



Ref No.: ADL/SE/24-25/50

Date: January 28, 2025

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 quarter and nine months ended December 31, 2024.**

**Ref: Our Intimation Letter dated January 20, 2025**

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 24<sup>th</sup> January 2025 at 5.00 p.m. to discuss financial performance for the quarter and nine months ended December 31, 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 Q3 & Nine Months FY ’25  
Earnings Conference Call”

**January 24, 2025**

**MANAGEMENT:** **MR. AMIT JAIN – CHAIRMAN AND MANAGING DIRECTOR -  
ARKADE DEVELOPERS LIMITED**  
**MR. SAMSHET SHETYE – CHIEF FINANCIAL OFFICER -  
ARKADE DEVELOPERS LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Arkade Developers Limited Q3 and Nine Months FY '25 Earnings Conference Call.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not guarantees of future performance and involve risk and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in 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 the 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 from 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 for Arkade Developers Limited’s Earnings Conference Call for the 3rd Quarter and nine months ended 31st December, 2024. I would like to begin by expressing my gratitude to you all for taking the time to join us today.

We have on call with us Mr. Samshet Shetye – CFO, and Adfactors PR for our Investor Relations team. We have shared our investor presentation. I hope you all must have gone through it. Since this is only our second earnings call, I would like to share a brief overview of our company and its recent developments, before we get into the business and financial performance for the period.

Arkade Developers was established in 1986 as a real-estate development company, with a focus on high-end residential properties. Over the years, we have garnered a reputation for developing top-tier residential projects, driven by our deep understanding of the market and the commitment to quality. We have managed to create a niche for ourselves, being among the top 10 luxury developers in Mumbai Metropolitan Region, one of India's most lucrative, and high growth real-estate markets.

Since inception, we have completed over 30 projects spanning across 5.5 million square feet and over 2 million square feet under development across the city of Mumbai and have over 5,500 happy families join us in this journey. Our strategic approach combining greenfield and redevelopment projects across Mumbai has allowed us to capture significant market share in high demand areas like Borivali, Goregaon and Santa Cruz, where we have built a strong foothold presence.

Backed by a reputation for delivering projects on time, in prime location, and with exceptional quality we continue to lead the charge in creating aspirational living spaces for the urban home buyers. The company's focus on sustainability, innovative design and delivering unmatched value ensures that we are not just building homes but crafting the future of urban living and changing landscapes in Mumbai.

In September '24, we saw a key milestone in a journey as the company listed on stock exchanges. Our IPO, which raised Rs. 410 crores through fresh issue of 3.2 crores equity shares, was met with a robust investor interest leading to 107 times over subscription. This will provide us with the major platform to access the bigger market and will help us expand our business, while delivering sustainable value for all stakeholders.

Looking at the industry outlook”

As per a CBRE research report on Indian real-estate, based on the market scenario in 2024, it is expected that the momentum of Indian real-estate market is set to accelerate in 2025. Globally, Japan and India are poised to lead the way in real-estate purchasing activity, with India embracing opportunistic strategies that capitalize on its dynamic growth potential. Moreover, investor sentiment is at an all time high, witnessed by intentions increasing from 5% in '24 to 13% in '25. Key drivers of this consumer enthusiasm include interest rate cuts and asset repricing, which have made real-estate even more attractive investment plan.

Mumbai, in particular, has solidified its position on the real-estate map, ranking among the top 10 cross-border investment destinations for the first time. This achievement underscores the city's appeal as a prime market for long-term investors, eager to extend their exposure in the world's fastest growing economy. With Mumbai's unparalleled connectivity, robust infrastructure and thriving luxury real-estate market, we stand at the cusp of tremendous opportunity. As a key player in the Mumbai Metropolitan Region, we are confident in our ability to contribute to and benefit from this positive trajectory. 2025 is not just another year, it's the year where innovation, resilience and growth will shape the future of real-estate in MMR. With continued demand for luxury homes in MMR, we are well positioned to capitalize on the market's growth.

Now, looking at the recent developments:

It has been an eventful time for Arkade as we continue to cross several milestones along with our growth journey. The last quarter has seen many such developments in terms of our projects. As you might be aware, we are strategizing to expand our footprint across many suburbs in the MMR region, while continuing our focus on luxury housing. To support this and to strengthen our presence in Western Mumbai, we added three redevelopment projects in Andheri East, Malad West and Borivali West. Cumulatively, we span an area of approx 5 acres and offer 5.85 lacs square feet of saleable carpet area. Together, these projects are expected to generate a turnover of Rs. 2,150 crores.

