PURAVANKARA

Date: **05/11/2026**

To,

The General Manager, Listing Operations Department of Corporate Services **BSE Limited** P. J. Towers, Dalal Street, Fort, Mumbai- 400 001 **Stock Code: 532891**	**The Manager,** Listing Department, **National Stock Exchange of India Limited,** Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai- 400 051 **Stock Code: PURVA**

Dear Sir / Madam,

Sub: Transcript of Earnings Call

Ref: Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We write to inform you that the transcript of the earnings call held on Tuesday, November 03, 2026, on the Un-Audited Standalone and Consolidated Financial Results for the quarter and half-year ended September 30, 2026, is enclosed herein.

This is for your information and records.

Thanking you,

Yours sincerely,
For Puravankara Limited

SUDIP CHATTERJEE
Digitally signed by SUDIP CHATTERJEE
Date: 2026.11.05 15:09:25 +05'30'

(Sudip Chatterjee)
Company Secretary & Compliance Officer
Membership No.: F11373

"Puravankara Limited
Q2 FY27 Earnings Conference Call"
November 03, 2026

MANAGEMENT: **MR. ASHISH PURAVANKARA – MANAGING DIRECTOR – PURAVANKARA LIMITED**
MR. MALLANNA SASALU – CHIEF EXECUTIVE OFFICER, SOUTH – PURAVANKARA LIMITED
MR. RAJAT RASTOGI – CHIEF EXECUTIVE OFFICER, WEST AND COMMERCIAL ASSETS – PURAVANKARA LIMITED
MR. NEERAJ GAUTAM – CHIEF FINANCIAL OFFICER – PURAVANKARA LIMITED

MODERATOR: **MS. SAVITA SINGH – DOLAT CAPITAL MARKETS**

Moderator: Ladies and gentlemen, good day, and welcome to the Puravankara Limited Q2 FY27 Earnings Conference Call hosted by Dolat Capital.

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 the conference over to Ms. Savita Singh from Dolat Capital. Thank you, and over to you, ma'am.

Savita Singh: Thank you, Alriac. Good morning, everyone. I, Savita Singh, on behalf of Dolat Capital, welcome you all to the Q2 FY27 Earnings Conference Call of Puravankara Limited. I would like to thank the management for giving us this opportunity to host the call.

Today from the management team, we have with us Mr. Ashish Puravankara, Managing Director; Mr. Mallanna Sasalu, CEO-South; Mr. Rajat Rastogi, CEO-West & Commercial Assets; and Mr. Neeraj Gautam, CFO.

I now hand over the call to the management for their opening remarks. Over to you, sir.

Neeraj Gautam: Thank you, Savita. Good morning, everyone. I'm Neeraj Gautam, Chief Financial Officer of Puravankara Limited. Thank you for joining us to discuss our second quarter and first half FY27 performance.

Our results and investor presentation are available on the stock exchanges and in our website.

Please also refer to the forward-looking statement disclaimer in the presentation. The central message this quarter is that stronger sales are being accompanied by better collection, faster customer handovers and a meaningful reduction in net debt.

These developments are important because for a real estate company, sustainable growth is not measured by booking alone, it must also be in execution, cash generation and strength of the balance sheet. Coming to our operating performance. This quarter, we recorded presales of INR2,762 crores, up by 109% year-on-year on sales volume of 2.38 million square feet.

Average price realization rose 32% to INR11,607 per square feet and customer collections grew by 24% year-on-year to INR1,301 crores. For the first half of FY27, total revenue grew 60% year-on-year to INR1,928 crores. We reported a profit after tax of INR107 crores. Residential and commercial sales for the period stood at INR3,575 crores. In addition, we monetized approximately 5.46 lakh square feet of commercial office space at Purva Zentech for an asset value of INR626 crores, which is also reflected in this quarter's presales.

