

Rustomjee®

Date: February 16, 2025

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Sub: Q3 FY25 - Earnings call Transcript

Dear Sir/ Madam,

We are enclosing herewith a copy of the transcript of the Company's earnings conference call which was held on February 11, 2025 with respect to un-audited Financial Results with limited review for quarter and nine month ended December 31, 2024. The transcript is also being uploaded on the Company's website i.e. www.rustomjee.com under the Investors section.

This is for the information of your members, and all concerned.

Thanking You.

Yours faithfully,

For Keystone Realtors Limited

Bimal K Nanda
Company Secretary and Compliance Officer
ACS - 11578

Encl.: As above

KEYSTONE REALTORS LIMITED



“Keystone Realtors Limited Q3 FY-25 Earnings
Conference Call”

February 11, 2025



MANAGEMENT: **MR. BOMAN IRANI – CHAIRMAN & MANAGING
DIRECTOR, KEYSTONE REALTORS LIMITED**
**MR. CHANDRESH MEHTA – EXECUTIVE DIRECTOR,
KEYSTONE REALTORS LIMITED**
**MR. PERCY CHOWDHARY – EXECUTIVE DIRECTOR,
KEYSTONE REALTORS LIMITED**
**MR. SAJAL GUPTA – GROUP CHIEF FINANCIAL
OFFICER, KEYSTONE REALTORS LIMITED**

MODERATOR: **MR. PRITESH SHETH – AXIS CAPITAL LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Keystone Realtors Limited Q3FY25 Earnings Conference Call.

As a reminder all participants' 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 '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pritesh Sheth from Axis Capital. Thank you and over to you sir.

Pritesh Sheth: Thank you and good afternoon, everyone and welcome to the call. We have with us the Management of Keystone Realtors represented by Mr. Boman Irani, who is the Chairman and Managing Director, Mr. Chandresh Mehta – Executive Director, Mr. Percy Chowdhary – Executive Director, Mr. Sajal Gupta – the Group Chief Financial Officer. I will hand over the call to the Management for their initial comments and then we can open the floor for question and answers. Over to you Mr. Irani.

Boman Irani: Good evening, everyone and welcome to our Q3FY25 Earnings Conference Call. I am Boman Irani – Chairman and Managing Director of Keystone Realtors Limited. I extend my heartfelt gratitude to all of you for joining us today.

At the beginning, I am very happy to report that we have achieved our full year pre-sales for the last financial year within the first nine months of FY25. This has been driven by a series of successful launches. We had given a guidance of Rs. 6,000 crores of launches. We have already launched Rs. 4,057 crores worth of projects. As we close the 3rd Quarter of FY25, we are on track to achieve our full year guidance that we had shared earlier. I am very excited to walk you through our impressive achievements during this period which highlight our ongoing growth and our commitment to excellence.

In Q3 FY25 we have seen remarkable growth of pre sales touching Rs. 863 crores, reflecting a 40% year-on-year growth. Our total pre sales for the first nine months of FY25 have reached Rs. 2,174 crores marking an impressive 53% increase from last year. This surge in demand validates our strategic direction and demonstrates the growing trust our customers place in our products. A standout achievement in this period has been a project in Bandra West called Rustomjee Panorama which not only sold the highest percentage of inventory of the available stock to sell but also set a new benchmark with a per square foot rate at about 1.16 lakhs on carpet area basis. This underscores the premium value of our project offer to our consumers.

Our brand's reach and resonance has been further strengthened by comprehensive marketing campaigns both online and offline. We have targeted a very diverse customer base by using impactful 360-degree campaigns for our key projects as well as engaging NRIs through memorable initiatives like India Calling in Times Square, we continue to build emotional

connections with our customers. Our commitment to innovation, sustainability and industry excellence has been recognized earning us accolades such as the “Best Stall Award” at the CREDAI MCHI Exhibition and a top spot in Construction Week's top 5 projects. As we move forward, our goal is clear to continue delivering exceptional value to our customers, upholding the strength of our brand and leading the industry with both passion and purpose.

