PENINSULA LAND
CREATING INTERNATIONAL LANDMARKS

Corporate Relations Department
BSE Limited,
1st Floor, New Trading Wing
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai 400 001

The Market Operations Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai 400 051

19th May, 2016

Dear Sirs:

Sub: Transcript of Conference Call with Axis Capital, the Analysts.

Scrip Code: **NSE**: PENINLAND; **BSE**: 503031

Please find enclosed a copy of transcript of the Conference Call held by the Management with Axis Capital, the Analysts, on the Financial Results of the company for the quarter and year ended on 31st March, 2016, for your information and record.

You are requested to kindly take the above on record.

Thanking you,

For Peninsula Land Limited

PENINSULA LAND LTD. MUMBAI

Rajashekhar Reddy
Company Secretary

Encl: As above

PENINSULA LAND LIMITED

1, Peninsula Spenta,
Mathuradas Mills,
Senapati Bapat Marg,
Lower Parel, Mumbai 400 013.
India.

Phone : +91 22 6622 9300
Fax : +91 22 6622 9302
Email : info@peninsula.co.in
URL : www.peninsula.co.in
CIN No. L17120MH1871PLC000005

ASHOK PIRAMAL GROUP

"Peninsula Land Q4 FY-16 Earnings Conference Call"

May 13, 2016

MANAGEMENT:	**MR. RAJEEV PIRAMAL – VICE CHAIRMAN & MD, PENINSULA LAND**
	MR. DINESH JAIN – GROUP CFO, PENINSULA LAND
	MR. BHARAT SANGHAVI – CFO, PENINSULA LAND
	MR. SHARDUL DOSHI – HEAD, (GROUP TREASURY AND INVESTOR RELATIONS), PENINSULA LAND
ANALYST:	**MR. KUNAL LAKHAN- AXIS CAPITAL**

Moderator: Good morning Ladies and gentlemen, welcome to the Peninsula Land Q4 FY16 Earnings Conference Call hosted by Axis Capital Limited. 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 '*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Mr. Kunal Lakhan. Thank you and over to you sir.

Kunal Lakhan: Good morning everyone thanks for taking time out this morning to attend this con call. We have from the management Mr. Rajeev Piramal – Vice Chairman & Managing Director, Mr. Dinesh Jain – Group CFO, Mr. Bharat Sanghavi – CFO and Mr. Shardul Doshi – Head Group Treasury and Investor Relations. I would now like to invite them for their opening remarks, over to you gentlemen.

Rajeev Piramal: Good morning thank you everyone for joining us on this call. This is Rajeev Piramal speaking. What we will do is we will follow the normal format. I will give you a brief kind of update on the operations and the business side and then I will ask Dinesh Jain who is our Group CFO to walk us through financials and we will open it up for questions.

So, on the operations I think that the last quarter has been reasonably alright. I think certain projects are progressing well. We will break it up into two kind of broad buckets; one is on operational side in terms of work on site and progress in actual construction activity. I think that across the board, on all our projects I am happy to say that work is progressing quite well and we are seeing good progress on site in terms of construction. We by and large, on schedule as of now for almost all our projects and going forward this year we will see significant, it is very critical year actually coming forward for some of our projects as we are beginning to get out of the ground and infrastructural work and getting into actually the high rise part of the building.

As far as sales is concerned in the last quarter, we sold around 50,000 square feet across our projects. The main sale was in our Byculla project in New Great Eastern Mills and in these terminals for 21,000 square feet which I think is on a soft launch as per our targets, so cumulatively in the last year we did about 256,000 square feet of sales and 130 units across our projects. A total value of these sales was about Rs. 700 crores odd for the last year. Total sales in the company level because we did one sale at the Peninsula Business Park project as well was around Rs. 714 crores last year.

So it was significant, the overall performance of the company vis-à-vis your last year in terms of our sales we did Rs. 714 crores of bookings in this year as against Rs. 810 crores last year. We have collected about Rs. 444 crores this year against Rs. 324 crores last year.

