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Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

The Manager, Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, C - 1,
Block G, Bandra - Kurla Complex,
Bandra (E), Mumbai – 400051

BSE Scrip Code-523329

NSE Symbol- ELDEHSG

Subject: Transcript of Earnings Conference Call held on Wednesday, November 08, 2023

Dear Sir/Madam,

This is with reference to the intimation dated November 1, 2023 made by the Company about the Earnings Conference Call scheduled for Wednesday, November 8, 2023 at 1.00 p.m. IST. A copy of Transcript of the conference call held with the Investors/Analysts is enclosed herewith.

The aforesaid Transcript is also being made available on the Company's website at www.eldecogroup.com

You are requested to take the above information on record.

Thanking you,
For Eldeco Housing and Industries Limited

Chandni Vij
Company Secretary
Mem. No. : A46897

Eldeco Housing & Industries Ltd.



**“Eldeco Housing & Industries Limited Q2 FY-24
Earnings Conference Call”**

November 08, 2023



MANAGEMENT:

MR. PANKAJ BAJAJ – CHAIRMAN AND MANAGING DIRECTOR

MR. MANISH JAISWAL – GROUP COO

MR. SANJAY AGARWAL – GROUP PRESIDENT ACCOUNTS AND TAXATION

Moderator: Ladies and gentlemen, good day and welcome to the Eldeco Housing & Industries Limited Q2 and H1 FY24 Earnings Conference Call.

As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call please signal an operator by pressing ‘*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhishek Bhatt from EY Investor Relations. Thank you and over to you sir.

Abhishek Bhatt: Thank you. Thank you and good afternoon everyone for joining us on the call.

Before we proceed to the call, let me remind you that today’s discussion may contain forward-looking statements that may involve known and unknown risks, uncertainties and other factors. It must be viewed in conjunction with the business risks that could cause future results, performance or achievement to differ significantly from what is expressed and implied by such forward-looking statements. Please note, the results and presentation are available on the exchanges and on our Company’s website. Should you need any assistance to receive them you can write to us and we will be happy to send them over.

Today we have on the call, senior management of Eldeco Housing and Industries Limited which is represented by Mr. Pankaj Bajaj – Chairman and Managing Director, Mr. Manish Jaiswal – Group COO, Mr. Sanjay Agarwal – Group President Accounts and Taxation. We will begin with the highlights of the quarter followed by a Q&A.

Now, I would like to hand over the call to Mr. Manish Jaiswal for his opening remarks. Over to you sir.

Manish Jaiswal: Thank you Abhishek. Good afternoon everyone. I am Manish Jaiswal. Thank you for joining us today on the Earnings Call to discuss our Company’s performance during the 2nd Quarter and Half Year of Fiscal Year 2024. I am pleased to report that our Company has continued to maintain a steady performance during this period. There have been several key factors contributing to this success.

Let me begin with a few comments on real estate market after which I’ll discuss operational and financial results for the 2nd Quarter ended September 2023.

The real estate market in Lucknow is on an upward trajectory witnessing a consistent rise in demand for both residential and commercial properties. This growth is largely attributed to the city’s ongoing infrastructure enhancements and improved connectivity and at Eldeco we remain aligned with this trend by strategically increasing our supply in this market to continuously meet the rising demand.

Moving on to the operational highlights of the Company:

It was a relatively quiet quarter for us. Speaking based on the accounts reporting. As no new projects were input, however sales bookings of Latitude 27 which was introduced in late Q1 FY24 gained significant momentum during Q2 FY24. Based on the allotments done, we achieved a modest year-on-year growth of 6.5% in bookings reaching the sales booking value of 24.7 crores. The total collections in Q2 FY24 amounted to Rs.28.6 crores during the same period, we successfully delivered around 38,000 square feet worth of area that is around 30 homes to our delighted customers by giving registries to them.

