

Transcript of the Webinar held on August 05, 2024, to discuss HCC Q1 FY25 Results

Rahul Shukla: Good evening, everyone. Welcome you all to this Analyst Presentation of Q1 FY25. I'm Rahul Shukla, Vice President - Finance. And joining from HCC side are our Vice Chairman, Mr. Arjun Dhawan, our CFO, Mr. Girish Gangal and other members of the team. So, I'll just share this presentation.

Rahul Shukla: So just a quick reminder, HCC with 100 years of legacy being present in highway sector with completion of 4,000 lane km of highways, almost 400 km of tunnelling, 60% of India's nuclear power capacity, and 26% of installed hydro power capacity of India has been contributed by HCC. National nationwide footprint, as you can see, we are present all across various geographies, and current project portfolio of 30 projects is also spread across various states, including, outside India, which is Bhutan.

Our current order backlog is 9,534 crores, and, again, we're diversified across various sectors and geographies. On sectors, transport, as usual is the leading.

On Q1 FY25 performance, our standalone E&C turnover, for Q1 has been 1,265 crores versus 1,230 crores in Q1 FY24. Standalone net profit for the quarter is 22.7 crore versus 19 crore last year. EBITDA margin stands at 12.6%, which is same as last year. Consolidated Revenue is 1,116 crores, versus 1,926 crores. Consolidated net loss is 2.5 crore versus a profit of 43.6 crore last year.

We have received completion certificate for Numaligarh Jorhat Road Project and NH-34 Pkg 3 project. We have also received substantial completion certificate for a project in Bhutan, which is Punatsangchhu hydroelectric project. And, we have received part completion certificate for a tunnel T49A, which is in Jammu and Kashmir.

Phase 2 of Mumbai Coastal Road project has been completed; so basically, the connector to Bandra Worli Sea Link, one side of it is completed and inaugurated by the Chief Minister of Maharashtra. And the work on other side of the connector is in progress.

We are lowest bidder in project worth 4,633 crores, and work is well under way for future bid pipeline of 40,000 crores. So, in some and substance, we have been moving quite well in terms of project execution. Our bid pipeline is strong, and which will cater to our growth going forward.

Key performance highlights from finance side are basically that we plan to raise 600 crores through QIP, to fund our accelerated growth. Now that we are targeting accelerated order booking, obviously we need to have a reasonable amount of working capital plus cushion for any future contingencies. So, that will be done through QIP.

And, strategic was focused on high growth and accelerated debt repayment and deleveraging. So, this is the next target that management has now.

As you can see, we have been consistently performing quarter on quarter basis in terms of Revenue, EBITDA, Profit, as well as EBITDA margin which is being maintained. On a consolidated basis also, our performance, has been quite consistent if we look at quarter on quarter numbers.

Some of the project updates, Coastal Road project, as I just mentioned, that, project has moved quite well. We have completed one of the connectors to Bandra Worli Sea Link and the second

one is in progress. This is Delhi Metro. Here also, the work is almost completed. Trial run for the train has also been completed. So, we will very soon be coming out of this site. In fact, most of the demobilization has also happened.

Mumbai Metro, this project also most of the work is happening at a very fast pace, and you will see that 1st - CST station, is almost in the finishing level. Other stations also, MEP work is going on. So, the project is well on track.

Tehri Pumped Storage Scheme, here, this is a 4 x 250 MW, total 1,000 MW project. And the 2 units of 250 MW have been installed, and the spinning of the same is expected very soon. We are in fact expecting that Prime Minister will be inaugurating this project, these 2 units, once they are connected to the grid. So, we have done quite well here and, hoping to keep the project on track.

Financial Performance is I briefly mentioned key numbers in the previous slides also. You can just take a look. Maybe one point to note here is that our finance cost has gone down in comparison to last year, which obviously, outcome of our repayments that we have made in the previous years.

Consolidated financials: Steiner, with a portfolio of almost 4.37 billion Swiss francs. This RED portfolio, RED project development, has given us a revenue of 60.3 million Swiss francs in Q1 which is equivalent to 546 crores. And PBT stands at -1.9 million Swiss francs, which is equivalent to loss of 17.5 crores.

