

RRL/SE/26-27/81
October 30, 2026

To,
The Department of Corporate Services – CRD, National Stock Exchange of India Limited,
BSE Limited, Exchange Plaza, 5th Floor,
P.J. Towers, Dalal Street, Bandra-Kurla Complex,
Mumbai - 400 001. Bandra (East), Mumbai - 400 051.
Scrip Code: 544420 **Symbol: RAYMONDREL**

Dear Sir/Madam,

Sub: Raymond Realty Limited: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Investor Conference Call Transcript.

Ref: Raymond Realty Limited (ISIN: INE1SY401010).

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**'), we enclose herewith the transcript of the conference call held on October 28, 2026, with respect to the financial results of Raymond Realty Limited for the second quarter and half year ended September 30, 2026.

This transcript has also been uploaded on the website of the Company i.e. www.raymondrealty.in in terms of Regulation 30 and 46 of the SEBI Listing Regulations.

Kindly take the same on record and acknowledge.

Thanking You,

Yours faithfully,
For Raymond Realty Limited
(formerly known as Raymond Lifestyle Limited)

Hiren
Jaidev
Sonawala
Date: 2026.10.30
20:33:11 +05'30'

Hiren Sonawala
Company Secretary

Encl: a/a



“Raymond Realty Limited
Q2 FY27 Earnings Conference Call”

October 28, 2026



MANAGEMENT: **MR. RAKESH TIWARY – GROUP CHIEF FINANCIAL OFFICER**
MR. HARMOHAN SAHNI – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER
MR. ANKUR JINDAL – CHIEF FINANCIAL OFFICER
MR. SALIL BAWA – GROUP HEAD, INVESTOR RELATIONS
MR. AMMEET SABARWAL – HEAD, INVESTOR RELATIONS

MODERATOR: **MR. AKHIL LALCHANDANI – ANTIQUE STOCK BROKING LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Raymond Realty Limited Q2 FY27 Earnings Conference 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 the 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 Mr. Akhil Lalchandani from Antique Stock Broking Limited. Thank you and over to you, sir.

Akhil Lalchandani: Thank you. On behalf of Antique Limited, I would like to welcome all the participants to the Q2 and H1 FY27 conference call of Raymond Realty Limited. Today, we have with us from the senior management of Raymond Realty Limited, Mr. Rakesh Tiwary, Group CFO, Mr. Harmohan Sahni, MD and CEO, Mr. Ankur Jindal, CFO, Mr. Salil Bawa, Group Head of Investor Relations, Mr. Ammeet Sabarwal, Head of Investor Relations.

Without taking further time, I would like to hand over the call to Mr. Harmohan Sahni. Over to you, Harmohan.

Harmohan Sahni: Thank you. Good morning, everyone and thank you for joining us today to discuss our financial and operational performance for the second quarter of financial year 2027. So, guided by our go-beyond ethos, we have successfully carried out the scaled execution and with strategic clarity from last year. We have walked into the first half of FY27.

Our performance this quarter reflects strong operational momentum, validating our execution capabilities and deep trust home buyers place in our brand. I would now like to share the operational and financial updates for the quarter Q2 in detail.

We achieved a landmark milestone this quarter by nearly doubling our quarterly pre-sales without any new launches, driven entirely by robust sales velocity and steady price realizations within our existing product portfolio. Total income for Q2 FY27 grew at a steady 7% year-on-year to INR757 crores.

And through an optimized product mix and disciplined cost management, our EBITDA also rose from 14% to INR115 crores with margins now at 15% as compared to 14% in the corresponding quarter. While our margins naturally fluctuate by project phase due to upfront marketing and construction setup costs, they are expected to normalize progressively as more of our projects go in mid-stage as this year progresses and moves into next year also.

So, we are firmly on track to meet our full year FY27 EBITDA margin guidance of 17% to 19% and you will start seeing further improvements in the balance year. Our booking value contribution mix for the period reflects a well-balanced portfolio with projects outside of our legacy Thane land contributing 57% and Thane which is our owned land which started the business contributing 43%.

And this ratio will keep getting skewed more and more towards projects which are outside because most of the growth will come from outside of Thane. We also witnessed a 67% surge in customer collection to INR682 crores. This highlights our intense focus on cash flow efficiency and operational rigor. For the first half of the year, our cumulative collections have reached INR1,233 crores and booking values increased by 111% year-on-year to INR1,602 crores.

So, this quarter has been a standout operational achievement for us and one of the features of that was receiving the occupation certificate for Address by GS 1 Tower B in Thane, which comprises 270 units and almost 3.5 lakh square feet.

And this also has been delivered ahead of RERA completion timeline as it has been a tradition for all our projects, we have delivered well before the timeline committed to the market and customers, so as a result, delivering ahead of schedule stands as a testament to our strong execution capability and operational efficiency.

Our total portfolio now stands at an impressive GDV of approximately INR52,000 crores, which includes what we have added in H1 of approximately INR8,500 crores in Parel. So, this year itself we have added INR8,500 crores to reach this level of INR52,000 crores. So, this reflects a diversified and high-growth asset base across MMR, and as of now represents a prudent mix of own land and asset-light JDA projects.

