Mahindra Lifespace Developers Limited
Q1 FY17 Earnings Conference Call

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MANAGEMENT: **MS. ANITA ARJUNDAS - MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER**
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Moderator: Ladies and gentlemen good day and welcome to Mahindra Lifespace Developers Ltd Q1 FY17 Earnings Conference Call. We have with us on the call today Ms. Anita Arjundas-Managing Director and Chief Executive Officer, Mr. Jayantt Manmadkar- Chief Financial Officer and Mr. Siddharth Bafna- Business Head, Industrial Clusters (West) and Investor Relations. 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 '*' then '0' on your touchtone telephone. Please note that this conference is being recorded. I would now like to hand the conference over to Ms. Anita Arjundas. Thank you and over to you ma'am.

Anita Arjundas: Thank you. Good morning everyone and welcome to our Q1 FY17 earnings call. The Indian Accounting Standards, that is Ind-AS, is applicable to the company for the period commencing from 1st April, 2016. However, SEBI has allowed companies to publish standalone financial results in the first quarter ending 30th June, 2016 and that is what we have opted for in this quarter. The results for the quarter ended 30th June, 2016 have been subjected to Limited Review. The results for the quarter ended June 30th 2015 have also been recast to facilitate comparison. However, these have not been subjected to Limited Review/Audit. We have ensured that necessary due diligence has been exercised to ensure that the comparatives provide true and fair view of the company's assets. The option of submitting standalone or consolidated financial results for the subsequent quarters of this year will be intimated to the stock exchange before the end of the second quarter of this financial year as envisaged in the SEBI circular. The consolidation will have a few of our entities not getting reflected going forward based on the definition of a subsidiary under Ind-AS. However, the investor presentation does provide a snapshot by legal entity as per the new Ind-AS standard. So you would get entity wise top-line and bottom-line details as part of the investor presentation.

Moving on to the specifics of the results - the standalone total income for the quarter stood at Rs.107 crores with a PAT of Rs.15 crores as against Rs.129 crores and Rs.11 crores in Q1 FY16 respectively. In the residential business we sold 256 units worth Rs.158 crores in the quarter with an average price realization of Rs. 6180 per sq.ft. Our projects Antheia in Pune and Bloomdale in Nagpur witnessed higher year-on-year demand from customers in this quarter while the overall demand in Chennai and Hyderabad remained stable. Demand in the NCR region continues to be muted on account of higher inventory and overall sentiment in the market. What we have seen significantly during the quarter, particularly in the month of June, is that projects which are priced in the sub-Rs.1 crore segment have definitely seen better demand, more customer interest, more walk-ins and more closures compared to the past. However, the segments above Rs.1 crore continue to languish and sales are slow, conversion taking a longer time.

On the execution front, we achieved revenue recognition at one of the phases at Antheia in Pune and project completion in one of the phases at Ashvita in Hyderabad. Currently, we have handovers going on across multiple projects with Ashvita in Hyderabad, Nova in Chennai and

Happinest Avadi in Chennai coming up for handover in Q1 FY17. Close to 600 units were handed over during this quarter, the highest ever quarterly handover in the company's history.

In the integrated cities, we signed one new customer each at Mahindra World City Chennai and Jaipur while two customers in Mahindra World City Jaipur acquired additional space for their expansion, one in the DTA and the other in the IT Park, Evolve. In Mahindra World City Chennai, we have received the approvals pertaining to the last 40 acres which is the Phase V approvals and we are therefore in a position to now start marketing those 40 acres to our customers. In Mahindra World City Jaipur, the approvals for expanding the DTA and for converting the SEZs into a multiproduct SEZ are progressing well. We hope to have these approvals in the near future. We have concluded the economic master planning study of the social area in Jaipur and have initiated the process of appointing a master planner. We have also initiated the approval process for our new industrial cluster in North Chennai. I would now request Jayantt to take you through the financial performance for the quarter.

