

February 10, 2026

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Ref: Godrej Properties Limited

BSE - Scrip Code: 533150, Scrip ID – GODREJPROP
BSE - Security Code - 974950, 974951, 975090, 975091, 975856, 975857, 976000 - Debt Segment
NSE Symbol - GODREJPROP

Sub: Transcript of the conference call with the investors/ analysts.

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Schedule III Part A, Para A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the conference call organized with the investors/ analysts on Thursday, February 05, 2026, post declaration of Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended December 31, 2025.

This is for your information and records.

Thank you.

Yours truly,

For Godrej Properties Limited

Ashish Karyekar
Company Secretary

Enclosed as above

The logo for Godrej Properties Limited, featuring the word "Godrej" in a stylized, cursive script font.



“Godrej Properties Limited
Q3 FY '26 Earnings Conference Call”

February 05, 2026



**MANAGEMENT: MR. PIROJSHA GODREJ – EXECUTIVE CHAIRPERSON –
GODREJ PROPERTIES LIMITED
MR. GAURAV PANDEY – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER – GODREJ PROPERTIES
LIMITED
MR. RAJENDRA KHETAWAT – CHIEF FINANCIAL
OFFICER – GODREJ PROPERTIES LIMITED
MR. KSHITIJ JAIN – INVESTOR RELATIONS – GODREJ
PROPERTIES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Godrej Properties Q3 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need a session during the conference call, please signal an operator by pressing star then zero on a touchtone phone.

I now hand the conference over to Mr. Kshitij Jain from Godrej Properties. Thank you, and over to you, Mr. Jain.

Kshitij Jain: Thank you. Good afternoon, everyone, and thank you for joining us on Godrej Properties Q3 FY '26 Results Conference Call. We have with us Mr. Pirojsha Godrej, Executive Chairperson; Mr. Gaurav Pandey, Managing Director and CEO; and Mr. Rajendra Khetawat, CFO of the company.

Before we begin this call, I would like to point out that some statements made today in today's call may be forward-looking in nature. These forward-looking statements are based on expectations and may involve risks. The outcomes may differ materially from those suggested by such statements and a disclaimer to this effect has been included in the results presentation.

I would now like to invite Mr. Godrej to make his opening remarks. Over to you, sir.

Pirojsha Godrej: Good afternoon, everyone. Thank you for joining us for Godrej Properties' Third Quarter Financial Year '26 Conference Call. I'll begin by discussing the highlights and we then look forward to your questions and suggestions.

To first start with looking at the calendar year '25 highlights. GPL delivered its best ever year in calendar year 2025 and achieved bookings of INR34,171 crores, a year-on-year growth of 19%. Collections of INR18,979 crores, a year-on-year growth of 28%. Operating cash flow of INR7,246 crores, year-on-year growth of 20%. And earnings of INR1,582 crores, which is a year-on-year growth of 6%.

These healthy growth rates were despite the high base of calendar year '24. In both calendar year '24 and '25, GPL was the largest residential real estate developer in India in terms of both bookings and collections, which grew at a 3-year compounded annual growth rate of 44% and 35%, respectively.

GPL also registered strong volume growth with a compounded annual growth of 24% over 3 years between calendar year '22 and calendar year '25. As a result of this growth, GPL has doubled its market share in 4 years from 2.4% in calendar year '21 to 4.8% in calendar year '25. In this period, GPL also increased its economic interest in the booking value to 87% from 50% in calendar year '21.

GPL delivered consistent performance throughout calendar year '25 recording booking value of over INR7,000 crores in each of the 4 quarters of the year and has now delivered a booking value of over INR5,000 crores in each of the last 10 quarters. The company's sales were also well diversified geographically with no individual market contributing more than 30% to booking value and with five individual markets contributing more than INR3,000 crores each. GPL, as a

result, achieved a Top two rank amongst listed real estate developers in each of India's five leading real estate markets of Mumbai, NCR, Bangalore, Pune and Hyderabad.

This performance was driven by a broad and diversified portfolio with 11 individual projects, each generating booking value in excess of INR1,000 crores during the year. GPL has cumulatively added projects with more than INR1 lakh crores sales potential since financial year '23 and has strong visibility for sustained growth.