If you would have look at in batch 3 operations I think that we are going to see encouraging signs on number of our projects. Our Byculla project has been the very successful kind of soft launch for us in that project which is a total area of about 7,76,000 square feet. We have already sold 160,000 square feet till date, all on soft launch. We will do the full launch of this project post the monsoon as things stand right now. Work on that site has already started, we have demolished the existing structures, we have handed over some areas to The BMC and MHADA which we need to do and we are in the process of getting RCC and till then some other infrastructural work has already started on site.

In Celestia Spaces in Sewri while sales in the last quarter has been a little slow, we have supported that project significantly on the marketing and sales front and we have had a lot of walk-ins without interest, conversions are still to happen but I think that this project you know last year had a significant stoppage until almost October, November of last year but work has re-started in these last 4 months, the progress has been very encouraging on site. So we are confident that as progress on the site continues and besides we have resolved any issues we had with the land owners with regards to sale, etc. I expect that project to start showing some sales over the next few months.

Our Carmichael Residences project in South Bombay is progressing actually very well. We have strong sales pipeline over there. We have a total of only 28 units to sell in that project, of which we should conclude transactions in the next quarter or so for up to almost 16 units, so I think that that is a very encouraging progress we made on that projects.

As far as that project is concerned, we are in a position to maybe increase prices or dispose sales for some time because we have got a lot of pre-sales right now. In fact, just yesterday we received all our RCC for the project up to the top of the buildings, so that is a very positive sign as well. So I think operationally that project is on track and progressing well.

Bishops Gate continues to progress well, we have sold out that project as of now and I think we are on track to deliver that project by Q4 17. So that is on Bishops Gate.

I talked about Byculla. Ashok Meadows, Hinjewadi project in Pune, we have completed the first phase, and we in fact this evening had an event for all our flat buyers and we would start the handover of the project very soon. The project is completed and the handover process will start right now. We do have some unsold inventory are there which we will sell over the next few months. Peninsula Heights in Bangalore is also, the project is progressing and it is doing reasonably well right now. We have had to make some design changes on another building due to some regulatory issues but has been resolved and that is in the work.

As far as sales is concerned in that project, it is a 620,000 square feet project, our total sales till date on that project; we sold about 40,000 square feet last year and our total sales till date is 126,000 square feet in that project. So again sales wise the project has progressed well last year. These are larger apartments but are able to find good traction budget impact in this first quarter we will see some more of significant sales happening for the sales pipeline is looking quite strong in a four lag project.

Our 3 mono projects – Ashok Astoria, Nirvaan and Beleza will all reach the respective phase are under construction right now will be completed in this year, we do have some unsold inventory which we look to liquidate now over 2 period time. So I think overall, if I was to summarize operationally I think that we have seen a slight improvement in terms of our sales, velocity and we are seeing reasonable traction going forward. I think in this financial year key projects for us will be New Great Eastern in Byculla, Celestia Spaces and Carmichael residences will be and Peninsula Heights in Bangalore; our 4 major projects that will drive out going this year. So that is on the operations part we have been talking about land monetization as well for some time, we are pursuing a number of different transactions right now. As we mentioned last time that we were in very advanced stages of discussion as actually we are almost in Term Sheet stage on one parcels but unfortunately as far as our large Mamurdi, Gahunje partial is concerned, it has slowed down on the land sales front. But we are in discussions with a couple of parties and we hope that in this financial year we should be able to complete the couple of those land monetization transaction. So that is the brief summary and I will hand over now to Dinesh to talk us to the financials and we will take up the questions. Thank you.

Dinesh Jain: Good morning. The income for operations for the year ended stood at Rs. 110 crores and there is a loss of Rs. 30 crores due to non-recognition of revenues for some of the projects mainly Celestia Spaces I would say.

