

Date: **06.08.2024**

To,

The General Manager, Listing Operations Department of Corporate Services BSE Limited P. J. Towers, Dalal Street, Fort, Mumbai- 400 001 Stock Code: 532891	The Manager, Listing Department, National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai- 400 051 Stock Code: PURVA
--	---

Dear Sir/Madam,

Sub: Transcript of Earnings Call

Ref: Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We write to inform you that the transcript of the earnings call held on Thursday, August 1, 2024, on Un-audited Financial Results (Consolidated and Standalone) of the Company for the quarter ended June 30, 2024, is enclosed herein.

This is for your information and records.

Yours sincerely

For **Puravankara Limited**

(Sudip Chatterjee)

Company Secretary & Compliance Officer

Membership No.: F11373

PURAVANKARA

“Puravankara Limited Q1 FY '25 Earnings Conference Call”

August 01, 2024

PURAVANKARA



MANAGEMENT: **MR. ABHISHEK KAPOOR – EXECUTIVE DIRECTOR, GROUP
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL
OFFICER - PURAVANKARA LIMITED**
**MR. NEERAJ GAUTAM – PRESIDENT FINANCE -
PURAVANKARA LIMITED**
**MR. VISHNU MOORTHY H. – SENIOR VICE PRESIDENT,
RISK & CONTROLS - PURAVANKARA LIMITED**

MODERATOR: **MR. SUMIT KUMAR – JM FINANCIAL INSTITUTIONAL
SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to the Puravankara Limited Q1 FY '25 Earnings Conference Call, hosted by JM Financial. As a reminder, all the participants' 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. Sumit Kumar from JM Financial. Thank you and over to you, Mr. Kumar.

Sumit Kumar: Hi. Good evening, everyone. On behalf of JM Financial Institutional Securities, I would like to welcome all of you to the Puravankara Limited 1Q FY '25 post-earnings conference call.

From the Management we have with us today Mr. Abhishek Kapoor – Executive Director, Group Chief Executive Officer and Chief Financial Officer; Mr. Neeraj Gautam – President (Finance); and Mr. Vishnu Moorthi H. – Senior Vice President (Risk & Controls).

I would now like to hand over the call to the Management for their Opening Remarks. Over to you, sir, and thank you.

Neeraj Gautam: Thank you, Sumit. Good evening, ladies and gentlemen. Thank you for joining the company's earning conference call to discuss the performance of the 1st Quarter of Financial Year 2025. The results and a comprehensive presentation are available on the stock exchanges. We hope that you have had a chance to review the same.

Now, let's begin with the macroeconomic industry outlook:

The Indian real estate sector is quite far robust group in FY '25, driven by the country's strong economic performance and the rising demand across the residential, commercial, and industrial segments. The IMF has revised India's GDP forecast to 7% from 6.8% for FY '25. Increased urbanization, infrastructure development, and several government policies are boosting homebuyers' confidence. The residential sector is witnessing a continued surge in demand. And Puravankara is expected to experience sustained growth in line with the sector supported by the conducive economic environment involving consumer preference.

Moving into the company's Operational Highlights:

In Q1 FY '25, our sales were Rs. 1,128 crores, while collections were at Rs. 965 crores, representing a growth of 39% year-on-year, indicating an improvement in our operating efficiency. The average realization witnessed a growth of 6% year-on-year to Rs. 8,746 per square feet for the quarter. Our sales across projects were led by Puravankara with Rs. 585 crores, Provident followed by closely at Rs. 449 crores, and Purva Land contributed Rs. 95 crores. The sales values at Puravankara Land were lower due to no new launches during the quarter, while Purva maintained its sustained sales velocity with 12% higher realization and sales at Provident grew by 109% from year-to-year consistent sales in ongoing projects and new launch projects, Provident Botanico.

Now, coming to geographical contributions:

Bengaluru sales was 54%, followed by Chennai at 17%, Mumbai and Pune at 14%, and Kochi at 10%. Our launch pipeline is robust with approximately 12.7 million of new projects from the land bank, while Mumbai and Pune together constitute 47% of the planned visits, marking our strategic expansion into West India.

