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Date: 22nd May, 2025

The Manager
BSE Limited
Corporate Relationship Department,
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Scrip Code : 543990

The Manager
National Stock Exchange of India Limited
Listing Department
Exchange Plaza
5th Floor, Plot no C/1, G Block
Bandra Kurla Complex
Bandra (E), Mumbai — 400 051

Symbol : SIGNATURE

Subject: Transcript of Investors/ Analysts Call held on 16th May, 2025

Dear Sir/ Madam,

With reference to our letter dated 13th May, 2025 in respect of Investors/ Analysts Call, held on Friday, the 16th May, 2025, please find enclosed herewith the Transcript of discussion held during the said Investors/ Analysts Call.

The aforesaid information shall also be disclosed on the website of the Company at www.signatureglobal.in.

Kindly take the above information on your record.

Thanking You,

For SIGNATUREGLOBAL (INDIA) LIMITED

Meghraj Bothra

Digitally signed by Meghraj Bothra
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(M R BOTHRA)
COMPANY SECRETARY

Encl: A/a

“Signatureglobal (India) Limited

Q4 FY '25 Earnings Conference Call”

May 16, 2025

MANAGEMENT:	**MR. PRADEEP KUMAR AGGARWAL –CHAIRMAN AND WHOLE-TIME DIRECTOR – SIGNATUREGLOBAL (INDIA) LIMITED** **MR. LALIT KUMAR AGGARWAL – VICE CHAIRMAN AND WHOLE-TIME DIRECTOR – SIGNATUREGLOBAL (INDIA) LIMITED** **MR. RAVI AGGARWAL – MANAGING DIRECTOR – SIGNATUREGLOBAL (INDIA) LIMITED** **MR. DEVENDER AGGARWAL – JOINT MANAGING DIRECTOR AND WHOLE-TIME DIRECTOR – SIGNATUREGLOBAL (INDIA) LIMITED** **MR. RAJAT KATHURIA – CHIEF EXECUTIVE OFFICER – SIGNATUREGLOBAL (INDIA) LIMITED** **MR. SANJEEV KUMAR SHARMA -- CHIEF FINANCIAL OFFICER – SIGNATUREGLOBAL (INDIA) LIMITED** **MS. PREETIKA SINGH -- INVESTOR RELATIONS– SIGNATURE GLOBAL INDIA LIMITED**
MODERATOR:	**MR. ADHIDEV CHATTOPADHYAY – ICICI SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Signature Global India Limited Q4 FY '25 Earnings Conference Call hosted by ICICI 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 an operator by pressing star then zero on your touchtone phone. Please note that this conference has been recorded.

I now hand the conference over to Mr. Adhidev Chattopadhyay. Thank you, and over to you, sir.

Adhidev Chattopadhyay: Yes. Good morning, everyone. On behalf of ICICI Securities, I'd like to welcome everyone on the call today. From the management of Signature Global, as always, we have with us Mr. Pradeep Kumar Aggarwal, the Chairman and Whole-Time Director; Mr. Lalit Kumar Aggarwal, the Vice Chairman and Whole-Time Director; Mr. Ravi Aggarwal, the Managing Director; Mr. Devender Aggarwal, the Joint Managing Director and Whole-Time Director; Mr. Rajat Kathuria, the Chief Executive Officer; Mr. Sanjeev Kumar Sharma, the Chief Financial Officer; and Ms. Preetika Singh from the Investor Relations team.

I'd now like to hand over the call to the management for their opening remarks, sir, over to you. Thank you.

Pradeep Kumar Aggarwal: Yes. Good morning, everyone. Welcome to the Signature Global Investor and Analyst Meet. As has been the theme of the last couple of years, today, we have the other share to analyze our performance during FY '25 and map out our future, which is focused on the creating sustained value for us.

At the outset, let me acknowledge the dedication of our various stakeholders, and accept my gratitude to the investors who have reposed utmost trust in our company. Our journey spending 11 years has been full of achievements and innovation. It is no secret that Gurugram with a robust infrastructure development has been the flat barriers of the India's residential real estate market, popularly known as a Millennium city.

