



“Bharat Agri Fert and Realty Limited
Q3 FY 2024 Earnings Conference Call”

February 16, 2024



MANAGEMENT: **MR. YOGENDRA D. PATEL - CHAIRMAN AND
MANAGING DIRECTOR – BHARAT AGRIFERT AND
REALTY LIMITED**
**MR. VIJAL YOGENDRA PATEL – DIRECTOR – BHARAT
AGRI FERT AND REALTY LIMITED**
**MR. KANTILAL N. JETHWA - CHIEF FINANCIAL
OFFICER - BHARAT AGRIFERT AND REALTY LIMITED**

MODERATOR: **MR. ABHISHEK YADAV - KIRIN ADVISORS**



Moderator: Ladies and gentlemen, good day and welcome to Bharat Agri Fert and Realty Limited 3Q-FY24 conference call hosted by Kirin Advisors. 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 a touch-tone phone.

Please note that this conference has been recorded. I now hand the conference over to Mr. Abhishek Yadav from Kirin Advisors. Thank you and over to you, sir.

Abhishek Yadav: Thank you. On behalf of Kirin Advisors, I welcome you all to the 3Q-FY24 conference call of Bharat Agri Fert and Realty Limited. From management side, we have Mr. Yogendra D. Patel, Chairman and Managing Director. Mr. Vijal Yogendra Patel, Director. Mr. Kantilal N. Jethwa, Chief Financial Officer. Now, I hand over the call to Mr. Vijal Yogendra Patel. Over to you, sir.

Vijal Y Patel: Hi, good afternoon to all our esteemed investors. I hope I am audible right now. So, I will start off with my opening remarks.

This is the first time we are interacting with all of you. I extend a hearty welcome to each one of you who has joined us today for Bharat Agri Fert and Realty Investor's call to discuss our 3Q performance as well as the latest developments of the company. I take this opportunity to provide you with a brief overview of the company Bharat Agri Fert and Realty Limited was founded in 1962 and holds the distinction of being the first company in India to manufacture NPK fertilizers under the project Finance from NRI investors.

The company manufactures single superphosphate fertilizer in powder and granulated form. Currently, the company has 3 business verticals which are Fertilizer, Realty and Hospitality Business. First, let's talk about Fertilizer business.

The company is in the process of offering the entire plant, machineries and its all assets to a bigger size manufacturing and trading company. Due to the Russia-Ukraine war, there is an issue with supply of raw material. Additionally, with adverse government policies, it is not worthwhile to run a fertilizer business in profit.

Hence, the company is planning to lease out the fertilizer facility to other fertilizer players like Chambal Fertilizer and few others. The company will offer assets on lease cum conversion basis. This is a temporary arrangement to put to use our fertilizer setup and in future we will take a call about manufacturing fertilizers at this plant.

This strategic move is expected to enhance profitability with the fertilizer division in future. Second vertical is the Realty segment. The company owns a land parcel in the heart of Thane city in Majiwada where it has started developing 60-storied building.

The company has already received regulatory permission till 35 floors. Each floor will have 8 flats in combination of 2 and 3 BHK. And the project is expected to be completed within 3-4 years.



The third vertical is the Hospitality sector. The company owns Anchaviyo resort in Palghar district, Wada which is built on its own land parcel of 100-120 acres. The resort has Theme based accommodation.

The company currently has 51 rooms which will be increased to 60 rooms by March 2024 and has plans to increase 4-5 every quarter which will increase the resort's capacity to 125 rooms so we can entertain wedding destinations. The average yearly occupancy of the resort is almost 50%-60%. The company's resort is built in 12 acres out of the 120 land parcel and now we plan to buy another 40 acres around the resort which the company intends to develop in the coming period with developing a sporting complex facility in and around Wada.

Going ahead with the reality project and resort project, the company expects to garner enough cash flow which will be used to invest in fertilizer business. The company expects positive development post-election for the fertilizer segment and would take strategic decisions about fertilizer vertical with keen focus on business growth and profitability. Now coming to our quarterly financial performance, I am happy to share with you that the company has reported 10.5% year-on-year growth in revenues to INR6.57 crores.

