



“Prestige Estates Projects Limited  
Q3 FY '25 Investors Conference Call  
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**MODERATOR:** **MR. PRITESH SHETH – AXIS CAPITAL**

**Moderator:**

Ladies and gentlemen, good day, and welcome to the Prestige Estates Q3 FY '25 Investors Conference Call hosted by Axis Capital. 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 star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pritesh Sheth from Axis Capital. Thank you, and over to you, sir.

**Pritesh Sheth:**

Thank you, Zico. Good afternoon, everyone, and welcome to the call. As usual, we have with us the management of Prestige Estates represented by Mr. Irfan Razack, Chairman and Managing Director; Mr. Zayd Noaman, Executive Director; and Mr. Amit Mor, the Chief Financial Officer.

I'll now hand over the call to the management for their initial comments. Thank you, and over to you, sir.

**Zayd Noaman:**

Very good afternoon. Thank you, Pritesh. This is Zayd Noaman. Thank you for joining today's earnings call, and I wish you all a very Happy New Year. This is the first call of New Year. I'll begin by providing an overview of our key performance highlights for the quarter and the 9 months of the fiscal year.

For our operational performance, I'll begin with Q3 FY '25 sales. We've achieved the sales of INR3,013 crores with 2.23 million square feet of real estate sold across 888 units. Our sales performance remains well diversified with Bangalore, Mumbai and Hyderabad being key contributors.

Despite no new launches, we have achieved a fairly strong sustenance from our projects like Prestige Raintree Park, Prestige City Hyderabad, Prestige City Mumbai and Prestige White Meadows. Our average realization for the quarter remained strong at INR13,684 per square foot. Collections continued to be healthy, totaling to INR3,257 crores during the quarter.

For the 9-month period, we recorded a total sales of INR10,065 crores with 8 million square feet sold across 3,618 units. Collections for the 9 months stood at INR8,910 crores, reflecting steady cash flow generation across our projects.

Going on to our financial performance. Revenue for Q3 FY '25 stood at INR1,697 crores. EBITDA for the quarter was at INR633 crores, translating to a margin of 37%. PAT for the quarter stood at INR32 crores, impacted by mark-to-market loss on our REIT holdings given that we have a holding in Nexus REITs.

For the 9-month period, total revenue reached INR6,146 crores. EBITDA for the 9 months stood at INR2,342 crores with a strong margin of 38% and PAT for the period stood at INR573 crores with a net profit margin of 9.34%. Something interesting that I'll share with you is our segment-wise performance. I'll begin with the office.

Our office segment recorded leasing of 3 million square feet, of which 2.85 million square feet of fresh leasing. I'd like to put on record that the calendar year was 4.5 million square feet, which was one of the highest in the market across the country. Occupancy levels across our portfolio remained stable at around 90%.

Exit income as of December 2024 stood at INR522 crores for the company, and we will achieve our target of around INR700-plus crores for March 2025, which we have guided earlier. Retail, our portfolio continued to perform well with gross purchasing value surpassing INR1,750 crores during 9 months FY '25. This is the consumption figure across our malls. Footfalls at our malls remained strong, reaching 14 million visitors, while occupancy levels were at 99.2%.

Our retail segment's exit rental stood at INR217 crores as of December 2024. For our hospitality portfolio, we maintained steady performance with an average room rate of INR14,000 and revenue per available room, which is a RevPAR at INR8,500. Average occupancy stood at over 60% for the 9-month period, and the segment generated total revenue of INR661 crores with an NOI of INR238 crores for the 9-month period.

Looking ahead, we remain focused on executing our strategic priorities and strengthening our portfolio. We are excited to conduct our maiden residential project handovers in Mumbai in the coming months, which is Prestige Siesta and The Prestige City Mulund and Prestige Jasdan Classic.

On our annuity assets in Mumbai, the rehab building has been completed at the Prestige and the OC has been received. At BKC, the rehab construction is underway and should be completed in the next few quarters. We are preparing, as you would all be eagerly awaiting the launch, to launch a robust pipeline of projects across all our key geographies, Bangalore, Hyderabad, Mumbai, Chennai and NCR in the next few weeks.

These high-velocity projects located across prime geographies should drive significant sales volume and help us regain sales momentum. The projects that we will be launching is our Prestige Southern Star in Bangalore, which should be around INR3,500 crores of GDV.

Prestige City Indirapuram in NCR, INR11,500 crores of GDV, which is we've revised our guidance slightly upwards as the realizations have improved in the western region. And Prestige Pallava Gardens in Chennai at INR3,000 crores. Prestige Spring Heights, INR3,400 crores in Hyderabad and Prestige Nautilus in Mumbai at INR8,600 crores.

This is a total of INR30,000 crores worth of inventory, which we will definitely bring in this quarter. We are saying this with utmost confidence as most of these projects have been logged in for RERA and should be launched in the next few weeks.

Now I'll hand it over to Mr. Razack for any comments.

