

March 16, 2023

**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 Sirs/Madam,

**Subject – Update on Press Release dated February 24, 2023**

This is with reference to our letter dated February 24, 2023, wherein we had enclosed a Press Release issued by the Company titled ‘The Phoenix Mills Limited’s wholly owned subsidiary, Palladium Construction Private Limited acquires a prime land parcel in the exclusive neighbourhood of Alipore, Kolkata, for developing premium and luxury residences’. We have received several queries on the same.

In the context of the above, and with a view to ensuring complete transparency, we wish to update you on our responses to these queries as under:

**Query No. 1 – What is the Company’s plan for the land acquired?**

Response – As per current intention, Palladium Construction Private Limited (“PCPL” / The Company) intends to build a world class residential development consisting of approximately 325 to 350 homes with saleable area of approximately 1 million sq. ft.

**Query No. 2 – What is the expected date of commencement and completion of the project?**

Response – The Company plans to begin the development on the site immediately. It is currently in the early stages of design development. It expects to obtain all requisite approvals within the next 12 to 18 months and expects to complete construction by 2028-2029. Further, subject to prevailing market conditions, the Company expects the sales to be completed in approximately 7 to 8 years from launch, with annual sales volumes estimated to range between 100,000 to 150,000 sq. ft.

**Query No. 3 – What is the proposed launch price and escalations assumed?**

Response – Given the current market conditions and the prevailing sales prices of similar properties in the vicinity, the Company estimates the launch price to be in the range of Rs. 15,500/- to Rs. 16,500/- per sqft.

(inclusive of GST). The Company estimates that the launch price will escalate at approx. 10% annually over the project life cycle, subject to prevailing market conditions.

**Query No. 4 – What is the expected sales volumes?**

Response – Subject to market conditions, the sales period is estimated to extend for approx. 7-8 years from launch, with annual sales volumes estimated to range between 100,000 to 150,000 sq. ft.. The table below sets out our estimates with respect to the sales volumes and corresponding sales prices:

Calendar Year	Estimated Selling Volumes (in sq. ft.)	Estimated Average Sales Price in Rs. (assuming annual increase of 10%)
2024	~100,000	15,500 to 16,500
2025	~100,000	17,000 to 18,000
2026	~100,000-150,000	18,500 to 20,000
2027	~100,000-150,000	20,500 to 22,000
2028	~100,000-150,000	22,500 to 24,500
2029	~100,000-150,000	25,000 to 27,000
2030	~100,000	27,500 to 30,000
2031	~100,000	30,500 to 33,000

Hence basis above underlying assumptions, it can be seen from the above that in 2024 the sales price is expected to be in the range of Rs. 15,500/- to Rs. 16,500/- per sq. ft. (inclusive of GST) and the price in 2030 is estimated to reach approx. Rs. 27,500/- to Rs. 30,000/- per sq. ft. These estimated sales volumes and sales prices are subject to market conditions.

**Query No. 5 – What is the expected return on investment for this project?**

Response – The Company has a defined investment threshold for project-level IRRs, on a pre-tax basis, to be above the threshold limit of 15% for any new project. Basis above assumptions and subject to timely receipt of project approvals as well as prevailing market conditions relating to cost of construction, sales velocity and sales prices, the pre-tax project IRR for the planned residential development on this site is expected to be above the defined investment threshold of pre-tax project IRR of 15%.

**Disclaimer:**

*Certain statements in this communication may be ‘forward-looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve several risks, uncertainties and*



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*other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Similarly, the assumptions based on which the estimates have been made are subject to change based on market conditions and general business environment. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political, social and economic environment in India and overseas, tax laws, import duties, litigations, labor relations and consumer preferences. The Phoenix Mills Limited (PML) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

**For The Phoenix Mills Limited**

**Gajendra Mewara**  
**Company Secretary**