Exceptional items comprise a one-time loss of INR2.40 crores attributed to a significant reduction in subsidy rates. This reduction affects unsold inventory of SSP fertilizer as per the FMS portal and POS mechanism under the NBS policy which results into a negative bottom line. Our quarterly financial performance reflects resilience amidst adversity with revenue growth.

However, with a couple of strategic initiatives taken by the company in its reality and hospitality business verticals, we are confident to enhance revenues, profitability in the forthcoming period. Our efforts are to fortify business growth and enhance the shareholders' value. I am very grateful to you all for your kind support and faith in the company and assure you that we are fully committed to achieving excellence and success, leaving no stone unturned in our efforts.

With these remarks, I request you to open the floor for questions and answers.

Moderator: Thank you very much. Our first question is from the line of Sanjeev from SKD Consultancy. Please go ahead.

Sanjeev: Sir, congratulations for a very fine turnaround. I have recently come across your company and have studied your plans. I could not see the presentation that might have been placed today on the stock exchanges. But, sir, now I am worried about the fact that you have informed that you have got permission to start construction of high-rise buildings. Right, sir? Am I right, sir? We have got all clearances now for starting the new construction of high-rise buildings?

Vijal Y Patel: We have got CC till up to 35 floors at the moment.

Sanjeev: Okay. And we are planning for some higher floors, sir?

Vijal Y Patel: Yes, we are planning to go up to 60 floors.



- Sanjeev:** Okay. Okay. So, up to 35 we have got. So, can we commence the construction?
- Vijal Y Patel:** Yes, we have got commencement certificate to start up to 35 floors. We can start booking and do registration also up to 35 floors. Okay.
- And the work has also started.
- Sanjeev:** Okay.
- Vijal Y Patel:** The progress which will be almost completed by April to May.
- Sanjeev:** Okay. So, sir, can you kindly tell us that you had earlier also constructed some high-rise buildings. So, it is in the same complex?
- Vijal Y Patel:** It is in the same complex. The whole complex is called Shiv Sai Paradise. In that paradise, whole complex, we have already completed six towers which already OC is given. There are already 400 flats and people staying at the same property in that six buildings.
- Sanjeev:** Okay. So, now how many more?
- Vijal Y Patel:** Society is formed for those six buildings. NOC also has been achieved. And now there is nothing left for that six buildings. Now, the new tower which we are coming up with, which we are talking about, in that we have already received commencement certificate for 35 floors. So, that work has already started, sir.
- Sanjeev:** Okay, sir.
- Vijal Y Patel:** And we are launching to open our bookings also from 9th of April because it is an auspicious day and sentiment day as well. Gudi Padwa.
- Sanjeev:** Very nice. Very nice. Very nice, sir. That's very nice. So, now, sir, we will be constructing only one more tower or we have more land to construct more in coming days or in years?
- Vijal Y Patel:** In that Thane, in that Thane project, we have only that one tower which is left. But as I said in my opening remarks that we are looking at future development in our other land bank, which is in Wada, which is 100 acres, in which we have developed only 12 acres. So, there is a big scope in developing there in terms of hospitality.
- Then we also have another project which we are looking into at our fourth building. Our registered office initially was Bharat Fertilizer House, which is in fourth, 12 Nanabai Lane. So, once this Thane project is completed, we have good cash flow. Then we are looking at, you know, going and developing that fourth building also. And we have also a project that is in Parla.
- Sanjeev:** Okay. So, Parla is different from that fourth building?
- Vijal Y Patel:** Yes. Vile Parle is another place where we already are planning to develop our residential complex there also, which will be 13 floors. Which will be 13 floors. And it will have almost 3



to 4 BHK luxurious residential flats. And that revenue also we are looking at almost INR175 crores to INR200 crores.

Sanjeev: But that land belongs to the promoter, I think. It was presented like this, that the residential property belongs to the promoter and not to the company.

Vijal Y Patel: Yes, yes. You are absolutely right. So, that we are planning to do as a joint venture project.

Sanjeev: Agreed, sir. So, the gain there would not be very big. But now I am worried about, you know, the working capital requirement of this tower. I mean, how many funds are at our disposal? And would we be required to take loan or booking will suffice?