In the calendar year '25, GPL added 14 new projects with an estimated salable area of 24.5 million square feet and expected booking value of nearly INR28,000 crores. A detailed operational guidance for financial year '27 will be provided with our Q4 results, but we can expect healthy growth to sustain across key metrics.

Coming to the third quarter and 9-month performance.

Godrej Properties delivered another strong quarter in Q3. We delivered our highest third quarter and 9-month net profit of INR195 crores and INR1,200 crores, respectively, a growth of 20% and 18% year-on-year for the quarter and the 9 months. GPL's booking value for the quarter grew 55% year-on-year to INR8,421 crores. This was achieved through the sale of nearly 4,000 homes with a total area of about 6.4 million square feet.

In the first 9 months of financial year '26, booking value grew 25% year-on-year to just over INR24,000 crores. This was achieved through the sale of 12,726 homes with a total area of nearly 20 million square feet. This is the highest ever Q3 and 9-month booking value achieved by Godrej Properties and GPL has, as a result, achieved 74% of its annual guidance for booking value and remains on track to beat its guidance of INR32,500 crores for the financial year. Collections in the third quarter grew 40% year-on-year and 5% quarter-on-quarter to INR4,282 crores.

Collections in 9 months FY '26 grew 19% to just over INR12,000 crores, which has resulted in GPL achieving about 57% of its annual guidance on collections. We believe we remain on track to achieve our full year guidance of INR21,000 crores for the full year as deliveries and collections this year are significantly skewed towards Q4.

In fact, with some positive news, we think deliveries for the year can actually be well ahead of guidance for the full year. Collections, while we expect to meet the full year guidance, as a lot of deliveries are going to be in March, there could be some spillover to April.

So we certainly expect a very strong quarter and quite hopeful of achieving the full year guidance and also starting the financial year '27 on a strong note from a collections perspective. Operating cash flow in the third quarter grew 73% year-on-year, but declined 11% quarter-on-quarter to INR1,062 crores.

Operating cash flow in the 9-month period declined 7% to INR3,199 crores. This was due to a sharp increase in direct construction spend by 66% in the 9 months of FY '26. We expect to see very robust operating cash flow in Q4 linked to deliveries and the significant ramp-up in collections and expect to surpass our FY '25 OCF.

In terms of business development, we added three new projects with an estimated salable area of 7.3 million square feet and expected booking value of INR8,400 crores in the third quarter. For the 9 months, GPL has added 12 new projects with an estimated salable area of 22 million square feet and expected booking value of nearly INR25,000 crores thereby achieving 123% of our annual guidance within the first 9 months.

I'm also happy to share that Godrej Properties has ranked number one globally in the real estate and management sector on the S&P Global Dow Jones Best in class Indices for 2025 as of the 31st December cutoff.

Godrej Properties has also been included in the Leadership Index of CDP with an A rating in 2025 and has been recognized as a supply chain leader in CDP's Supplier Engagement Assessment and has also been included in the A list for the 2024 disclosure cycle. For the quarter, our total income declined by 17% to INR1,020 crores, but EBITDA grew by 21% to INR338 crores and net profit grew by 20% to INR195 crores.

For 9 months, our total income grew by 7% to INR4,480 crores. We expect very meaningful total income growth in the fourth quarter given the large number of deliveries. EBITDA grew by 40% for the 9 months to INR1,867 crores and net profit grew by 18% to INR1,200 crores.

With a robust launch pipeline, strong balance sheet and resilient demand, we are on track to achieve our guidance across all key operating metrics and look forward to building on this momentum in the year ahead.

On that note, I conclude my remarks. Thank you all for joining us on the call. We'd now be happy to discuss any questions, comments or suggestions you may have.

- Moderator:** The first question is from the line of Puneet from HSBC.
- Puneet:** My first question is broadly on the market side. Do you see any change in the color of the market in terms of demand, inventory pricing now versus a year back?
- Gaurav Pandey:** Thanks for the question. Of course a couple of years back, I would say there was a clear euphoric stage where tactically you would see whether it's a small developer, mid-developer or large developer, everybody was in this process of selling, right? I think the market is slightly so maturing.
- So now you have a tendency in different micro markets where I would say buyers are appreciating more about product, quality, location. It is gradually becoming what we always believed it to be more of either end user market or a very seasoned retail investor.
- So the froth of the market, which is mostly say speculative investors, especially I'm talking about Gurgaon, that I see is kind of fading out and rightly so. But that aside, I would say market is extremely strong. If you see just our own performance in each of the geographies, all of these have been consistently very well.

