



“DLF Limited
Q4 & FY’ 25 Earnings Conference Call”

May 20, 2025



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Moderator: Ladies and gentlemen, good day, and welcome to DLF Limited's Q4 FY '25 Earnings Conference Call.

We have with us today on the call Mr. Ashok Tyagi – Managing Director, DLF Limited; Mr. Sriram Khattar – Vice Chairman and Managing Director, Rental Business; Mr. Aakash Ohri – Joint Managing Director and Chief Business Officer; and Mr. Badal Bagri – Group CFO, DLF 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 '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ashok Tyagi. Thank you, and over to you, sir.

Ashok Tyagi: Thank you. So good afternoon, everybody. Welcome to DLF Limited's Q4 and 2024-25 Year's Analyst Call. Hopefully, all of you have seen the presentation by now. In all fairness, I think across the board, be it sales, collections, cash flow, net debt, profitability and rentals, I think it's been, by and large, an extremely strong performance across the board.

Our sales, as you know, have been, I think, our highest ever of INR 21,000 crores plus. We had collections of almost INR 11,750 crores, and operating cash surplus of INR 2,300 crores in the quarter and a total INR 6,200 crores cash surplus in the year.

Our rating outlook had a strong PAT of INR 4,350 crores this year, which again is the highest for a long time now. There was one more metric that a lot of investors and analysts used to task us, which was that you must now over time, get into a double-digit ROE territory and you will be very happy to note that this year, we have had an ROE of 10.2%. So, we have crossed over to the double-digit category. And hopefully, we will keep on improving year-to-year on this piece.

The business continues to be strong. We had met most of you in the Analyst Day in March, where our Chairman and Aakash and everybody else had spoken to you at length. You're also seen a couple of the projects. So hopefully, that should have given you more confidence as well.

In the spirit of what we had done in the analyst call, we continue to present the overall progress around the DevCo and the RentCo verticals. Even though the financial data of DLF Limited and DCCDL is there fully as per the statutory format. But frankly, you would encourage businesses, the analysts and investors to look at our RentCo specifically across the board, which is the RentCo of DCCDL, which obviously is the biggest, followed by whatever little DLF has and over time, as Atrium Place drops in.

So with that, I would like to hand it over to Sriram for a brief intro of the RentCo performance, and then we open to Q&A.

Sriram Khattar: Thank you, Ashok. The rental portfolio is now, as Ashok mentioned, a combination of DCCDL, DLF and Atrium Place. And this total portfolio now has operating assets of about 43-44 million square feet. And as you know, the pipeline is there for the next year, 18 months, this will go up further. The vacancy levels, as I had mentioned in the last quarters, are down to 6% which we had said we were targeting towards. And I am further pleased to say that if you take the occupancy by value, which means the rentals that you earn and the rental loss because of vacancy is about 4-odd-percent now.

The progress on our rental side is pretty good. We, in this quarter, have received the occupancy certificate for Downtown 4 in Gurgaon. And about 10 days back, we have received the occupancy certificate for Downtown 3 in Taramani. Both these buildings, as you know, are preleased. The fit-outs are in an advanced stage, and the rentals should start in another 3 to 4 months' time.

The construction of Downtown Gurgaon, which is 5.5 million square feet of offices and 2 million of retail is in full swing, and the construction of 3.5 million in 2 towers in Taramani is also in full swing. These are 2 very large and game-changing projects, Downtown Gurgaon once completed, will be a multiuse development of 12 million, and Downtown Taramani will be 7-7.5 million square foot development.

In DLF, the construction at Noida for Downtown for Data Center 2 is just about completing and the construction started for Data Center 3, which as you may know, we have already entered into the lease agreement for.

Atrium Place, our joint venture with Hines, is in 2 phases. The first Phase of 2.1 million is we expect the OC in the month of July and 1 million, we expect the OC in quarter 4 of FY '26 or quarter 1 of FY '27. It's really February, March, April next year target.