Vijal Y Patel: Okay. So, we already have approved our construction loan from Saraswat Bank, Cooperative Bank. So, that is already done. And what we are also very confident about is once we open our bookings, the revenue which we generate from that bookings. Because as we complete, as I told you in May, we will be completing our plinth. So, 45% of any flat will be, you know, payable by the customer, whoever comes and buys.

So, our planning is accordingly already all planned. So, that there is no stopping us till we reach 35 floors. And as and when, because we are not involved with land cost, there is not too much of land cost. So, it is, the cash flow will be maintained by the bookings that are done on day-to-day, month-to-month basis.

Sanjeev: But have you made plan B also, that is suppose bookings are not sufficient to make progress, have we tied up with bank finances and everything?

Vijal Y Patel: Yes, so in total, sir, INR29 crores is from Saraswat Cooperative Bank. We also have INR20 crores from another bank as well, which is already sanctioned. And we have our own cash flow, which will also support for the building to be completed.

Sanjeev: Very nice, sir. I am happy about it. And sir, in this 35 floors, how many flats are going to be there, sir?

Vijal Y Patel: No, not in 35 floors, there will be 262 residential flats, which will automatically generate us a revenue of almost INR400 crores to INR500 crores.

Sanjeev: Right, sir. This you have already mentioned in your presentation that likely revenue is going to be almost INR500 crores. And what cost estimates we have got of construction cost in this INR500 crores, approximately?

Vijal Y Patel: So basic, the cost right now at the Thana, the selling price is almost INR18,000 to INR20,000 per square feet, out of which we, our cost, which we have calculated is coming to INR3500 per square feet.

Sanjeev: Okay, okay. Thank you very much, sir. Now I am worried about Anchavio website. I looked at the website. I mean, according to me, the rates are very high there. So as we are increasing our rooms there, would you be giving some sort of incentive for the existing shareholder, if they want to visit that site?



Vijal Y Patel:

For shareholders, whenever they want to come, we will plan it. There is no problem at all. That is not a, you know, issue because what the prices are high is only because there are, you know, 19 to 20 category of rooms and all categories are different.

So basic category starts from almost INR8,500 per night. And it goes up to INR45,000 a night because the concept is all different with all rooms. But right now, going into future, what we are planning is to make more base category rooms only, which is, I told you, at INR8,500 to INR10,000 per night, because we want to, we want to focus more on weddings, because that is where the main cash flow and the main revenue.

If we do almost 30 to 40 weddings a year, we are booking almost INR40 cores INR50 cores already only in wedding income. So my main plan right now is to focus on base category rooms, take the, you know, occupancy to almost 100-120 rooms. So we can do a wedding for 300 pax people.

Now, when you come to 300 people per person, you can calculate almost INR10,000 to INR12,000 per person per night. So it comes to almost INR30 lakh to 35 lakh per night for one day wedding, one night wedding. Normally, our Indian weddings go on for two nights and three nights.

So you see, one wedding will give us a revenue of almost INR90 lakhs to INR1 crores. If we do almost 30 to 40 weddings in a year, so we are almost doing INR40 crores only in weddings. Then the normal FITs, travel agent bookings, corporates and all are all separate.

Sanjeev:

Right, sir. Right, sir. Sir, one small thing I want to remind that in the year 1980, when I started looking at the stock exchanges, single super phosphate manufacturers were Adarsh, yourself and Dharamsi Morarji. So, I mean, I just took you to the historical event. So I had the share of your company at that time also.

Vijal Y Patel:

Of course. For this, I will, you know, let my senior, my dad reply to this because he will, you know, share his thoughts better on this.

Sanjeev:

If he is present, we would like to listen to him. Otherwise, please pay our regards to him. Thank you very much.

Management:

Good afternoon, Sanjeev. I would like to brief you about this fertilizer industries. The way back in 1962, the Bharat Fertilizer Industries Limited was the original first promoter in a private sector to set up a NPK fertilizer unit.

Now, during NPK fertilizer, that means you need urea, phosphates and potash. Okay? Now, we were to buy this super phosphate as a pre-nutrient from the said company, which you told, Dharamsi Morarji Chemical Company Limited, Ambernath.

