

# AJMERA REALTY & INFRA INDIA LTD.

Regd. Office: Citi Mall, Link Road, Andheri (W), Mumbai - 400 053.  
Tel.: +91-22-6698 4000 • Email: investors@ajmera.com • Website: www.ajmera.com  
CIN No.: L27104 MH 1985 PLC035659



Ref: SEC/ARIL/BSE-NSE/2024-25

Date: August 13, 2024

<b>The Bombay Stock Exchange Limited</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001  <b>Script Code : 513349</b>	<b>National Stock Exchange of India Limited</b> 5 <sup>th</sup> Floor, Exchange Plaza, Bandra Kurla Complex Bandra (East) Mumbai-400051  <b>Script Code : AJMERA</b>
--	---

## Sub: Transcript of the Earnings Call

Dear Sir/ Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Transcript of Earnings Call held on August 09, 2024 on the Unaudited Financial Results of the Company for First Quarter ended June 30, 2024.

Kindly take the same on record.

Thanking You.

Yours faithfully,

**For AJMERA REALTY & INFRA INDIA LIMITED**

**Shweta Jhawar**  
**Company Secretary & Compliance Officer**  
**A46940**

Encl.: As above



**Ajmera Realty & Infra India Ltd**  
**Q1 FY25 Earnings Conference Call**  
**August 9, 2024**

**Management**

**Ms. Dhaval Ajmera**

Director

**Mr. Nitin Bavisi**

Chief Financial Officer

## **Moderator**

Ladies and gentlemen, good day, and welcome to the Ajmera Realty & Infra India Limited Q1 FY25 Earnings Conference Call hosted by Ventura Securities Limited. 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 the operator by pressing \* and then 0 on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Tushar from Ventura Securities Limited. Thank you, and over to you Tushar.

## **Tushar Pendharkar**

Thank you. Good day, ladies and gentlemen. On behalf of Ventura Securities Limited, I welcome you all to Ajmera Realty & Infra India Limited Q1 FY25 earnings conference call. The company is today represented by Mr. Dhaval Ajmera, Director and Mr. Nitin Bavisi, Chief Financial Officer. I would now like to hand over the call to the Director of the company, Mr. Dhaval Ajmera, for his opening remarks. Thank you and over to you, sir.

## **Dhaval Ajmera**

Thank you. Good morning everyone, and thank you for joining us today. I begin the discussion by sharing the overall macroeconomics for the sector and also giving you some sector updates about the real estate market happening in Mumbai and all across. The real estate sector in India is continuing to flourish and is being seen in a very positive way with supportive government policies, economic stability and persistent demand for both residential and commercial properties. Rapid urbanization, rising income and the middle class which is increasing every day and it is driving the quality of living spaces and modern infrastructure. The recent budget norms have further bolstered the sector's outlook, restoring indexation benefit for property through amendments in the budget provisions is the most welcome in time booster to the sector.

The introduction of enhanced MahaRERA regulations is set to improve transparency and accountability within the sector expected to benefit established players like us. New housing model and support mechanisms has been introduced including rental housing for industrial workers under the public private partnership model. This initiative aims to provide better accommodation within the industrial zones. Additionally recent tax reforms, adjustments in capital gain rate and new tax norms for buybacks will impact the real estate sector positively. The most important thing what we see now is going forward with the long term capital gains becoming at par with the other asset classes is actually being now classified real estate as an investment class equivalent to equity, stocks, gold, etc..

So I think it is going to be a very positive move in the long run. For quarter one, I just want to give a small update about our company. In Q1 FY25, Ajmera Realty has achieved a remarkable performance all across major financial metrics. Our sales value surged by 36% YoY, reflecting global demand and market confidence. These positive outcomes are largely driven by sustained sales momentum in our flagship

project Ajmera Manhattan along with strong performances from Ajmera Greenfinity, Ajmera Prive and additionally the successful launch of Ajmera Vihara in Bhandup has significantly contributed to our growth.

Now coming to some exciting project updates, starting with Ajmera Manhattan. We have seen substantial success with total sales of approximately INR 75 crores and around 80% of the total inventory sold. The strong interest from buyers have helped maintain momentum from last two quarters. Construction is also progressing equally prominent with tower B at 8 level and tower A at 7th level being completed. Ajmera Greenfinity, which was launched last quarter sold 51% of its inventory and the project construction of Tower A and Tower B is almost like first level is completed. Our premium residency project of Ajmera Eden in Ghatkopar has now seen more than 60% of its inventory being sold and with 10 floors slab completed and, left with another 3 or 4 .

