May 31, 2022

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

Scrip Code : 543223

National Stock Exchange of India Limited
Exchange Plaza, Bandra -Kurla Complex
Bandra (E),
Mumbai 400051

Name of Scrip : MAXIND

Sub: **Regulation 30: Transcript of Investors & Analysts Conference Call**

Dear Sir/Madam,

Transcript of Investors & Analysts Conference Call held on May 26, 2022 post declaration of Audited Financial Results of the Company for the Financial Year ended March 31, 2022 is enclosed.

The same is also being uploaded on website of the Company at https://www.maxindia.com/wp-content/uploads/2022/05/MaxIndia-Earnings-Call-Transcript-FY22-Final.pdf

You are requested to take the above on record.

Yours faithfully
For **Max India Limited**
(formerly Advaita Allied Health Services Limited)

Pankaj Chawla
Company Secretary & Compliance Officer

"Max India Limited Q4 & FY22 Earnings Conference Call"

May 26, 2022

MANAGEMENT: **MR. RAJIT MEHTA – MANAGING DIRECTOR, MAX INDIA LIMITED**
MR. AJAY AGRAWAL – CFO, ANTARA SENIOR CARE
MR. OJASVI GHOSAL – CFO, ANTARA ASSISTED CARE SERVICES

MR. ISHAN BUMMI – CHIEF OPERATING OFFICER, ANTARA ASSISTED CARE SERVICES

Moderator: Ladies and gentlemen, good day and welcome to Max India Limited Q4 FY22 Earnings Conference Call.

This conference call may contain forward-looking statements about the Company which are based on the beliefs, opinions, and expectations of the Company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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 '*' and then '0' on your touchtone telephone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rajit Mehta. Thank you and over to you, Sir.

Rajit Mehta: Yes. Thank you very much. So, Namaste and good evening to everybody who has joined us on the call. Thank you for your time. On behalf of Max India Limited a warm welcome to you on the Q4 and FY22 Earnings Call. For the benefit of the audience joining us for the first time let me introduce my colleagues who are with me. Ajay Agrawal who is our Chief Financial Officer for Antara Senior Care, Ojasvi Ghosal who is the CFO for Antara Assisted Care Services and Ishan Bummi who is the Chief Operating Officer for Antara Assisted Care Services and Nishant Kumar from **Corporate** Investments also with us.

A quick update I am sure all of you are eager to know what's happening on the capital reduction scheme and I must say despite our best efforts, we have not been able to procure a date from NCLT. I believe from a lawyer the feedback that we have is they are preoccupied with IBC matters. Therefore, the date of hearing has been shifting. From our side I can reiterate there is absolutely no change in our commitment to do the capital reduction. We have kept all the backend ready. So, as soon the NCLT gives an order we will roll the process out for capital reduction. We've just waiting for the hearing to take place.

A quick overview of the company and just a preamble, as you know Max has had the knack of spotting opportunities quite early in the last three decades or so. The life insurance opportunity was spotted in 2000, healthcare in 2002 and both the companies today are quite large. Max Life itself is about Rs. 40,000 crores. business valuation and Rs. 36,000 crores for Max Healthcare but is not part of a portfolio. So, I think this competency of spotting the opportunity continues. So, we spotted the senior care opportunity in 2010 and since then we've working hard on making sure we are able to carve a niche out of it.

And based on the learning we've also now expanded our operation. Also, I must say the last two years the kind of movement I have personally seen in the senior care space is quite rapid from all perspectives, investor interest, new investments, new startups in different formats whether it is assisted living, senior living or health tech-based innovations for elder care. A lot of attention from the government, the Ministry of Social Justice setting up seven committees, launching the elder care helpline along with Tata Trust. Launching the portal for reemployment of senior citizens who are able. Launching an initiative to fund 1 crore per startup for all companies doing innovations for elder care and the NITI Aayog under Dr. Vinod Paul also releasing a paper on what needs to be given attention to in the elder care space. So, a lot of movement in the space. It continues to be a $10-$15 billion market with values pools around Residences for Seniors, Assisted living, Care at Home services and medical equipment and Antara are quite uniquely placed because of its lineage and heritage from Max. We understand the healthcare space, understand life and health insurance and we also understand hospitality and infrastructure and therefore we're able to bring all this together to aspire to create an integrated ecosystem for seniors. Whatever healthcare, lifestyle, life care need seniors will have a different stages of their life. We're able to stitch together a solution for them. This is quite unique. Nobody in the market is attempting this. Everybody is playing part of the value chain. We're the only ones looking at the integrated ecosystem which also gives us an opportunity to have multiple engagement point with the customers. Therefore, bringing down our customer acquisition cost.