I am pleased to share that we have already leased the entire about 95% of the 3.1 million space. On the retail side, Midtown Plaza, which is our High Street Plaza, the OC has been received, and it is about 82%, 83% leased. We are in the process of handing over the stores to the retailers to do their fit-outs.

Summit Plaza, which is the Plaza in DLF Phase-5, we expect the OC to come in about 2 -2.5 months' time. And Promenade, Goa, we expect the OC to come in another about 4 to 5 months. Leasing at Summit Plaza has started and Promenade, Goa will commence shortly.

Our journey in sustainability continues. During the quarter, we were able to get the U.S. WELL Institute certification of all our buildings. We realized that some of the larger American tenants wanted to know our Wiredscore, which is a score on the digital connectivity of the buildings.

So, 3 buildings have now got a Wiredscore a 'Platinum' rating. And now we have asked the Wiredscore institute to rate all our buildings across our portfolio.

I am pleased to share that during the quarter, CRISIL enhanced our ranking to AAA with a Stable outlook. This is probably among the very few non-listed entities in the country which have got a AAA rating. At the same time, ICRA upped our rating from AA+ Stable outlook to AA+ with a Positive outlook, and after this quarter's results, we are hopeful that they will relook at this rating also.

With that, I hand it back to Ashok to start the question-and-answer session.

Ashok Tyagi: Thank you, Sriram. So, we are now open for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. Participants connected on webcast may click on Ask a Question tab available on your screen. Kindly turn on your mike when the operator announces your name. For participants joining through the audio bridge, to ask a question, you may press '*' and 1 on your touchtone telephone. If you wish to remove yourself from the question queue, you may press '*' and 2. Participants are requested to use a handset while asking a question. Ladies and gentlemen we will wait for a moment while the question queue assembles. We will take our first question from the line of Pritesh Sheth from Axis Capital. Pritesh, please go ahead with your question.

Pritesh Sheth: Hope, I am audible?

Moderator: Yes. Please go ahead.

Pritesh Sheth: Perfect.

Pritesh Sheth: Thanks for the opportunity and congrats on a great year across the residential and commercial segment. First question is on the launches. So, INR 17,000-odd crores of launches planned for next year. Obviously, a few of them we know, which is Privana, third phase, Mumbai and Goa. If you can share, apart from these three, what are the other launches, which are planned, specifically interested to know whether do we have launches planned for DLF City or IREO Land towards the later part of the year? That's my first question, yes.

Aakash Ohri: So, right now we have got these 3 big launches in the pipeline. Then we have got the Dahlias also as you know, we will come back some time in Q3 and so, that is going to keep us busy.

With regard to the other two launches at this point in time, we are still in various stages of development and discussions. So, there will be something, say, in Q4, but at this point of time, we won't be able to speculate on that or to confirm. But there are two-three things that are being discussed. So, this year, we have got our hands full already and lots happening actually.

Pritesh Sheth: Got it. So, this INR 17,000 crores includes these launches that we discussed till now? And anything over and above that will obviously be discussed later?

Aakash Ohri: Yes.

Pritesh Sheth: Perfect.

Ashok Tyagi: That is correct.

Aakash Ohri: That, plus the Dahlias revenues will continue.

Pritesh Sheth: Yes Okay. And second, on the commercial side. So, I suppose, 4.6 million square feet of office space between DLF and DCCDL, plus 1.4 million square feet of malls would be delivered in FY '26 itself. So, exit rentals by FY '26 would be INR 7,000-odd crores, if I am not wrong, sir?

Sriram Khattar: Exit rentals by FY '26 should be about INR 6,700 crores. But that's because these assets which are getting completed this year, we will not have the advantage of rentals for the full 12-month period. Then FY '27, we will see a further jump in the rentals because we would have had the advantage of these for the full year.

Pritesh Sheth: Correct. And nothing getting delivered in FY '27, right, incrementally? Now whatever we do will be 2, 3 years later?

