





“Eldeco Housing & Industries Limited  
Q4 & FY'24 Earnings Conference Call”

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**MODERATOR:**      **MR. ABHISHEK BHATT – E&Y INVESTOR RELATIONS.**

**Moderator:** Ladies and gentlemen, good day and welcome to the Eldeco Housing & Industries Limited Q4 & FY'24 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Abhishek Bhatt from EY Investor Relations. Thank you and over to you, sir.

**Abhishek Bhatt:** Thank you. Good afternoon, everyone, and thank you for joining us on the call. Before we proceed to the call, let me remind you that today's discussion may contain forward-looking statements that may involve known and unknown risks, uncertainties, and other factors. It must be viewed in conjunction with a business risk that could cause future results, performance, or argument to differ significantly from what is expressed and implied by such forward-looking statements. Please note the results and presentations are available on the exchanges and on our company's website. Should you need any assistance to receive them, you can write to us and we'll be happy to send them over.

Today we have on the call the Senior Management of Eldeco Housing & Industries Limited, which is represented by Mr. Pankaj Bajaj, Chairman and Managing Director, Mr. Manish Jaiswal, Group COO, Mr. Sanjay Agarwal, Group Vice President, Accounts and Taxation. We will begin with the highlights of the quarter, followed by Q&A. Now I would like to hand over the call to Mr. Pankaj Bajaj for his opening remarks. Over to you, sir.

**Pankaj Bajaj:** Thank you, Abhishek. Good afternoon, everyone. Happy to have you all at our earnings call for Q4 and FY'24 to discuss the company's performance. So the residential real estate sector remains robust with a clear shift towards premium properties and the market consolidation that favors larger and well-known developers.

These trends are gaining attraction in the city, mirroring broader industry movements. FY'24 has been a standout year for our company with significant milestones achieved. During the year, we have reported all-time high area booked, land acquisition and booking value, reaching the highest levels in our history. This performance reflects our company's growing strength in the market and is a result of years of consistent growth.

Moving on to operational highlights, for the period under review, I would like to highlight the stellar growth we have achieved during Q4 and FY'24. During the quarter, our construction payments have seen a growth rising to INR34.7 crores from INR22.9 crores in the Q4 of FY'23.

It is the area booked which has experienced a remarkable surge, rising from approximately 50,000 square feet in Q4 FY23 to an all-time high of 4.6 lakh square feet approximately in Q4 FY24. This growth was primarily due to the successful sale of 275 units in Imperia Phase 2. We were, in fact, able to sell almost the entire inventory at Imperia 2 within a couple of weeks of launch.

The booking value for the quarter was also at an all-time high at about INR250 crores, compared to INR25 crores in Q4 FY'23. This was again largely driven by the successful launch of Imperia

Phase 2. On an annual basis, our construction expenditures stood at INR97 crores with a year-over-year growth of 12%. The area booked for the year was 7.8 lakh square feet approximately with a value of INR388 crores. Both the numbers are the highest in the company's history.

Another area where we had a good year was land acquisition. We acquired approximately 61 acres of land across 3 different sites in Lucknow, where we continue to aggregate more land. We anticipate launching at least two of these projects in the fiscal year '24-25. Moreover, we are preparing for the debut of our luxury development, Eldeco Trinity, which will be launched in the first quarter of FY'25. For these upcoming projects, we aim to meet or surpass the historic sales figures set in FY'24.

Moving on to our financial performance. The consolidated revenue from operations was INR49.2 crores in Q4 FY'24, compared with INR38.7 crores in Q4 FY'23. During the financial year '24, the revenue stood at INR112.7 crores, compared to INR129.1 crores in FY'23. The company's consolidated profit after tax stood at INR11.7 crores in Q4 FY'24, as compared to INR14.9 crores in Q4 FY'23. During the FY24, the PAT(profit after tax) was INR33.9 crores compared to INR44.4 crores in FY'23. Additionally, for the FY24, the Board has recommended a final dividend of INR8 per equity share, which is the same as last year.

With this, I would like to open the floor for questions and answers. Thank you.