And we were to wait in the queue by paying the demand draft. At that time, there was no RTGS system. So we wait, we pay the draft. On Monday, we get the truck. On Saturday, six days waiting. So we thought to set up our own super phosphate plant.



So we set up first super phosphate plant to produce SSB from spent sulfuric acid. And we used to buy the spent sulfuric acid from Rashtriya Chemicals and Fertilizer Limited, Chembur plant. So they were to give spent acid, then we set up super phosphate plant.

And thereafter, way back in 78 -- 6, other chemicals and fertilizers in Surat, Udhna, there is another company. Now, to just give you an idea, both the companies are shut at the moment. Both the companies have closed.

And still we are the oldest SSB company in India at the moment, surviving from all the government policies and still diversified into real estate. On the land where we were manufacturing super phosphate. So in fact, we were lucky to convert our fertilizer business into real estate business.

And therefore in 2011-12, we have to change the name from Bharat Fertilizer Industries Limited to Bharat Agri-Fert and Realty Limited. And then we set up a resort under reality. So this is the background story of the Bharat Fertilizer Industries Limited.

Sanjeev: Yes, yes, sir. I know, sir. I mean, you have passed through all difficult times and you have sailed it very well to come here. And now the fruits are available to everyone.

Management: And this is only startup. Things are going to be blasting in the next couple of 4-5 years. That fertilizer, how fertilizer companies have become good in real estate. This is only startup, Sanjeev. This is not the end of the story.

Sanjeev: You are right, sir. You are right. My regards to you, sir. A lot of respect for you, sir. Thank you very much.

Moderator: Thank you. Next question is from the line of Anmol Das from Arihant Capital Markets Limited. Please go ahead.

Anmol Das: Sir, I wanted to ask regarding the land bank that you are holding in South Bombay.

Vijal Y Patel: You're talking about the Bharat Fertilizer House, right, the 12 Nanbhai Lane House?

Anmol Das: Yes, sir.

Vijal Y Patel: Yes. So that is approved. So basically, that is again a venture which we are looking at to do in the future after the Thane project is completed. And right now we are looking at, you know, different people who can do a joint venture with us in that project as well. And so right now we have not locked anything in terms of what plan we have to do, whether we sell it completely, whether we do it on lease basis.

We have spoken to Shapoorji Pallonji as well in terms of, you know, doing deals or any agreement with them, but nothing is finalized yet. It is basically a 35,000 square feet RERA sellable area is what we are looking at, we are getting, which can generate a revenue of almost INR200 crores.



Anmol Das: Okay, sir. And one more thing was regarding the spare land bank that the company has apart from the resort and the factory. So if you can throw some light on that.

Vijal Y Patel: So basically that whole area is 120 acres, out of which 20 acres is gone in the factory, 12 acres is where we have developed the resort. So you can say in the future we will be -- as I said, we will be developing few rooms every quarter and reach a number of 100 and 120 rooms. So we will use another 2, 3, 4 acres, which will be developed in the resort area.

So present land bank is almost 52,27,200 square feet. It has also received a proposal of adjacent land, which is 13,06,800 square feet from promoters, which can be added to the further development of the company, which basically is holded into promoters name right now, which we are in future giving it back to the -- we'll be selling it to the company itself. And we will be proposing a new development in that land.

We are looking at different proposals, either we can do a sporting complex, which I already have. We are working on different, different, as we are seeing in a country like India, there's a lot of scope in sports, but there is not much development in terms of making an academy or making even a university or a sports university, which is dedicated only to sports because the land is vast. We can have different cricket grounds. We can have football grounds. We can focus on that sector is what we are looking at.

Because the land which will be developed in the resort area will not be 40, 50 acres. Then we are also looking at plotting system, which we can maybe divide 5,000, 5,000 square feet plots, and then we can sell it and make a nice township of villas out there with nice infrastructure and get a foreign architect on board and then design everything.

Anmol Das: Of course, that's a good plan actually. And regarding the Thane tower, so when you are saying that you have the approval for the 35 floors, so how going ahead, what percentage wise revenue that you will be getting on a year wise, if you can throw some light on that?