In terms of collections:

We have achieved a collection of Rs. 542 crores in Q3FY25. This is a 20% increase from Rs. 452 crores in Q3FY24. Our total collections in the first nine months of FY25 stand at Rs. 1,579 crores. We remain confident in our strategy to further enhance collection, efficiency and continue to generate strong cash flows. In this connection, one key focus area is accelerating our construction pace. We have put in systems and processes to further improve our efficiency and exceed our timeline commitments and delight our consumers with quicker project delivery and optimize our collection cash flows.

At the construction we have reached to an impressive milestone of about five slabs in just one month, reducing our slab cycle from 8 to 9 days to just 6 days. We have successfully launched 5 new projects in nine months of FY25. These projects encompass a total saleable area of 3.12 million square feet and an estimated GDV of Rs. 4,057 crores. The demand for our products remains robust and we are excited about the pipeline of upcoming projects in the remainder of FY25.

A key highlight from the previous quarter is the significant progress of our upcoming project wherein we have successfully cut short the timeline between DA and issuing the notice to vacate to just 170 days. This is another testament of our strong ability in the redevelopment sphere. In terms of business development, I am pleased to share that Q3 FY25 we have added 2 new projects with a combined GDV of Rs. 980 crores. These are redevelopment projects again and strengthen our leadership position in this segment. They further solidify our standing in the redevelopment space.

Overall, in the nine months of FY25, we have successfully added 6 projects with an estimated GDV of Rs. 3,297 crores, achieving about 82% of our FY25 guidance of Rs. 4,000 crores.

Since FY23, we have added 19 projects with a total estimated GDV of Rs. 16,276 crores. Of these, 16 are in the redevelopment, 14 of these fall in the mid-mass and aspirational category which we have said time and again is one of the largest and fastest growing segments for Mumbai and MMR. This aligns with our strategy to expand in these segments. These additions highlight our ongoing commitment to growth and leadership. I am confident in our ability to continue adding and successfully executing new projects. The redevelopment opportunity in Mumbai is significant and we keep emerging as the most trusted developer in this space and we are well positioned to capitalize on the current momentum. With a very strong balance sheet, we are well capitalized and ready to seize these opportunities.

During the nine months of FY25 we have generated an OCF, operating cash flow of ₹ 353 crores supporting the accelerated pace of new launches. Our investment in new projects during this period has been ₹ 396 crores. This is approximately 1.5x higher than the same period last year. The increased investment positions us well to develop a strong pipeline for projects ready to launch.

Moving to our Consolidated Financial Performance:

We have reported revenue from operations of Rs. 464 crores for Q3FY25.

For the first nine months our absolute EBITDA number has grown from Rs. 96 crores to Rs. 225 crores. That is by 134% year-on-year. Our PAT number has also grown from Rs. 81 crores to Rs. 121 crores. That is 50% year-on-year growth in the first nine months.

Our Liquidity:

Our gross debt stands at approximately Rs. 373 crores with a gross debt to equity ratio of 0.14:1 at the end of Q3FY25. This is very well within our guidance.

Our total free cash at the end of Q3 is Rs. 854 crores indicating a very strong liquidity position. Our net debt is zero. Additionally, we continue to maintain (A) credit rating with a positive outlook assigned by ICRA.

As we progress through Q3 FY25, I am pleased to share we have taken significant strides towards our commitment to the environment, social and governance principles. We have engaged extensively with internal stakeholders through surveys, cementing our dedication to sustainability and inclusivity. Our transition to green tariff for our Mumbai suburban projects is progressing very well. This demonstrates our proactive approach to renewable energy during our construction phase. We are also ensuring rigorous data verification processes for all our projects aligning with our BRSR reporting commitments, especially on health and safety. We are making substantial progress with our sustainability efforts including the initiation of a near net zero carbon project at Belle Vie which is our plotted development in Kasara.

We have completed our Sustainability Report for FY23-24 and are setting ESG goals across various functions. We have conducted training sessions for our teams on IGBC Green Building Certification are in the process and we are in the process of finalizing our Supplier Code of Conduct. Also, I am pleased to mention that we have received "IGBC Green Home Silver Rating" at one of our residential projects in Urbania Thane.