**Moderator:**

The first question is from the line of Bharat Gupta from Fair Value Capital.

**Bharat Gupta:**

First of all, congratulations for the successful launch of Imperia Phase 2. Sir, a couple of questions from my side. So in your previous con calls, you have been highlighting that the land availability continues to remain a key challenge in Lucknow. So if I talk about the long-term view, like from 3 to 5 years, how are we ensuring that the growth trajectory remains on buoyant side? And like are you also excluding land acquisitions in the new regions if the Lucknow market continues to remain under threat?

**Pankaj Bajaj:**

So good question, you have been following the company. So I'm happy to report as I reported in the opening remarks also, we have been able to break that log-jam. And we've been able to acquire fresh projects in Lucknow. These are 3 different locations. We are not disclosing the locations within Lucknow right now because further aggregation is going on. We have, in fact, received preliminary approvals in one of them already. And another one, we are applying for approval, I think, in a couple of days.

So the issue of the pipeline has been resolved. So I'm very happy to report. With these acquisitions, I think it will approximately add about INR1,000 crores to our gross developable value in the next 3-4 years. And we are looking for more, there are some more deals in the pipeline. So I don't think that's a burning issue right now. It was an issue for a couple of years. But with our efforts on this front, we've been able to break this problem.

**Bharat Gupta:**

Right. And the recent land acquisition stats pertains only to Lucknow market, not to other markets which we were, I think, discussing earlier?

**Pankaj Bajaj:** Yes, because we were not able to get our hands on proper developable land parcel but we are finally being able to do that. So at the moment, we are focusing at Lucknow because we think that being the capital of the most popular state and undergoing a significant infrastructure transformation. Lucknow is well poised to be the next city which makes the transformation to a big urban space, like Pune and Bangalore. So, we don't want to get distracted right now, and we are going deeper into Lucknow at the moment.

**Bharat Gupta:** Right, sir. Sir, also with demand outpacing supplies and because of the infra boom, which is happening across the Lucknow market, so in terms of the industry side, if you look about what kind of inventory levels can the industry surface needs on the current demand trend? And what kind of a demand-supply mismatch is there in the Lucknow market as of now?

**Pankaj Bajaj:** I don't have exact numbers on the demand side because nobody has a number. A lot of demand in real estate tends to be latent. It tends to be hidden. So it surfaces only if you give them a good product, otherwise, it will remain hidden for a long time. So at the moment, whatever you supply, because the supply is so constrained, whatever you supply is getting lapped up.

So I told you about our Imperia launch, it got lapped up in a matter of a couple of weeks. But if we add 2 more Imperia or 3 more Imperia, even they would get lapped up. That's the kind of demand there is, not only in Lucknow, but in many cities across the country right now. So demand-supply mismatch is not something we are worried about at the moment, that's not a constraint.

The constraint is on the supply side, how you get the developable parcels of land at reasonable prices so that we can deliver a reasonable products to the market. And I'm happy to report that with the 60 acre of acquisition across 3 parcels and with the upcoming launch, Trinity, I think that issues also solved for the next couple of years, at least for our company.

**Bharat Gupta:** Sure, sir. Sir, last question from my side. So is there any kind of a vertical development projects other than Trinity, which is there in the pipeline for us? And how does the realization vary between the horizontal and vertical development in the Lucknow?

**Pankaj Bajaj:** We have, we are just finishing Twin Tower project, which is a small project, these are 10-12-story development, a small one. Latitude 27 is another group housing project, total area is about 4.5 lakh square feet, Trinity is 5 lakh square feet. And we have a few others mentioned in our investor presentation, there's something called GH-4, Group Housing-4, so we are going to be submitting that for approvals. And with the upturn in the market, even in the new acquisitions, we might have some group housing components.

So we will have a significant amount of Group Housing because the market is maturing very fast. In terms of realization, it was more or less per square foot wise, Group Housing and horizontal. If you look we've disclosed that number, earlier, we used to be historically per square foot realization would be around INR3,200 square foot. Then the last couple of years, we stepped over INR4,500 per square foot. But this last quarter, it has been the highest in terms of per square foot realization. I think it was INR5,500 per square foot. So, that's another metric on which is the highest ever.