Turning our attention to our new launches:

In Latitude 27, which is our most recent launch. We have already allotted 41 units till September 2023. And based on the pre commitment we have already received on the sales side the project is expected to boost both the sales booking and collection numbers significantly in Q2 of FY24. Furthermore, as part of our efforts to strengthen our supply, we are now gearing up for the highly anticipated launch of Imperia Phase-2, for which the layout was approved in September 2023. And RERA is expected to be received within the next couple of weeks. This is going to be our most significant project this year with the sale area of approximately 6.3 lakh square feet spread across 28 acres. Additionally, we are in the process of RERA registration for our luxury high rise project Eldeco Trinity on Shaheed Path, for which the layout was also approved in September 2003. We are in the process of applying for RERA for the same. Both projects are set to augment our portfolio by approximately 11 lakh square feet worth of saleable area within this project.

In parallel our commitment to expanding our land holdings has yielded results. With successful acquisition of 18.1 acres of land that we have acquired between July 2023, August 2023. This achievement is part of our ongoing land aggregation strategy, we plan to continue expanding our land portfolio in the coming months as well. In the Q2 FY24 we secured substantial funding of round 160 crores from two separate lenders Piramal and ICICI Bank. Out of which around 80 crores has already been allocated and effectively deployed to support development initiatives in the Company. We are confident that that combination of existing inventory and substantial number of upcoming launches that we have in pipeline would be instrumental in achieving our supply building objectives. While H1 FY24 may have been subdued, we anticipate a more promising outlook for the Company in H2 of current financial year. As we are near the festive season, we want to assure you that we are fully prepared to meet the increased market demand thanks to the success of our recent launch of Latitude 27 and pipeline of new projects in the name of Imperia Phase-2 and Eldeco Trinity. The demand for high quality real estate continues to be strong in Lucknow and we are strategically positioned to continuously seize this promising opportunity.

Moving on to our Q2 and H1 FY24 financial performance. The consolidated revenue from operations was 17.1 crore in Q2 FY24 compared to 32.9 crores in Q2 FY23. During H1 FY24 the revenue stood at around 41.9 crores compared to 60.5 crores in H1 FY23. The consolidated EBITDA was at 7.4 crores in Q2 FY24 compared to 9.6 crores in Q2 FY23. EBITDA margin remain high as 43.6% in Q2 FY24 compared to 29.1% in Q2 FY23. The H1 FY24 EBITDA was

at 15.2 crores compared to 20.9 crores in H1 FY23. The EBITDA margins for H1 FY24 stood at 36.4% compared to 34.5% in H1 FY23. The Company's consolidated profit after tax stood at Rs.6.4 crores in Q2 FY24 as compared to Rs.88.9 crores in Q2 FY23. During H1 FY24 the TAT was at 14 crores versus 19 crores in H1 FY23. With this, I would like to open the floor for questions. Thank you.

Moderator: Thank you so much. We will now begin the question-and-answer session. The first question is from the line of Mr. Kunal Tokas from Fair Value Capital. Please go ahead.

Kunal Tokas: And my first question was about the number of subsidiaries that we have. So, according to the FY23 annual report we had 40 subsidiaries and we had incorporated six more in FY23. So, I wanted to know the reason for having so many subsidiaries and why we cannot have a more leaner, more simpler structure, that was my first question.

Kunal Tokas: All Right. My second question was related, so in FY23 also we had given a loan of, we had outstanding loan of around 41 crore to Eldeco Infrastructure and properties and we had given a further loan of 5.5 crore. I wanted to understand the nature of the outstanding and by when can you expect the recovery of the loan and we also had total advances to subsidiaries to the tune of around 98.6 crore. So, I wanted to understand the reason for that. My third question was that, we have acquired land parcels in cities like Gurugram, Sonipat, Ludhiana, Greater Noida. So, can you help me understand what the approximate land area that we have now and when can we expect to start commissioning the projects on these land parcels and also like what your vision is for the next three to five years, what kind of revenues are you expecting from your new projects like Trinity, Latitude 27, Imperia and how much can they contribute to our total revenues in the next three to five years. Those are my questions.

