



Ref No.: ADL/SE/24-25/25

Date: November 19, 2024

To,
The Manager
Corporate Relationship Department
BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
BSE Scrip Code -544261

To,
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
Mumbai - 400 051
NSE Symbol :ARKADE

Dear Sir/Madam,

Sub:- Transcript of earnings conference call held with Investors to discuss the Financial Performance of the Company for the half year and quarter ended September 30, 2024.

Ref: Our Intimation Letter dated November 07, 2024

Pursuant to Regulation 30 and 46 of the SEBI (Listing Obligation and Disclosure requirements) Regulation 2015 as amended from time to time, enclosed herewith the transcript of the Earning Conference Call with the Investors and Analysts group meet held on 13th November 2024 at 6.00 p.m. to discuss financial performance for the quarter and half year ended on 30th September 2024.

The transcript of the Earning Conference Call is also available on the website of the company at <https://arkade.in/earning-call-transcript/>

You are requested to take the above information on your records.

Thanking You,
For Arkade Developers Limited
(Formerly known as Arkade Developers Private Limited)



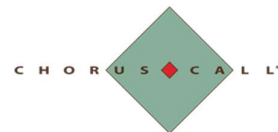
Sheetal Solani
Company Secretary and Compliance Officer
Membership No: A45964





“Arkade Developers Limited
Q2 FY '25 Earnings Conference Call”

November 13, 2024



**MANAGEMENT: MR. AMIT JAIN – CHAIRMAN AND MANAGING
DIRECTOR – ARKADE DEVELOPERS LIMITED
MR. SAMSHET SHETYE – CHIEF FINANCIAL OFFICER –
ARKADE DEVELOPERS LIMITED
ADFACTORS PR – INVESTOR RELATIONS TEAM –
ARKADE DEVELOPERS LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Arkade Developers Limited Q2 and H1-FY25 Earnings Conference Call. This conference call may contain forward-looking statements about the company which are based on beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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

I now hand the conference over to Mr. Amit Jain, Chairman and Managing Director of Arkade Developers Limited. Thank you and over to you, sir.

Amit Jain: Good evening everyone. I would like to extend a warm welcome to you all to Arkade Developers Limited maiden earnings conference call for the second quarter and half year ended 30th September 2024. I would like to express gratitude to all of you for taking out time and joining us today.

We have on call with us Mr. Samshet Shetye, CFO and AdFactors PR, our investor relations team. We believe you have got the chance to go through our results, press release and investor presentation which are available on our website and uploaded on exchanges. Since this is our maiden earnings conference call...

Moderator: Ladies and gentlemen, we have lost the connection for the management. Please stay while we reconnect them to the conference. Thank you for patiently holding. We have the line for the management reconnected. Over to you, sir.

Amit Jain: Since this is our maiden earnings conference call, I would like to take you through the journey of our company as well as recent updates before we get into the operational and financial performance for the second quarter of the financial year. So Arkade Developers, established in 80s, is a real estate development company with a focus on high-end residential property.

Over the years, we have successfully built a reputation for developing top-tier residential projects driven by our deep understanding of the market and a commitment to quality. We are proud to be a dominant player amongst the top 10 developers in MMR, one of India's most lucrative and high-growth real estate markets.

With continued demand for luxury homes in the MMR, we are well-positioned to capitalize on the market's growth. Over the past few years, we have consistently outperformed the market. Our strategic approach, combining new developments on our own land and successful redevelopment projects across Mumbai has allowed us to capture significant market share in high-demand areas of western suburbs like Borivali, Kandivali, Vile Parle, Goregaon, Santa Cruz.

Where we have built a strong foothold in both supply and absorption. Backed by a reputation for delivering projects on time in prime locations and with exceptional quality, we continue to

lead the charge in creating aspirational living spaces. We have a rigorous process before acquiring any projects. We are proud to announce the timely delivery of our projects well ahead of the RERA deadline.

This accomplishment underscores our commitment to a customer-specific approach and ensures sustainable and robust growth in our top line as well as in our bottom line. Our focus on sustainability, innovative designs and...