Jayantt Manmadkar: Thank you Anita. Good morning everyone. I would like to take some time to discuss the impact of Ind-AS on our financial results. There are no changes in the revenue recognition methodology of the residential business and the integrated cities and industrial clusters business. The classification of subsidiary for the purpose of consolidation of books of accounts is now based on control and not just shareholding. As a result, four entities which were formerly considered as subsidiaries for consolidation will now be treated as joint ventures. These are 1) Mahindra World City Jaipur Limited 2) Mahindra World City Developers Limited that is the Chennai World City 3) Mahindra Industrial Park Chennai Limited and 4) Mahindra Bebanco Developers Limited. Equity method of accounting is now applicable for all JVs whereby our share of profit in such entities is directly credited to the profit and loss account instead of proportional line by line consolidation under IGAAP. We have also restated Rs.102 crores of redemption premium on the debentures issued for a tenure of 3-4-5 years in April, 2013 earlier charged to share premium account under IGAAP. As a result, this would be part of the cost of goods sold and/or finance cost in the profit and loss account on a proportionate basis for the balance period. I would now like now to throw the floor open for questions.

Moderator: Thank you very much. Ladies and gentlemen we will now begin the question and answer session. First question is from the line of Anubhav Gupta from May Bank. Please go ahead.

Anubhav Gupta: Can we look at slide #39 in the presentation if we have to see the like to like comparison for revenue and net profit.

Jayantt Manmadkar: Anubhav the numbers which have been given on slide #39, which is summary by legal entity, are the numbers for the Q1 of F17, that is the current quarter.

Anita Arjundas: You can look at that Anubhav but two things to note, one is that contra entries will not be there in this. So if you will just do a simple addition the negation of contra entries will not be evident.

Second is, it's obviously as per Ind-AS and not as per IGAAP so it won't be a like to like comparison against previous year.

Anubhav Gupta: Since you have opted to publish standalone results on a quarterly basis so when will you publish consolidated results?

Anita Arjundas: We've opted to publish standalone for this quarter as allowed by SEBI. We have time to take a decision on next quarter onwards before the next quarter results are published so we need to take a call by September. We are just waiting to see if there are any aspects that need clarification etc. In all likelihood we will move to consolidated for the next quarter. But that's something we will inform the stock exchange in September.

Anubhav Gupta: On the business operations - the first quarter has been a bit muted in terms of sales value. Are you sticking to the same strategy regarding new launches for the rest of the year or you think you will have to make some changes in the launch strategy?

Anita Arjundas: No, I think whatever we have lined up for launches we will, as soon as we receive approvals, we will go ahead with them. We have two projects in Mumbai that we are hoping to be able to launch this year and one in the affordable housing segment. These are the three we are targeting subject to receipt of all approvals in time. We will go ahead with all of them.

Anubhav Gupta: In terms of key markets in which you are present would you like to tell us how the separate markets are behaving and where do you see the most potential?

Anita Arjundas: As I mentioned, on an overall basis, I think what we've distinctly seen in the premium residential space is that projects which are priced between Rs. 30-40 lakhs to about a crore in core city areas or in the immediate outskirts have done well. So we have seen good numbers at Antheia in Pune, Nova in Chennai and Bloomdale in Nagpur. These are the projects that have performed well, again Ashvita in Hyderabad. The products which are above Rs.1 crore, sales have been muted. So if you look at Windchimes in Bangalore, Luminare in Gurgaon, Serenes in Alibaug have been the slow movers in the quarter. If I have to layer it, I would say the first big reference point is which ticket size and therefore which customers are you targeting and who is back in the market to buy homes. As far as the overall market is concerned, NCR continues to be the laggard. The other markets are either stable or have improved. Bangalore compared to the past is slightly muted.

Anubhav Gupta: Since the low price segment is performing well, so are you going to increase number of launches in the affordable housing segment in the sense are you looking for more land for this segment?