Together these take our total sales achievement for the first half of year to INR4,200 crores or 37.51% of our annual sales guidance of INR11,200 crores. Our growth is therefore supported by both our established South India base and increasingly meaningful contribution from the Western markets. Now coming to the collection and execution. Customer collection rose 24%

to INR1,301 crores in Q2 and reached INR2,500 crores for the first half year, up by 31%. These collections are important to sustaining construction progress and managing our funding requirements.

We handed over 977 homes covering approximately 0.97 million square feet during the quarter, taking first half handover to 1,722 homes. Consistent delivery remains priority both for our customers and for the conversion of our development activity into recognizing earnings.

Our priority is to preserve this connection between sales, construction, collection and delivery rather than treating any one metric as a full measure of performance. Coming to our financial performance. Revenue from operation rose to INR1,033 crores compared to INR644 crores a year earlier.

Total income increased 59% to INR1,051 crores and EBITDA was INR289 crores, representing margin of 27%. Profit after tax was INR82 crores compared to the loss of INR42 crores in Q2 FY26. For H1, total income grew 60% to INR1,928 crores and profit after tax was INR107 crores against a loss of INR111 crores a year ago. The quarter includes an exceptional gain of INR149 crores, which we've distinguished from recurring operating performance, higher handover supported revenue integration, and our focus remains on improving the consistency of earnings over time. Coming to the cash flow and capital management.

Our direct cash flow statement shows an operating surplus of INR596 crores for Q2 and INR413 crores after net interest and tax. We also made meaningful progress on leverage. Gross debt declined by approximately INR180 crores to INR3,763 crores, while net debt reduced by INR470 crores to INR2,366 crores.

Net debt-to-equity ratio to 1.26x and our weighted average cost of debt declined to 10.94%. In September, we completed the Purva Zentech-Exit at an enterprise value of approximately NR 626 crores. This reflects our focus on recycling capital from mature assets to support future growth. The transition is reported separately from the regular project presales.

Coming to the development pipeline and outlook for the rest of the half year. At the end of September, our ongoing portfolio comprised of 33.61 million square feet. We also had a planned launch program of 14.5 million square feet with estimated GDV of approximately INR22,600 crores subject to approvals on launch readiness.

During H1, we added development opportunity with an estimated GDV of INR14,100 crores across Bengaluru, Mumbai, Greater Noida, strengthening both our redevelopment portfolio and the geographic reach. Our FY27 sales guidance remains INR11,200 crores, including the Zentech transaction.

First half sales asset monetization totaled approximately INR4,201 crores, equivalent to 37.5% of our guidance of this combined value basis. For the remainder of the year, our priorities are to execute planned launches, sustain collection, deliver homes on schedule and improve capital efficiency. We remain committed to pursuing growth responsibly and creating lasting value for our customers and shareholders.

Thank you for your time. We'll now be pleased to take your questions. Thank you.

Moderator: Thank you. We will now begin with the question-and-answer session. The first question comes from the line of Deepak Purswani with Svan Investments.

Deepak Purswani: Congratulations on a good set of numbers. Firstly, I wanted to check it out in terms of the launches this quarter, there were the 3 launches. Out of this, for the Miami in this quarter, we have sold 17% of the inventory. What about the Westend and Equinox? What percentage of inventory was sold out during this quarter?

And if you can also throw some light on Miami, I mean, how should we see the sales momentum as -- was it this project was launched at the end of the quarter and hence sales momentum was low? Or how should we look into it?

Mallanna Sasalu: Deepak. I'll just talk about the 3 launches that we have had. The one which we had is Purva Heritage. And I think we've had a good sales. Around 30% was what we sold during the launches.

And the other one is Equinox 6, and this is part of the larger development that we have in Bangalore, which is a 6,000 units complex wherein that we launched 6 towers or the last towers of the 6,000 units. And again, it's a continuing sustenance plus the new launches, and I think we've had really good sales in that also. And Rajat probably will talk about Miami.

Rajat Rastogi: Yes. Deepak, so just to answer your question, Miami was launched. In fact, we -- it's a prelaunch stage of Miami. We got the RERA in August, and that's when we started meeting clients. The product has got phenomenal response.