On the business development front:

The company deployed Rs. 762 crores for land acquisitions in MMR, Goa and Bengaluru. This includes a 12.77-acre land parcel in Thane, with an estimated potential development area of 2.8 million square feet. This acquisition further solidified our commitment to MMR's sustainable and dynamic real estate market. Additionally, we acquired 7.26 acres of land in Basavanagudi, Bengaluru. We have also secured the land owner's share in two existing projects, 0.17 million square feet in Adora De, Goa; and 0.26 million square feet in Botanico.

Coming to our debt management:

Our net debt increased from Rs. 2,151 crores in Q4 FY '24 to Rs. 2,237 crores in Q1 FY '25. Our net debt to equity ratio at the end of the quarter was 1.17%. Our cash and bank balances increased to Rs. 1,044 crores as on 30 June 2024, which indicates the strong liquidity profile ensuring stability and operational continuity. We have consistently focused on reducing our debt per square foot of our under-construction area, which stood at 912 per square foot, ensuring the effective optimization of financial resources in our projects.

As of 30 June 2024, our cost of debt stood at 11.64%. Despite a slight increase due to higher rates in land loans, we are continuously working on maintaining our average cost of debt down.

We have delivered 929 units with an area of 1.16 million square feet in Q1 FY '25, when compared to 446 units with 0.49 million square feet in Q1 FY '24, which has more than doubled, demonstrating our operational progress.

Finally, turning to our Financial Performance:

In Q1 FY '25, our total revenue grew by 101% year-on-year basis to Rs. 676 crores. Our EBITDA for the quarter was Rs. 148 crores with 22% EBITDA margin. PAT for Q1 FY '25 was Rs. 15 crores, which compared to Rs. 17 crores loss in the Q1 of previous financial year.

In conclusion, Q1 FY '25 has seen a sustained financial performance with a strong collection. We are expanding our footprint with new projects across India, delivering exceptional value to our customers, and fostering long-term shareholder value.

Thank you for listening, and we welcome your questions you may have. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Deepak Purswani from Svan Investments. Please go ahead.

- Deepak Purswani:** Sir, firstly, I wanted to check it out. Recently we got approval from the Board of Directors for Rs. 1,000 crores odd QIP. Just wanted to understand the utilization of these funds, whether these would be utilized primarily for debt reduction, specifically land debt to the extent of Rs. 745 crores? Or this would be for the additional land acquisition for the business development we may look it up in future? If you can throw some light on that part.
- Neeraj Gautam:** Our Board has approved us to raise the funds for QIP to an extent of Rs. 1,000 crores. At the same time shareholders have also approved it. We are currently evaluating all our options to raise capital including the QIP. And as and when we will take a decision about it, we will let you know.
- Abhishek Kapoor:** I will just add here that typically, generally in the industry what happens is, QIP capital is generally allocated between debt reduction, new acquisition and operations to unlock the existing land bank or whatever people may have. Generally the trend is that. And obviously when the organization decides to go ahead with the proposal, we can then update on the specifics of the matter, but at this point in time I think it is early to answer that question.
- Deepak Purswani:** And secondly sir, in the presentation we have also mentioned regarding Keppel Puravankara Development Private Limited, we have mentioned that we have already repaid the investment. If you can give some background about this investment and what has been the recent development, that would be really helpful.
- Abhishek Kapoor:** This transaction, I mean this was repaid long back.
- Neeraj Gautam:** Yes. See, we are currently a very big company, a joint venture company with Keppel Land, where Puravankara Limited is holding 49% share and Keppel is holding 51%. Under that company, we developed three, four projects, and currently we are not developing any projects in that company, that's the status.
- Abhishek Kapoor:** The Keppel Land was given in exit or return of capital, and closure of that entity or that partnership happened in FY '23- '24, if I am not wrong.
- Deepak Purswani:** And thirdly sir, with regards to our interest expenses part, if I am looking into the P&L part of it, that is roughly Rs. 119 crores, which is implying average cost of borrowing to the extent of 14.5%. While I do understand there is a cash and non-cash component, but if you can give some sense in terms of what is the convertibility structure in the overall debt component at the current juncture.
- Abhishek Kapoor:** Sir, could you repeat your question please?
- Deepak Purswani:** So, in terms of the interest expenses, in Q1 FY '25, our interest expenses in the P&L is Rs. 119 crores, showing a debt of Rs. 3,280 crores, which is implying an average cost of borrowing of 14.5%, right?
- Abhishek Kapoor:** But if you look at our debt slide, Rs. 3,200 crores is our debt which is serviceable where we are paying interest month on month. Besides that, we have also Rs. 417 crores debentures, which we have issued to HDFC Care, and about Rs. 162 crores investment by Purva Investment in our projects. These two instruments, though I am not servicing any interest, however, under the IndAS

