

# Brigade Enterprises Limited

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**BRIGADE**

Building Positive Experiences

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21<sup>st</sup> August, 2019

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Re.: Scrip Symbol: BRIGADE/Scrip Code: 532929

Dear Sir,

**Sub.: Transcript of Conference Call on the Company's Q1 FY-20 Earnings -16<sup>th</sup> August, 2019**

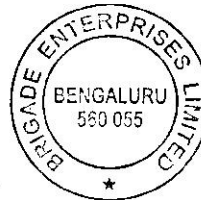
We are enclosing herewith the transcript of the Conference Call on the Company's Q1 financial results for the financial year 2019-20 held on Friday, 16<sup>th</sup> August, 2019.

Kindly take the same on your records.

Thanking you,  
Yours faithfully,

For Brigade Enterprises Limited

P. Om Prakash  
Company Secretary & Compliance Officer



Encl.: a/a



Brigade is recognised as one among the best in  
Construction & Real Estate Industry.





“Brigade Enterprises Limited  
Q1 FY2020 Earnings Conference Call”

August 16, 2019



**MANAGEMENT:**

**MR. M.R. JAISHANKAR - CHAIRMAN &  
MANAGING DIRECTOR – BRIGADE ENTERPRISES  
LIMITED**  
**MS. PAVITRA SHANKAR – EXECUTIVE DIRECTOR  
– BRIGADE ENTERPRISES LIMITED**  
**MS. NIRUPA SHANKAR – EXECUTIVE DIRECTOR –  
BRIGADE ENTERPRISES LIMITED**  
**MR. AMAR MYSORE – EXECUTIVE DIRECTOR –  
BRIGADE ENTERPRISES LIMITED**  
**MR. ATUL GOYAL – CHIEF FINANCIAL OFFICER -  
BRIGADE ENTERPRISES LIMITED**

**Moderator:**

Ladies and gentlemen, good day and welcome to the Brigade Enterprises Limited Q1 FY2020 earnings conference call. We have with us on the call today Mr. M.R. Jaishankar, Chairman & Managing Director, Ms. Pavitra Shankar, Ms. Nirupa Shankar and Mr. Amar Mysore, Executive Directors and Mr. Atul Goyal, Chief Financial Officer. 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 "\*" and then "0" on your touchtone telephone. Please note that this conference is being recorded. I now hand the conference over to Mr. M.R. Jaishankar, Chairman & Managing Director of Brigade Enterprises Limited. Thank you and over to you Sir!

**M.R. Jaishankar:**

Good afternoon. I welcome you all to this conference. Thank you for joining. Firstly, I am happy to announce a fairly good numbers for this Q1 of FY2020. As you would have seen from the press release and intimation to stock exchange, our sales volume for Q1 has gone up to 1.13 million sq. ft, which is almost a jump of 165% compared to Q1 of the previous year FY2019. What we are happy about this is, this is the highest sales per quarter the company has recorded since its inception. That is an encouraging thing. Last year we did just under 3 million sq. ft and we had given, if you want to call it as a guidance, we had given a guidance of about 4 million sq. ft of business for this year. I think as things appear now, we are on our way to reach that 4 million square feet sales, if not more. though the teams will be working to exceed it subject to the conditions remaining the same, at least being what is it now on this basis, we should reach 4 million square feet.

I am also happy to say that our lease rental income has contributed up to 12% of total revenue and Hospitality income has contributed 11% to 12%. Overall average occupancy has gone up to 59% from 55% year-on-year. I know in this quarter, we have not taken the Four Points by Sheraton Kochi because it is just in the stabilization period and moreover, in Kerala star hotels having liquor licenses is an important aspect for proper occupancy and we received the liquor licence only in the month of August, but unfortunately, you would have read about the Kerala flood situation, etc., though our hotel itself is not affected and that part of Kochi was not affected, the airport was under closure for a couple of days. Now it has opened. So I think things should be much better going forward for Four Points by Sheraton.