A safe working environment is always on top of our mind. Our goal is zero fatal accidents, and we are excited to state that one of our projects has achieved 5 lakh safe man hours with no lost time, no injuries or fatalities and no mentionable incidents. Our performance in Q3FY25 reflects our robust growth trajectory, commitment to project execution and our maintaining our

leadership in this market. As we continue to build on significant momentum, I am confident that we are poised for a strong year ahead. The fundamentals of our company remain strong, and we are confident in our ability to not only achieve our guidance but to surpass it.

Thanks to the recently announced budget, we are pretty confident the real estate market will continue to stay robust. The demand for our products remains robust and we are excited about the strong pipeline of upcoming launches for the remainder of FY25. Further, our asset light model with a focus on redevelopment opportunities, particularly in Mumbai, continues to be a key driver of our growth.

As the most trusted partner in this space as mentioned earlier, we are strategically positioned to leverage the vast redevelopment potential in the region. And with our strong balance sheet and healthy capitalization, we are fully equipped to seize these opportunities and create sustainable value for our stakeholders. Together, we are on this exciting journey and are determined to maintain our upward trajectory and exceed the expectations with all of you. Let's embrace the opportunities ahead and continue to build on the momentum. We remain committed to delivering substantial value to all our stakeholders and positioning ourselves as a leading developer of our industry.

I would just like to say I am very proud to share our commitment to excellence has been recognized and to various prestigious awards such as the "India Top Builders 2024" in the national category at CWAB Awards, "Maharashtra State Best Employer Award" at the 19th Employer Brand Awards. Our ultra luxury project Rustomjee Ocean Vista was awarded "Ultra Luxury Project of the Year" at the Realty Plus Excellence Awards. We celebrated Skyscraper of the Year accolade for the Rustomjee Crown at the Realty Plus Excellence Awards 2024. We were recognized with the "Transformation of Excellence Award" for our Project in Bandra East at Times Redevelopment Award underscoring our impact in transforming communities. Further, we secured the first position in "Residential Real Estate Brand Category" across 1,000 brands in 34 categories and 16 cities. We received "India's Most Desired Real Estate Residential Brand 2024" award by TRA Research. These accolades inspire us and reaffirm us on our mission to set new benchmarks in the real estate sector.

As we move forward, we remain dedicated to creating superior value for all of you and capitalizing on the opportunities ahead. Thank you for your continued support and I look forward to addressing any questions you may have. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press '*' and '1' on the touchtone telephone. If you wish to withdraw yourself from the question queue you may press '*' and '2'. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We take the first question from the line of Devansh Dhruv from Equentis Wealth Advisory. Please go ahead.

Devansh Dhruv: Congratulations on a great set of numbers. I just wanted to know a couple of questions actually. So, first on the side of launches, so why have we seen no launches in this quarter? And particularly if we see the guidance, it's around 8 projects for the full year and we added 5. So, will the balance launches be seen in the Quarter 4 of this year or you can just shed some light upon it?

Boman Irani: So, thanks Devansh for that question. As I mentioned earlier, we have already completed 5 launches in the first two quarters. This quarter, I mean in our coming quarter you are going to see our further 3 launches and I am fairly confident that these are well on the way to be launched in the immediate future. So, we would have achieved our guidance of 8 project launches with about 6,000 crores GDV. So, we are well on our way and yes, this quarter we did not have any launches. But you are aware of the entire fact that we have taken 5 launches already in the first two quarters, so we were a little ahead. We will catch up in this quarter and we will be able to give the 3 launches that are due....

Devansh Dhruv: Any challenges that we had witnessed or it's just a lag?

Boman Irani: Actually, you know, we have had a phenomenal outcome from the launches that we have had, and our sales have been stellar. As mentioned to you earlier, we have done 860 odd crores of pre sales in this quarter itself. Yes, Devansh.

Devansh Dhruv: Yes. Okay. And another question was on the collection efficiency side. So, this quarter we have seen a dip in collection efficiency. If we see it's around 63% compared to last quarters that in the last three-four quarters we had witnessed around 78%-79%. So why has there been a dip this quarter? While we have a great previous year's growth, the collection seems subdued.

