



“Oberoi Realty Limited  
Q1 FY26 Earnings Conference Call”  
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**MANAGEMENT: MR. VIKAS OBEROI – CHAIRMAN AND MANAGING  
DIRECTOR – OBEROI REALTY LIMITED  
MR. SAUMIL DARU – DIRECTOR, FINANCE – OBEROI  
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**Moderator:** Ladies and gentlemen, good day, and welcome to the Oberoi Realty Q1FY26 Earnings Conference Call. We have Mr. Oberoi, the Chairman and Managing Director of the company and Mr. Saumil Daru, Director of Finance of the company, with us for the call. Please note that this call will be for 30 minutes and for the duration of this conference call, all participant lines will be in the listen only mode.

This conference call is being recorded and the transcript for the same may be put up on the website of the company. After the management discussion, there will be an opportunity for you to ask questions. Should anyone need assistance during the conference call, you may signal the operator by pressing “\*” and then “0” on your touch-tone telephone.

Before I hand the conference over to the management, I would like to remind you that certain statements made during the course of this call may not be based on historical information or facts and may be forward-looking statements, including those relating to general business statements, plans, strategy of the company, the future financial condition and growth prospects.

The forward-looking statements are based on expectations and projections and may involve a number of risks and uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by such statements. I now hand the conference call over to Mr. Oberoi, the Chairman and Managing Director of the company. Thank you, and over to you, sir.

**Vikas Oberoi:** Thank you. Good morning, good afternoon, good evening to all of you as per the time zones you have logged in, and welcome to the conference call, Q1 FY 2026 results and business updates. Thank you all for taking time out for this call. Before I begin, I would like to share a few quick business updates.

One of our launches, which is Elysian Tower D at Oberoi Garden City Goregaon received tremendous response. We completed the private equity transaction in I-Ven Realty and as a consequence of that, received Rs. 1,250 crores and the same is received in the joint venture entity. Our annuity assets continue to operate exceedingly well with occupancy scaling up, driven by strong leasing demands from office to retail tenants. We are gearing up for the upcoming project launches during the rest of the year and continue to pursue business development actively.

With this, now I open the floor for questions and answers and both Saumil and I will be happy to take questions. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question can press \* and 1 on the touch tone telephone, if you wish to remove yourself from the question queue you can press a \* and 2, participants are requested to use handsets while asking questions. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from Puneet from HSBC. Please go ahead.

**Puneet:** Thank you so much and congratulations on a good start to the year. My first question is on your upcoming projects, Adarsh Nagar and Gurgaon. If you can talk a bit about, what stages are you in and what is the likely timeline now for launching those?

**Vikas Oberoi:**

Hi Puneet, Good Afternoon. With regards to the Gurgaon project, you will be happy to know that we have actually started the demolition work at site. So technically, we have started work on site. We've also started our office in Gurgaon. So, we are formally and physically present there. Design work is complete. Contracts have been negotiated, ready to be issued -- almost likely issued. So, all ready to roll now.

And yes, the entire approval process also complete. Today, we have the license on our name, the land is on our name. So, the title for the entire property is clear. With regards to Adarsh Nagar, again, work in progress as far as approvals go. You all know that we were appointed developers. We registered the document. We got the letter from MHADA. We are now doing our plans. As soon as they are done, we'll immediately go and apply for RERA and then be ready to roll.

**Puneet:**

Okay. That's great. Second, Saumil, for you, Three Sixty West did not record any revenue there. I think last time also 80% of it was recorded. How should one think about this?

**Saumil Daru:**

No, it's basically got to do with the AS in terms of for finished inventory, when do you record the revenue. So typically, it's just not on booking. There are a few more conditions like doing the agreement registration, getting the entire consideration, all of those.

So, it will all be subject to the payment terms under those documents. So, I think if you will just wait for September quarter, I think more than a fair amount of everything that you see today as having been booked, but not recognized, you're likely to see that flow through.

**Puneet:**

Okay. That's great. And lastly, how should one think about occupancy growth for Borivali and Commerz III? When should we see 100% occupancy there?

