

# Rustomjee®

**Date: August 12, 2025**

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| The Bombay Stock Exchange Limited<br>Phiroze Jeejeebhoy Towers<br>Dalal Street<br>Mumbai - 400 001<br><b>Script Code: 543669</b> | National Stock Exchange of India Limited<br>5 <sup>th</sup> Floor, Exchange Plaza,<br>Bandra Kurla Complex Bandra (East)<br>Mumbai-400051<br><b>Script Code: RUSTOMJEE</b> |
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**Sub: Q1 FY26 - 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 August 5, 2025 with respect to unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2025. The transcript is also being uploaded on the Company's website i.e. <https://www.rustomjee.com/about-us/financial-statements/?year=2025-2026>.

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  
Q1 FY '26 Earnings Conference Call”  
August 05, 2025

Rustomjee®



**MANAGEMENT:** **MR. BOMAN IRANI – CHAIRMAN AND MANAGING  
DIRECTOR – KEYSTONE REALTORS LIMITED**  
**MR. CHANDRESH MEHTA – EXECUTIVE DIRECTOR –  
KEYSTONE REALTORS LIMITED**  
**MR. PERCY CHOWDHRY – 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 Q1 FY '26 Earnings Conference Call hosted by Axis Capital 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

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

**Pritesh Sheth:** Thank you, Shruti, and good evening, everyone. Welcome to the call. Firstly, congratulations to Keystone Realtors' team for a strong quarter across parameters. As usual, we have with us the management of Keystone Realtors represented by Mr. Boman Irani, Chairman and Managing Director; Mr. Chandresh Mehta, the Executive Director; Mr. Percy Chowdhry, Executive Director; and Mr. Sajal Gupta, the Group CFO.

I'll hand over the call to the management for their initial comments, and then we can open the floor for questions and answers. So over to you, Boman sir.

**Boman R. Irani:** Thank you. Good evening, everyone, and welcome to our Q1 FY '26 Earnings Conference Call. I'm Boman Irani, Chairman and Managing Director of Keystone Realtors Limited, and I extend my heartfelt gratitude to all of you for joining us today.

I'm pleased to report a strong start to FY '26, marked by 3 significant first-time milestones. This quarter has been our highest ever quarterly presales of INR 1,068 crores. Two, this has also been our highest quarter where we've had the highest quarterly launches worth INR 3,967 crores. Our presales, which is at INR 1,068 crores, is a 75% growth on the same quarter last year and collections of INR 575 crores is a 19% growth on the same -- as per the same quarter last year.

The third milestone that we have is the launch of three projects during the quarter with a GDV of totally INR 3,967 crores, twice the launch value recorded in the same period last year. So the momentum is clear reflection of the strength of our product portfolio and the resilience of our overall strategy.

In line with our proactive approach to business development, we added three projects in Q1 with a combined GDV of INR 7,727 crores. This exceeds the entire guidance of FY '26 for business development by more than 1.25x, reinforcing the success of our asset-light, capital-efficient model with a sharp focus on redevelopment within MMR.

As one of the most trusted names in this space, Rustomjee is uniquely positioned to unlock long-term value in a fast-evolving market. And with a healthy balance sheet, a very strong capitalization, we remain well equipped to pursue emerging opportunities and create sustainable value for our stakeholders. We are confident of carrying forward this momentum and delivering a fantastic year ahead, which is going to be strong and filled with consistent growth.

Our presales are tracking in line with our expectations, positioning us for the next phase of our revenue growth. The sharp rise in demand reflects both our strategic direction and growing trust

that the customers have placed in our developments. 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 business with both passion and purpose.

Further, consistent growth in collections is a clear indicator of strong customer confidence in our brand as well as the quality of our project delivery and customer engagement practice. A key strategic focus area continues to be accelerating the pace of construction, not only to uphold and exceed our delivery commitments and enhance customer satisfaction, but also to optimize our collection cycle.