Sriram Khattar: Yes. So next year, the only delivery will probably be the Data Center 3 in Noida. And the year after that, again, we will see a spurt of completions.

Pritesh Sheth: Yes. Got it. Fair enough. I think those were my questions. I will come back in queue in case I have more. Thank you.

Moderator: Thank you. We will take our next question from the line of Praveen Choudhary from Morgan Stanley. Praveen, can you please unmute and go ahead with your question, please.

Praveen Choudhary: Yes. Thank you. Can you hear me?

Moderator: Yes. Please go ahead.

Praveen Choudhary: Hello, Mr. Tyagi, hello Khattar sir, hello Mr. Ohri and Badal. First of all, I just wanted to congratulate for a phenomenal result. And then I have literally one question, which is if you can guide us about your operating cash flow outlook for FY '26 FY'27 as well as CAPEX, including construction that will be helpful for us to think about for the next couple of years.

Ashok Tyagi: Okay. So, Praveen, thank you. As you know, we typically do not guide in a very specific manner on the forward-looking detailed financial data. But if you have seen now for the Fiscal '25, I think our total free cash flow was INR 6,200-odd crores. And now it's running at a rate of maybe

this quarter was a slight hike because of One Midtown completion. But it's clearly running at INR 1,500 crores per quarter sort of a run rate, if you will, which should only keep on growing over time. So, you could make your own assumption basis that.

What was the second question? I am sorry.

Praveen Choudhary: It was mostly about construction expenses and CAPEX.

Sriram Khattar: Yes. So, the CAPEX spends in RentCo, which again, if I may say, the combination of DCCDL, DLF and Atrium Place, in FY '26 and in FY '27 will be in the ballpark of INR 5,000 crores. And this is a big jump of what we used to see earlier, because the pace of execution of the downtowns and the completion of Atrium Place etc. and the certain approval fees that has to be paid for incremental FAR will take it to about INR 5,000 crore number this year and also next year.

Praveen Choudhary: Okay. So that's very clear. And as you have mentioned, you're definitely spitting a lot of cash, based on this free cash flow that you just explained, and we are seeing growth. And you also grew dividend this year. Can you just rehash one more time going forward, how should we think about the dividend outlook, please?

Ashok Tyagi: So look, again, I would not want to make a speculative go-forward statement, Praveen. But if you look at the last 4 years, our dividend has been growing from INR 2, INR 3, INR 4, INR 5 and INR 6. And in all fairness, the dividend inflow from Cyber City has also been growing year-on-year. So, both our outflow and inflow from Cyber City have both been growing. I can't comment on exactly what number it will be for the following fiscal, but we do hope that we can sustain some form of a growth strategy that we have had on dividend.

Praveen Choudhary: That is very clear, and thank you so much once again, and congratulations.

Ashok Tyagi: Thank you.

Moderator: Thank you. We'll take our next question from Parvez Akhtar from Edelweiss. Parvez kindly unmute yourself and go ahead with your question, please.

Parvez Akhtar: Hi. Good afternoon. Congratulations for great set of numbers. So, my question is on the housing demand in Gurgaon. If we, let's say, want to meet our whatever we have done in FY '25 numbers, we would need a significant absorption in the new launches, etc., that we plan to do in FY '26. So just wanted to get your thoughts on how do we see, one, launches and housing demand? And second, your outlook on the pricing front? Thank you.

Aakash Ohri : So housing demand for good houses and DLF has got its own diaspora. So, housing demand for quality products is continuously there. And also what is happening in Gurgaon today has become a very solid investment option too. And why I am not just saying building investment options, but people are monetizing it through rentals and all that because of the large Cyber City that

exists with the major workforce that exists in Gurgaon and so many other things that the city today is and the employment matrix is almost No. 1 in the top 3 in the country.