Gurugram is a home to a large number of Fortune 500 companies and also poses world-class educational and healthcare facilities asset. It is a wideband job market with continued and abandoned migration of NCR, especially from the neighboring states, the demand of premium housing is growing, supported by rising disposable incomes and massive infrastructure in Millennium city.

India real estate sector is evolving with government policies, organization and infrastructure investment playing a huge role in it. The sector, which is continued about 7.3% to the economy today is expected to grow to INR5.8 trillion by 2047. We are determined to play our part in this as well.

Now operational performance during FY '25. It gives me immense pleasure to inform you that the year '24 and '25 has been full of the achievement for us in terms of operational performance.

We achieved the target detect -- defect for ourself. We achieved our highest ever annual presale of INR102.9 billion in FY '25. And adjusting to a robust 42% year-on-year growth and in the process of surpassing of our presale guidance.

Signature Global also registered record annual collection of INR43.8 billion, reflecting a 41% year-over-year growth at the same. Company's operating cash surplus has grew by 79% to INR16.3 billion in FY '25 from INR9.1 billion in FY '24. We have also successfully been able to reduce our net debt significantly to INR8.8 billion at the end of FY '25 compared to the INR11.6 billion in FY '24.

The net debt reduction is despite the significant investment Signature Global has made towards our business development. Moreover, during '24-25 Signature Global revenue from operations stood at INR25 billion as compared to INR12.41 billion in FY '24, that register -- registering and impacting 1% or 2% year-on-year growth.

Signature Global adjusted gross profit margin has been also improved to 31% in FY '25 from 28% in FY '24, while adjusted EBITDA margin has improved to 14% in FY '25 from 11% in FY '24. Our PAT for '24-25stood at INR1.01 billion that we have been -- we have seen substantial improvement in PAT margin to 4.1% from 1.3%. The company's average sales realization has also improved to INR12,457 per square feet in FY '25 from INR11,762 in FY '24. Launches in land accretion during FY '25, now we will talk about it.

During FY '25, the company has launched five new projects having a combined gross development value of the approximately INR138.1 billion, including Titanium SPR and Twin Tower BXB, premium group housing projects in Gurugram, Daxin Vistas, the mid-income housing projects in Sohna and city of color, a plotted development project is strategically located on NHA in strategic micro market.

We have Signature Global also acquired approximately 48 acres of land in FY '25, including 22.06 acres, which were earlier under JV for the INR1,070 crores in Gurugram, the development potential of the land approximately 7.97 million square feet.

Now we'll talk about future roadmap. Looking forward, we will continue to focus on our premium segment and mid-income housing segment and are fully geared up to the emerging market opportunity, like FY '25, the company will unveil several new projects during FY 2025-'26. One of these projects is due to be launched later this quarter. The situations are full of swing and all necessary approvals are in place.

With our trust of premium and mid-income housing, we expect our per square feet realization to continue its northward March. We are confident that FY '26 will be another year full of success and achievements. We also remain committed to further improve our market share, Delhi NCR market.

I again thank you for your continued trust and faith in our company. Together, we are on course to achieve rather high greater heights.

Thanks, everyone. Now I am saying to Mr. Rajat Kathuria, over to you.

Rajat Kathuria: Thank you, Pradeep ji, for your comments. Just take a bit of deep dive into some of these operational numbers for the year. So we are quite pleased to announce that for the first time ever, and within this, short span of our journey of about 11 years, our company has crossed INR10,000 crores in terms of sales potential.

We ended up achieving this deep target, which was ambitious but doable at the start of the year, but we achieved more than INR10,000 crores, almost INR10,300 crores of sales was overachieved during the previous financial year.

Taking a deep dive into the sales number. So we did about 4,100-plus housing units and at an average price of INR2.5 crores per unit. So by and large, playing the mid-income theme because the average price was INR2.5 crores, that's probably the lower end price point at which housing gets sold in the Gurgaon market in key areas.

So we've sold about 4,100-plus units at this ticket size, hence showing our focus and our determination to be large and a trusted brand in the mid-income housing segment in our region. This growth was quite significant. We grew more than 40%, 42% almost vis-a-vis the previous year. And the growth came both in terms of volume and value.

