



Mahindra Lifespace Developers Limited
Q4 FY15 Earnings Conference Call

April 30, 2015

MANAGEMENT: MS. ANITA ARJUNDAS – MANAGING DIRECTOR & CEO
MR. JAYANTT MANMADKAR – CHIEF FINANCIAL OFFICER
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STRATEGY & INVESTOR RELATIONS

Moderator:

Ladies and Gentlemen, Good Day and Welcome to the Mahindra Lifespace Developers Limited Q4 FY-15 Earnings Conference Call. We have with us today on the call Ms. Anita Arjundas — Managing Director and Chief Executive Officer; Mr. Jayant Manmadkar — Chief Financial Officer; Mr. Sriram Mahadevan, Business Head -Happinest and Mr. Siddharth Bafna — Senior General Manager, Strategy 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 entering '*' then '0' on your touchtone telephone. Please note that this conference is being recorded. I now hand the conference over to Ms. Anita Arjundas. Thank you, and over to you.

Anita Arjundas:

Thank You, and Good Evening everyone. Welcome to the Q4 FY-15 Earnings Call. The consolidated income for the quarter stood at Rs.268 crores with the pre-minority interest PAT of Rs.33 crores as against Rs.209 crores and Rs.31 crores in the corresponding period in the previous year, a growth of 28% and 6% respectively. The consolidated income for the full year therefore stood at Rs.1148 crores with a pre-minority interest PAT of Rs.283 crores, that is an increase of 52% in total income and 157% increase in pre-minority interest PAT with respect to the same period last year. The robust residential sales performance that we witnessed in Q3 continued into Q4 with sales of Rs.250 crores, a growth of 155% over the same quarter last year. We did not have any new product launches during the quarter; however, we did launch new phases at three projects — Bloomdale in Nagpur, Nova in Chennai and Happinest Boisar in Maharashtra.

The other operational highlights of the quarter included revenue recognition in two phases of Bloomdale, in Antheia and in Serenes and project completion at two phases of Iris Court. For the full year, sales amounted to about 1.38 mn sq.ft. with a total value of Rs.708 crores, 62% and 91% growth respectively over FY-14. Our new launches have contributed significantly to this number while existing projects also continued to perform well.

As far as the affordable housing business is concerned, both the Happinest projects have performed well during the year, with a total of about 645 units being sold in between Avadi and Boisar in the last 8-months. On the execution front, the two projects are progressing well. We strongly believe in the opportunity offered by the segment and we will continue to learn from our pilots so as to be able to build scale in this business.

In the Integrated Cities, Jaipur continues to ramp up well in terms of leases. In Q4 FY-15 Mahindra World City Jaipur added one new customer in the Engineering SEZ. Four existing customers acquired additional land for expansion, two in the engineering SEZ and two in the IT Park, Evolve within the IT SEZ. For the full year therefore, Jaipur leased 59 acres amounting to a sale value of Rs.103 crores and added 12 new customers. The average price realization for the year at Jaipur has also seen significant appreciation and is up by 20% over FY-14. In Mahindra World City Chennai, the social infrastructure initiatives continue to fall in place with the launch of the Mahindra World City Club, the first of its kind in the GST corridor. The overall

performance at Chennai during the year was muted as we await approvals to release the last tranche of industrial inventory.

Our focus in the coming year in the residential business will be to continue to grow sales across all our projects and also to launch two of our projects — one in Bannerghatta Road in Bengaluru and the other in Andheri in Mumbai — both of which are in different stages of the approval process. We will continue to focus on timely execution of all our ongoing projects as also in acquiring new land parcels in our focus cities to be able to add to the residential inventory. In Chennai, we continue to pursue the approval for the balance inventory, and in Jaipur we are moving ahead on the product mix initiative that we have proposed to take forward in the coming year.

That is it from me. I would request Jayantt to take you through the details of the financial performance before we open up for questions.

Jayantt Manmadkar: Thank you, Anita. Good Evening, everyone. We have seen good growth in our two business verticals this year. The revenue for our residential business stood at Rs.980 crores which is up by 53% over last year and the revenue for integrated business city stood at Rs. 199 crores, which is up by 32% over last year. With this, I would like to throw the floor open for questions.

Moderator: Thank you. Ladies and Gentlemen, we will now begin the question-and-answer session. The first question is from the line of Aashiesh Agarwaal from Edelweiss Securities. Please go ahead.