accounting I have to do a fair value accounting for the implicit interest cost for these two instruments. And thereby my interest which is charged to P&L includes the interest cost or the fair value cost attributable to these two instruments also, and that is where the difference is.

Deepak Purswani: And how much was the amount for that?

Abhishek Kapoor: So, this, the security amount is Rs. 417 crores and Rs. 162 crores. The exact amount I will separately connect offline and tell you how much is the amount we have accounted for, related to these two investments.

Deepak Purswani: And thirdly, on the launch pipeline, just wanted to check it out on slide number 19. We have given the details about the Lokhandwala and Thane launch. On Lokhandwala, we have given the area of 0.6 million square feet and for Thane it is 2.8 million square feet. Firstly, on the Lokhandwala site, 0.6 million square feet is a pre-saleable area and other component, or this is the entire project area.

Abhishek Kapoor: So, both are saleable areas and not RERA carpet, because we are reporting in the sellable area across the board, which is normally the practice. So, both are saleable areas, free for sale.

Deepak Purswani: And sir, would we be looking to launch the entire project at one go for both, for the Lokhandwala and Thane?

Abhishek Kapoor: Look, as far as Lokhandwala is concerned, it will be in two phases, and Thane also is likely to be in two phases. Depending on the response, but most likely both of them will be in two phases. Sometimes the response is so high that then we decide to accelerate and complete it faster. The plan is in two phases for both the projects.

Deepak Purswani: And sir, continuing on the launch pipeline, I mean, if I were to look at another project, Clermont Tower C, which we were looking to launch in Q2 FY '25. This time in the presentation, it is not there. Just wanted to get a sense on that Chembur project.

Abhishek Kapoor: No, it is there. It is basically at the bottom. If you see, there is a line mentioned new phase launches in existing projects, which says 4.56 million. This is on Slide #19, right, which is then totaling up to 17.25 million square feet. So, if you see there, we have actually captured all those launches there.

Deepak Purswani: And this is on track to get launched in Q2 FY '25?

Abhishek Kapoor: Yes.

Deepak Purswani: And just final question from my end. If you can give a sense in terms of the industry or demand environment at the current juncture, especially in the context of marginal price hike we have seen in the industry, especially in the micro market in Bangalore and MMR region. How has been the absorption trend in the last six months or so after the price hike?

Abhishek Kapoor: So, from the market point of view, today the struggle for all of us is really to keep up with the demand, and that is the challenge. Like in the 1st Quarter we have largely sold out of subscribers

projects. We have not had a new launch. But on a much-increased price, we have still maintained the velocity as well as the value of the business that we have done. So, overall, demand continues to be robust. And we expect, and if you see it on the ground, I think it's more a challenge for us, also the industry in general, to bring in the supply to catch up with the demand. Specifically in the example of the markets we spoke about, Bangalore, in fact, Mumbai, if you look at Pune, if you look at Chennai, in all of these markets currently I think the issue is much more related to how much supply you can get, specifically definitely in Bangalore.