With respect to revenue, I think the figures are already with you. It is 717 Crores for Q1. EBITDA is on expected lines, but the PAT has dropped to 41 Crores from 63 Crores primarily on account of higher depreciation and interest because some of the capital expenditure of our projects which were shown as capex projects earlier have been

capitalized and the interest post capitalization will become a P&L item. Before capitalization, the interest would have got capitalized to the project. That way, I would say the interest burden on the P&L is slightly higher so also the depreciation aspect.

We are also happy to say that the overall leasing area is about 7,70,000 square feet for Q1 is done and Q2 also the leasing traction is fairly good, though we are in the process of concluding. While the effort is to reach a similar number, I think we should be able to reach hopefully 600,000 plus leasing in the coming quarters.

Again coming to hospitality, nearly 300 keys will become operational in this financial year, mostly in Q3 is what I am expecting it to or it may just spill over to Q4, that is the Grand Mercure hotel in Gift City of Gujarat and also the Holiday Inn Express in Old Madras Road, in Bangalore East, both these things are in advanced stages of completion and that should help.

In the hotel, we have three upcoming projects which are near Bangalore Airport. We have received the approvals, construction is to start and Novotel Suite, all Suite Hotel about 112 keys, and this is part of the Brigade Tech Garden which is JV with JAC of Singapore. Similarly, we have just received approvals for a residential part, the residence at the World Trade Center, Chennai which will also have a component of executive apartments about 80 keys, plus there are about 45 keys guest rooms in the World Trade Center itself. So, together, it will be about 125 keys, this we are yet to finalize the management contract with an operator. That should happen mostly in this quarter itself. We are in touch with it.

Of course, the analyst and investors would be keen to know what is happening with the hospitality stake dilution with the private equity investors. Yes, the discussion is going on for a couple of quarters now, but I think in this quarter, it has reached I would say at least an advanced stage with one party and also in fairly good stage with a second party. Subject to due diligence, we will be able to reach the commercial terms in this quarter, I feel.

Our other large commercial project, Brigade Twin Towers which is overall about 2.4 to 2.5 million square feet including TDR. Since the TDR policy in Bangalore is still in limbo, nearly three years it is in limbo mostly due to political related issues, now with the change of government in Karnataka, with a stable government, things should be much better. We are hoping by December or earlier, the TDR issue should also be resolved. Once that happens, I think the 2.5 million square feet will become a certainty. Currently it is 1.4 million square feet, which is approved. We are almost in the verge of finalizing the contract on this 1.4 million. That also should happen may be in the next two to four weeks itself.

These are the preliminary remarks. We also have quite a few residential projects to be launched within this financial year as we discuss more, we can give a little bit more information. Thank you, we wait to hear your questions.

**Moderator:** Thank you. Ladies and gentlemen, we will now begin the question and answer session. We have the first question from the line of Adhidev Chattopadhyay from ICICI Securities. Please go ahead.

**Adhidev C:** Thanks for the opportunity. On the leasing, could you just break it up for the quarter between WTC Chennai and Bengaluru leasing and what is broadly the leasing pipeline you have for the next six months, means in these two projects specifically in a general sense?

**M.R. Jaishankar:** On the leasing, so far we have done about 750000 square feet of leasing, cumulative I am saying, not just for this quarter, cumulative we have done about 7,50,000 square feet in Brigade Tech Garden and about 6,30,000 square feet in World Trade Center in Chennai. That is the cumulative figure. As far as this quarter itself is concerned, we have done about 3,80,000 square feet in Brigade Tech Garden and 3,73,000 square feet in World Trade Center, Chennai and another 21,000 square feet in Gift City, BIFC and World Trade Center, Kochi. It is about 7,73,000. This does not include almost 2,50,000 to 3,00,000 square feet of hard option is given to a client in Brigade Tech Garden who has already finalized the lab space. Say that 2,50,000 to 3,00,000 square feet, the client is likely to exercise the hard option in Q4.

**Adhidev C:** All these leasing in Tech Garden when will we see the first leasing income kicking in and similarly for Chennai when do you see the first leasing income?