So, there is housing demand for sale as well as rentals. And therefore, a lot of people are investing in the DLF real estate as an asset class, which they prefer because of the certain quality deliveries and on time, and the escalations that they get. And therefore, it becomes a very good opportunity to invest also, should they not take it for their own. So, our attempt has always been that we go for people, who are buying these for themselves. So that is one.

And second, people who are also NRIs or the rest of India has started to invest in Gurgaon in a reasonably big way. Those people are doing this as an investment, and they get great rentals. So, if you look at our assets across the board, and I am not even talking about our blue-chip assets in the Golf Links. I am also talking about Ultima in the rest of Gurgaon region. I am talking about floors which we launched, have great rentability. So that has actually added to the entire demand scenario of Gurgaon.

Parvez Akhtar: Yes. Sure. Thanks and all the best for the future.

Aakash Ohri : Thank you.

Moderator: Thank you. Before we take the next question we'll like to remind our participants connected on the webcast may click on Ask a Question tab available on your screen. Participants connected through the audio bridge may please press '*' and 1. We'll take our next question from the line of Abhinav Sinha from Jefferies. Please go ahead.

Abhinav Sinha: Hi. Congrats on a strong quarter. Tyagi sir, any guidance for presales that you would like to give for next year?

Ashok Tyagi: Any guidance for sales?

Badal Bagri : Presales.

Ashok Tyagi: Okay. So, if you could recall, Abhinav, when you were here in March, and we had that big Analyst Day, we had said that we would continue to be broadly at this level, what we have achieved last year. So, I still say that we should be in the 20,000 to 22,000 range for next year. But again, as Aakash has consistently outperformed in the last 3 years, I don't see why he can't again. But right now, our guidance will be 20,000 to 22,000.

Abhinav Sinha: Sir, also on cash collections, we have had a very strong year. And do you think that we will sort of have a 30 billion quarters now or even higher?

Badal Bagri : So I think Abhinav, our trajectory should not be any different from what possibility we have achieved in the last couple of quarters in terms of gross collection. It should follow the same trend level in the coming year.

Abhinav Sinha: Okay. And on the construction cost for the DLF part?

Badal Bagri : So, construction cost, if you see the cash flow, we spent around close to INR 724 crores in the last quarter. And I think this number should become the baseline for next year with all the projects coming through. So, I would say INR 800 crores a quarter inching up slightly over the next 3, 4 quarters should be a safe assumption to take.

Abhinav Sinha: Okay. That's very helpful. My next question is for Mr. Ohri. Sir, on the Privana side, how are we looking at the next Phase-currently? And what the product and the size looks like? And what's the timing here? Thank you.

Aakash Ohri: Okay. So the Privana North is a far more evolved product. It is quite a nice product, allow us a little more time to come to the market to come and talk about it for compliance reasons. But like anything else, it is the natural progression. The area has been pretty well received and established. It abuts a great green lung. It's got great infrastructure where 5 minutes, you are in various parts of well-connected expressways. The 2 products themselves, the 2 launches have been so well received.

Previously, as you are aware, South and West, it's a very homogeneous setup in terms of both the product offering as well as the crowd. So overall, the Privana, it's like one contiguous 116 acres of a thing which is of a piece of land, which has really been received very well by the people. So, I feel that is something people look forward to. It's now an established brand. Within the DLF stable, Privana is an established brand. It's got a very healthy and very eclectic mix of people, who bought Privanas in the previous lots also, where there are all sorts of people who have taken it.

And the good part is that since we know most of them, they have taken it for their own purpose to reside. So, I think that has kept the stickiness. Also to let you know that presently, the 2 Privanas that were sold last year are trading at a premium of INR 2,500 to INR 4,000 a square foot at present, as I speak to you, which is also very heartening and good to know. And that's the kind of demand that the present set of Privanas have. And therefore, now the next phase. I think as soon as we have our paperwork in terms of RERA and all done, we will be in the market very soon. You should hear about it soon.