If you look at the Thana land parcel, which is a 100-acre parcel, that remains the launchpad on which this business started, and it carries a INR25,000 crores revenue potential. Out of this, approximately 65 acres is currently under development, which represents about 6.7 million square feet of RERA carpet area, and a revenue potential of INR16,500 crores.

So out of this INR16,500 crores, INR9,770 crores has already been sold over the years, and collections have reached INR7,977 crores till date from the initiation of the business. Now, driven by our strategic pivot towards asset-light model, if we look at the JDA, JDA is now account for approximately 52% of our total GDV portfolio, which represents a revenue potential of INR27,000 crores at current prices.

Now, within the JDA, if we look at all the projects, 4 projects which are the Bandra project, the BKC project, Wadala, and Sion have already been launched and they are progressing rapidly. And they have already generated for us over the last 2.5 to 3 years that we have launched this JDA-based model, they have already generated a sales value of INR3,432 crores and a collection of INR857 crores till date. And this will keep on growing as we go on.

So, if we look at our booking value contribution mix for the period, that also reflects and follows a very similar pattern of the GDV, where non-Thane JDAs have contributed 57% of the presale value and Thane has contributed 43% of the sale value.

So, while there is a mix, if you see, INR25,000 crores versus INR27,000 crores in terms of GDV, but the sale contribution of JDAs is higher as compared to the Thana land because they are distributed across various micro markets and the potential to grow over there is much higher.

Now let's -- if you look at our balance sheet, we maintained a highly disciplined approach to capital allocation. We closed the quarter with a net debt of INR912 crores and a gross debt of INR1,200-odd crores with a healthy debt-to-equity ratio of 0.8x.

If you look at the net debt-to-equity ratio, which it will be closer to 0.5, so which remains comfortably well below our 1:1 ceiling and gives us ample headroom for growth going forward. Now, backed by INR308 crores liquidity buffer and a stable cost of debt at 9.6%, we are comfortably funded for our construction requirements over the current year.

Additionally, total interest cost for Q2 FY27 is INR44 crores, which includes interest on bank borrowings of INR27 crores and INR17 crores of interest to government authorities for various approval payments which get paid over a period of time, particularly agencies like BMC, TMC, and MHADA, where the approval costs get paid over a period of time, and on the balance, the government charges a nominal interest without any documentation.

Regarding our cash flows, if we look at, we have also shared a detailed breakdown of our first half FY27 cash flows on -- in as a part of our investor deck, you can refer to Slide Number 23 of our investor presentation. You will see that our existing mature projects continue to deliver strong operating cash flows, which is being reinvested into recently launched and new yet to be launched projects.

The reason we have broken it up is because it gives you a better insight and it will help you understand in greater detail how the cash flow cycle for various projects move as they move from early stage to mid-stage and then late stage. And as -- is typical for any new JDA project, it remains cash flow negative for the first 2 years due to upfront investments and then becomes cash flow positive from third year or middle of third year onwards and then so it goes on towards positivity after that.

So, all our projects have very healthy IRRs and strong underlying cash flows. There, therefore, as these projects mature, we shall see the cash flows improving. Once we reach a steady state in terms of 8 to 10 projects outside of Thane, which will be so -- which will be under execution and start throwing out cash and Thane is already net cash positive, you can see.

So, between these two, I think within -- I mean, my estimate is that within a period of 2 years, we will reach that steady state and you will start seeing much more stability in cash flows, much more stability even on quarterly -- quarter-on-quarter numbers because the hyper growth phase will start to stabilize in the next 2 years. Just now in the last 6 years and we are continuing in that hyper growth phase, which requires a lot of capital and we have done this growth profitably.

It's always a challenge to display a profitable growth, but happy to share with you that your company has managed to grow in a profitable manner and yet maintained the financial discipline of not exceeding 1:1 debt-equity.

One more thing I think which I have heard echoes of -- which I want to address just now is that a lot of people have asked me that your interest charge has gone up and the debt level has gone up, which is a fact, but if you compare it with last year, the last year the debt level was extremely

low because a lot of new projects had not launched and only mature or very early stage 1 or 2 projects were there in the annual.

But last year towards the end of Q4, we launched a lot of new projects and as a result of that, all these projects are in early stage and they require capital to begin with. And because of that, the debt level has gone up and if you look at a steady state debt level, 1:1 debt-equity is a very healthy norm. Of course, our endeavour is to stay well within that and this debt level will also stabilize.

So, if debt level stabilizes, let's say at this INR1,200 crores, INR1,400 crores level, then next year's comparison will not give you this kind of a delta which you see because last year the average debt was about INR300 crores, INR400 crores in that zone and this year the average debt is higher, but it is still at a very healthy level.

So, moving on, as mentioned in an earlier conference call, our endeavour has always been to attract institutional capital with a focus to enhance scalability. We are also very happy to share that Raymond Realty's subsidiary company has raised INR210 crores from AIF, which is promoted by ICICI Prudential AMC Limited.