**M.R. Jaishankar:** In the Tech Garden, for a smaller area of may be 1,50,000 square feet or so, the leasing income has started kicking in from July 1, 2019 and the larger area of what I mentioned about 3,80,000 almost 60,000 square feet it should start happening in Q3 and Q4. As far as Chennai is concerned, it will be mostly in Q1 FY2020.

**Adhidev C:** Secondly for this quarter in residential business, so how much has come from new launches in terms of the sales and this El Dorado would have contributed how much?

**Pavitra Shankar:** This is Pavitra here. In this Q1 about 25% of our business and area sold has come from new launches, another 25% from completed projects and the remaining from our ongoing projects. El Dorado itself that got moved in the last quarter.

**Adhidev C:** Of this 0.5 we have launched, around half would have been sold on launch?

- Pavitra Shankar:** Yes, more than half has been sold.
- M.R. Jaishankar:** We have sold around 2.65 lakhs.
- Adhidev C:** Okay, I will come back in the queue with more questions.
- Moderator:** Thank you. The next question is from the line of Chintan Modi from Motilal Oswal Securities Limited. Please go ahead.
- Chintan Modi:** Congratulations Mr. Jaishankar and the whole team for good set of numbers. My question is on the residential side. So, I would like to understand what is basically driving the whole out performance. I understand that there has been a lot of consolidation and peers are also performing well, but our performance is quite outstanding. So, if you can highlight that?
- M.R. Jaishankar:** I would say, I think I mentioned this in the AGM also; it is a combination of factors. First credit I will give it to our team, who have worked hard. We have increased the team, we have a new CEO for residential and he is also leading our team well. Secondly, the new launches have happened which are in the right location, in the right budget. Number three, I think since there is a quite a bit of stress at tier 2, tier 3 or tier 4 developers and there is a possible shift of business to tier 1 developers, so that way you may see all the listed developers in Bangalore to clock better numbers. I think it is primarily because few small developers are under stress. I think these are the primary reasons.
- Chintan Modi:** Out of the total ongoing and completed inventory that we have, how much of a percentage would be below 1 Crore ticket size?
- M.R. Jaishankar:** Of the stock we have?
- Chintan Modi:** Of the stock, yes.
- M.R. Jaishankar:** You can say 15% to 20%, maximum 20% is above 1 Crores, 80% is below 1 Crores.
- Chintan Modi:** I would also like to understand about the utilization of land bank that we have. The new projects that are coming up are those from the existing land parcels and what is the overall broad plan for monetizing these land parcels?
- M.R. Jaishankar:** In the coming quarters, we will be launching about nearly 2 million square feet in Chennai, may be definitely in Q3, that is World Trade Center residences which is about 6,50,000 to 70,00,000 square feet and about 1.2 million square feet in the second phase of Brigade Xanadu, about 2 million square feet would be launched. In El Dorado, we will be launching

another million square feet in this quarter itself. We have received the approvals for the entire project now, so we are in the process of doing the formalities like RERA and other related issues, financial flow etc. Even in Brigade Utopia, we would be launching additional new block. That may be not a large area; less than 50,000 square feet will be launching and a smaller block in Mysore that is just about 150,000 square feet. There was a substantial delay for our residential project in Hyderabad primarily due to the state not having an environmental committee to give the environmental clearance for the last seven to eight months. Because of that, many, many projects in Hyderabad are held up; so that I think a committee has been formed recently. With this result, we hope to get the required clearances in the next two months and then we should be able to launch 1.5 to 2 million square feet in Hyderabad.

Overall, we have including commercial about 9 million square feet projects to be launched beginning from Q2 onwards in the next four quarters.

**Chintan Modi:** Just one last question, the total easing now that has happened in BTG and WTC Chennai, this would be between how many tenants and what is the average rate coming at?

**M.R. Jaishankar:** The number of tenants will be about five tenants and the rate will be between you can say average 50 to 55. That is for Bangalore. For Chennai will be in the range of Rs.75 to Rs.80.