If you look at volume terms, we sold almost 8.3 million square foot in fiscal year '25, which was almost 33% higher vis-a-vis the previous year, in which we had sold about 6.2 million square foot. So there was about a 33% volume growth. If you talk in value terms, our first square-foot realization, was closer to INR12,500, which was a year gone by about INR11,800 a foot.

So that also grew about 6%-odd. We are very pleased with the scenario that while prices continue to go up, and we expect them to go up in future as well due to lack of supply. But the price rise has moderated. We were not as comfortable when the price rise in the previous years were in higher double digits. So it was very inordinate in percentage terms. So we are quite infused that while we are growing in volume, the value terms also we are witnessing growth.

In the forthcoming year, we expect the sales number to cross INR12,500 crores, which is more than 20% growth over the current year. This is not just the growth projection for the coming year, but even in years to come, we message that achieving a 20%-plus growth rate in terms of presales over a medium-term basis is an achievable target.

So we can -- for the first time, probably, we are suggesting that over a longer term, medium term to long-term basis, our target will remain to grow at 20% plus. We have reasonable dry powder with us. We have launched coming up like Pradeep ji said in sector 71, 37D. And even in the Sohna market, we have inventory with us.

So we have launches coming up almost regularly in our key markets. And even if you look at the trend over the last 5 quarters, which is since January '24 till date, every quarter in which we have done new launches. We by and large on an approximate basis achieved closer to this INR3,000-odd crores of sales within that quarter.

Whereas previous quarter, we were planning to do some launches, which got shifted to, let's say, large launch for shifted to the current quarter because of which we didn't achieve that closer to INR3,000 crores kind of sales, but still we kind of managed to comfortably achieve our annual target.

So whenever there are new launches coming, I think that is a good bump up quarter for the sales. And for the current financial year, we are fairly confident that these new launches are coming up on a steady pace. Collections also have shown tremendous growth over the previous year.

So we've collected closer to INR44 billion, which was almost 40% higher vis-a-vis fiscal year '24. And if you see it as a 2-year trend, our collections between FY '23 to '25, there's a jump of almost 2.3x. Our collection stood at INR1,900-odd crores in fiscal year '23, we've reached almost INR44 billion in fiscal year '25.

And collections were good across the markets. On our existing projects, whether they were affordable or the Deen Dayal projects or whatever new launches we've done, whether it was Titanium or it was Sohna market, collections have been contributed by all the segments, and there is no segment which did not contribute to these healthy collections.

For the coming year, our guidance is to achieve INR60 billion in terms of collections, which is, again, a 35% growth in terms of collections vis-a-vis the current year. To add on to the collection, I think a point to be noticed is our operating cash surplus. So since this is the easiest benchmark to understand the net cash earnings or profitability, underlying profitability of the company.

Profits are always driven by accounting, which is back-ended when we do completed contract method of accounting. But if we really look at operating cash surplus, so against this approximate INR44 billion of collections, our operating surplus stood at INR16.3 billion, which is almost nearing 40% of collections, not exactly there. It's like to be precise, 37%.

But we saw steep rise in the operating cash flow percentage as operating cash flows as a percentage of collection. So here prior to the current -- to FY '25, this number was closer to 29%. It has jumped to 37%. And in absolute terms, you really see the difference. So the operating cash flow, which was surplus, which was closer to INR900 crores in fiscal year '24 jumped to INR1,600-odd crores in FY '25.

So that's where with about a 40% rise in collections, we've seen almost close to 80% rise in the surplus of the company. And that shows the healthy state of affairs within the company. Now this operating cash surplus is post considering all hardcore SG&A costs, taxes, but before any further acquisitions into land.

The market conditions stay fairly buoyant. We are very positive in terms of the market scenario, even in the coming years. So -- and that gets reflected in terms of our actions as well. So in the year gone by, we've added land almost worth INR1,060 crores. So the key markets, whether it be Sector 37D, where we've added close to more than 5 million square foot of developable area, or it's Sector 71, where we got an opportunity, and we bought the land from 1 of our JDA partners, our land collaboration partner, we've bought land, which has development potential of about 2.7 million.