**Bharat Gupta:** Right. And going forward, with Trinity being there, like which will be coming in FY'25, does the realization range will be in the upward trajectory, right?

**Pankaj Bajaj:** Trinity is definitely a much higher-priced product. I would not say we'll probably get sold at the same pace at which the lower-priced products were sold. But it is definitely a product which gives us good margin. It's a luxury product, luxury gaining attraction all over the country. It's good for our brand. So it's a launch that we are looking forward to with the expectation. But you're right that the per-square foot realization in Trinity would be much higher.

**Moderator:** The next question is from the line of Priyam Poddar from Value Equity.

**Priyam Poddar:** Sir, this is just a bit of as an extending your previous participants question and your reply. So as mentioned -- as we can clearly see, this is with regards to the realization. As you have mentioned that we have attained INR5,500-plus average realization during the last quarter, which seemed to be highest in the last 5 quarters. So just wanted to understand that would we be able to maintain such kind of realization on an average basis in the coming years? So if we also check it out, that we have been growing our average realization by 8%, like comparing the FY'24 to FY'23. So can we maintain that trend?

**Pankaj Bajaj:** It's very difficult to predict market. It also depends on the kind of product mix you have. So a couple of projects could be at a lower per square foot realization, like I think one of the new parcels rate be at about INR3,500 or INR4,000. But then the major ones are at all at INR5,000-plus. And Trinity is much higher. So, on a weighted average basis, I think this seems to be the new normal. And I think that if the market keeps supporting us, then it may increase on an annual basis also. So difficult to say, but INR5,500 does seem to be the new normal.

**Priyam Poddar:** That's really nice to hear. And secondly, what would be the aspirational revenue that we wish to be in the zone? Like you can share any range, that would be great. But any aspirational top line that you are garnering for -- that you are targeting for FY'25-26?

**Pankaj Bajaj:** We're always very conservative in giving guidance. So last year, also, I then put a number to it except saying that it will be much better than the previous year. And here in opening remarks, I concluded by saying that I would like to, with historic numbers that we achieved last year, we would definitely want to surpass that this year. Beyond that, it all depends on when we get the approvals, when we were able to launch the project.

For example, the 3 new acquisitions we have made, if they all hit the launch phase within this financial year, then definitely, we are going to increase our booking numbers this year. But approvals do take time, and that's why I was slightly conservative and I said that I hope to launch at least two of the three. And the two of the three along with Trinity and Latitude 27, I think we should be able to surpass the numbers we achieved last year. And again, I hope this is a new normal for our company.

So INR388 crores is the highest ever number. Earlier, our highest was INR250 crores. So I don't want to go below what we have already achieved. This is a high watermark and we should only increase from here. And we have the number of projects to be able to do it. Whether we will be

able to do it this year, FY'25, we hope we quickly get the approvals, it does take time. But if we are able to get approval by, say, Diwali, then our number will be much higher. So I'll have more clarity in the next con call.

**Priyam Poddar:** Okay. We'll then wait for more clarification.

**Moderator:** The next question is from the line of Priyank Gupta from Guardian Advisors.

**Priyank Gupta:** Congratulations to the whole team for an excellent quarter. We have been waiting for this day probably to see that this log-jam is broken, and it's very heartening to see that. The small question I have is we have got all the comments on the realization. Would we be able to sustain the margins which we have been having for the last few years? If you can comment on that.

**Pankaj Bajaj:** So this question has come a lot because our margins are much higher than the industry. And in almost every call, I've been answering about margins. So historically, our margins have been in the region of 40%. That does look like a very abnormally high margin to sustain. I always said that I do expect it to come down a little bit. I think 30% would be more like it. And of late, it has come down to 30%. But definitely, I don't see it falling below 30%.

In a few projects, it could be a little higher also. So 30% to 40%, depending on what product mix that's recognized in a particular quarter. This particular quarter has been bad in terms of margins because of the kind of projects which got recognized for revenue. But generally, 30% is something I can safely say we will be able to maintain.