**Chintan Modi:** There how many tenants will be there?

**M.R. Jaishankar:** Three tenants.

**Chintan Modi:** That is from my side, thank you.

**Moderator:** Thank you. We have the next question from the line of Kunal Lakhan from Axis Capital. Please go ahead.

**Kunal Lakhan:** On the leasing front, even considering the hard option, we would be still cumulatively less than 2 million square feet till date. Just trying to understand with the current run rate of 6.7 million square feet by March 2020, we would still be looking at unleased area of about 2 million square feet odd roughly. How should we look at this, I am asking this question every quarter, but I was just hoping that the leasing run rate kind of improves from hereon than a little too late now. Would it be a situation where we will have a significant amount of unleased area where we will be competing with the non-IT SEV space also? Just want your thoughts on this?

- M.R. Jaishankar:** Naturally our team is working hard and this quarter they are reasonably confident till it is inked, nothing can be certain, we are reasonably confident to repeat similar number anywhere between 600,000 to 700,000 square feet leasing should happen. In the next quarter also, I think the team is working hard. It should happen based on the enquires that we have, a number of enquires and discussions are happening. So, if not the entire 5 million square feet at least may be before the sunset clause is over, we are hoping about 4 million square feet at least will be completed and if the leasing is not fully completed by the time the sunset clause reaches, then as far as we as developers are concerned, we will still get whatever incentives that are there. The question is occupant may or may not get the benefit. Let us see what measures Government of India will come up with to encourage or improve the economy. We were expecting this to be postponed, you know, the sunset clause to be extended in the central budget, but that did not happen. That was a disappointment. At least everybody was hoping that it will be extended by a year. Who knows to give a fillip to the economy, they may extend it by another year. But, anyway, we are not counting on that.
- Kunal Lakhan:** So would that mean that on the balance area, which will remain unleased after March 2020, it could get leased out at a discount to the current rate, would that be a fair assumption?
- M.R. Jaishankar:** No, I do not think so. I do not think that it will get leased at a discounted rate. We expect the rates to remain the same, if not go up because there is a general trend of rate increase in lease rental increases which we see even in Non-SEZ projects also, wherever renewal of leases or fresh lease in Non-SEZ projects that we see: there is an improvement in lease rate.
- Kunal Lakhan:** Just on the residential side, we saw great sales this quarter, but did not really convert that into the collections that we are seeing in the previous quarter, what is the reason behind lower collections versus last quarter?
- M.R. Jaishankar:** Collections were 331 Crores in residential and I think it is mainly because of the GST confusion which has happened in March till April, May and so that has only reduced the collections, but seeing our sales figures and what sales we did last year, we are expecting a good collection this time, though we are not largely very out of the target because last time we had done around 390 Crores, this time we had done 331 Crores, so it is mainly because of the GST and I think this way now, everything has been sorted out and collection will start coming in.
- Kunal Lakhan:** Lastly on the PE investment of 60 odd Crores, which project was this, sorry I missed it out?
- M.R. Jaishankar:** We have a GIC platform where we have two properties that are Tech Garden and Chennai WTC. So there the equity infusion has been done by both the partners, so we have done



around 120 Crores, 60 Crores have been contributed by Brigade Enterprises and 60 Crores from GIC.

**Kunal Lakhan:** Just last one, in terms of net debt increase in this quarter, it was about 180 odd Crores, this was mainly on account of your capex projects or was it on account of increased spend on the residential side?

**M.R. Jaishankar:** Residential, if you see the net debt sheet, actually it has not increased at all. It has decreased by 4 Crores, but if you, mainly the increase is in capex projects which is leasing projects and some minor increase of some 15 Crores to 16 Crores in hospitality. Rest is all in leasing capex.

