

Moderator Sarita -A very warm welcome to all the panel members and shareholders for the 40th annual general meeting of EFC (I) Limited. I now hand over the proceedings to company secretary.
Over to you, sir.

Aman Gupta-Good evening, ladies and gentlemen. It is 05:00 P.M. and time to start the meeting. I am pleased to welcome you all to the 14th Annual general meeting of EFC (I) Limited. I am Aman Gupta company secretary of EFC (I) Limited. I am attending this meeting from the registered office of the company. This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and the SEBI. Before we start the meeting, I would like to introduce you to our EFC (I) board members, the senior management and the auditors present with us today.

Firstly I'd like to introduce you to Mr. Umesh Kumar Sahay, Managing Director and Chairman of the company. He's joining us today from registered office of the company, Pune. Now, I would like to introduce you to Mr. Abhishek Narbaria, Whole Time Director of the company joining us today from the registered office of the company, Pune. Mr. Nikhil Dilipbhai Bhuta, Whole Time Director of the company, joining us today from the registered office of the company, Pune. He is also a member of the audit committee and a Stakeholder Relationship Committee. Ms. Gayathri Srinivasan Iyer, Independent Director of the company, Joining us today from Mumbai, she is chairperson of the Audit committee and Nomination and remuneration committee she is also a member of Stakeholder relationship committee. Mr. Rajesh Chandrakant Vaishnav Independent Director of the company joining us today from Pune. He is the chairman of Stakeholder relationship committee and is also the member of the Audit committee and Nomination and remuneration committee. Mr. Magina srinivas rao, Independent Director of the company, Joining us today from Hyderabad, he is also a member of the Audit committee and Nomination and remuneration committee. Mr. Uday Tushar Vora Chief Financial officer of the company joining us today from registered office of the company, Pune.

Apart from Directors, I also like to introduce you to Mr. Roshan Daultani, who represents Mehra Goel and company, our Statutory Auditor joining us today from Pune. Mr. Chiraq Sachapara practicing company secretary, Secretarial auditor of the company, and the scrutinizer for the purpose of voting results at the AGM joining us today from Mumbai. We have the requisite quorum being present through video conference to conduct the Proceedings of this meeting, participation of members through video conference is being reckoned for the purpose of quorum as per the circular issued by MCA and section 103 of Companies Act, 2013. The quorum being present, I call this meeting to order with permission of the Chairman.

Since this AGM is being held through video conferencing and the physical attendance of members has been dispensed with, the facility for appointing proxy by the members is not available. I would like to take you through certain points regarding participation in this AGM. The facility of joining this AGM by video conferencing is provided by the company to all the members on 1st come 1st served basis.

Please note that all the members are by default placed on mute mode by the moderator to avoid any disturbance from the background noise and ensure a smooth conduct of the meeting. Only those members who have registered themselves as a speaker will be able to share their thoughts at the AGM.

We would like to hear your suggestion, inputs, and comments. We will try and respond to the same. However, if you have any further queries on business and we are not able to respond today, we will be happy to address them in due course. The register of directors and key managerial personnel, the register of contracts and arrangement are available electronically for inspection by the members during the AGM.

Members seeking inspection of such documents may send their request at compliance@efclimited.in. The company had provided the facility to cast the votes electronically on all resolutions set forth in the

notice. Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their vote during this AGM.

The facility of e-voting is enabled by the moderators and the members may vote on the resolutions put forth while attending the meeting. I request all the members to cast their vote on each and every item of the notice through e-voting.

The members may refer to the notice of the AGM for detailed instruction on e-voting facility. Shareholders may note that the meeting is being held through video conference and the resolution provided in the notice have already been put to work through e-voting. There will be no proposing and seconding name of the resolutions. Now, I request our Chairman and Managing Director Mr. Umesh Kumar Sahay to address the shareholders.

Over to you Sir,

Umesh Kumar Sahay-Dear Shareholders Board Members, and Valued Partners. Good Evening and welcome to the Annual General Meeting of EFC (I) Limited. It's a privilege and an honor to address you all today, and I would like to start by expressing my heartfelt gratitude to each of you for being part of our journey. This past year has been one of significant growth and transformation for EFC (I) limited. As we continue to evolve in the fast-paced landscape of the managed office space and real estate as a services, we have worked tirelessly to build on our vision of providing dynamic, flexible, and innovative office solutions to our clients.