Now since the company has transformed into real estate development, naturally, there will be slightly different number that the investors are used to seeing historically. We have sold our construction business. So now this is the new normal that we'll be able to see going forward.

Thank you.

Now we are open for questions.

Shyam Garg: Thank you for the opportunity, sir. And my first question is with respect to the order book. Can we conclude that in Q1 we didn't had any order inflows as such? And what is the expectation regarding next 3 Quarters?

Rahul Shukla: So, regarding Q1 order booking, as I mentioned, we are L1 in 4,600 crores worth of orders. However, they were not converted into awards. Awards are LOA's are yet to be issued, so we don't consider them in our order booking. So whatever 9,000 odd crores of order booking you are seeing is exclusive of that. So, once they get converted, that will get added to this. Regarding future, we generally don't like to give forward looking statements, but, obviously, company is certainly planning to accelerate on order booking, and we will keep on updating. Like, as I mentioned, we are working on more than 40,000 crores worth of strong project pipeline. And, certainly, we can see, much better conversion of our bids that we are making because we are quite selective in terms of projects that we plan to bid. And when we decide to bid, we would like to convert them.

Shyam Garg: So, what is the conversion ratio of Q1?

Rahul Shukla: So, historically, our conversion ratio had been 15 to 20%, but in Q1 it had been quite good. I mean, in terms of amount of bids submitted and conversion, it would be comfortably above 30% of conversion rate.

Shyam Garg: In terms of number of projects, sir?

Rahul Shukla: Number of projects, that we'll have to check how many numbers of projects have been submitted. But obviously, it is much higher than historical conversion rate that we have achieved.

Shyam Garg: Okay. So, we have not won any specific project which is a very large amount. It's different number of projects.

Rahul Shukla: Yeah. So, there are 3 projects that we have. I think couple of them are highway projects and one of them is hydro project. And all of them are more than 1,000 crores. one of them is 2,600 crores.

Shyam Garg: Okay. So, any update regarding that spin-off of our one of subsidiaries, Steiner AG?

Rahul Shukla: Yeah. So, I mean, last time, we had given quite detail briefing to analyst and investors in the last meeting. So, I think maybe you can refer to that as well. And the company is moving ahead with its plan of finding investor. And as I mentioned in the last presentation, the RED portfolio is being separated from the parent company. And that process is going on and investor finding will also be also going on in parallel.

Shyam Garg: Okay. So, any revenue guidance and margin guidance for the current year?

Rahul Shukla: We generally avoid giving forward looking statements, so you will have to have a little patience over here. And only thing we can say is that we will try to maintain consistency. I have shown you last four quarter numbers, and we would like to improve them, certainly.

Shyam Garg: Okay. Thank you so much, sir.

Prachi Pisal: Hello, sir. So, I was just wondering the AVI, TDA margins and the overall income margins, comparison to in comparison with the last quarter, they have declined. So, is it seasonal? How would you justify it?

Rahul Shukla: So, if you compare it from last quarter, it's seasonal. So, a fair comparison would be to compare it with the Q1 of last year. So, there you would see that margins are more or less the same.

Prachi Pisal: Sure. Okay. Thanks.

Viraj Mahadevia: Hi sir. You mentioned in the opening remarks that you're gonna be focused on growth and more aggressive deleveraging. Can you give us a sense of how you plan to achieve this more aggressive deleveraging apart from the QIP, and how much of the proceeds of the QIP are planned for debt pay down?

Arjun Dhawan: Okay. Let me address this question, Rahul. I think it and I'd also basically probably add to some of the comments on the questions that came before this. So, we in the past, we've talked about, having equity I mean, when we've had a higher visibility on growth. And, we've decided to, you know, at this point in time, the visibility we have on our order backlog and what we consider to be a fairly, aggressive build in our order backlog. This is something that,

we believe from a timing perspective, given the opportunities we see and the conversion that we expect, is can be supported by this extra liquidity on our balance sheet. So, what we, at this point in time, will not probably provide you is the details of what percentage of the proceeds will be used where. What I can say is the bulk of the proceeds will be used for the growth of our business and not for deleveraging. Today, we have, a substantial liquidity on our balance sheet, in any case that addresses, upcoming debt repayments. So, we're very, very comfortable today from a liquidity standpoint. The purpose of this QIP is to grow our order backlog widely aggressively. And I think if you can work backwards from the previous question that was already asked, which was about how what our guidance is gonna be, that's something we don't do. But if you if you look at where, how we need to actually, in the next few years, literally double our turnover, we need to be able to generate, you can work backwards into what kind of order backlog that we need to actually get, to really catch up on the growth that we've not been able to do in the last, basically, you know, couple of years.