**Priyank Gupta:** Best wishes to the whole team.

**Moderator:** The next question is from the line of Aryan Sharma from Infinity Group.

**Aryan Sharma:** So my question is regarding the Lucknow market. How do you see the demand compared to last year? And what is the outlook on this market?

**Pankaj Bajaj:** So I don't see where this – going to access where is the demand, what's the actual depth of the demand because there's not enough supply. I would know that what the demand is once we supply the market with enough stuff. I don't think the market is getting supplied enough stuff. So it's not selling, I think in a year about 3,000 to 4,000 units were sold in Lucknow. But I think the market can take much more if there was enough supply for that.

So demand is not something that I'm worried about for Lucknow, for many years now. And you see in the kind of stage that maybe Ahmedabad was 10 years ago or Bangalore was 20 years ago or Hyderabad was. So it is one of the new generation cities, which is going to see a explosive growth in the next 10 to 15 years. And I think the market size is also going to really increase in Lucknow. So the kind of -- Eldeco is a leading developer of Lucknow, and these numbers will look nothing, I think, 5 years or 10 years down the line when we look back.

So I think the size of the market is a constraint. Where exactly that number is right now, the total population is about 3.5 million. Now why are we selling only 3,500 houses there? Why are we

not selling 20,000? I think that's because they're not getting supplied, Otherwise, there is demand for it.

**Moderator:** The next question is from the line of Varun Gupta, an individual investor.

**Varun Gupta:** I have one question on this Lucknow market, like Eldeco Housing is having a very good balance sheet, but the company is restricted to Lucknow market only. So is there any plan to go in other markets because the parent company is there in the Gurgaon market also, which is a hotspot market in India right now. So is there any plan to have a partnership agreement with the parent company where we can tap the other booming market?

**Pankaj Bajaj:** So it has been clarified many times and I'll clarify once again, Eldeco Group has 2 companies. One is the listed company, Eldeco Housing, which works in Lucknow. And the other is an unlisted company, EIPL, Eldeco Infrastructure, which works in the rest of the country is not the parent company of Eldeco Housing. They are entirely separate companies. They share the common brand. I still happen to be the promoter of both the companies and then make sure that the 2 companies do not compete with each other, by agreement within the companies like geographically, they're not going to compete with each other. So that there's no conflict of interest at all.

The moment we start -- Eldeco Housing starts going out of Lucknow, then the conflict of interest question will start coming in. So as of now, we are keeping it separate. There was a temptation for Eldeco Housing to move out of Lucknow when we were not getting enough projects in Lucknow and cash was getting accumulated on the balance sheet. But as I said that in the last year, we've been able to solve that problem and tie up more projects in Lucknow. And there are now even more projects in the pipeline. So that issue is solved for the moment.

But at the same time, I have maintained that being restricted in Lucknow at the moment, Eldeco Housing, the company should not suffer for that. So if it is not getting enough opportunity, that's a discussion that we can have. But at the moment, it's not a relevant discussion because the pipeline is very strong in Lucknow for the next year or 2 years. But when the time comes, unless it is necessitated, we will look at going out. But of course, we'll have to have some kind of arrangement with the sister company whenever that happens.

**Varun Gupta:** My question is like in Lucknow the average realization price is than INR5,500. But in cities like Gurgaon, Mumbai, where the big developers are there from India like DLF, Oberoi Realty. The average selling price nowadays is INR30,000-40,000. So I think the opportunity is very big. And currently, the real estate industry is booming. So do you think it is the right time to tap the metro cities also apart from Lucknow?

Because Lucknow, I know you are explaining these, say, untapped market, there is a lot of opportunity. But if you see the balance sheet strength of the Eldeco Housing, the leverage is just hardly any leverage in the balance sheet. So we can basically use this opportunity and we can use this time currently where the real estate industry is booming and there is a demand in metro cities and also in smaller cities. So that's what I just want to highlight.