Moderator: Thank you. The next question is from the line of Akshada from Vivog Commercial Limited. Please go ahead. Akshada, your line is unmuted.

Akshada D.: So, I just wanted to have a general guideline for the company, what expectations or what guidance would the management like to give us for this year, FY '25, in either units or what kind of launches that are expected or collections, anything would be helpful.

Neeraj Gautam: Sure. So, overall, the company is expecting to launch 17 million square foot, including phases of the launch projects. New launches to the extent of 12.7 million square foot is expected, and 4.56 million square foot of the existing launch projects, the new phases will be opened up for launch, a total of 17.25 million. If you look at the distribution, we will see about 9.3 million square foot is in Puravankara and about 3.28 million square foot in Provident, and there is a small project called the Bougainvilla in Purva Land. Currently, this is where the pipeline is. Of course, this year, substantial launch of about 3 million square foot is expected in terms of sanctions, in phases obviously, in the Western region, which was our commitment in terms of what we were looking at in terms of new launches and adding to the business. And we are obviously already seeing increased contribution for the Western region in the business. So, we are expecting these launches to go to the market.

Akshada D.: And do you expect the per square feet realization to keep a positive momentum throughout the year? Are we expecting to maintain the growth that we got this quarter?

Neeraj Gautam: See, the per square foot average realization is a mix of inventory that we sell. So, in certain projects, for example, especially Purva Land where the average realization may be as low as Rs. 3,000, Rs. 3,200 a square foot, would drag your average realization down. So, if you see, for example, in June quarter, our plotted development average realization is Rs. 4,360, whereas Puravankara is at Rs. 11,000, say approximately Rs. 11,500, Rs. 11,464, and Provident is at Rs. 8,000. But the average realization is only Rs. 8,746. So, it's more a mix of inventory that derives the average realization.

But let me come to what we expect in terms of overall how we are looking at it. So, this year, with Mumbai MMR coming into play, definitely it will have some impact on our average realizations, average contribution increases. That is one. And second is, the new launches that are coming will also have a certain impact on our average realization. But if you look project-wise, I would expect under the tenant, we would look at, my expectation is, the industry will look at an average of about 9% in terms of average growth.

Now, of course, project-to-project, market-to-market it would be different. And depending on the micro-market and the state of the project, it differs. Like, for example, in the last year we have seen average realization go up from 11%, 12%, up to 27% in certain markets, where we have seen significant demand, shortage in supply, and the product is positioned in a certain manner by the company. So, that's the general direction that we would expect to see. Of course, project-to-project would be different this year, depending on the state and completion of the project.

Moderator: Thank you very much. The next question is from the line of Abhishek from YES Securities. Please go ahead.

Abhishek: Sir, basically my question is around debt. We always said that the debt per square foot, we aspirationally look at Rs. 1,000 per square foot and we are comfortable with that. From last two quarters we are seeing there is a bit of increase in that. And by the end of Q1 we are at Rs. 912. And even our gross debt is increasing. So, how do we see that? And secondly, with the kind of debt we are right now and the cash, why we are not reducing the debt? That's a second question, because we also have a QIP ahead.

Abhishek Kapoor: Thanks, Abhishek, for the question. So, if you see the trend, in March of '22 we were at about Rs. 1,248 per square foot on debt; in March of '23, at Rs. 1,106; March of '24 we were at Rs. 874; and June of '24 we are at Rs. 912. And you are right in that observation. So, we are very much under the comfort level. At the same time, I must mention that our average realization is also going up. Having said that, the way we look at debt, and if you look at the debt profile and the debt breakup on where the debt has gone up and how it has gone up, to the extent net debt has gone up to the extent of Rs. 86 crores. Now, if you see that movement, CAPEX towards commercial is about Rs. 47 crores. This is #27. So, if you see CAPEX towards commercial of the Rs. 86 crores incremental net debt has gone towards CAPEX. And we have also deployed, as Neeraj mentioned earlier on, Rs. 760 crores in new acquisitions. Now, so that clearly indicates, and you have today, you are sitting with a thousand plus crores of net cash in hand?