We are proud to offer tailored spaces that meet the needs of today's professionals, consultants, start-ups and well-established firms alike. As we gather today, I am pleased to share that EFC (I) Limited has not only achieved key milestones in terms of financial performance, but has also made strides in expanding our footprint across strategic markets in India. Through the concerted efforts of our leadership team, employees, and partners we have been able to strengthen our presence in the commercial real estate sector, further solidifying our reputation as a leading managed office solutions provider. Today's AGM gave us an opportunity to reflect on the successes and challenges of the past year and to look ahead at the exciting prospects that lie before us. Our company's vision has always been centred around delivering exceptional value and superior customer experiences, and I'm confident that we will continue to set benchmarks in this sector through innovation and commitment to excellence.

Before we proceed with the formal agenda, I would like to take a moment to sincerely thank our shareholders for their continued trust and belief in EFC (I) limited. Your support has been the cornerstone for our achievements and it drives us to aim higher each year.

I would also like to express my appreciation to our dedicated employees and management team, whose relentless efforts have brought us to where we stand today. Their hard work and passion fuel our success and position us for the growth opportunities ahead.

With that, I warmly welcome you all to this Annual General Meeting. I look forward to sharing our progress, discussing our future strategy, and engaging in fruitful discussions that will shape the future of EFC (I) limited.

Thank you.

Now, I request our Company Secretary to proceed with the Agendas .

Aman Gupta-Thank you, Chairman Sir.

Aman Gupta-As the notice of this AGM was sent to all the members as part of the annual report, which is also available in the public. I take notice convening the meeting as read. The auditor's report for the financial year ended March 31st, 2024, provided by Mehra Goel and Company, is free from any qualifications, adverse remarks, or observations. I shall now proceed with the agenda items of the notice in chronological order with permission of the Chairman.

1. Agenda Items No 1 of ORDINARY BUSINESS is

To consider and adopt (a) the audited standalone financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon.

I declare the resolution No 1 of ORDINARY BUSINESS to be put to vote by e-voting as ordinary resolution.

2. Agenda Items No 2 of ORDINARY BUSINESS is

To appoint Director Mr. Abhishek Narbaria (DIN: 01873087), who retires by rotation as a director.

I declare the resolution No 2 of ORDINARY BUSINESS to be put to vote by e-voting as ordinary resolution.

3. Agenda Items No 3 of SPECIAL BUSINESS is

Approval of the Board of Directors' Powers under Section 180(1)(a) of the Companies Act, 2013.

I declare the resolution No 3 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

4. Agenda Items No 4 of SPECIAL BUSINESS is

Approval of the Borrowing Powers of the Company under Section 180(1)(c) of the Companies Act, 2013.

I declare the resolution No 4 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

5. Agenda Items No 5 of SPECIAL BUSINESS is

Approval to Grant any Loan, give any Guarantee or to Provide any Security to all such Person specified under Section 185 of the Companies Act, 2013.

I declare the resolution No 5 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

6. Agenda Items No 6 of SPECIAL BUSINESS is

Approval to give any Loan, Guarantee or provide Security in Connection with a Loan to any other Body Corporate or Person; and acquire by way of subscription, purchase or otherwise, the Securities of any other Body Corporate Pursuant to Section 186 of the Companies Act, 2013.

I declare the resolution No 6 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

7. Agenda Items No 7 of SPECIAL BUSINESS is

To approve Material Related Party Transactions of the Company and in this regard, pass with or without modification(s) the following resolution as an Ordinary Resolution.

I declare the resolution No 7 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

8. Agenda Items No 8 of SPECIAL BUSINESS is

Re-Appointment of Mr. Umesh Kumar Sahay (DIN: 01733060) as Managing Director cum Chairman of the Company, for a period of three years and fixing his Remuneration.

