SIGNATURE GLOBAL™
REALTY. RELIABILITY. RESPONSIBILITY.
AN ISO 9001:2015; 14001:2015; 45001:2018; 27001:2022 CERTIFIED COMPANY

Date: 14th November, 2024

The Manager
BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

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 11th November, 2024

Dear Sir/ Madam,

With reference to our letter dated 6th November, 2024 in respect of Investors/Analysts Call held on 11th November, 2024, 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 the following link/ path:

www.signatureglobal.in/investor.php < INVESTOR MEET / PRESENTATION < Transcripts of Investor Call

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

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"Signatureglobal (India) Limited
Q2 FY-25 Earnings Conference Call"

November 11, 2024

MANAGEMENT: **MR. PRADEEP KUMAR AGGARWAL – CHAIRMAN & WHOLE-TIME DIRECTOR- SIGNATUREGLOBAL (INDIA) LIMITED**
MR. LALIT KUMAR AGGARWAL – VICE CHAIRMAN & WHOLE TIME DIRECTOR - SIGNATUREGLOBAL (INDIA) LIMITED
MR. RAVI AGGARWAL – MANAGING DIRECTOR- SIGNATUREGLOBAL (INDIA) LIMITED
MR. RAJAT KATHURIA – CHIEF EXECUTIVE OFFICER- SIGNATUREGLOBAL (INDIA) LIMITED
MR. MANISH GARG – DEPUTY CHIEF FINANCIAL OFFICER- SIGNATUREGLOBAL (INDIA) LIMITED
MS. PREETIKA SINGH – INVESTOR RELATIONS- SIGNATUREGLOBAL (INDIA) LIMITED

MODERATOR: **MR. ADHIDEV CHATTOPADHYAY – ICICI SECURITIES**

Moderator: Ladies and gentlemen good day and welcome to Signatureglobal (India) Limited Q2 FY25 earnings conference call hosted by ICICI Securities.

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. Adhidev Chattopadhyay from ICICI Securities. Thank you and over to you sir.

Adhidev Chattopadhyay: Good morning, everyone. On behalf of ICICI Securities, I'd like to welcome everyone to the call today.

Today from the Management of Signature Global, we have with us Mr. Pradeep Kumar Aggarwal – the Chairman and Whole-Time Director, Mr. Lalit Kumar Aggarwal – Vice Chairman and Whole-Time Director, Mr. Ravi Aggarwal – Managing Director, Mr. Rajat Kathuria – the Chief Executive Officer, Mr. Manish Garg – the Deputy Chief Financial Officer and Ms. Preetika Singh from Investor Relations.

I would now like to hand over the call to the Management for their "Opening Remarks". Over to you sir. Thank you.

Pradeep Kumar Agarwal: Good morning, everyone. Welcome to the Quarter 2 and H1 FY25 Earning Conference Call of Signature Global. I am delighted to discuss our "Operational and Financial Performance" with you all. I hope you had time to review our "Investor Presentation" and "Result Press Release".

India's real estate sector is expanding rapidly, supported by resilient economy valued at $493 billion. It contributes 7.3 to the national GDP and account for 18% of the employment making it a second largest job creator after agriculture. Looking ahead the sector is projected to contribute 15.5% to the India's economy output by 2047 with an estimated valuation of 5.8 trillion. With the growth is driven by the factor like urbanization, rising disposable income and increased demand for residential and commercial spaces.

In Gurgaon, infrastructure upgrades and transforming the landscape, key projects like DMIC, Sohna Elevated Road, Southern Periphery Road and Dwarka Expressway are strengthening Gurugram appeal as a real estate hub. Within this expanding region south of Gurugram, Sohna region has likely to become the third largest residential market after the Dwarka Expressway or New Gurugram. A recent report by the Square Yards shows that new residential development in Sohna region have grown rapidly since 2020, surpassing the total supply of the entire previous decade. Signature Global's integrated township Dakshin Vista located at the Sohna corridor is one of these popular developments. It has been met a strong response recording impressive pre-sale figures.

Let's talk about our "Financial Results" for the first half of the FY25:

We have seen an impressive 217% year-on-year growth in pre-sale, thanks to the successful launch of key projects like Titanium SPR and Dakshin Vista in the Sohna region. In the 2nd Quarter of FY25 alone pre-sales were up by 184% compared to last year, showing how well we are meeting the current market demand.