So the underlying current is still very strong. The supply in the market is scarce, and there is huge demand for mid-income housing players -- mid-income housing units, and Signature Global is very uniquely positioned to address this demand. We are a very trusted brand, we come up with continuous supply of these units in mid-income housing.

And that's why we continue to redeploy the free cash, which is being earned. So if you look at the year out of this INR1,600-plus crores of surplus, more than INR1,000 crores went into land acquisition, almost close or INR300-odd crores was used for net debt reduction. So we added land, and we've strengthened the balance sheet out of the surplus, which got created.

Even in the coming year, since we are targeting close to INR6,000 crores of collections, our operating surplus as a percentage of collection will continue to go up. We anticipate it to be close to 40% in the year coming by.

As of today, our portfolio looks very good and very much in line with our strategy. So giving some top line numbers, so about 14 million plus is something which we've already delivered. There's another 10 million plus, which is at advanced stages of completion. The 10-million square foot has an underlying revenue -- recognizable revenue of almost INR100 billion.

This is getting completed within this year and the coming year. This number stood close to about 14-million in year earlier, so about 3.8 million square foot was completed. And there's another 10 million with fairly fast pace, which is under fast paced sort of completion as we speak. Besides the delivered portfolio and nearing completion portfolio.

There's an early-stage portfolio of almost close to 40 million square foot, 39.3 million to be precise, which could be by and large split into 2 sub-segments. About 40% of this has been launched over the last 5 quarters, which is about 14.8 million square foot and has a GDV potential of INR175 billion.

The balance, 60%, which is at a land stage right now, which is roughly 24.6 million, by and large, 40 splitting closer to 15 and 25. So 25 is something which is the dry powder, which we intend to launch over the next 2 to 3 years. Again has GDV upwards of INR400 billion. So we have dry powder enough to fuel our growth for the coming years.

And while we are replenishing it, even as of today, we have dry powder comfortably for next 2 to 3 years of launches with us. In terms of -- yes, 1.2 notice in terms of business development is that in the year gone by, we achieved a sales volume of close to 8.3 million square foot, which had a GDV of about 10.3 -- INR103 billion, which are sales which we achieved in the previous year.

We've again replenished our land almost close to 8 million square foot, but with a GDV of INR125 billion. So in terms of principle, we are in the operating cash flows for our growth and for debt reduction. And we expect the trend continues. So, even in the coming year as we achieve these surplus in the company, it will be used to replenish land.

It will be used to tap newer land opportunities, any large opportunities which come our way, or we may choose to further reduce the net debt, which is not significant but it will get further -- it may get further reduced in the year coming by. In terms of our revenue recognition and profitability, revenue recognition was as twice as much as the previous year.

We recognize close to INR25 billion in terms of revenue. As a breakup, we completed close to 3.8 million square foot of area. So roughly at about INR6,500, INR6,600-odd square foot of underlying development, which completed had an implied selling price in the range of INR6,500 to INR6,600 a foot.

The inventory which we sold at those price points gave us good profitability, which was almost closer to 31% in terms of gross profit margin. A lot of our SG&A expenses are based on the current scale of the company. However, even after considering those SG&A expenses, our EBITDA margin was close to 15%.

It was about 14.5% to be precise. And even at this level of revenue recognition, we managed to showcase profitability at the PAT level. We've achieved more than INR100 crores in terms of PAT for the year gone by.

In terms of our balance sheet strength, I would like to reiterate that most of the land, which is there with the company, this is close to 40 million square foot of early-stage developments, which we are doing, the land belongs to the company. More than 90% of the GDV of this underlying early-stage projects will belong to the company.

It's much higher than 90%, but yes, 90% like a very good conservative number. So on the balance sheet, if you understand on the asset side or the inventory side, the 40 million square foot near about with more than 90% of GDV belonging to the company. And almost negligible land payments are due barring something which we bought in the last quarter, some payout were due in that regard.