Vijal Y Patel: So basically you can say this project is for three to four years, total revenue, which we are looking at is almost INR800 crores. But we in the initial state right now, when we launch in the month of April on Gudipadwa, we are looking at selling the flats on like, say, almost 100 flats a year. So say it will complete 400 flats in four years. So say INR200 crores is what we are looking at per year.

Anmol Das: Thank you, sir. I will come back in the queue.

Moderator: Our next question is from the line of Yashwanti from Kojin Finvest. Please go ahead.

Yashwanti: Yes, I just wanted to know whether you already explained about the land acquisitions. So going forward, what you wanted to be your focus area, do you want it to be a reality in the hospitality player, or you again wanted to have a major role playing in a particular business?

Vijal Y Patel: No. So basically, we are looking at first, once we get the cash flow is all stable in the company, all the losses are covered, and we are in a positive balance sheet, we will be focusing more on the hospitality, real estate and fertilizer sector. That is why as we spoke earlier that right now,



because of government policies, we are planning to give our asset machinery and everything on lease basis to any big fertilizer giant companies.

So they can take over and they can plan it for four to five years. In that what happens is our fertilizer market and the segment also might improve. And then we will come back to our own original brand of Bharat and we will have our own marketing tie ups with all big companies and we will be back in the market for fertilizer.

In real estate also once the Thane project is done, we are planning to develop our fourth building which I said earlier, which is 35,000 square feet. Then we also already have another project in lineup which is in Vile Parle, which will be a joint venture. And then we also have in hospitality sector, we have the resort business.

But also if you say in that same land bank, we can develop is township with -- township in terms of villas and in terms of plotting system. We are also looking at expanding Anchaviyo all over India in terms of in Kashmir and also in the South somewhere, maybe in Kerala or Goa. So that you know, because we need to develop the brand Anchaviyo all over India, not just only in Wada.

Yashwanti: Okay. So what are your capex plans for the next year?

Vijal Y Patel: Sorry, I can't hear you.

Yashwanti: Your capex plan to fund all these projects which you are talking about.

Vijal Y Patel: So capital cost is as we are -- as I said, in terms of resort first, I'll tell you. The capex which we are looking at is we are developing slowly. We are not going directly into 120 rooms. As I said, we'll be developing 5 to 10 rooms per quarter. But per -- I think here it should be almost INR15 crores to INR20 crores is what we are looking at.

Yashwanti: Okay. Are we facing any challenges in our reality project?

Vijal Y Patel: Sorry?

Yashwanti: Are we facing any challenges in our reality project?

Vijal Y Patel: No, no challenges at all. We are in full pledge to go ahead and launching the project on 9th of April. All permissions, all legalities, everything is all in place and it's all on track.

Yashwanti: Okay, sir. Thank you so much. I wish you very best.

Moderator: Thank you. Our next question is from the line of Kritika Jain, an Individual Investor. Please go ahead. Hello, Kritika ma'am? Hello. The line from Kritika ma'am has been disconnected.

Kritika Jain: Good afternoon. Thank you for the opportunity. My question is, it's in news that promoters are putting their residential building for redevelopment. What is its status? Will the money released from this activity be invested in the company?



- Vijal Patel:** No. So basically this is regarding the Vile Parle project which nothing has been finalized yet. We will be putting into redevelopment with a joint venture with the company itself and the money will stay between the company and the promoters in a proper systematic way. There is nothing planned as such right now because the owner of the whole building is the promoters itself and that is why we want to do a JV and that is only after the Thana project is completed. We will make sure that maximum benefit is also into the company because the promoters have already enough percentage in the company itself. So we would want the company to grow other than having an individual interest.
- Kritika Jain:** My next question is, what is our working capital cycle?
- Vijal Patel:** Our working capital cycle is basically right now. Hello?
- Kritika Jain:** Yes, sir.
- Vijal Patel:** Can you hear me?
- Kritika Jain:** Yes.
- Vijal Patel:** Our working capital cycle is currently 120 days which we are planning to reduce it. Can you hear me? Are you audible?
- Kritika Jain:** Yes, Yes. Your voice is clearly audible.
- Vijal Patel:** Okay, okay. Fine.
- Kritika Jain:** Thank you, sir. All the best.
- Moderator:** Thank you. Our next question is from the line of Prateek Chaudhary from Saamarthya Capital. Please go ahead.
- Prateek Chaudhary:** Sir, this additional 40 acre land parcel which you were talking about, that is in the promoter's name, right?
- Vijal Patel:** Yes. It's not 40. There are two proposals basically. There is one land bank which is owned by the promoters. There's another land bank which is adjacent to our same land bank and it is river facing as well. So we are planning to buy both the land banks. So one will be from promoter and the other will be from outside party.
- Prateek Chaudhary:** So the one which is adjacent to your current project, that is from the other party.
- Vijal Patel:** Yes. So as I said, there are two proposals. One is which is in the name of the promoters which is not, you know, river facing. As we are looking at developing our resort, we would love to have, you know, rooms and we would like to have a plotting system which will have the river in its, you know, surrounding so that the prices are high and it adds an extra value to it. So the other land proposal which we have is next to our land which is adjacent to our land only, which is 40 acres, which is on another party's name. It is not on the promoter's name.



