

19th August, 2022

To,
BSE Limited
Listing Dept. / Dept. of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Security Code: 539301
Security ID : ARVSMART

To,
National Stock Exchange of India Limited
Listing Dept., Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051.

Symbol: ARVSMART

Dear Sir/Madam,

Sub: Schedule of post results conference call with investors / analysts.

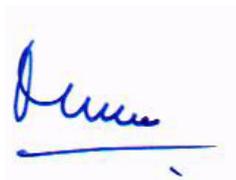
Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Company will hold post results conference call with investors / analysts on Friday, 12th August, 2022 at 5:00 PM to discuss Q1 FY23 Results of the Company as per the schedule enclosed herewith.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

For Arvind SmartSpaces Limited



Prakash Makwana
Company Secretary



Encl.: As above



Arvind SmartSpaces Limited
Q1 FY 23 Earnings Conference Call
August 12, 2022



ARVIND SMARTSPACES MANAGEMENT:

Mr. Kamal Singal – Managing Director & CEO

Mr. Avinash Suresh – Chief Operating Officer

Mr. Ankit Jain – Chief Financial Officer

Mr. Prakash Makwana - Company Secretary

Mr. Vikram Rajput – Head of Investor Relations

Moderator: Ladies and gentlemen, good day, and welcome to Arvind SmartSpaces Limited Q1 FY 23 Earnings Conference Call. We have with us today on the call. Mr. Kamal Singal, Managing Director and CEO; Mr. Ankit Jain, the Chief Financial Officer; Mr. Avinash Suresh, Chief Operating Officer; Mr. Prakash Makwana, CS, and Mr. Vikram Rajput, Head - Investor Relations.

Please note that a copy of disclosure is available on the Investors section of the website of Arvind SmartSpaces Limited as well as on stock exchanges. Please do note that anything said on this call, which reflects the outlook towards the future which could be construed as a forward-looking statement must be reviewed in conjunction with the risk that the company faces.

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.

With that, I would like to hand the floor over to Mr. Kamal Singal for his opening remarks. Thank you, and over to you, sir.

Kamal Singal: Thank you. Good evening. A very warm welcome to everyone present on this call. Thank you for joining us today to discuss the operating and financial performance of Arvind SmartSpaces Limited for the quarter-ending June '22. We believe, you must have got a chance to go through our revamped earnings deck uploaded on our website and stock exchange. I would like to begin by sharing my thoughts on real estate environment and broad highlights of the quarter. And then we'll have an opportunity to take questions from all of you and suggestions as well.

While we remain watchful of the global risk, including the economic slowdown, which is happening in the United States, Europe, etc. and also the geopolitical issues arising from the Russian-Ukraine standoff, the impact of global economic headwinds on the Indian economy is yet to play out. Though inflationary trends have led to increased repo rate and higher prices, housing demand remains very strong across cities and product segments, which basically highlights the sustainability of the upcycle that we are seeing in the Indian housing sector.

And this upcycle is here to stay, in my opinion. Unlike many of the Western countries, the demand for housing India is from very genuine home buyers and it is not speculative in nature. The demand for housing continues to be both from the first-time home buyers as well as from the buyers who are basically moving up the ladder and generally trying to upgrade their houses. The tailwinds for the real estate and especially organized branded developers are several including very steady rise income levels, wealth effect, joint family nuclearization, increasing share of household savings being directed into home purchases and the downfall of Tier 2-developers ecosystem with the GST and demonetization etc. which was a major economic push that government gave. With the governments focus on reforms to tighten the monetary policy and the economy, we can look forward to an even stronger real estate sector in future for sure.

We believe that it is a great opportunity for a brand like Arvind with a legacy of more than 120 years of trust, dependability and impeccable corporate governance

framework. The formalization and consolidation of real estate industry coupled with a very strong balance sheet that we have, significant headroom to raise funds, which is very important to know that we got a very significant headroom to raise funds, and an extremely strong execution record, all these put together put Arvind into a unique position to deliver great value in times to come. We continue to evolve as an exemplary customer-centric, technology-driven solution provider with design and innovation at its center.

