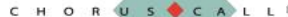




## November 9, 2010



**MODERATORS:**

**MR. JAISHANKAR- CHAIRMAN AND MD**  
**MR. SHYAMSUNDAR- GM FINANCE**

**Moderator:** Ladies and gentlemen, good day and welcome to the Brigade Enterprises Limited's Q2 FY11 Earnings Conference Call. We have with us on the call today Mr. Jaishankar, Chairman and MD and Mr. R.J. Shyamsundar, GM Finance, Brigade Enterprises Limited. As a reminder for the duration of the conference all participant lines are in the listen-only mode and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference, please signal an operator by pressing "\*" then "0" on your touchtone phone. Please note that this conference is being recorded. At this time, I would like to hand the conference over to Mr. Jaishankar. Thank you and over to you Sir.

**Jaishankar:** Good evening everyone. This is Jaishankar and Mr. Shyamsundar is also present with me. We are happy to announce the results of 30th September Q2 2011. There is a growth of 33% compared to the previous quarter of 30th June and on a half-year basis there is a growth of 43% compared to the previous half year of 2010. As far as the turnover figures are concerned it is 124 Crores for this quarter as compared to the previous quarter of 93 Crores and as regards the turnover for the half year is concerned it is 217 Crores as compared to 151.85 Crores of previous half year. There is substantial improvement in the profitability also. The half year profit for this year is 32.94 Crores as compared to 11.74 Crores of the previous half year, which is a jump of 180%. This is primarily due to better realization. EBITDA has gone up from 20% to about 24% in the corresponding half year. As far as the profit for this quarter is concerned, it is 20.3 Crores as compared to 12.64 Crores of the previous quarter, which is a jump of 60.59% and the company is in the final stages of completing all the ongoing projects in this financial year, which includes the residential and the commercial. There is close to 3 million square feet of commercial space, which is in the final stages of completion, which includes the commercial building in Brigade Gateway earlier called North Star now it has been branded as World Trade Centre, Bangalore, which is a very proud thing for the city of Bangalore and for Brigade Group as such. I would say the lease bookings for the WTC, Bangalore is quite encouraging, and something like 300,000 square feet of space is in the advance stages of finalization and as regards the Orion Mall in Brigade Gateway is concerned it is expected to be operational by March 31, 2011 or in the first quarter of 2012. There is something like 68% of the space is leased in Orion Mall and the balance is expected to be leased within this financial year. We also have 800,000 or close to 900,000 commercial spaces called Summit in Brigade Metropolis, which is partially leased about close to 200,000 square feet to Capgemini and another 300,000 square feet is in advanced stages of leasing to another multinational company. So that way all the projects undertaken by the group in the past four years, which

are something like 12-13 million square feet will all get completed in this financial year. The group has already launched in the last quarter about close to million square feet of space both commercial and residential in Bangalore and Mysore. In addition, we will be launching launch 9 million square feet in the next four quarters, which will comprise something like 73% will be residential and the balance will be retail office space and hospitality space. This will be comprised of 25 projects in different locations. They are all in the process of in awarding tenders or obtaining final approvals, etc. The 9 million square feet is the first phase of the total size of something like 23-25 million square feet of project. Once the response to the phase is good we will take up for the second phase of this 25 million square feet area launch. All these projects should take ranging from two to four years depending on the size of the individual project and we are quite confident of doing well in all these projects. The Bangalore market is fairly good. The prices have improved somewhere in the range of 10-15% in the last two quarters, but in some areas it is yet to reach the peak of 2007 and in some areas you can say it has reached. Unlike Mumbai and NCR areas where the prices of fluctuation is substantial, in Bangalore market which may be true for other South Indian cities' market the price fluctuations are not huge and it is in acceptable level. We see a steady growth of business in the next few quarters and the years to come. Overall, the group is quite buoyant about the future outlook for the company and we are gearing up to meet the growth opportunities in real estate in Bangalore and other South Indian cities and also the growth opportunities that the country will throw with its 8-10% GDP growth in year-on-year basis. These are my initial remarks. I will be happy to take on questions and add additional remarks as and when needed. Thank you.