Moderator: Sir, we are losing your audio in between. Sorry to interrupt, sir. Your voice is breaking in between. Ladies and gentlemen, we again lost the connection for the management. Please stay connected. Management reconnected. Over to you, sir.

Amit Jain: So, with this strong foundation, we are poised for continued success, delivering long-term value for investors and setting new benchmarks in the industry. In 2024, we took a significant step in our journey by becoming a public-listed company. Our initial public offering, which raised INR410 crores through a fresh issue of 3.2 crores equity shares, was met with strong investor interest, leading to the over-subscription of 113 times.

This marks a major milestone for us as we continue to expand our business and deliver sustainable value for all stakeholders. We can have a few lines on the industry outlook. According to the Knight Frank report on Indian real estate for July to September 2024 quarter, the highest sales volume was recorded in Mumbai at 24,000 units, which is a new high for the market.

Since early 2023, stable interest rates and a resilient economic outlook have fostered strong homebuyer confidence and sustained demand through 2024. This trend, aligned with a 13-quarter upward trajectory, reflected most notably in the increased share of sales within the premium segment. In quarter two, financial year 2025 properties priced at INR 1 crores and above represent 46% of sales, a substantial rise from 35% in the same period last year.

The desire for larger, more comfortable living spaces and an elevated lifestyle, a preference that gained momentum during the pandemic, continues to drive this demand shift. Conversely, sales volume for properties within INR 50 lakh to INR 1 crores range in those priced below INR 50 lakh declined by 14% and 13% year-on-year, respectively, as homebuyers increasingly prioritize premium properties.

Meanwhile, pricing across all market segments has shown significant year-on-year growth. In sequential terms, price levels have largely held steady across most regions, underscoring the robust demand and a shift in buyer preference towards high-value residential assets. Coming to our recent development about our company, I am thrilled to announce the successful launch of Arkade Views and Vista, the testament to our commitment to delivering luxury living that meets the highest standards of excellence.

This project further solidifies our position as a leader in the high-end residential segment and underscores our dedication to enhancing the living experience of our valued clients. In the last quarter alone, we proudly completed and handed over 380 homes across our Arkade Aspire and

Arkade Crown projects, a clear reflection of our promise to deliver superior-quality homes on time.

On this momentum, we recently launched Arkade Rare at Bhandup West, a project poised to redefine urban living in the area. Designed to attract strong interest in the market, Arkade Rare will feature a thoughtfully planned mix of 432 residential units and 43 commercial units, with options of both 2BHK and 3BHK apartments.

This development covers a substantial 7.25 lakh square feet of construction area and will be delivered in a single phase with an estimated sales value of INR750 crores. We are confident that this ambitious project will contribute meaningfully to the community and elevate the standard of modern living in the region.

As part of our strategic growth plan, we continue to actively seek out and acquire prime land and keep locations throughout the Mumbai metropolitan region. This focus follows us to expand our project portfolio while pursuing promising redevelopment opportunities that enhance both our brand and the community's resource. Sustainability remains the core principle of our approach.

We are unwavering in our mission to combine luxury with environmental responsibility. Through eco-friendly and efficient construction practices, we ensure that each development is as sustainable as it is opulent. Our long-term vision is to lead in sustainable high-quality housing across Mumbai and its neighboring regions, including Thane and Navi Mumbai.

We remain committed to building a future whereby luxury meets responsibility, providing homes that inspire while setting new standards in the Real Estate industry.

I now hand it over to Samshet Shetye to share the financial performance with you. Thank you for your patience.

Samshet Shetye:

Thank you, Amit sir. Now I'll just brief you about the financial numbers so far. On a consolidated basis, the revenue for H1 FY '25 was INR 328 crores against INR 273 crores in H1 FY '24, registering a growth of 20%. EBITDA for H1 FY '25 was INR 102 crores as against INR 74 crores, registering a growth of 36.9% on a Y-o-Y basis.

