Management Discussion

Pritesh Sheth - Analyst, Axis Capital
Thank you. Good afternoon, everyone. On behalf of Axis Capital, I welcome you all to the call, and thanks for joining. From the management of Prestige Estates, we have Mr. Irfan Razack, Chairman and Managing Director; Mr. Zayd Noaman, Executive Director; and Mr. Amit Mor, Chief Financial Officer.

I will now hand over the call to the management for their opening remarks. Thank you, and over to you, sir.

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Good afternoon, everyone. Thank you all for joining in. Firstly, let me wish all of you a very Happy Diwali and all the best for the new year. May this festival of lights bring cheers to everyone.

With this, I would request Zayd Noaman to give his opening comments.

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
Thank you, sir. Thank you all for joining us for this quarter's and first half earnings call. I would like to wish everybody a very happy festive season as well, and I hope the season brings you happiness and prosperity to all of you and your families. Coming to our performance, we had a very healthy first half of the financial year 2025, with continued momentum across all our verticals, be it residential, office, retail, hospitality, or property management. Let me start with the residential segment, which continues to be a key growth driver for the company.

We recorded sales of 7,225 crores during Q2 this year, representing a 20% year-on-year growth. Sales volume during the quarter stood at 5.84 million square feet, with 3,910 units sold. This takes our first half sales to 13,804 crores, with sales volume of 11.88 million square feet and 7,247 units sold. Our geographical diversification continues to be an important trend, with Bangalore contributing 41%, Hyderabad at 32%, Mumbai at 12%, Chennai at 8%, and the balance 7% coming from our other markets.

Realizations have also remained healthy. Average realization during Q2 stood at 12,375 rupees per square foot, while the first half average realization was 11,618 per square foot. Collections continued to remain strong, with 5,294 crores collected during Q2 and 10,096 crores collected during the first half. This continues to provide good visibility on cash flow and reflects healthy customer demand, as well as execution across our projects. On the launch front, we launched three residential projects during the quarter, with a combined developable area of 5.91 million square feet and a GDV of approximately 4,020 crores.

For the first half as a whole, residential launches aggregated 23.14 million square feet, with a GDV of over 16,200 crores. We also continued to make good progress on construction and delivery. During the quarter, we completed a residential project aggregating 4.27 million square feet, taking residential completions for the first half to five million square feet. Moving to our office segment, our portfolio continues to demonstrate stable performance, supported by sustained leasing activity and healthy occupancies across our key assets.

We recorded leasing of 1.7 million square feet during the first half, while exit rentals for the commercial portfolio stood at 884 crores as of September 2024. During Q2, we also commenced construction on three commercial projects aggregating to two million square feet across Chennai and Kochi. In addition, we completed Prestige Trade Centre in Delhi Aerocity, spanning 800,000

square feet. Our retail portfolio continued its strong operating momentum, with gross turnover across our malls at 721 crores during Q2, representing a 10% year-on-year growth.

Footfalls during the quarter were 5.2 million, while occupancy remained very strong at 99% as of September end. Exit rentals for the retail portfolio stood at 278 crores. We also commenced construction on Forum One OMR in Chennai, spanning 1.39 million square feet. Hospitality also delivered a healthy operating performance during the first half. Portfolio occupancy stood at 70%, with an average room rate of 15,143, supported by continued demand across both business and leisure travel. During the quarter, we commenced construction on two hotel projects, JW Marriott in Sakleshpur and Moxy One OMR in Chennai, adding 313 keys across 0.77 million square feet.

A particularly important development during the period was our strategic partnership with CPP Investments in Prestige Hospitality Ventures. CPP Investments, the Canadian Pension Fund, has committed 3,000 crores for an approximately 20% stake in the platform. Of this, the first tranche of 1,500 crores has been received in October 2024. This partnership provides us with additional capital to support the expansion of our hospitality portfolio, execute our planned development pipeline, and pursue further growth opportunities in this segment.