In Andheri East, near the Western Express highway, our project will deliver 1.29 lakh square feet with a turnover of estimated Rs. 527 crores. In Malad West, we are coming up with 2.12 lakh square feet, expected to achieve a revenue of Rs. 750 crores. And our largest of the three projects in Borivali West, which are having a potential of 2.44 lakh square feet, with an expected revenue of Rs. 865 crores.

One of our luxury projects, Arkade Aura at Santa Cruz West received OC a year prior to the targeted RERA date, and we completed this project within 26 months from CC to OC. Other OCs received in the last two quarters include those for Arkade Crown and Arkade Aspire, while Arkade Prime is expected to be received in this quarter. Furthermore, we have recently launched two towers at Arkade Nest and Arkade Pearl, and we have received a great response. I am glad to say that we have a strong pipeline of eight upcoming projects.

An important aspect which distinguishes us from the industry is our commitment to on-time delivery of projects. We are proud to maintain a track record of delivering our projects before time, which instills confidence in all stakeholders and makes Arkade a reliable and trusted name in the industry. Timely delivery also helps save on rent given to tenants in case of redevelopment projects as well as other overheads.

As a part of our brand building initiative, we are also associated with Happy Streets endeavor to create awareness about our brand and reinforcing our beliefs and philosophy of family-first through all these initiatives. Our core ethos remains to develop family-centric living spaces that help improve the standard of living for everyone. We believe the real-estate sector is set to play a transformative role in India's economic growth, and Arkade Developers is well positioned to play a major role in this. Together, we are not just shaping buildings but creating a brighter, more vibrant future for Mumbai.

I would now like to hand it over to Mr. Samshet Shetye – our CFO, who will take you through our financial performance for this period.

**Samshet Shetye:**

Thank you, Amit sir. Good evening everyone. I will brief you all about our Consolidated Financial Numbers for this Quarter and Nine Months.

Our consolidated revenue for nine months FY '25 was Rs. 560 crores vis-à-vis Rs. 513 crores in nine months FY '24, registering a growth of 9.3%.

The EBITDA for this period stands at Rs. 170 crores as against Rs. 141 crores in the previous corresponding period, registering a growth of 20% on Y-o-Y basis. The EBITDA margin for nine months FY '25 came in at 30.5% versus 25.6% in nine months FY '24.

Profit after tax stands at Rs. 124 crores against Rs. 103 crores, growing at 19.7% on Y-o-Y basis. The PAT margin for nine months FY '25 was 22.1% vis-à-vis 20.2% in nine months FY '24.

Coming to the quarterly numbers:

On a Q-on-Q basis, our revenue for Q3 FY 25 stood at Rs. 231 crores as against Rs. 203 crores in quarter two FY '25, growing at the rate of 13.8%.

EBITDA for the quarter stands at Rs. 68 crores as against Rs. 60 crores in Q2 FY '25, registering a 12.3% growth on Q-on-Q basis. The EBITDA margin for Q3 FY '25 stands at 29.3%.

The profit after tax stands at Rs. 50 crores against Rs. 43 crores in Q2 FY '25, registering a 15.4% growth on Q-on-Q basis. The PAT margin for Q3 FY '25 stands at 21.7% as against 21.3% in Q2 FY '25.

Now speaking about "Key Operational Highlights":

For the nine months' ended 31st December '24, we achieved sales booking of 179,000 square feet of area, which amounts to Rs. 556 crores, which is up by 24% on a Y-o-Y basis. The collection grew at 16% to Rs. 478 crores. During this quarter we achieved sales booking of 74,000 square feet of area, which amounts to Rs. 220 crores, which is up by 93% on a Y-o-Y basis. The collections for Q3 FY '25 stood at Rs. 178 crores.

This is all from our side. We can now open the floor for questions.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Aman Baheti with Incred Capital. Please go ahead.