**Irfan Razack:**

Hi, everyone. I think Zayd has very, very nicely presented a full overview. And I think he's covered all the points, and if Amit wants to add on, we'll ask him. Otherwise, we are open for Q&A.

- Amit Mor:** We'll open for Q&A.
- Irfan Razack:** We'll open for Q&A. Amit says, Zayd has been very clear.
- Moderator:** Thank you very much. We will now begin the question and answer session. The first question comes from the line of Parikshit Kandpal with HDFC Securities.
- Parikshit Kandpal:** So Mr. Razack, so my first question is, sir, how many of -- you have -- I think Zayd spoke about INR30,000 crores of projects which will get launched. So how much -- many of these projects, so which are the projects which have already been logged in for RERA?
- Irfan Razack:** See -- and Zayd has given you the list. As of now, Prestige Southern Star has got approved. And I think -- and then this Prestige Suncrest, which is missed out here, even that is also logged in for RERA. Pallava Gardens, plans are approved. We have to get it in hand for us to log it in RERA. And Prestige Nautilus, we just got the change of name just an hour back.
- So that is also there. The plans are approved and the change of name from the previous promoter has been done. We just have to fill in the new plans that have been done and that have been approved. And the next one is the Spring Heights, the approval should come in our hands today, or maximum tomorrow, after which we'll log in for RERA.
- So all these are like happening, including Prestige City Indirapuram in NCR, we've logged in for RERA and it's work in progress. We have some clarifications which we are thinking, which we will give and we will satisfy them.
- Parikshit Kandpal:** But especially Indirapuram is the large project, sir. So do you think in first half of February, you'll be in a position to launch it because we have been hearing for now many weeks that queries have been coming back and forth, but we've still not been able to get approval? So what is the issue there and...
- Irfan Razack:** We have authority that probably is overstepping, but we can't say that in so many words now. We have to -- they want us to -- or we've got a co-promoter in our previous landowner and they indeed very clearly said, apart from the consideration, we also give a percentage, but they want us to do a JDA. So we are trying to do that and satisfy them, there's no other choice. It's -- according to me, it's not, but then I can't fight. I have to just comply.
- Parikshit Kandpal:** Okay, sure. Now just last question on the guidance, sir. So I think you have done INR100 crores in 9 months and now to meet that guidance INR23,000 crores or INR24,000 crores -- I mean near about INR23,000 crores, INR24,000 crores...
- Irfan Razack:** If the inventory is available, it is possible because whenever we do a launch, we sell about 30% to 35% or 40% of the inventory. So I've got INR30,000 crores worth of inventory that can come into the market and 40% of that is INR12,000 crores and plus I've got existing inventory. So it's not impossible.
- Now it all depends on how soon the RERA numbers come. Like you rightly said, we are in end of Jan. So it's just 8 weeks remaining, out of which February is a short month. Our team's all

geared up. And the best part is the customers are waiting. It's not as though there's no interest or there's no buyer.

We keep getting a lot of inquiries. But the thing is we have to follow the regulatory, we have to follow the law. And if it -- by chance, it doesn't happen in this quarter, it will just flow to the following quarter. But according to me, in all probability, we will pull it off. I don't see any reason or any doubts into this.

**Parikshit Kandpal:**

And I mean, this project has been widely advertised on social media, especially the Indirapuram. So -- and what we have been hearing there is a good undercurrent on demand side. So looking at EOI and the numbers which you highlighted across all these projects, do you think EOIs will catch up to that 30%, 40% kind of demand, which you earlier spoke about in the call...?

**Irfan Razack:**

Okay, I'll tell you, see Southern Star, like once we launch it, it's like we'll be able to sell off almost half of it or more than that. And even we've got what is called the other project in Bangalore, which is Suncrest, even that also will be -- it's INR800 crores. But between Southern Star and Suncrest it's INR4,300 crores, we should be able to get about INR2,500 crores from there.

And similarly, Nautilus is INR8,665 crores, but my team in Mumbai has promised me that this quarter, since we are all set, there is a lot of interest on that. We should get another INR2,000 crores there. And what remains is Pallava and Spring Heights is Chennai Hyderabad. Now Indirapuram, the plans are approved.

I just -- if I get my RERA number today, I'm ready to go because even my CEC is almost ready, but then it's -- what to do. We thought we'll actually launch it in the previous quarter. It's not happened. I only hope and pray we don't miss this quarter.

**Parikshit Kandpal:**

Indirapuram could be INR5,000 crores, INR6,000 crores if you are able to launch it, I mean almost INR12,000 crores...

**Irfan Razack:**

Easily. But the thing is I should get it. There's always that miss, but we see, and I don't want it to linger too much. In fact, I personally went to Lucknow myself to convince the Chairman. The Chairman is receptive, but it's -- let us see what happens.

**Moderator:**

The next question comes from the line of Puneet from HSBC.

**Puneet:**

Sir, if you can also talk about while you'll have INR20,000 crores worth of inventory potentially spilling over to FY '26, if you can briefly outline what is the plan for '26 in terms of launches?