I declare the resolution No 8 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

9. Agenda Items No 9 of SPECIAL BUSINESS is

Re-Appointment of Mr. Abhishek Narbaria (DIN: 01873087) as Whole-time Director of the Company, for a period of three years and fixing his Remuneration and in this regard.

I declare the resolution No 9 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

10. Agenda Items No 10 of SPECIAL BUSINESS is

To Fix remuneration of Mr. Nikhil Dilipbhai Bhuta (DIN: 02111646) Whole time Director of the Company.

I declare the resolution No 10 of SPECIAL BUSINESS to be put to vote by e-voting as special resolution.

The company has appointed Mr. Chirag Sachapara Company Secretary in practice as a scrutinizer to scrutinize the e-voting process. The scrutinizer will submit his report within 48hours from the conclusion of this Annual General Meeting. The voting results along with the scrutinizer report shall be communicated to BSE limited and made available on the company's website www.efclimited.in.

Dear Members, the moderator will announce the names of the members who have registered themselves as a speaker. The speaker shareholders will then be unmuted by the moderator of the meeting. The speakers are requested to unmute themselves from their side as well. If there is any connectivity issue from the shareholder's side, or if any speaker would not be able to join the meeting for any reason, the next speaker would be called upon to speak. I request all the shareholders to kindly limit their speeches for 2 minutes. It may be noted that the company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM and now we start with the question and answer session.

Over to you moderator.

Moderator Sarita-Thank you, sir. Our speaker No. 1, Mr. Vishwajit Singh, is currently not present in the panel, so I invite our speaker No. 2, Mr. Dinesh Kulkarni.

Sir, you are in the panel. Please enable your video, and you may ask your question.

Dinesh Kulkarni-Audible, sir?

Moderator Sarita- Yeah, sir, you are audible.

Dinesh Kulkarni- Thank you for this wonderful meeting and how should we go about it one question at a time, or should I ask all the questions and then you will respond? Because I have quite a few number of questions, that's why.

Nikhil Bhuta-I think better will be said one by one because we might miss it otherwise, yeah. Yeah.

Dinesh Kulkarni-So let me 1st start with because I think if I'm not wrong, I maybe one of the 1st person to point out certain gaps in the Annual Report this year. We did not have the correct data and I do report it to Mr. Aman Sir, that I believe and then it was got corrected in the next version. So maybe in the first glance, it seems that we missed out on reading the annual report ourselves or maybe this should be taken care in the next financial year onwards. Okay, and I believe yeah, that's not a question, it's just a suggestion for all the directors.

Nikhil Bhuta – Duly noted, sir.

Dinesh Kulkarni-Thank you.

Dinesh Kulkarni-2nd, sir is I believe we have not got the audited details for the key subsidiary, right? Because if I look at our numbers, it's like Rs. 409 crores of worth of revenues of EFC limited. It's the key subsidiary, which forms almost 88 % of the revenue. We do not have the audited results of that company yet, right? Which forms almost 65 % of the asset base.

Nikhil Bhuta – Sir, all the companies are duly audited and all the company's audit reports are independently available on their, for their respective they are filed for their respective companies ROC returns etc. So as far as the listed company is concerned,

All the company which were audited by the respective auditors of those subsidiaries, they have been consolidated, and they've been opening on them on the consolidation by the main the auditor of the EFC (I) limited, sir. So there has EFC (I) limited, which is the holding company, practically EFC (I) limited.

It is just has two projects in it's managed office projects. Otherwise, it may get categorized under the NBFC, but otherwise all the businesses comes through these three subsidiaries, and they are also duly audited.

Dinesh Kulkarni -But sir, if I see here on the page 106, other matter, the first line says we do not audit the financial statements and other financial information in respect of seven subsidiaries whose financial statements include total assets of Rs.163 crore as of March 31st, 2024 and total revenues of Rs. 110 crore, which is almost 90 %, right? So where do I get this information? Because this is what.