Profit after tax stood at INR 73 crores compared to INR 54 crores, which is up by 35.2% Y-o-Y. Net worth of the company increased to INR 826 crores from INR 323 crores as of March 31, 2024. Our net debt as of 30th September is nil, against INR46 crores debt as of March 31, 2024. Coming to Q2 FY '25 numbers, consolidated revenue for Q2 FY '25 was INR 203 crores, which is slightly down by 3% compared to INR 211 crores in Q2 FY '24.

EBITDA for Q2 FY '25 stands at INR 60 crores as against INR 64 crores in Q2 FY '24. EBITDA margin for Q2 FY '25 stood at 29.7% versus 30.7% in Q2 FY '24. Profit after tax is at INR 43 crores as against INR 47 crores in the corresponding period for last year. The PAT margin for Q2 FY '25 was 21.3% against 22.7% in Q2 FY '24.

In the quarter the company achieved sales booking of 67,000 square feet of area. The pre-sales for Q2 FY '25 was INR 215 crores, which is up by 12% and collections grew by 43% to INR 179 crores.

We can now open the forum for questions and answers.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. First question is from the line of Khush Bafna from Bafna Brothers Finance and Property Agent. Please go ahead.

Khush Bafna: Yes sir. Congratulations on a steady set of numbers, sir. I'm calling from Chennai. I had a couple of clarifications on the balance sheet. One was, if you could provide some details on the investments and the current assets of around INR 13 crores or so, and also the trade receivables which have actually gone up in the last 6 months from INR 8 crores to INR 20 crores? Thank you.

Samshet Shetye: Samshet here. So, investments are with the associated companies of INR 18 crores. And second question about the trade receivables which has increased to INR 20 crores in H1 FY'25. These are basically the demand raised by us during the last 10-15 days of September. And we have realized this money in the first 15 days of October.

Khush Bafna: And sir, the latest project which has been launched by you and you said that the construction is going in full swing as per your performance. So, any details on that as to how many bookings would have come on the launch day?

Samshet Shetye: For this Rare project, Bhandup project, we have accumulated about 50 bookings.

Khush Bafna: Sorry, sir, I didn't get you. Sorry.

Amit Jain: We have accumulated 50 plus pre-sales and the consideration for that would be around INR 80 crores on the day of booking.

Khush Bafna: Okay. All right. Thank you.

Moderator: Thank you. Next question is from the line of Mangesh Bhadang from Centrum Broking. Please go ahead.

Mangesh Bhadang: Hi. Sir, the question from my side is regarding the new project launches. The two projects that we have launched, one in September, second one in October. So, when do we expect these projects to reach the threshold of, say, 15% construction or 25% construction so that we start getting revenues? What do you think?

Samshet Shetye: So, we recognize the revenue based on a threshold of 25% completion of the construction cost. So, the project which we have launched recently will be eligible next year.

Amit Jain: Arkade Vistas and Arkade Rare and Arkade Views, these three projects should be up for offering next year onwards, 25%.

Mangesh Bhadang: Okay. And, sir, the second question is related to the cash on books. So, basically, to understand, what are the plans, and have you identified any land for development?

Amit Jain: We have identified a couple of land passes, and we are in the process of acquisition of them. One is in Thane and the other one is in Mumbai and they are in the process of acquisition, and you will hear from us soon.

Mangesh Bhadang: Understood. I will just come back in queue for more questions. Thank you.

Moderator: Thank you. Next question is from the line of Devang Shah, an Individual Investor. Please go ahead.

Devang Shah: Sir, the last launch you launched in Bhandup, Bombay before Diwali, how was the response, sir?

Amit Jain: It was a very good response. Three wings were launched, two and three BHK. On the first week of booking, we got close to 60 bookings, which is...

Devang Shah: How much, sir?

Amit Jain: Close to 60 on the first weekend itself and the bookings are still ongoing very well.

Devang Shah: Very nice. And in three buildings how much flats is there sir?

Amit Jain: Total in the project is 432 flats in 7 wings and 43 commercial units so 460 in 7 wings so in 3 wings approximately 200 units.

Devang Shah: In 200, you have 60 bookings?