Neeraj Gautam: Yes, cash and cash equivalents.

Abhishek Kapoor: So, if you look at the overall scenario, our collections is approximately ranging between Rs. 900 to 1000 crores currently at this current run rate, not including the new launches that we are looking at doing. So, if you look at the overall scenario and the deployment of capital, the company is really, really focusing on replenishing its land banks and scaling our business in terms of creating further land, which will then go into the pipeline for launches, which is geared towards growth of the business.

So, our focus is to maintain debt at similar levels in terms of per square foot number, keep it under Rs. 1,000, and continue to scale the business so much that then it becomes an irrelevant conversation. And that strategy will continue to play out. So, but if you see the liquidity in the system and if you see the deployment, which is most important, I mean, today, Rs. 762 crores, we have added more than 4 million square foot between Mumbai and Bangalore and Goa. And you see that the value is getting created in that.

So, repaying debt versus creating value, there is a significant gap and upside, in terms of margins and churning the capital and return on capital employed. So, we are very comfortable with the current number, and we would like to aggressively grow the business while we keep it at a similar number.

Moderator: Thank you. The next question will be from the line of Deepak Purswani from Svan Investments. Please go ahead.

Deepak Purswani: Just wanted to, I mean, harp on it again, specifically considering the Q1 sales and the launch pipeline, over the broader timeframe what would be the pre-sales run rate we would look at over the medium-term?

Abhishek Kapoor: So, again, I must mention here, we do not give guidance. But what I can share with you is our performance for the last three years. And of course, what you are looking at in terms of our acquisition plan in the launch pipeline. So, if you see the launch trend of the last three years, we have launched last year about 10 million square foot, and it started three years back with about 2-odd million square foot of launch per year. That launch trend has resulted into last year selling about 7.36 million square foot approximately. And our intention is to continue to push the new launches. So, for example, this year we are looking at a new launch pipeline instead of a 14 million projection last year, on overall basis of which we opened about 10 million square foot. So, we opened about 8 million square foot. This year with 17 million launch pipeline, we are expecting to continue that momentum, and of course, with an increased number.

So, our goal will be to continue to push our new launches from existing land bank, which will help us unlock our existing equity as well as profit. And add to that new acquisitions and new launches, which will also help us to bring more momentum in terms of the pre-sale number. So, our goal will be to continue that push. So, if you just look at the CAGR of units sold in the last three years has been about 48%, and if you look at our CAGR for volume, it's been 45%, in value it's been about 57%. This is on Slide 8, this has been our past track record.

Deepak Purswani: So, in that context, Abhishek, if you can also throw some light in terms of the approvals for most of the projects, especially in the context, because of the election in between are all the approval processes are on track during this year or should we expect there can be some kind of slight delay in terms of the project launches?

Abhishek Kapoor: See, the general elections are over, now the state elections are there, so you know how it works during the state elections. And your observation is right, our target would be, our goal would be to try and meet the annual target, which is what we have set for ourselves in terms of launches. A quarter here, a quarter there could be because of the planned sanctions, maybe you would miss it by a month, not much and then it would spill over into the next quarter. But our endeavor is to ensure that we take these projects to the market on time.

Deepak Purswani: And then moving to the collection and construction cost during this quarter, how was that trend? And how should we see it, I mean, if you can give the numbers for this quarter? And also, how should we look into it, collection and construction outflow during this year?

Neeraj Gautam: We have collected Rs. 965 crores during the last quarter, and if you look at the trend, it is in Slide 15 of our presentation, we are slightly down from immediately this quarter. However, if I compare to the quarter a year ago, we have substantially grown in terms of collection as well. That is the trend. As far as the construction outflow is concerned, last quarter we have incurred or paid Rs. 247 crores on contractor cost and Rs. 65 crores on cost of raw material. So, if we total that, about Rs. 300 crores plus we have spent on purely in construction cost on our projects. And then the construction projects are switching in our project and this trend will continue.