All the macro factors in India have only given further tailwinds to the sector whether it is the increase in life expectancy, the aging population from 8% of the population to about 20% in the next two or three decades. Unfortunately, disease burden so more and more seniors are now reporting cardiac issues, 17% are reporting dementia issues, and 40% have vision issues. So, I think all these factors are also providing the necessary tailwinds for the sector.

Antara just reiterate a few facts about our strategy. We are focused on 4 million customers an income segment of Rs. 1.5 million per annum and above in three clusters in North, West and South. Currently our operations are in NCR but we're looking at both South which is Bangalore, Hyderabad, Chennai and Mumbai and Pune clusters as well in next 12-18 months and the value pool we are focusing on are residences for seniors. Now these are meant for seniors who are independent but want to live in a community of likeminded people with safety and security and primary healthcare services.

Also assisted living is meant for three kind of people either senior who can't be maintained at home because of age related issues in terms of mobility, feeding, bathing, monitoring, medication or have gone through an intense medical episode and need some recuperation and rehabilitation could be a bypass, surgery could be a transplant, could be a stroke.

All seniors who come from outside India or outside the city where we have operations and need to stay pre and post surgery in a safe and secure environment. That's for what we call as Care Home is more popularly called Assisted Living outside India.

The third vertical is Care at Home Services where seniors require the convenience and in the environment of their home whether it is physiotherapy, diagnostics, critical care, end of life care, and palliative care. All those services are able to provide the convenience of their home.

And the last vertical we're focused on what we call as patient aid. These are basically aids that seniors require to aid their recovery could be orthotic aids like support for back, knee, ankle, neck, elbow or could be respiratory aids, could be bathroom accessories, could be wheelchair, could be walker, etc. So, that brings the entire system together. We started our journey way back in 2013 with our first community in Dehradun where we bought the land, we constructed ourselves, we sold it ourselves, and we operate the community. As we speak today gives me great pleasure to announce that 91% of the inventory is already being sold. So, after 197 about 179 units have been sold. The community is vibrant and buzzing with 125 people who are staying there.

Till date we have collected about Rs. 510 crores as of March 22 and this segment achieves a monthly sales in last three months of about 3.3 units and a monthly sales collection of Rs 8 crores in Q4 FY22.

Our resident satisfaction scores are quite high always 90% plus which is great vindication of the services that we offer and the other silver lining is that the 50% of sales are coming through resident referrals which is reflective of both the brand and the quality of services that we provide to residents.

The pandemic in fact has accentuated the need for such safe and secure abodes for senior citizens. So, based on learnings from Dehradun we launch the second community in 2020 in Noida. This is sector 150 which is a sports sector, 84% is green only 16 is supposed to constructed and a golf course run through our community. For this we collaborated with a developer for land and we had a SPV which took the debt for construction. Our role is helping design the facilities, do the construction, sell and then operate it eventually.

At this point of time since launch is already sold about 73% of the Phase-1 inventory. In Phase-1 we have about 340 units 73% to 74% are already sold. This also has very marquee players like Tata, ATS and Godrej in the same sector. In terms of construction, they are quite on time having completed raft foundation, the piling work the basement and ground floor roof slab, all the three towers are R1, R2, and R3. The construction is expected to finish by Q1 of 2025. We've already sold about 249 units as I said earlier and collected about Rs. 82 crores till March 22 and a monthly sales velocity of 12 units and as collection of Rs. 5 crores in Q4 of 2022.

The other advantage we have in Noida is that selectively we have been able to increase the prices and demand a premium over normal residences every year which will help us procure a healthy IRR and to some extent also mitigate the current impact of the rise in construction costs.

The second bet that we took was on assisted living. We launched two homes in 2020 one in June and one in December. So, currently in FY22 we have served about 6400 patients. We've launched two Care Homes and a bed capacity of 70-90 beds including 10 beds for memory care.

We've launched about 16 products and services lines and Care at Home and managed about 1100 SKUs for the medical equipment business.

For the Care Homes, currently we are largest provider in NCR and we've also launched a variant. So, Gurgaon and GK2 were earlier full-service Care Homes where all the services operated by us. The CAPEX spent by us and we launched a lighter version as well which we call in our old parlance an operator model which is near the hospitals Medanta and Apollo in Gurgaon and Delhi. We also launched a very unique offering of a first mobile health check-up van. It's a van which is fully fitted out. It has x-ray, TMT, doctor consult, ECG, blood work all can be done in the van. So, Senior does not have to travel to any hospital for doing a regular health checkup.