**Moderator:** Thank you sir. The first question is from the line of Sobia Khan from Economic Times. Please go ahead.

**Sobia Khan:** I missed the first part of your conference. I just wanted to quickly check on the numbers first. What was the net profit number, which you reported for this quarter?

**Jaishankar:** The net profit for this quarter is 20.30 Crores as compared to 12.64 Crores for the previous quarter, which is a jump of about 60.6%.

**Sobia Khan:** What will you attribute this to?

**Jaishankar:** This is generally better price realization and also improved EBITDA.

**Sobia Khan:** What about the net sales?

- Jaishankar:** The sales for this quarter are 124 Crores compared to 93 Crores for the previous quarter, which is an increase of about 33%.
- Sobia Khan:** What is the reason behind it?
- Jaishankar:** As I said generally the market is buoyant and also the projects are in advanced stages of completion. So, even on revenue recognition basis, a better percentage revenue recognition has happened.
- Sobia Khan:** You also mentioned launch of around 9 million square feet, which is by the end of this financial year?
- Jaishankar:** Yes. I said in the next four quarters, which will include from October to September of 2011. This is in addition to a million square feet already launched in the last few months.
- Sobia Khan:** Also, Mr. Jaishankar there were talks that you earlier mentioning we have met early and you said that you are talking to couple of private equity fund for the hospitality venture what is the status of that?
- Jaishankar:** As far as the private equity for hospitality venture there is no great progress on that, but as far as your hospitality ventures themselves are concerned other than the serviced apartments, which are in Homestead brand name managed by Brigade Group. We also have Grand Mercure, which is managed by Accor, which is a 126 apartment hotel project in Koramangala, Bangalore that is doing extremely well and our Sheraton Bangalore at Brigade Gateway is also expected to be operational in this financial year. That is a 230-room hotel and it is fully funded by internal resources and debts from the banks. There is no great requirement for a private equity for our hospitality ventures ongoing, but at an appropriate time and at the right price we may be open to examine of PE for our hospitality venture because we will do have more projects in hospitality. We are just started a 200-room Hotel Holiday Inn branded hotel in Old Mahabalipuram, Chennai. The construction of the hotel is just started and that should get completed in the next two years.
- Sobia Khan:** On the inventory side what is the current inventory you have under residential and commercial portfolio?

- Jaishankar:** See from the ongoing projects, which are nearing completion we do not have great amount of inventory that way, it is something like under 500 units of inventory is there and as I said we will be launching 9 million square feet of space of which about 73% is residential.
- Sobia Khan:** What about your debt portion right now how much is your debt on books?
- Jaishankar:** Debt equity is about 0.7:1.
- Sobia Khan:** That is gone up right it was 0.69 last quarter for you.
- Jaishankar:** 0.67 or so it was there; it has gone up because primarily our debt is towards commercial projects, which will all start yielding income. In some cases it has started yielding income in case of Summit in Brigade Metropolis. The rest of the things should start yielding income by end of the financial year.
- Sobia Khan:** So, did you borrow additional money for your commercial projects?
- Jaishankar:** No additional borrowing. It was the existing limits, which were not utilized, which we have utilized now.
- Sobia Khan:** What is the absolute number in terms of debt?
- Shyamsundar:** 748 Crores Sobia.
- Sobia Khan:** Thank you so much Mr. Sunder. That apart and also how much price rise has you taken in the last few quarters?
- Jaishankar:** As I mentioned earlier it is ranging from you can say I would prefer to put it as 5-15% depending on project to project.
- Sobia Khan:** Also, there are rumours in the market that you are again renegotiating with Oracle for 300 million in Brigade Gateway for commercial space?
- Jaishankar:** Absolutely no.
- Sobia Khan:** You are not?
- Jaishankar:** No.

**Moderator:** Thank you. The next question is from the line of Aridev Chattopadhyay from Edelweiss Securities. Please go ahead.

**Aridev Chattopadhyay:** My question is could you just provide the break-up of the revenues for the quarter from how much was from Gateway and how much was from Metropolis and why did we see improvement in margins specifically?