As you understand, this is ultra-ultra luxury product. The current price on which we are doing transactions is all in the range of INR1.55 lakh per square feet. So it's a high-end product. It's getting excellent momentum. A lot of ultra-HNIs have come and seen the product.

As I must share you, the construction is going on. And even at this stage, while the demolition was going in the month of August and September, we were able to transact close to around 3 transactions during this period. So it's very encouraging to see Puravankara doing so well in the ultra-luxury segment of Mumbai.

Deepak Purswani: Okay. And secondly, see if I were to see on your launch pipeline, it's heavily tilted on the H2, especially if I were to look into the Mumbai, some of the big ticket projects like Deccan, Deonar Baug and Cuffe Parade; all these are lined up in the H2. And even in Bangalore, there is a lot of healthy pipeline.

So just wanted to check it out, how confident are we in terms of launching this project where we are in the approval process on these big tickets and as well as on the Bangalore pipeline? And putting it all together, see, I mean, looking at the presales in H1, we are at a run rate of INR3,500 crores, and we have a guidance of INR11,200 crores. So how confident are we -- if you can share the perspective in all these aspects, please?

Mallanna Sasalu: Deepak, so the INR11,200 crores of launch program that what we have done -- what we have given the guidance that we have given includes INR650 crores of commercial sales. Rajat is going to talk about that. With regards to the residential sales and reaching INR11,200 crores, and as you know that we've already reached 37.5% of our target.

So, in Bangalore, we've had some challenges with regards to approval because of upgradation of the approval system, the computer system. So -- and also that in Winworth in Cochin, I think in a day or 2 that we should be able to get our RERA approval.

So I'll just take you through some of the things that Winworth-3 that is in Cochin, and we should be able to get RERA in the next 2, 3 days. And so it should be a launch in this quarter itself. Then we have Grand Hills. Grand Hills, we've already received the development plan approval and which in all probability that we should be able to launch that without fail in the fourth quarter. Hennur Road, and this Hennur Road is, again, in the last approval stage and after that, there is RERA, that I don't see going beyond this month.

So then we have Kanakapura Road, that is today, I think we will get the approval. And in the next 1 week or 10 days, we should be able to get RERA. So there are quite a number of projects. And as you know that in the South alone that we have around -- we had given a guidance of around 12 projects or so.

So even some of them may actually push to the next year, but largely that most of them will come in within this year, and we are quite confident of reaching where we want to reach in terms of the guidance that what we have given.

Rajat will talk about the rest of the things.

Rajat Rastogi: So on the West launches for the Pali Hill project, we have received all the requisite approvals. We're expecting the RERA to come by 20th of November or maybe slightly earlier than that. So definitely, that launch is happening in this quarter. Deonar Baug, all the approvals are in process as we have targeted, we're going to be looking at a launch in quarter 4. And so is Cuffe Parade where the approval process is moving ahead.

There might be a chance that Cuffe Parade might move to April-May for next financial year. But right now, it looks intact. We're working towards targeting a quarter 4 launch as well. So from the West side, I think all the launches that we have planned, both in Bombay and Pune look on track right now, except for the fact that Cuffe Parade. Might move into quarter 1 of next year.

Mallanna Sasalu: To summarize, I think that we have -- our pipeline is quite long and quite strong. And even if, as Rajat said, one project may go to fourth quarter and the 2, 3 projects may go to the next year in South also. But our guidance remains intact, and we are confident of reaching that -- hitting those guidance.

Rajat Rastogi: Yes, you're right. Just to add to what you said was that Deepak -- I mean, just to add to the numbers including the commercial was around INR11,200 crores, and we crossed INR4,000 crores with the commercial exit. So we seem to be absolutely on track with our -- on our run rate and our plan.

Deepak Purswani: Okay. And on the cash flow front, if I were to look on your collection, see, excluding this commercial sales, if I were to look at your presales in first half, we have grown at 46% whereas if I'm looking into the pure-play resi collection that has grown at 25%. So if you can just help us understanding this collection part and also, if you can also give a guidance about the collection and operating surplus after tax and interest, how should we look into this as a year?