Anita Arjundas: As I mentioned, I think when I was talking about the premium segment as Rs.30-40 lakhs and above upto Rs.1 crore its done well. If you look at affordable housing which is segment sub Rs. 30 lakhs, during the quarter for us Boisar performed well, Avadi did not perform that well. Chennai market overall was muted. So I would say we are still seeing similar velocities that we saw in the past in affordable housing if not necessarily significantly higher. At the end of the day that's a specific income segment which has a stretch on affordability and it's not necessarily that there is a huge surge there with improving sentiment. That remains a stable market which is driven by the economic support the person can afford and how much the houses cost and where are they located.

Moderator: Thank you. Next question is from the line of Ujwal Shah from Quest Investment. Please go ahead.

Ujwal Shah: Ma'am can you give an update on the Pedder Road property, are we planning to sell it off?

Anita Arjundas: I guess you're referring to Napean Sea Road, right?

Ujwal Shah: Yes.

Anita Arjundas: We have a resolution that we put up to the shareholders yesterday for approval and we will be intimating the stock exchange today on the results of the voting. So subject to the approval having come through as per the final results, the intent, yes, is to sell it off in the near future.

Ujwal Shah: Because last quarter we did mention that probably we were looking to redevelop it, so what exactly changed during the course?

Anita Arjundas: I think what we mentioned last quarter was that we had converted what was an unsecured advance into secured inventory because we did the conveyance of the land in our name. That was our core start objective which was how do we convert, what is loans and advances of a large nature which was unsecured in to something which is secured by an asset. Toward which extent we paid about another Rs.53 crores so Rs.153 crores is what was paid. In terms of the decision on whether to develop or to sell, I think even last time we did mention that we will evaluate our options. Given the number of years that have passed on this asset, the nature of the South Bombay market in terms of demand for luxury, the fact that for us to use this project in the DCR 33(7) development under 3 FSI means waiting for some more time for the land owners to deliver the balance CPs meant that we were just continuing to hold an asset for multiple years without any good visibility on return profile. Prices definitely have fallen in South Bombay compared to say when we were underwriting the business case four years back. Given all of these factors we felt that we can on an NPV basis be better off selling it than develop it.

Ujwal Shah: Can you just give us some idea about at what price did we sell the Chennai and Jaipur land parcel deals?

Anita Arjundas: In Chennai's case it was actually an existing customer who hadn't taken up development where we facilitated an exit and brought in a new customer to come in, so what we got was a differential between the exit price and the new price. That was a land parcels of around 2.3 acres and Rs. 6

crores was the differential received by the company. In the case of Jaipur the average price is about Rs. 2.2 crores for DTA.

Ujwal Shah: When can we expect Vivante to hit revenue recognition mark, will it be in FY17 itself?

Anita Arjundas: We've started construction. We are just above the ground now, PCC is done. The intent is to be able to get to a stage where we can recognize revenue this year. We obviously already have the threshold of sales and collections met; now it's really the execution threshold that needs to be crossed.

Ujwal Shah: You did mention that you do plan to launch two projects in Mumbai, so when do you see it happening basically? By when can we expect these projects to hit?

Anita Arjundas: As far as the second plot which is located across the road from Vivante is concerned, we are at a fairly advanced stage of approvals there. We have received environment clearances; we have covered much of the distance with the BMC. Some of the airport authority approvals are pending that's about what is pending on that project. We are looking at H2 launch there. As far as the Saki Naka project is concerned, again there, the environment clearances are complete. We are some distance on the BMC approval process. A couple of months behind Plot A, Vivante's neighbourhood development. But the critical issue there is going to be the resolution on the dumping ground stay on new approvals. So while the BMC is processing the file we are not sure whether they will be able to actually issue the approval out until the High Court issue is sorted out by the State Government. Whereas in the Vivante Plot A, we don't have that issue because we were at an advanced stage of approval prior to the High Court judgement and hence it is covered in the period prior to the High Court judgment.