Ajmera Prive, our luxury redevelopment project in Juhu, the RCC work has been finished and 60% of its inventory has been sold, contributing significantly to our sales value. Furthermore, Ajmera Vihara at Bhandup, which we launched this quarter, successfully sold 27% of its inventory and contributed 24% to our sales value, and currently it is at excavation stage in terms of development. These developments have collectively supported our sales performance. Moving on to Bangalore, our affordable residential project Lugano and Florenza has sold out about 90% of its inventory and is under fast track execution. We remain committed to delivering all our projects well ahead of our RERA timeline.

Looking ahead, we are more confident than ever in achieving our strategic vision of 5x growth, a pipeline of launches now includes 7 projects, comprising of 1.7 million square feet with a GDV of around INR 4,270 crores. Furthermore; this quarter, I'm very happy to announce that we have repaid INR 58 crores of our debt from our operating cash flows, reflecting our commitment to maintain our debt guidance below what we have said, and we want to continue to reduce our debt from our balance sheet as much as possible. For FY25, our presale guidance of INR 1350 crores out of which INR 306 crore has already been secured in Q1, we are very confident that we will achieve our numbers in this entire year coming forward.

These achievements highlight our strong position and optimistic outlook as we look forward. Furthermore, I'm very happy to announce that there has been few more developments which has happened within our company. Firstly as you may all know is the demerger of one of our subsidiary Radha Raman Dev, where on account of demerger we've announced and every shareholder has got 2% additional equity within them, and that will be looking forward for a great commercial development coming up in that sector in that company, which is 100% subsidiary of our main company.

Secondly the announcement, which I would like to say that recently we've rerated our credit ratings from CRISIL, and I'm very happy to announce that we have got A minus which is a very positive sign for a company like us, and we are looking forward to continuing our progress in such manner that we continue to progress with more and more credit ratings. And lastly, that we have expanded our Board and have taken one of an eminent personality within our Board, Mr. Jayesh Mehta, who is the Vice Chairman and

CEO of DSP Finance Private Limited, and having returned after a notable career, previously he served as a Managing Director and a Country Treasurer of Bank of America.

And with such eminent personalities coming in, we seek to have great guidance coming in from them and looking forward for expanding our companies in a very positive direction and looking for more than 5 years work within our company. Further I would request now our CFO, Mr. Nitin Bavisi to take through the financial numbers and also all these announcements in a detailed way. Thank you very much.

### **Nitin Bavisi**

Thank you Mr. Ajmera. Very good morning to you all. In the first quarter of FY25, we are pleased to report healthy growth across our operations. Our sales value reaching to INR 306 crore, representing a remarkable 36% increase compared to the Q1 FY24. Volume wise, we sold 1,30,801 square feet on a carpet basis, and our collections grew by 49% YoY reaching to INR 165 crores. Coming to our financial numbers for Q1 FY25, our revenues stood at INR 196 crore, which is 67% jump on YoY basis. EBITDA stood at INR 67 crores, which is also a 72% increase on YoY basis. PBT stood at INR 43 crore, which is 47% jump over Q1 FY24. And PAT also saw very impressive growth, which is standing at INR 33 crore, which is 52% increase over Q1 FY24.

EBITDA, PBT and PAT margin standing at 34%, 22% and 17%, respectively, which demonstrates the effectiveness of our strategies and contribution of our revenue eligible projects to the bottom line. We are confident in our ability to maintain this positive momentum and deliver strong financial performance as we move forward in the rest of the financial year. We remain committed to our deleveraging and improving our debt profile. Our efforts have been rewarding an debt equity ratio as on June 24, stood at 0.8x, which is an improvement compared to 0.90x at the end of March 24 and 0.97x at the end of Q1FY24. Notably, this marks a significant milestone and aligns with our guidance.

We are pleased to share that financial performance and the overall credit profile improvement yielded reduction in our weighted average cost of debt to 11.6% at the end of Q1 FY25 as compared to 11.9% as on 31<sup>st</sup> March 24. So in the span of about 3 months, we have 30 basis point reduction in our cost of debt. We have total revenue visibility approximately of INR 6,243 crores, which coming from existing and ongoing project and as well from the upcoming launches. The upcoming launches during this particular financial year have an estimated revenue potential of INR 4,270 crores over the life cycle of these projects. In the next about 6 months, projects at advanced stage and those for which we have received the OC is expected to contribute about INR 87 crore and the revenue from mid stage project, which is the ongoing projects, wherefrom we are expecting INR 1886 crores to our revenue top line over the next about 27 months' time line.