Boman Irani: Devansh thanks for that question. As informed, these sales are now coming out of our fresh launches. Right. So basically, always when there's a fresh launch, the collection value is always going to be less. Whereas in the earlier time we had finished the products that we were selling, which allowed us to kind of have a higher collection. Having said that, our sales have been extremely robust, and our collections have been good. And in spite of being fresh launches, we have had a very good collection cycle.

Devansh Dhruv: Okay, great. Thank you. That's from my side.

Moderator: Thank you. A reminder to all the participants, if you wish to join the question queue, you may press '*' and '1' on your touchstone telephone. The next question is from the line of Ritwik Sheth from One Up Financial Consultant. Please go ahead.

Ritwik Sheth: Hi, good evening, sir. So, a couple of questions from my end. So, what is the launch pipeline looking like for FY26 with the project that we already have acquired in the last 2 years?

Boman Irani: So, Ritwik, thanks for that question. I will have to lean back on what I just mentioned in my speech right now. We have closed projects of about (16,000+) crores in the last 2 years. Right? So that keeps us very strong in our launch pipeline for the coming years. I am sorry, I cannot make any commitments right now. But this year itself you've seen that we have guided for 8 launches and we are already 5 completed, 3 more will get launched in this quarter. So, we will be well within our guidance or well by our guidance itself, of the 6,000 crores launches and 8 project launches this year. Having said that, if anyone's guessed, with the number of projects that we have taken on and those in the mid-mass and aspirational category will all be coming up for launches in the next financial Year.

Ritwik Sheth: Safe to say that we will try to exceed FY25 launch pipeline, FY25?

Boman Irani: Yes Ritwik. I mean, honestly, one of the key things that Rustomjee has done is that we have kept growth, which is both sustainable and something that is remarkable or on the upward growth trajectory. So, we have managed to do that. We have continued to excel from our guidance and we don't plan to kind of slack out on that one. So, our launches in the coming financial year will be higher than at least what we have done in the last 2 years itself.

Ritwik Sheth: And sir, with these projects in hand already, what kind of projects we are looking to add in FY26? You earlier mentioned that 1.5x to 2x of presale. So, should we go by that guidance for FY26 as well?

Boman Irani: Ritwik, basically Rustomjee has been able to identify newer locations that.. when we entered in, people were not looking at. And after we entered in, they became suddenly very hot. It isn't that they became hot after we entered. The fact is our data pointed us towards that much earlier than the other people or the other companies recognize this. Keeping the same thing in mind, we are continuously focused at newer locations at the same point of time, consolidating or growing in the locations we are at. So, to give you a bird's eye view, the western suburb will be where we will continue to focus at the same point of time. The eastern suburbs will also be growing in our array of projects that we will launch in the future. And as we had mentioned earlier, we have also moved into plotted developments which will take us to newer shores. And hopefully in the next financial year we will have a launch or two in one of the upwardly mobile, I would say affluent class place of choice and we will have mega launches over there as well.

Ritwik Sheth: Okay, sure. And so, my last question is on Crown project. Would it be possible to share the sales figure in units and value in nine months FY25?

Boman Irani: Give me a minute, Ritwik. Let me just get the exact data so that I am not saying a number, which is.... I will come back to that, if that's okay.

Ritwik Sheth: Yes, sure, no problem. So that's it for my side. Thank you and all the best.

Moderator: Thank you. Before we take the next question, a reminder to all the participants. If you wish to join the question queue, you may press '*' and '1'. Participants, if you wish to join the question queue, you may press '*' and '1'. We take the next question from the line of Pritesh Sheth from Axis Capital. Please go ahead.

Pritesh Sheth: Hi. Yes, thanks for the opportunity and congrats on a great first nine months. Just couple of questions. One on the launch side, while we had great first half but not many launches this quarter, is it just like normal business course or there is some slowdown in terms of approvals which is impacting our launches or that's how we planned it for the quarter and Q4 is looking stronger from launch perspective?