But by and large, this land is paid for. The net debt of the company is just INR880 crores. So our gross debt stood at about closer to INR2,400 crores. Our cash and cash equivalents were in excess of INR1,500 crores. So our net debt number was less than INR900 crores or in terms of as a comparison to operating cash surplus, it was about 0.54x.

So in the year coming, even if we very aggressively do business development, we'll make sure that at no stage our net debt to OCF will not cross 0.5x of the surplus being created by company. I would like to close this discussion with a quick reiteration on the guidance. So in terms of launches, we are targeting fresh launches in excess of INR170 billion.

We are targeting a presales with an underlying growth in excess of 20%, which should make us cross pre-sales of INR125 billion. Our collections again with a more than 40% price should be around INR60 billion for the year. And in terms of our completions, we target 2x the number we achieved previous year, so almost close to INR48 billion plus of additions we are targeting in the coming year.

Whatever sales are being done are happening at -- with an implied EBITDA of 35%, and we are targeting more than 40% surplus in terms of the collections, which will be done by the company. And lastly, the net debt will not cross 0.5x of the operating surplus being generated by the company.

With this, I'll end this discussion, but yes we are, by and large, very, very confident and enthused with the current environment and are very positively looking at the year which has just started. Thank you.

Moderator: The first question is from the line of Pritesh Sheth from Axis Capital.

Pritesh Sheth: Congrats on a great year. Firstly, on the launches, INR17,000 crores, if you can break that up in terms of projects and the timeline. So we can keep a track on that how spread across we are throughout the year? That would be my first question.

Rajat Kathuria: Sure, Pritesh, good morning, thanks for asking this question. So in terms of launches, I'll start with the large ones first. So within this quarter, we are targeting about 1.6 million to 1.7 million square foot of launch in Sector 71, which is Phase 2 of Titanium. Thereafter, we are launching another 3 million plus in Sector 37D, it should closer to 3.3 million. So between these 2 launches itself, we are launching about 5 million square foot.

Adding on it, there are 1 or 2 smaller launches, 1 in 37D again by the name of Iconic. And there is some more inventory getting launched in Sohna market. There's some inventory, which is with us in project Daxin. There is another project by the name of the Signature Global Park in sector 36 Sohna. So by and large, these launches will happen in the first quarter of the year and will be between 100 billion to 110 billion hereof launches will happen within the first 6 months itself.

For the second half, there are land parcels, in which hereon which we are working on the plans, etcetera. But there are more launches coming up in Sector 71 and 37D again in the second half of the year. But this will be like a sustained supply throughout the year, which will happen.

Pritesh Sheth: So we are -- I think some more will come from the land that you acquired from here on? Is it all? Or all of this INR17,000 crores is there already in the pipeline that we have?

Rajat Kathuria: No, this is entirely out of land, which is already with us. And we are fairly advanced in each of these land parcels in terms of approvals. Only those have been considered.

Pritesh Sheth: On the collection, so I think only mix that we would have from last year would be on collection, we have discussed that in past as well. But for this year, INR6,000 crores, which was a similar number you were targeting last year. I think what would be the key milestones, and I'm sure you work a lot on the numbers.

So if you want to provide a breakup of where the 6,000 is coming from the completions, ongoing projects that you've already sold in last year. So some of those milestones will help us track this number well?

Rajat Kathuria: Sure, sure. So Pritesh, you're right that we were targeting a much higher number, but that was with the assumption of 2 large launches, both of these Titanium Phase II and about 3 million plus square foot in Sector 37D, getting launched previous year which got deferred to the current year because of some, I would say, not just approval delay but technically more of planning, which we ended up doing around these projects.

So that was 1 of the larger reason for us to miss our guidance of collection in the previous year. These -- both of these are fairly large projects almost INR10,000-odd crores worth of GDV potential interest. In the current year, our collection guidance, of course, is basis, both are ongoing projects as well as in launches.

So if I may give you the broad split about 75%-odd, collection will come out of the projects which we've already sold or and 25% is anticipated out of the new launches which we are planning.