At the overall development level, during Q2, we launched construction on nine projects across residential, office, retail, and hospitality business, covering around 10 million square feet. This takes the total launches and construction commencements for the first half to 30 million square feet. We also completed five million square feet during the quarter, taking total completions for the first half to nine million square feet. Our property management and services segment continued to perform well, recording a revenue of 460 crores and EBITDA of 51 crores.

Coming to the financial performance, revenue from operations for Q2 stood at 2,222 crores, with EBITDA of 1,088 crores, and PAT at 256 crores. For the first half, total revenue stood at 5,057 crores, with EBITDA at 2,108 crores, and PAT at 537 crores. We have generated very healthy cash flows during the period, with operating cash flow of 2,679 crores in the second quarter and 4,168 crores for the first half. This, coupled with strong collections in the residential business and continued performance of our annuity assets, provides a healthy foundation as we move into the second half of the year.

As far as ESG is concerned, we secured a five-star GRESB rating with a score of 99.9 out of 100, advanced to a strong CRISIL ESG rating, and won the British Safety Council Sword of Honour for safety excellence across four projects, validating our sustainability and safety standards. Looking ahead, we have a substantial launch pipeline of over 45,000 crores planned across Bangalore, Mumbai, NCR, Chennai, Goa, and Hyderabad over the next two quarters. We will be commencing with launches such as The Falcon City in Thane, Prestige Bougainvillea Gardens in Sector 150 Noida, Prestige Avon in Bangalore, Prestige Spring Heights in Bangalore, and Prestige Seaskapes in Goa.

This will be followed by some of our larger developments, such as Chambers 51, Falcon City Reserve, Prestige Meadows, and few developments in Chennai and Hyderabad. This diversified pipeline, spanning multiple markets and project segments, gives us a strong launch calendar for the second half of FY25 and positions us well to sustain our sales momentum. Overall, we remain encouraged by the underlying demand environment, the strength of our project pipeline, and progress across our business verticals. We will continue to remain focused on execution, timely launches, and construction, while maintaining discipline on cash flows and capital allocation.

With this, I would like to hand over to the moderator for Q&A.

Questions & Answers

Operator
Thank you, sir. We will now begin with the question-and-answer session. [Operator Instructions] We have the first question from the line of Puneet [Phonetic] from HSBC. Please go ahead.

Puneet - Analyst, HSBC
Thank you so much and congratulations on great performance for the quarter. My first question is with respect to the CPPIB transaction. You talked about 1,500 crores received in October. When should we expect to get the balance, and how will the stake change take place? You will give them 20% as 10% already been attributable to them? If you can just talk about how this transition will take place over some period.

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
Hi, Puneet. The total deal size is 3,000, of which 1,500 has been received in tranche one. Of the 1,500, 950 has been received by way of secondary sale, that is the capital has been received in the holding company, and 550 we have received in the PHVL for their future growth. The balance 1,500 we are expecting in two tranches over a period of one to two years of 750 each.

Puneet - Analyst, HSBC
One to two years?

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
Yes, so one in one year, 750, and the next tranche after two years, 750. This capital will be entirely received by the hospitality segment for their future growth. As and when the projects are progressing, it is for that purpose.

Puneet - Analyst, HSBC
And attributable ownership, how would that change? What is it now?

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
Right now, it is close to 16%, and once both the tranches are received, we move to 27%.

Puneet - Analyst, HSBC
27%. Okay.

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
Yes, 27%.

Puneet - Analyst, HSBC
Secondly, if we can also talk about your recent acquisition on the retail side. What is the stage of construction, completion, potential?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Yeah, see, this asset is ready and at the same time not ready in the sense that the interiors and the finishes have to get done. I believe that if the team really get their act together and work hard, we can bring this to market in about nine months on a very optimistic note, 12 months on a pessimistic note, between nine... because even the occupancy certificate is in place. So it is a question of finalizing the tenants and then seeing all the interiors are done and refreshing the entire asset and

bringing it in line with our Forum South.

So it is going to be called the Forum South two, and it is connected from one metro station to the next. Next metro station is just one metro station away. Of course, the team is working on the tenancies. It is going to be definitely a different set of tenancies that will come there. So it will be a huge offering on retail, and I believe it will really be relevant for the retail environment in that space, in that area.