Some of our peers who have been launching projects and targeting end users have been also doing quite exceedingly well over the quarter. So market is very good. There's a slight supply degrowth in volume in 2025, which is a very marginal 3%, 4%, which is sometimes when you read from a relative context of demand, people over-assume the demand falling, while it is just that some micro markets may not have seen the supply, which I think is a good thing from a long-term point of view is kind of adjust the ability for some amount of price uptick to happen in micro markets, which may be a little bit on the overrun side. So yes, I mean the market seems to be quite healthy and quite good.

Puneet: Anything on product mix you want to comment in terms of preference changing from more premium to mid-income or that's not visible yet?

Gaurav Pandey: I don't think so very frankly. I would put it slightly different. It's about being value conscious. So whether you are in premium segment or a luxury segment or even a mid-segment, customers are wanting to know about product. When I say product meaning not just limited to the layout, but what's a unique proposition that you are building in a particular project and what is the reason why I should buy this particular project.

So it's a very end user thought process, but nothing really that we would say that only mid-segment or a premium segment or luxury is doing this. I have seen in our portfolio strong demand across segments. And look at last quarter itself, on one hand, we had Panipat launch, right? It's been our best ever plotted launch in a small city with a INR1,000-plus crores of sales.

We've never done a plotted development of that size in the North market. And on the other side of the spectrum, we saw Worli launch, which became the benchmark of the luxury positioning in the South Bombay market. So it finally deploys onto your product proposition to the customers.

Puneet: Okay. And can you also talk about the pace of business development that you want to achieve into next year? Do you want it to slow down or would you accelerate from where you are?

Gaurav Pandey: Actually, we never have given a forward-looking guidance for next year, but fair to say it will be steady and will be very similar to calibrated strategy that we've been following. If you would have noticed 3 years back, we were having a BD strategy where we were largely in an acquisitions spree across markets because that was a different cycle of the market.

But if you've been noticing in the last 18 months, we've moved to a very different strategy of buying land where we feel there is a strong demand coming up and selling fast in markets that we feel overheated up and at the right stage replenishing the inventory.

So to that extent, I would say that it will continue to be a calibrated BD strategy. Fortunately, for us, we've added such great projects across geography that whether we do BD or do not do BD does not really determine our immediate growth plans. We currently hold about INR135,000 crores worth of inventory.

And within that, if I talk about inventory that is very recent, which is very fresh inventory which is from the acquisitions of last year, that itself give or take is about INR65,000 crores. So largely,

BD will continue to replenish inventory or double down in markets where we feel there is a huge upside available.

Puneet: Okay. And lastly, if you can also talk a bit about how you feel about your leverage position and your market share. Market share definitely is sitting close to 5% as per your numbers. Do you think there's room for more expansion from there or would you largely trend with market?

Gaurav Pandey: Absolutely. I mean I would say you're absolutely right. I mean our market share is just around 5%, actually 4.8% and couple of years back, we were 2.4%. But we're still slightly scratching the surface because if you go down to cities and you can talk about most of the cities where we're operating, we are still not present in many micro markets. And in micro markets that we are present, we still don't have that many launches as much as we are selling fast, right?

So I think there's a huge headroom for us to kind of grow. And from a leverage point of view, I think we probably even captured, I think in our investor presentation, we are at 0.37 and we endeavor not to cross 0.5 from a governance perspective. And we have huge comfortable headroom to look at opportunities within that headroom in markets where we feel we can launch fast and sell fast.

Puneet: Understood. And lastly, if I can just squeeze in one. On the operating cash flows to collections, the run rate this year has been slightly slower than what you've delivered in previous years as well. How should one think about it?