**Kunal Lakhan:** Alright, thanks so much.

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

**Prem Khurana:** Good evening Sir, thanks for taking my questions. Congratulations on a very good set of numbers. Basically what I want to understand is, is there any change in our thought process on how we approach commercial or office space. If I look at the launches that you have done during the quarter, it seems to be somewhat commercial heavy launches and there again are two projects which are meant for outright sale, so is it something that we have made up our mind that this is the minimum area that I need to have if I want to own to it and if it is below this number, I do not intent to own it. The idea would be strata sales?

**M.R. Jaishankar:** No, not really like that, but to say on the strategy, we have shared the strategy earlier also. The organization had a skew towards residential almost, it was 80% residential and 20% commercial and hospitality, it used to be a couple of years back. So there has been a definite effort in the last three years to increase our commercial portfolio, commercial office, retail, hospitality portfolio. Currently, I think it is about 55% residential and about 45% non-residential, which includes hospitality, retail and offices. The intention is to make it into 50:50, but it is not really possible to cut like a piece of cake in the middle and to say 50:50. Currently, as things go now, it can be 50:50 in the next one year, but subsequently, commercial projects you have to have the right parcel of land and all that matters. So, the effort is to make it into 50% residential and 50% non-residential, that is the effort.

**Prem Khurana:** On commercial Sir, how do we decide on what do we intent to own and what would be offered in terms of sales, because this quarter there are three launches and two are on strata sales basis and there is one which is on lease basis and there is hardly any difference at least in terms of size, so is it more to do with location or how does it work?

**M.R. Jaishankar:** We also take up a lot of projects on joint development basis and in commercial case, quite a few joint development projects where we try to do strata sales. Joint venture is different. That is in a SPV company we keep it, or if it is not 100% owned by us, we may, I am not saying in each and every case, we may try to sell a strata sales, it also helps our cash flow in projections and management. So that is the primary method of assessing joint developments we are trying to do strata sales where we own the land or either in a JV company, we try to retain.

**Prem Khurana:** Sorry, I joined in a little late, I am not sure if you have already answered this or not, on Gift City, the leasing, it has been almost a year now and overall leasing is only around 9% odd, any efforts that you are putting in to kind of make sure the project kind of sees a success and what measures are under consideration as of now to kind of see that we lease our a large part of it?

**M.R. Jaishankar:** Gift City is a challenge. I think we have to accept that as a challenge. Thankfully, our exposure is not large. It is less than 300,000 square feet. The entire project though it is a fantastic project has not lived up to the expectation of developers, but whatever area we have is in advanced stage with large financial institution, so we are keeping our fingers crossed. Our project is shortlisted and I think if that happens, we will be fully leased in Gift City, otherwise, we have to suffer for sometime.

**Prem Khurana:** Just two more if I may, one was on the sheet that you have provided in terms of exit rental during the quarter and thanks for that because it is very informative. What I observe is that WTC Bangalore, our average is around Rs.106 per square feet and for Orion it is around Rs.110 to Rs.112. Generally when you get to have an integrated development wherein you have office as well as mall and hospitality and residential, rental for retail is going to be significant higher than office space, but here it is somewhat in line with office, so it is that a large part of our area at Orion is kind of not had renewals in sometime which is why this insignificance difference between office and retail?

**M.R. Jaishankar:** In some cases in Orion Mall where you have anchor tenant. Anchor tenant, the lease periods are much longer say for example a multiplex or a super market or department store, so the lease rental increases are in expected lines of say 15% once in three years or in some cases, some amount of revenue share etc., will be there. So, almost 50% of the area is comprised of such long duration rental. The balance areas will have about 6 years, 9 years kind of lease, mostly 6 year kind of leases, so in that, quite a few have been renewed. That is the reason the rentals have gone up from almost, average rental I am saying, which was in the range of Rs.80 to Rs.85 per square feet even last year have gone up to 100 plus per square feet because of the renewal of leases at much higher rental.