Nikhil Bhuta- Sir, that is what I'm saying.I'm trying to explain that the statutory auditor of EFC (I) Limited is supposed to audit EFC (I) Limited, the main listed company. The subsidiaries, they are not obligated to audit. They are supposed to rely on the audit done by the subsidiaries auditors and subsidiaries audit reports are, I mean, we will submit to you also if you want independently. Yeah, yeah, fine, nO problem. We'll submit to you along with audit report, but otherwise they are also available on the MCA's website, and you can, I mean, we will anyway independently, we'll take note of it, and if Aman already has your contact details, we'll certainly share those with you independently.

Dinesh Kulkarni-Yeah, so my only larger point here is, it's okay, fine, we will get the audited reports, that's not a question. The question is about setting higher standards because almost 90 % of the worth of revenues, like, we do not have, like, when we file the annual report or the report of this company, the

parent company, ideally we should look at to get the subsidiaries details as well. That gives higher investor confidence, right? I mean, I hope you understand.

Nikhil Bhuta-They are duly audited, it's not that they are unaudited.

Nikhil Bhuta -Yeah. Yes.

Nikhil Bhuta-They are available, that's what I'm saying. That it is available on the ROC. Now, if you want it specifically, we will download and submit to you as well. That's what I'm saying. Okay.

Dinesh Kulkarni-So I look forward to that. And definitely, you know.

Nikhil Bhuta-Certainly, nO problems.

Dinesh Kulkarni-Yeah, and so my larger question was, we have seen that we have acquired this company called as Big Box, right?

Nikhil Bhuta-Yes, sir.

Dinesh Kulkarni-What was the reason for acquisition of that company? Was that company facing any material liabilities, financial liabilities? Was it not able to adhere to its customers or clients or deposits, and was it going through any financial stress?

Nikhil Bhuta-So as far as the company was concerned, when we acquired it, the company had an unexpired contract value of more than Rs.86 crore. When I say unexpired contract value, it means that they already had 3,000 seats, and they also are working under a managed office model, okay? So when they work under a managed office model, they have a long term contracts as well, like we have. They also have a long term contracts for five years. So the unexpired contract value, when I say unexpired contract value, means the day I acquired the company, on that day, the balanced contract value with their customers, with all the customers for their 3,000 seats were all put together were all valued at about Rs. 86 crore, okay?

Now, with regards to the liquidity issue that they may be facing, and that is the reason why we were able to negotiate a better deal with them. Because, you know, what we have done, is that the company was growing. They were also growing rapidly. They were also trying because the industry is right now doing good, sir.

So everybody obviously wants to try to take the advantage of the growing period of the industry, which is natural. Nobody, you know, when there is a growth happening, everybody likes to grow during the growth period, correct? When the cycle is positive, everybody wants like to do positive, but what happens is that in our industry.

The cash flow, obviously, is you are not always in a position to generate sufficient cash flow, which has to keep meeting your requirement on the capex side, particularly with regards to paying the deposits and particularly with regards to paying the fit-out expenses. And that is where we have come into play and we are saying that we will because we are an integrated player, we will be in a better position to support this organization where we will be able to augment their growth pretty quickly, which otherwise they would not have been able to do, and they were facing that difficulty. if they had to grow, then they had to go back and manage their working capital, which they were finding difficult.

So the way the deal was structured by us is that we are here to kind of finance your, you know, if we'll do an asset leasing transactions because we have a company where we'll be able to do the fit-out ourselves. So all those structures, they would come together, and we'll be able to support them better and then they'll be able to grow better and faster, and that is where this entire deal is structured accordingly, sir. So it is in the end, the way the deal is structured and way that company is going to start showing the results, you will see that it is going to be in the benefit of the investors. If I'm able to acquire a company at a good bargain deal, it is obviously in the interest of the investors. I'm not trying to acquire a company which is into default, we have done a proper due diligence over it.

There is a company, if you are aware, called Transaction Square, which is headed by all the Big Four people, and that Transaction Square has done a proper due diligence report. We have a due diligence Report on the company. Khaitan and company, the lawyers have drafted all the acquisition agreements. So the transactions are done with the full transparency in the interest of the company, and it is the commercial interest that derives us. You know, we are obviously here to ensure that how the Investors who have invested and shown so much of faith with us, are able to get repaid better and better. And that is what we are trying to do, sir.