On the medical equipment side all the fundamentals are in place, warehousing, inventory procurement, logistics everything is in place. All our processes – clinical, non-clinical are in place. Very happy to report we're the youngest organization to receive a QAI certification for our Care at Home services. This is somewhere similar to what NABH does for hospitals, **QAI** does for Care at Home services. Again, indication of a strong processes that we have put in place and therefore our customer satisfaction scores across these three new verticals have been consistently upwards of 85%.

Quick highlight of our consolidated performance of Q4 and FY22:

The company's revenue grew by 44% from Rs. 35.8crores in Q4 FY21 to Rs. 51.5 crores in Q4 FY22. The EBITDA loss reduced from about 9.5 crores in Q4 '21 to Rs. 1.5 crores in Q4 22 and looking at full year performance our revenues increased by 83% from Rs. 129.6 crores in FY21 to Rs. 237.4 crores in FY22 and the EBITDA loss reduced from Rs. 29 crores to a very small number of about Rs. 70 lakhs in FY22. Our PAT loss also reduced by 66% from Rs. 53.1 crores to Rs. 18 crores in FY22 and a decline in the losses was primarily due to higher sales collection and lower finance cost in Dehradun. Again, the numbers a great vindication of the path we have chosen, the sector we have spotted, and the opportunities we are pursuing. The company continues to maintain a very healthy and robust balance sheet with consolidated net worth of Rs. 637 crores and well capitalized with Rs. 570 crores of assets and treasury corpus of Rs. 409 crores and other monetizable assets of Rs. 160 crores to support both the capital reduction and Antara's growth plan.

In terms of assisted care segmental performance:

The Care Home net revenue was nearly 5x on a year-on-year basis to Rs. 4.4 crores in FY22 and this is primarily attributable to the improvement in occupancy in Gurgaon Care Home which achieved the breakeven within 20 months. If you recall we had said a few quarters earlier that Care Homes will breakeven within two years. The Gurgaon Care Home has now indeed broken even. In March 22 at 45% occupancy because we have managed to optimize cost. The average occupancy improved from 10% in FY21 to 24% in FY22. In Q4 the average occupancy improved from 12% to 28%.

The Care at Home net revenue has risen by 3.4x year-on-year basis to Rs. 8.8 crores and the Med Care net revenue has risen by 4.2x to about Rs. 3.2 crores in FY22.

Just to summarize:

Our endeavor is to achieve higher growth by a sharp focus on all the four verticals. We've outlined a 5-year vision that we are planning to invest Rs. 300 crores across these verticals. We have enough liquidity in our balance sheet to be able to fund the growth and going forward on the residency side we want to develop a three-pronged strategy for enter, expand and excel.

We are looking at Gurgaon as a geography. We're also looking at the south for residences for seniors and the Care Home segment we are now focus on increasing our footprint and number of beds in NCR in the next six months and Care at Home is to deepen the product offering. On Med Care side we've had some experience and we're exploring in terms of SKUs and sourcing so that we're able to increase our margins.

We aspire to be a multi-location company in the next 5-6 years with 5-7 or 8 communities of residences. About 2000 beds in Care Homes/Memory Care Home and a very robust Care at Home and Medical Equipment business thereby achieving the revenue of Rs 400-500 crores as we had outlined many quarters back.

So, I'll stop here. Any questions more than welcome.

Moderator: Ladies and gentleman. We will now begin the question-and-answer session. The first question is from the line of Nisha Desai from Raga Securities. Please go ahead. Nisha Desai your line unmuted. Please go ahead with your question.

Nisha Desai: Hello good afternoon sir. Thank you for taking my question. So, I would like to ask that so what is the business model in the Med Care segment and is it only sold online or is it omnichannel also?

Rajit Mehta: Currently it is an omnichannel business we're doing through our website not yet through listing on any platform. We also have an offline sales force. There both the sale and rental model, rental model obviously the margins are quite high. So, at this point of time we are focused on omnichannel approach. We are evaluating a few other approaches but that's too early for me to comment.

Nisha Desai: Okay sir. So, then my next question is what is outlook in terms of revenue and profitability over next three years?

Rajit Mehta: As I said for the entire Antara assisted care services for the next 3-5 years we are looking at a revenue of Rs. 400-500 crores across the four verticals. Of all three verticals the Antara senior living is a different vertical where it operates in terms of financial very differently. So, this revenue I am talking about the three new verticals.

