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August 06, 2024

To,

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai- 400 001

National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra East,
Mumbai- 400051

Security code: 503100

Symbol: PHOENIXLTD

Dear Sir/Madam,

Sub: Transcript of Earnings Conference Call

This is further to our letter dated August 01, 2024, wherein we had informed the exchange about the conclusion of our Earnings Conference Call held on that date with Analysts / Institutional Investors on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2024, please find attached herewith the Transcript of the said Earnings Conference Call.

The enclosed Transcript is also available on the Company's website and can be accessed at <https://www.thephoenixmills.com/investors/FY2025/Earnings-Call-Transcript>.

You are requested to take the same on record.

Yours faithfully,

For The Phoenix Mills Limited

Gajendra Mewara
Company Secretary
Mem. No. A22941

Encl.: As enclosed

The Phoenix Mills Limited
Q1 FY25 Earnings Conference Call
August 01, 2024

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY25 Results Conference Call of The Phoenix Mills 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. Management of the company is being represented by Mr. Shishir Shrivastava – Managing Director, Mr. Kailash B. Gupta – Group CFO and Mr. Varun Parwal – Group President, Strategy, Audit and Head Corporate Finance. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

At this time, I would like to hand the conference over to Mr. Shishir Shrivastava. Thank you and over to you sir.

Shishir Shrivastava: Good afternoon ladies and gentlemen, my colleagues and I take pleasure in welcoming you all to discuss the Operating and Financial Performance for Q1 of FY25. I will now take you through the Key Highlights of the Results with reference to the relevant slides of the Results Presentation.

Slide #3, is a brief financial overview:

Consolidated income from operations for the quarter grew by 12% year-on-year to Rs. 904 crore. Operating EBITDA was up 8% year-on-year to Rs. 531 crore. Operating EBITDA excluding the Residential business for Q1 FY25 is Rs. 525 crore up 21% year-on-year, profit after tax increased 10% year-on-year to Rs. 295 crore.

Turning to our retail business covered from Slide #4 through Slide #13. I may take your attention to Slide #5:

Consumption across all our malls during the quarter grew by 25% to Rs. 3,215 crore. Like-to-like consumption excluding the new malls which weren't operating last year the same period, which are Phoenix Mall of the Millennium, Pune and Phoenix Mall of Asia, Bangalore, excluding these malls like-to-like consumption grew by 7%. Consumption growth across the portfolio was led by a strong double-digit growth in Phoenix Market City, Kurla, Mumbai and Phoenix Palassio, Lucknow, and an impressive ramp up of trading occupancy in the four new assets

which were launched last year. Year-on-year growth in like-to-like competitive malls was impacted due to multiple factors. During the election, several of our malls were shut for most part of the day on voting days plus restrictions on restaurants serving alcoholic beverages which had an impact of between four to seven days for each mall in each city. A fewer number of movies and lack of blockbuster movie content impacted the multiplex performance and inadvertently some footfalls in the mall. The summer was quite difficult in many parts of the country, and the heat wave resulted in lesser footfalls but improvement in four-wheeler traffic.

Moving on to the category mix in consumption:

On a like-to-like basis we saw a 22% growth in the jewelry category, which may see further boost post the GST rate cut in the recent budget and 19% growth in gourmet and hypermarkets. FEC and multiplex posted a de-growth of 6%, while fashion and accessories and the F&B category grew by single digits. Positively the consumption in electronics has increased in this quarter compared to last year, which is a reversal of the trend we have seen in FY24.

Moving on to occupancy:

The weighted average trading occupancy across major malls in the portfolio improved from 88% in March 2024 to 90% in June 2024. PVR at Palladium Ahmedabad will be launching today, taking the trading occupancy to 90%.

Our retail rental income for the quarter was at Rs. 487 crore up by 31% over Q1 FY24. This was driven by strong performances from Phoenix MarketCity in Mumbai and Phoenix Palassio, Lucknow, and the ramp up in the new malls. The strong rental income growth translated into a 31% year-on-year increase in retail EBITDA leading to a retail EBITDA of Rs. 516 crore for the quarter. EBITDA margin for operational assets remained healthy at 107%.