**Aman Baheti:** Sir, thank you for the opportunity and congratulations on a decent set of numbers. I had a few questions regarding our focus. So, I have been seeing that the company has been focusing on society redevelopment as of late. So, I just wanted to know what our focus will be going forward. And plus, the cash we have from the IPO is around Rs. 400 crores, and I know that the management is looking for an area in Thane, and I just wanted to know the progress around that.

**Amit Jain:** So, we are in the stage of land acquisition as of now. And as you already rightly mentioned about the Thane thing and other land parcels in Mumbai also, and those are having potential of matching the business from the redevelopment projects. It's just that the redevelopment projects have come in first, but the land buys are expected anytime this quarter. Deployment of the IPO funds will also happen, yes.

**Aman Baheti:** Okay sir, I got it. So, what kind of land bank do we have currently with us?

**Amit Jain:** So, we have these nine redevelopment projects lined up which is having a total potential of close to Rs. 7,000 crores business. And we have an ongoing project of around Rs. 2,500 crores unsold revenues. So, both combine should have a potential of Rs. 10,000 crores sales, ongoing as well as upcoming.

**Aman Baheti:** And are we focusing on building something in the category like something greenfield and which is a premium project?

**Amit Jain:** Yes, yes, all the land bank projects are in the greenfield and they are in the premium category that we are coming up with, ultra-premium you can say.

**Aman Baheti:** What will be the segmental margins going forward? So, we have been doing around 20% on a PAT level, so I mean that will be sustainable or are we --

**Amit Jain:** Yes, we are able to manage the show until now that way, so we are hopeful that will continue this way as well.

**Moderator:** Thank you. The next question comes from the line of Kaustubh Sharma with Equinox Capital Ventures. Please go ahead.

**Kaustubh Sharma:** Sir, I just want to know that we are having several projects on line and we are around Rs. 3,000 crores of order pipeline. So, how long will it take to execute them? Like what is the typical length of the project that we execute?

**Amit Jain:** The six ongoing projects we are expecting to complete in the next financial year and we will be launching three, four projects every year. So, the current pipeline of existing projects should be completed in four years of the existing as well upcoming, both combined.

**Kaustubh Sharma:** And sir, I can see that your receivables have increased substantially in these six months, so what is the reason of that? Are we facing any challenges in receiving?

**Samshet Shetye:** So, those debtors, basically the demands what we raised during last 15 days of September '24 and we realized those money in the next 15 days, October 15, first 15 days of October we realized that money. So, that was not that high.

**Kaustubh Sharma:** So, we have received a substantial amount of money, right?

**Samshet Shetye:** Yes, we have received it.

**Moderator:** Thank you. The next question is from the line of Shreshth Virmani with Confidential. Please go ahead.

**Shreshth Virmani:** Congratulations on a very good set of numbers. Before going forward, I will kind of say that you have built a very good business and you are among the best developers that have best balance sheets in the market, so congratulations on creating a very good company so far. And with good projects online, it seems to be a good prospect for the company. I have three questions, one, I want to understand what exactly is the cash and check component when anyone purchases a flat from Arkade Developers?

Second question, I want to understand the growth prospects that you are eyeing in both greenfield and redevelopment space. So, obviously we already have to publish information, in your investor presentation you show your order book broadly, but are there any other projects that you are eyeing beyond that, especially in the ultra-premium category? For example, in Gurgaon we see flats going beyond \$2 million, \$3 million. Can we see similar kind of ticket size coming from Arkade developers?

And my third question is broadly around the succession planning and the new management that could be incorporated, how are you mentoring the new set of leaders in the business? Thank you.

**Amit Jain:** Coming to the first question, I did not understand, cash and check, it's all always check only, there is no cash component per say.

Second is the growth prospect. So, we have shared the upcoming project, list of eight projects which is having a potential revenue of Rs. 5,000 crores, approximately. And another Rs. 5,000 crores worth of projects are in the final stages of acquisition, which will be shared very soon in this quarter, maybe by this quarter end. So, that would make it the total potential of Rs. 10,000 crores in times to come, yes, other than the ongoing projects of Rs. 2,000 crores plus unsold revenue.

**Shreshth Virmani:** Over how many years is Rs. 10,000 crores in revenue?

**Amit Jain:** Say five years' time.

**Shreshth Virmani:** So, you are saying Rs. 10,000 crores of revenue and broadly 20% PAT, so Rs. 2,000 crores of PAT in the next five years?