Pritesh Sheth: And in general, you want to talk about demand scenario over the last 12 months, 6 months, has there been any change? And how do you look forward to in terms of demand? I mean your sales guidance gives us good confidence that you are looking at it as if things are normal. But anything certainly which has changed and which could be key for us clock this number next year?

Rajat Kathuria: Pritesh, in terms of market, we are not seeing very significant competition in this medium-term housing segment. There is -- some will supply and that too by multiple players, if you look at the upper mid segment to luxury segment, there is supply and there are multiple players who are tapping into that segment.

Our focus area is getting more into this early mid-income segment. Price points starting from lets say about -- we were little less than INR2 crores and going up to, let's say, INR3.5 crores to INR4 crores. So this INR2 crores to INR4 crores ticket size. And depending on different locations, so INR2 crores will be more in the Sohna market.

2.5% to 3% more towards Dwarka Expressway in Sector 37D. And above that number, if we come to the southern peripheral road, INR3.5 crores to INR4 crores in sector 71. So these 3 markets, we have a product, and product is fairly good. It's just that the unit sizes are small, but these are very good quality product, which is being delivered or being developed by us.

So at these price points, we have not seen much competition. And we are also witnessing good demand. And that's why as and when we are launching these projects, it's safe to say that about

70% plus inventory is getting absorbed within short span of time. I would say at launch itself, that trends to be a little scary only, but yes within a couple of months, a few months.

Time from the launch, you'll see almost like 70% uptick of inventory. And this is real estate. It is like a higher ticket size, purchase for anyone. But as we are launching, we are seeing good absorption. And that's why we are confident in giving this 20% plus growth over a fairly good numbers which we achieved the previous year.

Pritesh Sheth: Got it. And one last, just on that continuation. So at 20% growth for long term, this is first time you are providing that. But at what point you would think that we have to go beyond Gurgaon? Is it INR12,000 crores or INR15,000 crores, so your thoughts on that?

Rajat Kathuria: No, it's like a moving target, Pritesh once you achieve a particular number, it doesn't seem that you really set up the demand in the market and you're able to set further. That's not the case. And so it's like a moving target. If you really see, we've sold just a little about 4,000 units, which was split across Gurgaon and Sohna market.

So it's not that in terms of volume, we've achieved some 10,000, 15,000 units within a year. So Gurgaon is a very deep market. It is seeing a lot of traction. A lot of people are immigrating into Gurgaon for a lot of places in North India. I wouldn't say just Delhi, but in most of North India, you'll find maximum amount of white color jobs being offered in the Gurgaon market and hence this is very strong migration into Gurgaon.

So I'll have to eat into my words if I were to say that, okay, at INR12,000 crores or INR15,000 crores, you'll end up exhausting the Gurgaon potential. I don't think it will be fair to make any such comments with regard to the micro market.

Pritesh Sheth: Sure. That’s helpful. That’s it from my side and all the best.

Moderator: Thank you. The next question is from the line of Murtuza Arsiwala from Kotak Securities. Please proceed.

Murtuza Arsiwala: I think just continuing from what Pritesh was saying. Do you think in some other times these three micro market sort of concentration, what sort of constrain your ability to grow and you would have to look a little beyond if not another city, but at least other segments within Gurgaon itself, that's one question. And the second is, there is still a gap between the reported margins and the embedded margins.

I think at what level or maybe a year down the line or 2 years down the line, do you think revenue recognition would be of the more profitable projects and one will be able to see the reported margin come closer to what the embedded margins, which we've been talking about for the last 2 years or so. These are my two questions?

Rajat Kathuria: Yes, sure. So Murtuza these three micro markets cover a lot of Gurgaon. So if we were to leave the luxury housing segment, which is typical because Golf course road and something like at the start of the Golf Course extension road. So if we were to leave that micro market, which has never been our play since inception. We are by and large covering the relevant micro markets within Gurgaon, focusing on these three micro markets.

Nothing stops us from adding one or two larger areas to our city, but we feel we will continue to do good developments in all these three micro markets. We are not -- we are giving enough choices to our customers. So Sector 71, we have more than 90 acres of land with us. There's almost like 17 million to 18 million square foot of underlying development potential excess, including Titanium which we launched last year. So that's like the premium market.