Coming to the performance, FY '23 has started on a very, very healthy note for ASL, which is basically continuing on the momentum achieved in the last financial year into Q1 of financial '23. This was our best-ever Q1 from a bookings perspective. Bookings for the quarter grew 8% year-on-year to INR 118 crore in Q1 '23. Collection improved by 12% year-on-year at INR 133 crore, reflecting our continued focus on execution. We have taken measured price increases across projects, which were absorbed well by the markets. This highlights our improved sale ability of our projects and the rising brand equity of Arvind in real estate space as well.

We're happy to announce that we have added a new project in our portfolio. This is our 14th project in Gujarat, a 44-acres plotting development in Bavlu Village in the outskirts of Gandhinagar with approximate 2 million square feet of saleable area with the top line of INR 150 crore. This will be an outright purchase of land deal, and it should be somewhere by the end of next quarter.

While we are on the subject of business development, I would like to apprise everyone that we have exited the Bhugaon Project in Pune during the diligence process, due to technical feasibility challenges. As a group and a company, we place high importance to transparency, hence we had discussed this project earlier, and we had told about this project to everybody. However, due to technical reasons and approval issues, so we have decided to exit this project. To mitigate this, we have already taken some effective steps to fulfil the project pipeline gap created by this exit. Nevertheless, our focus on Pune as a market remains very, very strong, and we continue to evaluate more alternatives and deals. The company is rigorously working on extending the project pipeline across Bengaluru, Ahmedabad, and Pune, of course, including MMR in the future months.

Moving from operational update to the financial highlights. In Q1, we reported revenues INR 60 crore, up 124% on a year-on-year basis. EBITDA for the quarter grew by 31% to INR 11 crore, PAT for the quarter grew 190% to INR 7.2 crore. Our balance position remains strong. As on June 30, 2022, our net debt remains negative at INR 92 crore.

I'm very excited to share a very significant development which has taken place today. The company Board has approved our creation of INR 900 crore worth residential development platform with HDFC Capital Advisors. The proposed investment is such that ASL and HDFC will pump in or invest INR 300 crore and INR 600 crore respectively in this platform. This platform builds upon the success of the previous platform with HDFC Capital set in 2019, just before COVID. And this triples our capital investment abilities in short-term to medium-term, and in turn, create significant value for the shareholders. The fund will be utilized to acquire new projects for residential development in the cities of Ahmedabad,

Bangalore, Pune and MMR. ASL will set up a separate SPV to house the projects under this platform.

The platform will create an overall revenue potential of anything between INR 4,000 crore to INR 5,000 crore, excluding reinvestment potential. We are already in advance phases of finalization of two projects, which are expected to be housed within this platform, and we further expect four to five such projects under this platform over the next 12-odd months. The platform is designed to generate a significant upside to ASL linked to project performance, and of course, this will add to our project pipeline in a very significant manner, and at the same time, we should be able to manage the risk profile of the balance sheet in a very efficient and effective way.

To sum up, with a sustained traction in volumes, from a range of projects across locations in Ahmedabad, Bengaluru and Pune, we are very well poised to deliver significant growth this year. This will be supported by both the sustained sales traction in current projects, as well as new launches that are planned over the next few quarters in Ahmedabad, Gandhinagar and Bangalore. The real estate macro environment remains intact, optimistic and rather buoyant. The company is focused on capitalizing on this opportunity and boost the growth momentum in the ongoing year on our business development, launches, booking, collections etc. while maintaining a very, very strict financial discipline. With a strong brand, solid balance sheet, significant headroom to raise funds and a strong exhibition track record, the company is well-placed to create sustained value for its stakeholders.

Thank you very much. And now we can move on to question-and-answer session, and we can take questions.

Moderator: Thank you. Ladies and gentlemen, we will now begin with the question-and-answer-session. The first question is from the line of Kirthi Jain from Canara HSBC. Please go ahead.