**Amit Jain:** Yes.

**Shreshth Virmani:** Broad numbers?

**Amit Jain:** Broad numbers.

**Shreshth Virmani:** Okay great. Thanks a lot. And third question?

**Amit Jain:** Succession planning, I am too young. I am not even 50 currently and we have very young Directors in the company who are themselves very young. So, you can say we have a young team, it is a little bit too early for succession planning. And it's driven in a professional way by a very equipped team.

**Shreshth Virmani:** And then final question is more about, I wanted to understand the inventories you have around Rs. 600 crores of inventories, can you help me understand how is the split between the projects that are already finished and how is that is work in progress inventory? Can you split the 600 crores into already built inventory and the work in progress?

**Samshet Shetye:** So, this inventory basically consists of the unsold under construction areas. As we are following the percentage completion method, we can recognize revenue based on the percentage completed, and we have a benchmark of completion of 25% of the construction cost to recognize the revenue. So, these inventory consists of the two land parcels we are developing at Bhandup and Mulund, for which we have purchased the land, construction has already started. But it hasn't yet reached a 25% threshold for recognizing the revenue, so that inventory is there. And for other redevelopment projects, they have inventory which is not yet sold.

**Shreshth Virmani:** Are there any inventories which are already fully constructed and ready for possession, but are still unsold? Are there any such plans?



- Samshet Shetye:** Yes, it is there, but that is not that big.
- Amit Jain:** I mean, the combine inventory in projects which have occupation should be in the range of Rs. 100 crores or so amongst three projects, Aspire, Crown and Aura.
- Shreshth Virmani:** And when do you expect it to get sold in how many quarters from now?
- Amit Jain:** By March this year. We are in January, so we expect it to be sold by March.
- Shreshth Virmani:** And related to inventory, so how many of the existing projects for which you have already received the cash, but the possession is still not been allowed? So, what exactly is that advanced cash number for nine months '25?
- Samshet Shetye:** Can you repeat the question?
- Shreshth Virmani:** I want to understand what exactly is the advance that you have received from the customers, but they have not got the flat. The sale has not been made but the cash has been received, what exactly is incremental amount of cash that you have received?
- Samshet Shetye:** So, it is for the two projects for which we have not yet started recognizing revenue which is Arkade Nest and Arkade Rare. And for other projects we have started recognizing the revenue, so advances lying in balance sheet is not that high about the Rs. 100 crores all the projects put together.
- Moderator:** Thank you. The next question comes from the line of Aman Baheti with Incred Capital. Please go ahead.
- Aman Baheti:** I just wanted to ask, I mean, after using I mean maybe in the next fiscal when you use Rs. 400 crores of cash that you have, what is the management eying after that? Because our debt is very low, I mean, on the books as a real-estate developer, it's quite rare to see --
- Amit Jain:** We are a net debt free company.
- Aman Baheti:** Yes, yes, that's what, sir. So, are you looking to take any debt-led expansion? Or you will be diluting your equity going forward, so what will be your plan?
- Amit Jain:** As of now the plan is to deploy the funds that are raised. And if required, if we fall short an interim debt of say 20% debt to equity ratio is what we are comfortable with. If required, with a makeshift arrangement, because we have very strong cash flows so normally we avoid taking debt. And as of equity dilution, there is nothing on that right now for the equity dilution.
- Aman Baheti:** And sir, when do you intend to use the cash, I mean, the Rs. 400 crores that we have?
- Amit Jain:** So, we have already deployed more than Rs. 100 crores. Currently there is a fund of around Rs. 300 crores out of the IPO, half of which should be deployed by March this year, and remaining

half by this year end, which is towards the construction of the ongoing project, and half of which towards land acquisition should be deployed by March.

**Aman Baheti:** You mean the Thane land acquisition?

**Amit Jain:** Yes, either of the land acquisition should be done by March wherein half the funds will be deployed.

**Moderator:** Thank you. The next question is from the line of Deekshant with DB Wealth. Please go ahead.

**Deekshant B:** Congratulations, Amit ji, on such great set of numbers. So, my question is basically on our revenue recognized and the revenue that is yet to be recognized for most of our projects. So, I think it's going to be more on the line from our CFO. So, sir, the Crown Borivali project and the Aspire Goregaon project and the Aura Santa Cruz project, all these are completed. And it's showed in PPT that Rs. 325 crores is for the Crown project, Rs. 490 crores is for Aspire, and Rs. 476 crores is for the Aura, which is the potential revenue. Out of this, how much has been realized and how much is yet to be realized, can you just give some broad numbers there?