With faster progress on construction milestones, we are witnessing a direct positive impact on cash flows. Our construction spends have also increased from INR 191 crores in Q1 FY '25 to INR 238 crores in Q1 FY '26. This is a 25% year-on-year growth. This achievement is particularly significant given the strict constraints that developers normally in MMR face with regards to working hour regulations, noise regulations, logistic challenges in certain localities, and limited machinery movement in those areas. We are building our ability to overcome complex on-ground challenges and drive new standards in speed, quality, and efficiency in the real estate landscape.

As mentioned, we have launched three projects with a total estimated GDV of INR 3,967 crores in Q1 FY '26. This is twice the value of launches done in the same period last year. This further strengthens our future revenue visibility. It is worth noting that we have already achieved 57% of our full year FY '26 launch guidance setting, a solid foundation for achieving our targets. We are particularly encouraged by the strong pipeline of upcoming launches.

We made significant strides in the BD, Business Development, in Q1 FY '26. We've added 3 strategic redevelopment projects with a cumulative GDV of INR 7,727 crores. Like I said before, we have already surpassed our full year guidance for FY '26 business development by 1.25x in one quarter alone.

This is an exceptional achievement and underscores the strength of our sourcing capabilities and our strategic focus. These additions are fully aligned with our commitment to consolidating our leaderships in the redevelopment segment across the MMR region, further reinforcing our long-term growth strategy.

With these developments, we have strategically entered the micro markets of Sion and Lokhandwala. The redevelopment initiative in GTB Nagar, Sion, represents one of Mumbai's most significant urban transformation projects. Undertaken in collaboration with MHADA, the project is set to benefit over 1,400 families and 200 shops and establishments in the area.

With regards to this endeavor, as more than a redevelopment effort, actually, it is a commitment to restoring trust and rebuilding communities, further improving the quality of life of residents. All our company projects are rigorously vetted using very set criteria by our investment committee, ensuring disciplined underwriting and healthy margins. We focus a lot on the bottom line, while we are very, very clear that top line growth is also important.

Since FY '23, we have added 25 projects with an estimated GDV of INR 25,490 crores. Of these 21 are redevelopment projects, of which 19 cater to Mid/Mass and Aspirational category alone. This aligns perfectly with our strategic focus, capturing value through urban consolidation, while maintaining volume through high demand and mid-segment offerings.

In addition, I'd like to highlight our enhanced focus on cluster redevelopment. This is more intricate and high impact model that involves aggregating and securing consents from multiple societies to enable integrated development across larger urban spaces. This also allows us to be able to create better developments going forward with a lot more amenities being offered to existing members as well as incoming purchases. This also unlocks greater value through scale and efficiency and, like I said, enhances the overall livability and infrastructure for the residents.

We have recently achieved significant progress in this segment with acquisition of multiple large-scale clusters, including the Lokhandwala Cluster, the GTB Nagar, the Dindoshi Cluster in Malad East and then Malad West Cluster that we have gotten done. This positions us uniquely as Mumbai's probably largest redevelopment company.

These strategic additions highlight our ongoing commitment to growth and leadership. I'm confident in our ability to consistently take on and successfully deliver newer developments.

With a strong and diversified portfolio across MMR, including having various price brackets from value housing to luxury, our strategy ensures resilience and growth across market cycles. The redevelopment opportunity in Mumbai continues to be significant, and we are a trusted leader in this space.

We are ideally positioned to capitalize on this momentum, and we are backed by a very strong balance sheet, cash reserves, and we are well positioned to fully capitalize on these opportunities. During Q1 FY '26, we generated an OCF, operating cash flow, of INR 118 crores.

Moving to our consolidated financial performance. We reported a revenue from operations of INR 273 crores for Q1 FY '26. Our liquidity, our gross debt stands at approximately INR 304 crores and with a gross debt-to-equity ratio of 0.11:1 as of 30th June, 2025. This is very well within our guidance. Our total free cash at the end of Q1 FY '26 is INR 714 crores, making for a very strong liquidity position. Our net debt for the same period is zero.