Our revenue also saw rising by 342% year-on-year in H1 FY25 with Quarter 2 FY25 alone showing the remarkable 650% growth over the previous year due to the completion of our few major projects. Additionally, our collections grew by 60% year-on-year in H1 FY25, ensuring we maintain strong cash flow and robust operations.

Our "Operational" and "Financial Performance" underlies our commitment to delivering high quality products and amenities in the mid-income housing and premium segment. Our strategy would be focused on offering the right price, right-sized and the right location for our real estate product. A combination that continues to strengthen our market position by focusing on excellence and innovation, we aim to constantly meet and exceed the clients' expectations.

Our strategic initiative and strong execution capabilities not only drive the growth but also enhance operational effectiveness and maintain a competitive point in the industry. Through these efforts, we are building a strong foundation for a successful future for Signature Global and our stakeholders.

With that I would like to conclude my remarks and handover to our CEO – Sir Rajat Kathuria, who will take you through our financial performance in detail. Thank you once again for your attention.

Rajat Kathuria: Good morning, folks. Thanks a lot for joining the call this morning.

So, we have had a fairly good first half of the year. Usually, the perception is that second half of the year tends to better for real estate companies, but we have always maintained that this is hugely supply constrained market and hence we need not go to the kind of typical perceptions.

So, the H1 was particularly good for us. So, during the first half we launched two large projects. One was Titanium SPR in Sector 71 Gurgaon which is one of the most premium locations where we have a fairly good amount of land position as of today. So, that project saw a tremendous response and just towards the fag end of the 2nd Quarter or H2, we launched a fairly large integrated township in Sohna which is called Dakshin and even over there, needless to say that it shown a fairly good response and that's what contributed to most of our sales during the 2nd Quarter.

So, in a span of about 10 days between September 20th and September 30th, we crossed about 2,300-odd crore of sales just from that one single project. Dakshin comprises of two key components. There are actually three. We have launched two out of those three. One is the mid income housing where we do these premium floors, and this is like a very bread and butter business for us to keep doing these floors where we recorded sales in excess of about 1,300 crores in a span of about 10 days.

In addition, for the first time we launched Industrial/IT & ITES plots. These were like plots ranging from let's say 600 to 700 odd square yards could be used for multiple sort of commercial purposes. But we saw phenomenal response on that particular product segment as well which is for the first time, we tested it and were overwhelmed with the response.

So, we sold plots which are worth more than 1,000 crores within that one project and that too within a very short span of time. So, fundamentally if you see during the first half, we have launched two large projects, both of them saw very good response. We have now achieved almost close to about 5,900 crores, about 59 billion of sales during the first 6 months. And it's kind of a consistent trend. Even if we were to see the trailing 9 months on a YTD basis if were to look at the performance, in the March quarter we had launched the first group housing project by the name of De Luxe DXP that saw a good response, in Q1 or Q2 calendar year we launched Titanium SPR, Q3 we launched Dakshin. All these three projects have been seeing a good response and this is the kind of fresh inventory being created. If we leave fresh launches, we literally kind of dried up all our erstwhile inventory. So, as we are creating supply it's kind of getting absorbed. So, on a trailing 9-month basis, we have comfortably crossed even 9,000 crores worth of sales. So, we are clocking on a monthly basis, we are at a run rate of about (+1,000) crore.

On the pre-sale basis which is what we have always been talking that Gurgaon is a fairly deep market and one can achieve good sales if you can do consistent supply.

So, a few takeaways effectively on the sales front:

We stay confident of our annual guidance which was of 10,000 crores. Current sales are happening at an average pricing of about 13,400. So, we are fairly put we are confident on the embedded EBITDA margins about 35% which we have been talking about. Sales are continuing to be good. So, we had Diwali at the end of October, even October as a month we have seen like good festive sort of sales happening. Too premature to talk of numbers but we have seen like good response even during the festive season.

Moving on to collections front:

During the first 6 months we have done collections of almost like 2,100 odd crores. The collections are much higher vis-à-vis the same period in the previous year. But we have sold quite a lot during the first half of this year. While that should continue, collections will also spruce up during the second half of the year. So, we stay put on our annual guidance as far as collections are concerned.

