INR5,000 crores of addition.
- Our target is 10 to 15. So, we are on track for that. And broadly, the acquisition cost would range between what we have been doing in the past. It has been around 15% to 17% of the GDV value -- that we are adding. So, you can accordingly assume the utilization of the cash in that manner.
- K. T. Jithendran:** So, Abhinav, on the commercial part, I think now that we -- as I mentioned also about 1.3 million square feet of a new commercial building, we are in the planning stage. We'll start commencing construction of that once we get all the approvals. The design is being finalized. This is a part of Birla Niyaara. So, we are starting commercial on that. I think we want to be -- given the markets as they are currently, it's very positive.
- Residential is doing well, and this has gone for a long time. So, I think it's the probability of reversal keeps increasing. So, I think we want to kind of hedge our bets by increasing the commercial portfolio annual income from INR150 crores to INR1,500 crores. The first step is to start our own commercial building, which is now in our backyard. We're also simultaneously looking for acquisitions in key markets for mixed-use and commercially focused projects.
- Abhinav Sinha:** Perfect. K.T. sir, just putting these 2 things, are you like willing to now run mostly a net cash balance sheet, or we can still see gearing go back to, say, 0.5 or 1x over the medium term?
- Keyur Shah:** We don't -- Abhinav, we're not averse to gearing the balance sheet. So, I mean, today, we are net debt zero. So, we are open to that. It depends on the acquisition opportunity. But again, to repeat what K.T. mentioned, we will be very careful in what the BD we will do, and we'll be prudent. And we have a strong pipeline, and we feel confident that we will achieve the BD guidance, which we have given.
- Moderator:** The next question is from the line of Ram Tavva from Jain Investments.
- Ram Tavva:** Can you all hear me?
- Moderator:** Yes.
- Ram Tavva:** Okay. So, I just joined late, but I'm not sure if the question has already been asked or not.. So, I just want -- this Phase 1 Niyaara, the next financial year is the RERA date, right, March '28.
- K. T. Jithendran:** Yes, that's right.

- Ram Tavva:** Yes. So, I just want to understand, assume that there is a INR3,000 crores top line pertaining to Phase 1 Niyaara, how much does it translate into the EBITDA because I'm very new to this revenue recognition model of this real estate. And I want to understand the revenue recognition part, and how much it will translate into the EBITDA next year after -- I'm not sure whether there's been -- some part of the revenue is already recognized and some part of EBITDA is already taken. Can you just throw some light on that?
- Keyur Shah:** So, we have not recognized any EBITDA for Niyaara Tower A. Yes, the RERA date is March '28. So, we will start handing over. And as and when the customers take possession, that's how we'll be able to recognize the revenue on the project. So, some of it will come in March '28, and some of it will come in March '29. It depends on how the customers take possession. Broadly, Niyaara's margins are 40% and above.
- Ram Tavva:** Okay. Assume that there is a INR3,000 crores revenue realization occurs pertaining to Niyaara and 80% possession occurs. So that will, let us say, translate to INR2,500 crores. So 40% of INR2,500 crores is around INR1,000 crores; the EBITDA will be recognized in the books for next year, right?
- K. T. Jithendran:** Yes, something like that.
- Keyur Shah:** It will be split. As I mentioned, that is what is the 80%, yes.
- Ram Tavva:** Sorry, I didn't get you.
- Keyur Shah:** It will be split between next year and the forthcoming year. That's what I mentioned.
- K. T. Jithendran:** Yes.
- Ram Tavva:** Okay. But March '28 is a possession date, right? By the RERA date, should everyone have taken possession by March '28, or will there be spillover to the following year as well?
- Keyur Shah:** No, the project is on schedule. The revenue recognition happens when you hand over the possession to the customer. So that's why we're saying that it will be partly in March '28 and partly in March '29.
- Ram Tavva:** So, based on the current situation, how much it may have in next financial year and then the subsequent year, what we have sold roughly, I mean, based on -- by way of your experience?
- K. T. Jithendran:** Difficult to predict now, Ram. It depends on how customers take possession, how they pay up quickly. It's all completely there to make the payments and take possession. We expect all of them to do it, but maybe half of them will do it, we don't know.
- Ram Tavva:** Understood. Understood. And from EBITDA to net profit, based on depreciation or anything, what percentage might it amount to? Any rough estimates, interest or...
- Keyur Shah:** We don't give those estimates. As of now, we are net debt zero. So, in that sense, you can estimate it accordingly.