On the consolidated level the income from operations stood at Rs. 311 crores, primarily that comprises the consolidation of revenue from Bishops Gate project which has reached the critical stage and as you can see the loss at the consol and standalone level is more or less similar number of about Rs. 31 crores. I am on slide 10, debt profile, the overall debt levels as we discussed in the past over the last quarters, we have maintained the gross level of debt, slight increase is there because of in terms of the slow sales of Celestia Spaces which has delude the cash flows but gross level the debt has been maintained and debt equity ratio is around 1.2 as we speak which is not at our comfortable level, we would like to bring it down as Rajeev mentioned from the 9 transactions which are being contemplated or which are under discussion are taking a little longer than what we thought but once one of those is consummated, I expect this to come down below definitely 1.

Rajeev Piramal: So, the target will be on the debt equity is to bring that down below 1, like I said we are working on four different land transactions at this point in time. We are very that we should be able to conclude a few of those in the next few months. Thank you. I open up for questions.

Moderator: Thank you. Ladies and gentleman, we will now begin the question and answer session. We will take the first question from the line of Ritvik Seth from Span Capital. Please go ahead.

Ritvik Seth: Good Morning sir, I had a couple of questions. Sir, firstly if you can share what is the revenue that we recognized from the Bishops Gate project in this quarter?

Rajeev Piramal: For the year Rs. 200 crores.

Ritvik Seth: Rs. 200 crores and that all will be in Q4 only, right?

Rajeev Piramal: Yes.

Ritvik Seth: And that is our share, so overall Rs. 400 crores and another Rs. 200 crores will come in the next may be couple of quarter, right is that understanding right?

Rajeev Piramal: That is correct.

Ritvik Seth: And as I see Carmichael residences has already crossed 25%, so did we recognize any revenue in Q4 or did we recognize in Q1?

Bharat Sanghvi: Because of some technical reason on the sale it was under execution as on 31st of March, so sales is less than 25%, so both the criteria needs to be meet as you know, sales as well as construction milestones. Acute construction milestone but documents were executed for the 6 apartments, which is 21% and balance is during this quarter and out of which most of has happened in the month of April so remaining this quarter.

Ritvik Seth: So it will come in Q1, 25% of the value. And sir what kind of sales are we like, you mentioned 16 units so what kind of revenue are we expecting from Carmichael in FY17?

Rajeev Piramal: I think with you it is something that we still need to kind of, see frankly due to transaction that we have under discussion we are able to, we have a deal in place we are just finalizing the documentation. Once those get done for us frankly in this coming year we may already be hitting our proposed target for the year. So I think that once we hit 16 units where the sales transaction is completed, then you can assume that the recognition of that revenue would happen in this coming year and then further sales we will decide in terms of additional sales what we want to do and when we want to do those.

Ritvik Seth: So, we can expect around 40-50% in FY17, right?

Rajeev Piramal: 40-50% of the revenue recognition mostly.

Ritvik Seth: About Bangalore Heights, we have hit already 20%, so we should be seeing revenue recognition from that project as well, right?

Rajeev Piramal: I think by Q2 you should definitely see that.

Ritvik Seth: And sir thirdly on the other three projects Nashik, Goa and Lonavala if you can throw some colors what is the construction status and how are the sales going on?