Neeraj Gautam: Deepak, if you look at the presales and collection, there is a direct relation to presale and collection. However, if you look at what this Q4 -- our Q4 last financial year and Q1, the substantial sales which we have done in a new project, which is Northern Light and this project in Estrella and the collection -- and these projects we have awarded the contract in Q1, construction has started. So we'll be hitting some collectable milestone in this quarter.

And hence, the large sales we have done in 2, 3 large projects, their collection will follow, I mean, this quarter and coming quarter and they're just on the way. Just we have to hit the milestone and start do the billing and collect the amount. So that is explaining our collection. Coming to our operating surplus, the operating surplus this quarter includes certain collections from the Zentech exit as well. However, as you see, we have been generating operating surplus quarter-on-quarter basis and this quarter we'll be meeting our operating surplus guidelines also as well as overall collection guidelines as well.

Deepak Purswani: Okay. And from the year as a whole, how should we look into the collection in operating surplus after tax?

Neeraj Gautam: We had given guidance that we'll be doing a collections of about INR6,000 crores for the year as a whole and operating surplus. We had done last year about -- we'll be crossing INR1,000 crores mark as operating surplus.

Deepak Purswani: Okay. So in this -- considering this cash flow movement, how should we see net debt by end of this year?

Mallanna Sasalu: Debt reduction is a choice, right? End of the day, if you have surplus, then basically, you can put that into the business development. If there are very good opportunities, as you can see that our -- we are growing as a company more than 30% per annum. So which means that our debt has actually come down by almost INR400-plus crores. And when our portfolio size is increasing and our debt is intact or reduced, which means that there is a total reduction in any which way considering how the company is growing.

So, depending on what kind of opportunities the world presents in terms of business development, then we will take the call at that point of time. But having said that, our endeavor is to reduce the debt as much as possible like the way we have done in this quarter.

Deepak Purswani: Okay. Now touching on the business development side. This time, we have 2 big acquisitions, one in the NCR market, which is a new entry. And second is Goregaon project in Mumbai. If you can just share your thoughts, I mean, firstly, from the NCR point of view, how should we see launch pipeline and approval process here and when it should get launched?

How is the demand environment? And what was the broader thought process for the NCR entry? And secondly, on the Goregaon project, I mean, when should we expect the launch of this project?

Rajat Rastogi: So Deepak, the first on the NCR market, as you know that I think per se as a market in North, primarily the Noida market, there is definitely a kind of a gap in terms of top branded developers being there. And I think Puravankara's entry into the Noida market or the NCR market as a whole, I think it's something that I think there is a lot of aspiration people over there to get a quality that Puravankara can provide.

So for us also, I think as a growth market, we've got this opportunity to buy this land from the authority, which is the Greater Noida authority in which DMIC is the area that we have bought the land. And we are very hopeful that hopefully, by end of quarter 4 or maybe early quarter 1, we should be able to launch this. So I think we are already in the process of submitting our design approvals, etcetera.

And we should be able to launch in the next 6 months to 8 months is what we are looking at, subject to the approvals coming in. So we are very positive. I think there's a great market. Noida is a -- lot of branded developers are doing great sales in that market, and we obviously look forward to having a pie of that market.

Coming on to Goregaon, Bangur Nagar, since you're in Mumbai, you know it's a great market to be there, Goregaon West, Bangur Nagar and we've got these 2 good societies that we have won the mandate last month. And I think we should be considering it's a 33(9) scheme, which is a cluster scheme.

We should be able to get the approvals between period of around 8 to 10 months from end to end because first, we will go for the development agreement closure and then for the submission of the approval. So between 8 to 10 months, we should be looking at a launch of these 2 societies.

Moderator: The next question comes from the line of Rohan Joshi, an individual investor.