On the operating surplus side, I think very much on predictable lines. Our surplus after incurring hard cost SG&A other costs etc. was almost close to 40%. We strive to achieve about 45% operating surplus by the end of the year. But for the first 6 months the numbers stood at about 38% odd. So, our surplus was in excess of 800 crores which we used primarily for further land acquisition, about (+500) crores went into acquisition of fresh land in Sector 37D. Close to 3 million square feet of area got added as part of this land acquisition which will have development potential in excess of 4,000 crores.

In addition to that, our net debt number also reduced by 140 crores. So, our net debt is stable while we are growing at this phenomenal pace. If you look at the trend ever since we have listed our net debt is in that 1,000 crores plus or minus range. So, given the kind of growth, which is going on, with every passing quarter the balance sheet strength is improving. So, it stands at about 1,000 crores. This number I think for the balance 6 month period should come down significantly by the end of the year. I don't think the number should be more than 500 to 600 odd crores.

So, given the current size and scale of the company, we feel that debt position is gradually coming down to a near zero sort of level. In addition, I think portfolio looks good. We have some top line numbers; we have completed close to about 12 million square foot till date. We're also in advanced stages of completing another 16 odd million square foot. Next six to seven quarters we should complete another 16 million square feet. So, an average completion timeline of about four to five quarters from today, we are completing significant number of ongoing projects.

Also, in terms of recently launched or forthcoming projects:

We have a robust inventory of about 35 million square feet with a GDV potential in excess of 50,000 crores. There are a couple of takeaways if you look at this 35 million square feet/our current plan position which doesn't come on the face of the financials, but I would like to highlight those. First and foremost, we have always adopted this strategy to own land rather than doing any sort of service contracts or collaborations per se. So, we have been working preferably on owned-land. The bulk of this land is again owned by us. More than 90% of the GDV potential of this 35 million square feet pertains to the company. So, there's less than 10% which will accrue to any joint development related, pertains to landowners who would have done—my mistake—joint developments with us. So, that's the second key aspect.

And thirdly most of the land is already paid for, so there could be minor or minuscule payments of 100-200 odd crores. But by and large the land is fully paid. So, in a way as you look at our portfolio, since land is owned and paid for, as we will collect more money from our customers a lot of it will be available to the company for either future expansion or for debt reduction. A fairly small percentage of that particular collection will accrue to any particular landowners who are currently working with us. So, that will continue to make our balance sheet and cash position increasingly healthy.

As far as completions are concerned, we are going on track. Our annual guidance is to complete projects worth 3,800 odd crores. We always anticipated that this will be happening more towards the second half of the year. So, Q3 and Q4 should witness completions much more than the first half. So, we stick to our guidance that we'll complete projects worth 3,800 crores and hence to look at profitability on an annualized basis will give a far superior perspective then looking at the first half. And on the debt, I said a little while back that we do anticipate to bring it down further. And hence that principle which we have been talking about that the debt should never be in excess of 0.5X the annual operating surplus, I think will comfortably be getting met.

So, by and large if I have to say we are sitting on a good launch position, our guidance was to launch projects worth 16,000 crores for the year. We have done launches worth 9,000 crores for the first half. So, even in Dakshin, we have launched part of the project, the overall potential is actually close to about 8,000-odd crores. So, by the end of Q3 we would have achieved most of our launch guidance of about 16,000 crores. It could be 1,500-1,600 in that range we would have done, the launches which we were planning for this year. And even in terms of sales, we look comfortable for the 10,000 crore sales for the year. Embedded EBITDA, we are fairly confident and comfortable with regard to 35% embedded EBITDA. So, by and large I think we are sticking to our core strength of focusing on Gurgaon which we feel is a fairly underserved market. There's a lot of work to be done and we are confident at the end of the first half of the year with regard to the guidance which we had given at the start.

So, by and large that's about it from the numbers side. Happy to answer any of your queries or questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Murtuza Arsiwalla from Kotak Securities.

Murtuza Arsiwalla: A couple of questions is one if I look at, you have had fairly successful launches and to that extent incremental sales would likely depend on new launches because you don't have too much of unsold inventory. While you have given us the broader guidance on the launch profile for the year, can you give us some color on specific projects and timelines of these projects that could be launched over the next few quarters? So, that helps us sort of get a better handle on the sales trajectory. That's one. Number two, you talked about embedded margins of 32% in ‘24, 35% in first half ‘25. It'd be useful if you could give us on the cost side for the remaining 65% of costs, let's say what is the composition between construction costs, approval costs and land spend, generally over the current sales that you are doing? And overall, when we speak with investors, there's generally a concern with the kind of price appreciation that you have seen in Gurgaon that market may sort of have picked up. So, any color that you could give, not just on your projects but on the overall Gurgaon market sort of would be useful? So, these are the questions from my side.