Aashiesh Agarwaal: First, on the Mahindra World City Jaipur, you mentioned that there are total 5 new land parcels that are transacted, that is Rs.103 crores, is that correct?

Anita Arjundas: No, Rs.103 crores was for the full year, 59 acres of sales amounting to Rs.103 crores. Five new transactions, you were right, yes, for the fourth quarter, out of which one was a new customer, and four were existing customers taking more space.

Aashiesh Agarwaal: And these 5 customers put together would be how much area?

Anita Arjundas: Approximately 7 acres.

Aashiesh Agarwaal: The other question is with respect to the changes in the DP laws and the resultant delays, which is an industry-wide factor, but just wanted to understand specifically from your side, how do you see this impacting your own projects and future course of action in terms of approvals?

Anita Arjundas: So far as the Andheri project is concerned, there definitely has been an impact because of the DP and the transition policy that came into force when the DP was still in vogue, but it continues to be a transition policy that shall prevail till the new DP comes out. So we do see some level of delay on Andheri, we will get a better fix on this in the next 30 to 45 days. As far as the other project is concerned, which is the Sakinaka one, we have completed schematic development and

we are ready to make our submissions. There are some concerns again based on the DP in terms of some road reservations, which we need to resolve.

Aashiesh Agarwaal: So basically you are saying that 45 days is what it will take?

Anita Arjundas: For us to get clarity on Andheri project

Aashiesh Agarwaal: What is the worst case scenario that you are envisaging on this?

Anita Arjundas: The worst case scenario would be that we wait for the new DP to come out and wait for that to be implemented, which means it could go later into the year; however, I must clarify that we do have two plots within the Andheri project because they were originally divided by a DP road. We had actioned one of the plots, which is the subject matter of discussion today under the new DP. We will simultaneously action the second plot also so that we do not lose out on time on the development of the second plot, but either way if we had to look at a worse case, therefore, it would be more end of the year than beginning of the year.

Aashiesh Agarwaal: Other question is on Chennai-2. Just wanted to get an idea if we have any further sense on the forward movement on the same?

Anita Arjundas: No fresh updates as far as that is concerned from when we spoke last.

Aashiesh Agarwaal: And Jaipur on the master planning?

Anita Arjundas: Jaipur, as far as the product mix is concerned, we have had some movement in terms of the paperwork with the government. We are hopeful to see something happening reasonably quickly there. As far as the social master plan is concerned, we have just initiated the process of selecting the consultants.

Aashiesh Agarwaal: I was also looking at your notes to the quarterly filings where you mentioned about this transaction of Rs.100 crores where you initiated legal proceedings. So, by when do you see a resolution of this and what have you pressed for — is it a refund of money or is it ...?

Anita Arjundas: There is no change in the note per se, Aashiesh, it remains the same as the previous quarters. As far as what we have pressed for, it is specific performance.

Aashiesh Agarwaal: Obviously, you believe that they would be able to deliver on that?

Anita Arjundas: Yes, because I think there have been certain recent developments around a High Court decision around the MoEF corrigendum which are actually favorable towards a resolution as far as the CPs are concerned.

Aashiesh Agarwaal: Any timelines you have in mind in terms of expectation - when do you think this can be...?

Anita Arjundas: I would not want to put a number to that one as yet.