Amit Jain: 60 bookings, yes.

Devang Shah: Very nice, thank you.

Moderator: Thank you. Next question is from the line of Pramod Kumar from Tridev office. Please proceed. Pramod Kumar, your line is unmuted. Please go ahead with your question.

Pramod Kumar: Yes. Thanks for the opportunity. So, I just wanted to understand what is the ballpark IRR number that you that a company considers while undertaking a project?

Amit Jain: So, a PAT is in the range of 20% to 23%, if you've noticed over the past few years consistently.

Pramod Kumar: Right. No, what I'm trying to get at is, say, for example, if it is a project that is actually being developed where you're having a construction, a new construction. So, based on the capital deployed, what kind of ROEs that we expect from that particular project?

Amit Jain: Samshtet, can you throw some light?

Samshtet Shetye: So, we maintain a EBITDA margin of about 28% to 30%. I mean, that's the range. We don't have any debt as such, or nil longer term debt.

- Pramod Kumar:** Is there a breakup of this EBITDA margin between your readout project and project?
- Amit Jain:** Yes, because the books are consolidated. We do not have separate, like they're consolidated in the parent company.
- Pramod Kumar:** Right, sir. But on consolidation, you would be understanding what is, where is the margin for higher participation?
- Amit Jain:** So, the margins are higher in our own land projects, vis-a-vis redevelopment projects. So, if we are having a margin of, say, 20% to 23% PAT, you can assume a margin of 15% in redevelopment vis-a-vis 30% PAT in outright projects.
- Pramod Kumar:** Right, right. Fair enough, sir. I'll come back in the queue.
- Amit Jain:** Yes.
- Moderator:** Next question is from the line of Aniket Redkar, an Individual Investor. Please go ahead.
- Aniket Redkar:** Good evening, sir, and thank you for the opportunity. Hello, am I audible?
- Amit Jain:** Yes, yes. Good evening. Yes.
- Aniket Redkar:** So, sir, I have a few questions. So, sir, can you provide an overview of the key grown drivers for the Arkade Developers in the coming quarter?
- Amit Jain:** So, coming quarter, we should have strong sales from this recently launched project of Arkade Rare, which is in Bhandup. We are nearing completion of two more projects. One is Arkade Aura in Santa Cruz, and the other is Arkade Prime in Marol.
- So, we expect the residual inventory, which should be readily available in the project with OC, that to be sold. We also have unsold inventory in two of our projects, which are with OC, that is Arkade Aspire and Arkade Crown, in which we expect the residual inventory to be sold.
- Aniket Redkar:** Okay, and, sir...
- Amit Jain:** So, ready inventory in two projects -- ready inventory in two nearing completion projects, and plus the velocity of recently launched Arkade Rare. So, that should give us a healthy second half of this financial year.
- Aniket Redkar:** And, sir, how is the demand scenario in these upcoming projects, which we have launched?
- Amit Jain:** Demand is very good, as we've always seen. Demand is very healthy. For all these projects with built-in amenities, layouts that you see, the demand is very healthy in the mid-segment value premium projects.
- Aniket Redkar:** Okay, So, sir, in terms of the pricing perspective, how are we differentiate ours with the competitors in the real estate industry?