Rajeev Piramal: I think if I can just take a step back on those as far as those projects are concerned. Slide number 15. Actually in the last year those two projects we did about 33,000 square feet in sales. As per the movement in Ashok Nirvaan we are just looking to, so I will just go through one by one Ashok Astoria, the project is virtually completed, we are just in the last stages of completion of the clubhouse and certain common areas, etc. So, I think by Q2 of this year you will see that project to come towards completion. As far as Ashok Beleza is concerned it is similar kind of situation by Q2, Q3 you will see us complete the first phase of that project as well and Ashok Nirvaan I think we will see 26 villas, so the first 26 villas that we built over there you will see 100% completion of those happen by Q2 of this year. As far as sales is concerned in Ashok Astoria between these 3 projects if I can repeat just give me a second, we have a total unsold inventory in terms of area of roughly 2.5 lakhs square feet in Astoria of unsold inventory. In Nirvaan we have only two villas unsold because the first phase was totally of 42 villas but due to slow sales we are only completing 27 villas right now, of those only two are unsold. As far as Beleza is concerned we have unsold inventory there of 190,000 square feet, so I think that between we have a total unsold inventory if we put a value it would roughly around Rs. 250 odd crores between these. Target for us really is to see and find a strategic way in which we can liquidate this inventory because we have stock there for ready possession, obviously these are a little bit slow because of market but we are doing a lot of promotion and marketing activity locally in Nashik in particular and in Goa to get some traction for these projects. So, I think that we will have a better idea maybe going in 2Q, let us see what happens for these projects and then we will have a better idea in terms of what velocity we are able to gain on the unsold inventory, we have projects at least completed, I think that is a positive step and now the challenge for us is to now try to liquidate this around Rs. 250 odd crores worth of inventory that we have across these projects.

Ritvik Seth: So FY17 we will be able to complete most of these 3 projects and then we will have Rs. 250 crores inventory roughly?

Rajeev Piramal: That is right. If I may just interrupt, I think that just to add in all these projects we still have, while we have unsold inventory right now, we also have balanced FSI that is to be consumed at a future date so there is a possibility for a Phase 2 in Beleza, in Nirvaan and in Astoria but the perhaps our first challenge would be to try to liquidate some of this inventory and then we can look at planning for sales to across these projects. So there are 2 things still left in these projects; unsold inventory and future development. Both those will happen in future.

Ritvik Seth: Going on to the Mamurdi Land Parcel what kind of amount we are looking at; if I understand right that we had bid around Rs. 200 crores for that land parcel. What kind of amount are we looking at approximately?

Rajeev Piramal: I think as far as these land parcels are concerned the going rate in that area today is anywhere between Rs. 950 to Rs. 1100/1200 a square foot. So that gives you at 1200 it becomes almost Rs. 4.8 crores to Rs. 5 crores an acre. So that is the range in which that transactions can be struck if possible. That is the range if that kind of discussing and negotiating, so we will see how that progresses. I think that we have to strike the right balance between being able to do a transaction and getting a buyer who was able to afford a transaction of this size. So we are **(Inaudible) 19:42** that range only; between I would say Rs. 900 per square foot to around Rs. 1100 a square foot roughly I would say, Rs. 900, Rs. 950.

Ritvik Seth: Around Rs. 1000.

Rajeev Piramal: I am giving you a range let us see where we end up between within that range.

Ritvik Seth: One last question on Celestia Spaces, if I look that we have done a transaction at around Rs. 21,000 per square feet and if I see your average cumulative realization, it is something around Rs. 23,500 and for FY16 it is Rs. 25,500. So have we reduced price or if you can throw some light on that?

Rajeev Piramal: No, it is also function of where this sell happens in the building or it depends on what payment schedule you are giving people. So it is a function of different…. but we have not reduced prices.

Moderator: Thank you. The next question is from the line of Prem Khurana from Anand Rathi. Please go ahead.

Prem Khurana: My question was with respect to our full year financials, I mean consolidate numbers with turnaround Rs. 311 crores odd of top line and a large part of this top line seems to have come from Bishops Gate despite it is there is no improvement rather. There appears to be some kind of deterioration in our margins, I mean what we have done is almost Rs. 12 crores or Rs. 13 crores odd of EBITDA only excluding other income. And given the fact that the large part of your number has come from Bishops Gate which happens to be a very higher value project, why would we get to have these kind of margins?

