

**Transcript of the proceedings of the 23<sup>rd</sup> Annual General Meeting of the members of Oberoi Realty Limited held on Wednesday, July 14, 2021 through video conferencing/ other audio visual means**

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***Bhaskar*** : Dear Members,

***Kshirsagar***  
***(Company***  
***Secretary)***

On behalf of Oberoi Realty Limited, I Bhaskar Kshirsagar, Company Secretary, welcome you all at the 23<sup>rd</sup> AGM of the Company.

I have been informed that the requisite quorum is present, and we shall accordingly commence the proceedings of the meeting.

Before we commence, I would like to inform you that in view of the COVID 2019 pandemic, the Ministry of Corporate Affairs vide its General Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, and January 13, 2021, has introduced certain measures enabling companies to convene their AGMs through Video Conferencing or Other Audio Visual Means.

Considering the health and safety of the stakeholders, shareholders, employees and other relevant participants, as well as to organize the Meeting in a practical way, the 23<sup>rd</sup> Annual General Meeting of the Company is conducted through Video Conferencing facility on WebEx platform (VC).

The facilities to join the meeting by VC have been kept open at least 15 minutes before the commencement time of the meeting and shall remain open till the expiry of 15 minutes after such scheduled time, with a minimum capacity of 1000 members on a first-come-first-served basis.

The members attending the meeting through VC shall be counted for the purpose of quorum.

The appointment of proxies are not allowed for this AGM. However, representatives of members as authorized u/s 112 and 113 of the Companies Act, 2013 are permitted to participate in and vote at this AGM.

During the meeting, if any member faces any issue or requires any assistance relating to e-voting or VC, he/she may call the helpline numbers of CDSL/NSDL, as the case may be, as are mentioned in the Notice of the AGM.

The resolutions mentioned in the Notice convening this AGM have been kept open for voting through remote e-voting, and the facility of e-voting is also available during the AGM for the members who have not casted their vote by remote e-voting.

Now, I would like to introduce you to the panelists for the meeting.



We have Mr. Vikas Oberoi, the Chairman and Managing Director of the Company, and Mr. Saumil Daru, the Director - Finance cum CFO. We also have the independent directors Mr. T.P. Ostwal (who is also the Audit Committee Chairman), Mr. Venkatesh Mysore (who is also Chairman of Nomination and Remuneration Committee), and Ms. Tina Trikha. We also have Ms. Bindu Oberoi, a non-executive director (who is also the Chairperson of Stakeholders Relationship Committee). Mr. Karamjit Singh Kalsi has not yet joined the meeting as he is located out of India.

We also have Mr. Vinayak Pujare, Partner of SRBC & Co LLP, the statutory auditors.

We also have Mr. Himanshu Kamdar, Partner of M/s. Rathi and Associates, the secretarial auditors of the Company and the Scrutinizer's for this meeting.

Now, I request Mr. Vikas Oberoi to take over the proceedings of the meeting and deliver the brief speech for the meeting.

***Mr. Vikas  
Oberoi  
(Chairman  
and  
Managing  
Director)***

: Good evening Ladies & Gentlemen,

Welcome to the 23rd Annual General Meeting of Oberoi Realty Limited. On behalf of the Board of Directors and Oberoi Realty, I would like to thank you all for being a part of this event. We have organized this AGM digitally for the safety and wellbeing of everyone.

The last financial year was challenging in many ways due to Covid 19 pandemic and the lockdown constraints. However, your Company showed great agility, teamwork and resilience during these challenging times and delivered outstanding results. Our employees were provided with all infrastructure for them to work from anywhere, thereby ensuring necessary business continuity. All our construction sites followed the required safety guidelines. And to ensure the wellbeing of our employees and their families, the Company also organized a vaccination drive.

We also take this opportunity to thank the Central and the State Government and their regulatory authorities for the strong reform measures taken by them, to boost the consumer confidence in Real Estate.

The Company appreciates the unwavering support and trust of all our shareholders on the brand. It is this confidence that motivates us to continue our work with an unending zeal and passion. Your Company's unique brand positioning, diversified project portfolio, and financial prudence has made us one of the most trustworthy brands in the Real Estate industry.