**Shyamsundar:** From Brigade Gateway we have got 73.70 Crores, Metropolis is 24.26 Crores and other Bangalore projects is 14.39 Crores and miscellaneous, that is, Mysore and stock sale it amounts to 113 Crores for the quarter.

**Aridev Chattopadhyay:** Does it include any revenue income from the Columbia Asia Hospital for this current quarter?

**Shyamsundar:** No it does not think so.

**Aridev Chattopadhyay:** Apart from that you had mentioned that you have signed up one of the JDA in Chennai could you provide some more details as to what would be the salable area and what is your share in that project?

**Jaishankar:** The overall economics of the saleable area will be somewhere between 2 million plus square feet with about 50% economic interest.

**Aridev Chattopadhyay:** What is the cut off launch price you looking at?

**Jaishankar:** It will be somewhere around Rs. 5500.

**Aridev Chattopadhyay:** Sir, apart from this you have said it will be launched here on 9 million square feet over the next 12 months does it include Brigade Value Homes phase I as well or is it excluding that?

**Jaishankar:** It includes part of Brigade Value Homes. Immediately, how many square feet of that I do not have here, but it includes part of Brigade Value Homes, but it is not a great percentage.

**Aridev Chattopadhyay:** Just to continue on Value Homes or what is the current status for phase I yet like is the construction going to start this year or?

**Jaishankar:** We are trying our best to start in this financial year. Currently, the show flats (ph) and external infrastructure is getting ready and some more final approvals are in the process.

**Moderator:** Thank you. The next question is from the line of Abhishek Ranganathan from MF Global. Please go ahead.

**Abhishek Ranganathan:** One is could you just explain to us about the broader contours of this agreement with WTC and secondly I would just want to know which pockets are we looking at launching this 9 million square feet?

**Jaishankar:** The brand of WTC is a franchise by the WTCA that is World Trade Centers Association, which is based in New York. With WTC brand there are 29 buildings all over the world in 26 countries and in India the first one of course is in Mumbai, which is there for the last three decades or so and this will be the second WTC in the country. In addition, WTC has two aspects to it, one is the real estate branding, Realty Play (ph) and another is the WTC services, which will include trade services, trade information, delegation services, conferences, trade education and WTC club and host of other services. We will be one of the very, very few private players who will be offering all these services, which is in the best interest of industry in this locality of Bangalore and Karnataka, etc. So, the WTC in my opinion it is one of the most sought after business addresses anywhere in the world and also instantaneously recognized business address. So, there is a definite great value-add in terms of lease rental realization it will bring in.

**Abhishek Ranganathan:** How does we work sir, what do we have to pay out to WTC, how does the revenue and the cash aspects of the business work out?

**Jaishankar:** There is license fee for the branding, but we need not pay on every square foot that we lease. There is no payment as such. It is the lump sum payment.

**Abhishek Ranganathan:** Essentially we are still just putting the building on lock on lease with the brand of WTC?

**Jaishankar:** With the brand of WTC and also there will be close interaction with other WTC's elsewhere in the world.

**Abhishek Ranganathan:** Is it like we are play any active role in getting the tenants?

**Jaishankar:** In some cases yes, not in all the case.

**Abhishek Ranganathan:** The second question as I mentioned early was pertaining to which locations are we looking at for 9 million square feet?

**Jaishankar:** Something like 7 million square feet will be in Bangalore and about 0.3 million square feet in Chennai and about 0.7 million square feet in Mangalore and 0.7-0.8 million square feet in Mysore and about 0.2 million in Cochin and 0.2 million in Hyderabad.

**Abhishek Ranganathan:** Bangalore which pockets particularly?

**Jaishankar:** All directions of Bangalore.

**Abhishek Ranganathan:** What is the status of the land, which we have at Devanahalli?

**Jaishankar:** That is also in advanced stages of launching. I would say the external infrastructure like the compound walls, the roads and modular show flats are getting ready and plus few more permissions.

**Abhishek Ranganathan:** When are we expecting it to get launched and when do we expect phase I to get completed?

**Jaishankar:** We are trying to launch back in Q4 of this financial year.

**Abhishek Ranganathan:** How much are we planning to launch there?

**Jaishankar:** How many square feet of that?

**Abhishek Ranganathan:** Square feet or in acres; it is 120 acres land if I am not mistaken.

**Jaishankar:** Out of this 120-acre land can give us what is planned is somewhere between 6.5-7.5 million square feet and out of that to start with we may launch about 1-1.5 million square feet.