Ujwal Shah: Any idea on the industrial projects, we are planning some small industrial corridors in Gujarat and Maharashtra area or something, so any information that you can share on this?

Anita Arjundas: On the Gujarat corridor, as we have mentioned earlier, we have identified a land parcel of around 300 acres. We have got the pre-approval which is an industrial park approval from the State Government. We have completed the due diligence on the title of the land. We are at the final stages of documentation with the landowner. All things going well, we should see that transaction happening in the near future and then we can get into the whole process of master planning, approvals etc.

Ujwal Shah: So FY18 would be a possible time when we would be actually launching it or we can expect last quarter as well?

Anita Arjundas: I think the attempt will be in FY18 to be able to get maybe from the beginning of the year and the end of the year, to get the North Chennai project and the Gujarat project going respectively.

Moderator: Thank you. Next question is from the line of Ritwik Seth from Span Capital. Please go ahead.

Ritwik Seth: If I look at slide #24 you have mentioned that we have 376 units which are yet to be sold from already completed projects, so what will be the approximate value of this inventory?

Anita Arjundas: If you look at last sale price of these units in each of the projects, it would be around Rs. 250 crores.

Ritwik Seth: Basically all of them are less than Rs.1 crore per unit?

Anita Arjundas: Yes, because if you look at the projects we have, Ashvita in Hyderabad, we have Happinest in Avadi and we have Aqualily Apartments in Chennai. These are the bulk. For others, it is three four units or so, those tend to be more specific units leftover in the whole building, and for some reason or the other, maybe we don't have a customer coming on board. I think those are the easier to handle. The significant ones are Ashvita which has more stock which has been released recently; as the buildings get completed, we get the 15% that is kept under the mortgage released by the Government, covering EWS requirements and OC requirements, in the last six months and will get sold now. So Happinest in Avadi, Aqualily Apartments both of which one is sub-Rs. 25 lakhs, one is sub-Rs.1 crore, some five villas or six villas in Aqualily which are greater than Rs.1 crore.

Ritwik Seth: So it shouldn't be much of an issue regarding selling these units, maybe a couple of quarters.

Anita Arjundas: I don't think so. I mean it's more a question of finding some customers who are ready to look at ready possession units, may be looking at some quick closure related incentives, and liquidating the stock.

Ritwik Seth: My second question is regarding slide #6. If I see the forthcoming and the land bank, 90% of the land bank is from Chennai only. So what is the strategy there and are we planning to look at adding further land bank?

Anita Arjundas: Definitely, I mean you're right. We really don't have a land bank per se. Whatever we have is the stock which is in the World City Chennai which is part of the larger development and even there we have in the last quarter worked out specific plans to see how we can get more projects going in different shapes and forms to accelerate the activity around the World City Chennai, now that we have the critical mass in terms of people living there, the school up, the hospital up, the club up, all the daily needs of retail up. So the endeavor in the next 12 to 18 months will be to really push higher levels of activity for that land bank. As far as the rest is concerned, we definitely need to get in more as an organization to be able to grow. We are focusing on the markets of Pune, Bangalore and Mumbai as primary markets and Hyderabad and NCR as secondary markets. We have been looking at several deals in the last year. Some deals had reached commercial term closure but we dropped them at the stage of due diligence, some have fallen away in the commercial level. We will continue to see how we can add land parcels quickly to enable future growth.

Ritwik Seth: My next question is actually linked to this only like it's little broad-based and futuristic. Currently we are selling around 200,000 to 250,000 sq. ft. for a quarter for a round Rs. 5000 to Rs. 7000 per sq. ft. So over the next 3 to 5 years, what is the aspiration that MLDL plans to achieve. Are we looking at doubling our quarterly run rate, what should we do in order to double our quarterly run rate because to reach some scale maybe half a million square feet per quarter, what is your strategy for that if you can share some thoughts?