New malls contributed approximately Rs. 85 crore in rental income and Rs. 86 crore in EBITDA. EBITDA margin is slightly lower at 100% in new malls during the initial period of occupancy ramp-up.

Our outlook going forward:

We continue to focus on retail rental and EBITDA growth. While like-to-like consumption growth for the quarter was 7%, and retail EBITDA growth was 10%. Especially in our older assets like Phoenix MarketCity malls located in Bangalore and Pune, the focus is currently on premiumization through enhanced retail mix and category improvements, creating a compelling entertainment and F&B destination, keeping the brand mix fresh by introducing new brands across different formats, focus on creating specialized clusters to enhance shopping experiences, developing high recall and creating high engagement through live performances, unique curated events, larger than life decor and art installations. Asset

enhancements through facade upgrades, change in layout and working to maximize customer convenience by redesigning the traffic circulations are also high on our priorities. In fact, we have already carried out the first phase of this revamp at Phoenix Market City, Mumbai, results are visible to a significant extent with the center reporting a 12% growth consumption and a 15% increase in EBITDA. We are confident that this growth will sustain in the coming quarters with more asset enhancements, retail category, cluster creation and high recall marketing events.

Moving on to the commercial office business covered from slides #14 to #17:

Our operational portfolio in Mumbai and Pune delivered a growth of 20% in total income and 33% in EBITDA due to improved occupancy of more than 70%. We leased approximately 1.5 lakh square feet during the quarter. Occupancy in our operational portfolio climbed to 71% by June 2024 from 70% as of March 2024, while maintaining a healthy gross rental level at approximately Rs.114 per square foot. We look forward to the launch of new age commercial office spaces in Bangalore, Pune and Chennai which have generated significant interest. While the demand for space is increasing, we are striving to strike a balance between the occupancy rates and rental rates with a long-term view, but we are certainly seeing a resurgence in demand for Grade A commercial office spaces that we have in our portfolio.

Moving on to the hospitality portfolio covered from slides #18 to #22:

The St. Regis, Mumbai our marquee asset maintained a steady room rate of approximately Rs. 16,400 with the occupancy increasing to 85% in Q1 FY25. The improved occupancy led to a 3% increase in room revenue compared to the previous year. F&B and banqueting revenue declined by 4% due to factors such as auspicious days, weddings shifting to Q2, the elections and consequently the dry days and impacted corporate and leisure travel due to the summer. While operating income is down 2% for Q1, EBITDA remains flat on a year-on-year basis. Despite these headwinds, The St. Regis has shown resilience with a 36% revenue growth in July 2024 versus July 2023.

Courtyard by Marriott Agra faced similar challenges during the quarter. Occupancy dropped to 63% and the average room rate fell to Rs. 4,166. This asset generated Rs. 9 crore in total income with a Rs. 1 crore EBITDA resulting in a 15% margin. As mentioned earlier, the heat wave, elections and F&B restrictions impacted the hotel's performance.

Slides #23 to #24, cover Residential:

During the quarter gross sales reached approximately Rs. 50 crore with collections totaling Rs. 60 crore. We achieved an average selling price of approximately Rs.26,000 per square foot. Our current completed and ready to sell inventory stands at approximately 0.44 million square feet. This brings me to the end of our operational and financial updates across verticals.

I will now request our Group CFO – Mr. Kailash B. Gupta to take you through the overall financial results. Thank you.

Kailash B. Gupta:

Thank you Shishir. Good afternoon, everyone. I will now take you through the Financial Updates covered from Slide #25 to #34.

Between Slide #26 to #28 starting off with the P&L updates:

On a standalone basis, PML houses the business of Phoenix Palladium Mumbai, and an office space called Phoenix House. The income from operations for Q1 FY25 is Rs. 118 crore which is flattish for the quarter as compared to Q1 FY24 and EBITDA saw a de-growth of 6%.

On a consolidated basis, income from operations for Q1 FY25 is higher by almost 12% compared to Q1 FY24. Our operating EBITDA for Q1 FY25 was reported at Rs. 531 crore with an increase of 8% Y-o-Y. Profit after tax after adjustment of minority interest and exceptional items is at Rs. 295 crore for Q1 FY25, which grew by over 10% vs. Q1 FY24.

