June 1, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Scrip Code: 543223

Scrip Code: MAXIND

Dear Sir/Madam,

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

Transcript of Investors & Analysts Conference Call held on May 26, 2023, post declaration of Audited Financial Results of the Company for the Financial Year ended March 31, 2023, is enclosed.

The same has also been uploaded on website of the Company at https://www.maxindia.com/investorrelations/disclosures

You are requested to take the above on record.

Thanking you,

Yours faithfully

for **Max India Limited**

PANKAJ CHAWLA Digitally signed by PANKAJ CHAWLA
Date: 2023.06.01 15:52:41 +05'30'

Pankaj Chawla
Company Secretary & Compliance Officer

Encl: as above

"Max India Limited
Q4 FY'23 Earnings Conference Call"
May 26, 2023

MANAGEMENT: **MR. RAJIT MEHTA – MANAGING DIRECTOR – MAX INDIA LIMITED**
MR. AJAY AGRAWAL – CHIEF FINANCIAL OFFICER – ANTARA SENIOR LIVING, HEADS INVESTOR RELATIONS – MAX INDIA LIMITED
MR. ISHAAN KHANNA – CHIEF EXECUTIVE OFFICER – ANTARA ASSISTED CARE SERVICES
MR. SANDEEP PATHAK – CHIEF FINANCIAL OFFICER AND LEGAL HEAD – MAX INDIA LIMITED
MR. ANKIT KALRA – CHIEF FINANCIAL OFFICER – ANTARA'S ASSISTED CARE
MR. NISHANT – INVESTOR RELATIONS – MAX INDIA LIMITED
SGA – INVESTOR RELATIONS ADVISOR – MAX INDIA LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Max India Limited Q4 FY '23 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 the 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 star then zero on your touchtone phone. Please note this conference is being recorded.

I now hand the conference over to Mr. Rajit Mehta, Managing Director of Max India Limited. Thank you, and over to you, sir.

Rajit Mehta: Thank you. Good morning, everybody. On behalf of Max India Limited, a warm welcome to all of you for this Q4 FY '23 Earnings Call. For the benefit of the audiences that are joining us for the first time, I have with me my colleagues, Mr. Ajay Agrawal, who is the CFO for Antara Senior Living, and also heads Investor Relations for the company, SGA, our Investor Relations Advisor, also Ishaan Khanna, who's joined us in April as CEO for Antara Assisted Care Services, Sandeep Pathak, who is a CFO for Max India and the Legal Head for the group as well, and Ankit Kalra, the CFO for Antara's Assisted Care and Nishant from Investor Relations team.

Yesterday, we already uploaded our investor's presentation, I hope all of you have got an opportunity to see that, but I will just take you through the highlights. Before I delve into the business details, just an update on the unfortunate fire incident that happened in one of our Care Homes in South Delhi, in our wholly owned subsidiary, Antara Assisted Care Services (AACS). The matter was under investigation by the police authorities and AACS team cooperated with all the authorities during the process.

The police has now filed a charge sheet in the matter against the person responsible for this unfortunate incident, who happens to be a relative of one of the residents. We have been and again expressed our deep sympathies to their families and our thoughts remain with them. We assure you, we'll extend all our cooperation in the future as and when required.

Now let me shift to some of the business highlights. As you can see from our presentation, the growth story is quite visible, and we continue to improve our financial results. Our revenue after adjusting some one-offs that we had last year, like the sale of land and some COVID revenues and the revenue from a company called Max Skill First, which we have closed. If you keep that aside, our revenues have gone up by 16% to INR 213 crores in FY '23, up by 17% to INR 60 crores in Q4 FY '23.

Our consolidated EBITDA improved to INR 12 crores in FY '23 from a loss of INR 1 crore in FY '22, which is quite heartening to note. And the Q4 FY '23 EBITDA further improved to INR 5 crores from a loss of INR 2 crores in the corresponding previous quarter.

Treasury and other monetizable assets, which are represented by Max Towers and the Greater Noida Land parcel stood at a healthy number of INR 530 crores. This includes a significant treasury of INR 80 crores in Antara Purukul Senior Living. Doon project is PBT positive and on generating surplus cash., On consolidated basis, very strong balance sheet position, a net worth of INR542 crores as of Mar’23.