Abhinav Sinha: Sir, I will just get back in the queue for more questions.

Moderator: Thank you. We'll take our next question from Akash Gupta from Nomura. Please go ahead.

Akash Gupta: Hi. Am I audible?

Ashok Tyagi: Yes Akash.

Akash Gupta: Hi, everyone. Congratulations on a great set of numbers. Sir, my first question is on the timing of the launches for Privana and the Bombay project and the next Phase-of Dahlias. So how are we looking at these timing of launches?

Aakash Ohri: The timing of launches are now in Q1 and for the first two, Privana and Bombay we are working towards the Q1 story. And Dahlias, obviously, as I mentioned to you, once the experience center is ready, which should be some time in November -December, we will then do the show and tell and bring it . In fact, this particular thing, the main launch is slated for the Dahlias. But for the Privana and Bombay, it's now Q1.

Akash Gupta: Okay. Sir, so like are we sure that we will get RERA approval for the Bombay project in the first quarter?

Aakash Ohri: Yes.

Ashok Tyagi: So I think we will. But frankly, the reason for the delay of a few weeks on the Bombay project has actually had nothing to do with RERA. It's that because it's a slum rehab society with multiple societies whose approval and all of those things have to be taken. It's just the multiplicity of the small approval, which has led to a delay. But I think we are now looking good, as Akash said, for hopefully RERA in June for sure.

Akash Gupta: Got it, sir. And my, sir, the second question is about the Privana North product. So sir, your previous Privanas have been sold out, so with like awesome demand. So I wanted to understand like what interest is this product generating?

Aakash Ohri: So as I was saying just about in the previous question, Privana has got an established ecosystem today. There is a very good demand for the Privana. And the present Privanas are being traded at a premium of INR 2,500 to INR 4,000 a square foot. And therefore, there is a reasonable demand for the new offering now and people are waiting for it. So, as far as we are concerned, we will get into the market post-RERA and then get down to doing what it is.

But right now, overall, because I am not in the market, so I can't give you an exact statement here. But what I hear is that there is a reasonable amount of demand, and people are looking forward to the launch.

Ashok Tyagi: Thank you.

Akash Gupta: Thank you so much, sir.

Moderator: Thank you. We'll take our next question from Taran Gupta from Elara. Taran, please unmute yourself and go ahead with your question, please.

I am sorry, we have lost his connection. I now invite Pritesh Sheth from Axis Capital to please unmute and go ahead with your question.

Pritesh Sheth: Okay. I think it was answered in a bit in the previous question, just on Privana again, previous 2 phases has been sellout with the kind of expectations that's already built in since we are closer to launch. If not during launch, but if there is a demand, would we still look to sell it out by this year? What's your base expectation for Privana North for this year?

And similar question for Mumbai as well. We have been hearing about a lot of demand coming from NCR and especially from Gurgaon as well for Mumbai project, but just your initial thoughts on the kind of interest that we have got for Mumbai as well.

Aakash Ohri: Yes. So you're right, Pritesh, so a DLF product today is agnostic to geography in terms of investors. So today, you are looking at various sets of people who are wanting to pick up a DLF home. And as I said previously also why they're looking at, because these are not dead assets. Not only do they make money in capital appreciation, but they also, you know, once you lease them out, you have recurring income also. So it's like good for both investors, to people who want to live in them.

So today, right now, as I see it, there is a sizable demand. I can't go beyond that today to explain to you, because you understand why, but there is a sizable demand for both the products, both here in Privana and Mumbai, both from the micro geographies, rest of the country as well as the NRIs. So, we will cross the bridge when we come to it, just give us a little more time. I think we will have more answers for you, and you'll hopefully hear about it.

But I'd just like to leave it here right now that based on how we want to do it. But yes, as you know, we don't discount our products. We don't do that. So, I think at this point in time, we have planned a structured launch to do some towers now and some in the following quarters. But I think let's see how it goes and also because Mumbai, it will start raining from June end. So, I think our window is very short in June for both Mumbai and then, of course, as soon as Privana comes in before that. So, both are going to almost run concurrently.