This is part of our ongoing process of addressing the cap table at the same time since I alluded to all the interest cost. Apart from that, the promoter himself has committed about INR400 crores of equity that he is infusing and the first tranche of that is going to be received shortly as per the schedule and balance will be as has been approved by the shareholders in their -- in the AGM.

And, you know, with this strategic collaboration with ICICI, our subsidiary will get INR210 crores as part of the peak investment, which would represent almost 60% of the peak investment that project, particular project needs. So, this is -- this joint equity investment will directly fund the high-value redevelopment project in one of the Mumbai's very premium micro markets.

And this transaction actually validates our very disciplined asset-light expansion strategy where we continue to spread our risk as the project moves on and accelerates and we keep de-risking ourselves and share the risk with other market participants.

It allows us to accelerate project timelines, it allows us to grow even faster than we have grown in the past and also the most important part is it keeps our capital efficiency at an optimum level, which is what the endeavor is. So, by leveraging this institutional capital, we can scale across premium micro markets without over-leveraging our balance sheet, ensuring strong project delivery and enhanced returns. That's the conclusion of working on the cap table.

Now, looking ahead, if you see, we are accelerating our growth trajectory over the next two quarters. So, H2 will see two launches from us. Both of these launches are going to be in Mahim. The combined GDV of these projects is about INR4,100 crores approximately. Now -- so with a clear strategy and the land parcel that we have in Thane and a GDV pipeline which is already signed up plus there are more JDAs which are in the pipeline which we will be signing going forward.

Along with that, our operational intensity of committing to timely delivery and everywhere so far we have maintained before time delivery and going forward also all our projects are currently on time or ahead of schedule. We see no significant challenge in maintaining that track record going forward as well.

So, as a result of that, we remain firmly on track to achieve our full-year guidance of 20% minimum pre-sales growth, return on capital employed of 20% and our EBITDA margins for the year will range between 17% to 19% and the PAT margin will be 9% to 10%. This has been our earlier guidance. We are maintaining that guidance and as of now, everything is on track to deliver this performance that we have promised you.

So, with that, thank you once again for your continued confidence in Raymond Realty and I would now like to open the floor for questions.

Moderator: Thank you, sir. We will now begin the question-and-answer session. The first question comes from the line of Pruthul Shah with Anubhuti Advisors LLP. Please go ahead.

Pruthul Shah: Yes, good morning and thank you for the opportunity. So, my question was with respect to the investment that we have received from ICICI AMC. So, what is the amount of stake that the fund would be received in the 10X subsidiary for this INR210 crores?

Harmohan Sahni: So, they have infused through OCPRS. As far as the economic interest is concerned, the deal is structured in a way where we are the execution partner and we will be charging a fee to them for executing the project, which is about 5% of the total turnover of the project we will charge as fee.

And they are contributing 60% of the capital which is required up to INR210 crores of rupees and we are contributing 40% of the capital. So, the balance profit which is left will be distributed in that 50-50 ratio. So, we will be contributing 40% but we will be getting profit on that 40% plus 5% on top line. So, that's the deal.

Pruthul Shah: Okay, got it. And sir, as you mentioned that we are comfortably placed at you know debt-equity levels and we have already received the fund for the 10X subsidiary from ICICI. Then why we have announced the preferential issue to the promoters? And if I recall before two or three concall, we said that we are not looking for any fundraise. So, is there any major land parcel that we are eyeing or what is the major reason for diluting our equity currently?

Harmohan Sahni: So, promoter has infused equity of approximately INR410 crores. See, our ambition is to grow even faster and better than what we are and we are doing it with a lot of discipline and the right kind of assets. So, naturally capital is needed and as you are aware with real estate companies, anyway market is showing concern on debt levels and interest cost and also, so we don't want the debt to go out of control.

So, naturally the other option is to raise equity. As far as ICICI is concerned, that was always part of our plan and it was baked into our annual operating plan for the current year that we will be getting money from some private equity player and that will remain a strategy. Going forward

also, if we get the right opportunity, we would continue to do this because it helps us in two-three ways.

One is of course; we share our risk with other market participants. Second is we get access to capital so we can grow rapidly. And third is my margin profile also improves because I am charging a fee which was never part of my revenue stream. So, all three benefits we get, so we will continue to do that. So, as a result of that, this has happened.

Pruthul Shah: Okay, sir. Thank you so much.

Moderator: Thank you. The next question comes from the line of Avantika Jawahar with Banyan Tree LLP. Please go ahead.

Avantika Jawahar: Yes, hi. I noticed in this time presentation on the guidance; there hasn't been a guidance on revenue mentioned of 20% unlike last time where the revenue guidance was also called out at 20%. I wanted to check if you are still on track on that?

Harmohan Sahni: This year we have not given a guidance on revenue growth, but if the revenue growth is lower and the EBITDA growth is 20%, you should be happy because my margin is expanding. I'm not saying that it will be lower, but we haven't given a guidance on revenue so far because the reason for that is simple.