Manish Jaiswal: All Right. So, I'll start from the first question, which is basically on the number of subsidiaries that we have in our organization. So, there are a couple of reasons why we need to have multiple subsidiaries while operating in our business. When we do land acquisition, there's an aggregation, there is a Land Ceiling Act, which we have to respect based on which there's a limit to certain acres of land that we can acquire in one subsidiary and when we are doing a big township acquisition, it is very regular for any developer or any land aggregator to basically acquire the bigger land parcel in multiple subsidiaries or SPVs. So, that they do not circumvent the law. And second point related to the same question is, it is also prudent practice to basically have new projects in new subsidiaries this practice has lately evolved after a lot of new compliance requirements that came into the industry like RERA compliance, et cetera. So, that allows one project to relatively freely operate in one SPV or a separate SPV in which the project is there by effectively avoiding the cross liabilities that can come up due to customer issues or due to approval issues that may impact one specific project in the overall Company. Does that answer your first question?

Kunal Tokas: Yes, sir that does.

Manish Jaiswal:

Your second question is regarding the loan that has been given to EIPL. Well, that loan has actually been given under a commercial understanding, it's a very protected commercial understanding, and we have already shared the details of that with the analyst, with the investors in these calls that we've been having previous year also. In the presentation that we submit in the Stock Exchange. So, this basically is the investment that allows EHIL to basically explore a market other than Lucknow in a protected manner. In which the minimum guaranteed return to EHIL is protected, while figuring out if this experiment of going out of Lucknow will be successful or not, this has done very well. So, that money is basically I would say it's the assured guaranteed return or the 50% beneficial interest in the Bareilly project, whatever is higher is the return and gets paid back to EHIL. I believe that, Bareilly project, next year should be the time when we should be in a position to apply for OC in the Bareilly project, post which the distribution would happen in this particular project and this investment would be repaid back accordingly.

Kunal Tokas:

This was in regard to the 41 crore loan outstanding to Eldeco Infra right?

Manish Jaiswal:

Right. Third question is related to the advances to the subsidiary. So, when the recent acquisitions were done in last quarter we did 18 acres worth of acquisition we spent around 80, 85 crore in land acquisition in the last quarter. So, typically when this acquisition is done, the acquisition is done in the subsidiary, but usually capital resides in EHIL, which is why these advances are shown to various subsidiaries and most of this money is basically utilized for land acquisition in the subsidiaries. Fourth question is related to the project that the group has recently acquired in various markets like Gurgaon, Sonipat, Ludhiana other than Lucknow. So, as you would be aware that EHIL is a listed entity which is focused on the Lucknow market and the group has another entity which is unlisted, which is operating in all other markets other than Lucknow. So, these projects have been acquired in the unlisted entity. Fifth question, related to the guidance for next three to five years. So, typically as a policy we do not provide future guidance, but based on the information that we have already disclosed today- this year we are hoping to more than double our sales bookings that we did last year, Last year it was around 100 crore and a year before that it was around 250 crores or so, this year we are hoping that the number should be double of last year, maybe more than that. The inventory that we'll be releasing, other than what we have already released is basically these two projects Imperia Phase-2 and Eldeco Trinity, between the two we have 11 lakh square feet of inventory that is getting released. While I would not like to disclose the actual pricing at this point at which we will be releasing this inventory in the market. But even if you do a quick calculation based on average realization that we have achieved in last quarter, which is 4600 or so, and multiply that by 11 lakh square feet, the number would be somewhere around 500 crore in that range or so. So, with that plus whatever we have sold already up till now in this year, including in the recent launch of Latitude 27, all of these projects should get delivered in next three to four years and their revenue should get recognized in the books accordingly post-delivery, Next year we would also be in a position where Twin Tower and Imperia Phase-1 would be delivered, there completion would be received. And those projects should also be in a position to get recognized in the books of accounts.