Puneet - Analyst, HSBC
So how big is it likely to be and potential of...

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
930,000 square feet is the overall leasable area.

Puneet - Analyst, HSBC
Okay, and rental expectation?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
I think around 130 rupees average. Because you will have the high rent, low rent all put together, but I think average recovery we should, in our current mall also, we have a similar number. So I believe that that is the way to go. Of course, this is, you have to add up the revenue share, and the vanilla shops will go up to 225, but then it is an average that we have to take anchor versus whatever. And we are trying to keep the anchor space much less here, so obviously the realization will be much more. So it is like a 13 crores per month bottom line that we get from this mall monthly.

Puneet - Analyst, HSBC
Understood, that is very clear. And lastly on the construction spend, while your collections have inched up, the construction spend has not inched up quarter-on-quarter. How should one think about that?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
If you see last quarter, the construction spend was little higher because generally what happens, the contractors submit their bills because of year-end, they submit at the closure, and those all bills get paid in the first half. So if you see historically, that has been the trend. The construction spend generally is higher in Q1 and it tapers down in Q2. So you should see a similar run rate of Q2 in the coming quarters as well.

Puneet - Analyst, HSBC
So 2,500 crores also? Then we are talking about only close to 10,000 crore of construction spend versus 9,500 crore which you did?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
Yes, that is what we have guided. Construction spend will be around 10,000 to 11,000. Maybe in the second half, it will be slightly higher because we are planning some large launches in the second half. So because of that, the initial approval fees and the initial works what we need to do at the site, because of that it will be little higher. So that is why we have guided for the entire year construction spend at 10,000 to 11,000.

Puneet - Analyst, HSBC
And collections, what should we assume?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
Collection also should improve quarter-on-quarter. Q1 was little lower because of summer months, which has picked up in Q2. So overall for the entire year, we expect our total gross collections to be in the range of 24,000 to 25,000 crores. And the operating cash flows will be in the range of 9,000, free cash flows what we will get will be in the range of 9,000 crores.

Puneet - Analyst, HSBC
Operating cash flows, okay. And business development spend should remain in current trajectory or do you expect to increase?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
It should be in the range of 4,500 to 5,000 for the entire year.

Puneet - Analyst, HSBC
Okay, that is very clear. Thank you so much and all the best.

Operator
Thank you. [Operator Instructions] We have the next question from the line of Karan Khanna from Ambit Capital. Please go ahead.

Karan Khanna - Analyst, Ambit Capital
Hi, thanks for the opportunity. First question is on the guidance with 1H booking value at about 13,800 crores and nearly half of that coming from new launches, and with 46,500 crores of launches slated in 2H. Is not the 36,000 crore number a very conservative number? Would you want to revise this upwards? And then with the projects that you have signed in FY25, how are you thinking about FY26 as well?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
We will stick to the 36,000. We don't want to overpromise underdeliver. If something extra happens, we will be happy, you will also be happy. The thing is, if I have the product, I can bring it to market anytime, but it is also about approvals, regulatory, getting RERA. All of this is like a bump for us. We are trying hard. Fortunately, we have done enough of DD, there is a lot of pipeline that is already developed. As soon as the approvals happen and the RERA comes, we launch, obviously it will convert to sales, and there is a good demand for our product. I believe that yes, we have potential to do more, we won't stop ourselves from doing more, but as of now, we will stick to our 36,000.

Karan Khanna - Analyst, Ambit Capital
Sure, and on FY26, or do you want to take it perhaps in the next call when you have more clarity?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
See how we close this year and then we will go to the next, step-by-step.