Ajay Agrawal: Hi this is Ajay. The Antara Senior vertical in a 3–5-year timeframe would give approximately Rs. 250-260 crores of revenue. So, that gets summed up in the consolidated level.

Moderator: The next question is from the line of Anjana Shah from Shah Investments. Please go ahead.

Anjana Shah: Thank you very much for this opportunity sir. So, my first question is relating to our assisted care services. So, sir in this business what will be the main revenue driver in coming year?

Rajit Mehta: So, I have said three verticals in this. There main driver is Care Homes. This is what is called assisted living outside India. This has three variants. There are long stay, short stay and memory care why this will be the biggest driver and the next driver will be the Care at Home services and the medical equipment.

Anjana Shah: Right so sir another question was can we expect like around 100% sales to be achieved at Dehradun project by Q1 FY23. Expect sale of all units at Noida in FY23?

Rajit Mehta: Well hopefully in the next two months we should be able to sell 100%.

Anjana Shah: Okay but sir if you see our revenue in Noida Care Home basically declined in Q4 FY22 though could you explain why what is the reason for the decline?

Rajit Mehta: In Noida Care Home?

Anjana Shah: Care at Home revenue.

Rajit Mehta: Yes.

Anjana Shah: The Care at Home revenues in Q4 FY22 against last year on YOY basis. If you could give the….

Ojasvi Ghosal: Is it about Care at Home or Care Homes?

Anjana Shah: No, it is about Care at Home?

Ojasvi Ghosal: Okay. Care at Home Q4 21 was Rs 1.19 crores and Q4 22 is Rs 1.25 crores. So, approximately 5% increase year-on-year basis.

Moderator: Thank you. The next question is from the line of Anant Mundra from Mytemple Capital Advisors. Please go ahead.

Anant Mundra: Thank you for the opportunity. Sir I just wanted to understand we have around 6 subsidiaries and 2 joint ventures. So, just want to understand what is the business carried out through each of these subsidiaries and JVs?

Ajay Agarwal: From our overall year perspective because lot of subsidiaries are now basically not operational for that to Max Skill First and there's are coupe of other companies. So, main subsidiaries for Max India is two which is Antara Senior Living Limited and Antara Assisted Care Services Limited. Antara Assisted Care Services take care of the three verticals what Rajit mentioned which is the Care Home, Care at Home and Med Care and we intend to grow all our assisted services activity in this company. Other companies Antara Senior Living Limited which will focus completely of residences of seniors. The Dehradun property what we developed required a SPV which was registered at Dehradun and that is the reason why had to create another step-down subsidiary of Antara Seniors which is Antara Purukul Senior Living Limited. Post the Dehradun completion we don't intend to have any more business in that company and that will run in an autopilot mode for the operations of Dehradun. So, these are the three main entities which are going to remain under the flagship of Max India.

Anant Mundra: Okay and what about the JVs. There are a couple of JVs as well?

Ajay Agarwal: There are only one operational JVs presently which is Contend Builders Private Limited wherein they are developing the Noida project as explained by Rajit sir we are into a partnership with a land owning and that license is in Contend Builders and that is the reason we have to go and do a JV format. Going forward the Antara strategy is that way we are doing separate JVs for separate projects wherein we'll bring in our knowhow partnership and they will bring their construction capabilities and land.

Anant Mundra: Okay. All right and with regards to the Noida project. So, we've done like most of our bookings have happened front end however most of the construction is yet to happen however construction costs have really escalated now. So, earlier we were estimating that our IRR in the project could be around 18-20%. So, do we still hold on to that or given the increase in commodity cost that we might have to revise those numbers?

Ajay Agrawal: So, IRR what we expected from Noida project since inception was approximately 18% and we aspired that with the pricing increase in sales will be able to achieve 20%. Unfortunately, we have seen unprecedented increase in the commodity cost but still by the price increase in the remaining units for Phase-1 and the balance units in Phase-2, we feel that we'll be able to contain our IRR to 17% range kind of plus/minus of few percentages . Not a very remarkable difference but yes there is a stiff challenge on the IRR because of this increase in construction cost.

Anant Mundra: Okay and in the Noida project we are also looking after the construction right? But in future our strategy is not to look after the construction.

Rajit Mehta: Correct.

Anant Mundra: Okay and is there any like I remember a couple of calls back you were planning to close some projects in Gurgaon for the residences for senior's segment. Is there any update like is there what is the pipeline like in the residences for senior's segment?

Rajit Mehta: Very close to signing the MOU for Gurgaon now and already spotted opportunities in south. In the next few months that MOU also will be in place.