Gaurav Pandey: It's a good question. Let me sort of take a step back. If you look at our last collections per se figure, we delivered I think probably around just around INR4,300 crores and like a 40% Y-o-Y growth. And we had fairly strong operating cash flows close to about INR1,069 crores, which was 73% Y-o-Y growth. And yes, there has been a marginal decline in operating cash flows, but our collections from 9 months point of view is INR12,000 crores, 19% growth. There's a 7% drop in operating cash flows. So the reason why there is the ratio that you're looking differently is because from an operating cash flow perspective, our construction spends have gone very strong. So we've seen and I think we talked about in our earnings call a couple of quarters back as well that for this year, we would be focusing a lot on improving our execution speed and muscle and there's been lot of work that has gone in building that muscle.

I'm quite delighted to share that, as Pirojsha was mentioning in his opening remarks, we've now done a 66% growth on a 9-month performance. And what it is doing is that on the short term, yes, it may optically drop our operating cash by 7%. Therefore, the ratios may not look as consistent. But what it's also doing is strengthening our long-term projected collection growth, but also return on equity target that we have set for ourselves, which is in FY '28. So I think it's a bit of a short-term adjustment of grade construction will lead to some amount of spend.

I think the only worry thing would have been if our growth from collection didn't happen. I think that one can debate how much more we can do, but the growth is happening quarter-on-quarter. And I think if we just skip to the operating principles, it's a matter of time the ratios will again start changing.

Moderator: The next question is from the line of Abhinav Sinha from Jefferies.

- Abhinav Sinha:** Sir, couple of questions. And Gaurav, just following up on the previous one. So in 9 months, we have seen construction cost up by about 35%, but the cash inflows are up like 19%-odd. So when does this number catch up? And is construction cost jump on a like-for-like basis? How is it trending?
- Gaurav Pandey:** I think, Abhinav, if you see typically from a -- I mean sometimes when we look at a portfolio as large as our projects are in different stages of construction, right? I mean we're not like a 6 or 7 project company. There are multiple projects. So sometimes you will have in a quarter, projects which are getting into completion and in such a situation, your construction spend may not be as high or inflows may be slightly better. Therefore, your operating cash flow for those set of projects would be better.
- And vice versa, you may have collected, say, 20% from a launch in the first 3 to 4 months and the next milestone is coming, say, 6 months later. And let's say, we've done fantastic back-to-back launches in a particular quarter. So for 6 months, those projects may not be pumping huge amount of collections.
- So the point I'm trying to make is when you see from a portfolio perspective, sometimes the numbers may not give you complete picture. I think probably one lens that I would recommend looking at it is that from a sequential point of view, is there growth in collection happening up? And is the construction spend really going on the right trajectory?
- I think directionally, they are on the right trajectory, operating cash flow is just an outcome. If you suddenly see a lot of OCF -- sorry, OCs, you will start seeing OCF improving. And in quarters where, let's say, OCs are lesser, you may see a slightly drop in operating cash flow.
- Pirojsha Godrej:** Just to add to this, I think the other good news is we're now right on the precipice, we think of a large number of OCs. So Q4 as we indicated our guidance for the full year for deliveries is 10 million square feet. We've only done about half of that in the first 9 months and we actually expect to do because of these construction spends more than the 10 million square feet guided.
- So I think you will see very sharp collections and that will actually result in the OCF to collection ratio being much higher than in the first 9 months. So I think you'll see a big amount of correction of this just in the current quarter itself.
- Abhinav Sinha:** Okay. Pirojsha, on the business and how would you think are the underlying margins trending now? And also within the same bit in BD, are you now comfortable buying land again in NCR or Gurgaon or you would still at a pause there?
- Pirojsha Godrej:** I think the margins we've guided to are that we'd like to deliver anywhere between 10% and 15% net profit margin. Last year, at an imputed level, we were slightly above that ratio. But I expect over time through cycles to be operating within that range. I think we think that is the right range that will allow us to scale well while also ensuring healthy margins. I think that will imply EBITDA margins in the kind of 25% range or so.

And I think what we're seeing on the land side is reasonably healthy. I think there are instances where we've seen some land options and other land transactions happening at levels that we are not comfortable with and we've lost some of those land deals.

But I think what's exciting is despite holding our underwriting standards very strong, I think we're having a good year for business development and a good year of visibility for a strong Q4 on the business development side as well. So it's not that we're not seeing opportunities. And I think the advantage of our national model, which we've spoken about previously, is that it allows us to pick and choose which markets and which deals we think makes the most sense.