On the contrary, there is very little supply on the Southern peripheral road as of now. Barring one or two players, there's literally no one in the market who's holding such significant supply potential on the Southern peripheral road. There's very little which comes on Golf Course road or Golf Course extension road.

This is very upcoming and promising area where infrastructure developments, which are taking place. So as we speak so many roads is being uplifted, there's an elevated highway, which has been planned on top of it. Phase 2 of metro is going to cross our site very closest to. So that entire area is getting uplifted. So we saw something similar happening on the Dwarka Expressway in Hind Sector 37D, there was a huge surge in capital value during the previous year and likewise in the Sohna market.

So I think these three micro markets are fairly representative if one has to play a mid-income theme in the Gurgaon market and we don't feel the need to add a fourth or fifth market. As far as the question around margins are concerned, yes, you are right that there is a gap between the embedded EBITDA margin guidance, which we've been giving and the number which is actually getting reflected in the P&L.

So guidance is close to 35%. What is currently getting achieved is close to 15%. There is a direct correlation also in terms of the past square foot, which one can relate to. Our average selling price of the presales number is 12,500, wherein we are giving a guidance of 35% EBITDA margin, whereas in terms of P&L, our realization of recognition happened on sales, which was at about INR6,500 a foot on which we've earned close to 15% EBITDA margin.

GP margin of almost 30% plus. In the coming year, we are still completing some more affordable projects which got sold at INR4,000 and Deen Dayal Project, of course, had higher realization per square foot. So if we are achieving, I mean, once we are achieving this almost INR5,000-odd crores in terms of revenues, margin profile will continue to improve.

It will not hit this 30% EBITDA level plus 35% EBITDA level number in the year like FY26. But yes, from coming year onwards, we'll start delivering certain projects in the Sohna market, like Daxin certain plots will start to get delivered. From where all these guidance numbers will take -- will become reality. So margin profile and absolute number of profitability is -- will take a steep increase in the coming year as in the current year.

Murtuza Arsiwala: So would it be fair, while we may not get a 35%, but we will see the reported P&L showing an improving trajectory. So at least bridging some of the gap between 15 and 30?

Rajat Kathuria: Yes.

Murtuza Arsiwala: Fantastic. Thank you so much.

Moderator: Thank you. The next question is from the line of Heet Parikh from Ashika Institutional Equities. Please go ahead.

Heet Parikh: Very good morning sir and thank you for the opportunity. So my question is on business development with already 2 to 3 years of dry powder on hand and 40 million square foot of [inaudible 43:26] development, how aggressive we would be in FY '26 in terms of business development and on the similar lines, how are we seeing the land prices and the supply of land, if you could give some highlight of it?

Rajat Kathuria: Sure. So see, we are fairly active in tapping newer opportunities in terms of land acquisition. So -- the good part is that if you look at our sort of post listing, we've never been tempted to do any subsequent fundraise from the market because operating surplus has been good. Even in the coming year, this operating surplus is going to go through a good rise vis-a-vis the previous year.

And hence, since the market conditions are good, sales are happening at a good pace, we do intend to deploy almost INR1,200 crores to INR1,500-odd crores. I'm giving a range at start of the year, I can't really put a number to it. But we do intend to redeploy anywhere between INR1,200 crores to INR1,500-odd crores in terms of fresh business development and keep adding on to the underlying implicit growth of the company in terms of its land bank.

Heet Parikh: Okay. Perfect. And secondly, sir, on M&A margins, with realizations heading towards North, how do we see M&A margins? Is there any scope for further improvement to the 35% number, which we are guiding or that is on a higher side?

Rajat Kathuria: And that's not on a higher side that there's definitely scope of improvement or rather once we will complete these projects, which we've launched over the last five to six quarters, which were at peak sort of price points. Last year, our average selling price was INR11,800. This year, it was INR12,500.

So any of these projects, which have been launched at these price points, 35% is not an aggressive number, which we've put in place. Even for the inventory, which is at fairly advance stage of completion, which is close to 10 million square foot, the underlying revenue recognition is of almost 100 billion. So that recognition is at an age of about INR10,000 a foot. And hence, because of that, the margins will improve as and when these projects get completed.