**Abhishek Ranganathan:** 1.1.5 million square feet and when are you targeting to complete this?

**Jaishankar:** This is between four to five years project for 7 million square feet.

**Abhishek Ranganathan:** We would be starting up with the social infrastructure first in terms of school and hospital?

**Jaishankar:** We are starting the external infrastructure. We will launch the project with villas and parallely we will develop the social infrastructure.

**Moderator:** Thank you. The next question is from the line of Nidhi Chawla from SBI. Please go ahead.

- Nidhi Chawla:** I just wanted to ask you about the launches that we are talking about. Are we looking at any other indicator in place like Gateway or Metropolis in the next one-year or something or this is the all standalone small projects as we looking at residential?
- Jaishankar:** Enclave Brigade Orchards in Devanahalli is a 120-acre plus. In fact the size of the enclave will go up to probably 140-150 acres in a year's time or so. In addition to that enclave Brigade Meadows in South Bangalore is also about 60 acres plus enclave. Like this the one in Chennai what we have signed up, which is about 20-21 acres will also be mixed project.
- Nidhi Chawla:** But the guidance is yours is 7 million are they more like standalone or we are including these big projects of ours only in this?
- Jaishankar:** Including only the first phase, one phase of the thing, not the entire project we are not taken.
- Nidhi Chawla:** Easily spread out basically?
- Jaishankar:** Yes, correct.
- Nidhi Chawla:** Secondly sir on your initial comment only that is the market has been quite buoyant on the commercial side as well and obviously the residential side has obviously picked up quite a lot in terms of volumes. I am always having a question like why we still are not been able to lease out our property, which has been completed for so many quarters earlier it was the Oracle issue may be, but then at least in the last one or two quarters at least substantial leasing has started to happen in Bangalore then why are two properties, which are totally in the completion stage and still not been leased out it is something are we not negotiating on the rentals or are we looking at particular kind of space to be leased out or companies to be leased out?
- Jaishankar:** As I mentioned in the opening remarks I do not know whether you are present at that time or not, out of the 900,000 square feet of commercial space in Brigade Metropolis, which is called Summit we have leased about 200,000-250,000 square feet to Capgemini and about 300,000-400,000 square feet is in the advanced stages of leasing like documentation, etc. Plus, something like about 50,000 square feet not in the same Summit, but another in the same project neighbourhood mall about 50,000 square feet has been sold as a strata sale and as regards the WTC, Bangalore is concerned, we have finalized closed to 300,000 square feet to different parties and which is in the process of legal due diligence and the documentation.

- Nidhi Chawla:** So, we should be able to see the leasing at least half of it by the end of this year?
- Jaishankar:** We are trying our best that is our intention also and let us hope it will happen and since we are also reaching December, which is the last month of the calendar year for most American Companies not much a decision-making will happen in December. So, bulk of the leasing decisions may happen in first quarter of 2011 calendar year.
- Nidhi Chawla:** How much are we yet to basically incur a cost on these two properties to complete it?
- Jaishankar:** Exactly I do not have it could be somewhere in the range of 70-80 Crores.
- Nidhi Chawla:** The residential is almost sold out and all the cash flows have already received right at every stage (ph) basically of all the projects?
- Jaishankar:** Residential sale in Gateway is out of 13 wings, 12 wings are I would say 97% sold. There was one wing for some 126 apartments originally we had planned to keep it as the serviced residences, but subsequently we will took a call not to made them serviced residences we have started selling it is only in one block or one wing of Brigade Gateway we have few units. So, if you take the overall residential project of Brigade Gateway is concerned we are at 92% sold level and as far as Metropolis is concerned we are at may be 97% sold level.
- Nidhi Chawla:** Just the last thing on the new launches again Sir. What kind of segment are we looking and what did we come under like the earlier question was asked on value housing will it be more into the mid-segment again 40-80 lakhs range or doing much lesser that we want to lose some more volumes as we go into the lower segment as well?
- Jaishankar:** Bulk of the things will be in the mid-segment I would say, but we are having a wide spectrum ranging from value homes to expensive villas.
- Moderator:** Thank you. The next question is from the line of Gunjan Prithyani from JP Morgan. Please go ahead.
- Gunjan Prithyani:** How many units did we sell in this quarter?
- Jaishankar:** **28:28- unsure of voice** 172 units.
- Gunjan Prithyani:** That basically 0.2 million square feet, which you have mentioned in your press release. Can you give me visualization on this on the sales achieved in the quarter?