On the residences side in Dehradun, we are only left with four units, two of them are inhabited by our General Manager and the doctor from in the campus. We have achieved a rise of 25% in our collections from a cumulative INR 510 crores in March '22 to INR 638 crores in March '23.

Our Noida Phase 1, very happy to report, we are all sold out. All 340 units have been sold out. We have achieved a collection of about INR 252 crores, which is a 2.1x growth over last year. And the other good part is that collection efficiency is 97%. It also shows the quality of sale that we have done.

In terms of construction, again, very happy to report we are ahead of our targets, already completed 29 floors in residence 1, 27 in R2 and R3 as of March '23, which means we are constructing 1 floor every 15 days. And we are in line with our aspiration of handing over possession in the last quarter of FY '25.

On Antara Assisted Care, similarly, our overall net revenue increased by 42% to INR 16.1 crores in FY '23 from INR 11.14 crores in FY '22. In the current quarter, the net revenue increased by 54% to INR 4.5 crores in the Q4 from INR 2.9 crores in the corresponding quarter last year. The Care Home's net revenue increased by 50% to INR 6.6 crores in FY '23, compared to Rs 4.4 Cr in FY '22. And net revenue similarly in the quarter grew by 28% to INR 1.6 crores led by a ramp-up in occupancy with similar contribution margin and some increase in bed capacity as well.

The Gurugram Care Home, which we have been saying that each care home on a steady-state basis should become contribution positive within eight quarters. In the Gurugram Care Home, which is a proof of success, the margins have improved from - 25% to 13% in the last eight quarters. And hopefully, as we ramp-up occupancy, 13% margin a should trend towards a much higher number in the future. And that's the validation of our model and economics which we have put in place.

On Care at Home, the net revenue increased by 18% to INR 6.1 crores in FY '23 from INR 5.1 crores, excluding, COVID revenue in FY '22. And in the quarter, the net revenue grew by 23% to INR 1.5 crores, led by our focus on high-margin service offering with positive contribution margin of 12% in FY'23.

On MedCare, the net revenue increased by 86% to INR 3.5 crores in FY '23 for INR 1.9 crores, excluding COVID revenue in FY '22. And in the quarter, we grew by about 2.3x. You might see a slight dip in margins in MedCare, and that's because we revalued some of the inventory and that re-evaluation has caused some of the dips that came in the quarter.

Some of you may have joined the call for the first time. So I'm repeating, I'm sorry, for others who already heard me say very often that we are perhaps the only organization in India which has created a complete integrated care ecosystem for seniors because we have competencies of hospitality, health care, real estate, all available to us under one roof.

This is quite appropriate. The seniors as they age and their needs change, they're able to look at the same provider. To give you an example, if you look at Dehradun as our residents move in more-and-more and age, we are finding their need on health care are going up, and we're able to easily provide them through our Antara Assisted Care verticals.

In terms of overall market size, the market continues to be very large $10 to $12 billion. In fact, a very interesting study by McKinsey recently also pointed out that if you look at set A, set B population in 30 cities, that's about INR1.6 crores, which is our target population. We are spending about INR 48,000 crores to INR 50,000 crores per annum on non-health services, which means a pool of INR 40,000 crores to INR 42,000 crores is available for tapping to our integrated ecosystem. This data just came out last month.

We're already present in NCR, but soon stepping out into South and West. Bengaluru already begin the entry, hired a team, looked at an office space. I'll talk more about it as I go along. Just to reiterate, in the integrated care ecosystem, we have four verticals for seniors who are independent but want to live with like-minded people in a safe, secure environment with primary healthcare services. We have independent houses. We call it Residences for Seniors. Dehradun was the first residence that we had and now in Noida. And similarly, Gurugram, Bengaluru, Pune and similar places in the future. We've already signed in principal key terms for Gurugram and Bengaluru which colleague, Ajay, will talk about as we go along.