Our ability to adapt to emerging trends of the market and challenging consumer behaviour, has resulted in consistent growth over the years. Our sales volume in the last financial year is a testament to a strong legacy of excellence. All our projects offer spacious design, luxurious amenities, serenity and an ecosystem of a convenience, all of which leads into a holistic living experience. These elements have assumed greater significance post pandemic and the same were also seen in buying trends during the year. A pre-existing strong demand for our projects was further propelled to new heights due to these unique offerings. Our new residential projects, Elysian at Oberoi Garden City, Goregaon, and Sky City at Borivali have been one of the most successful real estate launches of the year due to its thoughtful design which was curated after understanding the emerging trends of consumer preferences. Our commercial vertical concluded one of the largest transactions by leasing 1.1 million square feet in Commerz III, our upcoming commercial building at Goregaon, to a leading international financial services company. Our retail business also continues to show resilience and recovery despite the challenging business environment.

We think India is hugely underbuilt, undersupplied, and we believe that there is a huge opportunity for us to plug this gap. Our vision is to create a holistic development, that takes care of the needs of the consumer. We are confident that our projects can transform locations into landmark destinations. Our consumer centric approach, financial prudence and strong corporate governance gives us a sustainable competitive advantage which will help us increase our market share in the coming years.

On behalf of everyone at Oberoi Realty, we thank all the stakeholders who have stood by us and have reposed their faith and confidence in the brand.

Stay Safe, Stay Healthy.

Thank You.

**Bhaskar Kshirsagar** : Thank you Sir.  
*(Company Secretary)*

We welcome Mr. Kalsi, the Independent Director of your Company, and request the CFO to make his presentation.

**Saumil Daru** : Thank you Bhaskar.  
*(Director Finance cum CFO)*

Very good afternoon everybody, and thank you all for attending the 23rd AGM.

Would like to briefly take you through some of the developments. Infact Mr. Oberoi has already covered a few of them during his introductory speech.



In June 2020, the Company concluded negotiations with a leading global financial services firm. This was to lease about 1.1 million square feet of space at the planned Commerz III building at Goregaon.

In December 2020, Evenstar Hotels Private Limited, which is a wholly owned subsidiary of your Company has purchased and taken possession of the hotel property known as the 'Ritz Carlton' from Oasis Realty. This was for a sale consideration of about Rs. 1,040 Crores.

During the year, the Company did a total business in terms of gross sales value exceeding about Rs. 3,425 Crores. You will be glad to know that this is the best annual sales performance in the history of the Company, despite the pandemic situations which were prevailing. Because of the pandemic, the first two quarters were almost a washout and this year's entire performance is seen on account of the sales done between the October to December, and January to March quarters.

This shows the extent of the recovery in the market and the kind of confidence that the customers have in the brand. Infact the market conditions in the October to December quarter were so healthy that it gave us the confidence to launch the projects in the last quarter of the year which were the Elysian project and the next phase in Sky City, both of which also got a phenomenal response from the customers. For the project Elysian, your Company was able to gross sales in excess of about Rs. 1,000 Crores.

With that, I would just like to very briefly recapitulate some of the numbers. The detailed numbers are there in the financial statements, which are forming part of the annual report.

The gross revenue from operations this year stood at about Rs. 2,052.58 Crores versus about Rs. 2,237.63 Crores in the last financial year.

The profit before tax this year stood at about Rs. 924.42 Crores versus Rs. 968.89 Crores in the last financial year, and the total comprehensive income for the period after tax stood at Rs. 741.54 Crores versus about Rs. 689.19 Crores in the last financial year.

Coming to the balance sheet, the total size of the balance sheet increased from about Rs. 11,221 Crores in the last financial year to about Rs. 12,053 Crores in this financial year.

The total networth of the Company increased from Rs. 8,630 Crores to Rs. 9,369 Crores in this financial year. If we take a quick look at the cash flow of the Company, during the year the Company generated very healthy operating cash flows of about Rs. 702 Crores, out of that investing cash flows consumed about

Rs. 597.45 Crores. The investing cash flows include the capex that the Company spends on some of the fixed assets that it is constructing.

The financing cash flows consumed about Rs. 116.38 Crores (at a net level), and this includes the debt servicing, which is basically the payment of the interest and the principal.

At the end of the year, the total cash and cash equivalents on the balance sheet to about Rs. 187 Crores which indicates that the Company continues to maintain a very healthy liquidity.

As far as some of the other financial numbers are concerned, which a lot of the financial markets track, as I mentioned, the total net worth stands at Rs. 9,369 Crores, this is up by about close to 8.5%.

The gross debt to equity ratio stands at about 0.16 times. This is amongst the lowest debt - equity ratio in the sector. During the year, your Company was also able to use the money market conditions to its advantage. We successfully changed the profile of our debt in terms of the balance maturity, while simultaneously also being able to lower the cost of borrowing. Your Company has been able to use its balance sheet strengths to borrow at some of the finest rates as far as the sector is concerned.