So if we feel that any market is looking a bit concerning or we'd like to pause and see how things play out in that market, taking a little bit of a break there doesn't help -- doesn't stop us from growing elsewhere.

As we talked about in the opening remarks, we have five different cities contributing more than INR3,000 crores of sales last year. So I think we believe market conditions overall remain quite healthy. The market share growth opportunity remains immense. And the combination of those two to us indicates that there's nothing stopping us if we execute well to see strong growth continuing for the next several years. So I think that's how we're looking at it.

And on Gurgaon, Noida, opportunities we're seeing that make sense. So I would expect some business development there. But we're quite cognizant that the market has slowed down little bit so we may look to do a little bit more in other markets in the near term. But certainly, all 5 of these top markets remain priorities for us.

We think we've done a lot of hard and good quality work in establishing ourselves as one of the leading developers in each of these markets and over time we think they each present an opportunity. Tactically, which market to focus on in a given quarter or a given half year, we can continue to adjust. And I think that flexibility is one of the strong advantages of the platform we have.

Moderator:

The next question is from the line of Pritesh Sheth from Axis Capital.

Pritesh Sheth:

Just firstly, some bit of on near term in terms of the launches that we see in Q4. And I think since last couple of quarters, you've been highlighting about confidence on beating the guidance, whether that still stands true in terms of how market has been in last 2, 3 months or a couple of quarters? So first question on that, yes.

Gaurav Pandey:

I think very confident on the guidance. So I would maintain what we said in the previous calls as well. In fact if you see purely from a 9-month perspective, it's about 73%, 74% of an annual guidance already. So very confident on meeting and beating the guidance. To give you a sense of some of the launches that we have in store for the quarter and even beyond, just to give you a sense of the portfolio.

We have a series of launches planned. Very immediately, you'll hear about a launch in Sigma sector Greater Noida. This was the land we had bought some time back in auctions and this is already hitting the market in this quarter. Then we will have something soon coming up as a

residential cluster in a flagship project of Greater Noida called Godrej Golf Links. This is sort of a partially developed township, very well in demand.

So we endeavor to open one of the final clusters of residential over there. And if you recollect, very recently we launched retail and both quarters have done exceedingly well in the retail and that's part of the same project.

Next, we would look forward to launching something in Panvel as a commercial -- first commercial land parcel that we have. It's a huge township. And with the advent of this entire corridor after the Atal Setu and the airport, this has become a bit of a surprise in our portfolio from a demand and price growth point of view.

So, this is something as a new asset class we'll open up. We have something lined up in Kharghar. This was one of the things you would have -- if you recollect, it was an auction land we had bought 3 back-to-back parcels so that should open up soon.

Then we have something in Bangalore coming up in Hoskote micro market location. We bought something -- very prime land parcel in the Airport Road and that should also open up very soon likely within this quarter. And then on the Pune side, massive amount of launches being planned.

We bought 2 parcels in Upper Kharadi. One should hit actually within this quarter. We have something in Mahalunge coming up. There's a sort of a tower launch coming up in one of our highest selling projects ever in Pune, which is called Evergreen Square.

Then we would like to even open up both a new project opportunity in Raipur as well as a parcel in Ahmedabad in the Vastrapur micro market. And then we have series of launches from 7.5 acres of parcel that we bought in Golf Course Road are probably our best parcel in Golf Course Road. We have some land parcels in Bannerghatta.

There are phases left of MSR City. Then there's a land in at Mundhwa, entire phase will open up. Nagpur is going to come up. So I mean I can spend like an hour and thanks to the incredible work of the BD team of building a INR135,000 crores of inventory and mind you, this is not just random parcels bought as a land aggregation, 30, 40 kilometers of city.

These are all in-demand locations, some of which are readily available to launch in the next 1, 1.5 years. So reasonably confident that we'll deliver the number for this year and hopefully, we'll also continue to show good growth in the coming years.

Pritesh Sheth: Most of the launches that you talked about are Q4, right? I mean you mentioned about Bandra as well.

Gaurav Pandey: Most of them are in Q4, most of them.

Pritesh Sheth: And not Bandra. Sorry, I didn't get.

Pirojsha Godrej: You mentioned Bandra. I just wanted to clarify, Bandra will be next financial year.