For seniors who can't be maintained at home due to age-related issues in terms of mobility, medication, bathing, monitoring or gone through an intense medical episode and needs some recuperation for a couple of months, they can come to our Care Home facilities. Also in India, this is popularly referred to as assisted living and for people who have cognitive neuro disorders like Alzheimer's, dementia early stages, we also offer the Memory Care Home option.

For those who require the services in the convenience of their home, we offer Care at Home services from critical care, physiotherapy, diagnostic, nurses at home, caregiver at home, pathology, etc., about 16 service lines. And for their recovery and comfort, we also offer a range of products like wheelchairs, commode chairs, walkers, as you can see, this is completely now capturing the synergies that we have.

And now imagine the 8 to 10 communities that we want to bring in the future, these are actually captive seniors staying with us and whatever needs they have we will be able to fulfil, which means our customer acquisition costs will start coming down, the way it's coming down in Dehradun or in Care Homes.

We did commence our journey in 2013, have come a long way from there. If you look at Dehradun particularly in FY '23, we sold 14 unit with an annual sales collection of INR128 crores. The project continues to be debt free and cash and PBT positive. It's a vibrant community now with more than 150 residents staying inside enjoying our services in a very pristine environment and the resident satisfaction score continued to be above 90%.

And the other important factor in Dehradun is that over 50% of our sales come through resident referral which is a great vindication of the belief that they have in the product. We leveraged the learnings from Dehradun and put that into sector 150 in Noida. So therefore, we've been able to see more success in Noida. Launched in 2020 as a joint development model it's already been sold out. And the important thing to remember is that the last price that we realized was 50% higher than the launch price. To some extent, this helped us neutralise he impact of the rising material cost.

Specifically, in FY'23, we sold 91 units in Noida with an annual sales collection of INR 170 crores. To securitize the seamless construction activity, we have secured a INR 75 crores loan term ability from Aditya Birla Finance Limited out of which already INR 40 crores was drawn. And now we only have an outstanding amount of about INR22 crores as of March '23. We're now preparing for the launch of Noida Phase 2, the RERA application has been filed and the liaisoning is on with Noida and RERA for the approvals.

As I said earlier, the key terms for development of residences in Gurugram and Bengaluru already have been finalized. In Bengaluru, it's a very good development just about 10-12 minutes from the airport in North Bengaluru already two senior living facilities are already in that community. It's 200-acre development. So it's a buzzing township already and there we have signed the initial agreement and due diligence is now going on.

Similarly, in Gurugram, is on Sector 36A, which is Dwarka Expressway, very close to Delhi, very beautiful development, part of again a buzzing community and this will be our first attempt in the intergenerational community.

In Antara so far served about 13,000 patients since inception. We are still the largest player in assisted living or Care Home in NCR. We are constantly reviewing and taking calls on what is working, what is not working. So we are displaying the agility of a start-up and some of this will continue as we go forward. We expanded our hospital and clinician tie-ups and we are engaged with about 1,000 people -- healthcare professionals in FY '23.

On the medical equipment side, we now have a virtual store on Amazon. All the building blocks, both for sales and rental for equipment are in place. We have about 1,100 SKUs we launched in branded label and launched our first Antara branded wheelchair with some senior specific features, which will last for a long time. For example, the tyres and the wheels are not of rubber but EVA for a better grip. The material of the chair is antifungal. And we also have a safety belt for the seniors while in motion. So very thoughtfully designed products. We're also working very closely with IIT Delhi on innovations on new products for seniors.

We've already sold about 125-plus Antara's branded wheelchairs through offline and online channels. And during the quarter, 10 new SKUs, white label products also launched in the mobility category, walkers and commodes, etc.. We've also received a QAI certification for our Care at Home vertical, one more vindication of our commitment to excellence and quality.

We have been closely working with the NABH which is the authority as you know for certified hospitals. They have taken out draft standards now for Care Homes and Care at Home, and we are part of that committee. Our satisfaction scores in Antara Assisted Care are consistently above

93% with a very high conversion ratio of 50% and renewables are about 70% which is again a proof of the belief that customers have in our products and in our service capabilities.