- Prem Khurana:** But Sir, the amount seems to be slightly higher for WTC, if I remember, it used to be 70 to 75 odd, it has increased to around 106 whereas for the Orion ....
- M.R. Jaishankar:** There again as a percentage, quite a few leases came up for renewal, that is the reason it has gone up.
- Prem Khurana:** Any lease which is supposed to come up for renewal either this year or next year?
- M.R. Jaishankar:** I am not able give it right now.
- Prem Khurana:** Just one last question, if you can help us with the Thiruvananthapuram project, the land that we have acquired last quarter, any updates on that?
- M.R. Jaishankar:** You can say that as the real land bank. We are not in a hurry to launch anything. There is no big cash outflow, our cash outflow in the whole Thiruvananthapuram for the government allotted land is just 100 lakhs, balance will happen when it happens. There also government also has given for us a long duration payment plan of three years. So, that way it is okay, out money is not stuck.
- Prem Khurana:** Sure Sir, thank you.
- Moderator:** Thank you. We have the next question from the line of Nimit Gala from Edelweiss. Please go ahead.
- Nimit Gala:** Hello Sir, firstly congratulations on the strong operational performance and I appreciate the exit rental slide introduced in the investor presentation. I had two questions, one is regarding the Brigade Twin Towers, do we have any clarity when do we start the construction on that one?
- M.R. Jaishankar:** I think it should happen in this quarter itself.
- Nimit Gala:** Okay because I could not find a mention I the investor presentation for that one or the exit rental slide?
- M.R. Jaishankar:** In the slide it is there as to be launched in the last line I think. Of course it is not considered in the exit rental value, it is not considered.
- Nimit Gala:** What about the stakes in the hospitality segment, are we expecting it in Q3, Q4 itself or is it taking any longer?

**M.R. Jaishankar:** I did mention initially in the initial remarks I think right now though the discussions have been going on at a preliminary level for nearly one year and we had appointed Kotak Investment Bank for evaluating and getting the right investor, that had not happened. At this stage, we are in advanced discussions with one and in a fairly good level of discussion with another, so it should definitely happen, we feel in Q3 so that the due diligence does not get delayed.

**Nimit Gala:** That is it from me; I will join back the queue.

**Moderator:** Thank you. The next question is from line of Parkishit Kandpal from HDFC Securities. Please go ahead.

**Parkishit Kandpal:** Sir earlier you mentioned that the Bridge Tech Garden, WTC Chennai the cumulative like 5 million square feet, around 4 million square feet will get completed before March 2020?

**M.R. Jaishankar:** Hopefully.

**Parkishit Kandpal:** So just wanted to know beyond that what kind of flexibility we have in these projects like if you want to do a retail part or say a SE part, so SE you are already launching I think in Chennai WTC of 0.6 or 0.7 million, so can we increase it to make use of this 1 million which we may not be able to lease out?

**Nirupa Shankar:** So one option is while we are in active discussions with quite a few tenants, especially in WTC Chennai, we are in active discussion with more than a dozen tenants and in Brigade Tech Gardens also, we are in active discussion for another 1.5 million square feet across various tenants, worst case scenario if that does not materialize, a lot of the existing tenants are also looking incubation space, we have the option to covert that space to incubation space as well, so that is something we might consider, but as of now, we are quite positive that we would be able to lease the spaces because all the way in the beginning of Q2, we have a lot of active discussion, but worst case scenario, may be retail is not something we might want to consider converting the office space, but we can look at potential incubation space like for co-working.

**Parkishit Kandpal:** This total commercial potential is 5 million and besides that how much is the total residential potential here?