Neeraj Gautam: Of course, it will go up as different projects will reach different phases and new launches get added.

Abhishek Kapoor: Pretty much in line. I mean, if you look at, your quarterly expenditure of Rs. 300 crores towards operations, your collection is about Rs. 900 crores, which is typically one-third of your collections. So, it's pretty much stacks up in that sense, because collections are directly linked also to progress of construction and invoicing that we do.

Deepak Purswani: So, most of the sales which we did last year, to the extent of 35% to 40% collection would flow in this year. Would that be the correct assumption?

Abhishek Kapoor: See, in the first year, typically, of the launch, from the date of the launch, you would land up collecting anywhere between 30% to 40% of the total sale value, which you have done in a particular project. And then the balance comes over the next three years, typically. So, I mean, depending on the timing of the launch and the type of launch. Now, for example, Purva Land would be slightly different and you would get much better collections within the 12 months of the launch. But if you look at Provident and Puravankara, that would be the general trend. So, we would expect the overall collections to continue to be robust.

Moderator: Thank you. The next question is from the line of Tushar Wankhede from JM Financials. Please go ahead.

Tushar Wankhede: Sir, my question is, any guidance on your EBITDA margins? And will the new projects in Mumbai will bring in higher margins?

Abhishek Kapoor: See, our current EBITDA margins which we are holding up for last, I guess, couple of years have been at around 22%. Largely, it has been on account of 22% and 23% FY '24, right?

Neeraj Gautam: FY '23 was 31%. FY '22, it was 46%. And FY '24, 23%. And this last quarter, it was 22%.

Abhishek Kapoor: Yes. So, generally, if you see, the EBITDA margin do take a hit because of some amount of marketing cost of new launches and ongoing projects hit the EBITDA. While old projects which you are giving handing over of, some portion of those marketing costs also hit the bottom line. So, unfortunately, as per the accounting standards, the new launches marketing costs, and expansion overheads, for example, our expansion in Mumbai, now we have set up an office in NCR, will be hitting our bottom line today. So, on paper you will see a squeeze on the numbers. But as delivery picks up more and more and starts catching up with our sales number and gets closer and closer,

those numbers will evolve and change. They will get closer to our target number, which is at about 30% of EBITDA. So, on paper, I think it will take us some time to get close to that number.

If you look at margins, typically we expect in Provident between 27% and 32% margin; in Puravankara, between 30% and 35%; Purva Land in excess of 35%. Coming to Mumbai, if you look at our margins, see Mumbai redevelopment, it depends on what kind of project. An outright project will be very similar in most of the countries, where you will see in excess of a 30% EBITDA margin. But if you look at JDA, it would be somewhere around 15% margin, which will be a net of interest, because the interest will be lower, because land cost is much lower, it's an asset-light model.

In Mumbai, if you look at redevelopment projects, because you are not paying the entire land cost upfront, but most of the cost evolved, is paid over the life of the project in terms of other than the initial cost, and the rent that you pay over the life of the project, the biggest cost is the cost of sanction. Now, that cost of sanction also is paid over time. So, that margin typically lies between a JDA margin and an outright margin. And that's how we look at the margins in the Mumbai redevelopment market.

Now, if you look at the absolute number, clearly the Mumbai per square foot margin will be much higher, because just the values are very different. And hence, it adds on an absolute value on the per square foot number that we will see as margins coming in, and on an absolute basis. On an overall basis, I think both our average realization definitely will go up in terms of Mumbai projects getting added to the rest of the country.

Moderator: Thank you very much. The next question is from the line of Chintan Mehta from Puniska Family Office. Please go ahead.

Chintan Mehta: Sir, on Slide #23, you mentioned about pending to be recognized number of units and area. If you can throw out a group, this is specific to '24 and '25, so if you can throw on entire group level, what is to be pending to be recognized unit or revenue is pending?