Anant Mundra: Okay that is very good. Thank you and one last question what kind of recurring revenue can we expect from the Dehradun project because I think the clubhouse is still owned by us and the same thing is going to happen I guess with Noida and the other properties that we develop as well. So, is there some model that we can develop around what kind of recurring revenue that we can expect?

Rajit Mehta: So, in the Dehradun about Rs. 12-15 crore in that range depending on what is the consumption of services that range. Noida too early for us to comment but should be

Ajay Agarwal: Phase-1 should get approximately from Rs.7-9 crore.

Rajit Mehta: Rs.7-9 crores in Phase-1 and a little smaller number in Phase-2.

Ajay Agarwal: But typically, we're going to work on a profit margin of 15-20% as a stakeholder interest that could be the ball park number irrespective of what the revenues would be.

Anant Mundra: Okay and sir is the Antara brand owned by a Max India?

Rajit Mehta: Yes very much.

Moderator: Thank you. The next question is from the line of Viresh Sangwan, an individual investor. Please go ahead.

Viresh Sangwan: Just interested in knowing so once the property for the senior living. once the property its operationalized fully sold so what are the revenues stream clubhouse I can think of maybe some maintenance cost. So, one of a tenant who is living independently and when that person becomes some when he needs some medical assistance. So, what are the revenues streams there?

Rajit Mehta: Yes there are four or five revenues streams. So, one is regular you maintenance that let's keep aside that's for the infrastructure. There is a healthcare revenue stream. There is a cuisine where revenues stream, there is a usage of wellness areas revenue stream right? And there is a usage of housekeeping and laundry services revenue stream. So, there are four or five revenue streams that come through the largest obviously being healthcare as seniors age. The numbers reported earlier let's say for Dehradun the Rs. 12-15 crores represents this 4 or 5 revenues streams.

Viresh Sangwan: I heard about Gurgaon any plans in near Chandigarh area in north?

Rajit Mehta: Not as yet after Gurgaon our focus is south and west clusters. After that perhaps Chandigarh might come.

Viresh Sangwan: One last question is on the medical equipment side. So, are we the original manufacturers or we let it manufacture from somebody else and just label it and under our brand and then

Rajit Mehta: Currently we're trading and sometime this year we will start sourcing and white labelling.

Moderator: Thank you. The next question is from the line of Ankit Agarwal from ARC Capital. Please go ahead.

Ankit Agarwal: I have a couple of questions here with the first one being why contribution margin on the lower end in Care at Home business and like how do we see this going forward?

Rajit Mehta: So, yes the contribution margin is under pressure on Care at Home because we've have had a Covid related disruptions plus there are most hospitals wanting to venture into that business. So, that is something we're watching. I think our focus is to look at the high margin contributors which is critical care, physiotherapy and diagnostics. Our focus is shifting towards those three to be able to increase the contribution margins while we'll provide caregivers and nurses as a completion of service we'll focus on the three biggest drivers of margin on this track.

Ankit Agarwal: Okay sir one more thing how many Care Homes and Memory Care Homes do you plan to open say over the next two years and as you mentioned in you are targeting the south and west regions so are those the regions where you will try to open these extra homes?

Rajit Mehta: Actually as I said we already have about 90 bed in NCR will go up to about 225 in the next few months and then over the next 3-5 years we want to open about 2000 beds of Care Homes and memory care in NCR in the western cluster and the present cluster.

Ankit Agarwal: Okay fine and so one last question on the medcare segment. Se the revenues have dropped by like around 14% if you see this quarter on a YOY basis and also sequentially they have dropped by around 38%. Any specific reason for the change?

Rajit Mehta: On Med Care you mean?

Ankit Agarwal: Yes.

Rajit Mehta: Yes so on that there was an acquisition we had planned that fell through sometime in October 21 and we had to then relook and figure out our strategy that took a while. So, there's been a transition that we have done. Then we took time to set up our own backend capabilities of rental warehousing, inventory etc. So, that's the reason you are seeing a drop but soon the next two quarters you will a recovery on this.

Moderator: Thank you. The next question is from the line of Manan Mehta from Mehta Securities. Please go ahead.

Manan Mehta: Thanks for the opportunity sir. So, I have a couple of questions. The first one is at the Noida project. So, what is the cost of an apartment and how much percentage of price hike could we do every year?

Rajit Mehta: So, the costly apartment varies between Rs. 1.5 to 2 crores depending on the size that you choose and we normally do price increases twice a year in the range of about 5%. We're exploring a little more of this year to be able to overcome the challenge of the phenomenal increase in the commodity price.