- Pritesh Sheth:** Yes, sure. Okay. Fair enough. And you mentioned about just a line on FY '27 that healthy growth to sustain across key metrics in FY '27 as well and that includes the top line growth as well, right, apart from cash flows and P&L obviously will grow because of what we have done in past. But you're confident about maintaining growth on the presales as well. And just on that.
- Gaurav Pandey:** I want to give a very strong affirmative yes.
- Pirojsha Godrej:** Yes, I think barring any very large change in the market, which we don't foresee and very happy with what we're seeing in the market so far, as Gaurav said, whether we look at products like Worli, Panipat, the whole spectrum seems to be doing quite well. So given that, given the kind of business development we've done, certainly we would expect good growth, including on booking value.
- I think we'll also see just how strongly we close this year. Hopefully, we can go a bit past our guidance this year as well. But as we have indicated previously, I think the plan of the company is of course to make sure that we continue to grow.
- And our belief has been that there is opportunity irrespective of what happens with the overall market. We've seen, for example, I think last year was our ninth consecutive year of booking value growth. Of course half of those years were in a terrible market pre-pandemic. So I think the combination of being the largest residential developer, having a very strong national brand, being present in all major markets across the country gives us a huge opportunity to continue to aim to gain market share.
- Because having all of those attributes and a sub-5% market share, even in a worst-case scenario, if the market doesn't grow or even declines a bit, we do see an opportunity to continue to grow through market share gains.
- Our current base expectation is that the market will show reasonable growth and that we will grow ahead of market. But let us come back to you I think next quarter once we see how this year's numbers end up, what additional business development we're able to do in the next 2, 3 months. But certainly, as of now, I think there is good visibility for FY '27 growth across key parameters, including sales.
- Pritesh Sheth:** And if I try to dissect this growth across markets this year, it seems like MMR, Bangalore, some bit of Hyderabad has helped us on growth. Next year, which markets -- basis the current pipeline that you have, which is largely the ones that you will carry forward next year, basis the current pipeline, which market you think can step up further and contribute more on growth?
- Pirojsha Godrej:** I think the exciting thing is they all have significant opportunities. So if you look at the business development we've done recently, it's reasonably well spread across markets. So whether you look at Bangalore, Pune, Hyderabad, Mumbai, NCR; each of them have significant projects in the pipeline that some of which will come this quarter, a lot of which will come in FY '27.
- I think one of the things that has really pleased us about this year although the market doesn't seem to have appreciated it as much, is that unlike previous years where our sales were relatively

concentrated in a couple of markets, I'd say if we look at FY '25, we had a spectacular year in NCR and Mumbai, but felt we could have done more in Bangalore and Pune.

I think this year actually if you look at calendar year '25 and also FY '26 once it completes, we will have the most well-rounded performance that's ever been delivered we think in the sector in terms of geographical spread of locations; probably INR10,000 crores sales plus in multiple different markets, over INR3,000 crores sales in five different markets.

So I think that gives us a lot of confidence. We have the portfolio, we have the pipeline, we have the strong team. Now I think it comes down to how well we execute on the one hand and how strong each of the individual markets are. But if basis where we stand today, I think all five of these markets could show significant growth next year.

Pritesh Sheth: Sure. And just one last on the cash flow side. You talked about BD or business development additions being now pretty stable. Could FY '27 be the first year where we'll generate free cash flows even after spending bulk of our internal accruals on business development? Could that be a possibility?

Pirojsha Godrej: I think let us come back to you on this question next quarter. We haven't yet done the ground-up kind of work to answer that with clarity. I think the good news is we have done the ground-up work for this quarter and I expect this quarter to have good free cash flow post business development. But let us come back to you on that for next financial year.

Moderator: The next question is from the line of Gaurav Khandelwal from JPMorgan.

Gaurav Khandelwal: I've got a couple of those. First question, if I can just understand the scale of deliveries that we are thinking in fourth quarter as well as FY '27. The reason I'm asking this question is because you've mentioned in the past that FY '28 will be a good year in terms of realization and P&L. But I just wanted to get a sense of how would FY '27 look before a very solid FY '28? That's my first question. I'll take the second one later.