- Amit Jain:** We are almost always in the top two, three projects available in terms of pricing in the micro-markets. In Goregaon, Baring, Oberoi, our rates are second highest. In Borivali and Santa Cruz, we are first highest. In Eastern suburbs also, we may be, say, in the top three people as per the pricing, if not first and second.
- Aniket Redkar:** So, I heard the name that Sunteck Reality, they are developing more projects in the Naigaon side. So, do we have any upcoming projects over there?
- Amit Jain:** No, not nearly, not in the near future. You may hear from us in the coming year, something to do within Thane.
- Aniket Redkar:** Okay.
- Amit Jain:** But more so, we are focused in Mumbai proper, and we are able to identify projects in Mumbai.
- Aniket Redkar:** Okay. Can you outline the margin difference between these redevelopment projects and the other types?
- Amit Jain:** So, as I said in the last question, like redevelopment projects are low on capital investment, and because of the same, the competition is more and the margins are less there. They are in and around in the range of 12% to 15% of the top line. And outright projects like your own land projects can target a margin of 20%-30% of the top line basis.
- Aniket Redkar:** Okay, okay. Sir, how much land do we have currently in our portfolio?
- Amit Jain:** So, we are having Bhandup land, which is 3 acres. We are having Mulund land parcel, which is 2 acres. And we are in the process of acquiring a couple of land parcels, which are in process of acquisition, you will hear from us soon. And baring this, we have redevelopment projects in western suburbs as well.
- Aniket Redkar:** Okay, Thank you, sir. Thank you so much. This is from my side.
- Moderator:** Next question is from the line of Akash Sharma, an Individual Investor, please go ahead.
- Akash Sharma:** Yes, hi, sir. So, I have a few questions. First one is regarding our competitive landscape. So, we are in a very competitive market, right? And sir, how do we differentiate ourselves from local competitors, especially in Mumbai?
- Amit Jain:** Our delivery track record in itself is very impressive, and which is known to people in micro markets. The delivery track record and committing less and delivering more in terms of amenities and the track record of timely completion, it has a big equity of trust and faith in the audience in the markets amongst the client. That's the reason to get impressive pre-sales if you've noticed all this.
- Akash Sharma:** Okay, sir. Sir and in Mumbai, so how do we, so how do we see the demand evolving for residential property?

- Amit Jain:** It's an always ever-evolving market. The demand, as we said, as I mentioned in my report, what Knight Frank says, they've been seeing continuous uptick only in the demand. The registrations are growing, the ticket size of units is growing, people are preferring premium apartments, luxury apartment is in demand more than the affordable product. And the demand is always up and kicking.
- Akash Sharma:** Okay, sir. And so my last question is generally on a larger landscape for the company. So, what are some of the most significant milestones that we have achieved in the past year?
- Amit Jain:** So, we've achieved the occupation of two projects this year. We are expecting two more occupations. We have unsold inventory in those projects. All the projects are debt-free. And we've recently launched the Bhandup project. We've launched the project in Goregaon, Arkade Vista. We are expecting a couple of more launches in the coming quarter. Each quarter may see one or so new launch. We have a good pipeline available. And we are in process of acquiring land parcels by the equity that we have. So, all in all, I see a healthy future.
- Akash Sharma:** Okay, sir. Thank you, sir.
- Moderator:** Next question is from the line of Manoj from Rajani Office. Please go ahead.
- Manoj:** Hi, sir. Congratulations on a good set of numbers. I also just wanted to know, hi. So, actually, how is the coordination handled? Like for an example, if we discuss a land, so what is the approval process, final one?
- Amit Jain:** The approval, like, it takes normally, we allocate a year for the projects that are involving environmental clearance for approvals in itself. The licensing from IOD to CC to environmental clearances and various other NOCs from the fire office, from the tree department, we have our own license department. And we have a set of professionals to get all the approvals. So, and we are equipped we are used to getting approvals on a day-to-day basis. We are subject matter experts, so it's a no-brainer. So, from acquisition to launch normally a year is more than enough. If the projects are smaller ones, say, standalone building, it can be in six months also.
- Manoj:** Understood. So, sir, we can assume on an average, it's one year, right?
- Amit Jain:** Yes, if the projects are bigger, which are preferred area, yes.
- Manoj:** All right, sir. And secondly, so, sir, just wanted to know that the competition is very high in this particular sector, and it has been increasing year by year.
- Amit Jain:** The competition is, yes, high because the demand is high, yes, you can complete, yes.
- Manoj:** Yes, sir. So, just wanted to ask, how have we managed to grow it at such a rapid scale in last two years?
- Amit Jain:** So, we've grown organically. It's not last two years. It's been, like, I am completing three decades into business. So, whatever projects we've delivered on time, before time, delivering more than what we've promised, that is coming back to us. So, it's like a bamboo shoot growth story. It's

not two years. It's been now three to four decades that we have been doing the same thing, and people around us have seen us doing that. So, the trust and the faith is helping.