**Zayd Noaman:**

Puneet, this is Zayd. Yes, while we have about INR22,000 crores highlighted from that INR60,000-odd crores, I think we'll give you a better clarity by the end of this quarter because whatever we didn't launch this fiscal year will flow into the next financial year, next quarter and quarter that way.

And also there's some new BD that we have done, business development, which will happen. For example, we'll be launching our projects in Goa as well, which is slated for the next quarter as well as many launches in Bangalore.

**Puneet:** Okay. And secondly, any thoughts on why do we need to hold on to Nexus shares? I mean I presume there will be other places where you can deploy for higher IRRs.

**Irfan Razack:** See, it's a sentimental thing, it's some 4.5% of it. There's no debt also on the Nexus shares. We have kept it, any time I want to liquidate, I can. Now at the wrong moment, even if I want to sell, if I wanted to, probably I would have sold it when it was on a peak, that's almost INR1,000 crores. We'll see.

It's more sentiment than anything else. I think in the larger scheme of things that we do, I believe that 4.5% of the REIT is not something that I should be really worried about. And in case there is need of cash and then we want to reduce debt, we can straight away liquidate that and have - - it's like a liquid asset.

**Zayd Noaman:** We already have a lot of funds available in the company, Puneet. So right now, we are not looking at liquidating the REIT units. Whenever a good opportunity is there, which we can bank on, at that point of time, we'll be evaluating -- liquidating the REIT units.

**Puneet:** No, very clear on this. Thirdly, on the land acquisition part. This time, there were a lot of stake buybacks, etc. How is the plan going ahead? Are there more stake buybacks that you're looking at? Or are you going to go for land acquisition route? Or could you still prefer a JV kind of model which you've always done historically?

**Zayd Noaman:** So here, we remain agnostic. It depends on the opportunity that we are presented with. And based on that, we'll either do a JV or JV for our residential or an outright buy for our annuity projects.

**Puneet:** Any more stake buybacks still remaining?

**Zayd Noaman:** I don't think anything planned for this quarter or whatever we have done with -- whatever we have done apart from that, we don't have any other plans which we...

**Puneet:** Okay. Lastly, if you can also give some sense of collections run rate and construction run rate. So collection run rates without any launches are very nicely settled at INR3,000-plus crores. Should we assume that, that's the bare minimum that you will continue to run with? And on the construction cost as well, the spend has pretty much doubled compared to previous quarter. Will that be a new run rate? Or is the expectation of further growth from these levels?

**Zayd Noaman:** So I will come on the construction spend. I think so in the earlier quarters, an average run rate of INR1,300 crores to INR1,400 crores was what we were spending per quarter on the residential construction. In the current quarter, we have spent close to INR2,100 crores. That is mainly because of 2 reasons.

One, we have spent significant amount on approvals for our upcoming launches. That amount is close to INR350 crores, INR400 crores. We have spent INR150 crores-plus on the Indirapuram, around INR150 crores, INR180 crores on the Nautilus project itself. Apart from that, we have a few projects which are nearing completions being your BKC Sarjapur.

Then we have some projects in Mumbai, that is basically our Jasdan Classic and Siesta and one project in Hyderabad region, which is the Beverly Hills. At the final stages, the construction spend is generally a little higher. But on a, I would say, longer period, we can say that around INR1,500 crores to INR1,600 crores will be the average construction spend per quarter.

In terms of collections, the collections have been on a steady state for the last 3, 4 quarters -- last 3 quarters because the sales have not come down. Whatever the big launches we were planning have not hit the market. Once the launches are achieved, I think so the collection should grow from currently INR12,000 crores to INR13,000 crores levels to INR16,000 crores to INR18,000 crores levels per year.

**Puneet:** Sir, how much from?

**Zayd Noaman:** Right now, my residential collection is around INR12,000 crores to INR13,000 crores, around INR13,000 crores. It should grow to INR16,000 crores this year once all the 4, 5 launches what we have spoken about a few minutes back, those are able to hit the market. And then from there the normal whatever sales growth is these, we'll be able to grow on -- collection from there as well.

**Moderator:** The next question is from the line of Eesha from Axis Securities.

**Eesha:** Most of my questions have been answered. I just wanted to understand a kind of growth guidance for launches for FY '26 as well. Say, for example, all the launches that we mentioned in FY '25, most of them may or may not happen this -- in the quarter 4. Do we have any guidance for FY '26 for launches and for presales as well?

**Zayd Noaman:** This is Zayd. We'll guide on this in the end of this quarter.

**Eesha:** Yes. No, I just wanted to understand, so FY '26 launches you'll be guiding post quarter 4 is my question.

**Irfan Razack:** No, I said, see, first, let's finish this quarter, then we'll evaluate after the dust settles. We have a big strong pipeline. We've got another INR30,000 crores worth of projects that are under approval and all that. So we'll evaluate once this quarter gets done, and we'll see where we've reached on our target.

And then based on that, we -- and based on what inventory we have, we will inform you in probably the next quarter. It's too early for us to talk about the next quarter just now. There is -- the teams are working with a big pipeline, and I think there's no dearth of inventory or pipeline that can come.