So to summarize, witnessing high growth across the four verticals, entering new geographies now, as you can see from what I have mentioned. Our aspiration remains consistent in 8 to 10 communities, which may have about 4,000 to 5,000 units, about 8,000 to 10,000 residents in the future, over 2,000 beds in Care Home. Of course, we did get impacted by COVID. So this is a plan for the next five years. Care Homes across North, West and South cluster in the next five years. And we're exploring possibilities to now build some digital assets to be able to figure out some health and wellness solutions for seniors with chronic conditions, and that is something I will talk more about in the year when we have launched those.

This is all from our side. Thank you very much for your patience listening. Happy to answer any questions.

Moderator: Thank you very much, sir. We take our first question from the line of Chaitanya Shah from Silverlight Capital. Please go ahead.

Chaitanya Shah: Hi, good morning. My question is regarding Care Homes. Could you tell me what are the total number of homes that are operational as of today and the number of beds that we are serving?

Rajit Mehta: There are 150-plus beds, some of that we'll rejig because of the incident, but have 150 beds in NCR. And now we are exploring going into Noida as well. And Bengaluru already entered looking for properties there now.

Chaitanya Shah: Okay. And the reason for the bed days going down sequentially, the last quarter would be because of the incident, right?

Rajit Mehta: Correct.

Chaitanya Shah: So could you just give me an update on what has happened in the last three months and where you're standing as of today?

Rajit Mehta: Happened in what regard?

Chaitanya Shah: Is that care home operational and how -- I mean, in terms of reputational impact of that incident. What are you seeing in terms of the brand and how it has affected the perception in general.

Rajit Mehta: Definitely a short-term impact on contribution margin and not so much in occupancy of other care homes. This care home is not operational because the insurance survey is going on. And for that, we have to keep it the way it is, but a temporary impact did come. But on other care homes, we continue to have very high occupancy, so no impact seen on that side.

No impact seen on Care at Home, no impact on MedCare, no impact seen on Residences for Seniors. So it did happen -- financial impact definitely is there. I can't deny it but that's behind us now, and that we'll now be focusing on rapid growth.

Chaitanya Shah: Okay. So what is your target for this year in terms of the number of beds that you are planning to open?

Rajit Mehta: So again, it's a forward-looking statement, but we're planning to look at 300-plus beds within NCR, some in NCR and some in Bengaluru and some in Chennai.

Chaitanya Shah: Okay. All right. The other question that I have is on the residential real estate part. Now this is just a broad question in terms of how do you think that this market is going to evolve. In US, or developed markets if I see, there is a very clear demarcation where there is a developer, there is an operator and there are REITs in between who own these properties. So do you think that kind of model is going to evolve in India as well, or where are we in terms of evolution in having the system set up so that there is rapid growth and investment in this particular area of senior homes?

Rajit Mehta: So if you look at the trend now, we currently have over 55 senior living communities under construction or constructed in India. It's much smaller number some years back and more-and-more people have stepped into it. The model continues to be that there's a land owner who does a joint development agreement with an operator like us, for example, and we help in -- our core competencies are in designing, sales, marketing and operating the community. So the operations remain with the operator. And therefore, the developer makes a profit share in the entire process but does not run.

But also, we've seen development are interested these days because the senior living facilities have a premium over normal residences. That's why they see that opportunity as a separate vertical to be able to increase sales. And therefore, more-and-more people are coming forward to also do intergenerational. So that's the shift we have seen in the last year or so on the residential side.

Ajay Agrawal: Just to answer the first part. No, we are not seeing the US model in India presently because the REIT and the concept of owning residences and then giving it on a rental basis or a sublet basis doesn't work in India. We'll have to be very conscious that in the US market, all the expenses of those seniors are funded by government or by insurance, which is not there presently in India.

So the return is not at all conducive to get a decision wherein we do an asset-heavy business and then we base our life on an annualized miniscule return. So that presently is not in India. But going forward, whenever that market comes and gets improved to that level, we will change our products type.

Chaitanya Shah: Okay. All right. Thank you so much.

Moderator: Thank you. We take the next question from the line of S Chatterjee from Ascer Capital. Please go ahead.