Rohan Joshi: Firstly, congrats on a great set of numbers. So my questions were about the -- like what is the company's target GDV additions through the new land acquisitions like for the full year of '27? Like will the management continue prioritizing the outright acquisition of land or will it increase the joint development kind of things for redevelopment opportunities?

Mallanna Sasalu: Yes. As you know that in this year that we have done around INR14,000 crores of total acquisition, right? And with West and North, Rajat is going to talk about it. And in South, we have done Mandur some INR2,300 crores of GDV; and Sanna Ammanikere INR800 crores; and Southeast Bangalore, we have done a project we have INR1,100 crores of GDV there. Similarly, Doddagubbi and Sarjapur are in excess of INR1,000 crores.

So, our target is to make sure that whatever we sell and that needs to be replenished and plus-plus. So what guidance we have given is INR11,200 crores. And so we should be doing at least around INR15,000 crores of land -- INR15,000 crores of GDV acquisitions that we are supposed to do. At this point of time, we've already reached there almost. But again, growth is growth.

Wherever we find greater opportunities, we continue to go and acquire. As far as your question is concerned on whether we are going to be buying the land or we're going to do the joint development agreement, and it's again a business call in respect of what kind of margins are there in each of the project. And when the buying opportunity is better than the cost of the money opportunity. So then you are going to go and do the purchase. And also when you see that because it's a long cycle, 4 or 5 years is what the project is going to take.

If we see that, that area has got better chances of price appreciation, we definitely want to purchase. And joint development agreement and the choice of the landlord as well and also that with less capital investment that we can do a larger GDV. So it's a combination. It's what gets presented and we evaluate on a case-to-case basis. Rajat?

Rajat Rastogi: No, I totally agree with you. I think for example, in Mumbai, there's -- the opportunity lies only in redevelopment, and that's where I think we go and do redevelopment. So if you look at Noida as a market we've done -- we bought something directly from the authority, which is where -- this is the way things work in the Noida market.

So I think it all depends on the geographies. Also, as Mallanna rightly said, it also makes how it makes economic sense for us between our internal guidelines, how things fit in. And let's say accordingly, we take a call. So we are agnostic of what of kind of transactions we do. It depends upon the opportunity which lies in front of us.

Rohan Joshi: Okay. And then the question is also sir, you are talking about redevelopment in Mumbai. So I just wanted to ask one question on that. Since redevelopment, of course, doesn't require outright land acquisition. So like what percentage of cost does Puravankara save on that?

And is this cost enough to offset the tenant compensation and the additional any statutory premiums that you have to pay for a redevelopments like this unit economics?

Rajat Rastogi: So, we've done a lot of studies in terms of the cost of a redevelopment business by the land, we would have gone ahead and buy the land. So just to put you in perspective, if we go and buy and do a redevelopment versus buying a land, we incur, including the tenants and the members, cost and corpuses that we pay, the cost comes to around 40% of the overall land value. So if you look at the numbers, I think that's where the saving comes, approximately 60% of the capital is saved if we do redevelopment, initial outlay.

Moderator: The next question comes from the line of Sarthak Jain, an individual investor.

Sarthak Jain: Congrats for the great set of numbers. I have a couple of questions. Firstly, what are the minimum threshold -- return threshold that IRR project margin or ROCE we target by evaluating new land acquisition?

Mallanna Sasalu: Yes. So, I mean we want more as usual. But anything -- the GP, the gross profits at anything less than 25% is not what we are looking at. And so all our new deals are in excess of 25%. And sometimes it can be a little bit lower around 20% if it is a joint development agreement where we are not taking the capital risk.

So that is the margin that what we look at when we are underwriting a project. I hope I answered your question.

Sarthak Jain: Yes, I got it, sir. And secondly, what is the gross development margin or project level EBITDA margin that we get on redevelopment and how it differentiates with the greenfield projects?

Mallanna Sasalu: Rajat?

Rajat Rastogi: I'll answer that. So I think, redevelopment in fact, I think since the initial outlay in a redevelopment project is slightly lower than a typical land buy, etcetera. I think -- and of course, it depends on which kind of -- which location in Mumbai, you're trying to do a redevelopment.