It's all about how quickly we can get the regulatory stuff and bring the product to the market. Like I said, the market is there. The customer is there. Only thing is we need help from the powers that big thing.

**Eesha:** Okay. And any -- nothing on presales guidance as well going forward?

**Irfan Razack:** I didn't hear you, not clear.

**Eesha:** Anything -- nothing on presales guidance as well for FY '26?

**Irfan Razack:** No, FY '26, as I said, I can't give you guidance just now. Let's finish FY '25 and then we'll go to '26.

**Moderator:** The next question is from the line of Yash Gupta from Ashit Koteja Family House.

**Yash Gupta:** Sir, my first question is on what revenue number are we looking for in FY '26 with the project completion method? And what could be the EBITDA of those projects?

**Irfan Razack:** Amit will answer this. We would definitely like to like in -- I believe in Maharashtra, our auditors told us they are doing a percentage completion method. Now they are now still doing 100% completed method. So it has a big bearing on the financial results. And obviously, all expenses are getting debated upfront, whereas my revenue comes much, much later.

So we are having a chat with the auditors if they're doing it in a different territory in the country on a percentage completion method, why 2 different rules, 2 different rules for 2 different -- for the same industry. So it's a discussion that's going on. Supposing we all revert to either percentage completed or it should be 100% completed method. I believe otherwise, you can't even make out what is happening, especially for analysts like you, it will be very difficult. Amit?

**Amit Mor:** In terms of the expected revenue for FY '26, we will have some large launches -- I mean, projects getting completed in the next financial year, which includes the Prestige Sarjapur. So, BKC Sarjapur, in terms of revenue, it would be in the -- close of INR10,000 crores to INR12,000 crores, what we can expect next financial year.

**Yash Gupta:** And sir, what could be the EBITDA margin for those projects?

**Amit Mor:** 30% you can expect the EBITDA margin on these projects.

**Yash Gupta:** Okay, sir. Sir, my second question is on -- in the Slide number 20, we are showing that free cash flow from the residential business is around -- to be INR50,000-odd crores in next 4 to 5 year approximately. So approximately, we are getting INR10,000 crores every year. So how they are rewarding our shareholders going forward?

**Zayd Noaman:** See, our strategy has always been -- whatever the free cash flows that we generate from the residential segment, we would like to redeploy a portion of it for business development to grow the residential segment and deploy the balance for my annuity business. So that the reliance on debt is reduced.

- Yash Gupta:** Okay, sir. But is there any policy -- dividend policy we are looking for, any specific thing?
- Zayd Noaman:** No, currently, what we will look at is completing our annuity portfolio, okay, because there's a significant amount which we need to spend before we start yielding. And at that point of time, we can have a reevaluation of how the dividend policy or the shareholder, how we can reward them at this point of time.
- Moderator:** The next question comes from the line of Pritesh Sheth with Axis Capital.
- Pritesh Sheth:** Just a couple of questions. First, on -- in general, the approval process, are you seeing any improvement now versus where we were like 2, 3 months ago, I mean let's keep Ghaziabad aside for now. But in general, for your core markets like Hyderabad, Bangalore, Mumbai, how would you rate the current approval process in terms of time lines?
- Irfan Razack:** See, the rules are the same, fixed. There's no leeway in how they -- but it's only a question of distraction. And in the last 3 quarters, what happened is each state went into election and they had general elections. That's why this year, we had this huge lag. And now that's behind us.
- The only thing is we just discovered that every state, the RERA interpretation is very different and the method they give on that, giving a RERA actually, the thing is we have to just log in online and given all the documents and get a RERA number registration number. But then everybody has interpretations differently. So it takes its own time, and we have to probably comply with what they want us to do.
- Pritesh Sheth:** Got it. And just second question on the retail revenue, which was down this quarter by 4% Y-o-Y, we have seen other players doing well in terms of retail segment growth. Any specific things you want to highlight for what happened for us this quarter?
- Irfan Razack:** Retail revenue is not down. In fact, our malls have traded the best in this quarter, and we've had the best revenue. Right now, we are operating 2 large malls and then 2 small ones. And we've got almost 100% occupancy in the retail. And I think December was the best month where we got the maximum turnover.
- So I don't see any concern there. I don't understand which retail revenue you're talking about. But as far as I'm concerned, it's 99.2% occupancy, and there's no dip in any revenue. Unless we are talking about in excess REIT, which we have written off, that could have brought down the profits because that mark-to-market, that's something to do with the stock market and nothing to do with the business.
- Pritesh Sheth:** Sir, I'm specifically talking about the disclosures that you've given in presentation, but I'll connect offline for this. That's it from my side.
- Irfan Razack:** First clear on what you're asking.
- Pritesh Sheth:** Yes, we can move on to the next question, I'm done.
- Moderator:** The next question comes from the line of Abhinav Sinha from Jefferies India.