Manan Mehta: Okay so again there would two price increases and but giving more than 5%?

Rajit Mehta: Can't comment it could be more than 2 and could be more than 5.

Manan Mehta: The second question in the investor release so we have seen the launch of two Care Homes under the operator model. Second please elaborate on what models are possible and how has been the occupancy trend and if possible when can Max achieve breakeven.

Rajit Mehta: Yes so basically in the Care Home the first two that we built in Gurgaon and GK-2 are full-service meaning that we have taken the entire property on rent, spend about 6-7 lakhs per room in terms of CAPEX. The average realization is about Rs. 4000-5000 per room per day and all the services are being operated by us whether it is medical services, engagement services, cuisine, housekeeping etc. The operator model is primarily meant for short stay. These are transitory care patients who need pre and post surgeries stay. They are in the vicinity of the hospital. We start with about 10 rooms. The CAPEX is quite light. It's one lakh per room and the average realisation between Rs. 2000-2500 per room per day. That was essential difference there we provide all the medical services the customer experiences ours. However, the operator of the entire facility gives us the F&B as well as the housekeeping services. In terms of occupancy trends as we have said in Investor Deck there has been a consistent growth over the last few quarters. I already read out the numbers. I'll repeat them again. So, in FY22 the occupancy was 24% compared to 10% in FY21. In Q4 FY22 they grew from 12% in the same period FY21to 28% in Q4FY22. So, that's been the occupancy trend. In Gurgaon as I said we already broken even so 45% occupancy. The center has already broken even.

Moderator: The next question is from the line of Raj Joshi from ACE Securities. Please go ahead.

Raj Joshi: Sir I have a couple of questions. So, the first one is the residence for senior segment contribute majorly to the overall revenue as compared to the assisted care services. Can you throw some light on the revenue mix of these business?

Rajit Mehta: Residences for seniors are very different business where the collections are based on the price of the apartment. It's outright- sale and the collection trajectory. So, that frankly is an apple to oranges comparison.

Ajay Agrawal: Just to give a ball park the revenue from residences is Rs. 187 crore as compared to Antara assisted care of Rs 17 crores but I again reiterate what Rajit sir said those are completely different numbers Antara assisted is a growing company just started and we have aspiration to bring it to X crores level in 3 or 5 years while Antara seniors the revenue is now coming because we have been able to sell the completed construction. So, that will be a very cyclic kind of a turnover for example my Noida project is not giving me presently the possession income that will come in 2025 so both are not apple-to-apple comparison.

Raj Joshi: Okay. So, how is the competitive intensity in the residence for seniors and assisted care business and who are the major players in the residence for the senior segment?

Rajit Mehta: Residence for seniors there are several people but on different formats. So, Ashiana is more affordable housing and that's in the north and west and now south. In south we have Columbia Pacific Holding. You also have Primus Mantri those are some of the competitors on the residences. On Assisted Living it's a very fragmented market still. People are doing one home or two home or three homes at best. So, you have Golden Estate in the north. You have Epoch Memory Care in the north. We have Covai Care in Coimbatore, Athashri in Pune. We have Athulya in Chennai but again all is a very small operator with one or two Care Homes only. There's nobody playing the game at scale.

Raj Joshi: So, then in terms of market share where does Max India stand?

Rajit Mehta: Well difficult to comment as I said it's a very fragmented market. There's nothing is reported for me to comment on that and only thing I can say is the Antara is the only player doing the integrated ecosystem of all verticals. Nobody else is doing it and we are planning to do it as scale which is not what others are doing at this point of time.

Raj Joshi: Okay sure sir. And sir my last question is what is the Antara's USP in the business model as compared to its peers?

Rajit Mehta: So, two or three A) we certainly have an early mover advantage, build the reasonable brand in the senior care space. B) we are able to combine our lineage and competencies of healthcare, infrastructure, hospitality to be able to bring together both lifestyle and life care offerings for seniors and therefore I keep on talking about the integrated ecosystem. Whatever needs senior have we are able to provide. That's the second and third as I said is our culture which has been a hallmark of the Max brand in terms of Sevabhav and service excellence with differentiate the last mile delivery and therefore that is reflected in the very, very high customer satisfaction source that we have both in Antara senior living and Antara assisted care services. Thank you that is from my side. Okay.

Moderator: Thank you. The next question is from the line of Anant Mundra from Mytemple Capital Advisors. Please go ahead.

Anant Mundra: Sir just wanted to understand through what are we trying to exactly do through the Medicare vertical like what value are we adding in the entire ecosystems here? Can you please just elaborate on the business model of Medcare exactly?