Neeraj Gautam: This slide only includes the pending to be recognized inventory out of the recent OC we have received. However, we can give you the complete detail of all the projects put together, what is our pending to be recognized unit and inventory, I can give you the information offline.

Chintan Mehta: Okay, sure. And sir, we have aspiration to be a national level player, so what's the new geography we are looking in? What will be the rough timeline for that?

Abhishek Kapoor: So, our focus is, of course, Bangalore, Chennai, Hyderabad, Mumbai, Pune, and we are adding NCR to it. NCR, we just put the team on the ground, so we are hopeful that in the next financial year. We need to track very carefully, it's a new market, it takes some time to acquire and do the right acquisitions from the brand and strategy point of view, and also to be careful in markets, especially in NCR. So, we want to be cautious, and our strategy is to enter with the asset-light model there. So, we are hoping that in the next financial year we will see some results there. Other than that, on the other markets we already see launches, we already have ongoing projects. So, the

rest of it is already there, the only large market that we have been missing out on is on NCR, and we are hoping to see some direction coming in by the next financial year end.

Chintan Mehta: Sure sir. The last question from my side, you always mention a slide which is cash flow potential from the Group. I think this slide, this time is missing. So, if you could add that, that would be great the next time in con-call or presentation.

Abhishek Kapoor: Sorry, you broke up in between, you said cash, some slide which was there earlier?

Chintan Mehta: Cash flow potential.

Abhishek Kapoor: Cash flow potential, no, it's there.

Neeraj Gautam: It's not there.

Abhishek Kapoor: We can share those details offline, Chintan.

Chintan Mehta: Okay. Sure, sir. And just a suggestion from my side, on to the current construction project, if you mention the completed construction percentage, that would be great and helpful to us.

Abhishek Kapoor: Yes, sure. The feedback is noted. In the under-construction projects, we can give that details going forward.

Chintan Mehta: Thank you so much, sir. All the best.

Moderator: Thank you. The next question will be from the line of Jinen Dharamshi from GGD Consultants. Please go ahead.

Jinen Dharamshi: Sir, what we are anticipating in the market going is in next big 14 cities, you are currently present in almost four or five of it. Do we have a strategy to be penetrating in all 14 of those cities?

Neeraj Gautam: Sorry, we could not get you clearly, fully, because there's too much background disturbance. Is it possible to repeat the question, please?

Jinen Dharamshi: So, top 14 cities in India are having lot of potential, what we have read. And you are present in almost five of them. Are you having a strategy to be present in all fourteen of them?

Abhishek Kapoor: Okay, so as a business, it takes time to understand the local environment and build a business in a new city. Over the last 49 years of business that we have done, today we are in 9 cities, which is Bangalore, Hyderabad, Chennai, Kochi, Coimbatore. Mangalore is one market we do not want to be in, we will possibly get out of it. Mumbai, Pune and Goa, and now, Hyderabad also. The only other market we want to enter at this point in time is NCR. And I think this is enough for us to really scale our business.

Because see, if you look at the business, we have the entire spectrum of product that says residential from plotted, which starts at Rs. 3,000, to the top end of the business which will go possibly at over Rs. 100,000 per square foot eventually. So, if you have the whole range, and you

have these cities, our goal will be first to go deeper, and work on the market share for these cities before we look at any other city. And as I said, it's taken us time, and it does take time to understand the local dynamics, do the acquisition, and then get it to launch, complete a certain project, and showcase your delivery capability in each of these markets. So, at this point in time, we will stay limited to the current cities that we spoke about. And at a later and appropriate time, we will evaluate any other cities that we may look at. But right now, we see enough potential to just focus on these cities and the business we are in.

Moderator: Thank you. Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Neeraj Gautam: Thank you, everybody, for joining our conference call, and I hope me and my team has been able to answer all your questions. We both of us are available offline. If you have any further questions, please write to us. We will provide answers to the extent possible. Thank you.

Abhishek Kapoor: Thank you, everybody.

Moderator: On behalf of JM Financial, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.