As our operation becomes more complex with so many projects and we follow percentage completion, there are many moving parts in calculation of turnover. So, we didn't want to give a guidance where we were not 100% sure that we will be in a position to meet that guidance. But rest assured, as far as EBITDA is concerned, we will deliver a 20% and even on pre-sale also, we will deliver a 20% growth.

Avantika Jawahar: Understood. Thank you for the response. I was just to clarify, I was referring to the August 19 presentation, slide 9 where you called out a revenue guidance also besides the pre-sale one of 20%.

Harmohan Sahni: So, you can assume it will be within the similar range. It's not going to be significantly different.

Avantika Jawahar: Got it. Thank you.

Moderator: Thank you. The next question comes from the line of Daksh with Desvelado Research. Please go ahead. Mr. Daksh, your line has been unmuted. Please go ahead with your question.

Daksh: Hi, am I audible, sir?

Moderator: Yes, you are audible.

Daksh: I just have one question. Our interest expenses have already reached INR91 crores this half. Do we still maintain the full-year interest cost cap of INR100 to INR120 crores or will cost be elevated in the second half?

- Harmohan Sahni:** I don't know where you got this number from, but our full-year number will be in line with whatever is in H1. You can safely assume that it will be following the same run rate.
- Daksh:** Okay, sir. All right. Thank you.
- Moderator:** Thank you. The next question comes from the line of Rishabh Kothari with Ashish Shah Investment. Please go ahead.
- Rishabh Kothari:** Hi, sir. Sir, given the current macroeconomic uncertainty and the possibility of a let's say 50 to 75 basis point rise in the interest rates over the next year, how do you see this impacting the home buyer demand, particularly when it comes to MMR market? Do you believe that the underlying demand remains strong enough to withstand higher borrowing costs? Over to you, sir.
- Harmohan Sahni:** Yes, so naturally borrowing costs definitely impact high ticket purchases, but the point is when is that tipping point and inflection point going to reach, when it starts pinching household budgets. A 25-50 basis point, I don't see that will have any major impact where people will change their decision because their EMI is going to be impacted. And the reason I say this is I and I'm only referring to our portfolio. I'm not talking about market in general and other players and what which segment they are present in.
- Because our segment is very clearly mid-market and above. We are not present at the bottom of the pyramid or even lower value apartments, which is most sensitive to these interest rate changes where even a, you know, 75 basis point interest rate change will immediately reverse the decision or change the decision.
- Our lowest value apartment in Thane is not less than INR1.5 crores and that's the lowest value and bulk of our inventory is in the category of about INR3.5 crores and onwards going all the way up to INR20 crores if we look at all the MMR inventory that we've got. In that segment, my belief is that unless interest rates really run away, there is not going to be any serious impact.
- The only issue with interest rates is that generally if the economy starts to slow down because of that, but usually that's with a lag and you see early signs of that. As of now, there doesn't seem to be any major impact. I guess India also doesn't have a choice looking at the interest rates in US and the way our currency has behaved so far, that they have to harden interest rates a little bit. But I think it's already priced in people's decisions.
- Rishabh Kothari:** Okay, it's already priced in. Okay. Sure. And sir, my next question is in terms of valuation. Sir, we listed at a valuation of around INR6,500 crores, but despite delivering the growth in both top line and bottom line, our market valuation is still nearly 50% below the listing levels. How does the management view that significant disconnect between the company's operating performance, let's say, and its stock price?
- How concerning is this for the management and what steps are being taken to improve the institutional participate participation given the decline in DII and FII holdings since the listing? Over to you.

Harmohan Sahni:

Yes, so naturally like you said, the performance has been good. If we compare ourselves to our peers also in terms of growth, in terms of return on capital employed, our numbers really stand out. But yes, market is giving us a message that we have to work even harder and deliver better numbers. So, we are committed to that and we are working out strategies to see like for instance, this ICICI deal we have done is in line with that which will improve our margins and our growth also further.

At the same time, like you mentioned that the efforts in to reach out and communicate with the market, see, it's a three-pronged strategy that we have come out with. One is of course the communication part which we have to do.

Second is we need to increase the coverage of the stock since you rightly mentioned that we listed only in last July and suddenly we were not in any of the indexes, so a lot of passives sold our stock and we became a small cap. So, a lot of mutual fund radar we were not on. So, naturally the strategy now is to look at all the market participants who focus on smaller cap companies so that the cap table for us changes and there is more institutional participation.

These things do take time and we are already making efforts, significant efforts actually in this. And you will see this year itself that our coverage with a lot of institutional brokers and research firms, the coverage will increase. So far, there was only one entity which was covering us and we are expecting by the end of this year at least four people will be putting out report on us and covering us.

So, there is more information available even if people have interest, they didn't have any place to go to other than talking to management and not everybody has the time to do that. So, that's one effort.

Then Ammeet, who's on the call with me just now, Ammeet Sabarwal, he has joined us as Head of Investor Relations. And he has started his outreach with all the mutual funds who focus on smaller caps and also other institutional participants in the market so that there is a constant connect and communication about the good work that we are doing.