Coming to Slide #28. Adjusted for the residential business, our revenue across the annuity portfolio was Rs. 872 crore a growth of 24% Y-o-Y. EBITDA excluding the residential business grew by 24% Y-o-Y, reaching Rs. 525 crore in Q1 FY25.

On the retail side, EBITDA delivered a strong performance with 31% Y-o-Y growth on an asset level. Key drivers include the performance of PMC Mumbai and Phoenix Palassio along with the ramp up of our new mall portfolio. On the commercial office portfolio, EBITDA grew by approximately 33% Y-o-Y at asset level, driven by improved occupancy, especially at AGH and Fountainhead Towers. Q1 FY25 was a challenging quarter for our hotels due to a combination of factors including elections, F&B restrictions, and heat wave. Despite these headwinds The St. Regis, Mumbai has shown resilience, with a 36% revenue growth in July 2024 vis-à-vis July 2023. In our residential portfolio, last year we sold a significant amount of ready inventory of our residential assets in Bangalore, which boosted revenue and profits. Revenue was also boosted due to the Occupation Certificate (OC) which we received for Tower 7. Given that we now have limited ready inventory of around 0.44 msft i.e. around four lakh square feet left in Bangalore, we expect annual sales of inventory to be in the range of Rs. 350 to 400 crore. We continue to see strong demand for the completed inventory despite undertaking a price

increase to ~Rs.26,000 per square feet. The sales momentum should pick up in FY26 onwards with the launch of new inventory at Kolkata or Tower Eight and Nine at One Bangalore West.

Coming to Slide #29 to #32. Now on our debt and liquidity. Our consolidated debt as on 30th June is Rs. 4,398 crore, with an average cost of around 8.79%. On a consolidated cash flow front we generated net cash flow from operations of Rs. 514 crore net of taxes. Just for perspective, after removing interest paid on the debt side, our operating free cash flow net of taxes and interest is Rs. 429 crore for Q1 FY25 which is lower by 5% Y-o-Y. Operating cash flow from our annuity portfolio was Rs. 409 crore up by 20% over the last year same quarter. Group level liquidity improved to Rs. 2,343 crore as of June 24, whereas, gross debt saw a marginal increase of Rs.31 crore. Our group level net debt position stood at Rs. 2,054 crore as majority of our capex has been funded through the internal accruals and the equity infusion during this quarter.

On to Slide #34, we have a clear roadmap of where we intend to be by 2027. We aim to have an operational portfolio of ~14 million square feet of retail, ~7 million square feet of commercial offices, close to 1000 keys in hospitality and we are adding 1 million square feet to our residential portfolio. We are now busy charting our growth beyond 2027, and have added to our development mix through land acquisitions at Thane and Bangalore. We continue to evaluate and work on opportunities to add to our portfolio.

Last but not the least, the Board has recommended a bonus share issuance in the ratio of 1:1 and the same is subject to shareholder approval.

This brings me to the end of our financial performance updates. Now, the forum is open for Q&A session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Punit from HSBC. Please go ahead.

Punit: So, my first question is with respect to the new mall in Bangalore itself. It is already generating within its third quarter Rs. 48 crores of rentals, versus your existing Bangalore Mall which is generating Rs. 50 crores. So, on a quarterly basis, does it look like we have already hit the peak here because it's still 70% occupied and how much more do you think it can go in terms of rentals from here?

Varun Parwal: Hi Punit, thank you for the question, Varun this side. Your observation on Phoenix Mall of Asia is very correct. We have seen a fantastic ramp up in this asset, and that is also reflected in the quarterly consumption that we are seeing and the asset is still at 72% trading occupancy, so over the next six to nine months, we should see that going up to about 90% and that should really help us establish a new benchmark as far as consumption at our new malls is concerned. Rent should also continue going up in line and maybe not for FY25 but if I were to say for FY26

we should see this asset nearing the rentals that are currently being generated at Phoenix MarketCity, Bangalore. I would also draw a reference back to some comments from Shishir's remarks, wherein Shishir spoke about the retail category upgrade, premiumization and asset enhancements that we are also carrying out at some of our existing properties. We have already seen the benefits of this in Phoenix MarketCity, Kurla and a lot of the changes are currently underway at Phoenix MarketCity in Bangalore and Pune as well. So, Phoenix MarketCity Bangalore should also step up from the current rental run-rate that we are seeing right now.