Karan Khanna - Analyst, Ambit Capital
Sure. My second question is on the commercial annuity portfolio. I am looking at slide number 32. The exit rentals have reduced meaningfully for FY29 and also marginally for FY28 versus what was estimated in 1Q, while FY31 exit rental estimates at about 4,900 crores has seen a meaningful

increase. Can you explain what is driving this reduction in 2028-2029?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
The annuity portfolio what we have guided, how it will ramp up over the years, is even including the upcoming portfolio. In some of the cases, the approvals are slightly delayed, because of which we have just revised the completion timelines. If you see the ongoing portfolio, there is no delay in construction and we are expecting the projects to be completed whatever we have guided. It is only the upcoming portfolio, there has been for couple of projects, there has been a change in the timeline. As far as FY31, the increase in the rental is because there was a project in land bank, we had acquired that land in Hyderabad in Raidurg, which now we have moved to upcoming pipeline. So that project itself is adding close to 250 crores plus to the revenue projection.

Karan Khanna - Analyst, Ambit Capital
Sure. And last question on Falcon City Thane Phase 1: how is the initial response that you are receiving from the channel partners for the project, and will Phase 2 launch depend on response for Phase 1 and is likely to be launched in FY26, or you could potentially push it to FY27 as well depending on the response to Phase 1?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
[Technical Issues] On this Falcon City Thane, we just got the approval two days ago. We still have to get the CC in hand and then we have to get RERA. Of course, like we do this survey, we had done a survey and we were trying to see what the response in the market will be for this area and for this product, and it has been phenomenal. But now we don't want to get overexcited. Once RERA happens and people really have to pay the 10% deposit and book, then only we will know the whole story. And of course, if it sells off very well, definitely we will go to the Phase 2. Again, it is further investment on TDR and other things. We at Prestige are known to do things all in one go, but let us see how it pans out. I don't want to get particularly excited, but hopefully it should do well.

Karan Khanna - Analyst, Ambit Capital
Brilliant. Thank you, Mr. Razack, and season's greetings to everybody on the call.

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Thank you. Season's greetings to you.

Operator
Thank you. [Operator Instructions] We have the next question from the line of Pritesh Sheth from Axis Capital. Please go ahead.

Pritesh Sheth - Analyst, Axis Capital
Yeah, thanks for the opportunity. First one, this quarter we saw very good sustenance contribution. So anything specific we did in terms of pushing these sales, or probably for last couple of quarters there were concerns and that pent-up demand led to these sales, and any schemes etc. we had to offer to lure this demand at these sustenance? That is my first question.

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
As a policy, we don't believe in schemes because those only give agony in the end. Only what we would have probably done is, as some projects are coming to near completion, we would have said, 'Okay, pay so much now and the balance at the time of delivery'--say 75% now and 25% on

delivery, something like that, but no particularly schemes because schemes always lead to a lot of agony later.

Pritesh Sheth - Analyst, Axis Capital
Sure, so it was just a general push from sustenance side that we did this quarter to have higher contribution?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Yes, it is basically general push and probably a lot more effort from the teams.

Pritesh Sheth - Analyst, Axis Capital
Sure, okay. And in general, how are you seeing demand across the markets, specifically Hyderabad where couple of our peers have launched projects not so successful? So how are you reading all the markets that you are present in and specifically Hyderabad?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
This all depends on location, size of the product, the overall ticket size, is the pricing... Certain micromarkets are a little oversupplied, certain micromarkets there is demand. Now we did this Prestige Golden Grove in Hyderabad. Fortunately, there was nobody else there, and though it was a very large project, it met with instant response, and of course it was priced sensibly too because we had got a proper, decent deal from the landowner, we could afford to do that. So that is how it is. It is a matter of positioning, it is a matter of what type of product, when and where. So we will have to be very, very intelligent in how we work. And I do believe that Hyderabad is still a very strong market, good market, but because of this free FSI policy, there will be a lot of inventory that keeps coming. So we need to be careful.

Pritesh Sheth - Analyst, Axis Capital
Sure, got it. And just coming back on launches, while Zayd, you mentioned about few of them in your initial commentary, so Q3 you said Thane, Noida, couple of projects in Bangalore, and one project in Goa. These five would come in Q3 and rest in Q4, or there are chances for other larger projects also to come in Q3?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
These five are, why we are confident is these are already approved. It is only about getting RERA. One month of the quarter has already gone by, and if the RERA comes for all these five projects, I think all these five can be launched in this quarter. If there is a slip on the RERA, then it is a different story. But I think with all taking a practical approach, all these can come and should come in this quarter for launch and they could be well sold. Apart from that, Goa, I think two in Bangalore, maybe one more in Hyderabad. In fact, there will be one more project is approved in Chennai also, which is Parkchester [Phonetic], but we don't want to launch it till our EC is ready because it is a luxury project, so we want to show it in its full glory and then try and get the customers with... We want to have a false start.