Boman Irani: Thanks for that Pritesh and I should say that while there wasn't really any slowdown as such but the elections always impede, let's say newer project launches at any point of time. So that is what kind of could have been one of the factors. But very importantly Pritesh, I should remind everybody that we have already launched 5 projects in the first half instead of 4. So, we are if at all in this quarter, 1 project launch short which I have already clarified will be something that you will see in this quarter and you see 3 project launches. We would have well crossed the ₹ 6,000 crores mark that we have set ourselves up for. So, we have already crossed ₹ 4,057 crore. We should be able to cross ₹ 6,000 crore with these 3 launches coming up in this quarter itself.

Pritesh Sheth: Sure, yes, I think I agree. I mean we had good launches in the first nine months. So just wanted to get a sense from an industry perspective whether things have improved on approvals etc. or not. But the second question is on the demand, again good numbers for us for first nine months. But looking at how stock markets are doing in the last probably 3-4 months, Mumbai is generally like active in terms of capital market participation. Do you think this stock markets will have any sort of impact in housing demand in the near term? If you have any data points on that which you generally look at, how much of the stock market, I mean how much of the eventual housing demand is being driven by stock markets doing good in the last 2-3 years?

Boman Irani: Pritesh, thank you for that question. And basically, I can only point out to the data that is already available with us. So, if you look at the data of FY24 where Mumbai, MMR had crossed (+900) apartments in the ₹ 10 crores + category. I think even last month and if I am allowed to say this January saw data of about 12,000 registrations taking place. So really this slowdown that everybody is there's some kind of murmur in the market is not really seen from where we are. Having said that, what is the connection between the stock market and real estate? I think a very strong portion of the Mumbai buyer base while of course Mumbai is considered to be the head of the stock markets etc. I don't see such a huge connection at least right now from the way the data is pointing out. So, we are still having a very strong buy base from the salaried class, from the smaller business classes and there's been a great and strong demand as we have seen the data for all the high-end projects, I already mentioned our project in Bandra West achieved price points of Rs. 1.16 lakh per square foot and we are sold out and we are still in let's say the first, I think half year of that project where we are still in the ground and still building up from there. I think it's a strong promise of delivery that is continually driving the sales especially for

Rustomjee products, and the strong belief in the consumer that the product that they're going to get is going to excel whatever has been shown and we have continued to do that. Customer delight has been what we have always aimed for and going further investor delight is also what we are continually aiming for.

Pritesh Sheth: Sure, that's pretty helpful and good to know that. Just one last on again our near-term trends in terms of demand, till December we have already seen what you have done. In January, is the momentum in terms of walk ins, conversions etc. still continuing at that same pace for Keystone, what we have been seeing in this first nine months? So just trying to get some insight on how near-term trends are picking up.

Chandresh Mehta: Hi Pritesh, this is Chandresh here. So, Pritesh, traditionally December to January has always been a slow month. That is the period where it's not an auspicious period as far as customers are concerned. So, we always see a slowdown between December and January and actually things start picking up maybe late in January and going towards the festive season in terms of Gudi Padwa. So, we are seeing that momentum already kicking in. We have a couple of launches planned to take advantage of this situation and as Boman mentioned, we have already done in the last nine months, we are close to crossing our full year's presales of the previous financial year. So, in that manner we are very well poised. We have sold close to around 20% of the value of the stock that we had launched in the first nine months. So, we have seen robust sales and whatever indication we have got from our sales team and from the channel partners in the market for the launches that we have planned in this particular quarter, we hope to surpass the guidance that we have given in the beginning of the year.

Pritesh Sheth: Sure, that's helpful. And that's it from my side. All the best.

Moderator: Thank you. We take the next question from the line of Harsh Pathak from Emkay Global. Please go ahead.

Harsh Pathak: Hi Boman and team and thanks for this opportunity. So first of all, congratulations for the good performance this quarter and for the nine months. So, my first question is on the performance with respect to this segment wise. I mean if you look your sales have been largely driven by the super-premium category in this December quarter. And even if I look at the nine months performance, it is largely driven by the super-premium and aspirational category. But when I look at your forthcoming projects, it seems to be tilted towards the affordable and the mid-mass segment. So how do you see the performance going ahead and how do you expect the demand to pan out maybe from a 2 to 3-year perspective?