Kirthi Jain: Sir, my question is with regard to our two Bangalore projects, Devanahalli and Sarjapur, what is the progress and how close are we to launch these in current quarter?

Kamal Singal: So, these two projects are progressing very, very fast. As you know, Devanahalli, for example, is a project where land acquisition is done for phase one, etc. and it'll be of course launched in a couple of phases as the approvals come. So we are making bundles of land, getting the approvals for the minimum lot and launching it. And then subsequently we'll keep adding more land, which is already purchased, but the approvals are happening in sequence and that's how it will be launched. So as we speak we are very close to launching the project in Devanahalli, approvals are about to be complete, maybe we've covered up 95% of the process, land CLU etc. is already done, plan approval is almost about to be completed. The last step, which is left subsequent to that is RERA approval, which normally takes a month's time or so. So we are hopeful that touch-and-go within this quarter or maybe very, very early next quarter, we should be able to launch Devanahalli.

And situation in Sarjapur is also similar, a little behind Devanahalli, but per se, the agreements and JVs, etc. are all done. Most of the land is already converted into

CLU post our agreements etc. So that's the major part when it comes to overall timelines of a project launch. Now the final touches are being given to the plans, the architectural aspects of it, and subsequent to that, maybe this project should be getting launched, , after Devanahalli, given maybe a month, month and a half behind Devanahalli.

Moderator: We'll move onto the next question that is on the line of Rithvik Sheth from One-Up financial. Please go ahead.

Rithvik Sheth: Sir, a few questions from my end. Firstly, on this fund with HDFC, so our economic interest will be 33%, is that understanding, right?

Kamal Singal: See, this is obviously our third engagement or our partnership with HDFC Caps. The first was under the H-CARE 1 fund, through that fund we invested in this Devanahalli project. This is essentially that platform project that we just talked about. The second engagement, because by the time we could invest more, COVID struck and the funding actually kind of took a halt, but still the fund invested at the entity level in that case and we got INR 50-odd-crore invested by the fund at the entity level itself, they picked up into the company. And this is now the third arrangement that we are talking about which is of a very, very significant size and larger size than the previous ones. So the partnership goes from X to Y, which is significantly higher. Because the terms are yet to be signed and this should happen in next few days, we shall be in a position to share more details about that once that process is completed. Today, the Board has approved the broad contours of this potential partnership. And that's what we have been excited about sharing with all of you, but will definitely come back to you once the process completes, which is a few days away from now.

Rithvik Sheth: So the thought process is, put in equity of about INR 900 crore and then leverage that to some extent and acquire projects which standalone balance sheet on the size which we could not do. So this will help us to increase the size of the projects as well, right?

Kamal Singal: Absolutely. So, as you would've read through the communication that we have made, this is going to be a INR 900 crore platform. We are creating an SPV for this specific purpose, all the projects which we take where we co-invest, will be housed under that new SPV, and of course, this gives us, not only the dry powder required to take more projects, but as you very rightly said, this also gives us more strength to take up bigger, more value creating projects at a location, which until today we have been restricting ourselves to certain extent. Definitely even that aspect gets debottlenecked and we have more opportunities to find more valuable lands in that context.

Rithvik Sheth: Right. And sir since Arvind SmartSpaces would, they're developing a company for that, we would be getting some kind of fees and some project management services fees as well, right. Would that be fair?

Kamal Singal: Naturally. For a developer there has to be more than that, a developer invests in any arrangement, so that aspect has to be there. And that's what we look forward to, you know, when we get into such arrangement and that obviously is going to be something which is often, I mean, important to us and that's what is going to be happening operationally.