Rajat Kathuria: So, Murtuza, ballpark numbers for this year are targeted launches are of 16,000 crores, of which there are two larger projects which are getting launched. We have done Phase 1 in both Titanium SPR as well as Sohna which is Dakshin. Both these projects have Phase-2 launches as well which are also happening within this financial year. Put together, these two projects will have a launch potential of excess of (+13,000) crores. So, in third quarter/early Q4, we would have completed Phase-2 launches of both of these projects as well. In addition, we have another township project called City of Colors in Manesar which we launched during the October month. So, that will come as we update the Q3 numbers. That's already happened. We have also launched a project by the name of DXP Twin Tower which also contributed a little to Q2 numbers. But that's again a project worth almost in excess of about 2,000 odd crores. And there's another launch in Sector-37D which is coming up. So, by and large by December you would see this entire 15,000 to 16,000 crores worth of inventory getting launched. Hence it would be good for us to achieve sales of this year and it will carry on into the coming year as well. So, that's on the launch front.

Your second question was around the cost side of this balance 65%. So, on the cost side, we have been fairly I would say fortunate, our land cost is quite low, which is in current selling price terms less than 10%. So, land price including approvals is not crossing 10% of the sale value. Being more precise, our land costs on a standalone basis is lower than Rs. 1,000 a foot of FSI on a portfolio wide basis. It could be slightly higher or lower on a specific project wise basis. But on a portfolio level it's less than Rs. 1,000 a foot. Which means that including approval cost, we are not spending more than 10% on land plus approvals. Ballpark construction is not going to exceed anywhere between 40% to 45% of the overall sale value and you could assume the balance 10% for selling, marketing, SG&A, contingency as well. So, that's why the 65% is like a well buffered sort of cost target for whatever sales are currently happening.

To your third question on the Gurgaon market; I would say if you look at it on a whole decade basis, starting year 2012-13 till date, I don't think the market has gone up more than an inflation linked sort of a percentage. Yes, a bit of rise happened during 2022 and ’23. On the price rise basis markets again found by and large a stable position. I don't think there's any sort of steep spikes happening in the market right now, while the volumes tend to be reasonably good. So, and even if you look at the overall perspective, see our sales per square foot basis our realization is at about Rs. 13,500 a foot. Substance over form, it doesn't seem as if something is really expensive for the kind of product being offered. The product which is being offered is actually comparable to any product being launched, not in the uber luxury segment but in any mid income or premium segment across the country. So, we feel Rs. 13,500 to 14,000 a foot is a fairly good price, both from the producer as well as the consumer perspective. So, we don't feel much of a challenge with the current pricing price point in the market.

Murtuza Arsiwalla: Rajat, if I could just follow up with two more. If you could give some sort of color on what is the growth that you are targeting let's say for '26 and '27 on the sales side any ballpark numbers that you may want to leave us with? And just to be certain when you look at the cash flow statement that you put out for first half '25, the construction expenses include approval expenses or that is clubbed more with the land spends?

Rajat Kathuria: So, 10% is I think land and approval by and large both put together. Construction, I think 40% is good for construction, it's not going to cost more than that. As far as growth is concerned, Murtuza, I think we have not given any formal guidance as yet. But I think 25% sort of spike on annual basis is something quite achievable which will be through mix of both value growth and volume growth. Some 8% to 10% value growth is something which one should envisage even in the years to come and the balance should come from a volume basis.

Moderator: The next question is from the line of Vaibhav from Nippon AIF.

Vaibhav: So, a couple of question from my side. First on Dakshin, like you have mentioned that the full project is around 8,000 Cr GDV. So, this includes how much is residential and how much is the industrial plot? And the second is that like 23 million which is the sales which have been achieved, so this includes the 10 million from industrial plots or is it like 23 million residential?

Rajat Kathuria: In Dakshin by and large you could assume a 75-25 split between residential and industrial plotting component on an overall basis. As far as the sale which happened during the last quarter (+1,300) crores came from the residential component and 1,000 crores came from the industrial plot's component.

Vaibhav: So, just to clarify when you said 25-25 million, so that is like a 50 million launch after which 25 million was residential 25 million was commercial, is that correct?