- Moderator:** Thank you. The next question is from the line of Anubhav Gupta from Maybank. Please go ahead.
- Anubhav Gupta:** My first question is on your presales number for the fourth quarter which came out to be Rs.2.5 billion, it is obviously significantly higher than the fourth quarter of last year but if you look at QoQ, it is a decline. So, since we picked a lot of momentum in the third quarter, do you think we are losing on it or is just that some sales have been spilled over?
- Anita Arjundas:** If you look at Q3 of this year, we did have the launch of Luminare and we had significant numbers coming in that quarter from Luminare, which got recognized as part of sales. Luminare continues to do well, but as we mentioned last time, the approach we have there as far as booking amounts go is we collect Rs.10 to 15 lakhs upfront booking amount and then customers have 60 days to pay the balance. So it is a question of when the 60 days is falling due because we have been showing it in sales only after the full 12% has come in from the customer. So if you actually look at cumulative sales without looking at percentage of collections done, Luminare is today at about 69 units sold, which has been a very good performance in a market that continues to be depressed. So we are quite happy with the way that project is progressing and a large part of the difference that you see between Q3 and Q4 is really driven by the recognition of the sale of Luminare based on collections.
- Anubhav Gupta:** So overall you did close presales of Rs.7 billion and given that there would be delay in the Mumbai project say by one month or two months, I also know you do not want to give any guidance for presales for FY16 but what is the overall outlook which the company is looking for?
- Anita Arjundas:** So, as I mentioned, Luminare is doing well. We expect it to continue to do well. We should be launching Phase-II of Luminare during this financial year. We will also be launching Windchimes in Bengaluru during this financial year. So these would be two significant launches, even keeping Mumbai out for a moment. In addition, we continue to have good traction around Antheia in Pune, around Bloomdale in Nagpur and Happinest is also doing well. So we see all of this adding up to hopefully a good growth on sales performance.
- Anubhav Gupta:** Since the affordable housing projects are being executed on track, have you identified any new project in this segment?
- Anita Arjundas:** We are looking at some land parcels in the state of Maharashtra but still early days.
- Anubhav Gupta:** Jayantt, the gross debt as of March 15 is almost similar to the previous year levels. So, the proceeds which were received by sale of Byculla land are being used to fund the cash flow shortfall, right?
- Jayant Manmadkar:** The debt on a gross basis is now Rs.1040 crores and the proceeds which we had received from sale of Byculla land in the first quarter...we had clarified in that call also that we have used the proceeds to repay the Central Bank loan which we had for construction finance.

- Anubhav Gupta:** But overall debt is almost same FY14 and FY15?
- Jayant Manmadkar:** Right.
- Moderator:** Thank you. The next question is from the line of Bharat Sheth from Quest Investments. Please go ahead.
- Bharat Sheth:** Madam, our project portfolio has approximately 6 million sqft of ongoing projects. Can you give some ballpark figure when all this is likely to be completed and how much of revenue has been built in already and how much is yet to be built?
- Anita Arjundas:** We do not normally share guidance, but if you look at the “Investor Presentation” on the ongoing projects, you will have numbers of how much sales is already done, how much of that is revenue recognized, and how much is to be recognized. And as far as the forthcoming projects are concerned, you do have a sense of the total mn sqft as you rightly mentioned but we would not be able to give guidance on ...
- Bharat Sheth:** Some ballpark figure out of this 4.5 mn sqft, how much do we expect in '16 and '17?
- Anita Arjundas:** As I mentioned, I will not be able to share specific guidance. We are looking at launching Windchimes in Bangalore and the Andheri project in Mumbai in this financial year. Normally, the threshold that we use for launching a new phase of an existing project is about 65-70% of sales being completed in the previous phase before we take up a new phase. So that will give you an idea of the number of new phases that will come up for launch and also the new projects that will come up for launch.
- Bharat Sheth:** If I missed, you said something on the progress on the conversion of SEZ area of Jaipur to Industrial, so what is the status and when do we expect and how much area are we seeking for conversion from SEZ to Industrial?
- Anita Arjundas:** So we are looking at a total area of about 500 acres that would get added to the industrial area from out of the non-processing area. As I mentioned earlier in the call, we have moved some distance on the paper work connected to this with the government, and we hope to see closure in the near future.
- Bharat Sheth:** Can you throw some light on the second industrial park that we plan to launch at Chennai – when is it likely to be launched and how much land have we acquired and how much have we invested in that so far?
- Anita Arjundas:** The total size of the project is about 700 acres. We have acquired 550 acres so far. We have mentioned in earlier calls that we are looking at a first phase of around 275 acres, which we have completed master planning for, and we will be initiating the approval process during this financial year, but that should be a product that we should make available in FY 17.