**M.R. Jaishankar:** Residential potential in the sense?

**Parkishit Kandpal:** You said you will be launching like 0.6 to 0.7?

- M.R. Jaishankar:** Yes Chennai, okay. So we will be launching about 6,50,000 square feet residential area in the World Trade Center complex and another 1.2 million square feet in Brigade Xanadu which is the second phase and there is also going to be a third phase in Brigade Xanadu which is another 750,000 square feet, but that we are not talking about it now, that is for the future may be in the next financial year or so.
- Parkishit Kandpal:** No, I am just talking about the World Trade Center, Chennai, so that has the maximum residential potential of only 0.7 million right?
- M.R. Jaishankar:** Yes 0.7 million only, correct, which should yield us 700 to 800 Crores of revenue.
- Parkishit Kandpal:** So 10,000 roughly will be the per square feet?
- M.R. Jaishankar:** Yes, 10,000 roughly.
- Parkishit Kandpal:** In Tech Garden, we do not have any residential potential?
- M.R. Jaishankar:** We do not have residential, but we have about 200,000 square feet of commercial which includes about 120,000 square feet of Novotel Suite. Other than that, we have some retail F&B, some conference center, and you can say incubation office space, which is non-SEZ, more suitable for a co-working environment.
- Parkishit Kandpal:** This quarter, the pre-sales numbers were very robust, more than a million square feet, so we have retained 4 million square feet of pre-sales guidance, the way the economy, the sentiments are there currently, there has been a slowdown across auto, other segments, so how is this quarter panning out for us, are we seeing the similar kind of momentum from the first quarter moving into second quarter?
- M.R. Jaishankar:** Our team is fairly confident of reaching million square feet plus this quarter also and based on whatever we have done in the first six weeks, it seems to be certainly possible.
- Parkishit Kandpal:** Any impact of subvention scheme being curtailed by the NHB?
- M.R. Jaishankar:** No, we have not been impacted much because our exposure to subvention scheme, I do not have the exact percentage, but it is less than 10%. I think it may be 5%, I think my person is showing the fingers, it is 2%.
- Parkishit Kandpal:** Lastly the real estate industry had a meeting with FM recently, so what are your views about that meeting and do you expect any stimulus or any packages being contemplated for the real estate sector?

**M.R. Jaishankar:** If you read all the interviews etc., you feel very bullish, but post that I think things become status quo, that is the sad part.

**Parkishit Kandpal:** Thank you and all the best. That is all from my side.

**Moderator:** Thank you. As there are no further questions from the participants, I hand the conference over to Mr. M.R. Jaishankar for closing comments, please go ahead Sir.

**M.R. Jaishankar:** I am passing it on to Nirupa Shankar who would be happy to give the closing remarks.

**Nirupa Shankar:** Thank you everybody for being on this call. We are also quite bullish about the coming quarter and we hope we can deliver the similar figures for the coming quarter. I would just like to touch upon three points, because apart from the daily numbers that we do, these are some additional initiatives that we do take on. One is on sustainability; you would have all been reading about the water crisis the state is facing. We have embarked on an active water saving initiative and currently our malls are zero water discharge, so we save about 4 lakh liters of water a day from our sewage treatment plants, that we reuse in the mall environment and this has helped reduce our spend on water by almost 30%. From our tech side, as you know we have a real estate accelerator programme, we have been working on it hard for the last three years and finally some of the fruits that has borne can be seen, for instance business today had the coolest startup listing for 2019 and out of the 12, three of our startup has entered the list. one is an air purification startup, one is a water saving startup, and one is the sewage treatment plant startup and even our NASCOM and CBRE had their disrupt technology conference in 2019 and again the top three winners were all the startup, so one was a VR company, one was a software for construction management and one was water treatment startup we got. Similarly, KPMG also launched the global top 100 startups in prop tech and two our of startups in the big data side Prop CMC and we were featured on the list. Lastly, we would like to just stay that Brigade Group has been ranked in the top 100 great places to work for nine years in a row. We have been the best in the industry for the past five years, and this year also, our ranking had a significant jump from 82 to 69. We have been the only real estate developer to be consistently featured in the great places to work for nine consecutive years and this is our commitment to our team because of course people drive the growth of this organization as well.

Apart from that, our hospitality subsidiary was also ranked number 15 amongst the top 50 companies in the mid size company category. This is the first they have applied. There were more than 300 participating companies across 21 sectors and we were the only hospitality company to qualify for the top 50 recognition.

So thank you very much and we will be in touch. Thank you.



*Brigade Enterprises Limited*  
*August 16, 2019*

**Moderator:** Thank you. Ladies and gentlemen, on behalf of Brigade Enterprises Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.

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