- Abhinav Sinha:** Sir, on the upcoming launches, just wanted to check what are the project ticket sizes that we are looking at in terms of unit per crores, particularly for Nautilus and Southern Star?
- Zayd Noaman:** See, Nautilus is a luxury project. It will be average...
- Irfan Razack:** No, I think he is asking for the ticket size, ticket size will be roughly about INR25 crores upwards.
- Abhinav Sinha:** INR35 crores, is that right?
- Irfan Razack:** Upwards. That's the minimum because there are different sizes. So it is a luxury project and it's the most premium that we can get in the company. It can go much, much higher even INR70 crores, INR80 crores.
- Abhinav Sinha:** Okay. And you are expecting around INR2,000 crores of sales at launch, right? So roughly 50 units to be sold approximately, is that right?
- Irfan Razack:** That's correct. You can interpret it whichever way. The only proof of the pudding is in the eating. Once we launch it, there is a good traction. There's a good inquiry and all, like the Prestige Ocean Towers, we may also surprise that we sold 104 units and we've got about 60-odd units per crores.
- Abhinav Sinha:** And similarly for Southern Star, what is that product?
- Irfan Razack:** Southern Star is a mid-income product. And I believe that's probably around INR1.5 crores to about INR3 crores. So that will be the ticket size, and that's a different thing. Southern Star, Spring Heights in Hyderabad as well as Pallava Gardens in Chennai. This is the mid-income products. And of course, Indirapuram in NCR are all mid-income products.
- Abhinav Sinha:** Okay. Sir, you've also added a new project in Mumbai this time. So can you describe where it is located? And what are the expectations from that?
- Irfan Razack:** This is Dahisar Mira Road. We bought the land, and it has about roughly a little less than 1 million square feet. About 1 million square feet of saleable area. We have finalized and closed out on the plan. Actually, sort of design part is over. Now it's going for approvals. Let's see, we're trying hard to see and how soon we can bring it to the market. There the selling price, again, it's a quick seller because the overall ticket size will be much less and your selling price itself on carpet will be around that INR18,000.
- Abhinav Sinha:** Okay. And sir, finally, on the gearing ratio, what should we expect in the next few quarters? Is this now the level that we will maintain or it will possibly go up a little more?
- Irfan Razack:** No, I think it shouldn't go more at all. Actually, as I see, maybe 1 or 2 quarter it may spike up, but the amount of inventory that is coming in, the sales that we are looking at, we should have enough of cash flow. Whatever cash flow was tied up and whatever debt was tied up for all these projects, it will come back, and we'll be quite flush with additional cash flows. That will help us for our capex projects also.
- Abhinav Sinha:** So ideally 0.5 to 0.75 for the next maybe 1 or 2 years?

- Zayd Noaman:** Our endeavor is to keep it below 0.5.
- Abhinav Sinha:** Okay.
- Irfan Razack:** That's our wish. And I think we will do it. We'll pull it off. I don't think there should be any problem on that because there is a lot of positive cash flows that are going to come in.
- Moderator:** The next question comes from the line of Biplab Debbarma with Antique Stock Broking.
- Biplab Debbarma:** Sir, my first question is, is the overenthusiasm by the regulators, if I may use the euphemism, restricted to the Indirapuram project? Or does it extend across projects? Are you seeing this kind of overenthusiasm by regulators across projects...
- Irfan Razack:** I can't hear you properly. I can't hear you properly.
- Biplab Debbarma:** Sir, I'm just trying to understand, is this -- approval challenge is restricted to Indirapuram project or it is across projects?
- Irfan Razack:** No. See, each state has their own way of functioning. And we have to learn that. You see this is the first time we've gone to UP and now we are learning. And probably the next time we would have learned by then. See, in other states, we are already there for many years. So we've understood how they operate, and we have to play to the galleries.
- Biplab Debbarma:** So that means in other states or other projects you are not seeing this kind of...
- Irfan Razack:** No, not at all.
- Biplab Debbarma:** Okay. That's a good news. And second is regarding Nautilus Worli, Worli already has significant supply in the same category, INR20 crores, INR30 crores category and more to come from other developers, major developers, reputed developers. So how confident are you in the response? Because I believe a lot to sell INR7,000 crores of GDV. So are you seeing a kind of oversupply in the market? Or you believe that there is enough demand to absorb all the supply that would be coming in, in the next 1 year or so?
- Irfan Razack:** Yes. You see, what happens is real estate is all about location. This location, some people fancy. And my staff at the ground level are very, very confident. They already have primed up the customers, and they are confident that once we launch, we'll get significant numbers from this project.
- Now like I said, proof of the pudding is in the eating. And if I -- once I launch it and I don't get the numbers, then it will be proved that there is no demand. As of today, there is demand. As of today, there is attraction. And we believe -- and even I have to yet to see it like people -- my staff was not very confident on the Ocean Towers when we launched it, and they couldn't believe that it went so fast.
- Similarly, here also, we are not in such a great hurry to sell it because this product is very good. This location is the best of the best in what is available in those micro markets. And yes, more

and more supply comes in, there will be a stress. And we believe that only the best can survive. So -- and according to me, our project is the best.