- Rithvik Sheth:** Right, and when do we expect to infuse this INR 300 crore from our end? Is there any timeline?
- Kamal Singal:** So, this is simultaneous; infusions will happen simultaneously. For example, suppose we acquired a project which is worth INR 100 crore. Then obviously one-third of that INR 33 crore from us and INR 67 crore from them will come simultaneously at the time of acquiring that project. So it basically is simultaneous to when that acquisition happens and both partners in their own ratio, 2:1 will invest and we have, of course in the INR 300 crore, it's something that is already there in the sense of availability, etc.
- Rithvik Sheth:** This is encouraging, sir. This platform is getting leveraged after two, three engagements with them, right?
- Kamal Singal:** Yes.
- Rithvik Sheth:** Sir, my next question is on the Pune project, what was the hurdle that we could not clear, or the landowners could not clear that you stepped aside, and did you lose any money on this or any deposits or any advances that?
- Kamal Singal:** No, no, absolutely not. We don't get into any arrangement we have a potential to lose money for sure, we'll do the documentation right. We did pay some little amount of maybe couple of crore, INR 3 crore, INR 4 crore and we've got the money back. That is sure.
The reasons were regulatory, related to some of the approvals of height, etc. The whole thing was not making that sense that we assumed at the time of acquiring the project and it came out that there could be restrictions, which will make the land less attractive and hence we decided to exit that project.
- Rithvik Sheth:** And sir, my next question is on our existing projects. So what is the construction cost that is yet to be spent on the existing projects?
- Kamal Singal:** I'll request Ankit to share that number.
- Ankit Jain:** So, if you would refer to the Slide 19 of the information update, it has all the operating cash flows, which talks not at a project level, but at the category of the project in terms of completed, ongoing and yet to be launched. It gives the balance cost to be incurred for the company as a whole and thereby arriving at the estimated operating cash flow, which is at the EBITDA level for the company as of now.
- Rithvik Sheth:** Okay. Sorry, which slide is this?
- Ankit Jain:** Slide number 19.
- Rithvik Sheth:** Yes, there is a balance cost to incur. Okay. And sir, my last question is, can we expect enter into MMR market in FY '23?
- Kamal Singal:** So MMR, which we read along with Pune is definitely one of our new focus area. We have been doing a lot of scanning of the options available there, and that's how we came across the second project in Pune also, one is already underway, as you

all know, and the second didn't happen because of these technical issues. We clearly have a focus and the idea is to start MMR for sure under this platform itself. So definitely within this year, we intend to have something going on either in Pune in addition to what we are doing or in MMR, which we read together as such.

Moderator: The next question is from the line of Kirthi Jain from Canara HSBC. Please go ahead.

Kirthi Jain: Sir, my question was with regard to the capital allocation. So currently, we have INR 90-odd-crore in our balance sheet. Then we will be generating surplus as we complete our projects and recognize the profits at cash flow off that, so our cash balance will further get accreted. And then we have a unlevered balance sheet. So all these three put together, will allow INR 600 crore, INR 700 crore of resources. Then there is HDFC platform also. So how will be the priority of, where the capital will be taken, and how it'll be put sir?

Kamal Singal: So you read it right, including the leveraging capability and the headroom which exists numbers are already what you said. And HDFC platform means that from the funds and the headroom that we have around INR 300 crore need to go on the platform itself. So maybe something like a 50%, 60% of the internal resources that we have or we could mobilize goes towards the platform arrangement. So the platform becomes INR 900 crore in total, and then we'll still have dry powder to have some sort of another arrangement with a similar fund, or we do it on our own, etc. But the first priority will be to deploy these first INR 900 crore under the platform. And the clear focus is that in next few months we do that efficiently, and that obviously will happen between these three markets that we are doing. We're not going more horizontal. We are not doing newer geographies apart from the existing Bangalore, and thereof Gandhinagar, and now renewed focus on Pune and MMR markets. So these three major geographies will remain our focus, residence, of course, is broadly what we want to do. Mid-priced is something that we are very strong at, we've done quite a few projects, so that remains our priority. Of course, it'll be sprinkled with opportunistic luxury ones, and that's what we'll continue to do. INR 900 crore first under the platform and the rest of the dry powder is still there to do a few things on our own, or rather have more arrangements like the HDFC one to multiply the investment cycle.

Kirthi Jain: Sure, sir. Sir, INR 900 crore will be through outright buyouts or, there will be JV JDs also, sir?