The other numbers, on the EBITDA about Rs. 1038.41 Crores which represents 49.67% in terms of ratio of sales, the PBT margin at 44.22% and the PAT margin at about 35.36%. These numbers are again, in terms of margins, amongst the best as far as the sector is concerned.

The total rental income as a percentage of the total income during this year stood at about 15.44%.

Coming to the last of the slides, the shareholding pattern this year was broadly unchanged. The promoter and the promoter group continued to own about 67.70% of the Company. As far as the rest is concerned, it was split between the FII's, the domestic institutional investors, and the public shareholders; and again over here, no significant changes.

With that, Bhaskar back to you for the balance of the proceedings.

Thank you so much.

***Bhaskar*** : Thank you Sir.  
***Kshirsagar***  
***(Company***  
***Secretary)***

The Notice dated May 14, 2021, convening the 23<sup>rd</sup> AGM alongwith the Annual Report for FY 2020-21 have already been sent by email to the shareholders, and the said notice is taken as read.

The Registers maintained by the Company and required to be kept at the meeting are available for inspection in electronic mode for those shareholders who may be interested in it.

The Auditors' Report on the Financial Statements of the Company for the financial year ended March 31, 2021 does not have any qualification, adverse observations, or modified opinion. Accordingly, Auditors' Report is not required to be read out before the meeting.

The Company had invited queries concerning the accounts and operations of the Company via email. Specific queries have been replied by the email to the concerned shareholders, and the queries of the common interest are being addressed at the meeting.

I now request the CFO, and the Chairman to reply to such queries.

Over to you Sir.

**Saumil Daru** :  
*(Director  
Finance cum  
CFO)*

Thanks Bhaskar.  
  
The 1<sup>st</sup> question, which I will ask Mr. Oberoi to address, is in terms of a shareholder wanting an update on the business development activities, including the capabilities of the business development department, and the pipeline in terms of deals which the Company is looking at?

**Mr. Vikas** :  
*(Chairman  
and  
Managing  
Director)*

Good evening again. Firstly, business development is an ongoing process. We as a Company look at close to 1000 deals every year. We have a fantastic team that really sees through each proposal and only and only the proposals which are clear from regulatory approvals, financial viability make it through. We infact are increasing our team because we want to get into redevelopment in a big way.

Thank you.

**Saumil Daru** :  
*(Director  
Finance cum  
CFO)*

Well, thank you Sir.

Moving on to the other questions.

There is one question from our shareholder on what is the dividend policy of the Company for the coming years?



So, firstly, I would just like to guide everybody to the dividend policy of the Company, which is already there on the investor section of our website.

Having said that, if you look at the policy, it says that the declaration of the dividend and distribution of dividend is dependent on various factors. This basically includes the cash balances available, the overall financial position of the Company, the present and future profitability, the growth outlook, the present and the future cash flows from operations, the present and the future cash requirements for the operations, the present and future economic and political environment, and the present and future events which are likely to have an impact on the operations of the Company; and over and above these, any other factors that the shareholders or the board of directors, would deem relevant. So essentially, the Company would always like to conserve cash and deploy it for business activities. We are mindful of all these factors and our choices of how much dividend we would declare and what we will do, would always be in the best interest of all of our stakeholders.

I hope that addresses the query on the dividend policy.

There was also a question about the launch of the Thane project.

Originally, as far as our internal timelines were concerned, the launch was scheduled to be in the last financial year. However, because of the pandemic situation that did not happen. We have already started work on site in terms of the preparations for the launch and in all probabilities, and of course while we will continue to see as to how the ongoing situation evolves, presently as per the internal thinking, we are hoping to launch this project in the upcoming festive season. So basically, anywhere in the second half of this financial year.

There is another question on the occupation certificate for the Worli project, and the revenue recognition; simultaneously a question is also asked about the start date of the Ritz Carlton Hotel, as well as the pace of sales in Worli.

As far as the occupation certificate is concerned, this is something that has got extended, but considering the present stage of completion of construction and everything, we are very hopeful to get the occupation certificate for the residential portion in the coming weeks itself. As you all are aware, and what I mentioned earlier about the Company buying out the hotel portion in December 2020, that was after getting the occupation certificate for that particular part of the building. So the occupation certificate for the residential building is also not far.