So, I hope that gives you a little bit of color. Obviously, I'd like to avoid, giving you specific details, but it gives you a sense as to what the strategic direction of the company is. As far as the comment on deleveraging strategic here as a company, I think that, you know, the goal is to deleverage HCC completely. How quickly we're able to do that is a function of how strong our order backlog growth is in the next 18 to 24 months. That in turn will generate a substantial amount of free cash flow, that will help, accelerate the deleveraging. And then at this point of time, we have a fair amount of interest, with regard to equity investment in the company. So, if we haven't come back to equity investors with a proposal, it will certainly not be diluted, but it will be an event that is that goes alongside, you know, a strong, basically, growth in the company's top line, bottom line, as well as basically event that could, that could accelerate the deleveraging of the business.

Viraj Mahadevia: Understood. Fairly clear over the medium term. Second question was, you know, the finance cost has come down in this quarter, versus March 2024 and June 2023 last year. Is this because of the rescheduling of the interest payments and the debt, or is it actually because of absolute debt reduction?

Rahul Shukla: It is because of debt reduction. We have been making payments to lenders, in last 2 years. So, it's a outcome of that.

Viraj Mahadevia: Understood. Okay. All the best. Thank you.

Sanjeev Damani: Thank you very much. Sir I would just relate it to the last quarter limiting where it was mentioned that 12,000 crores worth of executable orders are pending from our side. So, I'm seeing a turnover of approximately some 1,800 crores of rupees or something like that, if I am not wrong. So, I mean, is there any difficulty in executing certain orders? Can I know, sir?

Rahul Shukla: There is no difficulty in executing order. And this whatever order book we are showing, like last quarter, it was almost 10,500 crores, now it is 9,500 crores; is distributed among certain number of projects, and their certain amount of work front is available for execution. So, depending upon those engineering technical aspect, we execute whatever is possible. And this is a good run rate that we are able to achieve from those projects. So, if you see that we at HCC, in fact, in last 2 years has been, doing its highest ever turnover. So, which itself indicates that there is no challenge in terms of execution. But obviously, when we book,

more orders, we have more number of projects and more number of sites are available for execution. The run rate will further pick up and the odd revenue generation will increase then.

Sanjeev Damani: So, sir, can I know the next quarter is, almost a rainy season, this current quarter, which is going on? So, I think the work would be even less than last quarter; or it is likely to be maintained around those figures.

Rahul Shukla: Seasonal factors certainly play, and it's a known fact that monsoon seasons are generally, less efficient for construction industry. So that is also reflected in every company, including our historical performance. So, you can look at those numbers, how they are seasonal, seasonally we have been performing, how Q1 and Q2, execution differences are there. So that will be there.

Sanjeev Damani: Okay, sir. Thank you very much, and all the best, sir. Thank you so much.

Saurabh: Okay. I have 2 questions. One, what led to loss on a consolidated basis? And second, there has been lot of media articles about the nuclear plants being set up or being planned by government. So how are we as company placed and positioned to leverage this opportunity?

Rahul Shukla: So, I'll take your second question first. Regarding nuclear plant, as I mentioned in the initial slide itself, and as you may be aware that we have been pioneer in execution nuclear projects. We have contributed to 65% of India's installed capacity. So, we are one of the best companies to execute nuclear projects. Now government's plan are quite big. And, in the fleet mode itself, government is going to award I think, some 12 projects. One of them has in fact recently been awarded. In addition to those large projects, government is also coming with smaller projects. That's the plan. That almost 250 to 300 MW kind of nuclear projects they want to install, because they want to manufacture in India, and they also want to support our long-term plan of generating nuclear power through thorium fuel because thorium is widely available in India.