Boman Irani: Sorry I missed out on your name.

Harsh Pathak: This is Harsh Pathak.

Boman Irani:

Hi Harsh, thanks for that question. So Harsh, the very fact that we have performed beautifully in the premium and super premium segments makes us a prime, what you call - choice developer in the aspirational category. Because the aspirational category by the virtue of its name itself is aspiring towards something much better. Having said that, if you see our launches have also been more in this premium category and that is why the sales have been driven by that category. Now we also had a great launch in Thane where we saw some very good sales taking place. So, we are not letting go or ceding our position as a developer that does aspiration and mid-mass. As a matter of fact, that is an area we have continually been focused on and we think we will continue to grow because that's a growing market segment. And having said that, almost 56% of our sales have come through the aspirational mid-mass segment itself. So, in the nine months we have done Rs. 566 crores in the aspirational and Rs. 653 crores in the mid-mass. Both put together about Rs. 1,220 odd crores in this segment itself. And coming forward, I mean Dombivli is also going to be somewhere, we have been kind of working on at the back end of the market, building it up, understanding the consumers' needs and when we do the launch, I mean I am sure I will have a story to tell you and you can see the kind of results that we are able to give in that market also because you know we have had a long standing experience of Thane and Virar. We have grown the market which are in the Borivali-Kandivali belt and Dombivli looks like a great area for greenfield developments that will see to a super spurt in growth of that area given the entire connectivity that area is now witnessing. So, we are pretty excited about it.

Harsh Pathak:

Right. But then in terms of the new project additions maybe over the next 2 to 3 years, how do you look at, I mean additions with respect to the different subcategories in the super premium, aspirational and mid-mass? Maybe we have a sizable inventory on the forthcoming front in the mid-mass and affordable front. But I think on the aspirational side, the forthcoming projects which I see in your PPT is around Rs. 4,500 crores and super premium is close to Rs. 3,900 crores. So, I think we have some limited inventory there. So how do you look at new project additions with respect to these categories?

Boman Irani:

One second.

Sajal Gupta:

Yes, so you have to look at our forthcoming project pipeline in two parts. One is the township, and another is the non-township. Out of the total Rs. 41,000 crores, about Rs. 20,000 crores is the township and that is the reason we look basically a larger portion into the mid-mass and the affordable segment being contributed by Thane and also by Dombivli and Virar. If I remove the township, basically the balance pipeline is Rs. 20,000 crores and out of that Rs. 20,000 crores the aspirational is Rs. 4,500 crores which is a good about 25% of the total pipeline. Going forward, typically we have said that we wanted to focus more on the mid-mass as well aspirational segment. Our acquisition over the last 2 years and nine months of the current financial year wherein more than 73% by value we have acquired in this category. We have been able to balance the portfolio whereby we are present across the price points. Typically, our model mix will be about 40% premium, super-premium of the total size of the pipeline, about 40% into the mid-mass and the aspirational segment 40%-45% and about 10 to 15% coming from the

affordable segment. And our pipeline basically has been built and is being built taking into account this model mix.

Harsh Pathak: Okay, got it. But in terms of demand, is there a healthy trend seen in the super premium segment still or is there something, I mean, is there some moderation happening in that sub-segment?

Boman Irani: Harsh, Boman back here. I can only tell you what has happened and I can only tell you what our data points towards. We have seen a very strong premium and super premium demand. If you are asking me will this demand continue, at least given by the data that I have, I think - definitely. And I cannot speak about everybody, but at our end we do a lot of, what do you call - the test segments that we continuously kind of interact with the buying or the consumer base. We have seen that this market, at least at this moment in time is extremely robust. And it is, I would like to think that it's robust because of the fact that people are looking at a better life and lifestyle and they are looking for things of value and giving value a better premium over price. So, we are seeing a very good demand over here. I can tell you with what we read that at least the next few quarters there is no slowdown in demand for the premium segment at all.