Pritesh Sheth - Analyst, Axis Capital
Okay, got it. So Chambers 51, Meadows will be likely in Q4?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Chambers 51 is Q3 only. Chambers 51 is the office project, that also will be in this quarter only.

Pritesh Sheth - Analyst, Axis Capital
Got it, got it. One last on the hospitality side: what will be the pending capex for hotels, both including ongoing and the upcoming ones, and how should we think about the stabilized revenue once all of these hotels are delivered?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
Pritesh, the pending capex will be in the range of 5,000 crores, and stabilized revenue, maybe I will get back to you on that.

Pritesh Sheth - Analyst, Axis Capital
Got it. And just one last, sorry, what would be the portion of debt which is not consolidated in this 12,000 crore, the debt which is in the JV assets?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
JV assets, Prestige share of debt which is not consolidated is in the range of 2,400.

Pritesh Sheth - Analyst, Axis Capital
Okay, got it. Thank you, that is it from my side. All the best and Happy Diwali to the whole team. Thank you.

Operator
Thank you. [Operator Instructions] We have the next question from the line of Harsh Pathak from Motilal Oswal Financial Services. Please go ahead.

Harsh Pathak - Analyst, Motilal Oswal Financial Services
Yes, hi, sir. Good afternoon. My question is on the launch pipeline. So in your rest of the year launches, we are seeing lots of projects in the mid segment and one, two projects in the entry segment also. So from the next two to three years perspective, how are you seeing market evolving, maybe if you can highlight specific to the larger markets like MMR, Bangalore, NCR, Hyderabad? How are you reading, and which is the segment you would like to play, or maybe like to focus the most upon, or even if some ticket range that you would like to quote depending on the micromarkets?

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
We are very, very confident in the demand scenario. We feel that given the last few years the way the market has responded, the absorption for a good quality product at a good price remains, even if the realizations have slightly increased. So that is why we are focused mainly on our core cities, tier 1 cities of Bangalore, Hyderabad, Chennai, Mumbai, and NCR. I think excluding Mumbai, most of the markets remain very strong and along the same affordability bracket. Hence, it is more of a ticket price play there while delivering a quality and differentiated product.

When it comes to Mumbai, I think there are two segments over there. One is the luxury segment, which is in the South Mumbai area, and then you have the suburbs, which is another segment. Here as well, it is about getting a quality luxury product for South Mumbai where the ticket price is extremely high, and the same thing for the suburbs giving them a quality product. But more than anything, the key differentiator is how do you size the products, it is an entire mix, how do you give them that product. I think if we continue to get that right, that formula right, anybody will succeed.

The mid segment to the higher segment is always evergreen, and we will continue to sell regardless

of where we are in the cycle. And for the next two, three years, we are pretty confident that things will sustain, but your guess is as good as mine. Things can change anytime, but we are always prepared for any eventuality. We always believe in pricing the products such that we sell most of it in the first few months as well, and that is what our past performance has also shown, so that way our cash flows are secured.

Harsh Pathak - Analyst, Motilal Oswal Financial Services
Sure, so any particular ticket range that you may want to focus more upon, maybe want to specify in MMR and rest of, sorry, ex of MMR?

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
So in MMR, I think would be about two crores upward, that is where I think the range begins. That is where we would like to focus on in MMR region, upwards of that. And of course, in other markets, sub of that number, as land is available at price much lower than MMR in the other regions. So we are able to build a product and sell it at that price.