Now, these are the two things we can do. And third is of course through PR activities, whatever work we do should get publicized with public at large. That you would have noticed that we are doing as much as we can. Any significant event which happens, we communicate to the market. I guess it's just an equation of time. Maybe a couple of quarters more of these efforts will start showing results going forward. So, that's what we are doing.

Rishabh Kothari:

Okay. Got it. Okay. Thank you, sir. Thank you for the...

Moderator:

Thank you. The next question comes from the line of Dhananjay Mishra with Centrum Broking. Please go ahead.

Dhananjay Mishra:

Yes. Hello, sir. This 14,800 unsold part, what proportion is it to be launched in this?

Management:

Yes, Dhananjay. Sorry, can you repeat?

Dhananjay Mishra: We have 14,800 of unsold inventory and within that...

Management: Correct.

Dhananjay Mishra: Also certain part we have to launch, right? So, what is that proportion...

Management: Yes. So Dhananjay, basically that changes from project-to-project and therefore as a foot note also we have mentioned that in the annexure we have given project-by-project breakup, basically, how many units have been launched.

For example, in Wadala, the total inventory is for example 1,500 units, but only currently 617 units have been launched, which is like almost 40% of the inventory has been launched in that particular project.

Although the GDV of the project overall is INR5,000 crores, but within that only 45% has been opened up right now. And within that, we have already sold around 60%, around 370 units plus. So, that way we have given every project-by-project breakup in the annexure if you check.

Dhananjay Mishra: Yes. That is there. So, I just wanted the consolidated figure. If you have it is ready, otherwise I will...

Management: I can share that with you.

Harmohan Sahni: We will communicate separately that with you. We don't have it readily available just now with us.

Dhananjay Mishra: Okay. And secondly, this INR14,300 crores project level cash flow we are talking about. Likewise, what will be the net operating cash flow? If you can give some estimate over next 4, 5 years?

Management: So, with the current portfolio, so this has been prepared keeping in mind the current portfolio, which is INR52,000 crores of the GDV as it gets executed. So, in that, this is the project level cash flow of around INR14,375 crores. Within that, if you see, we have mentioned that there would be selling and marketing expenses to the tune of around 5% to 6%.

And there is a corporate overhead which is currently at around 5%, but as we grow in size, maybe it might reduce. But even if I take the 5% as is figure, then you can reduce the 10% from that. So, it is around INR10,000 crores plus kind of pre-tax cash flow that will be getting generated from this current portfolio.

Dhananjay Mishra: Okay. For 10% of the GDV value, GDV value of INR50,000 crores, we can exclude...

Management: Not INR50,000 crores, because only the unsold and unlaunched inventory, INR38,800 crores of 10%, which is like INR3,880 crores you will have to reduce.

Dhananjay Mishra: Right. So, INR10,000 crores net operating cash flow we can assume over next 4 years, 5 years.

Management: Correct. As we execute these projects, correct.

Dhananjay Mishra: Okay. that is okay.

Management: It would be pre-tax.

Dhananjay Mishra: And this Mahim again, we have Mahim 1 & 2, we are launching close to 4,000. So, that will be also launched phase wise, right? Not entire.

Management: Yes. So, we are launching currently in Q3 one project and in Q4 one project.

Dhananjay Mishra: Okay. That is all from my side. Thank you.

Moderator: Thank you. The next question comes from the line of Ishita Lodha with Svan Investments. Please go ahead.

Ishita Lodha: Hello, sir. Thank you for the opportunity. My first question is with respect to the ICICI deal that we did. So, wan we expect to receive the entire sum by H2?

Harmohan Sahni: Yes, so this this money obviously will come in tranches. The first part of that money is expected in the next 30 days and the balance should come towards the end of this year. So, by end of this year by March, we would have received the entire sum.

Ishita Lodha: Got it. And also, it is for 10X Realty West. So, is my understanding correct that it is for the Mahim project that we are planning to launch or any other project also?

Harmohan Sahni: So, currently this investment is against the Mahim project.

Ishita Lodha: Okay. And at the time of launch, how much inventory are we planning to open for sale?

Harmohan Sahni: We haven't taken that call yet. So, closer to launch, we will decide on that based on market conditions and feedback from the participants.

Ishita Lodha: Okay. Also, the sustaining sales was very good in the last two quarters. So, can we expect the same trajectory to continue in coming quarters as well?

Harmohan Sahni: Actually, it will be better than H1 because the festive season is now beginning and typically the sales are better. That's been our experience over the last few years.

Ishita Lodha: Okay. Also, by doing this deal with IPRU, is this IRR accretive to us and will you consider to do similar deals for other upcoming projects as well?

Harmohan Sahni: Yes, it is definitely IRR accretive and quite beneficial for us and for the right project, we will certainly consider this going forward. It's part of our strategy.

Ishita Lodha: Okay. Thank you so much.

Moderator: Thank you. The next question comes from the line of Jainam Shah with Equirus Securities. Please go ahead.