If you're doing in South Bombay, for example, other locations, your margins are typically in the range of around 30%, vis-a-vis if you do something in a suburban market where the range is between 22% to 25%. So it depends upon the location.

It depends upon the deal that you've got. But typically, if I have to give you a ballpark benchmark it's going to be -- it's around between 22% to 30% is where your numbers lie. And if you compare with the greenfield project, I mean, frankly speaking, in Mumbai market per se, I'm talking about the Mumbai City market, I think getting a greenfield land and doing development on it, I think the numbers look really, really scary right now. There's hardly any good opportunity out there. So I don't think it's an apple-to-apples comparison.

But if you look at the greenfield product, if you look at the MMR region, we'll be in the same numbers as a greenfield margin between 22% to 30% margins.

Sarthak Jain: Yes, yes, sure. And sir, lastly, my question is regarding the Purva Zentech sale proceed. Has it been embarked towards debt reduction? And how much will be deployed towards ongoing construction and new land acquisitions?

Mallanna Sasalu: Neeraj?

Neeraj Gautam: Yes, sure. As you can see that during this quarter, we have reduced our net debt of INR470 crores. That includes our repayment of INR250 crores of debt which was lying against our Purva Zentech asset and some of the other loans also we repaid out of the proceeds of that exit. And the remaining money we have utilized judiciously in the various working capital of the existing projects.

And also other point you can note that as both of my CEO said that kind of the business development they have done or we have done during the quarter and half year, despite this business development, there's no increase in debt, rather we reduced the debt. So that reflects that we utilize the proceeds of this project in repaying some of the debt and some of the money utilized towards meeting the cost of acquisition as well as the working capital for the company. I hope that answers your question.

Moderator: The next question comes from the line of Rahul Singh with Eternal Capital.

Rahul Singh: So just wanted to understand a little bit, and you can correct me if I'm wrong. So the company is estimating almost INR1,600 crores to INR1,700 crores of surplus from the commercial projects, right? And what are the assumptions that we are embedding in this calculation? So let's say, something like occupancy, capitalization rates, any -- what are you estimating?

Neeraj Gautam: Yes, I'll give you details. We are referring while we're saying estimated surplus from our commercial project, we are referring to our only 1 commercial asset, which is Purva Aerocity, which is completed and which is OC received. And we are in the process of leasing. While we are determining surplus, we are capitalizing the rental of at INR65 per square feet at a cap rate of 7.75%, and that is how we're estimating our surplus.

Rahul Singh: Okay. Perfect. Any leasing timelines?

Mallanna Sasalu: No, I mean there is quite a -- Rajat is there, Rajat?

Rajat Rastogi: So I think we're looking at -- we've got a good pipeline already. We filled in a lot of RFPs right now. And we're looking at 100% leasing this asset in a period of around 6 to 8 months.

Rahul Singh: Okay. That's fantastic. Perfect. And just one another question. So what are the expected annual rental income over the next 3 to 5 years for these commercial -- ongoing commercial projects? And what is the split between our direct selling and leasing for the commercial side of things?

Rajat Rastogi: So, first and foremost, I mean, the 2 assets that we are now, one is Aerocity, which we've OC and has a Phase 2 of it and the new asset that we are starting with Hebbal in Bangalore. Both these assets are for annuity income.

We are not looking at selling that. If I have to give you a perspective, once both these assets are 100% ready and leased out, we can expect an annual rental of approximately INR330-odd crores from these 2 assets.

Moderator: The next question comes from the line of Deepak Purswani with Svan Investments.

Deepak Purswani: Just wanted to check it out on the financial front. See, if I were to look into your margin profile in the books of account, especially for the EBITDA margin, in the first half, it has come down to 15% to 16%. And one of the reasons I can figure it out is the other expenses is close to the 22% versus last year, it was 16%-odd.

If you can just give a broad sense, how should we look into the -- I mean, from the handover perspective, things are shaping up very well. But from a margin perspective, how should we look into it?