Harsh Pathak - Analyst, Motilal Oswal Financial Services
Understood, sir. Sir, my next question is on the business development front. Since we are going towards that closer to 40,000 crores of presales range, how should we see business development evolving, what should be the likely spend, annual spend over the next two, three years to keep the growth engine running? And specifically, how do we see the NCR market, since now we are seeing lots of national players go in that region? So how are you thinking of Prestige growth in that region per se?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Wherever there is success, everybody will follow, that is the usual trend. We have been highly successful in our first launch in Prestige City Indirapuram, where we have sold 90% plus of our inventory. We have got three new projects: one is Prestige Bougainvillea which should come this quarter, then we have got The Meadows and we have got The Falcon City. Once these three get launched, we will see and watch and view the type of response we get. Based on that, there are many opportunities that are knocking on the door, but we really don't want to take too much of risk in the sense that once these three also become successful, then I think there is a lot of opportunity. Land is available, it depends on what terms, how, what is the cash flow, and then we will take a call. There is opportunity, there is no doubt about it.

Harsh Pathak - Analyst, Motilal Oswal Financial Services
Sure, and on the business development spend, annual business development spend for the next two, three years, how should we see that?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
It is all work in progress. It is a present continuous tense. Every time when there is an opportunity, we have to take a decision, teams have to decide on how much to invest where, and after all, land is what I would call the raw material for us. As and when we extinguish our raw material, we have to make sure that we get more and more new ones. It is trying to see how we can manage cash flows without really stretching ourselves too much.

Harsh Pathak - Analyst, Motilal Oswal Financial Services
Okay, sir. Thanks a lot for taking my questions and festive greetings to the entire team.

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Thank you. Happy Diwali.

Operator
Thank you. We have the next question from the line of Parvez Qazi from Nuvama Group. Please go ahead.

Parvez Kazi - Analyst, Nuvama Group
Hi, good afternoon and thanks for taking my question. My first question is about the mall that we have acquired. If I am not correct, it is already constructed, so have we acquired it in the bankruptcy court or through NCLT?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
This was bought by another company, another entity under NCLT. It is called Glowint and Tarun Realtors. It was run by a fund called Diki Fund. And then once they went through that whole NCLT process and got that asset, we were approached and we showed interest because it was a debate whether to invest further in the same area more detailed. But our teams felt that there is potential, so we did the due diligence and we found that it would be quite sensible to put our money there. So that is how we bought it.

But then it is not a ready mall in the sense the buildings are ready, occupancy is there, but there is a lot of work and money to be spent to bring it to trading level, which will happen as I said in my earlier remarks, which will take us between nine to 12 months. Earliest we are trying to push it to do it as early as possible. Let us see how it pans out.

Parvez Kazi - Analyst, Nuvama Group
Sure. And any update on the office projects, either in terms of construction timelines or pre-leasing progress would be great, especially for the Mahalaxmi, the BKC, and the DIAL project? Thank you.

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Yeah, I think DIAL is ready, occupancy is received. We are only waiting for one last clearance, which is BCAS, which should come in a week or so. And DIAL will be also ready to hand over the key by this month end to the operators, and from then on let them decide when they want to start the hotel to be trading. So we are in the last mile. As far as other office projects which are under construction, which is Mahalaxmi, BKC, these are the two big ones that are happening in terms of both capital value and rental value.

Work is progressing very briskly and we are very confident that things are happening in the right direction and the asset is also turning out well. And I believe by end of 2027, these two assets will really look shaped up and completed. And in terms of leasing, that question was also there. I think we are, after leasing out about one and a half million square feet in BKC-X, the teams have been asked to pause a bit until they get some really top-class tenants. So that is where we are. And Mahalaxmi also, we have leased out around 400,000 square feet already, and they are also discussing with some very top-end customers. Let us see what comes out of it.

Parvez Kazi - Analyst, Nuvama Group
So by when do we expect the rent for the DIAL project to start?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
DIAL project, I think there is some free period, another thing. We are in now 2024 November. I think rent should start fully yielding latest by April 2025.

Parvez Kazi - Analyst, Nuvama Group
Sure, sir. Thank you and all the very best.

Operator
Thank you. We have the next question from the line of Pritesh Sheth from Axis Capital. Please go ahead.