**Biplab Debbarma:** Fair enough. And my final question is, could you please update us on the progress of your key commercial projects, BKC, Racecourse and Delhi Aerocity. When do you expect this to be completed? Because I see some -- visually whenever I go in that area, see significant progress in BKC and Racecourse. But if you could give more insight on what kind of progress? And by when do you expect this to be operationalized?

**Irfan Razack:** See, the good news is that Mahalakshmi, my rehab tower, which -- I mean it's not rehab, rehab, it is a beautiful office tower, which is the Prestige Turf Tower is ready. We've got the occupancy, like Zayd said in his opening remarks. And we've started handing over the units to the Turf Estate and the Evergreen Estate occupants to move in there.

And once they move in, we will demolish these thing -- this thing. But in the meanwhile, the tall towers are already under construction and our targeted year of completion is 2028. Similarly, BKC is also moving very, very fast. We -- fortunately, we are out of the ground. Even there, we have a rehab tower, which by June we'll be completing about 700 apartments, which we are handing over to the EWS, to the authorities.

And at the same time, both BKC 101 X and Y are coming well. And the good news there is we have done some -- quite a lot of substantial prelease. I can't reveal the number, now can I reveal the name because these are both strict under confidence. But I can tell you quite a substantial amount of area has been pre-committed and are big names. So that's giving us that much more confidence. And also, we are building an edition hotel there, which you've seen in our investor presentation.

**Biplab Debbarma:** What about that Delhi Aerocity project?

**Irfan Razack:** What about?

**Biplab Debbarma:** Delhi Aerocity project, sir?

**Irfan Razack:** Yes, sir. Now for instance, we are doing this massive hotel in Aerocity in Delhi. That is the St. Regis and the, what's called the Marriott Marquis. The structure for the hotel portion is ready and the glazing and the windows and the other job is going on, including the finishes. And the office portion also is coming up very fast.

And the good news is that entire office portion is pre-leased. And we've got some good marquee clients even there. And because of confidentiality, I can't tell you the name. But there, the entire office is preleased. It's 100% leased out.

**Biplab Debbarma:** And when do you think BKC and Aerocity project would be completed by when?

**Irfan Razack:** BKC 2028, Aerocity by 2025 end. Hotel will -- the -- because it's such a large asset, it will start trading in 2026 beginning, but the asset itself will be ready by '25 end. But that means I've got

12 calendar months, out of which 1 month is gone. It's 11 months, of course, in case there are more stoppages like GRAP 4 in Delhi, we may have suffered some delays.

**Moderator:** The next question comes from the line of Vaibhav Saboo with Nippon AIF.

**Vaibhav Saboo:** A couple of questions from my side. Sir, one thing, while even you have explained that UP geography was new for you. But if I look at it, even within like our core geographies of Bangalore, etc., there seems to be delay in approvals. So just wanted to understand the reason for that?

Is it because we have filed for the approvals late or -- because even in the last conference call, you had stated that we would be launching INR50,000 crores of projects just in H2. So just want to understand why there is approval delay for -- especially for our core geographies?

**Irfan Razack:** No, there is no delay in the other geographies. It's only -- as I told you, there was this huge distraction for general elections and the state election, and all that is behind us. Either Hyderabad went for election or Bangalore went for election or the country went for election, that all distraction is over.

And I think all the officials -- what happens in elections, all the officials are assigned to different states, different cities for the election duty. So when they are not available, nothing works in the system. Now I think that's behind us, and I don't see any further delays. And I believe that if we really focus and we can get all our projects which we were planning on into the approved and get the RERAs done and then launch these projects.

**Vaibhav Saboo:** So sir, just in continuation to this, out of the INR57,000 crores, which we have stated during the PPT that's the JDA of upcoming launches, how -- like how much of this has been already filed in RERA approval?

**Irfan Razack:** I think Zayd in his opening remarks told you about INR30,000 crores worth of projects are almost applied for RERA or the approval has come. We just have to file for RERA. I think all these will come. Like you see NCR is INR11,500 crores, I told you. Bangalore will be about INR4,300 crores. Chennai will be INR3,000 crores. Hyderabad will be INR3,000 crores. So it's coming one after another. Mumbai is another INR8,000 crores.

**Vaibhav Saboo:** And sir, just one last thing. On the Hyderabad market itself, we seem to have quite an inventory there, which has been there for quite some time. So how are we looking at that market particularly? Because there seems to be a lot of supply, but not enough traction if I look at the demand versus supply, that seems to be quite severe for Hyderabad versus our other markets?

**Irfan Razack:** See, now if you're talking about office market, I agree, Hyderabad market, office is saturated. There is oversupply. Fortunately, we built 2.2 million square feet in Hyderabad in office. We are left with 700,000 more square feet to lease. We are talking to 2, 3 large clients, and my team is hopeful that in the next 2, 3 quarters, they'll make it 100% filled up.