Jainam Shah: Yes, hi. Hope I'm audible.

Moderator: Yes, you are.

Jainam Shah: Yes. So, this would be kind of a long-term question. So, if we see our company, we started with the Thane land. Over a period of time, we added few JDA projects across the MMR region and now we are doing almost you can say 50% in terms of our overall GDV as well as in terms of pre-sales between Thane and non-Thane. And we are now expected to provide around 20% for this particular year.

If we see, let's say next 5-year trajectory for the company, how do we see the pre-sales CAGR growth that we can achieve and this would be in conjunction with what kind of BD activities we wanted to do. Every year we used to make sure that our growth happens. Along with that, how the capital would be managed to make sure that that growth happens without any deterioration in the overall financial, you can say numbers as well.

If you can just guide us how we think our company going forward over next, you can say 4 years years-5 years kind of a medium-term perspective.

Harmohan Sahni: Sure, your question is actually very well timed. We have just finished our activity of long-range planning because the earlier long-range plan that we had will be finishing by the end of this year. So, for the next 5 years, we have just finalized that looking at all the facts and figures and everything. So, you can expect an approximately 20% CAGR as far as pre-sale is concerned over the next 5 years.

And in terms of capital, we as of now, we don't see any significant requirement for capital. Maybe in the range of INR500 crores, INR600 crores of equity going forward, we may need, apart from what we have already raised. And that's a decision which the board and the shareholders will take at an appropriate time and we will obviously inform you at that point in time. But in terms of growth, we see good growth going forward.

Given our strategy, there is a lot of interest that we have. As far as business development and GDV is concerned, going forward, if we add about INR8,000 crores to INR10,000 crores worth of GDV every year, it should give us this kind of a target easily, given that we already have a strong base which has been established in the last few years.

Jainam Shah: Got it. One more question on this, how we would be targeting, you can say land acquisition? Will it be like, let's say, adding up something like 1,000 to 1,500 kind of pre-sales velocity kind of a land and then you can say churning it out as early as possible in two-five years or will you be buying out a large land parcel and then that project can go on, you can say for 10 years kind of a thing with phases and all those things. So, any specific thing that we would be doing in this particular thing or we are open for everything as of now?

Harmohan Sahni: I mean, we are obviously in business, so we are open for any good opportunity provided it meets my financial criteria and the promises that I have made to all the stakeholders. Having said that, as of today, buying land and sitting on it is not my strategy. So, even if let's say I was I had I decided to buy a land and it was very attractive, it will be in the market as quickly as possible, if at all I was to do that. But our stated strategy is to do JDAs.

- Jainam Shah:** Got it. So, just last question from my side. Whatever you can say, the good guide is that we are giving in terms of Pre sales. How do we generally assume this, like the market growth would be, you can say, 20-odd percentage and we'll be maintaining the market share, or like the market growth, whatever will be the market growth, our positioning would be that we will be doing this 20% kind of CAGR number. How do you see the overall market versus our market share in a particular market, or it's a broader MMR share?
- Harmohan Sahni:** So, see, the way we look at it is our margin of participation in the market, you know, market share, is so abysmally low today. I mean, Bombay sells INR2.5 lakh crores of real estate every year. And that's a ballpark number, probably it will be higher. And what are we doing? We are very, very small as percentage of that. So, I don't think market growing and all really is a hypothesis. If I had 50% market share, then I have to worry about that.
- Today, I can grow just by entering a new micro market or starting a new project or starting a new product line also. For instance, Thane, when we started out, we had started out with a sale of INR400 crores, INR500 crores in a year, and we are currently doing between INR1500 crores to INR2000 crores range every year, it's different.
- So, let's say Thane will stabilize at INR15,000 crores, INR1600 crores per annum, I don't see any significant growth coming beyond this number from Thane. But all the other projects that we have got, some of them are early stage and then we are launching new projects, we are entering new micro markets. So, a lot of growth will come from there.
- And as a result of that, managing and maintaining that growth is not such a big challenge. The bigger challenge actually is executing all those projects, for which we are fully geared up and our track record shows that we can manage that. So, growth will come. I mean, that's not a matter of concern to us, because there are so many micro markets and new products that we have yet not touched.
- Jainam Shah:** Got it, sir. Got it. And any other market we would be trying in maybe NPR, South Southern India, Pune, anything in the near term or we will be focusing more on the MMR only as of now?
- Harmohan Sahni:** As of now, our focus remains that. But like I said, we are opportunistic. If something comes which meets my financial criteria and I am confident of executing it, we will definitely consider it. But our key criteria is going to be it should meet my financial metric and I should have the execution capability of doing a project like that. We will not take speculative bets.
- Jainam Shah:** Got it. Got it. The other thing from my side, thank you so much for the clarity on this.
- Moderator:** Thank you. The next question comes from the line of Bhavin Modi with Anand Rathi. Please go ahead.
- Bhavin Modi:** Hi, sir. Thank you for the opportunity. So, my first question is with respect to the debt levels. Right now, we stand at around INR1,200 crores gross debt. So, going forward, should we see this as the peak debt level, and now it should come down, right? Or should we still see some inch up in the debt? And whatever the promoter contribution is done, right? So, would it be utilized towards this debt repayment or would it be towards the projects?