Prateek Chaudhary: And this is whole 40 acres?

Vijal Patel: Yes, that is 40 acres and the land which is under the promoter, this is 30 acres.

Prateek Chaudhary: So in all you wish to acquire 70 acres?

Vijal Patel: Yes, yes, yes.

Prateek Chaudhary: Okay, 40 acres from a third party and 30 acres from...

Vijal Patel: So our total land bank will then go to almost 190 acres. But there's nothing, these are all the proposals which we have already planned everything in our mind. But as of now, what the company has is 120 acres, which is in the name of the company and 30 is in the name of the promoter. Which is sure for sure, which we will be selling it back to the company itself.

Prateek Chaudhary: Correct. And this sports facility you talked about, that will be made in the 30 acres that you have in your supporting, right?

Vijal Patel: Yes, Yes, yes.

Prateek Chaudhary: Okay, and how far is that from the...

Vijal Patel: The boundary is the same, it's all the same. So one might be in the north and the other one will be on the west, something like that. So they are all touch land only. It is not, you know, there is anything, anyone in the middle. It's all touch land. It's all adjacent land.

Prateek Chaudhary: Okay, and how would you fund the 30 acres and 40 acres to the third party?

Vijal Patel: How would you what, sorry?

Prateek Chaudhary: How much money would you require to buy these land parcels, 40 acres and 30 acres?

Vijal Patel: So the present land cost right now, the land is getting sold is almost INR1.52 crores an acre. And we have -- it depends on, once the Thana project is done, then we will be planning to -- once it is completely done, the cash flow is good in the company. After that, we will be -- once we have a proposal in mind, what to develop and how to develop, then we will be getting into this and buying it from the cash flow itself.

Prateek Chaudhary: So it is, it will take to assume that this will spend three years away?

Vijal Patel: Three, Yes, you can say almost after three to four years.

Prateek Chaudhary: Three to four years after which you might think of buying these additional land parcels?

Vijal Patel: Yes, after three to four years, we will be buying it. Okay.

Prateek Chaudhary: Until then, our major...



- Vijal Patel:** Our main focus would be the Thana project. Because it is a project of INR800 crores, as I said, so in the next coming four years, we are looking at almost INR200 crores revenue only from the real estate business. With that also, the resort might support us with almost INR20, INR25, INR30 crores per year.
- Prateek Chaudhary:** This is, would you say, wedding, if you would do, you know, in the resort?
- Vijal Patel:** Yes.
- Prateek Chaudhary:** That would take your revenue almost upwards of INr40 crores per annum.
- Vijal Patel:** Yes, yes. So that is only once we finish with the rooms of 120 rooms. Right now, we are sitting on 55 rooms, which by March end, we will be reaching 60 rooms. So once I reach from 60 rooms upwards to maybe 110, 120 rooms, that is the time where I can entertain more weddings. Because normally, our Indian weddings are almost 300 packs. So for that, 60 rooms are not enough.
- So as with the Thana project going on, with some positive cash flow coming from Thana also and from resort's own development and revenue, we are developing four to five rooms every quarter. So say almost in two years, we will be having almost 80-90 rooms.
- Prateek Chaudhary:** Any plans for speeding up this?
- Vijal Patel:** Any plans for?
- Prateek Chaudhary:** For going faster on this timeline?
- Vijal Patel:** For doing it faster, you are saying, the rooms?
- Prateek Chaudhary:** Yes, the rooms.
- Vijal Patel:** Yes, Yes. No we are -- so once, it all depends, once the Thana project is all in the flow, once we launch the project. And we have a good cash flow from it, then we might not even wait for two years. We might develop it within a year's time also. But we don't want to go in all directions.
- We want to focus in one direction, safeguard one direction, and then once that is done, we want to, expand our other sectors also. And we don't want to depend too much on bank borrowing also, so that the interest overhead is reduced.
- Prateek Chaudhary:** Okay. So thank you. I will get back in to you.
- Vijal Y Patel:** Thank you.
- Moderator:** Thank you. Our next question is from the line of Rajan Mehta from AMS Investments. Please go ahead.
- Rajan Mehta:** Hello.
- Vijal Y Patel:** Hello. Yes, good afternoon.