Rajit Mehta: So, the Antara Medcare is equipment on rent and for sale. This is meant to aid the recovery of seniors. So, starting from mobility aids like wheelchairs, walker, walking stick, orthotic support which is meant for knee, back etc to products for bathroom accessories, air mattresses, hospital beds, oximeters, oxygen concentrator, adult diaper. So, all that seniors need to lead a life of self-respect and dignity and to aid their recovery is what we're able to provide. The advantage that we have multiple touch point with the customer we're able to cross sell and get synergy and that is quite evident from the revenues that we're able to convey now at this point of time. So, that's the medical equipment or patient aids on Antara Medcare segment. The model is both for rental and sale. Currently we're trading but we'll soon get into sourcing and white labeling to be able to improve our margin. It's an omnichannel approach. We have an online presence. We also have an offline sales force who are regularly in touch with these patients through digital as well as through references from hospitals. We also have a store in Delhi, flagship store through which we sell these equipment so that's the business model and that's how it fits into our integrated ecosystem.

Anant Mundra: Okay so the density of these Medcare stores would be lesser than the density of our Care Home center because then we can and we can aggregate demand for 4/5 centers into one center or how would that work?

Rajit Mehta: Going forward our ambition is to deepen our presence through digital. Therefore, we'll explore whether it's listing or through our own platform and we'll have flagships stores in each city that we enter to be able to signify our presence. Advantage also we have is that we have physical location in terms of Care Homes and residences. So, in some sense we already have physical points of presence where we can put up kiosk to display these equipments.

Anant Mundra: Sir one final question we have a land parcel in Greater Noida. How do you plan to utilize this land parcel?

Rajit Mehta: That land parcel was meant to look at an integrated healthcare provider so provision for seniors from residences towards Assisted Living services. At this point of time, we are exploring what are the possibilities. So, no plans yet for development. Also remember this is a joint development agreement with I-Care. So, we are yet to finalize plan for that.

Ajay Agrawal: So, basically what we decided in this is that since we're going to the Phase-2 of Antara Noida the project at Greater Noida should not cannibalize our own project. So, our plan to develop in this would be post we launched a Phase-2 and by the time we're all storing more how we can create some integrated faculties in this to make it a landmark project or we'll explore monetization also.

Anant Mundra: Is there any capital that is invested in the Greater Noida land parcel? How much would that be?

Ajay Agrawal: Rs 60.50 crores had been invested to the deposit because there are certain terms and conditions which are supposed to be met by the authorities which we're working on.

Anant Mundra: Okay I understand it's a joint venture. So, the land is not in our name?

Ajay Agrawal: Land is not in our name. So, that is the reason why a deposit model has been routed through because by this whole structure of the transfer, the charges etc there's a lot of tax leakage which happens and to maintain that tactically in all projects at Greater Noida is always the JV which works.

Anant Mundra: Okay and sir the JV partner is who again?

Ajay Agrawal: They are the landowner people.

Anant Mundra: Okay all right and the plan here when we got into an arranged joint venture with them was again that the construction will be looked after by us and they'll looking after the construction and we'll doing the designing and sales and marketing?

Ajay Agrawal: We'll be doing all the designing sales marketing. For construction we'll hiring a PMC and a construction company which will do the construction.

Moderator: Thank you. The next question is from the line of Viresh Sangwan, an individual investor. Please go ahead.

Viresh Sangwan: What is the cross-sell opportunity between the senior living and the assisted care and if it does exist like is it on per call or per need basis or is there some offering like some way we have monthly maintenance similarly kind of monthly some package and maybe some doctor visit or some doctor visits might be free. So, what's the opportunity there?

Rajit Mehta: Yes there are three opportunities one for people stay in residences for seniors. They pay a monthly charge is covered them for access to primary healthcare services. This includes access to a nurse, access to a doctor that included. That's one part. The second part is there are certain services that require on call which could be pathology, physiotherapy, any diagnostic service that they need, any specialist consult that they need, pharmacy that they need that is all pay per use model. Third is medical equipment that the same thing is required sometimes equipment for themselves that also paid for. We are already seeing synergy. So, in Dehradun as the community has developed as people have aged the healthcare needs have gone up right? So, when we start Noida same thing will happen. Also, in the Care Homes there are patients who are staying with us for more than a few months. We're seeing a consumption of exclusive nursing facility, physiotherapy, pathology, some equipment like air mattresses, hospital beds. So, we're already seeing synergies play out. We're resumed a 10% cross-sell in the assisted living or the Care Homes and currently we're getting about 22-25% cross-sell.