- Harmohan Sahni:** See, these -- yes. Sorry, carry on. You...
- Bhavin Modi:** No, this was my first question.
- Harmohan Sahni:** Should I answer that first or you want to...
- Bhavin Modi:** Yes. You can answer, and then I will follow up with my other questions.
- Harmohan Sahni:** Sure. So, see, as far as debt is concerned, it's a strategy of how you are going to manage your capital table. Now, like we have stated that we will remain within 1:1 and at the end of the day, it makes eminent sense to have some kind of debt on your balance sheet because debt is available to me at under 10% and all my projects give me an IRR of 20% to 25%, around 25%. So, it makes eminent sense. And equity anyway is available at a higher rate and nobody likes dilution unless it's really necessary.
- So, having said that, debt, to answer your question specifically, we are at INR1,200 crores. It will not come down at least for the next 1 or 2 years for sure, because we are continuing to grow and we are adding new projects and we want to grow and we don't want to raise any kind of significant equity going forward.
- Like I said, our requirement as per the LRP is in the range of maybe INR400 crores to INR600 crores additionally and not more than that. So, debt is a avenue we will definitely resort to and it will remain around this range, in the middle of INR1,200 crores to INR1,500 crores, I think I don't see any challenge in maintaining that kind of range, and it will still be within 1:1.
- Bhavin Modi:** Got it. And so to follow up with the related question with respect to the fund infusion done by the ICICI, right? So, first thing, our INR140 crores, have we already infused? And second thing, from the debt perspective, if the instrument is OCPRS, right? So, I believe from the bookkeeping perspective, there will be some portion which will come as a debt and some will be recorded as equity. So, optically that will also, in a way, inch up our debt, right? Am I right in my understanding?
- Harmohan Sahni:** No, it will not reflect as debt.
- Bhavin Modi:** Okay.
- Harmohan Sahni:** Because it is dependent on the terms that you have agreed and our terms are that this is equity that we have got from ICICI. And only for ease of movement of cash flow, they have structured it as OCPRS. And there is no reason for it to be classified as debt on our balance sheet.
- Bhavin Modi:** Understood. So, second thing is with respect to our pre-sales guidance. So, we have guided 20% growth, so that will be a turnout between INR3,500 crores to INR3,600 crores. And we have already done INR1,600 crores of the pre-sales already in H1. So, we are still pending with INR2,000 crores, right? And even if I expect Mahim conversion to be the 25%, so can we safely assume that we are assuming INR1,000 crores of pre-sales from our existing portfolio?
- Harmohan Sahni:** No, it will be much more than that.

- Bhavin Modi:** Okay. And so what will be the -- in this quarter, we saw out of the INR900 crores, INR700 crores came from the Address by GS product, right? So, can we assume Mahim product to be more of a Address type of a thing rather than the Invictus product? So, have we decided on the product category for the Mahim project?
- Harmohan Sahni:** Yes. So, one Mahim will be Invictus and the other Mahim will be Address.
- Bhavin Modi:** Okay. Got it. And so just last question with respect to the overall -- we have been tracking the sector and seeing bit of a flattishness in terms of luxury and ultra-luxury projects. And even in our case, when I see the Invictus in Thane, there was almost like the Tower B, there was almost like no sales.
- And the -- I think the BKC, we saw this so, like, sale units of 14 units. So, should we see this, as a more as a momentary thing or there is an underlying pain in the luxury or ultra-luxury product? So, how should we see this?
- Harmohan Sahni:** See, Thane was -- you can you treat Thane as our, you know, lab that where we test our various products. So, Invictus actually is a product for Bombay market and not really for Thane per se because of the obvious reasons, the ticket size and what have you. So, the kind of clientele that we have. After having tested it in Thane and seeing success in Tower A, if you see, we have introduced very limited inventory of Invictus in Thane. It's not it's not as though we've saturated the market.
- Bhavin Modi:** Right. By doing 100-100 units we have launch two towers. So, it's not any -- I mean, don't go by percentages, they are misleading, but we haven't introduced any significant quantity in Thane market. As far as Bandra is concerned, the Bandra Invictus did exceedingly well, way beyond our imagination, it has done.
- Now, we don't have upper floors available to us in BKC just now because of the aviation approval which is pending, which is expected shortly, it should happen, you know, in the next few weeks.
- Once that comes, then you will see sales pick up because currently our choice is also limited as far as consumer is concerned, because of the typical nature of the product and Invictus, those guys actually don't mind paying more money, but they want a certain type of apartment and those apartments are today not available because of the approval.
- I have to get RERA registration of those once I have the approval and then those -- you will see sales pick up in Invictus BKC also. We already have a strong pipeline for higher floors where people are just waiting for my approval to come.
- Bhavin Modi:** Okay. So, just last question, you know, so from this, you know, thing, you know, from this experience, can we see, you know, going future, you know, if any, you know, project that comes in, you know, so the lower floors will be, you know, the address product and the higher floors, you know, we can -- you know, we can have a mix of, Invictus.