Manoj: Sir, just one last thing. So, any comment on your Bhandup project? Like, what is the, like, you know?

Amit Jain: No, it's one of its type project. I would request you to visit the project to see it for yourself.

Manoj: Okay, sir. So, it will be a premium?

Amit Jain: Yes. It's a premium project, yes.

Manoj: All right, sir. As of now, it's all that I wanted. Thank you so much.

Amit Jain: Yes.

Moderator: Next question is from the line of Sopan Parikh, an Individual Investor. Please proceed.

Sopan Parikh: I have a couple of questions. What is our sales and marketing strategy in terms of using channel partners?

Amit Jain: No. So, we have a standard brokerage scheme which is linked with the number of flats that you sell in a quarter, the number of what revenue you make in a year. We have a tie-up with few channel partners, wherein we enter a yearly contract basis revenue.

So, if you, say, achieve bigger slabs, say, if you sell for INR 100 crores in a financial year across all our projects, you get incentivized brokerage. And the normal standard practice for a single flat seller is 2%. But if you end up selling more flats within a stipulated time, there are, on a regular basis, incentive schemes that we come up with for our CP. And we provide them with support, sales staff support, telecalling support, collateral support. We equip them with training of the product to their team.

Sopan Parikh: Okay. So, have you hired any, like, marketing team or something like that?

Amit Jain: No. We have our own in-house sales and marketing team, which is very competent here.

Sopan Parikh: Okay. And also, sir, I wanted to ask, is there any other project other than Bhandup as of now?

Amit Jain: You'll soon hear from us. We are coming up with a project in Santa Cruz. We are coming up with a project in Bangurnagar. So, we have a lineup of projects every quarter. We have a project coming up in Malad West. And the ongoing projects we have, we have projects in Goregaon East, Jayprakash Nagar, that's ongoing. We have a project in Mulund, that is ongoing, Sarvoday Nagar.

Sopan Parikh: Okay.

Amit Jain: We have a project in Malad, Sundarnagar. In Vile Parle East, we have an ongoing project.

Sopan Parikh: So, like, are these all, like, long-term projects for how many years? Like...

- Amit Jain:** So, we have a good pipeline available for three years at least, and more is in acquisition.
- Sopan Parikh:** Okay.
- Amit Jain:** Yes.
- Sopan Parikh:** And so, since we are only in Mumbai, so do we have any, like, plan to expand into new geographical areas?
- Amit Jain:** As of now, we are studying Thane Market. And as much as projects we can get in Mumbai, we would prefer that, because it's the most mature market.
- Sopan Parikh:** Okay, sir. Also, I wanted to ask, what is the cost of construction as a percentage of sales?
- Amit Jain:** So, that would vary, like, the sales price would vary, and the percentage will change. So, if you have a project in a premium market, the cost of construction will be lesser percentage against if you have a project in Thane, you know, Thane, where the rates are INR20,000, the cost may be INR4,000, which is 20%. And, say, in a Santa Cruz market, where you have a rate of INR50,000 and cost of construction may be INR5,000, it is 10%.
- Sopan Parikh:** Okay.
- Amit Jain:** Yes. But broadly, it ranges between INR3,500 to INR4,500 per square feet, based on the details of the product.
- Sopan Parikh:** Okay. And, sir, do we have any kind of peers, like, that you think that is your competition?
- Amit Jain:** No, no, we believe in consistently doing what we are good at. So, that helps us. Yes.
- Moderator:** Okay. Thank you.
- Amit Jain:** Thank you.
- Moderator:** Next question is from the line of Aditya Shah from Metal Wealth. Please go ahead.
- Aditya Shah:** Just a couple of questions. Hello, am I audible, sir? I just wanted to know what are the PAT margins on redevelopment projects and on new projects?
- Amit Jain:** Yes, I just replied to this twice. So, though we do not have separate accounts on project-wise basis, but normally PAT for a redevelopment project is in the range of, say, 10% to 15% currently. We have had, we have seen better margins in the past. And the PAT for outright projects can be double of that, say, 25% PAT on outright projects.
- Aditya Shah:** Sir, can you come again on the percentage?
- Amit Jain:** 25% plus on the outright projects, yes.
- Aditya Shah:** Okay. And going forward, what do you target more into the new project segment, or you want in the redevelopment segment?