- Moderator:** Thank you. The next question is from line of Ms. Monika Arora. Please go ahead.
- Monika Arora:** My first question is, what is the average realization of the new project, like Imperia 2 and Trinity. My second question would be any guidance on what would be the incremental collections in the next two years. And also, if you could just give me the numbers have been a little bit muted into this quarter. So, how do you look forward towards FY25? Those are few questions.
- Manish Jaiswal:** Thanks for these questions, Monika. So, I'll start from the last question. As far as the financial numbers during these quarter, these numbers reflect the period performance of the projects which were launched three, four years back which got delivered within say last H1 and on which the units are getting registered in favor of customers now. So, the accounting performance is basically the reflection of the actual registries that we do in favor of customers and the real indicator of our current latest performance or current period performance would be, the land that we have acquired last quarter or the new approvals that we have received in the last quarter, the project launches that have been lined up, that will come up in coming months. The new fundraise that we had done, and also the performance that we have achieved on the sales bookings of recent launch Latitude 27. So, on those parameters, numbers are extremely robust. But as far as the financial accounting numbers are concerned, it's how the policy of revenue recognition is there in the real estate and based on which those numbers reflect the period performance of the organization, i.e. operating performance of the organization three, four years back. Does that answer your last question?
- Monika Arora:** Thank you so much sir. And this was really detailed, thanks.
- Manish Jaiswal:** So, other two questions are basically kind of related to the future guidance, which I just answered to Kunal also. So, as I said, we typically do not give future guidance, but based on what we have already disclosed in the market, 11 lakh square feet is getting released between Eldeco Trinity and Imperia 2. Imperia the last sales that has been done in that project was at around Rs.4000, Rs.4200 per square feet, we are yet to come out with the pricing for Imperia Phase-2, 6.3 lakh square feet, but I would assume that it would be in the similar range of 4000 to 4500. As far as Trinity is concerned, it's luxury project high rise, it's located at Shaheed Path, which is one of the most prominent luxury locations right now in Lucknow and it has got phenomenal views of the rivers and the greens in front of it. So, we believe that the pricing of that could be anywhere between 6500 to 7500 very easily, if not more. But the actual pricing would only come out when we are closer to launch and when we release the inventory in the market.
- Moderator:** Thank you so much. The next question is from the line of Nitin Deveriya from Prithvi Finmart. Please go ahead.
- Nitin Deveriya:** So, we are relatively new to the Company. So, just on a macro point, I want to understand this, since we are focused on Lucknow market and we see the development going on there. So, from a sales perspective, I just wanted to understand like what is the purchase pattern over there, the housing demand that we are seeing is it coming from the locals moving into apartments or can

we see it as a migration demand that Lucknow is facing, essentially we are concentrated in one city just wanted to get an understanding on that?

Manish Jaiswal:

So, Lucknow, as city it has very interesting dynamics it's a capital city, it's a seat of government for UP government, it is where the headquarters of all UP government organizations are located. Any private organization has to open up let's say a headquarters for UP which is the biggest state by population in the country, they will open up that headquarters in Lucknow. Within UP also there is lot of migration that keeps on happening. Sometimes it is transient migration, sometimes it is permanent migration from various cities of UP to Lucknow because Lucknow has great social infrastructure, it has got great schools, very well-known schools. It has got Medanta, which is very well known hospital and it has got multiple big malls. The road infrastructure, is very good, the facilities are immense. So, a lot of people within UP also sometimes they either shift or they plan that post retirement they may consider to shift to Lucknow so, a lot of those buyers also keep buying from outside. As far as the preference to asset class is concerned I would say we have seen equally good demand coming both from apartments as well as some independent housing units. Lately, in the city centered locations like Gomti Nagar, Shaheed Path it's next to impossible to basically come out with new township land and most of the projects which are getting launched over there because of paucity of land are group housing projects. So, in those locations, whatever new absorption that happens, it typically happens in group housing projects only. But in outskirts of the Lucknow city, it is still relatively easy to acquire large land parcels and do township projects which allows an opportunity for lot of buyers to purchase the villas or plots, et cetera also.

Nitin Deveriya:

Understood sir, that was really detailed. Sir, just wanted to understand one more thing, are we looking at other markets other than Lucknow in the vicinity or for the next three years maybe we just focus on Lucknow as a market?