- Bharat Sheth:** How much have we paid for this acquisition of 550 acres of land?
- Anita Arjundas:** We do not share specific numbers on land acquisition cost, but if you do look at the Mahindra World City Chennai balance sheet, you will get a fair sense of how much would have gone into the land acquisition, since almost 100% of the investment done by World City Chennai today is towards the new project.
- Moderator:** Thank you. The next question is from the line of Sandipan Pal from Motilal Oswal Securities. Please go ahead.
- Sandipan Pal:** Firstly, like you have mentioned that construction spending individual quarter wise as Rs.163 crores, what has been the collection during the quarter? I can see your cumulative collections figure, but if I make a difference of fourth quarter minus third quarter it is coming as just like Rs.32 crores or something which is probably wrong?
- Siddharth Bafna:** Sandipan, don't look at the collections for the comparison of quarter-on-quarter basis because that one is specifically to just show the outstanding amount and that is project to-date. So don't look at that for comparison of collections quarter on quarter.
- Sandipan Pal:** Against the construction spending of Rs.163 crores, where exactly is our quarterly run rate in terms of collections right now because I guess we have reasonably scaled up in terms of presales, so I guess collection would have also gone up?
- Anita Arjundas:** The total collections during the year was about Rs.650 crores, the quarter wise breakup we will need to come back on it.
- Sandipan Pal:** In terms of standalone development, we have 3 more projects other than the subsequent phases of existing projects. We have not yet launched maybe 2 Mumbai projects, 1 Bangalore project, so in FY16 where can we see again addition of quite a few number of projects like we did in FY14?
- Anita Arjundas:** We are exploring deals in markets of interest - Pune, Bangalore, Mumbai as the primary focus markets. It is very premature to comment on it. I think when we have MoUs on the table we will come back and share it with you like we did earlier.
- Sandipan Pal:** Is there any preference on that side - that we will not increase our leverage any further or it is more or less kind of a JDA project? So will you keep it capital light or otherwise or you are open to both?
- Anita Arjundas:** It will depend on the opportunity, I think as we have always mentioned we will look at about at least 30-35% of our mix coming from joint developments, there would be some amount of it happening through joint venture with our PE partner from the development platform. So that would be the mix, therefore there would be some outright and some JDs as a mix combination. As far as debt is concerned, again, I think we have always said that we would like to stay at the

0.6-0.7 level, but we would see scenarios where we could go up to 1 and come back down based on the phase in which we are doing land acquisition.

- Sandipan Pal:** Lastly, this 7-acres of leasing done during the quarter at World City Jaipur, what is the value of that, I missed that?
- Anita Arjundas:** Rs.8.5 crores.
- Sandipan Pal:** In that case, has the realization come down?
- Anita Arjundas:** No, it is basically mix again, if you recall, we mentioned that all of the sales happened in the SEZ. The DTA is priced at a premium to SEZ currently and all the transactions in Q4 happened in the SEZ, therefore, the overall rate per acre looks lower in Q4 compared to Q3.
- Sandipan Pal:** How much are we left with in DTA and SEZ?
- Anita Arjundas:** In the DTA we today have about 65 to 70 acres, and in the SEZ it would be about 650 acres.
- Sandipan Pal:** So this conversion is happening from SEZ to DTA or from the non-processing area to processing area?
- Anita Arjundas:** From the non-processing area to the DTA, 500-acres at a gross level, whereas all the other figures that I mentioned were net.
- Sandipan Pal:** In terms of this SEZ of 650 acres, how do you see the monetization to happen because we have seen in last 3-4 years that this particular portion has been quite slow compared to DTA?
- Anita Arjundas:** So there are two things; one is if you look at the last quarter itself, all the additions have been in the SEZ. What is gratifying is that in the last 1-year we have had six expansion projects coming from our customers in the SEZ, which means people looking to grow their operations within the World City Jaipur SEZ; the other is that we have started to convert all the sector-specific SEZs into one multi-product SEZ. We today have the critical mass needed under the new regulations. We have already filed our application with the Ministry of Commerce and are waiting to be taken up for consideration. The minute that happens then instead of being just an engineering SEZ and IT SEZ which is almost leased out, and a handicraft SEZ, we actually become a multi-product SEZ which opens up a lot of industries to us.
- Moderator:** Thank you. The next question is from the line of Bharat Sheth from Quest Investments. Please go ahead.
- Bharat Sheth:** Going ahead, what is your sense about affordable housing and how are we looking at the traction that we have so far?
- Anita Arjundas:** As we mentioned, these are two pilot projects. There has been a lot of learning from them and we definitely would like to grow this space. I think it is good to hear governments like the

Maharashtra Government, governments like the Andhra Pradesh Government, Rajasthan Government, talking about creating special approaches to affordable housing. Maharashtra CM has recently talked about giving quick clearances and creating a single window for low cost housing. All of these will actually help improve the business model. We are definitely looking at seeing how we can grow the business to start with in the State of Maharashtra but would also partner with one more state which is very friendly and pro-affordable housing.