Harsh Pathak: Okay. And to dig a bit deeper into this, which are this data points that we should focus on to actually get confidence in this trend? Is it the number of footfalls, is it the number of enquiries? I mean, what is the data point we actually focus upon?

Boman Irani: Yes. That is we look at the kind of enquiries that take place for premium homes not only at our website but across websites that are being kind of, good on the digital side. Second, we always dipstick consumer buyer basis. We dipstick broker sentiment. We are very specific to—how do I say—micro down to the area concerned. So, if you say Bandra, it's not Bandra. We are able to give you data of Pali Hill versus Mount Mary and we are able to distinguish between the buyer of these two places also. I hope that answers your question. We are able to kind of really do a deep dive on digital data, on actual interactions, on what we see in various reports that are appearing and of course , continuously interacting with the broker fraternity. Once again, Chandresh also wants to add a point of view.

Chandresh Mehta: So Harsh, in terms of data points, what we have been observing is that our conversion ratios may be from deep to walk in or from walk in to conversion in terms of sales, those ratios are also continuously improving. So, these are the data points what we see is, which makes us believe that this demand would continue. So, at Rustomjee also we are looking at exploring newer markets, newer micro markets in terms of the premium and luxury. So, we are currently not present in the South Mumbai market. Very soon we are close to acquiring projects in that micro market. We continue to do well in Prabhadevi. So hence in Prabhadevi also we are looking at and we have already acquired a project in Prabhadevi. We are looking at launching a project in Prabhadevi as well. Mahim, which was an erstwhile, a bit subdued location. Now with our launch of 180 Bayview, we are able to exploit latent demand for luxury and premium in that particular micro market. So, at Rustomjee, where we are constantly on the lookout of where the next growth, the next additional revenue is going to come from and we are extremely conscious in

each of these newer markets there is a latent demand which we are looking at exploiting. Does that answer your question?

Harsh Pathak: Right. No, that's really encouraging to know and thanks for the elaborate answer. One last bit from my side. So whatever sales we have generated in the super premium and the aspirational category, has that largely come from the domestic market or there is some element of the NRI buying as well?

Boman Irani: As I mentioned, we try and keep a very good connect with our NRI market as well. But the strongest part, I mean if you ask me, the largest part has come from the local market itself. The offshoots of our outreach in the NRI market will now start seeing a lot more traction and result.

Harsh Pathak: Sure. That's great. Thanks a lot. Those were my questions. Thanks a lot team.

Moderator: Thank you. Before we take the next question, a reminder to all the participants. If you wish to join the question queue you may press '*' and '1' on your touchstone telephone. The next question is from the line of Neel Mehta from Investec Capital. Please go ahead.

Neel Mehta: Yes, hi sir. Thanks for the opportunity and congrats on a good nine months. My question is more around strategy around identifying which micro markets we want to incrementally grow within. We have obviously had a very good presence in the western suburbs and Thane. But how do we think about newer micro markets in the MMR region specifically also Navi Mumbai, considering infrastructure obviously has been very good out there and we also had an airport coming up? That's my first question. And the second one, not sure if I missed the number, but if you could also quantify what the sales were from Crown during the quarter? Thanks.

Boman Irani: Neel, thank you for the reminder. I was wondering when I could put those numbers in. So, we are planning to do about ₹370 to ₹400 crores this year from Crown. Ritwik, that answers your question as well. And with regards to your first question, how do I look at newer markets? I think I would like to say it this way that our data points towards a few markets that we kind of work on and realize before most other people catch on to the trend. We have identified Mahim-Matunga area as a growth area for us. We have identified for some time now the eastern waterways as a growth area for us, wherever the connectivity to the Navi Mumbai site is where the new airport is coming up. We consistently have seen growth in the western suburbs. We have identified Chembur as an area of growth for us. We think that the connectivity of Chembur and the placement of Chembur and the green spaces around Chembur should also be adding a lot of value to the life of consumers. The way we design our projects, and you will see launch coming up shortly. So, we definitely work towards these markets. And as far as our secret sauce goes, though I cannot say more. You pointed us definitely in a direction or rather you've spoken about a direction where we are definitely pointed towards. And we are looking at the newer Mumbai or the Navi Mumbai market and our BD teams are, one part of the BD team is working very strongly. We should have something to announce in this calendar year as a tie up. But beyond that there's not much I can say.