Manish Jaiswal:

The primary focus still remains Lucknow, but as I said, we tried our hand by evaluating the opportunity in Bareilly and that experiment turned out decently well and with that, emboldened by that success, we are kind of open to look at some more opportunities also which are in cities closer to Lucknow and which can easily be managed by our team which is stationed in Lucknow only.

Nitin Deveriya:

Understood. So, my second question is, it was just more on a clarification side. Sir you mentioned that there is one unlisted entity of Eldeco, is the one acquiring land parcels in other than Lucknow market. So, is there a sort of understanding between the two like you are only focused on Lucknow and residential would not be taken up by in Lucknow won't be taken up by the other unlisted entity, how does it go, do we have sort of understanding?

Manish Jaiswal:

Yes, so because of legacy reasons, that's how the structure is that this kind of exclusivity that the listed entity drives by operating in the Lucknow market in which unlisted entity doesn't enter and unlisted entity has been operating in these multiple markets other than Lucknow for quite some time.

- Nitin Deveriya:** So, in this H1 we purchased approximately 20.6 acre land as we have mentioned in the presentation. Sir what is the idea behind it like what projects are we planning and when do we plan that?
- Manish Jaiswal:** See out of this 20 acres, 3.2 - 3.5 acres is the land on which we are launching Eldeco Trinity on Shaheed Path it's around five lakh square feet luxury group housing. Other than that, rest of the land is basically still in aggregation mode, we are still acquiring more land parcels in these locations in which the balance 17, 18 acre land was acquired. And to ensure that the aggregation process does not get disturbed, We typically do not disclose the location of the aggregation projects till they are fully acquired and applied for approval.
- Moderator:** Thank you so much. The next question is from the line of Rishikesh from Robo Capital. Please go ahead.
- Rishikesh:** Sir firstly if you could touch upon the deliveries, how much deliveries are we looking to do in H2, and going ahead in FY25?
- Manish Jaiswal:** So, as far as deliveries is concerned, we are very close to delivering Imperia Phase-2 and Twin Tower, we are hoping to apply for their completion certificate either in Q4 or in early next financial year. And other than that, recently we have got completion for Regalia Arcade, we have got completion for Uday Joy. And East End, like those projects. Does that answer your question?
- Rishikesh:** So, basically just wanted to get a sense on the reported revenues. On the reported revenues basis we had done maybe around 17 crores this quarter. And we have been in this range of 30 crores, 40 crores kind of range. So, what exactly can we do on the reporting basis if you could guide on that for this H2 and for next year FY25?
- Manish Jaiswal:** So, reporting revenue is basically based on as I said, the registries that we have done in the last quarter for the projects on which we have already received the completion certificate. But these projects were launched three or four years back and they took three to four years for development post which the completion was received, post with the registry happened. So, the indicative of a period performance, the operating performance that happened three, four years back. But, as we move forward, the project that we launched in FY22, FY23 those projects now would be getting delivered next year. And a year after that, the project that we launched this year would hopefully get delivered in three to four years' time. So, those projects would come into the recognized revenue category as they get delivered and we do registries on those projects in favor of customers. in the last quarter of this year or maybe early next year we should be in a position where Twin Tower and Imperia Phase-1 should be completed. Imperia 2 and let's say Latitude, which we have recently launched it should be getting completed in next four years' time frame from now. Imperia 2 should be delivered hopefully in the next three years timeframe from now because it is a horizontal development project, it's not a high rise. Trinity again, should take four to five years to deliver project the high rise. So, as these projects get delivered and the top line

number for these projects are relatively large as compared to the projects that we have done historically. So, they should reflect in the recognized revenue numbers.

Rishikesh: Okay, got it. And also, the two projects that we are launching Trinity and Phase-2, by when are we looking to launch, which quarter?

Manish Jaiswal: Imperia 2, we got layout sanction in September, we applied for RERA immediately and we should be RERA within this month itself for Imperia Phase-2. Post which we should be in position to launch. So, either this quarter as an ongoing quarter or next quarter, which is Q4 is when Imperia 2 has a good visibility. And as far as Trinity is concerned, although we got the approval layout sanction in September, there were certain more formalities that were needed to be done before applying for RERA. So, we should be able to apply for RERA within the next week, 10 days and hopefully get RERA by December end or January. So, that should also be hopefully launched within Q4.