Gaurav Pandey: See, frankly, next for financial year, the list of projects is sort of yet to be worked upon from an OC calendar point of view. But if I were to perhaps talk about quarter 4, I do have a list of projects where we can tell you about. Just give me a second, I am just trying to search for the notes. Yes. So here are the -- of course some of this, -- it is a more exhaustive list and this is a very explosive so I'll just share part of it.

We have a series of OCs planned in the Pune market and this is specifically on the Mahalunge and the Mamurdi cluster. This itself is close to 2 million, 2.5 million square feet of a portfolio and most of these will come largely in quarter 4 and some in quarter 1.

We have something planned in Meridian. We have something planned even in parts of Bombay like Khalapur is something we're looking at. Then we are looking at in South a particular phase of RGA and then some aspirational project, which I don't want to really give you a confirmation right now, but together give or take, that's also in a couple of million square feet.

So essentially, we will have a pretty strong quarter 4 from an OC point of view because the internal targets are significantly exciting. And the one that actually will spill over will move to quarter 1, easily meeting after our guidance.

I'm very comfortable on the guidance part. But very few years we have where in the quarter 1 itself, we'll have a good head start. So yes, so most of it should come in quarter 4 and some should move to quarter 1. But even if we miss few of the ones that we feel very confident about, we will be easily far ahead of our guidance.

Gaurav Khandelwal:

Got it. That's very helpful. The question is a more broader question. In some of your markets, which are especially more -- have a high beta to IT, ITES services, Bangalore, Hyderabad, so to say. Are you seeing any difference in terms of the customer footfall, customer conversion rates? And do you think this entire weakness in the software spaces, ITES spaces would ultimately translate to lower demand in some of these efforts?

Pirojsha Godrej:

No, we are seeing exceptional outcomes in both the markets you referenced. So of course Hyderabad, we are a relative newcomer, but we have in our first year there, which was calendar year '25, sold about INR3,000 crores worth of homes just across 2 projects. We've also added several new land parcels. So hope to be able to build on that momentum. But I think we're very, if anything, pleasantly surprised on the upside with how well Hyderabad has done for us last year.

Bangalore is also having a breakout year for us. We think we were perhaps about the largest developer in the city in the first 9 months with more than 100% growth. So I think that both of those markets have done very well. We also have a reasonable amount of commercial development, including in Bangalore, and are seeing leasing trends from that. And I would say that actually leasing is having one of its best ever years.

So of course there are risks to IT services, but there are other things that are growing very fast. As you all know, I think global capability sectors have seen explosive growth in demand these last couple of years and it's a sector that feels again like it's just at the start of its potential. I also think that the recent news from this week on the U.S. FDA getting cleared is from a sentiment perspective a big boost. I think there was a little bit of uncertainty that that created.

So I think this space of new free trade agreement first with Europe and now with the U.S. will add a lot of clarity, will add a lot of confidence. And India seems like a natural location for many businesses to set up these GCCs. So I expect continued momentum. Of course hard to know exactly what the impact of AI on job creation is going to be over the medium term and I think we're all going to have to wait and watch.

But if I was guessing as of now, I'd say for India, this will actually not be something that destroys a lot of jobs, that creates a lot of problems both for commercial demand and residential demand. I would admit that there is some amount of uncertainty about that forecast, but -- and we'll have to wait and see. But certainly, on the ground as of now, both residential demand as well as importantly, commercial leasing has seen an exceptionally strong year.

Moderator:

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

Murtuza: My question is on the balance sheet and cash flow. When I look at the period from March to December, which is the 9-month period, the inventory increase is almost of the order of about INR19,000 crores. And when I look at the cash flow, the construction cash flow is about INR5,000 crores, land is about another INR5,400 crores, which is about INR10,000 crores.

So how do you reconcile this cash flow of about INR10,000 crores versus the inventory increase of almost about INR19,000 crores. Should we also take the project-related outflow of INR5,000 crores? Do that still leave some gap? And should the project-related outflow be considered as part of the JD partners share of collection? So just trying to reconciling these 2 sets of numbers, which is the cash flow and the balance sheet.

Rajendra Khetawat: Yes. So the inventory movement, Murtuza, is more because we are consolidating and we are giving exit to our JVs and those JVs get consolidated into our book. So you must have read a lot of JVs we have exited in the past few quarters, in the last 3 quarters. So when these exits happen and we take full control, those get consolidated into -- their inventory also gets consolidated into our book. That's why the movement you see is more of that.