Rajat Kathuria: No, I think the residential component is higher, it's about 65% component of the project launch was from the residential component. Industrial it was 35% or putting it conversely see a lot or whatever we launched in the industrial component, a much higher percentage of that got absorbed in a very short span of time.

Vaibhav: And just secondly on the collections front this quarter seemed to be a little bit muted. So, any guidance as how we should see it coming out for the rest of the year? And just one last question if I could add, the construction expenses in the financial statement, the cost of material seemed to be nearly double that of the last year. So, have we like started a construction activity on any particular project which has led to a substantial increase? So, just these two end questions from my side.

Rajat Kathuria: So, on the collections front, quite a bit of sales for this year which you are seeing for the entire period, has happened in a very short span of Q2 towards the end of 2nd Quarter. So, collections are expected to pick up. Q3 will be better than 2nd Quarter and Q4 will be even better. So, that's where we are fairly confident of our annual target as far as collections are concerned. As far as the cost side is concerned, I'll look at the numbers and we can maybe respond to you if you want to drop in line. We'll kind of respond to it.

Moderator: The next question is from the line of Deepak Poddar from Sapphire Capital.

Deepak Poddar: I just wanted to understand, ideally you mentioned that this is revenue recognition that we target remains intact of 3,800 crores because of higher delivery and collections that you expect in the second half. So, about the second half we are still targeting about close to 2,600 because 1,200 crores we have already did in first half, right?.

Rajat Kathuria: Yes, that's correct Deepak. So, I think each of the quarters the recognition should be in excess of 1,000 crores.

Deepak Poddar: And what about profitability? I think on an annual basis beware of the view that even after considering the cost of the recent launches at 20% EBITDA margin is what something that one can achieve on a reported basis. Now given our first half profitability is quite muted. So, how do we see that? In terms of annual guidance, are we still maintaining this 20% or is there any downward division to that?

Rajat Kathuria: I think we'll have to wait and watch on that. While at a product level basis, we are confident that these are all profitable projects which are undergoing completion. But in panel we are seeing bit of spike on the SG&A given the current level of sales because quite a bit of expenses gets expensed out in the year which we are growing, in the year which we are incurring those, and they don't get capitalized. So, a lot of SG&A expenses are also impacting the EBITDA margins. So, effectively this gap of sales which is kind of comfortably crossing 10,000 crores for the year vis-à-vis completions which will be at about 40% of the sales for the year. There's a bit of a gap in the SG&A expenses because the entire machinery platform is working for much higher performance vis-à-vis what is getting recognized. So, I won't give a guidance on this entire sales. But yes, I could say that this number is definitely improving as the overall volume of completion will improve, the percentage will also improve because the expenses will get netted off against a much larger denominator, which is revenue recognized.

Deepak Poddar: And my final query is on, I was just going through your presentation. I think it was mentioned somewhere that we are looking at revenue recognition of around 11,000 crores over FY25 and

'26. Given FY25 we are looking at 4,000 crores. So, FY26 7,000 crores would be the right estimate to look upon to?

Rajat Kathuria: Yes, we will be targeting to complete all the balance projects in FY26, and we'll roll out a very granular sort of number as we close this year. But by and large yes, we stick to that commitment.

Deepak Poddar: And our ongoing project is close to about 15.8 million square feet, right?

Rajat Kathuria: Yes, ongoing as in the ones which are at very advanced stages of completion which add up to about 11,000 odd crores of revenue potential. In addition, now we have launched almost 10 odd million square foot which we have done over the last three quarters but that's also technically ongoing now. But yes, that's…..

Deepak Poddar: But those are recent launches. I think they're categorized under recent launches, right? That 9.5 kind of a million square feet.

Rajat Kathuria: Right.

Moderator: The next question is from the line of Abhishek Khanna from Kotak Securities.

Abhishek Khanna: I just wanted to check the industrial plots that you have sold, 1,000 odd crores in the current quarter and the ones that would be planning to sell in let's say the second half of the year or going forward also, these would get recognized in the P&L almost immediately. Is that how it works?

Rajat Kathuria: No, Abhishek I think we'll have to deliver these projects and collect almost the entire revenue of these projects. So, one should anticipate that completion timeline of about 18 to 24 months. So, this should come under recognition in FY27.