- Neel Mehta:** Sure sir. Thanks. Those are my questions.
- Moderator:** Thank you. The next question is from the line of T. T. Patel, an individual investor. Please go ahead.
- T.T. Patel:** Congrats on the numbers which you've achieved for the last nine months. I have got three questions. The first question I have, is there a clear date for launching the project which you had undertaken jointly with Ajmera in the beginning of the year?
- Boman Irani:** Yes, Patel saheb. Basically, that project is well on its way to launch. As a matter of fact, work on site has started and I think we should be launching that project in June or thereabouts.
- T.T. Patel:** And I mean just a small comment. I observed tremendous symbiotic potential between Ajmera and Rustomjee on this project. So, I think it's going to be in a great collaboration between the two of you. Especially if Ajmera may lean in more on Rustomjee. The next question is that I observed you have some recent engagement in Dombivli. Are you looking to procure land and what is the minimum land price that you are looking at?
- Boman Irani:** So, thank you Patel Saheb for that encouraging statement about our tie up with Ajmera. Basically, Rustomjee has believed in the spirit of partnerships, and we have our JV-JDs as well as our redevelopments are all a testament to our ability to work with partners over the longer term. And there have been times where partners have repeated business with us which is a strong testament to our ability to continue growing in a partnership. With regards to the Dombivli, we had informed the buyers or the market that we have entered into a JD with a landowner. Again, this is in keeping with our asset light model. We have only put up a deposit and going forward all the development is going to be done by us. There's a top line share with the landowners and Rustomjee is going to be the developer. But we do not want to acquire land over there. While we will acquire lands in, let's say a future upcoming area. Dombivli for us is something where we want to kind of make the most of the current boom in that area. And as I mentioned, the connectivity of Dombivli has seen a tremendous upside with the connectivity to Thane and the entire metro route network going on out there. And over time this entire triangle, which is Bombay-Dombivli-Thane is going to be a great growth area given that Bhiwandi is continuing to grow as a logistics hub and more and more employment generation is taking place out there and people are looking at an alternative to Thane also as a location to live. And Rustomjee will continue to weave the magic out there with what we have done in Thane and we have seen Thane grow from a Rs. 2,000 market to a Rs. 25,000 market per square feet. As of right now we see a similar trend happening in Dombivli over the next few years.
- T.T. Patel:** So, would you be open to entering JV for 25 acres worth of land in Dombivli area?
- Boman Irani:** I am sorry, I missed your question. 25 acres of land in Dombivli area?
- T.T. Patel:** Would you be open to engaging in a transaction or a joint venture for 25 acres of land?

- Boman Irani:** There is nothing better than an investor coming and offering us a proposal. We will happily look at it. Of course, it will have to fit into our business development norms and we have spelled those out well. JVs or JDs have got to be where Rustomjee puts in a minimal amount of entry fee and then goes ahead with the entire development basis, its ability and capability to turn projects around at the quickest.
- T.T. Patel:** Okay, who's a relatively good point of contact to work with for this point?
- Boman Irani:** We have an email-id properties@rustomjee.com. If you send us your proposal out there, that would be great.
- T.T. Patel:** Thank you. No further questions.
- Moderator:** Thank you. A reminder to all the participants, if you wish to ask a question, you may press '*' and '1' on your touchtone telephone. Ladies and gentlemen, if you wish to ask a question, you may press '*' and '1'. As there are no further questions, I would now like to hand the conference over to the management for closing comments.
- Boman Irani:** Thank you. On behalf of Rustomjee management, each and every one of you a big gratitude from my heart. In case there are any further queries we are always available. Please feel free to reach out to us and we will be happy to take care of any queries that you may have. Thank you for your continued support and interest in Keystone Realtors Limited. Have a lovely evening.
- Moderator:** Thank you, members of the management. On behalf of Axis Capital, that concludes this conference. Thank you for joining us and you may now disconnect your lines.