The estimated net cash flow from our OC received and ongoing project is expected to generate about INR 850 crores as we move forward. Moving to the strategic updates, as Mr. Ajmera mentioned we are pleased to announce that NCLT has approved the scheme of arrangement, which is the demerger of our one plot of land from a holding company, which is ARIIL, into RRDVPL, a wholly -owned subsidiary of ARIIL, which

is the land parcel administering about 6.5 acres. And this particular demerger has given one equity shares as against the 50 equity shares already had by the shareholders. The record date for this particular entitlement has been fixed as August 2, 2024.

Further, I'm happy to announce that CRISIL, the credit rating agency, has assigned a long term rating of CRISIL A minus, which is a stable outlook for our corporate as well as the bank loan rating. This rating is reflecting our company's strong financial stability and ongoing commitment to maintain a healthy credit profile. With this concise summary of our business highlights and financial performance, I invite your questions and look forward to interacting further with you all. Thank you, everybody.

#### **Moderator**

Thank you, sir. Ladies and gentlemen, we will now begin the question and answer session. If you have a question please press \* and 1 on your telephone keypad, and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing \* and 1 again. First question comes from VV Patel, an individual investor. Please go ahead.

#### **VV Patel**

Yes. Good afternoon. I just wanted to congratulate you guys on a spectacular set of numbers. My question is a little bit specific and refers to the recent engagement you managed to secure with the Rustomjee for some project in Bandra. I'm given to understand that the LOA and CC for this project is yet to be secured. Do you have a date for that or a planned date for that?

#### **Dhaval Ajmera**

So basically, the work at site has already begun. We have removed all the tenants from site. The permissions related to the project has already started. We've already applied for it. And, since it's a larger project, we will obviously need to take the requisite environment approvals and the, BMC approvals etc, so which will be in the span of next 3-4 months' time. Our target is to, launch this project either by December to January, February in this year and the coming year.

#### **VV Patel**

So do you have a planned date for getting the LOA and the CC? When is your target?

#### **Dhaval Ajmera**

As I said, it should be in the next span of 3-4 months we should get LOA and CC.

**VV Patel**

Okay. 3-4 months. And when can we see more about the plans in the same time frame period?

**Dhaval Ajmera**

Yes. Once the RERA numbers have been in place, we can definitely show up the plans.

**VV Patel**

Okay Thank you.

**Moderator**

Thank you. Next question comes from Dhinesh Rathore an individual investor. Please go ahead.

**Dinesh Rathore**

First of all, I'd like to congratulate you and your entire team for achieving fantastic results during this quarter, which are very much in line with your guidance given by you. Also, I'd like to congratulate on receiving this NCLT order, which we are tracking since last few quarters. So in this regard, demerger, I'd like to understand few questions. My first question is that of demerger is of a land parcel from listed company to its fully owned subsidiary, what is the impact of this demerger on listed entity and overall at a group level? My another question is what is the impact of on a valuation as a whole pre and post demerger? And my third question is, what are the benefits to the shareholders or we can say, value creation because of this demerger? So, Nitin bhai, if you can just, direct me on this thing?

**Nitin Bavisi**

Sure. Let me take your question, all 3 questions in sequential. First question is the implications and about the land parcel as such. So yes, it is the undertaking of 6.5-acre plot of land, which is at Wadala, which was at holding company balance sheet at ARIL, which is now shifted to 100% subsidiary, which is Radha Raman Dev Ventures Private Limited. So as regards to the second question about the valuation, so in terms of the debt, this particular land parcel being the part of the consolidated balance sheet, demerger, I mean to say, and as well the post demerger.

What has changed is that particular asset has moved to a particular specific SPV so that going forward when we want to develop this particular commercial or the mixed use project, we will have some flexibility at a SPV level because at real estate project level, it gives a good amount of flexibility to structure the transactions. And thirdly, the what is the value to the shareholders, as I explained that no change in terms of the holding of the asset. It is just on the from the holding company to move to SPV. So the one share which is given due to this demerger is against the 50 shares, which is almost 2% of the value, has been

the additional gain which shareholders have achieved out of this demerger scheme. I hope I have clarified your question.