**Pankaj Bajaj:** Thank you. Your point is taken. I think I already answered the question.

**Moderator:** The next question is from the line of Rohit, an individual investor.

**Rohit:** Phenomenal set of numbers. And I mean, I've been an investor for a while now, and I'm quite optimistic about the prospects of the company in Lucknow. So my question is a little different. I am curious. You have a sister entity which is quite larger and you have these entities focused on Lucknow. So what was the rationale for listing this entity because it looks like we are pretty self-funded given the strength of the brand and the city in particular and the balance sheet is super strong. So what is the rationale for us remaining listed? And I'm just curious to know your thoughts on a long-term strategic basis for this company in particular.

**Pankaj Bajaj:** Your line is not clear, you'll have to either repeat it and keep it short. I can't get much of the question.

**Rohit:** Sure. Sir, my question is, what was the historic rationale for the company, this company to be listed, particularly given it doesn't look like we have much capital requirements? So, the long-term strategic intent for you with relation to this company, given you have a larger company.

**Pankaj Bajaj:** Well, I have a confession to make. There was hardly any strategic intent when it went public in 1985. So I don't think anybody saw 40 years into the future. And the company went public in 1985 and it raised a grand total of INR50 lakh. And then there was right issue in 1989, it raised another INR50 lakh. So there's INR1 crore market raise and now is into INR1,000 crores. I think shareholders should be and would be happy with that, coupled with the fact that it has not skipped the dividend in 40 years.

So I think as far as market friendliness goes, we've done great. But the fact remains that yes, it has been self-contained and has not raised a lot of external capital over the years. But we are now growing the company. For the first time we have taken some loan last year, and we've deployed it for the new land acquisitions, which we have disclosed. We have taken the loans earlier and now that question has come, why are you taking loans now? And we said that we are doing fresh land acquisitions, which we have disclosed now.

Yes, in 1985, we did not realize. I'm sure the management then would not have realized it, you will be questioned 40 years later why you were listed? But now that we're listed, we are trying to run it as shareholder-friendly manner as possible. We've always given dividends, bonus issues. We are trying to be transparent with how we run it. There has been historically an unlisted company which has worked outside of Lucknow and the listed company working in Lucknow, they do not trade on each other's path, and it is very clear.

It is not that it's of late something has happened. It is very clear as all shareholders of Eldeco Housing also know that this company works in Lucknow and takes growth opportunities in Lucknow, though we have in the interest of our shareholders and in the interest of the company. We have always said that if being in Lucknow is becoming a constraint for the company, we will have a discussion with the unlisted company to tap opportunities outside, but that situation is not there today. As I said that we have so much pipeline at the moment in Eldeco Housing that if we

just execute that over the next 4-5 years, we are going to beat our record every year. That's the kind of pipeline we are at the moment.

**Rohit:**

No. I mean, this is super helpful to hear you as I was not aware of the 40-year history, and it was very, very helpful to hear you, the history you have shared. I don't have any doubts. I mean I've always enjoyed your calls because your capital allocation and countercyclical approach is refreshing to see in an industry like this. I mean, it was just -- this is purely my curiosity to get your thoughts because, I mean, it's strange to see what you see right now. And I wanted to hear your thoughts on taking this company private also. I mean, what -- how do you think.

**Pankaj Bajaj:**

In fact, it has been suggested a number of times to just delist the company and take it private. But we feel why we deprive our shareholders of this growth that we have. They have been loyal with us. Many people I have told have been held shares for 30 years. And it's almost like -- they have bought the share at INR10. And today, the share is at, I think, it's at INR1,000 or something. And that's after one is to five split. So practically, it's a INR5,000 share.

Historically, we bought the share at INR10. We're getting INR8 dividend, is nearly a nearly fine. So a lot of people, they come to me and the shareholders come to me, they say never delist it. So I feel -- but if it makes sense for everybody, we will look at that also. But right now, we want to leave our things which we have parked on the side. At the moment, we're just focused on capitalizing on this historic opportunity that is there in India of urbanization.

And within that historic opportunity, there is an even bigger opportunity in U.P. and within the UP the focus is on Lucknow. I think it's once in a lifetime thing, let our shareholders, who have been part of our family, enjoy this growth with us. If the time comes to change the capital structure of the company and change it to go somewhere else -- at the moment, there is no compelling reason to do it, and we should not do something just for the sake of doing it. So that's how I look at it.