We are also pleased to share that ICRA has upgraded our credit rating from ICRA -- from A to ICRA A+ with a stable outlook. This reflects our robust financial profile, strong project pipeline, and disciplined capital allocation strategy.

I'm proud to share our progress on the ESG initiatives as well. Our Belle Vue, Rustomjee Belle Vue Project in Kasara is now registered as our first carbon net zero project with IGBC. Our focus has been on designing and executing net zero carbon initiatives for the two club houses at Belle Vue Kasara -- Rustomjee Belle Vue, Kasara.

We are advancing several key actions, including initiating a sequestration study to assess carbon credits from our forest area development. We are mapping the existing water bodies and

planning newer ones for rainwater harvesting and thereby achieving net zero water, and we are processing an LOI for renewable solar energy for all the amenities of the development.

We are exploring natural wastewater treatment methods that eliminate the need for traditional STPs in our clubhouses. Additionally, the design submission and approval process with the IGBC is well underway.

On the sustainability front, we've made good progress on our Business Responsibility and Sustainability Report, BRSR. The data for all applicable principles have been uploaded by our stakeholders with supporting evidence and the Principle 6 audits are complete across all ongoing projects. Our first sustainability report aligned with the Global Reporting Initiative framework is currently in progress.

Further, we've strengthened our ESG compliance by conducting ISO 14001 and ISO 45001 awareness sessions and advancing their documentation. We formalized a Green Procurement Policy and shared our Supplier Code of Conduct with 20 key material vendors, receiving full acknowledgment as we prepare for FY '27 BRSR compliance. Our Q1 FY '26 performance reflects a strong execution, a robust growth, and continued market leadership.

To summarize, Q1 FY '26 has been a quarter of record achievements and strategic wins, strong sales, great momentum, disciplined collections, landmark launches, proactive business development. Now we are on a solid path to deliver on the potentially great market and exceed our FY '26 goals. We remain committed to exceeding our guidance and delivering long-term value to our stakeholders. The favorable market conditions and our strategic strengths position us for the next wave of expansion.

Like we say at Rustomjee, we're not just building homes, we are shaping, thriving future-ready communities. Thank you for your trust and support and the continued partnership. We look forward to your questions now.

**Moderator:** The first question is from the line of Harsh Pathak from Emkay Global.

**Harsh Pathak:** First of all, congratulations for the strong set of numbers reported during the quarter and the strong business development activity. So my first question is on the presales guidance. Are we revising our presales guidance upwards? And what kind of growth can we expect in the next year since we have done a commendable progress on the new BD, especially in the last 1 year? And I guess the projects added in FY '25 and Q1 will have to be launched in the next 1 to 1.5 years. So any revision in our guidance?

**Boman R. Irani:** Harsh, thank you for your question, and thank you for the compliments as well. I think we are super excited about the three first-times that have taken place in Q1. Like I mentioned, INR 1,068 crores of presales, close to around INR 3,967 crores of launches, project launches, and most importantly, crossing our entire guidance for BD by 1.25x for the year.

Look, quite honestly, the INR 1,068 crores of presales, which has happened in the first quarter, which is almost 25% or crossing 25% of the entire target is a huge first in a lot of other ways also because quarter 1 usually has the slowest sales. If you see any of the years for most of the

developers, quarter 1s are always the slowest, whereas the quarters with all the festivals, which is now Ganpati and then going into Diwali, I mean, Dussehra, Diwali, and the basic holiday season holds great promise. And always the last quarter is where there's a lot of good initiatives from developers, leading to great buying.

Having said that, I'm very happy not to exceed my guidance as of right now. I will continue to perform. And when we give our quarter 2 results, at that point of time, your question may be a little more relevant because we would first like to thrill our investors with what we achieved in the first 2 quarters before making, let's say, a new guidance statement.

So as of right now, we maintain our guidance at INR 4,000 crores, but I assure you we will thrill all our investors like we do with our customers.

**Harsh Pathak:**

That's encouraging to hear. And so since you have already done a very strong BD in the first quarter itself, so how to look at the new business development for the rest of the year in the redevelopment space or maybe any outright basis? And what is the overall capital deployment that we target in the current year?