Neeraj Gautam: See, it's a function of a couple of things. If you look at it at the project level, our weighted average EBITDA margin is around 30% across our projects, our JV projects, our own projects and projects in different geographies. That is as per, as If I go by each project, what is the EBITDA margin I'm generating. Looking -- and coming to our reported profit and loss statement is concerned, if we look at that, we are reporting EBITDA margin of between 25% to 27% quarter-on-quarter basis. This quarter also about 27% is our EBITDA margin.

Because if you think that exceptional item, that's not a -- I would request you to look at it differently. Our Zentech project is also one of our project and it was open for sale. And as we've given guidance, beginning of the quarter, that I am selling that project as an inventory. However, in a manner we sold, I know it's structured in a manner that's why it's been an exceptional item, for all accounting regulation. Otherwise it's like any other project we have sold.

So, our EBITDA margin, 27.5% is including whatever sales we have done and revenue recognized during the quarter. Why there is difference between other expenses? Other expense is comprised of some of the expenses which we do for all the sales and marketing expenses, all approval costs, all rates and taxes in the sense we pay that is clubbed under other expenses as per Schedule III of the requirement of financial statement published by the Companies Act. And if a quarter, as we have given guidance that we are launching 12 projects in South and 4 projects in West.

So that requires payment of various approval expenses and initial marketing costs and that is clubbed under the other expense. That is why compared to the previous quarter, other expenses is more. I hope I've given an appropriate explanation for it.

Deepak Purswani: And if I were to look on the commercial portfolio as a whole, personally on the completion of this did we receive the entire money or still something to be received? And secondly, for the Hebbal and Aerocity project, what is the kind of capex we will have to incur to generate rental income of INR330-odd crores?

Neeraj Gautam: Rajat, should I give some input and you can take it forward from there.

Rajat Rastogi: Yes, please.

Neeraj Gautam: Yes. As far as coming to -- starting from the Zentech, -- we have received the entire consideration, however some -- it is structured in a manner that some amount we're expected to receive as a deferred consideration, and it's a small amount, about INR57 crores to INR60 crores, which we are going to receive as a deferred consideration by meeting some of the leasing obligation, etcetera.

So besides the profit or the cash flow which we earn from this transition, we have a further room or opportunity to get another INR50 crores, INR60 crores out of that transaction, which will come this quarter by next quarter. That is as far as Zentech is concerned.

Coming to Aerocity. Aerocity almost 95% of capex we have already invested. Only 5% to 7% of the money is yet to be invested, which are some capital item and which is linked to the leasing, etcetera. And we have already received the OC and it's ready for leasing. So there is no substantial or any major capex needed for Aerocity.

Coming to Hebbal. Hebbal, we have just finalized the acquisition. Means as land cost is either paid or provided for 100%. The entire construction cost will be needed once we develop, and. I think some more input Rajat can give in terms of what kind of building we are planning and then the construction cost will have our capex.

But as far as land is concerned, 100% has been either paid or provided for.

Rajat Rastogi: So just to add to what Neeraj said, Hebbal, after the land cost, it will require close to INR700 crores for the 1.3 million-odd square feet that we are developing over there. And I think Deepak was referring to the Phase 2 of Aerocity, which is approximately 9 lakh square feet, which is the total composition of Aerocity that I think would need around INR450-odd crores. So if you look at broadly around INR1,150 crores over a period of next 4 years will be required for construction finance of these assets.

Deepak Purswani: Okay. And finally, on the residential market demand environment, if you can share on both of the micro market, how is your footfall and conversion at this point of time? If you can share the perspective on the demand in Mumbai as well as Bangalore market?

Mallanna Sasalu: I'll go first for the South and then Rajat will speak. So as you can see, what is the -- residential sales is dependent and particularly in the markets where we are in the South, it is dependent on job generation.

And if you look at the offtake that we have in office, and it's again, last year was a record, and this year is even a bigger record. So which means that the jobs are regularly getting generated. And of course, underlying thing is the big -- the city, the migration from rural to the cities that is happening.