Heet Parikh: Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Adhidev Chattopadhyay from ICICI Securities. Please proceed.

Adhidev Chattopadhyay: Thank you for the opportunity. My question, I think last time I alluded that we will be exploring the fairly city market in terms of expansion. So any update on that, where were we, is it still some time away or have you already done some work over there? Yes, that's the first question?

Rajat Kathuria: So Adhidev, we've been tracking that market more closely. We've been kind of looking at opportunities which are coming in Delhi, but we will stay disciplined in our approach, in capital outlay approach. So there is more clarity required in terms of the policy framework from the government side, the new state government, which was formed a few months ago.

Till the time we don't get absolute clarity on the developability of the underlying land, which one can acquire, will not put in capital. Having said that, our understanding on the kind of opportunities which exist is much better than what it was three, four months ago. So we are watching that situation. And we'll put capital at the right stage into the market.

Adhidev Chattopadhyay: Sure. My next question is on the -- if you could just guide us on what has been a sort of like-for-like price growth in your ongoing projects in the last year. And overall on a like-for-like basis, how do you see this panning out over the next 2 to 3 years in terms of balancing volumes and the value of sales?

Rajat Kathuria: Like-to-like have been quite good. When we say the price rise is only 6%, it's, of course, on a normalized basis, that INR11,800 square foot gone up to INR12,500 does not give full picture of the like-for-like price increase because in the previous year like fiscal year '25, where we achieved INR12,500 a foot, a lot of sales came from the Sohna market. And almost close to 45%-odd of sales have come from the Sohna market.

That proportion of Gurgaon in terms of percentage sales was lower in FY '25 vis-a-vis FY '24. And that's why it's a good question. The like-to-like price rise is much higher. So if you look at Sector 37D, we have to do a subsequent launch, but you may very comfortably assume at least a 15% price rise and almost closer to a 20% price rise in Sector 71 vis-a-vis -- for Phase 2 launches, which vis-a-vis the launch which we did previous year.

So there's a fairly good price rise happening within Gurgaon and in the micro markets where we operate. And just to explain it, it's not that there's any euphoria and hence it's happening. There is a lot of underlying development taking place in these markets. If you realize in the previous year Phase 2 of Metro, Gurgaon Metro got a clearance.

Now there's a clear path at what all places, the Gurgaon Metro is coming. There's continuous improving in the infrastructure situation in Gurgaon. So with all these things, people are ready to pay more for these markets, which are becoming quite established and liveable. So the price rise is healthy.

Adhidev Chattopadhyay: Sure. And just -- again a question, my last final question is on the overall market. So obviously, the Gurgaon market has been doing fairly well in the last 3 to 4 years. So in terms of the competitive intensity, how do you see that panning out because we keep hearing about new players entering the overall market.

So have you seen Gurgaon as an overall market size growing in the last year or it has been a fairly stagnant market? If you could just help us understand overall Gurgaon market as you see it. I am sure that either number of units or value or some ballpark number which you may be working with?

Rajat Kathuria: So see Gurgaon market is definitely improving. The market size has improved the number of launches. There's been sustained supply by various players in the market. The sweet spot where we're enjoying a very unique position in the market is that we are the only company which is focusing on mid-income housing and can do a sustained supply of units.

There are a bunch of players who are tapping this upper, mid or luxury segment, but don't have the rightful amount of land with them to do a sustained supply. So we can do sustain supply and we want to tap this early-stage mid-income market, which no one else is doing, and that's kind of a very peculiar or positioning for the company, which is getting reflected in terms of our regular year-on-year growth.

Adhidev Chattopadhyay: Sure. That is very helpful. Thank you and all the best.

Moderator: Than you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.

Rajat Kathuria: Yes. We would like to thank everyone to take our time this morning and we'll be updating everyone in that [inaudible 52:04] as and when more progress is happening, but just to end with a positive note that the business scenario is very positive, very good and we are very positive regarding the current operations for the company. Thank you.

Management: Thanks a lot.

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