Moderator: Thank you. The next question is from the line Samyak Sapre from Wealth Tree Capital. Please go ahead.

Samyak Sapre: I have a couple of questions. So, this is, do we plan any strategic tie ups that any partner for accelerating our growth in Lucknow market that is my first one.

Manish Jaiswal: So, to answer this basically, as part of our land acquisition and BD strategy we always remain open to not just the outright acquisition, but also joined development, partnership deals. So, if we get any such good opportunity, yes, we are open to tie up with the existing land partner. As long as the numbers make sense, we do not foresee much partnership risk, And we can move on that front as well. The recent fundraise that we have done is also reflective of the funding partnership that we did with both ICICI Bank and Piramal.

Samyak Sapre: Okay. So, any visibility of land parcels that we plan to acquire in coming H2?

Manish Jaiswal: Yes, the land acquisition process that we have is ongoing, and we are hoping to acquire some more land in H2 as well.

Samyak Sapre: Okay. And just a continuation of the previous question, how do we plan to utilize the funds to simply 160 crores and would there be a need of any fresh debt as we see a good opportunity in Lucknow and other cities?

Manish Jaiswal: So, thankfully we have a good headroom in our balance sheet and if need be we can take more debt to acquire more land parcels. As of now the acquisition that is happening for that the funding is available. But if there is any other good opportunity that comes up and land acquisition sometimes is also very opportunistic, while we keep looking for land as a funnel and we keep evaluating various opportunities and whenever we find a good opportunity which is kind of complying with all the criteria, positive criteria that we have, on counterparty, on location, on IRR, on returns, approval risk, aggregation risk, et cetera. We take a plunge on that particular opportunity. So, that process of search for right opportunity that keeps on going on and typically

in BD the funneling process essentially means that we look at 50 deals before zeroing on one or two deals in that pipeline or funnel of FTE, which are making sense on all fronts. So, if we get such opportunity, yes we are open to take more debt. But as of now, whatever acquisition is going on, whatever acquisition is currently planned for H2, for that we have enough dry powder in our bank account, so we don't need to.

Moderator: Thank you so much. The next question is from the line of Gunit Singh from CCIPL. Please go ahead.

Gunit Singh: So, the pipeline for a future project says three years or four years down the line is quite healthy for the future. But in terms of reporting revenues this was one of our weakest quarters say in the last three, four years. So, for FY24 or FY25 or even till FY26, should we before the three years after we start new projects would probably be delivered. Before that, should we expect revenue's to be muted and in line with what we saw this quarter?

Manish Jaiswal: Well, as I've explained that the reported numbers, specifically on the revenue side, are basically reflective of the performance that was operating performance of three, four years back. The project that are getting registered this quarter is reflective of those numbers which were launched three, four years back so on that front it would be not prudent to make any comment because it's how the projects are getting delivered and registries are happening in favor of customers. But as far as operating performance is concerned, as you rightly mentioned, and we have already discussed also, there are fairly strong reporting numbers both on new acquisition, fund raising, new credit pipeline, et cetera.

Gunit Singh: Sir, got your point, but firstly for the coming year FY25, FY26 in terms of past performance of the Company as well, should we expect the numbers to be muted like the quarter that we saw or like you mentioned earlier that Twin Tower and Imperia Phase 1 should start getting delivered in FY25. So, directionally do we expect the numbers to be muted for FY5, FY26 reported numbers or do we expect some growth over say FY23 numbers, directionally I want to understand, because I understood the point that say FY27 onwards we have healthy deliveries. But looking at the reported numbers as well, in terms of being a part of the investor community, I would like to understand, how the reporting numbers might shave directionally for FY25, FY26 as well, should we expect them at least to maintain our FY23 levels or how should we look at it?

Manish Jaiswal: Well, we do not have a policy of making future guidance in these calls. But between Twin Tower and Imperia Phase 1, there is enough top line numbers, the booking numbers, which have already been achieved, which can allow us to basically show more strength on the reported revenue numbers than what you have seen in this quarter.