Dinesh Kulkarni-Yeah, so is there any way we can get those reports, sir? I mean, on a one-to-one basis, if I reach out?

Nikhil Bhuta- I would request you to come and visit us, sir and I would definitely, I mean, it would be difficult for me to circulate such reports, willing to show it, sir.

Dinesh Kulkarni -I'm also from Pune, sir. I can definitely come, sir.

Nikhil Bhuta- Anytime you let me know, and I will keep even I will got those people also the transaction square auditors also I will bring them in if you wish to, and you can discuss with them what we have done. We have done commercial due diligence, we have done legal due diligence, we have done both direct and indirect tax due diligence, All the due diligence reports were carried out sir.

Dinesh Kulkarni-That's great to hear, sir. One more question, sir.

Aman Gupta- Sir, I request you one thing. We have other speakers also, so I request you.

Nikhil Bhuta- let him just conclude the last question, and then we'll take it from there.

Dinesh Kulkarni-Okay, sir, last two points from my end. So we have mentioned very small things as our profit after tax of Rs.63.3 crore as cash profit you know in the outlook segment. I think that is page no. 19, if I'm not wrong. So I just want to understand, are our reported profits are equal to cash profits?

Nikhil Bhuta-No, it will not be exactly reported would be equal to because of the IND AS implications, it will not be exactly the cash profit, as you may know, that because of the IND AS accounting standards,, the rental payments are amortized over a period of time. The five years rental payments are capitalized as ROU (right of use) of asset, and instead of those accounts getting debited as an expense, that gets amortized over a period, so you know that, they come in form of an amortization post your EBITDA, so the reported profit would not be equal to the cash profit, sir.

Dinesh Kulkarni-So on the similar lines.

Nikhil Bhuta-Can go to the cash flow statement, sir, and we'll find that.

Dinesh Kulkarni-It's a correction, sir, it's not, I mean, there's some typographical error maybe there., so it's ok. My last point on the same line, sir: what would be our real depreciation and amortization expense on a cash basis, not on reported basis, in that case on what you just explained for this financial year?

Nikhil Bhuta-And as I said, I'll have to submit you separately. There is a separate working on, what is a depreciation, what is an ROU working and non ROU working, we call it IND AS adjusted accounts, and without IND AS adjusted accounts, we can submit that if required independently. We'll submit it to you independently soon.

Dinesh Kulkarni-Okay, sir, and are we meeting our the targets which we had set at the something like doubling our revenues and adding some 25,000 seats per year or something that's the broader lines. Are we on track of that?

Nikhil Bhuta-Trust me, we are really working hard, and it can show us on our faces. I mean, we are really putting all our days and night together, and we'll ensure that we try to achieve those targets as it said, please.

Dinesh Kulkarni-Oh, that's really awesome, great to hear, sir. And I'll get back to you.

Nikhil Bhuta- Thank you so much. And your support is really required, please do guide us with some constructive points so that we can keep improving ourselves. That's it.

Dinesh Kulkarni-Definitely , We look forward to meet you soon.

Nikhil Bhuta-Anytime, sir, please. Thank you very much. Thank you so much.

Moderator Sarita-Thank you sir. Now I invite our third and last speaker shareholder, Mr. Shikhar Mundra. Sir, you are in the panel, please enable your video, and you may ask your question.

Shikhar Mundra-Hello? Yeah. Hello?

Nikhil Bhuta-Absolutely. Yeah.

Shikhar Mundra-So one thing I wanted to understand is why the receivables jumped so high, like from Rs. 15 to 120 crore. What is the breakup of these receivables between the three segments?

Nikhil Bhuta-Sir, so largely the receivables have increased because obviously, you know, we have now in the last financial year, we have got two more divisions which had done much more than what they had done in the financial FY 2023. FY 2023. Didn't have much contribution from the Design and Build division and it didn't have much contribution From the Furniture and Fixtures division both. And the majority of the growth in both of these, I mean, in the receivables was largely because of the addition of these two divisions and the revenue which was generated in these two divisions.

Shikhar Mundra-But, we did like around Rs. 113 crore in the interior designing and around Rs. 47 crore in the furniture division. Is that right?