**Boman R. Irani:**

So Harsh, again, a very good question. This bumper that we have achieved with INR 7,700 crores of BD that we have done is also something that we have to put on the rails and get towards development. Most importantly, what I'd like to state out here is BD, especially on the redevelopment front, is not like a one-off thing. It's a continuous process. While we've entered two new markets, Sion and Lokhandwala, where we see great promise.

One of the projects that we've acquired in this quarter is also part of a larger cluster of Dindoshi, where, again, there is a tremendous future promise because all these projects, except Lokhandwala, most of them fit the Mid/Mass and Aspirational category where the sales are probably the highest in terms of volume.

Lokhandwala is going to be extremely interesting with the success that we've seen at Versova and the kind of development that we can do over 20,000-plus meters of land. It allows us to create the same magic we created with Elements and maybe even more because a high rising or the high rises will be better. And we will be able to create more meaningful layouts for people to live and thrive in.

So having said that, your question was deployment. Look, we have a free cash availability of INR 700-plus crores. We always have extremely very strong financial partners who are able to back us sometimes with equity, but the debt market definitely is extremely strong. We've reduced the cost of our borrowings as well. And as we move along, I believe we will create more and more momentum for sales, allowing for more and more free cash flow to take place.

And as of right now, like I mentioned in my entire starting introduction to this quarter, we are extremely focused on bottom line. While we believe top line is critical and important for the markets, but the bottom line is most important for our shareholders. And as such, if you ask me what my deployment of cash this year would be, I think it will be about INR 800-odd crores going forward.

**Harsh Pathak:** So on your point of profitability that you just mentioned, so given this increased competitive intensity in the redevelopment space, do we maintain the same level of embedded EBITDA margins at the project level? Or have you seen some shrinkage? Or maybe our strategy of cluster development enables to have better margins even with the increased competitive intensity. So how are we placed on the margins front?

**Boman R. Irani:** Harsh, if you remember, in the last earnings call, we had actually mentioned that we are at an inflection point, and we are more or less proving it as of right now. Look, redevelopment is, like I tell people all the time, it is somewhere where not only intelligence, wisdom, money, but a very strong experience counts, right? And this is something where we proved our metal by housing more than or completing and rehousing more than 2,000 families, right?

And again, I must say this is a little distinguished from even some redevelopment where I would like to think that it operates on a totally different scale where people are generally happier because there are set guidelines in terms of the additional area that one can get, etcetera. So the movable points are too few. Whereas in a redevelopment, there are plenty.

So it takes a great set of overall understanding and experience to get into this field. Of course, the very fact that so many developers are getting into the redevelopment space only kind of is a validation to our initial foray into this when I remember that I had to make a 2-hour presentation to SBI just to get funding for a redevelopment project. And today to see so many developers get into this space...

**Moderator:** Sorry to interrupt. Hello, sorry to interrupt. The management line is having static.

**Harsh Pathak:** No. Sir, actually, your commentary got interrupted in between. But no worry, sir, I'll understand that maybe one-on-one. But -- so one -- another question I had was, which is the last one from my side. Any major projects getting completed in the current year, which can add to the top line?

**Sajal Gupta:** So Harsh, in the last quarter, towards the end of the last quarter or maybe early start of this quarter, we completed -- we've got the part OCs of the Paramount. The full OC is expected during the course of this financial year only.

Apart from that, we are expecting a completion of the Crown-C Tower that is expected towards the late quarter 3, early quarter 4, which will also give us an opportunity to account for a significant revenue. Apart from that, we have a couple of small projects, which should also help in terms of boosting the revenue recognition during the year.

**Harsh Pathak:** And sir, I'll understand the response on margins better offline.

**Boman R. Irani:** Sure.

**Moderator:** Our next question is from the line of Pritesh Sheth from Axis Capital Limited.

**Pritesh Sheth:** So first question is on our BD strategy where we have seen a large difference in terms of projects we used to acquire earlier, the size of the projects we used to acquire earlier versus now clear



focus on cluster redevelopment. Is it a strategic change? Or is it more to do with the opportunities that are available in the market and get ready to grab it? So your thoughts on that?