Dinesh Jain: I mean Bishops Gate, we need to see the sales which got booked but the sales which were sold earlier, the portion of the project which was sold earlier, the reason you are saying that in terms of the matching those sales have booked but some of the high value sales will now as we go forward will get through the proportion of, high value sales will now increase and you will see the change in the reported numbers and the margins.

Prem Khurana: But if I would look at the TOC, we do is I mean we would look at the average till date right and not the sales made earlier, so you would have booked 77% of the entire sales that we have done till this date so cost should have been apportioned accordingly only and it is not that you would have booked only from the units that you would have sold at the earlier stage and you would not have booked numbers from the sales that you would have made in this year. So average is around Rs. 73,000 a square feet for us. Now if I were to 10% kind of margin which in fact means my cost is around Rs. 60,000-odd a square feet, is my understanding correct or am I missing something here?

Dinesh Jain: I will tell you; some of the sales which were done earlier and some of the sales which are now contemplating the margins are completely different. Yes, in terms of the overall margin what we will make on Bishops Gate is not going to be on the lines of very high, margins would improve from here once we consummate those sales which are going to be a substantial higher price compared to what we have done.

Prem Khurana: And how at Carmichael, what kind of margins we are looking at from Carmichael, would these be an excess 25% to 30% or could you give us sense on margins of Carmichael Road?

Rajeev Piramal: I think in Carmichael Road if you see, while we paid a higher value obviously for the land upfront, there is a significant delay on that project on account of that PIL that has been filed, not regarding our project but it has been done **(Inaudible) 23.40** the discretionary power of the Municipal Commissioner in proposed old heritage areas so due to that we suffered a delay of almost 12 to 18 months in the project and unfortunate because of that delay that has eaten up into significant in one of the profit margins that we had. And Carmichael Road what we have to do upfront is we had a couple of large upfront statutory cost that we had to bear; one was in terms of tenant settlement, other in other statutory cost to MHADA. So we have had two issues here; one is the delay on account of PIL plus a front-loading of certain statutory costs, so I think that has eroded the margin over there to some extent, however, we are confident we are seeing some traction right now let us see. We still have 13 units left to sell, which we hope we can get some price increase over to what we are doing right now. So, nonetheless, as things stand right now, while obviously we always look to improve our margins as the project goes. As things right now we are looking a margin of about 10-12% right now due to these reasons that I mentioned earlier.

Prem Khurana: And in the opening remarks we spoke about some land monetization transactions that you are working on, you seem to be working on some 4 transactions, so one is Mamurdi, which other 3 would be these be?

Rajeev Piramal: I think until unfortunately I mean when we said that last time until anything is signed it is little sensitive for me right now to share this information but I think that you all are all familiar with our land banks and I think this we will just be able to share with you as these transactions go through, it is confidential.

Prem Khurana: Would you be able to share some thoughts on new launches that you plan for this year. I mean apart from the incremental phases that you will yet to have some of these existing projects and are we planning to launch any new projects in any new geographies or anything?

Rajeev Piramal: No, I think as far as we are concerned now our priority is really two-fold. One is that obviously on existing portfolio to move those towards completion and the second thing is to look at the land divestment and exit on the land parcels and bring our debt to a more manageable level. As far as new opportunities are concerned, yes we always are looking for opportunities but nonetheless, these are our priorities and we want to address these issues first before we look too much towards new launches at the moment.

Prem Khurana: So, where do we see growth to come from? As far as the bookings are concerned we could do almost Rs. 700-odd crores of bookings in this year and now if you were to launch any new project, what will happen as you would get to have the kind of number that you are getting form these projects, I mean there the numbers would have already stabilized, except for that Byculla project, right? So where would we be able to get growth from in terms of bookings?

Rajeev Piramal: I think that the growth will come two areas – One is in additional sales of significant inventory, more than what we have done last year. Second will be on the execution, as we are able to move the projects forward we were able to recognize, higher revenue we will see the growth in the cash will come from there.