Nikhil Bhuta-Correct, so I mean, all put together roughly around Rs. 160 crore of turnover in those two divisions and around Rs. 260 crore of the turnover in the rental business.

Shikhar Mundra-So out of the Rs. 160 crore, so roughly around Rs. 100 crore wasn't receivable, so is that understanding correct?

Nikhil Bhuta-No, No, sir, not the entire Rs. 100 crore, but then there is also under the rental business, if you have seen this we were also into a business of asset renting, which we had reduced over a period substantially. Because in the earlier quarters, we went to the rental Asset renting business and there was substantial because what happens in the asset renting business, the rentals are accrued over I mean, so let's say, we have done a transactions where the assets are sold and that assets are to be repaid, I mean the payment is to come to us for a period of three years.

So obviously for the remaining period of that two year, two and a half years would be shown under the receivables. So if you look at all the three segments together, then that is how the total outstanding is coming out. And you will see that because now that the Rental. You know, the asset renting businesses we have reduced substantially, No. 1. No. 2, the value of contract that we used to do under the DNB division because you know the DNB division was had started growing during F.Y 2024. So during the year, we had to do, I mean we were doing to establish ourselves in the market, we were doing even projects where 5,000 square feet 10,000 square feet kind of contracts also we were taking. But now that we are able to become a preferred vendor to large clients of various natures, so we are in a position right now to take higher, I mean better contract value where the terms are much more organized because we are dealing with organized player The terms are, you know, on the basis of the running bill, we are able to recover our dues. So earlier when it is just that we are not able to recover our dues purely on the running bill basis, but they were purely on, you know, once the contract is finished, then there will be a, you know, they will do an inspection and then we'll have to do a recovery we have to do follow up and then the recovery. So those situations have changed drastically because of the kind of, you know, principles with whom we are working now, and you will see that in probably in the six month result which would be declared very soon to you sir.

Shikhar Mundra-Got it. So the receivable cycle, I assume will be much better now, and what can we expect as the receivable days in the interior designing as well as in the furniture of business?

Nikhil Bhuta-So in interior designing generally sir, what happens is, the entire cycle of completing the contract, is generally from the day we get in PO a Purchase order from the client to the day we get our final payment from the client. It takes, you know, I mean not less than 60 to 90 days because what happens is, I mean not six, sorry, about six months. So, you know, because once we get the PO, then, you know, there is designs and then there is approval and then we start doing the fit-outs and then once the entire project is completed, generally these large customers have their own PMCs. So once we finish their contract, then they will do their verifications at every different intervals and even after we have submitted our bills, once their PMC approves it, then it goes to the company and then company is our internal account processing happened. So this entire, things put such into receivable cycle of about 60 to 90 days, but otherwise the entire project is completed in about six month time. I hope I'm clear on that sir. Yeah.

Shikhar Mundra-I got it. Thank you. And what's the order book of the designing right now and the furniture business?

Nikhil Bhuta-Furniture business is just starting up, I mean we already have got a lot of good response and everything but I think by in this investor's call, I'll be in a better position to tell you the order book on the furniture, but as regards The DNB division is concerned. Our order book for the Q2 was around Rs.100 crore, and, you know, substantial worth of that has been, you know, as we got the contracts in our favour. So I mean still we've got almost in, we are, you know, on a target to achieve roughly the double the turnover that probably that we should be able to make from the DNB division this year, sir.

Shikhar Mundra -Got it. And one thing I wanted to understand like what is the rationale to value like whitehills interior at Rs. 05-45 crore, so because like we did around a Rs.113 crore of turnover. I understand we are growing at a very fast rate, but, and how did we arrive at that valuation figure?