So, this helps us become self-sustainable in terms of nuclear power. And, as we all know that nuclear power is one of the most well established, and sustainable kind of green power, so to say this plan is there. Now how they will frame up policies, how they will bring into this thing because there are talks about doing in PPP mode. So, this, obviously clarity has to come, but obviously, HCC is well placed to do whatever comes and we are very optimistically looking at this sector and looking to benefit from this.

Saurabh: Yeah. So, my other question was about, loss on consolidated basis. What like to.

Rahul Shukla: So, loss on consolidated basis. As you know, we have got 2 subsidiaries, Steiner and HCC Infrastructure. So, this loss, has come from Steiner's result. As you know, I have shown you that, Steiner has made a loss of some 17 crores. That has affected this revenue.

Saurabh: Okay. Thank you.

Dhananjay Mishra: So just wanted to know this 40,000 crores pipeline, we are talking about. So, can we expect some tendering process to start in terms of bid submission out of this pipeline? I mean, how many of them you are expecting, tendering process and awarding to happen in this financial year?

Rahul Shukla: It's already on, Dhananjay. I mean, as I mentioned that the work is well underway for these 40,000 crore bids. It means the team is already working on this. Some of the tenders

are there. Some of the tenders are being planned. So, obviously, we'll have to rely on government timeline and the process for that.

Arjun Dhawan: Rahul, it would be fair to say that as a material portion of this pipeline is something that we would be bidding for over the course of this fiscal year.

Dhananjay Mishra: No. It's not our chances of getting order. I'm just asking whether government will be awarding these, I mean orders in this financial year, or it is it will still our next financial year.

Arjun Dhawan: I think that's again, it's just gonna depend on client to client, project to project, and in which quarter we actually end up securing an L1 position, assuming that in some cases, you could actually have a conversion of L1 within a few months. In some cases, it might take a little longer if it is a strategically important project. In the past, we've had a little bit of delay with regard to the conversion of L1 to LOA because we've had our general elections. So that's also caused a little bit of a break. And you have the Maharashtra elections coming up as well. So, to some extent, there's been a little delay there. I just noticed that Santosh Rai has joined us. He heads the Business Development function.

There was a question on the nuclear, opportunity as well. I mean, I will give my quick perspective. These are a little lumpy. As and when they come, they will come with if you read, which we will take advantage of. But at this point in time, I think Santosh will give you a sense as to what the visibility looks like. I would just end by making one general comment on order backlog in HCC because we are working off a very low base. I'm expecting a substantial growth over our current, you know, revenue base and substantial buildup of our order backlog. And because HCC is very strategically and consciously decided that we will not be bidding by and large for projects below a 1,000 crores, know, the sweet spot, let's say, being 1,500 to 2,000 crores in size, you will effectively because of the focus we have on the kind of projects we want to basically get, and we are not gonna compromise on margins, we're not gonna compromise on cash flow, you will hopefully and this is what we deliver as far as you're concerned, a fill up and a substantial fill up of our order backlog in a fairly rapid succession. But in some cases, it might be lumpy because we're looking at a few projects of a large size.

Dhananjay Mishra: Okay. Fine. Just next question. In subsidiary business, because now we are working as a developer. So, in this quarter, whatever revenue and numbers we have shown, that is, we are seeing as a developer. So, what is this order book position? Because, I mean entire this is it under I mean, potential revenue you have given

Arjun Dhawan: That's a little confusing the way it's been represented. So, I'll let Rahul basically just explain that. And, yes, and all the works that we are now going to be executing are effectively of nature of development. So, Rahul, you wanna just quickly explain that? And next time in the future, thank you for that comment; we will basically clarify that. So that doesn't imply that these are construction jobs. So, anyway, sorry, Rahul before you interrupt, as a result of it being a developer business, you know, you we might now see the, the profitability in Steiner being a little more lumpy. Because development businesses tend to generate fees and revenues on the completions and on substantial milestones as opposed to basically a construction business, which is sort of a daily, day and out, you know, a turnover, etc.

So, to some extent, when we look at the profitability, and the turnover of the business now as a real estate entity, I think you would need to basically look at it, on a slightly longer tenure than a 3-month end. So, Rahul, over to you.