Pritesh Sheth: Okay. So, phasing out of towers that you have mentioned is for Mumbai project. And Privana would be like all opened up all together, right?

Aakash Ohri: No, Privana also, like I said, it's too close to the quarter end. And also being both June is the time where North India generally travels. Most of the people are out for vacations. So it's just the timing. So otherwise, there is a good amount, I am only talking about logistics. So right now, just to manage logistics, that's all. Otherwise, as far as demand is concerned, right now, so far, we are in a good place.

Pritesh Sheth: Sure. That's it from my side, and all the best. And looking forward to a good news in June. Thank you.

Aakash Ohri: Thank you.

Moderator: Thank you. We have our next question from Manish Dhariwal from Fiducia Capital. Please go ahead.

Manish Dhariwal: Very good afternoon. Am I audible?

Moderator: Yes please go ahead.

Manish Dhariwal: Thank you very much for this opportunity. Great numbers, great performance. And year-on-year, as the MD mentioned that it's been an incremental improvement year-on-year. So all that's like very good news. See, the thing is that my question was a little long-term-ish in nature.

And I wanted to understand how is the management attempting to build DLF into a structural business, not a hardcore cyclical business that a typical real estate development business is. See, you're a great brand, okay? So that's a great strength that you have an advantage of, also a great rental business, the biggest in the country. So how is it that maybe the structural story? Or is that even a thought?

Ashok Tyagi: Yes. So Manish, a very interesting question, frankly. Clearly, we have 2 parts of the business, the development and the rental business. And in some sense, the rental business provides stability and gradual increase, while the development business basically is the one where you take risk, hopefully grow a lot and then unfortunately, also encounter a few cycles when it happens.

So, A) the combination of these 2 provides natural institutional hedge against a completely all or nothing story, which may impact developers who are only in one side of the business. That is clearly one. B) from an institutional and from a management standpoint, we have clearly been strengthening all streams of our management over the last few years now in that sense. And I think we feel that now we have the where with all, if something like a COVID happens in a big way, nothing for 6 months, you may have to ride it through. But for most normal business cycles, I think we are now reasonably well covered.

Yes, the residential business will, at some stage, have cyclicity to it but when will it come honestly, I don't think anybody has a crystal ball on that. But I think we are reasonably well captured. Also, structurally, we are now a zero-leverage company on the development business. So that entire pressure that we used to have earlier of being caught in a down cycle with no debt. So that is gone now.

Manish Dhariwal: So, just want to take this forward, and thank you so much for this answer. See now I think we reached a situation where about INR 15,000 crores to INR 20,000 crores of development sales can happen like the market is taking it, right? And in fact, there are other competition, which is also doing it. So, when I mentioned that how you make it a structural thing is, so you have a

huge land bank in the NCR, that is Gurgaon and the extended Gurgaon and the further extended Gurgaon region.

Now one way to derisk that is to have a multi-locational play. So you tried Goa, Mumbai in a very small way. So, I basically want to understand that can the company or maybe are your long-term plans, do they talk of INR 15,000 crores to INR 20,000 crores sales on a year-on-year basis?

Moderator: Manish, if we can mute please, there's some disturbance on your line. Thank you.

Manish Dhariwal: Yes.

Ashok Tyagi: Thank you. So Manish, first of all, obviously, while our sales are running at this INR 20,000 crores approximately levels, I think we internally chase 2 metrics, which is, A) the free cash flow that we are generating; and B) the embedded margins that we are generating. You could have developers who are doing INR 35,000 crores of sales and generating embedded margins of maybe INR 7,000 crores, while there are developers who are INR 20,000 crores, can generate embedded margins of INR 12,000 crores. We would like to be in the latter category.