And so that's one part of the things.

And if you look at the other side of consumer sentiment and if you look at what has happened in the sales of the cars, that is -- again, that is also a record high, which really means that people have a lot of confidence in where the country is moving despite all the problems that we have in the world.

So that -- I don't see that we have any kind of slowdown or some people use the word phasing out of the demand. I don't see that, and it will continue to be there. And also that we always talked about the consolidation that we used to be 200, 300 developers and now we have maybe 10, 20 developers in each city doing the work.

And so as a listed player with 50 years being there in the business and with a strong track record and the brand value that we have, even if there is a shrinkage of 5% or 10% in the total demand across the country, I don't think that we will get affected by that.

That's my view. Rajat?

Rajat Rastogi: No, I think I totally second what Mallanna is saying. I mean I can talk on the West side, primarily Mumbai. See, first and foremost, I think our strategy in Mumbai market is very clear. that we will be catering to all kind of segments in Mumbai. So even if there is a certain segment, which is, say, for example, today, the less than INR2 crores segment is a bit slower than the segment, which is, say, more than INR5 crores segment. We want to be present in all the segments, we cater to all kind of customers so that we have even growth across the Mumbai market, number one.

Number two, I think, yes, there can be some midterm reasons for -- regarding the West Asia war or anything that's happening. But I think the long term, as Mallanna rightly said, we are pretty sure that the demand is going to be there. There's a lot of opportunities in the market for a brand like Puravankara to grow. And we are very hopeful that I think our numbers will continue with the same CAGR the way we've been growing in the last 2 years.

Moderator: The next question comes from the line of Vishal Singh, an individual investor.

Vishal Singh: Congratulations on a good set of numbers. So I just had a question on the presales front. So our Q2 presales increased roughly 60% year-on-year to INR2,000-odd crores, right? So could you explain how this growth came? Was it from volume or realizations? Or was it from new launches versus sales from existing projects, like if you could give some clarity on that, sir?

Mallanna Sasalu: I think the combination of everything. First is that the hard work that we had put together in acquiring these land parcels and also that -- which got launched and even though that the launches that what we planned did not go as per the plan, but we still had some decent launches, that has contributed to that. But in our sustenance, we continue to sell well because as a company that we come up with some really good products and there is that brand value.

And so those are the kind of things that have contributed to the overall thing. And mostly, if you can see that Bangalore and Mumbai are the 2 cities at this point of time, which are the large contributors. And in both places that we see that our performance is very, very good on the back of whatever the projects that what we have. And the cities are also doing well in terms of their local economies, Rajat?

Vishal Singh: Okay. Okay. And another question I had on the pipeline front. So you mentioned in the investor presentation that our launch pipeline has become quite big. So like how much of this pipeline are you expecting to be launched in the second half of this year versus FY28?

Mallanna Sasalu: So I think that we gave a guidance of INR20,000-plus crores of total -- INR21,000 crores or INR22,000 crores total launches that what we had planned. And we are still sticking to that number that where we were and where we are. So maybe there may be some projects that may go out from this year to the next year. So at least INR15,000 crores, INR16,000 crores of projects will be launched in this year.

So, overall, I don't see that -- our launch pipeline is quite strong. Apart from that, that we have done quite a bit of business development in this year alone that we have done around INR16,000 crores of business development or INR14,000 crores of business development. Those things are not listed here. So those things, again, for the next coming year in FY28, that's the pipeline and the projects that get missed in launching in this year, they go to the next year. So I want to -- for all the people who are listening, and I want to give them that assurance that next year launches will be even more stronger than this year because of the pipeline that -- what we have created.

Moderator: Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for the closing remarks.

Neeraj Gautam: Thank you, everybody, for joining our earnings call for the quarter and wishing all of you a Happy Diwali and Happy festive year going forward. Thank you so much. If you have any further questions, any information, please write to us. We are happy to answer that. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Dolat Capital, that concludes this conference call. Thank you for joining us, and you may now disconnect your line.