With that, we are probably fortunate because we did a good product and our location is good. It's already almost consumed. On the residential market, the good news is we did this Prestige

City, Hyderabad, which has 4,700 apartments. Out of 4,700 apartments where we are just getting out of the foundation, the company have sold more than 3,300 apartments in a period of just about less than a year.

I think that's no mean achievement. And I think the rest of the 1,000-odd, in fact, I've told my team to go slow and not to sell it off fast because we need to also get some appreciation on the price. Similarly, we completed a project in Hyderabad and Kokapet called Prestige Tranquil, fully sold out, completed.

We have completed just now in February 11, so inaugurating a project called Prestige Beverly Hills, fully sold out, completed. And now the other one that is ongoing is Prestige Clairemont, there we sold almost 70% of the inventory and the pricing has gone up. So I think we are pretty confident on the Hyderabad market. It depends on your location, depends on your brand messaging and of course, the proper pricing it will sell.

**Moderator:** The next question is from the line of DSP Mutual Fund.

**Vivek:** This is Vivek here. Just a continuation of the previous question, actually. And this is virtually actually the last slide of your presentation. If I see the inventory, the stock drop, it was 12 million square feet in the last quarter, it's come down to 10 million square feet. At the price hikes that you're seeing, do you see any difficulties in liquidating the inventory? And would this 2 million per square feet be the rough run rate going forward as well? That's my only question.

**Irfan Razack:** Vivek, which is this slide you're talking about page number?

**Vivek:** Page 47, 48.

**Irfan Razack:** 47 is exit rentals, retail and then we've got residential projects free cash flow. Is that right?

**Vivek:** That's the one. The project free cash flows, where you see the stock, it shows 12 million square feet, in the previous quarter it shows 10 million square feet...

**Irfan Razack:** 10.05.

**Vivek:** That's right.

**Irfan Razack:** And the value is INR13,682 crores. This is across all geographies, all projects put together.

**Vivek:** That's right.

**Irfan Razack:** So what is your question?

**Vivek:** Yes. Sir, the question is, is this -- so essentially, the last quarter, you've sold 2 million square feet? And is that the run rate that you see because you said you were holding off for price hikes and so on. And at the current price hikes, would you be able to clear off this at the same run rate?

**Irfan Razack:** You see now 2 million square feet on a sustenance basis, I am selling, I will sell because I don't want to sort of give schemes like other people are doing and try to sell. There's no desperation to sell. So we are doing what we are doing in a proper manner so that the bottom line of the company doesn't get affected and actually gets boosted in the other way around.

So if you look at it, rightly pointed out by you, to the volume of work that we are doing out of 91 million, if I've got 10 million stock, that shows just about 10% of the stock that we are holding, which is very, very minimal. And it's going to 2 million in a quarter.

**Zayd Noaman:** 2 million would be on a lower side because we didn't have any launches...

**Irfan Razack:** No, no, he's talking about this inventory.

**Zayd Noaman:** This would be 2 million, okay.

**Irfan Razack:** Because inventory you add up will go up further. This inventory, I think on a sustenance basis, it should go. What is the inventory we have is basically, we've got Prestige City Hyderabad, Prestige City Mulund and a little bit in Bangalore.

**Moderator:** The next question comes from the line of Yash Gupta from Ashit Koteja Family House.

**Yash Gupta:** Sir, just to confirm the launch number. We have INR56,000 crores of launch pipeline, out of that INR32,000 crores we are expecting to launch this quarter. And in the morning in the TV interview, you have mentioned that another further INR50,000 crores of projects are under design stage. So is that correct understanding?

**Irfan Razack:** Yes, yes, there is -- the pipeline is there no? So this is what we have told INR56,000 crores is what is ready, which is under approval. There's another INR50,000 crores where we have got different, different land where we'll -- which will come as we go along. That is the future.

**Yash Gupta:** Okay, sir. And sir, just last question on -- can you throw some light on the Jijamata because I think in this PPT -- this time in the PPT, you have mentioned that 2.1 million square feet of mall and around 7 million square feet of service apartments plus hotel?

**Irfan Razack:** Yes. See, Jijamata, very correct. There is residential, there is hotels and there is retail. And we are trying to see whether we can fit in service apartments also. We have appointed SOM as an architect and they have given a preliminary design. And the -- in fact, even just the other day, my partner sent me a mail saying that IoD has been approved.

We need to pay certain fees. So it's all work in progress. We have to still freeze a lot of planning there. I think it will start coming as soon as we can as that gets approved. For now our focus in Mumbai is Nautilus and Dahisar that is Mira Road.

**Yash Gupta:** Okay. Sir, just last one. Recently, we have done some new launch of hotel near airport in Mumbai. So is that understanding correct, but I think we have not mentioned that in the PPT?