- Moderator:** The next question is from the line of Bhavin Modi from Anand Rathi Shares and Stock Brokers.
- Bhavin Modi:** I just wanted to ask two questions. One is, sir, how should we see the mix of composition for Niyaara C? Would it be somewhere between the 2,500 to 5,000 square feet the configuration being the sweet spot for that type of market? And the second question is more bookkeeping related. The finance cost is being shown as nil. But I do understand we do have LRD, so we may have incurred some finance costs. So, am I missing out on something on that part?
- Keyur Shah:** Yes. So, the configuration for Tower C is with the additional FSI, which we are launching, we are still in the process of finalizing. So that would be catering to the customers who -- some of the higher floors could have larger apartments, and the lower floors would have more single flats, that kind of thing. It will be designed in a way so that you can combine the flats on the higher floors.
- Speaking about the interest, the interest is mainly inventorized in the consol books, and therefore, there is no charge to the interest in the consol books. Yes, in the stand-alone books also, there is an interest, which is there. And what happens is the utilization -- the allocation of the interest depends on its utilization and a significant proportion is being inventorized. That's why there is no interest charge in the books for Q2.
- Moderator:** The next question is from the line of Aman K, an Individual Investor.
- Aman K:** Sir, I just wanted to get a better idea on Birla Anayu and Mrida. So both of these projects, I think, are targeted for March '29, and we've, I think, sold less than half of the inventory in Anayu, and Mrida is much less. So, I just wanted to understand how the sales are progressing at these two projects?
- K. T. Jithendran:** So, Aman, Anayu, I think your understanding is not correct because there were only 8 apartments; 5 of them are already sold. So, I think that has done very well. So, there's no question about that. Mrida, yes, that is a project which is plotted development. We just launched in March of this year, where, of course, there has been some kind of slowdown in sales.
- We are trying to catch up there. It's a plotted sales. It's largely investor-driven because it has been impacted by the current global market sentiment, et cetera. So, we are trying ways to improve the reach, et cetera, create a strong investment product, improve the sales but since it is plotted, it doesn't take much time. So hopefully, it should come for revenue recognition in the next year itself. But having said that, we have sold almost 160 plots. And I think we will find a way to push the rest of it also.
- Aman K:** Got it. And sir, as you mentioned, there are a lot of factors that are affecting the demand right now, whether it's in terms of interest rates or global bond rates or just the geopolitical issue. Is it a pressure that's been seen in a particular segment of the market? Or is it something that's been across all segments? Like, is luxury the only one that's insulated as of right now?
- K. T. Jithendran:** Yes. The premium and luxury market continues to see strong demand. Geographically also, you look at Bangalore, Mumbai, Pune and NCR continues to be very resilient, strong markets. Prices are increasing, absorption is also increasing. So, I think any market above INR1 crore is still

showing very strong potential. The market below that is kind of contracting, showing signs of weakness, et cetera. But otherwise, all the markets above INR1 crore are still showing very strong resilience, largely led by launches. Launches are showing great momentum in each of these segments, above INR1 crores.

Aman K: Got it, sir. And just the last question in terms of GDV addition that you guided that the INR 3,000,-4,000 crores that will be targeted till the end of the year, is it going to be primarily MMR?

Keyur Shah: What is 3,000, what, sir?

K. T. Jithendran: Yes, it's all over. No, not just MMR, it's about NCR, Pune, Bombay and MMR, Bangalore, all of that.

Aman K: Okay, the INR 3000-4000 crores will be spread across these markets?

K. T. Jithendran: Yes about each of these markets.

Aman K: Okay. Got it, sir. Thank you.

Moderator: Thank you. The next question is from the line of Amith Sanghvi, an Individual Investor. We'll move to our next speaker. The next question is from the line of Jainam Shah. It is a follow-up question.

Jainam Shah: Just one thing, like during the last call, we were mentioning that we are going ahead with the approvals for the Niyaara Tower C, and we will be launching it by mid-Q3. So, what exactly was the point at which we changed the plan to increase the GDV by around INR2,000 crores? And what kind of even the design changes or something material that eventually came up to change this altogether because we were going ahead with it, and we were about to launch it in Q3. So just if you can give a broader sense on this particular thing?

K. T. Jithendran: So Mr. Jainam Shah, I have already spoken about it. We did amalgamation of both the plots, the original Niyaara plot and the one we acquired from the Wadia's later. And suddenly, we saw there's a good potential to -- just because the sheer location of Tower C, we could add more FSI there and bring forward the FSI, which we are planning to launch at a later date.