And second, on a follow-up to that, how does that change our execution strategy since we are taking these large projects, what all we now have to be ready about while executing these large-sized projects? And any change in terms of time lines versus the usual society redevelopment to now these cluster redevelopment?

**Boman R. Irani:**

Yes. Thanks for that, Pritesh. A. we should tell you that we are developers that have been doing township developments. You're aware of 217 acres of development in Virar, where we did everything from building the roads to the entire infrastructure to the water supply to the power supply to actually building the buildings, creating the lifestyle and our Thane project is 127 acres plus. So A. let me put it this way, there is nothing that we have to learn on this account for the larger developments.

We've also done Elements, which is 20,000-plus meters, Seasons, which is 15,000-plus meters, Paramount, which is again 3-plus acres. So we've done these kind of developments in the past. Crown itself is a 4-plus acre development. So we've done these developments.

Two, we are also, as a company, never under pressure to acquire newer projects, right? So we have the ability to pick and choose the kind of projects that we want. So difficult projects are only those where you do not have the customer or the existing members buy in. And largely, we've seen that when we get selected, it's by a 90% member vote itself.

So all these larger developments, including what we've taken up at GTB Sion are because of; A. the location, B. because of the fact that a cluster development affords better profitability. C, it allows us to use our skills of doing the larger developments quicker. And you asked the question about in terms of the time of launches.

First of all, the good news is, today, the One Shakti matter, which was stopping a lot of developments in Mumbai, has gotten cleared, and that will allow us to kind of move forward and launch more projects in the next few quarters. And these projects will also be adding significantly to our bottom line as well as our top line. And the time taken for a cluster is primarily more when we are working on the cluster.

So let's put it this way, before the DA is signed. Once the DA is signed, more or less, it follows the same trajectory of about 13 to 15 months and before when it gets launched. And that's because all the hard work has largely been done before the DA gets signed. So we've got a full grip on everything that needs to be built in that area. The entire market research is set. Our design teams have already done largely what kind of layouts will be created. The customer base is identified.

So we've worked out the larger part of the piece before the DA gets signed. After the DA gets signed, there's a process of putting up the plans to the committees, getting their final sign-off on it and then actually putting it to the authorities to be able to give the approvals. And this approval process, as you are aware, takes anywhere between 6 to 9 months and thereafter, RERA, etcetera. So that's why we position ourselves for a 13 to 14-month launch.

Having said that, we've turned around projects in 6 months' time from the date we got selected as a developer. And further, I think we will also be trying to do the same with our project in Sion, which is the GTB Nagar because; A. it is an initiative of MHADA. It's a C&DA project, which means that MHADA is literally working towards making sure that these 1,400 people are rehabilitated plus 200-odd shop owners are rehabilitated. And towards the larger public interest, there will be a little more unison in the way of working and a little more push to get the project launched at the quickest.

So internally, we are setting targets to complete this project in about 4 years, end-to-end, which will also help create a very healthy bottom line because as you're aware, delays are what kind of kills most projects in real estate.

**Pritesh Sheth:**

And just to follow-up again. So these 3 cluster redevelopments, Dindoshi, Malad West and GTB. GTB, I presume would be launched this year itself, considering how confident you are and rest 2 next year or all 3 next year?

**Boman R. Irani:**

So good question. GTB, definitely because of the push and the support that MHADA is offering, would get launched in this year. It is their desire that we launch it within a quarter itself. But that is the speed at which we are working. But let's say, in about 6 to 8 months, the project will be launched.

And like I said, we want to complete that project in 4 years end-to-end, and we are gearing up for that kind of development. And again, that being a maybe Mid/Mass to Aspirational category, we are also expecting quicker turnaround in terms of sales to be able to make it possibly a cash flow positive project. But all this is just the effort that we are putting in right now.