**Irfan Razack:** No, which is that? Which is that you said?

- Yash Gupta:** In Mumbai, near airport, international airport, you have done some launch, something kind of for the hotel, 5 acres, 5.5 acres of hotel?
- Irfan Razack:** No, no, no. There's no hotel near the international airport in Mumbai. Whereas and as you are saying there's a large piece of land, which we are in discussion. We may do office over there, but still it's work in progress. Nothing has been formalized.
- Moderator:** The next question comes from the line of Parikshit Kandpal with HDFC Securities.
- Parikshit Kandpal:** My question is on BKC, you said that you have preleased some area. So what kind of rental rates you've been able to achieve there?
- Irfan Razack:** No, no, that is what I said. Neither can I tell you the rate nor can I tell you the customer. It is a little -- we have this confidentiality which we find with the customers. But I can tell you we have leased out approximately over 500,000 square feet.
- Parikshit Kandpal:** And I think our budgeted rate earlier was INR320 per square feet. So is it better than that? Or like how should -- I mean...
- Irfan Razack:** INR320 is what? No, INR320, where is this INR320?
- Parikshit Kandpal:** In your earlier presentations, you used to disclose rental potential from the Mahalakshmi and the...
- Irfan Razack:** It's there, but I believe it can't go below. But at the same time, honestly, I cannot tell you specifically how much we have done the transaction for. Obviously, when I've given you an indication that that's our expectation. Obviously, it has to be better than expectation, not below.
- Parikshit Kandpal:** So it may be better than expectation you are saying, so, okay.
- Irfan Razack:** Yes, please.
- Parikshit Kandpal:** Okay, sir. And sir, just one more question on business development now. So you have now raised money, you have capital with you, cash flows will start coming in as the launches happen. So how do we read now into business development in the year -- in the quarters coming in? So how is the pipeline looking there? And what kind of land bank additions one should be factoring in assumptions for next year?
- Irfan Razack:** No. Business development is work in progress. Like what happens after our QIP, we have bought land in Mumbai, we bought land in Goa. We've invested in Bangalore, almost INR1,700 crores, INR1,800 crores has gone into land. And obviously, that will come back once the approvals come in, it will come into the company in terms of additional cash flows.
- Parikshit Kandpal:** Okay. And in NCR, sir, especially on the Gurgaon side, anything you were able to freeze there in terms of business development? Because I think there has been a lot of work in progress going on there, and you've been talking about that something will -- good news will come in soon. So any progress on the Gurgaon side?

**Irfan Razack:** No, there's enough and more opportunities. There's enough and more land that is offered to us on a daily basis. We have to evaluate that. Our focus now today will be to see that what we've invested in, that we are able to launch and cash out that will give us the confidence to do more. There's no sense in pouring more and more money into a region, which is sort of where we get blocked.

So we don't want to get blocked. We definitely want to see that the liquidity comes in. That's how we would like to churn capital. So offers are there, plenty of opportunity is there, and it has to be the right opportunity, right price, and we always have an open mind.

**Parikshit Kandpal:** Okay. And just last question on the trade center. I think DB Aerocity, you said that entire office has been now pre-leased. So is it like the area will be -- your share will be about 0.4, right? 0.8 is total and your share is 50% it will be 0.4 million square feet?

**Irfan Razack:** 0.8 million -- 0.6 million according to me. And whatever it is an SPV. So Prestige is 50%, DB is 50%. So that's how it is.

**Parikshit Kandpal:** And what would be -- if you can give the rates here because you said it's entirely leased out so. Can you give lease rental rates which you have locked in here because you told that it's entirely leased out now?

**Irfan Razack:** That's leased out that's why I said I can't tell you the client's name or the rent. It will come out, it will come out very soon. But it's a very decent rental.

**Moderator:** The next question comes from the line of Jeet Shah from Pinpoint.

**Jeet Shah:** Congratulations on the quarter. Just a request, could you please repeat what's been the latest update of the Indirapuram project you had mentioned in the beginning about the regulatory...

**Zayd Noaman:** I will give you the update, on the Indirapuram project, we've applied for RERA. And it's -- I think there is -- it's a work in progress. So I think within a month's time, the next 3 to 4 weeks, we should have a launch.

**Jeet Shah:** Okay. So you're still fairly confident it comes through in this quarter, right?

**Zayd Noaman:** I'm not able to hear you. You're not audible at all.

**Jeet Shah:** Hello.

**Zayd Noaman:** Yes, I can hear you say hello.

**Moderator:** Yes. Please go ahead, sir.

**Jeet Shah:** Yes, just wanted to reaffirm, like wanted to ask if you're fairly confident that comes through this quarter?

**Zayd Noaman:** Yes, we will launch this quarter.

**Moderator:** Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference to the management for closing comments.

**Zayd Noaman:** Thank you very much for all the feedback and questions. We understand that you are eagerly anticipating our financial year and launches to go as per plan, and we also are mightily confident that we will make it happen. We've never disappointed and we'll not disappoint. So we wish you all the best, and thank you for participating in today's call.

**Irfan Razack:** Thank you for all participating. Let's hope the next 2 months go well, and we are able to launch the way we have planned. But I believe demand is there, company is quite robust in their activities and the whole team is really putting extra effort to see that we succeed. And time will tell. Thank you.

**Moderator:** Thank you. On behalf of Axis Capital, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.