**Dinesh Rathore**

Okay.. Thank you very much.

**Moderator**

Thank you sir. Ladies and gentleman if you have any questions please press \* and 1 on your telephone keypad. Next question comes from Ayush Saboo from Choice Equity Broking Limited. Please go ahead..

**Ayush Saboo**

Yeah. Can you please give some guidance regarding the CapEx? So , the business development spent that we'd be incurring in FY 25 and FY26 and what kind of, presales figure are we targeting in FY26 as the guidance is available in IP. But around like for 2 years down the line FY26, can we get some guidance, CapEx spent and business development and pre sales also.

**Dhaval Ajmera**

Okay. So, we have about 7 projects which we are going to launch this year, which is having a top line of about INR 4,270 crores. As we speak, all these projects are under approval stages or finalization or planned stages, etc. And with the help of whatever we can launch as we know that probably all these projects will get launched, but bunch of it will probably come in the last quarter of this financial year. So we've given a guidance of INR 1350 crores basis, our overall numbers from our existing and new projects. But having said that, these projects which we will launch will have a significant number coming up with these launches where we are going to do in quarters to come down.

**Nitin Bavisi**

And just to support to that, , like the Ajmera Vihara, which is the one project launch as per our guidance, and we have clocked the sales of INR 74 crore out of the, 300 expected. So that's the kind of velocity at launch, which we have been able to achieve. So we are pretty confident that INR 1,350 crore annual guidance for FY25, we are optimistic to achieve this one.

**Moderator**

Thank you. Ladies and gentleman if you have any questions please press \* and 1 on your telephone keypad. Next question comes from Rahil Shah from Crown Capital. Please go ahead.



**Rahil Shah**

Hi. Good morning. The first question is which particular segment is driving growth for you? Where are you seeing maximum potential like from mid segment premium, which has the best offerings and is driving the interest from the consumers?

**Dhaval Ajmera**

So if you look at all our projects, which are there, we have luxury, mid luxury and affordable. And we also have, it's semi affordable. So all these segments which are there so, like, let's say, mid luxury projects like Manhattan, which is driving the entire, I would say it's been a good sales driver for us. But if I also look at the recent launch which we did at Bhandup, which is like an affordable segment for at least in terms of Mumbai market, which is where the flats are costing around INR 75 lakhs, where we saw great momentum of sales happening. And, you know, Ajmera Greenfinity also, it's a semi affordable segment where, we sold about 50% odd, project over there.

So if I have to look, my sense is mid luxury to affordable is where we have seen great numbers coming in, our portfolio, which is driving it. Obviously, in terms of superluxury, we have only one project, which is Ajmera Prive at Juhu, where, also the numbers have been great. But, obviously, in compared to the overall scheme of things, I feel bracket of INR 75 lakhs to INR 3 crores is where we see great numbers coming.

**Rahil Shah**

So is it fair to assume that you will continue launching more projects in mid luxury to affordable going ahead?

**Dhaval Ajmera**

Yes. I think most of our portfolio would be that, but, we are not averse to not doing a luxury project or a semi luxury project. It depends on the numbers, etc. But right now with what we have in our current portfolio, majority of it will be in that range.

**Rahil Shah**

And where will these be based exactly, like majority of them?

**Dhaval Ajmera**

So, as I said, if you look at our new launches which are there, primarily, there's Wadala, there is Bhandup, Vikhroli. There's gonna be Kanjurmarg, Bandra, which is going to be a commercial space, and Versova which will be a little luxury space. And Iris in Bangalore, which will be again an affordable kind of a segment. So we have in different places where our projects are going to come.

**Rahil Shah**

And how is competition in these locations? And how are you able to like push forward your project against others?

**Dhaval Ajmera**

In all, what we have really seen is that competition is there, but with the legacy, with the kind of deliveries, and with the kind of , brand what we stand, we have seen a great run in our launches. And that was evident if you really look at Manhattan, which is 80% sold today, where we are, , on the 7th level of the building, and still need to go 44 levels up, like total, even if you look at Bhandup, which we just launched, and is just at excavation stage and we've sold about 24%. So competition is there, but with the brand legacy, with the brand commitment, we are able to see great numbers being sold, and we don't see too much of an issue coming in. We are able to get our price at what we launched, and we are also able to get our numbers as expected from us.