- Bharat Sheth:** Can you name the state if you do not mind?
- Anita Arjundas:** Not at this stage. I think it would be too premature for us to comment on which state, we have conversations going on with a few states.
- Bharat Sheth:** And I understand that we launched our second phase also at Boisar?
- Anita Arjundas:** Yes, we did.
- Bharat Sheth:** How is the response vis-à-vis first phase?
- Anita Arjundas:** The response has been very good. In fact, I think in the month of launch of the second phase, which comprised around 230 units, we sold 100 units within the first few weeks.
- Bharat Sheth:** Is there any upward movement in the rate we have seen or it is a same rate?
- Anita Arjundas:** There is upward movement in the rate, obviously small.
- Moderator:** Thank you. The next question is from the line of Aashiesh Agarwaal from Edelweiss Securities. Please go ahead.
- Aashiesh Agarwaal:** This question is more at the industry level. If you can kindly indicate how the volumes and demand are at the ground level and how do you see the same panning out? Second question is more of approvals again at the industry level. We understand Mumbai is little slow. But how are other geographies as far as approvals go?
- Anita Arjundas:** I think overall sales still remain muted across most markets; Bangalore is muted compared to earlier quarters but has still performed well; Pune reasonably holds out, Mumbai this quarter was slightly better compared to earlier quarters; NCR is still poor in terms of absorption levels overall as an industry; Hyderabad has been again muted this quarter overall as an industry as also Chennai. So I would say, yes, sentiments have gone up, people are coming back to sites, conversion rates are improving, but still the desired velocity of absorption is not in line with what the industry would expect. So that is as far as key markets are concerned. On approvals, Mumbai will go through a bit of stress right now because of the DP, but the government has talked about enabling ease of doing business including construction permits. They have just come out with a new guideline in the last few days on fast tracking construction approvals. So I think if they are actually able to push that through, then balancing the current stress around the

DP, things will be very different in Mumbai. The other markets no significant difference, continue to be at the same rate, no special upward or downward movements.

Aashiesh Agarwaal: On the Mumbai demand scenario, you mention there is some improvement that we are seeing. Would you be able to give some sense if any specific segment is seeing an improvement or do you see across the board and across micro markets?

Anita Arjundas: I think it would be largely across the board in suburbs and in markets like Thane, and, of course, beyond that. The island city still continues to be slow and sluggish. So it is mostly projects which are sub-2 crores and to some extent projects which are in the Rs.3 to 5 crores range, but beyond that things are sluggish.

Aashiesh Agarwaal: In terms of pricing, what is the trend that you see - are developers willing to cut prices to move volumes?

Anita Arjundas: I think people have been cutting prices. If you look at the last 6-months, may be they are camouflaged as promotions and offers and discounts and incentives and not necessarily a straight price reduction, but there is definitely money being put on the table through all of these promotions to be able to move stock and get absorption going up. But even in other markets, I would say largely similar trends in terms of developers being willing to look at price through promotions and incentives as a way of moving volumes up. And as far as new launches are concerned again there is some level of moderation on prices, there is also particularly in this city, moderation in terms of sizes.

Aashiesh Agarwaal: The other follow-up on the new guidelines one that you mentioned. Of course, we have seen this article which talks briefly about it. If you could just throw some more light on the nature of these guidelines and what kind of time-saving can we look at as a result of this?

Anita Arjundas: The guidelines are yet to come out into public domain, so we have not yet got a chance to look at them closely, but I think what the government is talking about is dispensing with some of the NOCs that are today required, multiple NOCs from multiple departments. So basically Mumbai has several layers of approvals. The effort is to cut away some of the layers and make the process sharper and crisper.

Aashiesh Agarwaal: Right now it would be a little premature to kind of guess what kind of time saving we are looking at?

Anita Arjundas: Yeah I think they are supposed to be announcing or sharing the policy in public domain in the next 10-15-days.

Aashiesh Agarwaal: Jayantt, this is on accounting taxation. So I was reading somewhere that going forward, all the developers would have to pay their income tax on a quarterly basis based on a percentage of completion method as against completed contract that lot of developers use for the tax accounting. So, a) if you could throw some light on that; b) how do we do our tax accounting?