Nikhil Bhuta-So, I mean it was duly valued by an independent valuer and the valuation is obviously carried out based on the, the discounting cash flow methods and, you know, because, you know, in Whitehills is not a business which is asset heavy, so it's purely the kind of contracts and the revenue that it is likely to generate. And, you know, you would appreciate. You know, substantial value of the contract also we get from our own landlords. Because, you know, the landlords for our managed office businesses, that fit-out is also done by our Whitehills business. So there is already an assured business and then over and above that we are able to capture certain greater amount of business with this large branch from whom we are working. So obviously these contracts, these pipelines and the potential margins that we are able to demonstrate, were taken into consideration by the valuer when they kind of get out on the valuation exercise, and the same is also now almost in process of getting approved by the SEBI and Stock Exchange. So, I think in next 15 to 30 day time, we should be able to get our, you know, valuation approved, I mean the merger application through with them as well.

Shikhar Mundra-Got it. And one point about this, what is the rationale to buy, you know, properties directly in our EFC limited company because we, we are planning to make an RIET for the same. So why are we buying properties directly in EFC?

Nikhil Bhuta-So, there were two things. One is, you know, because what happens is that every financial institutions, banks, do not allow you to buy property just by virtue that, you know, you as a group is making substantial cash flow and profits etc. Every bank and financial institutions want to have control over the cash flows because ultimately they are in the business of, you know, giving me loans against buying those properties so that we are in a position to repay them also. Now, let's say, if I create an SPV and buy the asset in the SPV, then banks were not comfortable because the cash flows were not coming immediately in the SPV. Because, you know, once I buy an asset, and once I develop the assets, and once I put them to sublease, it is a cycle of about six to nine month time, right? So during that time obviously they don't have that comfort. So what we have now agreed with the bank and we are in process of doing that and you will soon see the resolution is that, we are already in process of demerging this asset into assets specific SPVs so that our ability to then convert those, I mean transfer those assets into the REITS or the AIF could become easier and simpler and there is obviously tax and stamp duty efficiency in that structure as well. So, that is why although from the bank perspective, it was necessary that we buy the assets in the revenue generating companies, which is our, you know, main company EFC limited. But now because those assets are also started, we'll start Soon, you know, generating revenue, we are able to convince banks to demerge those assets from our EFC limited, which is generally an asset light company as you rightly pointed out, and we will put them into this SPVs, which would later, at a relevant point of time would either be, you know, owned by the group or it would be obviously, you know, transferred to any of the REITS or there's a AIF structures that the company is planning to, you know, come up with.

Shikhar Mundra-Got it. And, the decrease in rental revenues I'm seeing over the past two quarters, so is that due to the winding up of the asset, rental?

Nikhil Bhuta -Yes, if you see some of our investor presentation for Q1 F.Y. 25, you know, there is a specific slide where I have kind of tried to demonstrate, why, you know, the managed office rentals are on an increasing level, but the rental from the asset leasing is on a decreasing levels.

Shikhar Mundra-Got it. Thank you, sir. And all the best for the Future.

Nikhil Bhuta-Thank you so much and thank you for your valuable comments. Thank you. Aman.

Moderator Sarita-Thank you, sir. With this we have completed our speaker question session. So I now hand over the proceedings to management.

Over to you, sir.

Aman Gupta-Thank you, Sarita. We have taken note of your valuable comments and suggestions, and we'll consider them in future. I consider most of the queries of the members are addressed. The unattended queries, if any, will be responded by the company in due course. The shareholders may send their queries at compliance@efclimited.in for any kind of queries they have about the business of the company.

Before concluding, let me remind you that e-voting will close after 30 minutes from the time of closure of this meeting. On behalf of the board, the company secretary is authorized to receive the scrutinizer's report and announce the voting results. Resolutions are set forth in the notice shall be deemed to be Passed today, subject to receipt of the requisite number of votes. There being no other item to discuss, I hereby declare this meeting as concluded with permission of the chairman and request the members to cast their votes through e-voting if not casted through remote e-voting.

Aman Gupta-I would like to thank all the members present, directors, auditors who have attended the meeting. Thank you once again, till we meet next. Thank you.

Nikhil Bhuta-Thank you.

Moderator Sarita- Thank you.

Gayathri Srinivasan-Thank you for joining.

Moderator Sarita-Meeting is now concluded. We have displayed the closing banner, and voting lines are open for next 30 minutes. Now you may take exit from the Webex panel. Thank you.

Aman Gupta-Thanks, Sarita and team, for the wonderful meeting.