Kamal Singal: So it's a very good question, whatever numbers in the communication that we mentioned, it assumes that everything is buyout outright basis, but of course, we are free to do JDs. We are free to do JVs. In fact, we have had a strong track record of doing some very successful large JD developments since getting those projects. This includes our largest projects, like Uplands, Highgrove, Chirping Woods, Forreste etc. So we intend to definitely continue doing that. And if we do that and to the extent that we do that, the top line etc. will obviously multiply and this will also mean that return on equity etc. will be even higher because JDs are arrangement like that. The skin in game is smaller, he returns incommensurate way is a little higher. So we'll do, it'll be a combination. We're not trying to predict to what extent it will be a mix of JDs etc. but on a conservative side, if you were to just invest everything on an outright basis, this entire INR 900 crore, this gives us

a potential of having a top line of around INR 4,000 crore to INR 5,000 crore. But having said, definitely this is something which is going to be coming in the form of JDs as well.

Kirthi Jain: Sir, then this Bavlu project is passively launched right sir, informally launched right sir, as of now?

Kamal Singal: Yes, Bavlu project is kind of informally pre-launched, not launched. So we have not taken formal bookings, etc. but we have got expression of interest from their potential customers and got some sort of a commitment as well from. And the response has been phenomenal. You would know that, so that's right.

Kirthi Jain: Yes. It's called Arvind Fruits?

Kamal Singal: Fruits Of Life.

Kirthi Jain: Sir, just one last question, with permission. Sir, one thing is like are BD addition, there have been challenges, like what gives you confidence that going forward the BD addition can be strong sir, like from last October to August there has been no BD addition, which we have been able to demonstrate in a net-net apart from this Bavlu, which has come now so gives confident that going ahead BD will pick up in a very significant way, sir?

Kamal Singal: You are right. Bavlu is one project that we've just added recently. And we have also expanded size of some of the projects. Those details we will share with you. Apart from that, there are two projects which should be concluded anytime from now, maybe next two to four weeks' time, six weeks' time, that's the expectation. As we speak, the entire focus of the company is BD. We've just concluded this platform arrangement. And as one of your previous speakers said, it also kind of gives us an opportunity to us to look for the sizes, which are bigger than what we have been doing till date. That means that it unlocks more options for us in the marketplace. some of the very, very successful launches that we've seen in the last 1.5 years including Forrester, Highgrove etc. more and more landlords are showing very, very keen interest. Having said that, having fund is one thing. The other is that we need to have a very, very micro, micro scope, which scans to the extent we could derisk ourselves. So we always are a little conservative, but at the same time we are very, very aggressive in the marketplace. The entire team is panned out in these three geographies. The pipeline is strong. And there are a few projects, as I said, which are coming closer and closer to the final conclusion. We'll see the results in next couple of quarters. And the idea is to very, very aggressively deploy this INR 900 crore. That's the Key Result Area (KRA) for the entire organization and all of us.

Moderator: Thank you. The next question is on the line of from Aditya Mehta from AP Advisors. Please go ahead.

Aditya Mehta: Sir, my first question is on the revenue front. On a consol basis, I can see the income, I can see the income has drastically decreased and so is the PAT. Could you please throw some light on the reasons behind the same?

Ankit Jain: You are referring quarter 4 versus quarter 1 one of current year. Correct?

Aditya Mehta: Yes, sir.

Ankit Jain: Yes. So if you look at Y-o-Y, of course, has grown significantly from INR 27 crore to 60 crore. Now in quarter 4 of last year, which is, March ending quarter, we had received completion certificate for two of the projects and hence we see a sudden increase revenue recognition in that quarter on a standalone basis.

Kamal Singal: Aditya, this problem on a quarter-on-quarter basis we generally face because of the way the accounting standard now works. Lot of revenue gets recognized when you complete a new project. SmartSpaces is a company which is not having a very, very wide sort of set of projects at this point. And hence there are a few peaks and troughs coming in the books of account. That is why we generally would focus a little more on operational parameters like what is a fresh booking, what are the additions to the pipeline, what are the kind of collections happening, how much is the sustenance sale, how many projects we could launch, etc. etc. that gives a little better indication these peaks and troughs keep coming in P&L. And that's what Ankit was explaining you that last quarter Q4 of 2022, we suddenly had two projects that have been and a lot of revenues got recognized. So apart from these peaks and troughs broadly the business remains robust and we are recording very, very decent growth in all the operational parameters as we conduct our business at this point.