**Rohit:**

Perfect. And the last question from my end is, I mean, you've talked about -- I mean, it's a once in a lifetime opportunity and how I mean companies, by design or by luck, perfectly positioned in Lucknow. So is there anything you see as a potential risk or something that could prevent us from meeting the potential that is present right now?

**Pankaj Bajaj:**

That risk is always there in the real estate industry. I would not beat around the bush. This is a risky industry that I guess the kind of returns would get some time. That's why our cost of funding is high, it's perceived to be a risky industry. There can always be an unforeseen legal or statutory trouble in one of the projects. So that's why we've been so conservative and careful in our project acquisition.

Our risk filters and our control mechanisms tend to be tighter than other because that's how we address that. We don't want to take unnecessary risk in terms of titles, in terms of approvals. We don't want to be hard and fast with the compliances. So we take care of all of that. That is one risk. I don't look at, right now, demand does not seem to be a risk. Because the kind of products we are making, we're not making products for like INR20 crores in Lucknow. Our ticket size is only INR1 crores, INR1.5 crores, which is quite reasonable, and it has a lot of demand there.

The demand is not an issue. We have a well-oiled execution machinery. We have a good ecosystem of contractors, suppliers, vendors, that is not an issue. The only thing is that you know if, and there's nothing on the horizon, by the way, but if one of the projects were to face some legal trouble, some government issue, items from a retrospective, now that's a general real estate development risk, which happens in India all the time.

So that's only risk, and we have to be careful about that. So that's why we are always very compliance-oriented. And that can happen with any country, which is into real estate development in India. Other than that, I don't see some -- it is a great business to be in right now and very satisfying as well.

**Rohit:** Understood. And in supply, do you see availability of plan going forward as well? Or do you see, the difficulty we saw in the last 2-3 years, do you see that continue or? We did well last year, but do you see that momentum continuing in supply?

**Pankaj Bajaj:** It is going to be difficult. But as I said, we have been able to, with the hard work in the last 3, 4 years, we've been able to develop another potential supply of another 4 or 5 projects, out of which 1 or 2 will see the light of day because of the risk filters that we tend to put in. If some of the choice may fail, due diligence or some other filters. We are sure to find 2 or 3 and this is our target this year. So I think it's a challenge, it's an entry barrier at the moment. So sales is not, of course the brands are getting a premium. But the entry barrier at the moment is availability of capital ability to acquire for this at reasonable prices, reasonable valuation. So I think we are well placed in Lucknow there. Otherwise, I don't see great risk going forward.

**Rohit:** Okay. So I mean, from my understanding, you are the premium brand -- I mean, you are the best brand by far there. So do you see other nearby property brands entering Lucknow? And this is a competition for land and prices of land shooting up because of that?

**Pankaj Bajaj:** I do. I do. If our location is going to do so well, why would the national players or even other regional players not look at that location with more keenness. They will. I have no doubt about it, and it's only going to become the competition for land. Developable land is going to intensify. But it is also going to help the market because it is going to become more sophisticated and the stronger players will become even stronger. So yes, the market is going to become more mature and more sophisticated, no doubt about it.

**Rohit:** How does it help the strong players become stronger if it becomes more competitive and sophisticated?

**Pankaj Bajaj:** Because what happens is that, historically, the real estate market structure has been very fragmented in the country. Even though the leaders in the country would have single-digit market share. But as what we are seeing in the bigger cities is that as the market becomes more mature and most sophisticated, the market share of the bigger players, for a number of reasons, starts increasing.

So the listed players in the country, there is some data that historically we have had only 15% market share in the entire real estate of the country. But now that number last year in terms of

was I think was at 30%. So what happens is that people tend to go only for the bigger brands. Once more bigger brand happens, the smaller ones tend to not be able to compete with them. So hopefully, in Lucknow, we should be able to compete even with national players if and when they enter. And in a combined way, the bigger players will have a greater share of the market. That has been the trend.