Prem Khurana: Also if you could share your thoughts on the Rs. 380 crores odd is of current maturities that exists, would we be able to meet there or we would have to go to banks and kind of seek some kind of extension?

Dinesh Jain: No we should be. I think, as you see over the last year also, sales have been slow but we have been able to repay most of the debts, we do not see much of an issue in re-financing these debts. And as Rajeev mentioned monetization something of that too happened anyway it will give a fairly significant cash flow to us really.

Prem Khurana: And also, would it be possible for you to share the number in terms of quasi equity debt is there in the form of debt because of debt that is there in the presentation is net of cost of equity, I mean if I will include cost of equity how much would that number be?

Rajeev Piramal: About Rs. 300 crores. I think our first challenge is to return to profitability I think and that is really the first target to return into profitability and then your top line growth will come over a period of time but I think first this year we want to first move towards the profitability. I think that will be our priority there.

Moderator: Thank you. The next question is from the line of Kunal Lakhan from Axis Capital. Please go ahead.

Kunal Lakhan: My question is pertaining to the Celestia Spaces project; now we have re-started the construction over there but what is our sales strategy over there and firstly like are we facing competition from say our Byculla project which may be like cannibalizing the sales over there because see these projects are 2 kilometers apart but in terms of realization there is not much of difference like 15%, 20% higher plus even if you look at your Byculla project the location is also a tad better, also there is lot of supply from competition as well in an around Byculla, so are we seeing some pressure in terms of sales?

Rajeev Piramal: I disagree with you on a couple of points – I think one is that right now what we are seeing is there has been actually very little cannibalization at all between the 2 projects. We have been kind of offered this project almost like a package to customers to walk in but the clear preference so far has been towards the Byculla project, although the Celestia project, yes, we had work stopped last year but it is further down on the road in terms of development and construction. And I think that the 20% price gap is quite significant. I would not say that it is a small gap given where the projects are related to each other. In fact, it is almost 20% to 25% so I think that there is no cannibalization happening that is one. I think the second thing that as far as competition is concerned, I feel that impact the Celestia Spaces which is the project that faces more competition in and around the area and especially from projects like maybe

Crescent Bay and Lodha and Azuro I think it is but in fact Celestia is the project that faces a further competition. As far as Byculla is concerned, we are clearly in that area, in that micro market we have the premium project which is the fastest selling project also in that area and is doing quite well relative to competition. So I think that the 2 projects are quite separate. I think that in Celestia if I may say so, the issues have been more to do with operational issue so for instance last year because we did not have work on site for almost 6 to 8 months that was a big problem. I think we also had issues in terms of how the project was being sold, we have land owners who have area share as you all know between ourselves and the land owners and we had situation where the land owners were out in the market selling separately and at a lower price from us which caused a lot of problem of which as you can imagine within the project, however, we have been able to address on the issues today we are selling the project jointly. We are seeing that there is still for us, we need to show two things – first we need to show significant progress as far as the site is concerned because today market that delivery uncertainty; that that risk is considered as a major risk for all buyers and significant discounting of a project happens, that is the situation that is one and the second thing is that customer needs to understand that there is only one single price point and one single pricing location for this project as well, this is also the case where they feel that they could get a discount from one of the entities selling a project. It always makes it harder to sell, so I think it has just taken us sometime we will really re-launched this project in full force in maybe January of this year since that time when we did the re-launch we had more than (+120) walk ins happened but the conversion as you can see from the sales has been slow and has been low and I think it is just a question of reviving the confidence of people. I also think that in this project while I obviously personally believe it is the best project in the area in terms of if you look at the sizing of the apartments, if you look at the density of the development itself compare to competition in terms of the amount of open space that there is, the amount of the number of apartments there are per acre, etc., I think that those ratios are very much in our favor as far as the project is concerned but I think right now what is happening to some extent is that there is a little bit of commoditization in this area because of the amount of supply out there and these other factors which are actually in our opinion very important factors and will tell in the medium-to long-term today are being ignored to some extent where decisions are being driven primarily by price. So, I think that we have to be a little patient in this project and in the meanwhile we will continue to obviously engage into market this project reasonably aggressively but that needs to be coupled with execution on site. I am happy to say that as of right now from the time work has restarted to now we are bang on schedule and we are very confident that as we come out of the podiums and into the typical flaws which is the key element to ensure that the timely completion of the project happens, I am very confident that we will be able to show that kind of a delivery. So, I think this year is a very important year I would say execution wise it is a critical year for two of our projects, I would say that it is a very critical year for Celestia Spaces that it is a very critical year for Carmichael Residences because both these projects are out of the ground now, the parking levels are being completed and we are now getting into the typical slab, so it is 50 stories each obviously for Celestial. Carmichael Residences are little less challenging, it is only 14 livable floors over there but, nonetheless, we need to see structural progress in both these projects this year and I think that will also bring people back in and it will generate confidence in these projects. Carmichael of course we have done the sale so there is a different reason why we need to show progress because obviously to give the existing sales that we have to give them confidence because these are high value transaction, high profile individuals and in Celestia, we really need to show progress to bring customers who are maybe sitting on the fence, who have visited the site, so like I said we have more than (+120) walk-ins, so we have lot of people visited the site, lot of people are interested in the project but they are just kind of waiting to see that progress happens, so if we are able to demonstrate that, I am very confident that we will sales starting to pick-up in that project. In addition to that as far as Celestia is concerned, we will also explore the option of doing maybe a bulk sale transaction. We will see if the requirement is there to kind of to see some movement of inventory in that project we will take that call if we require to do that for which we are exploring an option. So, I think Celestia is a key project for us giving us the adequate attention and support that they require. Let us see what happens in the next few quarters in that project.