**Samshet Shetye:** So, out of this three projects, as I told, Rs. 100 crores of inventory is there which we are going to sell by this March.

**Deekshant B:** So, among these three now we have Rs. 100 crores of revenue which is yet to be recognized, is it?

**Samshet Shetye:** Correct.

**Amit Jain:** Unsold goods, yes.

**Deekshant B:** Sir secondly is on our project on Prime Andheri, how is the work going? And since you already have such a great track record, do we think that we can achieve completion before December '25?

**Samshet Shetye:** Yes. So, we will receive the OC.

**Amit Jain:** The OC for Arkade Pearl and Eden maybe by December, Prime we will receive any moment, maybe next week.

**Deekshant B:** Wow, congratulations Amit ji, congratulations. I recently had visited one of your properties in Bhandup, so I think --

**Amit Jain:** Hope you liked it.

**Deekshant B:** Amazing sir, amazing. I mean, because it's a greenfield project and has Rs. 750 crores of potential revenue, that was first on my mind.

**Amit Jain:** You should also visit our Mulund project next time, it beats Bhandup.

- Deekshant B:** 100% sir. Sir, I want to ask you, just basically Thane we are looking for expansion and redevelopment, the game is just starting.
- Amit Jain:** We are looking at land buy in Thane.
- Deekshant B:** Yes sir. You just mentioned that over Rs. 200 crores of money we will be spending on the Thane project, right?
- Amit Jain:** In and around maybe.
- Deekshant B:** Sir, what are your thoughts on Navi Mumbai as an expansion plan, because we see a lot of inventory coming up there.
- Amit Jain:** Yes. So, we will go one step at a time. So, the first choice that we zeroed down after the Bombay Western suburbs is Thane. Maybe after Thane we will look at Navi Mumbai. But as of now our focus is on Thane.
- Deekshant B:** Sir one question, it's a pretty basic question, please forgive me if it's too basic for you. But let's say that once we have received the OC for a project and it is ready to be occupied, so we can book 100% of our revenues at that point of time, right?
- Amit Jain:** Yes.
- Samshet Shetye:** But only for the sold units.
- Deekshant B:** Of course for the sold unit. Let's say that once you receive the project for Andheri and we are able to start selling those units in this quarter, we would be able to recognize the 100% of our revenues, right?
- Samshet Shetye:** Yes, but as we are following the percentage completion method, out of the total turnover which is there for this project, we might have recognized about 80%, which is sold inventory.
- Deekshant B:** So, out of Rs. 165 crores, around 20%, which would be around Rs. 30 crores to Rs. 33 crores, we can recognize?
- Samshet Shetye:** That will be there.
- Deekshant B:** Sir last question is on the collection versus presales. So, Rs. 220 crores of presales we have done, out of this Rs. 168 crores have been collected. So, this remainder, is it going to be next quarter that we will be able to report on our revenue?
- Samshet Shetye:** So, there is no direct relation between the presale and collection, because collection happens based on the construction milestone what we achieve.