**Rohit:** Yes. Thank you. I mean, I enjoyed your answer. Thank you so much for sharing your thought freely appreciate it, and thank you.

**Moderator:** The next question is from the line of Amit Shah, an individual investor.

**Amit Shah:** Sir, I just wanted to understand, like given the favorable market outlook, would you consider being more active in buying land in the upcoming FY'25?

**Pankaj Bajaj:** Could you repeat the question? I didn't get it properly.

**Amit Shah:** Sir, my question is like, would you consider being more active in buying land in upcoming FY'25?

**Pankaj Bajaj:** We've been active for the last 3 years in Lucknow, but we were able to actually ink the deals, , do definitive agreements take over the title, etcetera, only in FY'24, which is what we have reported now. And it's not that we have been active only on these 3 deals. There are at least 5-6 more deals that are still in the pipeline. I don't know how many of those will actually get inked, and we will actually take them all because I will not like to do projects just for the sake of our market pressure to do projects. But if they all passed the test in terms of diligence, in terms of feasibility, in terms of the financial structure, the deal structure, then definitely, we could even surpass the business development that we do than last year, we could probably surpass even that.

**Moderator:** The next follow-up question is from the line of Priyam Poddar from Value Equity.

**Priyam Poddar:** So this next one is on the margin front. I believe we have done 30% EBITDA and a PAT margin of 23%. So I just wanted to get a guidance from you that whether we can hold on to or enhance these margins in the coming years, considering the fact that we have new launches in the pipeline?

**Pankaj Bajaj:** Yes, these margins, definitely, you should be able to hold on to, if not improving them. Historically, I think Priyank asked this question historically, our margin has been much higher. And this quarter, we have reported lower margins. That's got to do the kind of projects which got taken for revenue this quarter. As you know, real estate has a lumpy kind of revenue recognition. So incidentally, the projects where we recognize revenue at low margins in this quarter. But on the whole, our margins tend to be a little higher than that.

**Priyam Poddar:** Okay, okay. And one question related to our Trinity project. So if we can have some more data, like with regards to the demand shaping up and the kind of pre-bookings that we are observing or witnessing?

- Pankaj Bajaj:** I'll defer this question to the next con call. We have just received the RERA approval. We have just started. We have not even started the pre-marketing of the project. We are making a fantastic scenes gallery on site, and we have not officially opened any booking at the moment. So I think I'll have more color to give on this 3 months from now.
- Moderator:** The next question is from the line of Varun Gupta, individual investor.
- Varun Gupta:** Sir, as you said, like the company is rewarding the shareholders from last 40 years. So is there any plan to have a bonus share also because the company is making good profits and the equity is also very small, just to improve the liquidity of the share?
- Pankaj Bajaj:** We just gave a bonus couple of years ago, I think.
- Varun Gupta:** I'm holding from last 3 years, so I got the split. But I think the bonus is not there.
- Pankaj Bajaj:** Okay. Right now, there's no plans about bonus.
- Varun Gupta:** Because the liquidity is very low in the company because our shares holding big chunk. So the free float is also low in the company, so just an advice.
- Pankaj Bajaj:** It will remain the same in terms of market cap, the free float will remain the same.
- Varun Gupta:** The number of shares since the ticket price is INR1,000 and the number of shares...
- Pankaj Bajaj:** INR1,000 is nothing. The free float available for you to purchase will remain the same, irrespective of the number of shares.
- Varun Gupta:** Yes. That is there. But normally, if the equity improves and the ticket size is small, a lot of new investors will come, and this will help in unlocking the value.
- Pankaj Bajaj:** I think it's -- INR1000 is not a prohibitive number. But anyway, if something that whenever the Board takes up, we'll let you know.
- Moderator:** As there are no further questions, I would now like to hand the conference over to Mr. Pankaj Bajaj for closing comments.
- Pankaj Bajaj:** Thank you, all. It was quite nice to see the interest that all of you have in the company. And I look forward to speaking to you the next time, and I hope we keep presenting good numbers to you. Thank you.
- Moderator:** Thank you. On behalf of Eldeco Housing & Industries Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.