Dinesh Jain: I think one question Kunal you had is that the price differential between the NG and Celestia, if we speak today, so similar comparable projects you say Ashok Towers and a similar comparable project in that is Gardens but still the differential between these two, a similar differential in percentages even exist today.

Kunal Lakhan: Sure, my second question was on your collections front – you have one of the best quarters in terms of collections but your cash balance went down in this quarter, just wanted to understand, have we made any approval related payments or have we upped our construction run rate in this quarter, what happened here?

Dinesh Jain: Construction run rate I would say Celestia specifically as some of the other projects as well, so there is a traction as gained and that is the reason the cash got consumed there.

Kunal Lakhan: But this would be a one-off or we would plan to maintain this kind of run rate quarter after quarter?

Dinesh Jain: I think definitely the hope and the intention and the ability, I think Rajeev said he is there is to do it really we need to see how the market really goes but I think we are quite confident compared to what probably couple of quarters it was situation, it does improve, certainly.

Moderator: Thank you. As there are no further questions I would now like to had the conference over to the management for their closing comments.

Rajeev Piramal: Once again I would just like to thank everyone who has taken the time to listen to what we have to say and ask relevant and pertinent question. I think I would like to sum up to say that we have over the few quarter been really preaching a similar thing really preaching similar thing, focus on execution and pick-up in sales. We are beginning to see that happens in specific project, obviously we feel that there are certain projects that can do better which we have discussed at length but I think in this coming year, we have three kind of main focuses – one is to obviously look at ramping up our sales further in our existing projects. Number 2, is to bring those projects further towards execution and completion so we can start seeing that hit our P&L and third is of course in the land optimization and land rationalization strategy. I think that in all three areas we feel confident, we should be able to deliver a better performance than the last year and I feel confident that going into this year we would see a turnaround in the financials of the company and a significant improvement in the financials of the company. So, with that I would like to say thank you once again and we will speak again at the end of 1st quarter of this new financial year. Thank you.

Moderator: Thank you members of the management team. Ladies and gentlemen on behalf of Axis Capital that concludes this conference. Thank you for joining us and you may now disconnect your lines.