- Jaishankar:** It could be somewhere between 4000 plus.
- Gunjan Prithyani:** Sir, in terms of your unsold inventory, which you have mentioned 500 units is this across all projects, which include the 1 million square feet, which has been launched recently?
- Jaishankar:** Not really, may be a small portion is part of that 1 million, but not really. It is mostly some of the ongoing projects, which are needing completion and part of one of the launch project.
- Gunjan Prithyani:** Sir, in terms of your construction CapEx, which you just mentioned that is around 70-80 Crores does that include the cost for the Sheraton as well?
- Jaishankar:** It does not include the cost of Sheraton.
- Gunjan Prithyani:** How much would be more CapEx that needs to be incurred for Sheraton?
- Jaishankar:** Sheraton may include about some I do not have the right figures, but it is somewhere in the range of 40-50 Crores.
- Gunjan Prithyani:** For the residential there is no more CapEx, which needs to be incurred, it will be really marginal?
- Jaishankar:** It is marginal.
- Gunjan Prithyani:** On your Columbia Hospital, which was sold has that deal been concluded and when?
- Jaishankar:** The deal has been concluded and 100% of the payment has been received in Q3 in October.
- Gunjan Prithyani:** The payment has entirely come in Q3?
- Jaishankar:** Yes correct.
- Gunjan Prithyani:** Sir, also that you mentioned earlier that you are looking to do more strata sales to bring your debt down what is the progress on that and if you tell me how much?
- Jaishankar:** I said about 50,000 square feet of strata sales is done in Brigade Metropolis it is not in the office building. There is neighbourhood shopping, it is not a mall, it is a neighbourhood shopping complex of about 90,000 square feet or so, in that about 50,000 square feet strata sale has been done.

- Gunjan Prithyani:** Sir, that was done in quarter.
- Jaishankar:** It is done now, but it has not been recognized yet.
- Shyamsundar:** It will come in Q3 or Q4 Gunjan.
- Gunjan Prithyani:** This 50,000 square feet is in Gateway?
- Jaishankar:** No, it is in Brigade Metropolis.
- Gunjan Prithyani:** In Metropolis. How much would that have been sold for what is the price?
- Jaishankar:** It could be somewhere in the range of Rs. 4500-5000.
- Gunjan Prithyani:** This has been sold to like small shops to retailer what is the client profile?
- Jaishankar:** The shops have been leased to different retailers based on planned categories and then sold to investors.
- Gunjan Prithyani:** So, for this also basically the money will come in this quarter only third quarter. Are there anymore asset sales that we are looking for this year?
- Jaishankar:** We are open like the lease property that we will be having in Brigade Metropolis Summit. We are open to sell to investors at the right time at the right price.
- Gunjan Prithyani:** In terms of your leasing status for the World Trade Center nothing has been concluded as yet, it is 0.3 million square feet, which is under negotiation right now is it?
- Jaishankar:** It has been negotiated in the process of documentation, etc.
- Gunjan Prithyani:** Orion is around 70% leased?
- Jaishankar:** About 68% or something.
- Moderator:** Thank you. The next question is from the line of Neetika Singhal from B&K Securities. Please go ahead.