With regards to Dindoshi, yes, the planning has largely been put in place. Now we will show it across to the members. And then from there on, we will take it further into the approval stages. Given that this project would take about 6 months for approvals and thereafter about 1.5 to 2 or 3 months to get the rest of the paraphernalia out. It would go into the early quarters of the new financial year.

And Lokhandwala could be a little longer, but our endeavor will be to launch it within 13 to 15 months. And there's one more cluster, which is the Malad West or I think you left out Lokhandwala earlier. So the Malad West also will take that much time itself, maybe 13 to 15 months to kind of get a launch around.

**Pritesh Sheth:**

And just one last -- sorry, a couple of more questions. I think I'm not sure if you mentioned the same issue, but this environmental clearance which has been delayed, where are we in terms of hearing that from the court? And by what time you think this issue will get sort out?

**Boman R. Irani:**

So the best news yesterday was that we won in England, and the best news today is that we won in Supreme Court. So that also I'm waiting for a third good news also to come along. They said two always follows the pattern where the third one also comes. So let's wait for a day. But no, the One Shakti matter has been resolved with the court accepting the stand of the developers and the government, wherein it states that the center may not be in a position to be able to assess hundreds of or thousands of proposals that come from across the country and the state is better

equipped to do it. So it's back to the state, and I think that will lead to a lot of positive growth of our market as well as of the buyers' hopes.

**Moderator:** The next question is from the line of Murtuza from Kotak Securities.

**Murtuza:** Just a question. You talked about your cluster development where the government support is coming. We are seeing some of the other developers also progressing on slum rehab projects. Is there an increased element of support from the government coming in, in terms of some of these slum rehab projects? Is there more support from the administration that is coming in? And would that possibly lead to a lot of supply given the amount of land that we have in the city which is under slums?

**Boman R. Irani:** Murtuza, thank you for that question. It's actually a very good question. I must just reiterate a little bit of history. We got into this business in the year 1996. And from there, the two things I remember, cyclically, the questions used to be, where is the land in Mumbai? And the second question used to be, wouldn't there be an oversupply if this came in? And what we've seen is consistently the city has managed to operate well with both.

Of course, there will be periods of time when the supply may exceed, let's say, a demand of a particular type of apartment, but I have never seen this play out across the market. So just to give you an idea, MMR is one of those unique markets that is across price points, across geography, across types of homes, across just the need for a home in that area.

And all of these demand a different set of, I would like to say, supply coming in, right? Now with regards to your first question, I think there are two things the government is very strongly working with. I think we are again facing the problem, aren't we?

**Murtuza:** No. No, we're good.

**Boman R. Irani:** Thank you. Great. So there are two things the government strongly stands behind. One is a slum free Mumbai. And towards that, definitely, the administration is happy to work to be able to make that happen. And the second one is definitely to see wherever redevelopment, especially of those buildings like the one that we had at GTB that we've tied up, leads to MHADA and, of course, any other governmental agency would also give the same kind of support to get that off the ground.

Now that should come to lead to the next question that you raised, wouldn't that lead to oversupply? Murtuza, first thing is there is a lot of commercial demand in the city of Mumbai. And if you look at a large number of these developments that are getting announced, whether they be SRA, whether they be Dharavi, whether they be MHADA's initiative of -- well, the Motilal Nagar, which is also something that is so huge, is all moving towards or largely.

I would like to say if about -- we are rehabilitating about 1,200 homes and 200 slum dwellers and 200 shops, I think but we are creating close to around 800 shops. We're creating as many commercial opportunities in that area as we are creating residential. And the absorption is extremely strong in certain categories of the homes itself. So for instance, Mid/Mass, which I told you is the INR 1 crore to INR 3 crore segment, sees a very strong demand. And Aspirational,

which is the INR 3 crores to INR 7 crores, but I would say, INR 3.5 crores to INR 5 crores segment, again, sees a very strong demand.

I'm happy to state out here that before we tied up for GTB, we had actually carried out a deep study of the entire market and what kind of markets we can serve with the products out there. And it was quite heartwarming to see that infrastructure growth in the city of Mumbai has led to a great amount of demand growth in the area. And the fact that commercial development is also improving, it also means that there's a lot more job opportunities getting created.