Punit: Okay. So do you think that benefit will come in this year itself or is it likely to be FY26?

Shishir Shrivastava: Hi Punit, Shishir here. So, these are some interesting ideas, and they will take time to execute in an operating mall, so we expect them to start coming in FY26 towards the end 2026 and early 2027.

Punit: Understood. Citadel Mall in Indore, which is still quite young, hasn't grown in this quarter, I would have thought it would have had a similar trajectory?

Varun Parwal: Hi, Punit. Phoenix Citadel has ramped up quite nicely as far as occupancy is concerned and retailers are also would say doing well. Compared to the existing malls, Phoenix Citadel is, let me put it that the category mix is quite good for the city prospect. The asset is also constructed at a lower cost and that is also reflected in the rentals that we see in the asset. In fact, if we look at the financial metric in terms of the return that we are generating on the cost that we have invested in this asset, we are ranging within our benchmark guidance of 12% to 15%. We are in fact at the higher end of the guidance. So, from that perspective, it may not be accurate to the benchmark Indore against a Mall of Asia or Mall of the Millennium, to your specific question on consumption growth vis-à-vis last year.

Punit: And rental also it's flat Y-o-Y which is why the question is.

Varun Parwal: To your specific question of consumption growth compared to previous year, there are some infrastructure improvements that are being undertaken in that area, which has impacted the traffic flow, et cetera, and this quarter, also had the election results, so we couldn't do a lot of marketing and promotional activity so you should see that evolving in the coming quarters. Shishir any comments from your side?

Shishir Shrivastava: Yes, its the bridge that has been constructed on the highway right in front of the mall which has made the access a little difficult, really impacted our footfalls, there's another six months or eight months of work to get completed. In the meanwhile, of course we continue to look at various initiatives from our end, in terms of getting a better or a different brand mix, more marketing events to drive the correct profile of the people. So that's an ongoing business for

us, which we will continue to do. We remain confident about Phoenix Citadel Indore becoming the destination for MP and it's just a blip for a short while.

Punit: Understood. And on the big picture for your growth, is there anything that you need to do that brings back the consumption growth back in second quarter or you think second quarter could still at the margin be similar to first quarter in terms of the mature malls?

Shishir Shrivastava: Again, I would say Punit there are a lot of activities and initiatives that we continue to undertake on an ongoing basis and clearly these take some time to have impact. I don't think there's a structural consumption issue or a reduction in demand as such that we are seeing, these are the isolated situations in this quarter, where we may have seen this impact and mostly in April. We are seeing the ramp up in May and June, April was quite impacted, May and June we are seeing it ramp up and move forward.

Punit: Understood. And lastly, on your Residential business, One Bangalore West has now very little inventory, is there a plan to launch the next phase there?

Shishir Shrivastava: Not as of right now, we are still waiting to understand the development potential and the TDR, et cetera because the last phase will be dependent on that.

Moderator: Thank you very much. The next question is from the line of Parikshit Kandpal from HDFC Securities. Please go ahead.

Parikshit Kandpal: So, Shishir my question is more on the matured malls. So, the trend on decline in consumption, so it has been there for now almost two, three quarters I know this quarter, there could be some exigencies which you highlighted. So, a large part of growth, that we understand if we normalize them our consumption is coming from trading occupancy ramp up and same store sales growth doesn't seem to be happening barely below inflation. So, do you think what could be, you said that there are no structural reasons but what would justify this, because this is not a trend which is there in this quarter, that has been there for the last two, three quarters actually.