Anita Arjundas: I don't want to comment on aspiration numbers and forecast as an organization. But you are right that obviously we need to scale up.

Ritwik Seth: Because if I look at the last maybe 12 or 16 months obviously market is also soft in the real estate. But we are hovering around 200,000 to 250,000 and in a good quarter around 300,000 sq. ft. so I am getting at that point.

Anita Arjundas: From our perspective I think it's twofold. One as you said obviously there is a certain amount of market connected to what you can achieve as run rate per project that in turn impacts how much of the next phases you release for launch. No point in putting out 1 million sq. ft. of the total project out there selling across the project and then being forced to build everything together. We prefer to go in a phased manner when we get about 65%-70% of sales in one phase and then take up the next phase. So greater acceleration in terms of customer demand will help us launch more phases. That itself will see the 2.5 million sq. ft. sitting in the 5 million sq.ft of forthcoming projects getting released. So the half in the existing projects is not limited by any approvals, it is really a function of demand and how much we're able to push the sales process. The second would be to get in more new launches and get more new projects in because there is a certain velocity that you achieve at launch which is not necessarily the velocity that you can maintain at sustenance.

Ritwik Seth: Basically we are looking for the markets to improve and then further we can launch accordingly.

Anita Arjundas: From the existing inventory point of view it's about existing stock getting consumed so that we can launch the balance phases of existing projects. Pushing the approvals on the forthcoming project would be second and third would be new land acquisitions which will enable us to launch new projects in the next year.

Ritwik Seth: What is the strategy for the World City like Jaipur and Chennai - in Chennai we are looking for the balance part, so what is the strategy going there, are we looking at adding another or we are just looking to enhance these two which has a lot of scope?

Anita Arjundas: From the larger developments, yes the focus would be only on these two. Chennai, we have added the 40 acres.

Ritwik Seth: What kind of development potential is possible in the MWC in both?

Anita Arjundas: So if you look at Chennai, firstly the industrial land we have 40 acres now approved. Focus this year will be to sell that. We have another 30 acres which is zoned for retail, commercial that might go into different categories, either we sell it to the customers who put up retail facilities or commercial facilities or we enter some kind of partnerships. That will get sold over the next several years because as development matures different user needs will come into play. From the residential perspective in Chennai we have about 9.5 million sq. ft. of development potential left. As far as Jaipur is concerned we still have around 600 acres to be sold in the industrial and there is the economical land use planning that we have completed for the 450 acres of the residential township. That can yield around 20 million sq. ft. of development potential.

Ritwik Seth: So in Jaipur 600 acres of industrial land and another 20 million sq. ft. of residential potential?

Anita Arjundas: Yes.

Ritwik Seth: And just ballpark figure for Jaipur MWC, what is the going rate for the industrial land for an acre?

Anita Arjundas: There is a difference between the SEZ and the DTA. The DTA tends to operate at around Rs. 2.3-2.4 crores an acre and the SEZ is around Rs.1.3 to 1.5 crores an acre.

Ritwik Seth: If you can give me the split in the 600 acres, is it possible?

Anita Arjundas: It should be there in the presentation.

Moderator: Thank you. The next question is from the line of Himanshu Upadhyay from DHFL Pramerica. Please go ahead.

Himanshu Upadhyay: My first question was on the Napean Sea land that what we have, in the notes of the AGM or item #11 in the annual report, so right now we have invested around Rs.153 crores in the land?

Anita Arjundas: Yes.

Himanshu Upadhyay: And there is further Rs. 60 crores which has to be paid but the Rs. 153 crores what we have paid is valued at Rs.176 crores?

Anita Arjundas: That's right.

Himanshu Upadhyay: So we will get Rs.176 crores for Rs.153 crores we have paid.

Anita Arjundas: Yes, plus there would be other associated costs around stamp duty, legal, some early expenses that we incurred. But from a land to land basis, yes, Rs.153 crores on land invested, Rs.176 crores is the consideration plus stamp duty, etc. that’s payable by the buyer.