- Deekshant B:** Can you tell me that which of the segment is seeing the highest presales right now? Which product we are seeing the highest presales, is it the greenfield, Andheri and Rare, or is it something else?
- Amit Jain:** So, sales is kind of uniform. The mid segment as in the 2 BHK you can say is the ever moving item. Then bigger the ticket size, maybe slower the velocity. But there is no differentiation as such between redevelopment for a greenfield project, the velocity is similar. Rates in greenfield are more than redevelopment, but the velocity is similar.
- Deekshant B:** Sir, if I can just ask a couple of questions on our upcoming projects, particularly on our Nutan Ayojan, Rani Sati, and Satya Shripal. These three projects, sir is the land big enough that we can give the amenities to get --
- Amit Jain:** Yes, so the average sizes of all these projects would be 1.5 acres, we do not take projects which have land sizes less than an acre, because then you cannot fit in the amenities. The average land size is 1.5 acres, Satya Shripal is 2 acres in fact and Nutan Ayojan is 1.75 acres.
- Deekshant B:** Sir, which of the sort of upcoming redevelopments can we like, because I do not see any number of date, that on which date the completion would happen.
- Amit Jain:** So, estimated in near future Laxmi Ramana and Maheshwar, two projects we are trying to launch in the first quarter of next financial year, April to June.
- Deekshant B:** Sir, sorry for the long question, but in every other sort of company that we are seeing in real-estate right now, there seems to be some slowdown in the presales. And Arkade actually reported very strong presales numbers. What do you think is aiding this particular thing apart from ofcourse our reputation that you have built for decades now?
- Amit Jain:** Delivery and the speed of the project, by delivery the consistency of the delivery, the consistency of giving more than what is promised. Our projects, like various projects, as I mentioned, we are having projects across all stages. The Santa Cruz project is with occupation stage. So, those are the stages wherein you will get sales inevitably. Like Mulund project is headed towards getting occupation. So, whatever balance residual inventory does get sold very fast. Apart from this Vile Parle is at an advanced stage. So, the stage of project are coincidentally such that they are having good visibility of delivery, and all the projects are fully approved. So, the buyer feels much more secure than what he does in general project. When he goes for home loans, the bankers vouch for us. The bankers recommend an Arkade project vis-à-vis other developers.
- Deekshant B:** Sir, do we see the next quarter to be stronger than this quarter because this quarter was a bit milder when we look at it on year-on-year basis?
- Amit Jain:** Yes. But if you observe, the bottom-line figure of nine month has already, it is already close to what it was for the last full year.
- Deekshant B:** No, I agree 100% on that, sir.

- Amit Jain:** And 123 is the profit for last year, and we already are at 123 this year. So, whatever comes in the last quarter is kind of growth, it is an addition.
- Deekshant B:** I agree sir, but do we see that because you have such a better view on this, do we see surpassing Rs. 200 crores in the next quarter or is that too much of a big ask for us right now?
- Amit Jain:** Rs. 200 crores pretax is fine.
- Moderator:** Thank you. The next question is from the line of Nikita Mehta, who is an investor. Please go ahead.
- Nikita Mehta:** Sir, I have a couple of questions. So, firstly I would like to ask, like can you give us an idea or an update on the use of the IPO proceeds till date?
- Amit Jain:** Yes, we raised Rs. 410 crores from IPO, out of which we have already utilized Rs. 176 crores, and the balance funds are Rs. 234 crores from the IPO. And out of the Rs. 176 crores utilized, construction has consumed Rs. 26 crores, approvals have consumed Rs. 82 crores, Rs. 43 crores is for general corporate purposes, and IPO expense is Rs. 25 crores.
- Nikita Mehta:** Sir, in what ways have these investments contributed to the company's overall growth strategy?
- Amit Jain:** Come again?
- Nikita Mehta:** In what ways have these proceeds helped us this investment contributed to the company's overall growth strategy?
- Amit Jain:** Growth as in like when we deploy the funds raised from the IPO towards new acquisitions, the effective top line and consequent bottom lines will increase, which in itself is growth. And had we raised the debt to do the same purpose, it would have cost us interest and that would have eaten into the bottom line of the balance sheet. So, we avoid debt, we save on the interest, and we have more capital to work for. It will make more money by having a bigger bottom line, bigger and better bottom line and top line. We are able to do more projects because we have more money, simple.
- Nikita Mehta:** And sir, do you have any plans to pursue bidding opportunities for new projects apart from Western suburbs? And what is your outlook on the potential of these emerging areas?
- Amit Jain:** We are already having projects in eastern suburbs which are land buy projects in Bhandup, in Mulund. We have completed a project in Kanjur, so these are all projects barring Western suburbs. In Kanjur we have completed a project, handed over possession of 700 flats, that a factory that we developed into a residential project.
- Moderator:** Thank you. The next question is from the line of Jegadees Sharma, who is an investor. Please go ahead.