Abhishek Khanna: But you have to build anything on these plots? Isn't it empty plots that you deliver to your customers?

Rajat Kathuria: No, but basic infrastructure has to happen, roads, lighting, sewage, waste treatment. That basic infrastructure development has to happen and then completing those trunk infrastructure has to be obtained from the local authorities. Only then you can handover the position to the customers. So, it does take about 18 odd months.

Abhishek Khanna: And when you say 25% of the 75-80 billion GDV at Sohna, is it all industrial plots or does that also include any commercial component in it, commercial retail?

Rajat Kathuria: There are three components, there is residential, there is industrial and there is retail, typical convenience retail which is there. We have so far launched residential and industrial plots. Retail is something which we intend to do in future.

Abhishek Khanna: Would that be 5% or more than that?

Rajat Kathuria: In value terms more than 5%, so that's also about 700,000 to 800,000 odd square foot of spaces will come up. So, that's also you could say a (+1,000) crores contributor on a GDV basis.

Moderator: The next question is from the line of Adhidev from ICICI Securities.

Adhidev Chattopadhyay: Just a few bookkeeping questions. Firstly, could you let us know any estimated GDV for the balance inventory which we are planning to launch for the next 2 to 3years across our ongoing and forthcoming projects, the 50 odd million square feet which you have given in your presentation, the balance value or anything guidance you could give us?

Rajat Kathuria: So Adhidev, after we have done our launches for this year, you should assume that we still have owned/tied up land where we can do in excess of 35,000 crores in terms of GDV value which will launch over next 2 years.

Adhidev Chattopadhyay: Or the next couple of years?

Rajat Kathuria: On a sustained basis we'll be able to do launches of this magnitude and keep replenishing land also both tend to happen in parallel. So, we keep looking for land and we keep launching projects.

Adhidev Chattopadhyay: Ao actually that was my next question on the land replenishment. So, considering that we have launched or almost to be launching 16,000 crores GDV of projects this year and maybe you said 35,000 crores over the next couple of years. So, to replenish 16,000 to 17,000 crores annually, what are our plans on spend on land annually and what are the locations we are looking at other than the ones we have already established currently?

Rajat Kathuria: We'll continue to acquire in the positions which are already established because since we are able to achieve sales in these locations, the primary focus will remain on areas where we are selling well or if we step back a little and look at it, there are certain core markets where our customers are buying product from us in this broader mid-income theme. So, we do intend to kind of do a sustained supply in these markets rather than doing sporadic sort of launches. In addition to that, this entire plotted theme is playing out quite well. We have done one launch in this quarter. We have technically done another launch in Q3 as well. So, around this also we are looking at doing some acquisitions or collaborations as it may pan out. So, you could see more of this activity as well in the coming year and eventually at some stage it becomes like a contributor to our annual target and that would be a bit of addition to what we're currently doing.

Adhidev Chattopadhyay: And there was some obviously media article quoting that you are also looking at the Noida market for a possible entry next year. So, any update or development on that?

Rajat Kathuria: Not yet. We continue to look at opportunities and we are evaluating it but nothing in particular as of now.

Adhidev Chattopadhyay: And my final question is on our construction contracts. Obviously, we have been given construction contracts to a lot of reputed third-party contractors right now for our project which we have launched. Could you just let us know what is the scope of the construction like do they do the entire finishing works as well or that will be undertaken separately by us across, across various vendors at the end, what is the plan over here on the deliveries?

Rajat Kathuria: So, see as a broader Strategy there's about 16 million square foot which is at advanced stages of completion. So, this is by and large being handled by our team wherein we have the responsibility of doing the entire procurement, time management, quality management etc. And only labor contracts are being given for this entire 16 million square foot of completion. So, you could say that while we are acting as a developer, we are also acting as master EPC player contractor for this entire advanced stage inventory completion. As far as some of these newer projects are concerned which are more in the luxury sort of segment and where we want to maybe even more particular on the quality aspects, we have chosen to onboard some large EPC contractors. So, it's a very project wise situation Adhidev. So, as far as De Luxe DXP is concerned Aluwalia Construction is going to do the entire structure as well as finishes. Whereas on the other project, right now we have awarded them a contract only for the structure aspect and Capicite is also and ACC we have also onboarded for our projects. So, we are adding good quality EPC contractors as well to ease out our sort of completion timeline and commitments.

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

Rajat Kathuria: Thank you everyone.

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