Aditya Mehta: Okay. I understand. Thank you so much for explaining it so well. Sir, and my next question would be on the booking. So, the booking during the quarter remained subdued with modest 8% growth Y-o-Y, despite Q1 FY '22 being affected by the quarter. So, I would like to know the reason behind the same in parallel to that, are there any specific reasons for the dip in the bookings of Forrester?

Kamal Singal: So basically two questions. One is, the general booking levels. So we are into a sustenance phase in this period. So we haven't really accounted for or we've not really launched any new projects. They're all lined up, and Q2-Q3 we hope to expect a lot of action out there. We are very hopeful that we will be able to achieve a very significant growth over the last year's numbers, which was INR 600 crore in total for the year as a whole in terms of new bookings. But of course, this quarter has been a quarter without any new launch. So this was sustenance sales, so to say.

The second question is about Forrester. Forrester, we launched four phases and in these four phases, we've launched significant component already, I think more than 80%, 85% is already sold and the leftover inventory is now gradually getting liquidated. We are in the process of getting the final approvals and data approval actually, plan is already approved for the phase five of Forrester, which is going to be broadly the last phase of the project, and a very large one. When that happens, this will mean that more inventory is made available for sales. So primary reason of the dip is not the market or not any other reason, but the inventory availability itself, which will improve dramatically once we get the last phase up.

Moderator: The next question is on the line from Rishikesh Oza from RoboCapital. Please go ahead.

Rishikesh Oza: Sir, my first question is when exactly are we launching Devanahalli and Sarjapur project, like by this quarter 2 end or in quarter 3, can you please indicate?

Kamal Singal: So I think we just answered this question in the previous response. The idea is that we launch Devanahalli first, and that should happen more like end of this quarter or very, very early next quarter. And subsequent to that, Sarjapur is behind Devanahalli in terms of launch maybe 1.5 months, maximum 2 months. So within end of this quarter, or early quarter one project, and then by the middle of next quarter maybe Sarjapur.

Rishikesh Oza: Okay. And once it is launched, would it be, you know, fair to say that we would see a very good bookings, maybe above our normal run-rate, which used to be INR 150 crore, INR 160 crore, maybe more than that.

Kamal Singal: So naturally when these big launches happen, and the project sizes are very decent, obviously we expect this INR 150 crore etc that number to be exceeded with very significant margin because this will be new launch sales. The current sale of INR 118 crore is broadly, the sustenance sale, of course, these should be over and about these kind of numbers, the new launch sales.

Rishikesh Oza: Okay. And sir, if you could give any broad revenue execution and EBITDA better margin guidance for this year.

Kamal Singal: We don't give guidance on the margins, etc. But I think we have shared quite a few details in our investor's presentation, there are quite a few data points out there, which should help you in understanding the overall product mix and the segment mix, etc. If you need any more clarification specifically on any of the data points, you can always get in touch with us and we'll try to help you to the extent possible.

Moderator: The next question is from the line of Chaitanya Shah from Silverline Capital. Please go ahead.

Chaitanya Shah: My question is on Aavishkaar project your presentation mentions that there are still around 2 lakhs square feet of inventory to be sold. And this is a part of a completed project. So just want to understand why is there a significant amount of unsold inventory still left? I mean, are we facing some problems in selling this project?

Kamal Singal: Chaitanya, thanks for your question. Great question. Aavishkaar is one of our projects, which is in that ultra-low-cost segment, the product, there is priced somewhere around INR 25 lakhs to INR 30 lakhs. So the lowest price point that you hit anywhere in our project portfolio till date. The project is a beautiful one and it caters to the segment of society which possibly needs the housing the most. While the sales velocity has not been as great as what we would've liked it to be or what we've been achieving, particularly in every other project, but the same time, despite challenges, this project was sold almost like two-third by the time the buildings came up and the project got completed from the finality point of view. We just started handing over and we are very hopeful that the velocity should improve from here on, visibility is now something that people can start coming in and living there.