S Chatterjee: Hi, sir. Thank you for the opportunity. My question, sir, is related to Gurugram Care Home. The residence is a lease property for us, or do you own the property?

Rajit Mehta: The Gurugram Care Home, you mean?

S Chatterjee: Yes.

Rajit Mehta: Yes, leased. So all care homes will be leased properties. We don't own any Care Homes and we will never.

S Chatterjee: Okay. So the direct cost -- so the contribution margins we are reporting that is after the lease rent or before that?

Rajit Mehta: After.

S Chatterjee: Okay, after leasing the care home, I think, we spend around INR1 lakh to develop it, right?

Rajit Mehta: No. That depends on the kind of care home that we take on lease. For a full care home model, which means they'll be operating all the services, it's about between INR1 crores to INR1.5 crores capital cost for retrofitting for safety features. So it depends on the state of the home that we take, but that's the capital cost and the beds will be between 35 to 50.

S Chatterjee: Okay, sir. So in quarter 4, we did approximately INR 1 crores revenue and our contribution margin was 13%. So after that…

Rajit Mehta: But in steady state, once the occupancy goes up, the 13% will get pushed up as well.

S Chatterjee: Sir, after this contribution margin, what are the costs there? Only the administration cost, right?

Rajit Mehta: The HO cost, an allocation which might happen. Otherwise, all direct costs, which are allocable to the Care Home are part of this.

S Chatterjee: Okay, sir. And this year, we're going to end with how much occupancy, can we increase to 65%?

Rajit Mehta: March '23, about 56% for the Gurugram Care Home.

S Chatterjee: Actually sir, by the year-end, what should be the occupancy approximately?

Rajit Mehta: No, it's difficult for me to comment, but our aim is to look -- at least 70-75% occupancy at least.

S Chatterjee: Okay. Thank you, sir. I'll get back in the queue.

Moderator: Thank you. We take a next question from the line of Amit Mehendale from Robo Capital. Please go ahead.

Amit Mehendale: Thanks for the opportunity. So I have a couple of questions. First, on the assisted care business. I just want to understand a little bit on the customer acquisition side. And on the scale up, I mean, we can scale up to – like, there is scale up on the bed, there is one side of the thing and the other side is on the customer acquisition. So if you could just enlighten us on these two aspects, that will be helpful. I'm not looking for numbers. I'm looking more for strategy, like how are we looking to expand? And what growth trajectory can we maintain?

Rajit Mehta: Got it. Understood. So the biggest challenge on the Care Home side is always to find compliant infrastructure. But so far, we've been able to do that because the laws in each state are quite different. And we also got involved with the Haryana government about two years back to take out a specific policy, which has now been notified as well, which covers such facilities.

So that's been quite a help. And for the landlord perspective, the steady income for 9 to 10 years easily because they see a stable client and obviously, we'll take it on a long-term lease. The returns to them are in line with what they get otherwise on the residential side. So as we go forward, in Bengaluru for example, this category is more prevalent than in the North.

So it's well known. And there are many, many more operators in Bengaluru. They'll be a little easier for us to scale-up and so in Chennai because in South in general, if you look at concept a little more evolved. That's on the supply side. We constantly look out, we have our infra team in place who does scouting of properties as we go in different places.

On the demand side, the customers come to us primarily through three channels. One is obviously hospital reference. So we have tie ups with most hospitals in India NCR from Max to Apollo to Fortis to Paras to PSRI to Narayana Hrudayalaya to Manipal. We tied up with everybody or they come through doctor reference, especially doctors who are specialists who are working independently, but deal with such customers, they come to us from there.

And we have our full-fledged team which is managing the hospital and doctor relationships. As I said, we have had 1,000 engagements in the last year. We also participate in health care conferences and put up stalls. So the health care fraternity knows about us. The third challenge is digital. So we do a lot of performance marketing, and we're seeing a steady flow coming through that channel. In fact, most long stayed come through digital channel to us. So it's a combination of hospital, doctors, digital currently that is working for us in this regard in terms of customer acquisition.