**Vikas Oberoi:**

You know, 100% within this year itself. Both of the projects have taken off really well. In fact, Commerz III is already at 85% plus. And the mall also, it's -- like every day, literally, new shops are opening as we speak. So, both really exceeding expectation, I would say. In fact, our entire Commerz I and entire Commerz II are for the first time fully leased, and we are left with only Commerz III and which is in great demand.

**Puneet:**

Okay. Thank you so much and all the best.

**Moderator:**

Thank you. The next question is from Praveen Choudhary from Morgan Stanley. Please go ahead.

**Praveen Choudhary:**

Thank you so much for taking my question. Good set of results. I have 2 questions, if I may. One, I just wanted to get a sense on operating cash flow number. Last 2 quarters have been a bit weak, if I may say, compared to, let's say, last 6 quarters. So just tell us a little bit more about 2.5 billion a quarter.

And the second question is a little bit longer term. I wanted to understand the return profile. So, if I look at FY25, returns have been 15% RONW or ROCE that you provide. This quarter, a little bit lower at 10%. But if I look ahead in the future, one of the things that investors are asking, historically, you benefited from property price going up in your own area, for example, Goregaon.

Our margin has improved with that. But now you have to buy new land, whether you can sustain that kind of high margin with its 50% EBITDA margin? And second is what if the price doesn't grow at the same rate as historically, we have seen. And the absence of these 2 things, how do we think about the return just philosophically and otherwise mathematically? Thank you so much.

**Saamil Daru:**

Okay. So, Praveen, as far as the cash flow is concerned, one thing you'll always have to keep in mind that for us any amounts that we spend on either on land or acquiring any of the development rights or the premiums that we pay to the BMC, all of those figure as a part of my operating cash flow.

So, some people may want to consider those as an investment because especially if that project is not contributing to your top line or bottom line in the current quarter, even in that case. So, for example, if I would have paid any premiums in Sky City in the last quarter, then that will figure in as a part of my OCF, but it may not figure in either on my top line or the bottom line, if it's in connection with the last tower.

So that is how -- if you look at the OCF, the only thing from our perspective and which we have maintained all these years is at an operating cash flow level, the business is always positive. So that's where it is and that's why you may see a little bit of a dichotomy between whatever is the profit as per the financials and where the operating cash flow comes in. So that is the first bit. On the margin bit, I think, Vikas just wants to take that up.

**Vikas Oberoi:**

So, Praveen, let me begin by saying that all our land acquisitions are very, very prudently done. We make sure that we have the kind of margins that we are used to. And unless and until we have that, we don't go in for buying these lands. We have the knack of picking large land parcels, see them through a long tenure and end up gaining not only from the price rise and price rise just does not happen because the markets have risen. They also happen because of the kind of development we end up doing. Even today, you can easily get apartments, which are 30% or 40% cheaper than what we sell at Goregaon. And the reason people give us a premium is because we create an environment within and around our projects and that's the key.

And, frankly, I must tell you that if we don't have these sorts of margins with the kind of time all projects take, then one shouldn't be in this business. In fact, I frankly feel that some of our peers who work at low margins are not making profit because of this very reason. And there's no point in having market share and not having any profit because that you lose any given day, the day you will try to gain profit.

We are a profit-making company and we want to continue to be that way. And the key, like I said I'll just repeat that it is all about buying land prudently and creating a right project and ensuring that your profits remain intact. So be rest assured, we will continue to be as profitable as we are.

**Praveen Choudhary:**

Thank you so much Vikas. I think so far, all the land that you have acquired, absolutely you have been spot on in terms of getting that kind of margin. So, congratulations on that. Hopefully,

in future, you do the same thing. Saumil, on operating cash flow, thanks for clarifying. That's really helpful.

Is it possible somehow to find the number before you spend money on land or premium, etc.? Is there a number that you can provide either historically your data and we can do it offline? Just wanted to get that?

**Vikas Oberoi:** Sure. Offline, most welcome. I mean, I'm sure Saumil will be able to help you with that.

**Saumil Daru:** Even, for example, any land advances that we make or any of those, those also all figure in a part of this. So, it's not again everything that we discuss, I mean, that we do is known to the markets before the transaction is finally consummated. So, some sensitivities around sharing huge details. But, yes, to whatever extent we can share, we'll be very happy to share Praveen.