Gunit Singh: Alright sir got it. So, both of these would be delivered in FY24 right?

Manish Jaiswal: So, both of these or one of these, it has to be either Q4 of this financial year or Q1 of FY25.

- Gunit Singh:** All right sir got it. And apart from these two, do we have any other major projects which would be delivered say in FY25 or FY26?
- Manish Jaiswal:** I am not able to reach Kapil but see Regalia Arcade, Uday Joy, East End, Shaurya Arcade, there are some more inventory in Regalia City, Saubhagyam which should also get reflected in the FY24.
- Moderator:** Thank you so much. The next participant question is from the line of Karan Premchand Gupta from CAVI Capital. Please go ahead.
- Karan Premchand Gupta:** I wanted to get your some commentary on what your expectations were for the Eldeco Latitude bookings for this quarter. I understand that this project was launched in July. So, you had practically the entire quarter for bookings and whether it was up to expectations and how things are going in the current quarter with the festive season and obviously a high sales season.
- Manish Jaiswal:** So, we have already allotted around 50% of sales that has already been done in Latitude which is around 40, 41 units or so, and based on the pre commitments which are yet to be allotted, I would say that the project has performed fairly well. And it should contribute more significantly to the booking numbers and the collection also in H2, which is then lot of the pre commitments that we have received that we have not allotted till H1, those should get allotted and should be reflected in the booking numbers.
- Karan Premchand Gupta:** Okay. So, currently out of the total saleable area of about five lakh square feet, how much is available for sale?
- Manish Jaiswal:** Well, we have opened so there are around five towers. So, broadly speaking a lakh each, a lakh square feet each. We open two towers to start with, which is two lakh square feet. And recently, we are working towards opening the third tower this festive season for the sales.
- Karan Premchand Gupta:** And the area that was allotted to the partner about 45,000 square feet so that is out of the two towers that were already opened or is that across the entire project?
- Manish Jaiswal:** So, can you please repeat it?
- Karan Premchand Gupta:** So, in your presentation for Latitude 27 there's a line item that says area allotted to partner which is about 44,200 square feet.
- Manish Jaiswal:** That is part of the towers which are already open for sales.
- Karan Premchand Gupta:** And these two towers that were opened, how many units are there in total?
- Manish Jaiswal:** Well, I don't have exact numbers, but I would think broadly speaking, two lakh square feet and in terms of numbers, say average would be 17 and 1800 square feet. So, around 120 or so, 125 something like that.

Karan Premchand Gupta: And even during the last call Mr. Bajaj have been given a guidance, and you also spoke about basically doubling your booking this year compared to last year, so roughly around 200 to 220 crores, out of that how much have you earmarked for Imperia Phase-2 and Trinity?

Manish Jaiswal: I would think between Imperia Phase-2 and Trinity around 50%, 60% of that number would be there.

Karan Premchand Gupta: And just one last question. So, based on current construction cost and your realizations what kind of EBITDA margin, should one expect the next two, three years once these projects actually get on your books?

Manish Jaiswal: So, the question is whether the kind of EBITDA margins that we have been achieving up till now is that sustainable or not. The EBITDA margins that we are achieving up till now to answer this kind of very high, probably they are the highest in the industry, typically in real estate sector, these high EBITDA margins are not there. And the primary reason for that is, a lot of these projects which are getting recognized in the revenue line item these days, they were launched on land which was historically acquired and the land cost at that time was relatively very low, as compared to the land cost now. So, now with the new project that we are launching, I don't think we would have 35%, 40% kind of EBITDA margins, which we have seen historically, those would be relatively lower, or more likely in the range of 25% to 35%. The plotted development on the horizontal development township project would have a relatively higher margin number as compared to a group housing number.

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

Manish Jaiswal: Thank you so much for attending the earning call of EHIL. Thank you for coming today and for your interest in the Company. Bye

Moderator: Thank you. On behalf of Eldeco Housing & Industries Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.