**Rahil Shah**

Okay. And what is the total land bank you have at the moment?

**Dhaval Ajmera**

So right now, launch project's is about 1.7 million square feet, with the future land bank, which we've not yet launched, but we have in our cities about, about 11.1 million square feet of development, mainly in Wadala and Kanjurmarg and other places. So that will come up as in how we announce it.

**Rahil Shah**

So will this, like, run rate increase per year? So you're planning in 11.1 million square feet

**Dhaval Ajmera**

Yes. Absolutely.

**Rahil Shah**

And, are you able to give any revenue recognition, like guidance or just the presales number?

**Dhaval Ajmera**

So right now, we've given a guidance worth INR 1350 crores for this financial year, and then we will run through our numbers by the last quarter and then probably give the guidance for the further next year.

**Rahil Shah**

No. That is presales. Right? But, like, revenue, how much you, you know, book? Is that possible?

**Nitin Bavisi**

Yeah. Revenue is always the function of the presales and the conditionalities like 25% of the project on the cost basis achieved and things of that sort. So once the presale numbers are achieved, then the revenue is always follows as a lag kind of a thing. So the more critical number in our estimation is that of the presales. And then after the project execution, we'll take care of the revenue numbers. And just to give you the further insight, we have the revenue potential of INR 1,973 crore from our existing portfolio, wherein INR 87 crore worth of the revenue, which is yet to come from the OC received and completed projects and about INR 1,886 crore worth of the revenue to come from the ongoing projects, which are like Manhattan, Lugano, Florenza, Prive, Eden, Greenfinity, and Bhandup now, which is added due to launch.

**Rahil Shah**

So what time line are you expecting, this INR 1,973 crores?

**Nitin Bavisi**

Completed OC received projects, the revenue expected in about couple of quarters, which is about 6 months. And, ongoing projects, which is about 27-30 months.

**Rahil Shah**

27-30 months. Okay. Thank you so much and all the best.

**Moderator**

Thank you. Next question comes from Sameer Baisiwala from Sakman Capital. Please go ahead.

**Sameer Baisiwala**

Thank you so much and good afternoon everyone. So the first question is, what's the development plan for now demerge commercial land in Wadala?

**Dhaval Ajmera**

So we've done the demerger. We are looking forward to do the entire master planning for the layout and also trying to see if we can partner with somebody. But, as of today, our sense is that probably by next year sometime or towards the end of next year, we should be able to start construction there.

**Sameer Baisiwala**

Sorry, you said end of next year is when the construction begins, is it?

**Dhaval Ajmera**

Yes, somewhere around that, but obviously, it's a function of demand and supply for commercial development, where our sense is that Wadala as a micro market is picking up for commercial development now. However, you know with the kind of supply we will get probably, needs to be fragmented into different years. Otherwise, that demand will not come in at one go. So we need to ensure that whatever we launch or whatever we develop should be either leased out or sold. So we are basically going to do in phase wise manner starting from next year. By then when we see the operation, is obviously the Atal Setu is operational, the other fundamental, connectivity's are getting operated now.

And with all the other connectivity's coming in, I think the demand for Wadala to come in as a commercial micro market is growing and our sense is by next year it will even be enhanced better. So it will become an offshoot to BKC where today BKC is becoming really expensive . So I think a lot of office supply will be shifted to Wadala over the next 12-18 months.

**Sameer Baisiwala**

Okay, great. Thanks. And are you on course for launching Kanjurmarg by September this year?

**Dhaval Ajmera**

So we are on course to launch Kanjurmarg this year, September or December, we are not completely sure but we are working on all the approvals where we've , got partly projects coming in, and approvals coming in, and we are very confident that probably by this year end, we should have most of the approvals in our hand.

**Sameer Baisiwala**

Oh, I see. So the launch would be then only, which is end of the year. Is that correct?

**Dhaval Ajmera**

Yeah right.

**Sameer Baisiwala**

Okay. Because your slide says till September. So just wanted to confirm.

**Dhaval Ajmera**

That's where we had anticipated, but, with the election processes and approvals, which got a little delayed here and there. But, we are on track, and we should be looking at finishing all the approvals soon and launching this.

**Sameer Baisiwala**

And how are you thinking about the adjacent plot in consumer, the larger one?