So suddenly, we saw that scope to design the product because the way Tower C is oriented was far more advantageous than where the location of the other towers would have been eventually when plot number B would have been developed. So why not take advantage of it and add more value to this? That was precisely the idea of this. And the design has come out, it has come out wonderfully well. We were able to increase the GDV by INR3,000 crores. That INR3000 crores is something which is very valuable, and therefore, we decided to take this call.

Jainam Shah: Got it, sir. And this commercial would be in line with the Niyaara Tower C, like we expected to start it in Q3 and probably the launch or even say the rental, would have been a few years from that particular date. So, it would be also, you can say, perhaps be deferred by 1 year or so.

- K. T. Jithendran:** Yes. Commercial, we already started planning for it, it's in the design stage. And once we get all the approvals, we will start construction. It should take about 4 years for construction. About 9 to 10 months for the approvals and another 4 years for construction.
- Moderator:** The next question is again a follow-up question from Harsh Pathak from Motilal Oswal Financial Services Limited.
- Harsh Pathak:** I wanted to check on 2 things. One is what is the construction cost that we have envisaged for the current year? And for the annuity assets, K.T., like you mentioned that we are in the planning stage. So, when do we expect the capex to start? And what is the total capex that we think we will be incurring?
- Keyur Shah:** So Harsh, the construction cost, which we are expecting for the entire financial year would be around INR1,300-odd crores is what we are expecting to spend.
- K. T. Jithendran:** Yes, capex, I mean, we start incurring capex from this year itself, while we start designing and also applying for approval, getting the premium paid for FSI, et cetera. The total is for commercial...
- Keyur Shah:** So, a combination of debt and equity, I mean, which we have around INR1,500-odd crores -- INR1,400 crores, INR1,500 crores.
- Harsh Pathak:** INR1,400 crores over a period of next 3, 4 years?
- K. T. Jithendran:** Yes, that's right. Over the next 4 years.
- Harsh Pathak:** Understood. And lastly, on the Pune project, the Hinjewadi project, what are the margins that we are making, at the rates that we have underwritten in the project?
- K. T. Jithendran:** About 30%.
- Moderator:** We'll take the last question from the line of Sahil Vaidya from Sakman Capital.
- Sahil Vaidya:** So previously, you mentioned your rentals will go from INR150 crores to INR1,500 crores. So, is it possible for you to give the breakup because if you see INR150 crores for your operational commercials and INR800 crores would be coming from the 1.3 million square feet so the rest will be coming from that 2.3 million square feet?
- K. T. Jithendran:** So, this INR150 crores itself over a period of time, I'm hoping will go beyond INR200 crores as the premium for the rentals keeps going up. So, Century Bhavan's redevelopment is another thing in this -- is in the offering. That should give us about INR400 crores to INR450 crores of additional rent.
- And also, we are constantly looking even participating in auctions for the right mixed-use parcels and also focused land parcels in both Mumbai and NCR in prime locations. So all of that together, I think we should be able to build a portfolio beyond INR1,500 crores of annual income.

- Sahil Vaidya:** Okay. So, this INR1,500 crores of rental does not include that 2.3 Worli plot?
- K. T. Jithendran:** No. Which Worli plot, 2.3 is which one?
- Sahil Vaidya:** The 2.3, the 10-acre one, that you acquired from Wadia Group.
- K. T. Jithendran:** No, no. That's part of it. No, that is amalgamated. It's part of that.
- Sahil Vaidya:** Okay. No, no, I'm saying that INR1,500 crores rental will include that 2.3 million square feet also?
- Keyur Shah:** Yes, yes. Since now -- that is separate. So, see, what we have estimated for Worli is we have around 1.3 million square feet commercial development. And the new plot, which was, Slide 14, that 2.3 million square feet is yet to be launched or decided what we do. But initially, we will start with 1.3 million square feet commercial which is on Slide number 14.
- K. T. Jithendran:** Yes, It's what I mentioned, yes, that doesn't include this 2.3 million square feet, absolutely. So, it is clearly laid out in this chart.
- Moderator:** Ladies and gentlemen, that was the last question. I would now like to hand the conference over to the management for closing comments. Over to you, sir.
- R. K. Dalmia:** Thank you, everyone, for taking out time and joining today's call. We are very excited for the times to come, and we remain focused on executing our strategy with discipline, strengthening our portfolio and delivering sustainable long-term value for our stakeholders. Thank you for your time and support for our business. Thank you so much.
- Moderator:** Thank you. On behalf of Ambit Capital Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.