In terms of revenue recognition, there are three thresholds as per the Institute's guidelines; that is in terms of percentage of sales, percentage of cost incurred and, collecting at least 10% cash against every booking. If you don't meet even



any one of them, you are not in a position to be able to do the revenue recognition. So, once we will be able to meet all three and satisfy all three, that is when you will see the recognition coming in. Again, in all fairness with the occupation certificate round the corner, as soon as that comes in the revenue recognition is any which ways likely to be triggered. So that would be in connection with the occupation certificate and the revenue recognition. As far as the Hotel is concerned, we are planning to start the Hotel sometime by the end of the next calendar year. So that would be by about December 2022. As far as the sales volumes in Worli are concerned, with the OC in hand, we are extremely confident that the sales volumes will pick up. We have an extremely solid pipeline of customers and we believe that this product is a genuinely amongst the finest in the City and sales from here onwards will definitely show a huge uptick.

The next question is in connection with the project associated with Shri Siddhi, and when is the launch of the Tardeo project?

The Shri Siddhi project is related to the project in Tardeo. This project is also something that we are looking at launching in the second half of this year.

The last question that I have relates to the potential in the Borivali SRA expansion.

Over here - and this information is also there in our corporate presentation on our website - we are expecting to add about a 1 million square feet of development in terms of this particular project.

In case Mr. Oberoi has anything further to add on any of these answers or to clarify on any of the points, he may please take over.

**Mr. Vikas :**  
**Oberoi**  
**(Chairman**  
**and**  
**Managing**  
**Director)**

Thank you Saumil.

I just want to tell all the shareholders that this year's dividend was discussed in our board meeting and the board decided that it is prudent to conserve cash. We have had a brilliant year last year. But we also need to continue to remember that we are still in this pandemic. We are seeing the second wave in India. We are seeing third wave in Europe. Of course, the vaccine is doing wonders. There is no harm in conserving cash and retaining liquidity.

So, I just want you to clarify that this year's dividend was discussed, and the board guided us to refrain from giving any dividend this year and conserve that cash. I think this is a very prudent decision by the Company and its board, and we all welcomed it.



On Thane launch, I just want to tell everybody that this is again a destination development. We have our design fully ready. We have our show apartment getting ready as we speak. We have also hired an excellent top team to run that project and we are ourselves looking forward to this launch and this is one of the big highlights of this year for us and really eagerly looking forward to that as well.

Saumil did answer about the Hotel start and he is absolutely right by next year we should be ready with the Hotel. As far as the management team for the residences 'The Ritz Carlton Residences' is concerned, the management team already is on board and they continue to hire. We expect the occupation certificate shortly, which Saumil rightly said, is just a matter of weeks from now. You will see people start living there and it has been a conscious decision, not to sell until we get occupation certificate so that we will end up saving on GST, and also that people can sell their existing apartment and straight away move into this and there will be no lead period there. So we feel that that also will help us in better realisation, and this is why we are holding onto the sales.

Thank you so much.

**Saumil Daru** : Thank you Sir. Thank you so much for the clarification. With that Bhaskar back to you.  
*(Director  
Finance cum  
CFO)*

**Bhaskar Kshirsagar** : I would now like to inform the members that the Board of Directors have appointed Mr. Himanshu Kamdar, partner of M/s Rathi & Associates, Company Secretaries in Practice, as Scrutinizer for the remote e-voting and also the e-voting during the AGM. They will scrutinize e-voting and ensure that the poll process is conducted in a fair and transparent manner.  
*(Company  
Secretary)*

Mr. Himanshu Kamdar, the Scrutinizer shall submit his report after completion of the poll process and assimilation of the data.

Under instructions from the Chairman, I request those members who have not earlier casted their vote through remote e-voting, to now cast their votes on the businesses as mentioned in Notice of this AGM.

The results of remote e-Voting and e-voting during the AGM shall be announced by intimation to the Stock Exchanges and will also be placed on the website of the Company and also on the website of CDSL.

I thank all the Members for their continued support to the Company and participation in this meeting and look forward for their future support as well.



Under directions from the Chairman, the meeting now stands concluded.

Thank you everyone.

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*This transcription is not represented to be the verbatim reproduction of the proceedings of the 23<sup>rd</sup> Annual General Meeting of the members of Oberoi Realty Limited held on Wednesday, July 14, 2021 through video conferencing/other audio visual means. Further, certain edits have been made to the transcription for the sake of brevity. All efforts have been made to ensure that the intent and purpose of the wording remains intact.*