Amit Mehendale: And just a follow-up on the supply side. Like if I were to be a landlord, and if -- I mean, going by your comments, if I were to get similar terms as a rental yield, then am I incentivized enough -- I mean, is there a challenge on that side to find enough properties to scale up the number of beds?

Rajit Mehta: The challenge is not willing landlords. There are many because they get a sight to a very stable income actually. Otherwise, the normal tenants, it could be a churn every 3 years. The issue is compliant infrastructure because our compliance requirements are quite stringent. So I think the landlord is not a challenge at all. He or She is very happy to get consistent annuity income let's say over a long period of time. I just forgot to add in terms of acquisition, the other channel, which we're developing is communities. So penetrating RWAs and making them our brand ambassadors to make them aware of this facility.

Amit Mehendale: Got it. Thanks. And with regard to margins, how do you see margins shaping up? I mean, in some of the earlier presentations, we -- there was a discussion about 12-15% EBITDA margin. Do you think we are more or less as the model evolves, we are on track on that?

Rajit Mehta: Yes. I mean if you see our investor deck, the Gurugram Care Home, which is a proof of success, it's clearly for you to see. The contribution margins beginning in Q4 FY '21 from minus 140% to minus 25% to minus 3% to zero and now to 6%, 8%, 12% and 13% positive. So every quarter, there's been an improvement, which is a proof of the model. And we see the 13% at 56% occupancy, the moment occupancy scale upto 75%, 13% margin gets pushed upwards.

Amit Mehendale: And one last question on the Care at Home. We have looked at some of the other players who are fairly large in this and some of the players have also raised private equity money in this space. So the size of the opportunity seems fairly large. But how are we internally looking at that opportunity? And how do we see next two, three years here, what is our strategy?

Rajit Mehta: So you're right, it's a well-known category. All the players who entered the market initially have struggled to make positive contribution. All of them are burning cash as of now. It's a highly commoditized, very fragmented sector. So our focus has been three things. One, on high-margin services, which is diagnostics, physiotherapy, and critical care. Secondly, for us, it works in conjunction with our care homes model because we want to make sure that in the community where we are in, we're able to popularize the service, therefore have synergy with infrastructure and manpower if possible. Therefore, customer acquisition comes down. For us, it's a very good completion of service.

The third, as I said earlier, if you look at our residence communities, all the residents who stay there also need at-home services or medical equipment and they have become our captive customers. So therefore, in Dehradun all three services provided by Antara Assisted Care Services' Care at Home vertical. And as the residents come in Noida, then in Gurugram, they will become our captive audiences for Care at Home. And therefore, our margins will improve. And this is one advantage we'll have over the others.

Amit Mehendale: So, thanks. That’s it from my side.

Moderator: Thank you. We'll take the next question from the line of Anjana Shah from Shah Investments . Please go ahead.

Anjana Shah: Thank you for this opportunity, sir. A couple of questions from my end. So if you could just highlight some additional details on the intergenerational project at Gurugram, like, how big is the project in terms of units? And out of the total units, what will be the percentage that would be dedicated exclusively for senior living? And also, can we expect the launch of this in FY '24?

Ajay Agrawal: So in Gurugram, the intergenerational key highlights are like the property, the 11 acres, approximately 1/3 will be allocated towards the senior living. Because of the FSI norms in Gurgaon, the 1/3 area of 3.3 acres odd will give us a saleable FSI of 7.5 lakh odd. So then that means, you will have approximately 21 -22 lakhs square feet of development total. We'll be developing the project, as per present planning, we'll be developing it on one phase only to senior living but non-senior will come in two phases.

Anjana Shah: Sure, sir. Sir, do we expect the launch by FY '24 or no?

Ajay Agrawal: We have just closed the preliminary conditions. Now we are into due diligence process and doing final negotiations for final documentation. There is a process of license transfer also happening at the larger contract between the landowner and the developer partner. We are targeting ourselves for a Q4 '24 launch, but the time will only tell. It will depend on the licenses, etc, which we get.

Anjana Shah: Sure, sir. Also for the investor presentation indicates updates on company entering Bengaluru market. So sir, how many projects are being planned in Bengaluru? And will the company also launch projects parallelly across Pune, Goa etc?