Rahul Shukla: Yeah. So, regarding order book, when we have portfolio of 4.37, the projects are at various stages. Now, once a project reaches to the level of launch, there are customers who buy this. And, even in India, that happens. Suppose we buy some property, and the property is still under construction. So that property comes into our order book. From portfolio, it shifts to order book. And when the project is executed, the revenues are booked. So, order book is a subset of our portfolio for which the sales have already happened.

Dhananjay Mishra: Okay. Understood. And what's one last we have you can I can chip in? So in 40,000 crores pipeline, have we considered nuclear project as well in this?

Santosh Rai: No. No. There is there is no nuclear project in this. These are largely projects in transportation and hydropower sector. You'd also ask timing. You see, I think we are looking at that. We'll be submitting the bids almost like, you know, we can say 6,000-7,000 crore every month. Some months, it'll be much more. So, our bid pipeline is already something on which we are working on. The dates are known to us. Of course, as Mr. Dhawan said, some one a month here in can be always there. But these are all work in progress, and we expect to submit those bids over the next 4 to 5 months.

Dhananjay Mishra: Okay. Thank you. All the best

Darshil Jhaveri: Hello. Good, good evening, sir. Thank you so much for taking my question. So a lot of my questions have already been answered. So, I just wanted to understand our current order book of, like 9,000 crores what is the average, you know, maybe executive period for this order book?

Rahul Shukla: So, if you simply look at our run rate next 2 years, we should be able to complete these order books. However, depending on the stage, like, at the fag end, generally, execution of the project slows down. So, we can say between 2 to 2 and a half, 3 years, we should be able to execute the existing.

Darshil Jhaveri: Oh, Okay. Fair, fair enough, sir. And the, the orders that we've won L1 currently, so what would be the rough timeline? I know it's a government thing, so you might not be able to give an exact timeline. But on an average, what would be, you know, the time that we get the order awarded and what is their executable timeline?

Santosh Rai: So, out of this, total order of around 45,100, we are what we are expecting, at least, you know, significant part. I'll say around 70% of that to be converted in next 45 days to 60 days. In fact, much can happen in this quarter itself. Our expectation is that; it's in the final stage of decision making now. One of the orders is in the state of Jammu and Kashmir. So there also, we are expecting that order to get converted in next, again same 45 to 60 days at the max. Unless elections are announced there and, that delays the process. That's where we are. In terms of duration, these are like average duration is 36 months of these contracts.

Darshil Jhaveri: Oh, okay. Fair enough, sir. I just wanted to ask, like, in terms of our exposure to maybe orders from Maharashtra state government due to the upcoming election, will there be any impact on order flows coming from there, is that slowness in issuing tenders or, you know, what kind of picture visibility can we get from that?

Santosh Rai: So, see it's a general practice that whenever elections are announced in any state, the tendering process is slowed down because of the government regulations. And depending upon who is forming the government, there can also be a time lag by which the decisions are made for the new project's announcement. So, I will say that if when elections are there, we will

expect, you know, kind of break in the new order announcements or even the new order awards for 3 to 4 months.

Darshil Jhaveri: Oh, okay. And just like one last question from my end. I know we don't give forward looking guidance, but like based on just a rough calculation of a current order book and order win, what kind of because with that, maybe we'll not be able to double our revenue query in the near future; Right? So, what kind of, like maybe this year, our execution will slow down more, and FY26, it will pick up? Like, could you just maybe you'll give us some color on that? Because, currently, it would look like it that we would not be able to do as much as of what we did in the FY24. Is that a fair assumption?

Santosh Rai: Darshil, so, your look. I think your assessment is relatively in the position, but we are equally conscious of the point what you said that we have an order intake which allows us to grow our revenue, and we are exactly working in that direction is what I can tell you. So, our order intakes might be a surprising number at the end of the year itself. For the kind of bid pipeline, we identified and the number of bids we are working on, it could be a good surprise also.

Darshil Jhaveri: Yeah. Fair enough. That's what I was asking. Maybe FY 25 would be a transitioning. You're on FY 26. You would be, you know, back with a bang. In what time?

Santosh Rai: Yes. Yes. Very much.

Darshil Jhaveri: Fair enough. Yeah. That's it from my side. All the best.

