

COMPANY OVERVIEW

About Us

We are an active owner, developer and manager of prime retail-led assets in the key gateway cities of India. Our strategy has been to establish and maintain a market leading position as an active owner, developer and manager of prime retail-led assets in the city centers of India and deliver strong long-term returns to shareholders through income and capital growth. Over the last decade, we have demonstrated our capabilities in the creation of large-scale world-class retail destinations and the delivery of multiple projects across various city-centers of India within time and budget.

During the year, business consumption at our malls stood at ₹ 58 billion in FY2017, a 7% increase from ₹ 54 billion in FY2016. Rental income has increased from ₹ 7.1 billion in FY2016 to ₹ 7.7 billion in FY2017.

The retail portion of our portfolio contributed 65% of our total revenue of ₹ 18,246 million in FY2017, followed by hospitality assets at 17%, residential 13% and commercial 4%. Our gross leasable area currently stands at approx. 6.0 million sq. ft. with 7 operational malls in Mumbai, Bengaluru, Chennai, Pune, Lucknow and Bareilly, while one mall in Chennai is under fit-out.

Our hospitality assets consolidated their market-leading positions during the year. The St. Regis, Mumbai reported total revenue of ₹ 2,520 million during FY17, up 16% yoy, while Operating EBITDA came in at ₹ 907 million during FY17, up 26% yoy. The hotel witnessed an increase in the number of available rooms from 335 rooms in FY16 to 395 rooms in FY17. Despite higher inventory, the hotel clocked an average occupancy of 72% during FY17 (flat yoy), with an ADR of ₹ 10,594 (up 14% yoy), resulting in room revenue growth of 26% over FY16. Courtyard by Marriott, Agra, recorded 57% occupancy with an ADR of ₹ 4,336 and has established itself as one of the prime properties in a short span of time.

During the year under review, we completed the construction of our premier office space Art Guild House and handed over the property for fit-outs. In the commercial segment, of the total leasable area of 1.42 million sq. ft., an area of 0.45 million sq. ft. has been sold, while 0.54 million sq. ft. area has been leased. In the residential segment, we have completed the construction of Towers 1-5 in One Bangalore West and handed them over to the buyers. The construction of The Crest (Towers A, B & C) atop the Phoenix MarketCity at Chennai is also complete. Across our residential portfolio, we recorded total cumulative sale of 1.78 million sq. ft. amounting to an aggregate sale value of ₹ 17,893 million.

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Leveraging our Collective Strengths

a. Integrated and diversified business model

We are leveraging our strong management, execution capabilities and a rich pool of talent, we continue to extend our leadership in mixed-use development assets across the region. We are focused on delivering stable returns through development, ownership and active management of our development assets. Through a sustainable and integrated business model under-pinned by strong recurring income and city-centric locations, we remain well positioned to ride on the growth of consumption in India.

b. Fostering a culture

We design the future of people's lives by transcending the framework of facilities not only for shopping, but also in terms of meeting people and fostering local culture. We contribute to the revitalisation of local communities, leveraging our overwhelming track record in malls and the retail expertise we have developed in mature domestic markets. We seek to explore new demand and create new markets.

c. Creating preferred destinations

PML has malls in the right size and at the right places with an excellent retailer mix, which makes our malls a preferred destination for international brands entering India. Over the years, we maintain and increase the value of our malls through revitalisation (new age retailers replacing older formats) and strategic expansion, which are permissible by changes in local development norms.

d. Leadership in retail-led mixed use format

The source of our strong ability to attract customers is the operation of malls from a long-term perspective, based on our ability and leadership in retail-led mixed use format and our strategic city-centric locations that place us in a pole position in the organised retail sector. We continue to provide the necessary values for the lives of customers, leveraging our collective strengths as a real estate developer engaged in development to management and operation of malls.

e. Capitalising on growing rental income

We expect our rental income to grow in sync with the rising consumption at our malls. Over the last 4 years, consumption has grown at a CAGR of 25%, while rental income has increased at a CAGR of 19% over the same period.

f. Qualified project management team

We have one of the most capable and professional in-house design and mall management team which oversees, manages and implements all the projects. With vast experience in property design, management and development, the Mall Management Team overlooks retail development and asset enhancement works, and well aligns project design, planning and execution to meet our strategic and business objectives.