- Jegadees Sharma:** Congratulations on a good set of numbers. I just want one clarification first. What is the margin profile of redevelopment projects and greenfield projects, sir?
- Amit Jain:** So, the average margin across the balance sheet is 20% post-tax.
- Jegadees Sharma:** Because one of your peers is having the difference of margin, I just asked for this clarification.
- Amit Jain:** The differentiation, like the greenfield project's margins are more and the redevelopment projects margins are less like going forward. In the past we made good margin in redevelopment also, but now the competition has increased a lot in redevelopment, so the margins have squeezed. So, going forward, the margins in redevelopment project can go down to as low as 15% and land buy the greenfield projects will continue to make better margins, 25% per say.
- Jegadees Sharma:** This is the PAT margin you are talking, right?
- Amit Jain:** Yes.
- Jegadees Sharma:** Okay. My second question, sir. You just mentioned that you have a Rs. 10,000 crores worth of upcoming projects, right?
- Amit Jain:** Yes.
- Jegadees Sharma:** Out of that what is the redevelopment projects' contribution and greenfield projects' contribution?
- Amit Jain:** So, redevelopment should be in and around Rs. 6,500 crores, and Greenfield Rs. 3,500 crores.
- Jegadees Sharma:** So, this Rs. 10,000 crores will be coming in FY '26?
- Amit Jain:** No, no, not all of it will come, it will be like we will be launching its spread across 11 projects. So, we have three, four projects coming in every year. So, it will see a launch across two to three years, and the completion maybe in five years from today.
- Jegadees Sharma:** So, any guidance you want to give for FY '26?
- Amit Jain:** I cannot give, like I have already given a lot of info.
- Jegadees Sharma:** That is true, but FY '26 revenue, top line or anything like that, sir.
- Amit Jain:** As per track record, so we will try to stay consistent.
- Jegadees Sharma:** We will be, okay. Fine. All the very best. And congratulations on the good set of numbers. Thank you.
- Moderator:** Thank you. The next question is from the line of Aditya Shah from Meteor Wealth Management. Please go ahead.

**Aditya Shah:** Sir, just a few couple of basic questions I had. One is that any strategies for projects outside Mumbai, have you any development in that side?

**Amit Jain:** Thane is outside proper Mumbai. So, Thane is where we are coming up with.

**Aditya Shah:** No, no, but I mean like Pune, Nashik, these kind of cities?

**Amit Jain:** No, not yet.

**Aditya Shah:** And secondly sir, are you planning to do any commercial development or only residential units?

**Amit Jain:** Actually retail shop line and part commercial, but broadly the inventory is residential, no exclusive commercial projects.

**Aditya Shah:** So, not exactly in the commercial space as of now.

**Amit Jain:** No, no.

**Aditya Shah:** And sir, according to you, out of all the projects where do you see the highest occupancy rate and which area do you see generally the low occupancy rate for the flats?

**Amit Jain:** Western suburbs it is difficult to find land parcels. The probability to find land parcels is more in eastern suburbs and Thane than Western suburbs. Western suburbs, that is why redevelopment is strongly prevalent.

**Aditya Shah:** I will be more specific. Say your project which is in the Ville Parle East, what is the current occupancy rate in that?

**Amit Jain:** The current?

**Aditya Shah:** Occupancy rate, means have all the flats been already booked or partial payment?

**Amit Jain:** By the time our projects get occupation OC, we are managing to sell 90% of our inventory.

**Aditya Shah:** 90% of inventory?

**Amit Jain:** By the time of OC, and the balance in three to six months, historically that's how it has been. To give you an idea, currently we may be 40% of the project completed and we store 30%, 35% of goods.