- Jayant Manmadkar:** Aashiesh, as far as tax is concerned it is purely governed today by the existing policy of accounting that we have based on whatever income we recognize in the books, and like any other assessee we also pay tax on a quarterly basis which is an advance tax computed based on the estimated income or projected income for the year. That is based on POCM only. So that is the present policy. Secondly, whatever I think probably you are referring to is the new revenue standards which have been now published, at present that has been deferred for a while. So people have made a representation and they have requested government to defer the applicability of the revenue standards by at least one more year. That we will have to wait and watch.
- Moderator:** Thank you. The next question is from the line of Bharat Sheth from Quest Investments. Please go ahead.
- Bharat Sheth:** Taking forward the earlier speaker, ma'am, if we really look at Mumbai, it is a bit stressed market and what we talk, there is a huge inventory already lined up. Going ahead, if there is a relaxation in new launches, will the cost of new launches be competitively lower than the existing one? How do you see the overall pressure on demand and pricing?
- Anita Arjundas:** I do not know whether cost of new launches will be lower, yes, obviously time will be shorter.
- Bharat Sheth:** So that will reduce their interest cost burden from the date of acquisition of land parcel?
- Anita Arjundas:** True, but you also have increases in the premiums chargeable by the government, the Ready Reckoner rates have changed, the basis on which they calculate percentage of RR payable for various fungible premium FSI has all gone up. So those factors will also contribute to the cost.
- Bharat Sheth:** There were not many launches in the last one or two years in Mumbai and if the approval process is easing out, if launches increases in that case, what do you think?
- Anita Arjundas:** It is a question of what kind of supply comes in, who are people catering to, so if people are reaching out to the right target audience, good ticket sizes, then there is scope for absorption to improve in Mumbai as a market.
- Moderator:** Thank you. The next question is from the line of Anubhav Gupta from Maybank. Please go ahead.
- Anubhav Gupta:** Just two quick questions: First is earlier this month the cabinet approved the amendments in the Real Estate Bill. So are you hearing anything because I believe this is depending on the various governments, how they want to implement. Have you heard anything from the state governments where you are operating?
- Anita Arjundas:** No, the Maharashtra Bill was actually put up for presidential assent about a year back, now that the new bill is out from the central government, we understand it will have to go back to the state for reconsideration based on the new framework, and they will again have to go through the process of central approval. To our knowledge, no other state has put out their version of the real

estate regulation bill. Even the central bill will need to move to the upper and lower house and then go for presidential assent.

Anubhav Gupta: You mentioned most of the markets have seen a slowdown in the sales in overall demand. So what is your sense – when do you think the actual demand from investors or the end user will return? Now, we are seeing some positive signs at macro front. When do you see the actual demand coming back?

Anita Arjundas: There are a lot of lead indicators that need to start taking shape out there, we are definitely a lag indicator. So once you have the overall improvement in terms of credit supply, the kind of interest rates that are prevailing, you see other industries like FMCG, consumer durables, automotive improving significantly steadily on a quarter-on-quarter basis, month-on-month basis that is when you really also start seeing the real estate pickup happening. So I would say while some signals are green and you do have certain factors of the economy picking up, we still need to see conversion of consumption metrics into strong numbers to be able to see a significant uptick.

Moderator: Thank you. As we have no further questions, I would like to hand the floor back to Ms. Arjundas for closing comments. Please go ahead.

Anita Arjundas: The focus for this year will continue to be on execution both in terms of sales and construction as far as the residential business is concerned. We will also look at new opportunities that arise in the markets that we have defined as our focus markets for augmenting inventory. In the World City this is going to be a very important year from various aspects; one is the new project at NH5 in Chennai taking form and shape to be able to put it out in the market as a product. Movement in Jaipur in terms of the new product mix that we are looking at, getting the multi-product SEZ off the block therefore increasing our universe of marketing for Jaipur. In Chennai, we will continue to push to get the balance land and be able to realize that inventory. So this is a significant year for the World City business in terms of seeing a lot of new partnerships and new products taking shape. So these would be the key priorities for the two businesses. As far as the affordable housing fledgling business is concerned, we have had a good traction in the first 8-months of the business taking shape, we would now like to continue that momentum and complete these two projects, and add land parcels in specific states to grow the business. Thank you.

Moderator: Thank you. Ladies and Gentlemen on behalf of Mahindra Litespace 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)