And then also there are new projects which gets added like if we get into an area share kind of a project, you have to do a gross accounting. So it goes into inventory whereby there is no equivalent cash outflows in the cash flow statement. So always there is going to be a difference between the actual cash flows and the inventory movement what you see in the value.

Murtuza: And on the question on the other project-related outflow, which is what you put as line items.

Rajendra Khetawat: Most of the other project-related outflows are on account of taxes because we give more of a gross kind of cash flows. So when we do a gross cash flows, there are GSTs, there are certain taxes, there are JVP-related outflows. All those get captured into other project-related outflows. So that's why you see that movement because like if you do a collection and if you do a sales, you have to collect 5%. That 5% GST outflows gets classified into other project related outflows.

Moderator: The next question is from the line of Parvez Qazi from Nuvama Group.

Parvez Qazi: So two questions from my side. You mentioned that our demand trend seems to have now stabilized and the frenzy at least from a speculative activity point of view is no longer there. Has the same kind of stabilization been seen on the business development competitive intensity also?

Can you get land at better areas today compared to, let's say, where things were 1 year back? That's the first question. And second, your views on price hikes, let's say, in FY '27 would be great. I mean what kind of price appreciation can we see growing there?

Gaurav Pandey: Thanks for the question. It's a mixed bag. I think Pirojsha rightly captured in one of his earlier answers that sometimes there are auctions, right, where we have consciously not gone beyond a particular price threshold on buying the land because we didn't feel that there was a fair market valuation for that.

But at the same time, there are enough and more opportunities is clicked, where we found there is a lot of opportunity for us to get into. What usually happens out of our experience of doing so

many deals practically, if you see our average almost 1 or 2 deals we've been concluding every other month, is that there are points of opportunities when competition intensity is low and the land valuations start falling down because landowners feel little jittery.

So just to give you 1 simple example is you look at markets like Gurgaon right now. So Gurgaon market from a land point of view became extremely high 18 months back. And if you see practically, we've not done any acquisition in Gurgaon because there was a few deals and a lot of buyers wanting to buy that.

But after that, we've seen that the land valuations have started falling down quite attractively. And this is the time we start looking at opportunities, start seeing even at very low underwriting, is there great profits to be made. So I think it's just a game of patience and just going when the opportunity seems very well.

And we've got at any time 30 to 35 term sheet -- live term sheets we operate and we just have to do a handful of them. So deals that we feel very confident after diligence that, okay, market rates seems very confident, cost sheet looks very good, diligence looks all great is when we have to go. So yes, there are times when you see a bit of a berserk play and you just have to stay out of that market for that period of time with patience. And when the opportunity starts looking very attractive, you need to take a position and buy that.

Parvez Qazi:

Sure. And on price appreciation?

Gaurav Pandey:

I think price appreciation, if you -- in fact what I was quite surprised that even in the previous quarter with the exception of probably the Pune market, we've seen price hikes more or less in most of our portfolios. So yes, there is available. But yes, the degree of current price hikes are more subdued, but they are available. And I think going forward, again it will be calibrated. So locations where you don't have competing supply coming in, there is a term I internally use called qualified supply.

So let's say you're launching a project in a ticket size, say, INR6 crores, INR7 crores. Not every project in that will be a qualified supplier for an end user. For a speculator maybe. But for an end user, they would like to see the brand, they would like to see whether this developer has the competence and financial capability to complete the project, which is very characteristic of markets when they start maturing.

So I would say one has to look at price hike in future where qualified supply that means peer group, which is very good, wherever they are not launching projects and there is controlled supply, we would continue to see some decent hike. But yes, there is going to be moderation in price going forward and it will be a bit of project-specific call that we'll have to take.

Moderator:

Ladies and gentlemen, due to time constraints, that was the last question. I now hand the conference over to the management for closing comments.

Pirojsha Godrej:

I hope we've been able to answer all your questions. If you have any further questions or would like any additional information, we'd be happy to be of assistance. On behalf of the management, I once again thank you for taking the time to join us today.

Moderator: Thank you. On behalf of Godrej Properties, that concludes this conference. Thank you for joining us and you may now disconnect your lines.