So, can we see that mix, you know, going forward in our product or it will be like, you know, totally, you know, a particular tower, you know, allocated as, you know, address and/or Invictus? How or can we see the mix combination?

Harmohan Sahni: See, it will always be a separate tower. It's unlikely that we will mix address and Invictus in the same tower. It's highly unlikely.

Bhavin Modi: Got it. Yes. That's it from my side, sir. Thanks. Thanks a lot.

Moderator: Thank you. The next question comes from the line of Deepak Poddar with Sapphire Capital. Please go ahead.

Deepak Poddar: Yes. Am I audible, sir?

Moderator: Yes.

Deepak Poddar: Yes. Thank you very much for this opportunity. So, just wanted to clarify, I mean, this year we are looking at EBITDA growth of about 20%. Is that the right understanding? I think you mentioned somewhere to the previous participants.

Harmohan Sahni: That's right.

Deepak Poddar: Okay. So, I was just doing back up the envelope calculation. So, ideally, because we are expecting some margin expansion also from 17% to 19% and earlier, I think last date was 16.5% including your other income. So, ideally that in spite of EBITDA margin expansion, we are expecting 20% EBITDA growth. So, ideally the revenue growth will be low double digit or high single digit, right? I mean, if I have to calculate backward, yes. Is my understanding correct?

Harmohan Sahni: You got the same calculator as me, my friend. But to be serious on this, see, this is a question which one of the other participants also asked. So, we haven't given a guidance as far as the top line is concerned, but it will not be very different from a 20% growth. I don't have an exact number to guide you with, but it will be in that range.

Deepak Poddar: Okay. I got it. That would be from my side. All the best. Thank you so much.

Moderator: Thank you. The next question comes from the line of Yeshas Paramesh from Claridian Management. Please go ahead.

Yeshas Paramesh: Hi. Am I audible?

Moderator: Yes, sir.

Yeshas Paramesh: Yes. Hi, Mr. Sahni. Thank you so much for the opportunity. Again, congratulations on both, the fundraise as well as the great set of numbers. I just had a quick question on the cost side of things. What I have been observing is that with a lot of these EPC contractors as well as what I'm seeing in the market as well is that construction cost, especially labour has increased after the April elections.

And with crude oil where it is -- I think construction costs and raw material costs have gone up across the board. So, one the question really is like surely these costs should moderate apart from labor, I guess, which will remain elevated at this price. How are we placed on that? Do we have fixed contracts with these EPC contractors and builders that we are able to maintain our costs or are we -- do we have the flexibility of passing on the price increases or the cost increases to the end customer?

So, that's the first question. The second question is on the OCPRS raise from ICICI. Is there a preference dividend or is it a 0% dividend? Is it cumulative -- that was the second question? What is the -- if there's any dividend attached to that preference shares? Thank you.

Harmohan Sahni:

Yes, I'll answer your second question first. As far as the OCPRS is concerned, the coupon is virtually zero, because like I mentioned, it is actually an equity investment that they have done. It's only for structuring point of view, it is OCPRS. So, there will be no dividend payout. So, that's one.

The other is as far as costs are concerned, naturally, it is a matter of concern for the entire industry today. And, and not just our industry, it is a matter of concern for the entire economy for the entire world.

But the projects which are under execution as of now, where contracts have already been given, there, these are all fixed price contracts, there is no provision of increases that anybody can ask for. Even if they ask for it, it's not going to be easy. We had a similar situation when the war broke out also, and suddenly there was panic.

And now, of course, things have settled down quite a bit. And there was no relenting from most of the industry participants on contracts which were already awarded. But despite that, all our projects have a healthy level of contingency that we provide because it's a project activity to be executed over a 4 or 5 year period.

So, it is prudent to have some contingency available within your budget to absorb any kind of fluctuations in cost. Because there are always reasons and every time it's a different reason, but there is fluctuation. Sometimes the seasonality itself plays out cement, steel, and labor is something which will anyway keep on changing.

So, as of now, yes, it's a matter of concern. But on the ongoing project, there is no immediate impact that we have today. The projects which will get launched in future will definitely have that impact. But we are factoring that in our planning and the way we are pricing them. So, part of it will get passed on to the customer and part of it we will absorb in our contingencies.

And that's how we will maintain our margins going forward also. Of course, all this is subject to this not being prolonged into years and years of inflationary pressures. But if it is temporary, I think there is enough resilience in the numbers to absorb that.

Yeshas Paramesh:

Got it. Thank you so much.

Harmohan Sahni:

You're welcome.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for closing comments.

Ammeet Sabarwal: Thank you everyone for taking time out and attending our Q2 and H1 FY27 con call. Please feel free to connect with us for any further queries or any further details. And we'll be happy to share all the answers as well as all the data which is required. Thank you. Thank you everyone.

Moderator: Thank you, Sir. On behalf of Antique Stock Broking Limited and Raymond Realty Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.