So, we clearly want to be in a situation where our embedded margins on an annual basis continue to be in the 5-figure range, and the sales that supports it. While Mumbai is a geography which interests us, because it is the largest real estate play in the country for sure. But having said that, I don't think that we have any doubts in our mind that our center of gravity will overwhelmingly remain NCR. That's for clear even in that sense.

And NCR today is one of the deepest and one of the widest sort of markets that exist in the country. There are pockets of NCR, we are not present in also today. So I think there's enough to grow in NCR itself.

Manish Dhariwal: Thank you.

Sriram Khattar: Question about the structural stability or institutionalization, I may just add to 1 or 2 points, which Ashok mentioned. As we have declared, we have adequate freehold license land to take forward our growth for the next several years, whether it is on the residential side or on the rental side. And I think that is a very- very big competitive advantage that we have over the other developers, who are continuously scouting for land, and therefore, have to be on the edge at all points of time to grow.

Manish Dhariwal: Absolutely. Thank you for your detailed response.

Ashok Tyagi: Thank you.

Moderator: Thank you. We'll take our next question from Kunal Lakhani from CLSA. Kunal kindly unmute your microphone and go ahead with your question, please.

Kunal Lakhan: Yes. Hi, thanks. Good evening. Sorry, I just missed the time lines on launches of Goa and IREO. And also if you can comment on our Delhi subsequent phases as what will be the time line of launching that?

Ashok Tyagi: Kunal, half of your question, I think, was muted at that time. So can you please repeat?

Kunal Lakhan: Am I audible now?

Ashok Tyagi: Yes sir.

Kunal Lakhan: Yes. Sir, I just wanted the time line for launches of Goa, IREO and also the Delhi subsequent phase?

Ashok Tyagi: So IREO, I think we should be in a position, hopefully, with all the approvals. IREO was, as you know, it's 8.5-acre parcel, but it is 2 distinct parcels. So, I think we should hopefully have all our approvals done sometime this year.

And if all goes well, IREO pieces should be launched next fiscal. Mumbai, we have completed OneMidtown apart of some residual sales that remain. So, I think Mumbai will get back to the planning stage, it's not Mumbai, Delhi. So, Delhi, we will get back to the next year to the planning stage. But the Delhi launch of the next phase-may not happen next year.

Kunal Lakhan: You mean FY '26, it will not happen, FY'27...

Ashok Tyagi: It may not happen in FY '27. It may take longer than that.

Kunal Lakhan: Okay. Okay. And Goa?

Ashok Tyagi: Goa should happen sometime this year, I presume, yes.

Kunal Lakhan: Second half?

Ashok Tyagi: Second half year...

Aakash Ohri : Yes, around that time.

Ashok Tyagi: Around that time.

Kunal Lakhan: Understood. Thanks. My second question was to Khattar Ji. Sir, if you look at the Cyber City portfolio, right, which is I wouldn't say mature yet, because when I look at the rentals, let's say, about INR 110, INR 115 bucks. And when I look at the rentals in our newer blocks that we are leasing, like INR 145, INR 175. What's the rerating potential there in terms of rent over the next few years?

Sriram Khattar: So, let me take Cyber City, which is really a legacy asset. We have the current rental for the minimum space that is vacant and for the term expires is in the ballpark of about INR 125 to INR 135. And that if you say, compare with Downtown 4, which is the last building or to say, Atrium Place, which we have just leased, which is in the ballpark of INR 160 to INR 170.

Kunal Lakhani: Sure, understood. But probably, it will never reach those levels because these are much newer assets. But you're saying that roughly about 10% upside potential on rent on the Cyber City portfolio, is something that we should look at?

Sriram Khattar: I think maybe a little higher than 10% compared to the weighted average rate that is already there in the portfolio.

Kunal Lakhani: Understood, sir. And secondly, so on the ROE target, we have reached 10% plus, so that's a great thing. But on a sustainable basis over the next say, 2 to 3 years, where do we aspire to be?