The other reason or plausible explanation to this could be that COVID affected the lower strata the most, even the interest rates affected the lower strata the most. And this is one of our rare projects which happen to be in that segment of ultra-

low cost. The rest of our entire pipeline of whatever projects we are doing in any of our cities are either mid-priced or upper-mid-priced. So they start something like, INR 50 lakh, INR 60 lakh, INR 70 lakh onwards 2 BHKs and 3 BHKs, which are more like a INR 1 crore, and then we have a luxury portfolio which starts from something like INR 2 crore to INR 10 crore, INR 15 crore. This was the only exception. So, there have been challenges, COVID has affected this segment a little more, but fortunately for us, we've recovered mostly our costs, etc. We sold two-third of it and velocity should increase. But having said, this is not our core sector, and we are really focusing on mid-sized affordable housing rather than ultra-low-cost affordable housing. That's where we are today.

Chaitanya Shah: Okay. And also, I was expecting more of, you know, the revenues to be the booking values to be recognized for Oasis and Aavishkaar, but only a small portion has been recognized even this quarter. So just want to understand why was that?

Kamal Singal: Ankit can you explain this?

Ankit Jain: Yes, sure. So both for Oasis and Aavishkaar, there are certain payments plan, which are linked to handover of the units. So we are expecting those collections as soon as we handover these units in the coming months. And because the BU (Building Usage Permission) was received recently, the project final finishing stages are almost near to completion. We have already started the process of handover for these units. So as soon as the handover is done, then we expect these units to be get cleared. And secondly, from a bank's funding perspective, the bank disburses the last leg only when the final handover or the possession letter is given to the customer.

Kamal Singal: So in a nutshell Chaitanya, and if I were to rephrase or restate what Ankit said, the final recognition happens with the receipt of final 5% odd at the time of handover. When the project gets ready, normally people take a little longer to react and take possession, because they have to cough up two things, one is this 5% and the other is 6% odd of stamp duty, which is a little bit of a strain. So it takes little time before customers start taking aggressively the possessions. And hence there is always a lag that we've seen that the time when the handovers really pick up and the time that the due has come.. We should plug this gap very quickly. And of course, we are putting quite a bit of efforts for people to come forward and get the sales deed done, registrations done. The moment that happens when we receive the final payments, recognition happens. But of course, this is a little slow, basically handing over the apartments to the clients, and this should pick up.

Chaitanya Shah: Understood. And latest addition the Bavlu, Gandhinagar project that you mentioned, do you expect to launch this in this financial year itself? Or will it spill over the next financial year?

Kamal Singal: Of course. This financially year for sure. I mean, next quarter it should be all done.

Chaitanya Shah: No, I'm talking about launching.

Kamal Singal: Yes. Yes, Launching, of course.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to Mr. Kamal Singal for his closing comments.

Kamal Singal: On behalf of all of us, thank you very much everybody for participating in this earning call of Arvind SmartSpaces, for your continuous support and attendance. I hope we have been able to address most of your queries. However, if we have missed out on any of your questions, kindly you reach out to our Investor Relations team and they will connect with you offline.

Speaking of investor relations, Vikram Rajput, who is there in our call at this point has joined us as Head of Investor Relations. He brings with him an extensive knowledge of public equity markets, and proven experience as an Investor Relations Officer in real estate industry. We look forward to working closely with him and further enhance our engagement with the investors and financial community. We wish him very best in his role.

That concludes my remarks. Look forward to interacting with everyone in the next quarter, and thank you very much once again, for your participation.

Moderator: Thank you. Ladies and gentlemen, on behalf of Arvind SmartSpaces Limited that concludes this conference. We thank you for joining us and you may now disconnect your lines. Thank you.

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