**Dhaval Ajmera**

So larger one also, we are taking all the basic approvals today. We are finalizing and finishing all the basic approvals. We are currently in the process of finalizing our master plan for the project and then probably come in the market with the overall, master plan with the complete plan of , how much would be residential, how much would be commercial, retail etc. And then probably we'll be able to do the launches in that particular area. But the project, when we say Kanjurmarg, we're starting obviously by this year with our 7 acre parcel and then continuing with the larger one.

**Sameer Baisiwala**

Okay. I mean, just on this point, so the larger one launch, when does that happen?

**Dhaval Ajmera**

Our anticipation would be by next year.

**Sameer Baisiwala**

Okay, great. And just a final question. On your slide, you have this is slide number 29, cash flow from other avenues, INR 330 crores. So what's the timeline for this?

**Nitin Bavisi**

So this is all comprising of the ongoing UK repatriation, which is started last year, and we have been receiving as well in the current year, and we anticipate the UK party repatriation to complete, by this financial year end and as well the asset monetization to which also we are at advanced stage of the discussion. So we are very hopeful that this cash flow materialization will happen in a great velocity in this financial year as well.

**Sameer Baisiwala**

Okay. Great. And how do you split the 330 between UK and the asset sale?

**Nitin Bavisi**

So it's a split. UK is little less than INR 50 crores now, and the rest of the asset monetization numbers, we have 2 assets at Mumbai location, and those ones are up for monetization and one more repatriation, which is from Bahrain, which is little distant away.

**Sameer Baisiwala**

Okay. Bahrain is how much, sir?

**Nitin Bavisi**

It should be close to less than INR 100 crore now.

**Sameer Baisiwala**

Okay, great. Thank you. That's all from my side.

**Moderator**

Thank you. Next question comes from Jayesh Parekh from JMP Capital. Please go ahead.

**Jayesh Parekh**

I would request Dhaval bhai to clarify that in subsidiary, we are talking about Wadala Commercial Land Bank of 18.5 lakhs square feet?

**Dhaval Ajmera**

Yes.

**Jayesh Parekh**

Which is expected to be a lease model, right?

**Dhaval Ajmera**

Yes. So it will be partly lease, partly tie up, part I mean, selling once it is ready. But overall, it's a structure where we are looking at a great commercial path coming up.

**Jayesh Parekh**

Yes. Thank you, and all the best to you, Dhaval bhai. Thank you.

**Moderator**

Thank you. Ladies and gentleman if you have any questions please press \* and 1 on your telephone keypad. We have a follow-up question from Ayush Saboo from Choice Equity Broking Limited. Please go ahead.

**Ayush Saboo**

Yeah. Could you, please give a guidance on the business development or , you know, the CapEx expenses that you would incur in FY25 with respect to the launches?

**Nitin Bavisi**

So as we have guided in the March annual result, for FY25, apart from INR 1,350 of the presale guidance, we have further plan of INR 3,500 worth of projects to acquire, which will deepen our launch pipeline going forward. So INR 3,500 crores on the business development activities as well.

**Dhaval Ajmera**

These are the ones which we have almost closed down or looking at closure. And then, obviously, the business development angle continues to get in more portfolio projects coming in, which as in now comes in, we will announce further.

**Moderator**

Thank you. Ladies and gentleman if you have any questions please press \* and 1 on your telephone keypad. Next question comes from Kaushik Dani from Abans. Please go ahead.

**Kaushik Dani**

Hi, good afternoon, everyone. You just mentioned that you plan to acquire INR 3,500 crores of projects, right? So how will this funding happen? I mean, say, is it as on today, it's about INR 800 crores of debt? So how do we go about it?

**Nitin Bavisi**

So basically, as we have been guiding, it is a mix of organic and as well inorganic. So not entirely will be 3,500 from the leverage or the capital upfront commitment kind of a thing. It is going to be the mix of it. And we are very aggressively working on the asset light and non- capital commitment kind of projects. And if you see the launch pipeline, it is like comprising of MHADA redevelopment, SRA redevelopment, society redevelopment as well. So that's the position on which we will continue our strategy there.

**Kaushik Dani**

So it would be have it would be having a lot of JDS also, you meant to say?

**Nitin Bavisi**

It's going to be mix, asset light and as well on our land parcel as well.

**Kaushik Dani**

Okay. And typically, what sort of IRRs we target when we say, INR 1,350 crores of presales or let's say, INR 4,500 crores over next few years?