- Neetika Singhal:** One question is that you said 0.3 million square feet of North Start that is WTC it has been leased out or sold out?
- Jaishankar:** Leased.
- Neetika Singhal:** Sir, can I have the break-up of your revenues between residential houses, hospitality and commercial how much rental income you got from your commercial segment?
- Jaishankar:** As regard the hospitality is concerned the revenues are not recognized in Brigade Enterprises. It is recognized in our subsidiary Brigade Hospitality Limited and that has not been considered in the figures mentioned to you. So, we should expect about 50 Crores revenue from our hospitality segment in this financial year.
- Neetika Singhal:** In this quarter has it come from commercial rentals?
- Shyamsundar:** Commercial rentals are not much in fact it is around 1.5 Crores per month we receive and if you look at the other operating income for the half year of 16.72 Crores contains that.
- Neetika Singhal:** The rest is organized at top line, which is around
- Shyamsundar:** Since we are talking 198 Crores actually the net sales is all purely from residential.
- Neetika Singhal:** Sir, you said you have around unsold inventory of 500 units?
- Jaishankar:** Correct.
- Neetika Singhal:** How much is in Gateway and Metropolis alone?
- Jaishankar:** You can say about 160 units.
- Neetika Singhal:** That is what expecting at an average price realization of around 5000 or may be 4000?
- Jaishankar:** Average price of about 4500 you can say.
- Neetika Singhal:** What is your average interest cost you are paying for your debt?
- Jaishankar:** It is about 12-12.5.

**Moderator:** Thank you. The next question is from the line of Kumar Saurabh from Macquarie Capital. Please go ahead.

**Kumar Saurabh:** Sir, my question is that what kind of cash flow are you expecting from these project launches of 9 million square feet, this would be my first question, average realization?

**Jaishankar:** The cash flow will come over a period. Average realization will be in the range of 3500 rupees plus.

**Kumar Saurabh:** The next question would be on the Devanahalli the land parcel which you have particularly close to the airport? There we have other developers also, which have large land passes so do you see any risk of oversupply in that area?

**Jaishankar:** I would put it this way. There is good amount of supply and there is good amount of demand and each one is catering to different, different segments of the market. So, that way I think we are in a fairly unique segment and in a niche segment.

**Kumar Saurabh:** Our projects would be mid income segment?

**Jaishankar:** You can say middle income to upper income.

**Kumar Saurabh:** What plus point we are expecting to launch the project the first phase?

**Jaishankar:** The villas will be somewhere in the range of Rs. 5000 price line and the apartments will be in the range of 2500 plus.

**Kumar Saurabh:** Thank you sir. That is it from my side.

**Moderator:** Thank you. The next question is from the line of Gagan Agarwal from Merrill Lynch. Please go ahead.

**Gagan Agarwal:** Firstly on your JDA deal with Chennai when is the project expected to be launched?

**Jaishankar:** I expect it to take about 9-12 months.

**Gagan Agarwal:** This is not included in your 9 million square feet?

**Jaishankar:** Not included.

- Gagan Agarwal:** Have you paid any upfront deposit to the landlord?
- Jaishankar:** We have made initial deposit yes.
- Gagan Agarwal:** Would that be refundable through the revenues?
- Jaishankar:** Refundable.
- Gagan Agarwal:** When you said 50% economic interest you mean that you will bear that cost for the entire development and the area will be shared with the landlord?
- Jaishankar:** Yes, correct.
- Gagan Agarwal:** Secondly on your debtor's part I have seen your debtors increasing quite substantially in the last six months any particular project or any particular reason for that?
- Jaishankar:** It is primarily due to Brigade Gateway residential units. It is what should I say the residential units are complete and occupancy certificate is received, but one block, which we had initially held to retain, which we have started marketing that has been shown as the stock-in trade and that is why it has also come under the debtors as realizable.
- Shyamsundar:** A Clarification to that in Gateway all these days we were following percentage completion method since the occupancy certificate has come and more than 94% of the money has been received and even handing over has started we have actually in mood into completed unit method. So, that is the reason you will find some amount as receivables.
- Gagan Agarwal:** Thirdly on the retail mall at Gateway what will be the average rentals that you are expecting?
- Jaishankar:** We are trying for Rs. 100 per square feet of the average rental.
- Gagan Agarwal:** Currently, what would be the rate for 70% you have leased?
- Jaishankar:** It is may be 80% of that.
- Moderator:** Thank you. The next question is from the line of Bharat Jain from Nadathur Estates. Please go ahead.