**Praveen Choudhary:** Okay. Thank you Saumil. Thank you so much.

**Moderator:** Thank you. Next question is from Karan Khanna from Ambit Capital. Please go ahead.

**Karan Khanna:** Hi, Vikas. Thanks for the opportunity. Just a couple of questions from my side. In the previous earnings call, you've spoken about flight to quality and preference for grade A developers at a time when real estate market gets jittery. But if you look at the Y-o-Y trends in terms of sustaining sales, the number of units that were sold in base quarter, let's say, 1Q FY25 for Forestville, Eternia and Sky City combined were more than 90 units.

But this time around, we've seen about 45 units being sold this quarter. Similarly, at Jardin, the sales momentum also fell to about 20 units per quarter post the launch. So, this seems quite low. Could you share some thoughts on possible reason behind this slowdown and some of the major push backs that you're seeing from customers when they look at these products?

**Vikas Oberoi:** So, Karan, frankly, let me tell you, if you really look at the entire life cycle of the project, you'll always see that you have very high demand initially and then it kind of plateaus because people who are waiting end up picking those apartments. It plateaus a little. And then when it comes closer to completion, it picks up again.

So, I'm absolutely not perturbed with anything. In fact, Thane has begun way better. I mean -- and I know what -- let's say, today we are at whatever Rs. 1,400 crores, Rs. 1,500 crores of sale in probably a year or more. If this would have been Rs. 500 per annum and it would have continued for 3 years and still be Rs. 1,500 in 3 years, we all would be equally excited or very excited or if it was Rs. 400 crores, Rs. 500 crores and Rs. 600 crores, you would feel great.

What has happened is this entire sale got preponed. And the reason being that we were entering Thane for the first time. So, between the two projects put together, we are close to Rs. 1,800-odd crores of sale or probably somewhere around that. And that's a very large number when it comes to a market like Thane, number one.

Number two, as far as Borivali goes, again, these are all what you call sustenance sales. So, there's very little until we launched the next tower. And you saw what happened when we

launched Andheri -- sorry, when we launched Goregaon. And in a day, we did Rs. 1,000-plus crores of sales. So, the people are there to buy.

It's just that when you launch, there is a big spike in sale and it plateaus. And then it again picks up when it's complete. So, you don't read much into that. I always say this to people that please don't look at our business as a quarter-on-quarter, it's not. I mean like there is -- our projects take longer. These are high-ticket items. People take their time to decide and buy. We have data from customers coming to buy, and they've been regularly coming for the last 5 months. And literally, at the end of fifth month, they come and conclude the transaction.

And I also want to tell you that our sales are where people pay 40%, 50% upfront versus competition would take 5, 10, 2 whatever and then do the deal. They're basically selling options. And you could lose a customer just in case there's a little blip in the market. But when he's invested with us so much, he's a serious buyer. So, there's a huge difference.

**Karan Khanna:**

Sure. Just as a follow-up to this, how are you thinking about future launches in terms of Thane, the future phases? Are there any changes to the timelines? Or will you stick to the previous timelines as far as future phase launches are concerned?

**Vikas Oberoi:**

See, frankly, Thane is a great market. Again, when we are talking about Pokhran Road, we are building an international school. We are starting a mall, a hotel. So, we want to start with the next phase, we will want to atleast start physical work on those, start building the school, start building the hotel, start building the mall and then follow it up with a residential development.

So, everybody will know that this is literally the second Goregaon in the making. And hence, it will be -- it will carry a premium of 20%, 30% over competition just because of its quality adjacencies towards these social infrastructure and so on and so forth. I mean I know how many of you have gone to Borivali and seen our mall. It's world-class. It's connected to a metro, people living up there. It's life-changing for these people. And you really feel excited about that.

Today, if you see some numbers, Borivali is clocking Rs. 45,000 and Rs. 50,000 a square foot on carpet. It's unheard of. And this is all because of the product that's been built, design, the idea and the lifestyle that we end up providing the end customer.