Arjun Dhawan: And I and I wanted to just add. I mean, I think one of the things that, you know, is gonna be the responsibility of the management team at HCC is to is to make up for the fact that FY25, earnings are not gonna perhaps be as strong. So, we need to kind of show that makeup here is made up in spades, so to speak in the next fiscal year.

Darshil Jhaveri: Oh, oh, fair enough, sir. Yeah. Thank you so much.

Kenil: Just wanted this view on what are the opportunities in hydropower projects, hydro pump storage hydropower projects, and what is the reason for sudden burst in order tendering for PSP projects across the nation? Last week, Gujarat government had announced 10 GW. Now Maharashtra government is announcing, and many of the private players are also participating. What is a certain burst in PSP projects compared to other renewable projects?

Santosh Rai: PSPs, you know, relatively take shorter construction period compared to a greenfield hydro power plant. So that's, you know, one of the USPs of PSP. Number one thing, PSPs are usually being built around an existing reservoir or existing plant. So that's the benefit, you know, what once takes to arrive at that. Second thing, you will also see there is a lot of push for green power. For example, green hydrogen needs a green power. So many of these companies which are going into that space are also looking to generate power through green sources. And hence you can see not only government, but there is also a there is a mixed bag in fact. Lot of private sector participation is also there, and the government sector participation is equally there. So that's the key reason why these PSPs are suddenly being, done, number one.

Number two, essentially, if you look at the CA plan, the amount of hydropower addition, which India needs to do by 2030, is in north of 20,000 MW. So, a lot of action has to happen now if we want to achieve that target. And that's why you are seeing that lot of hydro power plants are being announced, and those construction will be soon taken up.

Kenil: Oh, so the timeline for constructing a PSP will be 3 to 4 years?

Santosh Rai: Yes. Relatively. Yes. Around 4 years. Compared to compared to hydro power plant, which can take, like, 6 years, 8 years, depending upon sometimes 10 years, depending on the complexity and place where it is.

Kenil: So, majority of the project will be having environmental clearance, or it will be fresh lot. You bid and then the environmental clearance happens all.

Santosh Rai: No. We normally bid at a stage when all such clearances have been taken by the developer, be it government or be it private.

Kenil: Okay. And the QIP, will the promoter participate?

Santosh Rai: Rahul can answer this question.

Rahul Shukla: So QIP, institutions will participate. We are looking for a mutual fund and large family houses to basically participate and increase their stake.

Kenil: Understood. And, sir, I would like to know what is in Steiner AG, we had appointed an investment banker. So, what where are we reach now? Are we going to sell the remaining business, or we are we going to continue with developing the projects?

Rahul Shukla: So, the process of investor finding is going on as we mentioned, and the update is that they are well in advanced stage of sending the information document and all that and receiving some feedback. And depending on what kind of interest and what kind of value we get for the business, the decision will be taken at that point in time. If we get very good value, we can consider even exit. But, if investor wants us to continue because we have the know-how, we have the expertise, we can continue also. So, we are open to the schemes being proposed by the potential investors.

Kenil: Understood. Thanks a lot.

Kunal Tokas: My question relates to note number 7 of the consolidated account, which states that Steiner AG has provided guarantee for legacy construction projects, together with a syndicate bank facility. So, I just wanted to understand more about this aspect and, how much exposure, does Steiner AG have to its legacy projects now? And is the parent company, HCC, liable for any of the guarantee? Thank you.

Arjun Dhawan: So, let me address that. Girish, you can jump in. So, first, these are you know, in any construction business, you give bonds. And in this, construction of real estate in Switzerland, you give warranty bonds. And these are basically very, very long-term warranty bonds even after the completion of the project. It's kind of like a DLP, but they tend to be, you know, provided, on a much, much longer-term basis. They are extremely low risk, and the chances of encashment there are very very low. As far as HCC has not basically guaranteed any of these. This is just these are basically bonds that are provided for, for that particular business. And I presume that answers the question. Am I leaving anything else out? By the way, so just one more one more important point. The construction business is over. We're not gonna be taking over taking on any other further construction projects. These are just simply bonds or warranty bonds that are in place for completed projects that will basically remain through what is considered to be a Defect Liability period.

Kunal Tokas: And if I may ask, for the completed projects, the note also states that you have received some indemnification demands in this quarter. Do you do you have any estimate of how much you might be exposed to? How much cost?