Rajan Mehta:

Good afternoon. Thank you for the opportunity. I joined the call a bit late, but I have just a few questions and over here. For the sports complex part, can we expect a revenue of, let's say, 15 billion, so that's INR1,500 crores as per current run rate, which are going on, current days that are going on per square feet?

Vijal Y Patel:

Yes, so basically, the sports complex is just one part of it. It's basically a whole campus which we want to develop, which we can then later on affiliate with BCCI, MCG and stuff, so that we can, create, a platform for, we can come up with a lot of ideas. Like we can come up with a platform which gives a lot of people out there in the local, like who do not get an opportunity to perform at that level.

We can train them. That is one sector which we can look into in terms of training. Then also in terms of affiliation with MCG and BCCI, we can maybe make it as a cricket practice ground for a few teams, which can generate a lot of revenue and a lot of brand.

We can create a big brand in terms of a club if we make out there in WADA. So not only is cricket is just not the focus for me, what we are looking at is a lot of other sports as well, like in terms of football, which is growing in this country. There is hockey.

There's a lot of other sports which needs to be pushed. And out there, the locals, we get all the, basically to find a hidden gem and promote them. We can make a platform where we can get people from the rural and develop them, support them. It can become a big brand in terms of a sporting complex.

Rajan Mehta:

Understood. And so when we look at this figure, is it possible in FY '25?

Vijal Y Patel:

No, no, it won't be possible in the financial year '25. It will all be after, you say, '26, '27.

Rajan Mehta:

Understood. Okay. My next question is, if I were to just sum the projects, the revenue from the different projects that we spoke of, you spoke of earlier, the reality project and the resorts, can we, let's say, expect a cash flow in the ballpark figure of INR2,000 crores to INR2,500 crores over the next 4-5 years? Is that a reasonable figure?

Vijal Y Patel:

We can easily achieve almost INR2,000 crores is what we are looking at. As I said, because of the real estate, which we are planning to do in Thana, which is almost INR800 crores. Then we have a development plan, which is for the Parla project, which will be almost INR300 crores to INR400 crores.

Then we also have the Fort building, which is in Fort, which is almost INR200 crores as well. Also developing our own vada land, which is almost INR100 acres, which can generate a revenue of INR1,000 crores. Considering all the above high growth drivers, Bharat, like in Bharat Agrifort Company itself, we can have a cash flow of INR2,000 crores to INR2,500 crores in the next 3-4 years, as against our market capital of INR455 crores, which is currently there.

Rajan Mehta:

That's very optimistic. I understood that. Even if I discount those cash flows, we are going to receive a lot more than what we are currently valued at.



- Vijal Y Patel:** Yes.
- Rajan Mehta:** I'll look into it and I'll get in touch with you offline as well. Thank you so much.
- Moderator:** Thank you. Ladies and gentlemen, that was the last question for the day. I now end the conference over to Abhishek Yadav for closing comments.
- Abhishek Yadav:** Thank you everyone for joining the conference call of Bharat Agrifort and Realty Limited. If you have any queries, you can write to us at research@kirinadvisors.com. Once again, thank you everyone for joining the conference.
- Vijal Y Patel:** Thank you everyone. Have a great day.
- Moderator:** Thank you. On behalf of Kirin Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your line.