Himanshu Upadhyay: There will not be any gain on this land and by when do we expect the closure of the deal because from the annual report it seems just the resolution is pending?

Anita Arjundas: There would be gain, not substantial but yes if you paid Rs.153 crores and get Rs.176 then there is a Rs.23 crores difference. There are some costs of course so there will be some profit, nothing very substantial. As far as timelines are concerned we did enter into a memorandum of understanding subject to shareholder approval with the buyer. The shareholder approval process was completed yesterday. The results will be out today. So subject to shareholder approval under the MoU, we will be working to complete the transaction in the next 60 days.

Himanshu Upadhyay: So the Rs.176 crores we can get in the next 60 days?

Anita Arjundas: Yes.

Himanshu Upadhyay: Our construction spend in this quarter was substantially reduced. It has come down to Rs.67 crores which last year same quarter was Rs.111 crores. So what is your thought process, how much would be construction spend because this quarter we would have started Vivante also, the Bombay project.

Anita Arjundas: Yes we have started Vivante. Part of it is, last quarter many projects got completed in Q4. We had a total of 3.3 million sq. ft. of different phases getting completed. To that extent, there is even if you look at the total million square feet under development, obviously it's a lower base currently. But that aside, specifically during the last quarter, yes across sites there have been issues around labor availability on different sites which has seen lower work done output across projects. That should start improving now.

Himanshu Upadhyay: Should we assume the construction spend would be around Rs.400 crores for FY17?

Anita Arjundas: It would be in that range, yes. It definitely will not be as high as last year because there is lesser that is under execution. But it would be about at least in that range.

Moderator: Thank you. We have a follow up question from the line of Anubhav Gupta from Maybank. Please go ahead.

Anubhav Gupta: What's the update on the North Chennai project which you are doing with Sumitomo?

Anita Arjundas: We are under the approval process right now so we've submitted our master plan to the Government under the DTCP for approvals. We've also made a submission to the MOEF. We have got the terms of reference of the MOEF EIA study. So the study is underway and we will be submitting our report for environment clearance in the next couple of months. We are also working on processing the layout plan approval from DTCP in the next few months.

Anubhav Gupta: How do you see the demand for 40 acres which got released in South Chennai project?

Anita Arjundas: There is a decent lead pipeline but conversions are taking time. So we do have about 5 or 6 companies that are currently engaged with us, maybe for about 20-25 acres at the moment. But conversions definitely are slow in terms of decision taking by companies.

Anubhav Gupta: How much investment will you make to acquire land in Gujarat project, approximate land acquisition cost?

Anita Arjundas: We don't share land acquisition cost numbers. It is 300 acres, it will be very difficult to put out a number on the value.

Anubhav Gupta: And you expect to fund this from the cash flows or will you have to raise debt?

Anita Arjundas: No we will not have to raise debt; we will fund it from cash flows.

Moderator: Thank you. Next question is from the line of Sandeep Baid from Quest Investments. Please go ahead.

Sandeep Baid: Can you tell us whether GST will have any significant impact on your business?

Jayantt Manmadkar: As far as GST is concerned, the draft bill is available and like all other industries we are not an exception where we see that there will be consolidation of various taxes which are on the input which we directly don't see in the output. But on the whole supply chain basis certainly there will be a benefit once the GST is implemented. Clarity is still awaited on some of the parts as it will come out in due course. But as we see on fundamental basis and the way we see wherever GST operates, it consolidates tax and that's something which we really look forward to as a benefit.

Sandeep Baid: So overall we are saying that it will be a positive for us?

Jayantt Manmadkar: It's expected to be positive.

Moderator: Thank you. Next question is from the line of Ujwal Shah from Quest Investment. Please go ahead.

Ujwal Shah: I just wanted to understand the impact that Ind-AS would have on our interest cost so basically the redemption premium thing that you explained before, can you just elaborate a bit on it?