**Karan Khanna:**

Sure. My second question to you, Vikas, regarding the recent acquisition of Hotel Horizon Private Limited. Could you share some thoughts in terms of your plans for capitalizing this land and the planned IRRs that you expect, given that this will probably be a hotel cum retail asset where outflow will typically be more front-ended and the consortium has already agreed to pay almost Rs. 500 crores per acre of land? And any color on timeline on when do you expect the proceedings to complete and construction to begin?

**Vikas Oberoi:**

See, these all bids and all literally spur of the moment decisions. We have gone in, obviously, love the land parcel. It's a great location, great size. It has all optionality's. It has residential potential. It has hotel potential. It has hotel and residential potential. It's got the works. One can do anything and everything with that. Give us some time, we'll come back to you, excited about it. And give us some time, we'll get back to you. And I must say it's a marquee project.

- Karan Khanna:** Sure. And then lastly, there seems to be a lot of chatter around market saturation in Gurgaon with existing and new players already having successfully launched a lot of inventory on top of a large pipeline. Could you share your thoughts on this? And whether it looks like maybe -- do you think you're a bit late in terms of taking full advantage of the opportunity? Or are you still think that there's demand for a mini Three Sixty West sort of a product in Gurgaon?
- Vikas Oberoi:** Karan, I'll say this in Hindi, "*Jab Jaago Tab Sawera Hota Hai, Koi Tension Ki Baat Nai Hain.*", don't worry. It's -- well -- again, we've bought the land prudently. There is enough and more for us. And if the story of Gurgaon is completely over, then I can't say anything, I mean, if you say so. But otherwise, I mean, I'm just saying that it's like any other day. We are in our comfort zone. We'll build quality, and I'm sure we'll do it.
- Karan Khanna:** Great. Thank you. I'll come back in the queue. Thanks and all the best.
- Moderator:** The next question is from Parvez Qazi from Nuvama Group. Please go ahead.
- Parvez Qazi:** Hi, good afternoon. And thanks for taking my question. So just one question from my side. Fair to assume that one tower in Borivali and our Goregaon project, both should get launched either in Q3 or Q4 of FY26?
- Vikas Oberoi:** Borivali, yes. Goregaon has already launched.
- Parvez Qazi:** Gurgaon, sorry.
- Vikas Oberoi:** Gurgaon, 100% this -- I shouldn't say 100%. But yes, Gurgaon also all permissions in place. Like I said that we've already started demolition. Somebody can physically go and see that that's happening as we speak, and all permissions in place. So yes, just getting ready for the launch, we're getting ready for the launch.
- Parvez Qazi:** Sure. Thanks and all the best.
- Vikas Oberoi:** Thank you, Parvez.
- Moderator:** Thank you. Next question is from Abhinav Sinha from Jefferies. Please go ahead.
- Abhinav Sinha:** Hi, Vikas, just wanted to hear your thoughts on pricing. We have seen good movement in 3 of the projects on pricing this quarter, Goregaon, Sky City and Enigma. So just wanted to hear how you are seeing pricing and as well as even some trends on demand? Thank you.
- Vikas Oberoi:** So, Abhinav, we are not really tinkering with the price for now. We continue to be in the sell mode, and we are liking -- we are very happy with the way it's priced today. It's covering more than what we want. Don't want to disturb that. But let's see how this plays out. One should never say never. But we have a certain target to sell. And after that, probably we'll push the price up.
- Abhinav Sinha:** Okay. So, the jump in realization Q-o-Q there would be mostly mix, maybe say higher floors or something?

**Vikas Oberoi:** Correct. Correct. The jump that you see within our is all factoring higher floors. You're absolutely right. But the best part is -- good question. Sorry, I first didn't get your question. But the good part is that once the product is ready, people are going on higher floors, realizing that the views are better and obviously willing to buy at a higher price, which is giving them higher floors or whatever.

**Abhinav Sinha:** Right. Sir, secondly, on the project acquisition side. So, I mean, what are your thoughts there? And which are the sort of areas you're looking at from a location perspective?