**Dhaval Ajmera**

Sorry. What kind of what?

**Kaushik Dani**

What sort of IRRs do we target usually?



**Dhaval Ajmera**

So we are having different projects with different guidelines. So if I look at our greenfield projects at our own land bank projects, obviously, the IRRs are very high. But when we look at society redevelopment, we'll anywhere look between 25%-30%. If it is a slum redevelopment project, it depends on the location and everything, about 20-30% is where we are looking at. Again, MHADA is between, about 30-32%. So every different projects will have different IRRs. But overall, on an average it will be about 30 plus.

**Kaushik Dani**

Okay. And you mentioned 7 projects worth INR 4,270 crores. Typically, that spreads are usually how many years?

**Dhaval Ajmera**

Next, 3-4 years time.

**Kaushik Dani**

Next 3-4 years. And finally, because I think most of our projects are in MMR Mumbai only, right? So in that particular case, what are the average realizations?

**Dhaval Ajmera**

So, every project has a different realization model, but, average, my sense would be about, 5000-6000 rupees a square foot.

**Kaushik Dani**

Okay. And finally, with regards to this, demerger in fact, I didn't have much of the details earlier. So typically, this is for the existing investors also or they are recorded and everything is done?

**Nitin Bavisi**

The recorded was 2nd August 2024, and the shareholders or the members is on that particular date are entitled to this additional one shares as against the 50 shares which they held.

**Kaushik Dani**

Okay. So it's already passed, right? Okay, fine. That's it from my side, thank you.

**Nitin Bavisi**

Thank you.

**Moderator**

Thank you. Ladies and gentlemen ladies and gentlemen, if you have any question, please press \* and one on your telephone keypad. I repeat, ladies and gentlemen. We have a follow-up question from VV Patel, an individual investor. Please go ahead.

**VV Patel**

Yes. Good afternoon once again. I observed a comment that the project in Bandra which you're doing with Rustomjee would be a commercial space. For this reason, can you please give us an idea about two things? The first thing I need to know is what is the plan for the new project since it's a commercial space? Will it just be malls or will it be a mall and offices? If there are residents, is there a plan to have the residents as a part of this project? And how are the what is the plan for accommodating the existing owners of this area since it's a redevelopment project?

**Dhaval Ajmera**

Sir, I think you want to be our potential buyer. Please do come. You're most welcome. But however, I don't want to reveal too much details. We are still under planning stage. Just to tell you, it will be commercial, but obviously there are commitments with related to our existing tenants and other things, which we are satisfying and we are making it. So definitely, there will be some residential, some commercial, everything put together. But, we would want to reveal and give more details once all our plans are finalized and put up for approvals.

**VV Patel**

Got it. Thank you.

**Moderator**

Thank you. We have a follow-up question from Ayush Saboo from Choice Equity Broking Limited. Please go ahead.

**Ayush Saboo**

Yeah. This with regard to your guidance of INR 3,500 crores of projects, so that will be a mix of JD and JV Right? So, if you could just give some guidance on the amount of cash expense that we as an Ajmera would have to spent in order to achieve this project pipeline?

**Nitin Bavisi**

So we have given the summary of the estimated cashflow the existing project portfolio is expected to churn about INR 850 crore of cash. And this particular launch pipeline, which is about INR 4,270 crore JDV, is which is expected to generate about INR 1,200 crores of the cash flow. That's the kind of cash flow estimation and the guidance which we have provided in our presentation in terms of the ongoing project and as well the launch pipeline.

**Ayush Saboo**

Okay. Thanks.

**Moderator**

Thank you. Ladies and gentlemen, if you have any question, please press \* and one on your telephone keypad. There are no further questions. Now I hand over the floor to management for closing remarks.

**Nitin Bavisi**

Thank you, everybody, for participating and taking time to attend this earnings call Q1 FY25. We look forward to interact with you for more interactions or the insightful, the query or the doubts or the further information which you may be requiring, very happy to address that. Until then, we expect that everybody to be enjoying the celebrations of the festive season coming forward. And stay safe. Thank you, everybody.

**Dhaval Ajmera**

Thank you.

**Moderator**

Thank you, members of the management. Ladies and gentlemen, on behalf of Ventura Securities, that concludes this conference. Thank you for joining us. You may now disconnect your line.

- 
- Note:**
1. This document has been edited to improve readability
  2. Blanks in this transcript represent inaudible or incomprehensible words.