Other than this, Murtuza, you are aware that there are various types of residential demand getting created, student housing being one, single ladies accommodation being another, senior care being a third. And all of these are getting addressed in this upcoming supply that is coming in.

I'd like to just state that larger developments, especially the clusters that we are undertaking are all studied for are all -- in our launches, we would have known exactly the kind of customer we are addressing. And towards that, we take great amount of pain to be selective about the projects that we do and the markets that we do it in. So GTB allows us to enter Sion, whereas the Lokhandwala Cluster allows us to enter Lokhandwala, which I told you is a follow-up to the success we've had with our Versova launch. So overall, we are pretty excited about what we are doing going forward.

**Moderator:**

Our next follow-up question is from the line of Pritesh Sheth from Axis Capital Limited.

**Pritesh Sheth:**

A couple of questions. First, I think you have mentioned in the presentation that whatever we launched this quarter, we have sold 8% within the quarter itself. How would you read the market scenario based on that response to our new launches? Because I think earlier, probably we have done well when we have launched projects. So just your read on that. And then I'll have one more question.

**Boman R. Irani:**

Thanks, Pritesh. So basically, to throw some light on our new launches, fortunately for us, all the projects that we launched in this last quarter were in the Premium segment. And we've seen that about 8% by volume, 9% by value stock has already gotten sold. And you should remember that we always speak about the first 6 months of sale in which we try and lock in close to around 40%.

I would not like to say 6 months, it is up to the plinth. So if it takes 6 months or 8 months or so, we should be able to lock in about 40% of the sales in these projects. And given that it's been a first quarter launch, I think we'll more than well achieve that in this financial year itself.

Going forward, the project launches that are coming up will be in the Mid/Mass segment, which is the INR 1 croresto INR 3 crore kind of price point. And those, like I already mentioned, are also extremely high demand products that come out, depending on where they are coming out. So if they are close to, let's say, a metro station, there's always a little more or any kind of transport hub, they are a little more valuable.

**Pritesh Sheth:**

And one last for Sajal sir. I think the gap between gross collections and net collections has widened for us this quarter. It's around 62% versus usually it's around 75%, 80% since last 4, 5

quarters. Can you just explain the reason for that, why that gap? And how should we see it going ahead?

**Sajal Gupta:**

Yes, Pritesh. The collections that you look at in our collection summary and the collection that you look at in our cash flows, there are actually three adjustments. Number one, that in the cash flows, we don't consolidate the collections at our joint venture projects and at our DM projects.

For these two categories of the projects, we consolidate the actual amount of the money that we receive for the DM projects, the DM fee actually that we receive, we include in our cash flow statement. And for the JV projects, whatever the share of profits we actually get, physical cash in, is that what we count. The third thing that we netted off this collections is the sales and marketing cost.

So these are the three reasons. There is no such formula as to what this percentage be depending on the quantum of collections in these categories, there could be a difference. But these are fundamentally the reasons in the cash flow, it is the collections, which is the beneficial collection to us, wherein the operational collections, the entire collection that we are working on.

**Pritesh Sheth:**

For this quarter, what was higher? Was it higher from the JV projects and the net of amount is a little lower?

**Sajal Gupta:**

Yes. The collections from the JV projects and the DM projects was INR 208 crores. So that was a significant number because one of the projects at Matunga is doing extremely well both in terms of sales and collections and is contributing well to our collections and therefore well to our cash inflow in terms of DM fee as well.

**Moderator:**

Thank you. Ladies and gentlemen, this was the last question for today. I now hand the conference over to the management for closing comments. Over to you, sir.

**Boman R. Irani:**

Thank you on behalf of the management at Rustomjee for joining us today. For any further queries, we are always available one-on-one to answer them. Thank you for your faith and trust in us, and we look forward to having a bumper year ahead. Good evening.

**Moderator:**

Thank you. On behalf of Axis Capital Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.