Ashok Tyagi: Kunal, about 4 years back, we were told that ideally we should at least target at a double-digit first. Having done that, now obviously, after double-digit, early -teens and mid-teens come, but let's see how the process runs.

Sriram Khattar: On a lighter way, triple digit is still a little beyond.

Kunal Lakhani: Okay. Thankyou. And my last question is to Badal. Badal, this year, we had a fair bit of deferred taxes or tax reversals. How should we look at tax rate going ahead over the next 2 to 3 years, maybe?

Badal Bagri: The tax rate should be normal to my mind. The deferred tax was a very- very minor component in the current P&L from a P&L perspective, Kunal. So, the tax rate from a P&L forecasting perspective should be business as usual. No significant deferred tax asset gain to be considered in the coming years.

Kunal Lakhani: Understood. Thank you so much, and all the best.

Ashok Tyagi: Thank you.

Moderator: Thank you. We have our next follow-up question from Abhinav Sinha from Jefferies. Please go ahead.

Abhinav Sinha: Thanks for the follow up. First question on Dahlias. What are the price points we are at right now? And what could be that jump when we relaunch in 3Q?

Aakash Ohri : So, Abhinav, right now, we are at almost about lakh plus on carpet. So right now, that's where we are. And just to tell you what Camellias is about now 2 lakhs on carpet. So, you do the math now, because we are almost sold out. As you know, we are sold out in Camellias. We have got

nothing. So tomorrow, when people want to get into the DLF Golf Links, the price points, I think, will continue to go up.

I don't want to right now speculate on what we are going to be. But if you see the gap between what Dahlia is today and what the present prices of Camellias are, I think that's what the catch-up will be. And it's going to be faster because of what Camellias has already delivered, done. People have seen the product, used it, using it. Therefore, there is obviously a great legacy. But I think people, who missed the boat then are now joining the Dahlia story. So there is a tremendous amount of, I'd say, money to be made. Also, there is a good amount of escalation here.

Abhinav Sinha: Great. Sir, one clarification. I think, Tyagi sir, if you can provide on the land bank, Slide #17. So, we have this 12 million square feet of pipeline in DLF City and 9 in New Gurgaon. So, what does this refer to specifically among the projects?

Ashok Tyagi: So, the DLF City refers to primarily the IREO timeline at Sector 61, and it refers to some pockets that we have for group housing in DLF City in the erstwhile DLF Phase-1 to 4. And Privana is affected in New Gurgaon.

Abhinav Sinha: Okay. And metros will be Mumbai then?

Ashok Tyagi: Metros are Mumbai, Delhi and Goa.

Abhinav Sinha: Okay. Thank you.

Ashok Tyagi: Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take that as a last question for today. I now hand over the call to Mr. Ashok Tyagi for closing comments. Over to you, sir.

Ashok Tyagi: So, thank you so much for joining this call. As I think we sort of presented, and I think a lot of questions also are on the same tune that it's been a pretty strong performance. The key for us continues to be how do we sustain ourselves not only on the sales cycle, but also on the execution cycle because now between the rental buildings that we are building and the sales commitments that we have made, I think we are already building now in excess of almost 45 million square feet, which is under construction today.

And that number will keep on growing, but that's the number that we have to track, because selling is exciting, but you also have to eventually deliver those products, and we have had a pretty strong track record of delivery.

On all the financial metrics, as we mentioned, we will continue to be razor-focused on PAT, on EBITDA, on cash flow, on rental run rates, on rental rates. As Mr. Khattar also said that even



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on the older buildings, he keeps on trying to see how we can squeeze an additional 10% there. So we will continue to be extremely focused on all of that. And hopefully, we look forward to reconnecting back to you guys in the June analyst call. Thank you.

Moderator: Thank you, members of the Management team. On behalf of DLF Limited, that concludes this conference. Thank you for joining us, and you may now exit the meeting.

Management: Thank you.