Ajay Agrawal: So as a strategy, we will be launching one project in each geography. So we'll not go with multiple projects in the same geography because as you can understand, the senior living funnel will be smaller than the normal residence. So we don't want to take that risk and we don't want to cannibalise our own sales. While it is possible that, once we launch one project and when we see the success of that, we'll redo another launch in some time, but not together.

So presently, we are talking to -- we have already closed our preliminary discussions on key terms with one land owner as Rajit sir explained in his speech, the diligence is in process. And if that moves fast, then we are very confident that, we'll be able to launch that project within FY-23-24, and as a plan B, we are also in talks with other landowners, so that if anything falls in the first opportunity, we have another opportunity with us.

Rajit Mehta: And the Bengaluru opportunity is going to be a little larger in terms of number of units, it's going to be probably about 750 to 800 units.

Ajay Agrawal: Correct.

Anjana Shah: Sure, sir. That was helpful. Thank you very much. That’s it from my end.

Moderator: Thank you**.** We'll take our next question from the line of Rohit Mehra from SP Securities. Please go ahead.

Rohit Mehra: Thank you for the opportunity. My question is about the senior residence, sir. What is the overall strategy in our residencies for senior segment? And will be there any the new launches across all markets purely on for a senior living or it will be integrated?

Rajit Mehta: Yes. So as I said, the plan is to look at 8 to 10 communities in India. Already, we have Dehradun, Noida Phase I already sold out, Gurgaon and Bengaluru, the principal key terms already agreed and signed up. And in the future geographies in Pune, Goa, Chandigarh under progress. So we want to launch 8 to 10 communities in the future, comprising of 4,000 to 5,000 units in all and about 8000, to 10,000 residents, who will occupy these. So, that's the plan for residences.

Rohit Mehra: Okay. And do we have greater benefits, if we launch intergenerational communities as compared to standard senior living community?

Ajay Agrawal: Intergenerational typically will happen depending on the respective regulations. So why Gurgaon was appropriate place for intergenerational because the minimum acre size for group housing is 10 acres. In a 10-acre with FSI norm of 3.5, you just can't have 2,000 senior living space, right? So the best logical way was to have an intergenerational. But if you want to really bring the classification, it will always better to have a differentiator between senior and non-senior.

So if the geographies like Pune or Bengaluru give me an opportunity to make a stand-alone senior living community, that would be our preference. But if the laws of that particular geography will not now allow me to have that kind of a smaller size, then obviously, we go for intergenerational. What is positive is that, now the developers are very interested and very open to the concept of intergenerational, which they were not earlier. So that opportunity has opened up to us in the last six -seven months.

Rohit Mehra: Yes. Thank you. That's from my side.

Moderator: Thank you. We'll take our next question from the line of Rajat Jain, an Investor. Please go ahead.

Rajat Jain: Yes. Hi, just one question. You mentioned in the case of this Care Home, you said properties are leased, you don't own any of them. So what's the tenor of the lease? And do you have an option to renew? How does this work?

Rajit Mehta: Yes. It's normally a nine-year lease. There's an option to renew it.

Rajat Jain: Okay. That's an option, both, the person can also terminate the lease-- landlord can't terminate the lease earlier or at the end of nine year? What's the incentive for him to not renewal, just curious?

Rajit Mehta: Yes, he can. But as I said, the advantage the landlord has today, is the consistency of the annuity income for him. And once the property gets developed as a care home to take it back into a commercial use is quite difficult because it's been retrofitted for seniors.

Rajat Jain: And then you have some sort of like annual escalation in this nine-year tenure or how does it work, such thing?

Rajit Mehta: Depends on usually, normally it's after three years.

Rajat Jain: Okay. Got it. Thanks.

Moderator: Thank you. We'll take our next question from the line of Karan Mehra from Mehta Investments.

Karan Mehra: Yes. Hello sir. Thanks for the opportunity. Sir, two questions from my end. Firstly, it's good to know that, Noida project is fully sold out. So, can you tell me, what is the expected collections from Noida Phase I project in FY '24?