- Amit Jain:** So, we are having a separate BD team for both the segments, for redevelopment as well as land projects. Our wish is that we have more of land projects, but then redevelopment has prevented this potential. Western suburbs, you have so many buildings up and waiting for redevelopment. So, you cannot ignore that as well. It will help to have your presence in both because land availability is scarce. So, in case you do not manage to find land on a regular basis, the availability for redevelopment projects is more.
- Aditya Shah:** Okay. And so, what is your strategy on increasing your geographical spread?
- Amit Jain:** As mentioned, we are entering Thane markets.
- Aditya Shah:** So, by that, I mean, how do you plan to exceed out of Mumbai or Maharashtra? How do you plan any strategy in place for Pan India, something like that?
- Amit Jain:** No, no, not Pan India currently. Currently, we are focusing only on MMR. That's a mature market and healthy market. And we see immense potential within the MMR region.
- Aditya Shah:** And one last question, sir. What is your annual spend on marketing budget?
- Amit Jain:** Our spend on marketing budget is 2% of our top line plus brokerage, which is separate. So, marketing is 2% and 2% may be the brokerage.
- Aditya Shah:** Okay. And that remains consistent with your top line or...?
- Amit Jain:** Yes, yes. We try to allocate that much fund to the marketing.
- Aditya Shah:** Okay. Okay. Thank you so much, sir. If I have any more questions, I'll join in.
- Amit Jain:** Welcome.
- Moderator:** Next question is from the line of Pramod Kumar from Tridev office. Please go ahead.
- Pramod Kumar:** Hi, sir. Thanks for the opportunity again. Sir, just one small bookkeeping question. I see, sir, as on H1 '25, your total equity or your net worth is about INR 827 crores. But if I just do the numbers, looking at FY'24 equity and all, it comes to roughly around some INR 430 odd crores and all. So, what is the difference of INR 200 crores? Is it a revaluation result?
- Amit Jain:** Samshet, do you get the question?
- Samshet Shetye:** Yes, yes. Hi, Samshet here. So, there is no revaluation done. But the issue we have come up with, public issue, that has given us INR 430 crores, INR410 crores the public issue and INR20 crores the pre IPO. So, that has been added to the net worth.
- Samshet Shetye:** As of March 24, it was INR 323 crores. And now it is INR 827 crores.
- Pramod Kumar:** So, what is the cash on the books as on date?

- sSamshet Shetye:** That is, we have got the funds on 24th September. So, which is for the object which are mentioned in RHP, obviously, the public document. So, these funds are lying from the IPO process, which are in the fixed deposit.
- Pramod Kumar:** In the fixed deposit, what would be the quantum?
- Pramod Kumar:** About INR400 crores, you said.
- Samshet Shetye:** Out of INR 400 crores, about INR380 crores are in fixed deposit. As of 30th September.
- Pramod Kumar:** Okay. So, we do not have our other income is releasing INR2 crores.
- Samshet Shetye:** So, we got these funds on 24th September, so we recognize only smaller part as an income for the few days.
- Pramod Kumar:** Thank you, sir.
- Moderator:** Thank you. Ladies and gentlemen, we will take this as the last question for the day. I would now like to hand the conference over to the management for the closing comments.
- Samshet Shetye:** Hello Samshet here, I thank the entire team of Arkade Developers for their untiring efforts and hard work and dedication which drives the company forward through various market conditions. Also, I appreciate all of you for participating in our conference call. Please do get in touch with our investor team for any further questions. Thank you so much.
- Samshet Shetye:** Thank you everyone.
- Amit Jain:** Thank you so much.
- Moderator:** On behalf of Arkade Developers Limited that concludes this conference. Thank you all for joining us and you may now disconnect your lines.