**Aditya Shah:** So, in the next six months you may expect up to 90%?

**Amit Jain:** Yes, by this year end, calendar year end.

- Aditya Shah:** And one last question I have, it's regarding on the parking. Usually, we see that many builders or many developers sell the parking separately from the charges of the flat. So, do you have the same concept, or do you include the parking cost with the flats, how is it like?
- Amit Jain:** It's all inclusive, our box price includes everything, only tax he has to pay.
- Aditya Shah:** And assuming a person says he wants to buy more parking, extra parking, so do you charge on that, how is it?
- Amit Jain:** Extra parking will be chargeable, but the normal parking, say whatever is tied up with the flat is included in the box pricing, one or two BHK, the size of the flat.
- Aditya Shah:** Alright. Just adding on, say now a place like Vile Parle where construction is done, and if an occupant wants to buy an extra parking, so what would be the average cost you charge the person?
- Amit Jain:** Maybe Rs. 10 lakh in Vile Parle, depends on the size of the parking again, like big car, small car.
- Moderator:** Thank you. The next question is from the line of Akash Sharma who is an investor. Please go ahead.
- Akash Sharma:** Sir, I have a few questions. Just wanted to ask like, have our presales begun for recent development projects? And when do you expect to see the pre sales revenue, especially for the new developments?
- Amit Jain:** Which projects?
- Akash Sharma:** Sir, in the key Western suburban areas, Borivali, Malad and Andheri.
- Amit Jain:** These new project you are talking, they will take some time. The Malad and Andheri projects, maybe they will be launched in the next financial year. They will take time for approval and all, so minimum six to nine months.
- Akash Sharma:** Okay, so they are still in the approval stage, okay.
- Amit Jain:** Yes. We have projects that are acquired before these projects, which will go on floor first, the Santa Cruz one and the Goregaon, Malad ones.
- Akash Sharma:** And sir my next question is like, with a combined saleable carpet area for around 5 lakh to 6 lakh square feet across these projects, what is the expected average price per square foot?
- Amit Jain:** Average is around Rs. 30,000.
- Akash Sharma:** Sir, how does it compare to the current market rates?
- Amit Jain:** We get the premium compared to the average market rate.



- Akash Sharma:** What is the average market rate, approximately?
- Amit Jain:** We get a premium of 10%, so average maybe 10% below only, Rs. 27,000.
- Amit Jain:** So, around Rs. 27,000.
- Amit Jain:** Yes.
- Akash Sharma:** And sir, last is like, were there any tangible cost efficiencies that we have seen due to faster project delivery?
- Samshet Shetye:** Can you please repeat the question?
- Akash Sharma:** Have we seen any tangible cost efficiencies here due to faster project delivery?
- Amit Jain:** Yes. So, we save on the rentals, we have a faster turnaround, we have better IRR. The receivables come in faster and we save on the admin cost, salaries and rentals. And the money turning is faster, that gives us a better IRR. The overheads are lesser, the rentals are lesser.
- Moderator:** Thank you. The next question is from the line of Kaustubh Sharma with Equinox Capital Ventures. Please go ahead.
- Kaustubh Sharma:** We are having several projects ongoing, so the projects Arkade Crown, Arkade Aspire, Arkade Aura have been completed, and the rest of the projects are ongoing. So, what is the average completion stage for these projects? And how much have we recognized the revenue so far?
- Amit Jain:** These three projects we have completed in an average of 25, 26 months from CC to OC.
- Kaustubh Sharma:** So, 25% of the revenue we have recognized so far, right?
- Amit Jain:** No, no, 25 months is the average completion time. You asked me the average completion time, right?
- Kaustubh Sharma:** Yes. Because we are recognizing our revenue as per the percentage of completion method, so I just want to know the stage of these projects, the ongoing project. So, in terms of percentage of completion, how much would be the percentage of completion on an average?
- Samshet Shetye:** We recognize the revenue based on the percentage completion, that is right. But we start recognizing the revenue once we complete 25% of the construction cost. So, if you see our chart of the ongoing projects, you will find that few of the projects are not yet completed 25% mark, like Arkade Nest, Arkade Rare, Arkade Vistas/Views, so those are yet to start recognizing revenue. But the other projects we have started recognizing the revenue.
- Kaustubh Sharma:** So, the Prime, Nest and Pearl, that we have started recognizing their revenue, correct?
- Samshet Shetye:** Sorry, which projects you referred?

- Kaustubh Sharma:** Arkade Prime, Nest, Pearl, Eden?
- Samshet Shetye:** No, Nest, Rare, Vistas/Views are yet to start recognition. All others started recognizing the revenue.
- Kaustubh Sharma:** And you said that Borivali West, Goregaon Arkade Crown, Aspire, Aura, around Rs. 1,091 odd crores, out of which Rs. 100 cores would be recognized by 2025, right?
- Samshet Shetye:** Yes. In the last quarter.
- Kaustubh Sharma:** So, rest of the revenues would be recognized in the next year?
- Samshet Shetye:** No, it has already been recognized till date.
- Moderator:** Thank you, ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Mr. Amit Jain for closing comments.
- Amit Jain:** I thank the entire team of Arkade Developers for their untiring efforts, 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 Relations team for any further questions. Thank you.
- Moderator:** Thank you. On behalf of Arkade Developers Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.