Ajay Agrawal: Yes. So Noida, we are having a total collection expectation of approximately INR550 crores. That will happen in all years to come. So that's a cumulative end collection, which I'll get. So we are already standing at INR252 crores collection, approximately INR80 -INR90 crores odd is the expectation for FY23-24, and balance would come once, we are going to give the possession in next year. But overall INR550 crores collection in Phase I.

Karan Mehra: Okay. That's Okay. And sir, my second question is like, can you help me with the time line for the Noida Phase II project launch? And what is the sales realization, we are expecting per square feet?

Ajay Agrawal: We are -- presently market the price of Noida Phase I is approximately INR10,500 to INR11,000. We intend to launch our Phase II project, somewhere in the brackets of INR12,500 to INR13,000. The RERA application has already been filed. Now, we are into discussions with the RERA counsels, to explain them the project, etc. And then whatever the liaising time is going to take. We are absolutely prepared to launch it as soon as we get RERA. But being a government machinery, we will have to wait and watch.

Karan Mehra: Okay, sir. Sure, sir. That answers my question. Thank you and all the very best.

Moderator: Thank you. We take the next question from the line of Chaitanya Shah from Silverlight Capital. Please go ahead.

Chaitanya Shah: Yes. Hi, thanks again. My question is regarding the Noida Phase II. Now, since you're getting this price escalation, is there any impact, positive impact on the IRR that you're expecting? That is one. And secondly, the new projects in Bengaluru and NCR, that you're going into, what is the internal ballpark IRR that you are targeting in these projects?

Rajit Mehta: The price escalation in Noida Phase II also aim to mitigate the material costs that have gone up, as you can see from the market. We've maintained the guidance of 15% to 17% IRR. In the other projects, it depends on project to project or at least plus of 20%, at least, in both the projects in Bengaluru and Gurgaon.

Chaitanya Shah: And my second question is regarding the Gurugram Care Home. The occupancy rate seemed to have flattened out in the last one year-on-year to 55-56%. So why has that flattened out? And when do you think, can you reach that 70%, 75% level?

Rajit Mehta: See, we already have long-stay patients, who are staying there, which is better for consistency of revenue. So, some impact because of that are non-room availability, some impact of this quarter as well, which has come through. So, that's primarily the reason. But otherwise, should go up now.

Chaitanya Shah: And what about the other care home, when do you expect those care homes to hit that 60%, 65%. I just want to understand, what is the lead time that it takes from a time to open a care home to hit that occupancy?

Rajit Mehta: It's about six quarters to eight quarters to hit occupancy of 55-60% and then the next within 12 quarters, about 75-80%. Normally, a care home should break even in the eighth quarter, while in Gurgaon, we experienced that in the sixth quarter or seventh quarter because we optimize costs, as we learned. Also, the cross-sell is far better than our assumption. When I say cross-sell it means, that people who stay in care homes, who need exclusive nursing or a diagnostic or physiotherapy, that number is more than, what we expected. So, realization is a little more. Therefore, the lower occupancy, we're able to break even in the sixth quarter or seventh quarter. And on steady-state basis, the contribution margin should be about 20% plus.

Chaitanya Shah: Okay. All right. Thank you so much.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference back over to Mr. Rajit Mehta for closing comments. Over to you, sir.

Rajit Mehta: Thank you very much. Thank you very much for a very engaging call. Thank you for all the questions, which help us clarify our growth strategy, our profitability, our future trajectory. As I said, Antara is the only brand in India, which is creating an integrated ecosystem for seniors.

So whether you need independent housing or you need services at home or you need facilities for assisted living or memory care or you need your medical equipment and products in the future, if you need help in wellness solutions for chronic conditions that also will be available through us. And it has been a great year, as you can see from the published numbers, and we hope to accelerate this as we go forward. So really appreciate your support and your interest and look forward to talking to you again. Thank you very much.

Moderator: Thank you very much, sir. Ladies and gentlemen, on behalf of Max India Limited, that concludes this conference. Thank you for joining with us. You may now disconnect your lines.

Rajit Mehta: Thank you.