Shishir Shrivastava: Thank you for your question Parikshit. The answer lies in for each location firstly, on the question around consumption growth, let me explain. Phoenix Palladium Mumbai is currently seeing a massive disruption. We are adding 250,000 square feet of retail space in the next few months, which is opposite PVR. As a consequence of that, parking, circulation all of that has gotten disrupted which will hopefully settle down during this quarter or early next quarter. So, that has certainly impacted our consumption but that was something that we had anticipated and expected a disruption because the gains out of this product enhancement are far superior. So, in fact, if you look at it Q1 FY25, we may have seen a 4% growth in rental at Phoenix Palladium and while consumption may be down by 2% compared to last year. But this is a catch up for the previous growth cycle of consumption where rental has now caught up, it doesn't

mean that the occupancy cost is going up significantly or anything like that. We have seen a 3% rental growth in Phoenix MarketCity Bangalore despite a 4% decline in consumption in this quarter. This is just a period where we are going to start seeing the ramp up again in the coming quarters. We all know what the disruption was and in some locations like in Indore, Mumbai where this infrastructure work or expansion going on there is some disruption.

Parikshit Kandpal: You have anything else to add or shall I move to the next question?

Shishir Shrivastava: I will just site two more examples Phoenix MarketCity, Mumbai we have seen a 12% consumption growth and this is a result of all the activities and initiatives we have undertaken in the last several months, plus the opening of the access from BKC. Phoenix Palassio, Lucknow has seen a 14% growth in consumption and a 12% growth in rental. It's just a little cyclical, all malls go through this disruption at some point in time, and it's not related to demand.

Parikshit Kandpal: We remain confident on consumption previously thing, saying that it is more infrastructure, issues which is causing this consumption, so there's no as such pattern or change in consumption to some other sectors besides the mall?

Shishir Shrivastava: No, we don't see it that way.

Parikshit Kandpal: Okay. My second question is on your plans to add new malls in Surat, so anything else in the pipeline, you have been highlighting the location and evaluating these, so anything concrete and something in the near term which may get finalized in this financial year?

Shishir Shrivastava: Yes, in this financial year, we will be able to announce one more, we are on the verge of concluding one transaction in South India and that will be another sizable destination mall. It's not just the city consumption center, it will be at a district consumption center.

Parikshit Kandpal: This one is not in Karnataka, South when you talk about South, so in Hyderabad you are looking something so is it?

Shishir Shrivastava: Parikshit we will be happy to announce it as soon as we can.

Parikshit Kandpal: Okay. And this will be like large layout, what kind of like mixed use development, you are looking at new mall or office or Resi as it will have all the potential?

Shishir Shrivastava: For the moment it is going to be, the focus is going to be in phase one - mall, but a large mall.

Parikshit Kandpal: Okay, large mall. So, large we are looking at?

Shishir Shrivastava: Million plus.

Parikshit Kandpal: And my last question is on, so Residential business. So, what are the launch pipelines or anything you have firmed up on Thane, what's the update on Kolkata, you mentioned about Bangalore, but what about this update on Kolkata and any plans on what could be the mix on the Thane land at what stage of planning or design is that and what kind of mix you will see there?

Shishir Shrivastava: Thane we are not yet ready to announce the development mix, because we are going through various iterations and return profiles on different asset classes, so we are not ready to announce the development mix for Thane yet. In Kolkata we are gearing up for launch, couple of quarters and we will be ready..

Parikshit Kandpal: But as a business in Resi so what could be your pre-sales, what kind of pre sales number you have like three years where you have given the plan for next two, three years so how do you think Resi business will contribute and how will it grow, given that beyond this you don't have any major pipeline on Residential side?

Shishir Shrivastava: Parikshit we have always maintained that for us residential is an opportunistic venture. We are currently focusing on building a million of square feet of residential. This was a fantastic opportunity in Calcutta, we saw mature market with very good benchmark pricing, and we have the skill sets in our team to build a couple of million every year. So, we are not going aggressive on this, we will continue to remain opportunistic in the right markets.

Moderator: Thank you very much. The next question is from the line of Parvez Qazi from Nuvama Group. Please go ahead.

Parvez Qazi: So couple of questions. First, I am sorry if you had answered this already, but just want to check, any update on the new Bangalore land that we had purchased last quarter have we finalized our plans there or what's your thought process regarding that?