- Bharat Jain:** Can you please share the total CapEx for your Sheraton project?
- Jaishankar:** It is in the process of happening. I know Nadathur also is in the process of launching hotel project, but it should be in the range of 200 Crores plus.
- Bharat Jain:** What would be your average cost of construction for the residential project?
- Jaishankar:** I do not have it fully with me and I will share it when I have that.
- Moderator:** Thank you. We have a follow-on question from the line of Aridev Chattopadhyay from Edelweiss Securities. Please go ahead.
- Aridev Chattopadhyay:** Sir, I wanted to know on the consolidated level what is the debt on the cash on books and how much debt is up for repayment in the second half of the year?
- Jaishankar:** The repayment may be somewhere about 50 Crores or so and I am happy to say we are current with all our repayments. In the career of Brigade Group there is no rescheduling of debt.
- Aridev Chattopadhyay:** Sir, just to understand on quarter-on-quarter basis what is the comparable debt level it means have you paid anything in Q2?
- Jaishankar:** In Q2 also we have repaid. Yes, we have repaid about 20 and odd Crores and in Q3 our repayment other than the securitization of rental of about 30 Crores, which is already repaid in October due to the sale of the hospital. In addition to that, there will be about 28 Crores repayment.
- Moderator:** We have a follow-on question from the line of Gunjan Prithyani from JP Morgan. Please go ahead.
- Gunjan Prithyani:** I had one more question, on the 0.3 million square feet, which is under negotiation for the World Trade Center can you just guide us at what rentals would that be at?
- Jaishankar:** I think currently it is confidential.
- Gunjan Prithyani:** For Summit 1 and 2?
- Jaishankar:** Summit 1 and 2 it is under Rs. 30.

- Gunjan Prithyani:** For Orion?
- Jaishankar:** For Orion as I mentioned we are aiming it is Rs.100, but we are at 80% level.
- Moderator:** The next question is from the line of Srinivas Rao from HDFC Mutual Fund. Please go ahead.
- Srinivas Rao:** Can you tell us the total capital employed in commercial segment and specifically on North Star and Summit.
- Jaishankar:** I will tell you. I do not have all the break-up, but we have a total capital work-in-progress of 1016 Crores, which includes the WTC building, the Summit, Orion and Sheraton Hotel.
- Srinivas Rao:** What will be the money spent on land bank sir excluding whatever you are developing now?
- Jaishankar:** I do not have figures immediately. I can certainly furnish it to you soon.
- Moderator:** The next question is from the line of Neetika Singhal from B&K Securities. Please go ahead.
- Neetika Singhal:** One of the questions is that how many square feet in Orion have been leased out?
- Jaishankar:** 5.6 lakh square feet.
- Neetika Singhal:** In Summit 1 and 2 in totality, in cumulation?
- Jaishankar:** As I mentioned earlier with Capgemini we have committed up to 250,000 square feet and we are in the process of for finalizing up to about 350,000-400,000 square feet.
- Moderator:** Thank you. We have a follow-on question from the line of Abhishek Ranganathan from MF Global. Please go ahead.
- Abhishek Ranganathan:** Sir, how much have you invested in the Devanahalli project till now?
- Jaishankar:** It is somewhere between 180 Crores.
- Abhishek Ranganathan:** That would be our share because our economic interest is 50% right. Thank you.

- Jaishankar:** It looks like we have reasonably covered all aspects and we have reasonably answered all the questions.
- Moderator:** Yes, Mr. Jaishankar, there are no further questions would you like to provide any closing comments.
- Jaishankar:** As I said the economy is in upswing and real estate will certainly be part of this India growth story and Brigade Group will certainly be part of the real estate growth story of India and of Bangalore and we are quite optimistic of the outlook and the organization is gearing up well to face this new challenges of growth. We are gearing up in all fronts, be it in systems and processes, be it in manpower, be it in finance and our marketing and organizational abilities, so we are quite excited about the opportunities the industry is providing us.
- Moderator:** Thank you Mr. Jaishankar. Thank you Mr. Shyamsundar. Ladies and gentlemen on behalf of Brigade Enterprises Limited we are thank you for joining us. This concludes the conference. You may now disconnect your lines. Thank you.