Pritesh Sheth - Analyst, Axis Capital
Yeah, hi. Just few clarifications. Firstly, JV debt, 2,400 crore that Amit you mentioned, is our share of debt or total debt in the JV entities?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
That is our share of debt, Prestige share of debt.

Pritesh Sheth - Analyst, Axis Capital
Fair enough. Sure, got it. And this 1.5 million square feet leased in BKC, that is actually half of the asset almost. So that number is right? 50% pre-leased already?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Yeah, number is right. It is not half because BKC is almost... BKC-X is 2.5 million. BKC-Y, we have an addition hotel there, so that also will be about two million. So it is a pretty large asset.

Pritesh Sheth - Analyst, Axis Capital
Sure, okay, got it. And just one last again: pushing on launches a bit, but like this 46,000 crore of pending launches, how should that get split between the two quarters? Equal split, and any project that seems likely to be pushed out to next year?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
I didn't understand the question. What is that split you talked about?

Pritesh Sheth - Analyst, Axis Capital
46,000 crore of launches for second half, how would you split between the two quarters, Q3 and Q4?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
I think the numbers they haven't actually assigned to each of those assets. I think Zayd has some numbers, he will give it to you, otherwise we can take it offline. Each asset has a separate GDV, and I believe that out of 40,000, at least 20,000 will be launched in this quarter itself.

Pritesh Sheth - Analyst, Axis Capital
Got it, thank you. That is it from my side.

Operator
Thank you. We have the next question from the line of Puneet [Phonetic] from HSBC. Please go ahead.

Puneet - Analyst, HSBC
[Technical Issues] ...paid for it, and has the money already gone out of your accounts as of September end?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Sorry, we didn't capture what you said.

Puneet - Analyst, HSBC
This new retail asset, how much have you paid for it, and is the money already reflecting in your balance sheet as of this point of time?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Yes, it is already being paid, it is reflecting in the balance sheet as of 30th September.

Puneet - Analyst, HSBC
And what is the price?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Paid for it in the sense we had paid the fund and then of course ultimately get converted now in this quarter as a purchase of asset.

Puneet - Analyst, HSBC
And how much did you pay for it?

Amit Mor - Chief Financial Officer, Prestige Estates Projects Limited
520 crores, 519 to be precise, 519 crores.

Puneet - Analyst, HSBC
Okay, that is all from my side. Thank you so much.

Operator
Thank you. We have the next question from the line of Yash Gupta from Asit C. Mehta. Please go ahead.

Yash Gupta - Analyst, Asit C Mehta
Yeah, good afternoon, everyone. Sir, my first question is on when we can expect a soft launch or hotel of DIAL?

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
I said November 28th we are handing over the key to the Marriott management, and then they will evaluate and get their systems in place, and they will decide when they want to open the bookings for the hotel. Maybe about three, four weeks later.

Yash Gupta - Analyst, Asit C Mehta
Okay. Sir, in Mumbai now we have two, three more projects to be launched. How are you reading the market as of now because we have the project in Thane and Versova? How are your sense on the Mumbai market?

Zayd Noaman - Executive Director, Prestige Estates Projects Limited
I had just explained this some time back. Right now, we have prepared the approvals in place, we

are building the experience center. We haven't really marketed Thane, but from what we know of the market, there is a good buzz, and I think we should get a good reception and absorption once we launch the project. We will only know that in two weeks once we launch it.

Operator
Thank you. Ladies and gentlemen, that was the last question, and with that, we conclude the question-and-answer session. I now hand the conference back to the management for their closing comments. Over to you, sir.

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Thank you very much, all of you, for your proactive questions. I hope we have been able to answer your questions. Nevertheless, Zayd and Amit and Shizra [Phonetic] and Nayak [Phonetic] are available for any questions that you have, any clarifications that you have. Most importantly, wish you all a very, very Happy Diwali and a very prosperous and exciting new year. With this, thank you very much again for participating.

Operator
[Operator Closing Remarks]

Irfan Razack - Chairman and Managing Director, Prestige Estates Projects Limited
Thank you.