Shishir Shrivastava: Yes, that Bangalore land is right adjacent and shares the boundary with our existing Phoenix MarketCity Bangalore. We are looking at different options over there. We are also looking at the possibility of whether one can amalgamate the two land parcels and expand the developments going to evolve or we should look at it separately. So, this is an ongoing activity at our end we are working at it. We don't have any specific mix to announce as yet.

Parvez Qazi: Sure. And regarding the Resi project in Bangalore, any chance of a new tower launch let say may be in FY26?

Shishir Shrivastava: I answered that a short while ago we are waiting for clarity on the TDR policy, pricing, et cetera before we take a decision on launching the asset.

Parvez Qazi: Sure. And lastly just a bookkeeping question, what would be the pending CAPEX on our under-construction assets?

Varun Parwal: Parvez is that question on our first construction assets you are asking, or you are asking for the overall CAPEX?

Parvez Qazi: Overall would be fine.

Varun Parwal: So, overall if we look at up to June 2024, during the quarter end for Q1 FY25 we have spent about Rs. 470 crores on pure construction and capex for the assets and balance amount that we have to spend is at about Rs. 4,500 crores, keeping the Residential project in Alipore out of the scope because that project will be funded from pre-sales of the Residential units. We are also keeping Thane out of this. I would say the way to correlate these numbers is to refer to our slide on what asset mix should be operational by the end of 2027 and the balance capex of ~Rs. 4,500 crore corresponds to that. As we announce Thane or as we announce expansion plans in Bangalore, we will update and come back with the right number.

Moderator: Thank you very much. The next question is from the line of Pritesh Sheth from Motilal Oswal. Please go ahead.

Pritesh Sheth: First question is on the category wise consumption mix that you have given in Slide #10. So, in a certain categories like jewelry, gourmet, hypermarket doing well is because of the mix change that you would have done in your existing malls or something to do with that category itself doing well. And your second question to that is, will there always be this differential of performance between the categories like certain category is not doing well or doing below average kind of growth and certain category is doing well or you see that there is certain structural issues that are there with certain categories like electronics, obviously multiplexes we know what kind of issues that they are going through right now, but can these categories which have underperformed, now start to ramp up in terms of like-to-like consumption growth?

Varun Parwal: Pritesh, Varun this side. So. let me take this question and address it in different aspects. First addressing the gourmet and hypermarket piece, in FY23 you have seen this category underperform significantly and we had seen if we were getting say Rs.100 in consumption, consumption in FY23 had come down to a very low base of say only Rs.30. From then to now we have seen new players enter this category and we have seen a performance improvement but it is still on a low base. I don't think we are back to the pre COVID number in gourmet and hypermarket and as we have highlighted in the past, as the catchment around our mall densifies and we see more higher end residential and Grade A offices coming in, we need to optimize the spaces given to some categories like gourmet and supermarkets. So, there is a rationalization of the space that's given to them, but they continue to remain an important part of the product mix that we are providing at the mall and after the right sizing and replacement

of older retailers by the newer guys, this category is showing a sustained continued improvement quarter-after-quarter. On jewelry, in the past we have spoken about creating a wedding cluster which is according to us is defined by having representation from the gold jewelry segment, the diamond jewelry segment, the daily wear segment and then the Indian and the Foreign designers. By this our wedding cluster is taking shape, in fact I would say more advanced in certain malls or it's also taking a good amount of shape in existing malls including in Phoenix MarketCity, Mumbai. And that's why on a like-to-like basis we continue to see a good strong growth quarter-after-quarter. Structurally onto your larger question of the underlying trend, structurally India retail story today remains very promising and very exciting especially in the cities that we are in or the cities that we are targeting. And, one way to look at it is, to look at all the number of foreign brands that are entering to India, or the expansion plans of the domestic brands themselves. With so many new retailers coming to the market and demand for space, we also as regional consumption centers, need to take some time to reorient the asset and redesign them for new age consumption. Structurally we continue to remain very strong and very positive on the consumption story. I hope that addresses your question.