Arjun Dhawan: So that this is effectively, as a process of the monitoring process. Right? So, there's effectively a technical cross default that then basically requires for you to provide indemnification in terms of a security. None of that is from a from a cash flow perspective relevant right now because we are in this in this moratorium period. And so, once we complete the final reorganization, we will then basically have all the covenants standardized, and you will not basically continue to have this note basically continue.

Kunal Tokas: So, are you saying that after the reorganization, you won't have any more, angle?

Arjun Dhawan: Correct. So, these effectively, this is like a covenant that is basically in breach, which will actually then be rectified once effectively the full reorganization plan is complete.

Kunal Tokas: Okay. Understood. If you could give some figures like how much you had to from a cash flow perspective, how much you had to pay in the last year maybe for these demands?

Arjun Dhawan: From HCC? Zero

Kunal Tokas: From Steiner?

Arjun Dhawan: I don't think that we don't share that kind of detail, in terms of, specific basic payouts. So how much has been paid out is I would say, been immaterial. I mean, if it was, I mean, I can probably go out and make that statement. Though I think what the team can do is it can come back to you, personally and confirm that. I don't want to, if I made an inaccurate statement, they can probably correct that. But the point is that all of this will be normalized once we complete our plan.

Kunal Tokas: Understood. Thank you very much.

R Sangoi: Thanks for the opportunity. Today in one of the disclosures, there is a sale of Western Securities for an amount of 11 crores to a related party. Can you just brief what was sitting in this company?

Girish Gangal: We had one flat sitting in this company. So, we have got it valued and sold at you know, from the from our balance sheet.

R Sangoi: Only one flat?

Girish Gangal: At Market value. Yeah. Yeah. That that is that. Yeah. Fair value

R Sangoi: And my second question is whether at any point of time, there was an option in the parent or any of its subsidiaries wherein substantial TDR rights would have been activated pending some payments. And those TDR rights were substantial around 40 lakhs sq ft or something.

Rahul Shukla: No. Nothing like that. We don't really have any

R Sangoi: Actually, there was some payment spending wherein the TDR rights would have been released, around 50 or crores payments were pending. That's I think some years back. That is in one of the notes. So, I just wanted to clarify whether there was any such thing or not.

Rahul Shukla: No. Which note you are referring to? Because we are not able to see it.

R Sangoi: Not not in in my personal notes. There was some, some details about some TDR's which could have been encashed, pending some payments.

Rahul Shukla: No. No. Nothing like that has happened.

R Sangoi: So, this was something related to the Powai redevelopment or something. Is that so?

Girish Gangal: No. There is nothing of that sort. Just to reconfirm, as far as Powai what you mentioned, we are only land right? There is no TDR or something what you're referring to. There is nothing of that sort to our knowledge.

R Sangoi: So what is there in Powai? Can I can I just

Girish Gangal: There is nothing in Powai? As I said, we had a land parcel, which we are sold long back.

R Sangoi: That's all. There is no question of any TDR right, or whatever coming from that basis. Okay. Thank you. Thank you.

Saurabh: These 4,000 crores where you are sharing with us, that's, I believe, the HCC share, not the total value of the joint venture partner. Is that correct?

Rahul Shukla: Its HCC share. Okay.

Kenil: Sir, I would like to know any further development around the land bank 35 acre which we have in Powai, Panvel, and Vikhroli, and any other not disposable asset we have pending to get here in coming months or quarters?

Rahul Shukla: No further development in terms of disposition of land. We have already disclosed the one land sale which was there. And, yes, there are quite a few land bank, but nothing much to comment on. No further development.

Kenil: Okay. Understood. And I would like to know any award we got for the arbitration. Award money we have got for the arbitration which is ongoing for our past cases?

Rahul Shukla: Yeah. We keep on getting some money here and there, wherever matter gets settled. So, I don't think we are able to we can, give all those numbers here. These are, I mean, multiple, small or big monies which keep on coming. They are all part of our financials.

Kenil: Understood. Thank you. That's all, Rahul.

Sandeep Sawant: You may conclude now.

Rahul Shukla: Okay. Thank you so much everyone for joining, this meeting and asking questions, and, look forward to meeting you all in the next quarter. Thank you very much. Bye