Viresh Sangwan: Okay and since doctor visits you were saying so where do the doctors resides? At least in the daytime the stay in residences itself?

Rajit Mehta: Yes, so the doctor in Dehradun is resident is in the facility from morning till evening so are the nurses and GDA and the care givers.

Viresh Sangwan: So, are we also exploring opportunities in senior residences but just on the operational front if just a big developers like Mahindra or somebody develop and everything and then we as Antara manage all the things?

Rajit Mehta: At this point of time no because the returns are quite small both in percentage and absolute terms. So, as I said that community of 250 units will perhaps yield a Rs 7-9 crores of annual operating income of that is a 20% margin at best. So, is quite small. Therefore, we're preferring to participate a little bit in equity not too much as we enter this segment in new city. So, that's very healthy IRR but just to add once we are in a stable state you as we aspire to have 7-8 communities at that time we'll have a much better visibility to come full-fledged as a pure operator model also and we can have an arm but it's too early to say today.

Moderator: Thank you. The next question is from the line of Rajesh Toshniwal, retail investor. Please go ahead.

Rajesh Toshniwal: Good evening all sir I just would like appreciate if there is an update on that capital reduction scheme which was proposed sometime in October 2020 and which is pending before NCLT since long. Sir recently we saw that there were a short dates in March and April and February but now I believe there's a note in the accounts that the next date is somewhere around July. So, when do we see closure to this matter sir. Thank you?

Rajit Mehta: Yes so we are equally eager to close this matter from our side as I said all approvals from everybody else except NCLT are in place. The backend in terms of how to operationalize, etc., is also in place. We have requested the NCLT for a short date but as I said they are preoccupied with IBC matters and they prioritize those over this. They've gone now for the summer break when they come back only in June since trying and requesting them to prepone the date from July because we're quite eager to conclude this matter. So, at this point of time unfortunately just have to wait for NCLT from our end everything is ready.

Rajesh Toshniwal: But sir we now seriously contemplating requesting our lawyers to seek an earlier date than 28th July sir?

Rajit Mehta: Absolutely.

Rajesh Toshniwal: And if let's say if we get the clearance as it ought to be it's a routine matter and the promoters also not participating it's for the benefit of public shareholders. Sir then when do we see closer. Let's say by 30th of June we have this order hypothetically speaking. So, when can our shareholders see money in the bank account sir?

Rajit Mehta: Within 35-45 days post that.

Rajesh Toshniwal: Thereafter?

Rajit Mehta: Yes.

Moderator: Thank you. The next question is from the line of Naysar Parekh from Native Capital. Please go ahead.

Naysar Parekh: My first question is on medical tourism, are we seeing any uptick on that in both domestic and international and what is the impact that we're seeing on our various Care Home facilities as a result?

Rajit Mehta: Yes so that traffic has started back now in the NCR at least and the last one month we've seen about 7-10 movements already from international patients. Please remember our focus is on elders and on long stay patients but we have seen in the last 30 days 7-10 movements of people who have come from outside India.

Naysar Parekh: And the second question is just in terms of the Noida Phase-2 and any timeline on when if you can just provide any timeline or one completion of Phase-1 and the launch for Phase-2 thank you?

Rajit Mehta: So, as I said earlier the construction completion for Phase-1 is targeted for on December 24 or early part of FY25. As far as Phase-2 is concerned we should in the next 10-12 months start selling that post of course some approval that we have to procure but we should start selling in the next 10-12 months face towards that.

Moderator: Thank you. Ladies and gentlemen as there are no further questions. I now hand the conference over to Rajit Mehta for his closing comments. Over to you sir.

Rajit Mehta: Yes thank you very much everybody for the questions. Happy to share all the details. I'll just like to reiterate three or four things. Antara has an early mover advantage in this very exciting space which is evolving very fast. It's already a \$10-\$15 billion market. We have built a reasonable brand at this point of time we have spotted the verticals which provide good opportunity and healthy margins for future growth, achieved reasonable traction so far. So, we're well on our way of building admirable and trusted brand to inspire, to improve and enrich the quality of life of seniors. We've enough liquidity to be able to support Antara's growth plan and we are quite unique and the only ones and the only branded player trying to create an integrated ecosystem for seniors. So, hopefully we should be able to create impact in the next 3-5 years. So, thank you very much for your listening, for your questions and see you next time.

Moderator: Thank you very much members of the management. Ladies and gentlemen on behalf of Max India Limited that concludes this conference call. Thank you for joining us and you now disconnect your lines.