Pritesh Sheth: Yes. And, second on the office side so, if you can provide an update on leasing status and all of Asia Towers and even for Pune what's the status in terms of completion and have we started leasing on that?

Varun Parwal: Asia Towers, the tower is completed, we are just awaiting the occupation certificate and we have done about four transactions which are right now in the documentation stage and we have leasing interest for the entire assets through multiple tenants, and once we receive the OC, we will start registering those agreements and start including leasing update as well on a quarterly basis from our side. For Pune, on top of the Phoenix Mall of the Millennium, we have three office towers which will aggregate to a leasable area of about 1.2 to 1.4 million square feet. One tower is fully complete; we have completed the structure and the facade, and we are right now doing work on the internal finishing of that structure. The other two towers the RCC structure is getting completed and we will move on to completion of the facade. Within the next nine to twelve months, all the three towers will be completed. And as we receive occupation certificate, we will start closing the agreements with the tenant and providing an update in our quarterly results as well.

Pritesh Sheth: Sure. And just one last on Surat. So, what kind of rental assumptions that we have built in, when we underwrite it and if you can help on that, Surat mall?

Varun Parwal: Surat we have just completed the excavation in Surat, so construction activity is going to commence now. I will say that we have, a bit early in the sense that we are still three years away from completion. As a guidance you can consider about Rs.140 or thereabouts at the starting rentals for the mall in Surat.

Moderator: Thank you very much. The next question is from the line of Punit from HSBC. Please go ahead.

Punit: How soon can your transactions that you are undertaking in terms of office leasing in Pune and Bangalore can conclude and when should we start rental coming from those offices?

Shishir Shrivastava: So, Punit we are expecting our OC in Bangalore. It can be 45 days, it can be 60 days, that's not in our control. But, I would think that rental generation one can expect from January, we should start seeing rental income in Phoenix Asia Towers, Bangalore. We have done some four transactions and we are now working actively on marketing that asset. So, we will start seeing some income from January next year. But, I would think that FY26 is the year, by end of FY26 is the year that one can estimate to be close to that 80%, 85% or 90% occupancy.

For this year they will not start generating rent, we will be concluding these deals, they will start generating rent in the next financial year.

Punit: So, Bangalore would be earlier than Pune?

Shishir Shrivastava: Yes, because Bangalore is ready, the entire 800,000 square feet tower is completed, both the buildings are completed.

Punit: Okay. And any reason why there have been pushed out a bit because the mall got completed early?

Shishir Shrivastava: But we were continuing with the construction and installation of all equipment, machinery and all for the office, that's the way we always build composite structures. We launch the mall, get part occupation for the mall and we continue to build on top.

Moderator: Thank you very much. The next question is from the line of Pulkit Patni from Goldman Sachs. Please go ahead.

Pulkit Patni: Just one question. You spoke about Palladium and the impact on consumption because of all the renovation work you are seeing, can you highlight what is the exact square feet directly and indirectly that has been impacted because of this, because when I look at your mall GLA in your presentation, there you are assuming that it's basically the same GLA that's available. So what exactly do you think would be the impact in terms of square feet both directly and indirectly, because of parking, et cetera not being available?

Shishir Shrivastava: So, Pulkit we have not shut down any of our operational GLA for this, it's only the parking infrastructure and the ramps which are also being used for construction, that we are seeing some disruption in traffic movement and that is discouraging individuals from coming in and impacting the consumption.

Pulkit Patni: Sure. I am also asking about the Lifestyle renewal which is under renovation, et cetera. So what exactly is that area?

Shishir Shrivastava: So that, where the Lifestyle structure was, that area was roughly around 50,000 square feet of GLA. But we shut that more than a year ago. So it was it was operational only for April in FY24.

Pulkit Patni: And there is nothing incremental other than that, that we are targeting?

Shishir Shrivastava: Nothing incremental other than that. And of course, we are going to reconstruct a part of this structure and add back some of the GLA, but we are making this a very, very prominent and exciting arrival experience for the massive construction that we are doing with the project Rise Tower.

Moderator: Thank you very much. Ladies and gentlemen, that was the last question for today's call. On behalf of the management of The Phoenix Mills Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.