Jayantt Manmadkar: In 2013, when we issued the debentures in MLDL, Rs. 102 crores was the total premium on three series of the debentures that was charged to the share premium account as permitted under Company's Act at that time. Now under Ind-AS based on the principles which are applicable that needs to go through the P&L and it cannot be set off against the share premium. Therefore, whatever is the impact as of March of 2015 that has to be taken to the reserves, balance will then come to the P&L. So for the first series that we had, which we actually paid in the month of

April of 2016, was full redemption premium and that is where the maximum amount of redemption premium was coming from. The other two series had only 2.75% as redemption premium. So if I look at total Rs.102 crores, about Rs.55 crores was the amount which was charged to the opening reserves because in the transition of Ind-AS that is the way it is done, balance Rs.47 crores from April 2015 it starts coming to the P&L, so most of the large cost has come to the P&L up to March of 2016.

Ujwal Shah: So in '17 we might not see that kind of impact?

Jayantt Manmadkar: We see about 20% to 22% or 25% of this Rs.102 crores, we will see it in two years that is '16-17 and '17-18.

Ujwal Shah: Any impact that it would have on subsidiaries as well, on the subsidiary side redemption premium?

Jayantt Manmadkar: No, this will be only on the MLDL standalone and when we consolidate, it is part of the consolidated but not in the subsidiaries.

Ujwal Shah: Ma'am I just wanted to know a bit more about the Bangalore project. We have seen very good response over there. Are we also looking at launching some new projects in Bangalore because that market has really given some very good response during this quarter?

Anita Arjundas: We definitely are on the lookout for more land parcels. If you know anything please send it our way because one thing is we have struggled in that market and everything that we like something or the other comes up in title or there is some NGT order passed on lakes, so there are multiple issues that keep coming up. I think we have done several MoUs, unfortunately not been able to fructify anything into a land parcel. We currently have four or five conversations going on in that market in different parts of the city. So definitely a market as I mentioned earlier I think Pune, Bangalore, Mumbai are priority markets and particularly Pune and Bangalore we would love to grow with these two significantly.

Ujwal Shah: Just confirming number, you mentioned that in the Chennai land parcel deal, we got a differential of Rs.6 crores which is visible in the book, am I correct?

Anita Arjundas: Yes that's right.

Moderator: Thank you. Next question is from the line of Samar Sarda from Kotak Securities. Please go ahead.

Samar Sarda: If you could help me out with the estimated premium cost and the fungible cost for both the Andheri East plot as well as Andheri Saki Naka plot?

Anita Arjundas: I wouldn't know that Samar. We will have to get back on that.

Samar Sarda: Possible to send me off-line just the estimated cost.

Anita Arjundas: I don't think we can share it to one specific person; maybe we will update you the next time.

Moderator: Thank you. As there are no further questions from the participants I would now like to handover the floor to Ms. Anita Arjundas for the closing comments. Over to you ma'am.

Anita Arjundas: Thank you. As I mentioned earlier the focus for the rest of the year will be to continue to accelerate sales throughput and also get the Andheri Plot A, Saki Naka and Palghar in the launch mode. One of the big endeavors in the next nine months will be to ensure that we do some land related transactions and create a future launch pipeline for the company. I've already referred to the cities of focus. We do have multiple conversations going on. We would like to push them through and see closure during the year. In the World City the focus in Chennai will be on selling the 40 acres that we now have approvals for and in Jaipur to get the new phase of DTA launched and the multiproduct SEZ launched. We are also in the final phases of acquiring the land parcel in Ahmedabad that I mentioned earlier. So both for Ahmedabad and for North Chennai the focus will be on accelerating the approval process so that they can be launched in the next financial year. That's it from my side. Thank you everybody for joining us today.

Moderator: Thank you very much ma'am. Ladies and gentleman, on behalf of Mahindra Lifespace Developers Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.

(This document has been edited for readability purposes)