**Vikas Oberoi:** So, Abhinav, we are constantly buying and constantly selling, like that's really what our business is all about. We are evaluating more than 1,000 land proposals every year. And then obviously, we have stringent, what you call, conditions through which we take each and every proposal. It has to meet all criteria. Once they do that, then we are most happy to go ahead and close the deal.

And we are -- currently, as far as cities go, we are only focusing on Mumbai and NCR. And we want to -- like I said that we are in no hurry. We want to establish our sales in Gurgaon and then look at something new. And Mumbai, we continue to look at all good suburbs where you don't have to push a product. There is a pull factor with location, with the quality of the product we make and then buyers come in. We don't want to go in -- go into weak locations.

**Abhinav Sinha:** Right. And sir, lastly, in the South Bombay societies, the Tardeo redevelopment, etc., that we have, two in Tardeo, one in Pedder Road, are we looking at a launch this year? Or do you think it's more like early '26?

**Vikas Oberoi:** No. No. This year itself.

**Abhinav Sinha:** Okay. Great and all the best.

**Moderator:** Next question is from Parikshit Kandpal from HDFC Securities.

**Parikshit Kandpal:** Hi, Vikas.

**Vikas Oberoi:** Hi, Parikshit.

**Parikshit Kandpal:** Hi Sir. Hi. So, Vikas, my question is what are the launches in Q2, Q3 and Q4? So, I'm still not getting clarity when the launches will happen?

**Vikas Oberoi:** So, Q2, probably none. Q3...

**Parikshit Kandpal:** Okay.

**Vikas Oberoi:** We will do Borivali. And Q4, we will do NCR. We will do Pedder Road. Q4, we will do -- Adarsh maybe, maybe not, but these two for sure.

**Parikshit Kandpal:** Okay. But -- so one more tower in Elysian will not come, I mean, in this...

**Vikas Oberoi:** Not this quarter.



**Parikshit Kandpal:** Okay.

**Vikas Oberoi:** See, these are all...

**Parikshit Kandpal:** Yes, sir.

**Vikas Oberoi:** Like literally in our back pocket. Whenever I want to fill a quarter, I can sell that tower really.

**Parikshit Kandpal:** Okay. The second question on Three Sixty West, again, there's some slowdown. I know it's a quarterly kind of a thing, but how is the pipeline there building out? And so, do you think, I mean, in coming quarters significant momentum coming up on that?

**Vikas Oberoi:** No. No. Very well, I must say. And these are, again, like I said, they happen in spurts and it will happen again. These are people who are traveling for holidays and things like that. Once they come back, they'll again get back into action and buy.

**Parikshit Kandpal:** Okay. And just lastly, on the business development. So, I mean, sir, I think, one case is in the court right now. So, any update on that? And any other large layouts you are evaluating right now, because, I mean, you have cash with you. So, in this year, do you think any significant land deals which could get finalized for the rest of the year?

**Vikas Oberoi:** No. Nothing. Obviously, like I said, that we are evaluating a lot of land parcels, but nothing that I can disclose today, but a lot of activity around BD. Sometimes I feel I'm giving too much time to BD now.

**Parikshit Kandpal:** Okay, Vikas. Thank you

**Moderator:** Thank you. The next question is from Vishal Dudhwala from Trinetra Asset Managers.

**Vishal Dudhwala:** Yes. So, my -- I just only have one question. So, it's on the macro side. Like overall, realty has consistently leveraged the Mumbai premium residential dynamics. But given the new DCPR norms, changing FSI regimes and upcoming infra like Mumbai Metro and Coastal Road, how are you calibrating launch, timing and pricing strategy across micro markets?

**Vikas Oberoi:** Well, whatever you are saying is for the positive, right? So, I mean, the same product at, like, at the same price, better product, I would say, with better accessibility. Should actually -- the least is increased velocity of sale, if not increased prices. So, I think government has done a great job. Today, from Bandra to Nariman Point, you take 14 minutes, 15 minutes.

And the entire Coastal Road, the Metro once it starts from Colaba to Bandra, you will be in 30 minutes, 25 minutes. And the quality of ride is beautiful. So, I would say that, like, the city -- it's like a boost to city's revival, I would say. And like I said that the least is that the velocity of sales will go up even if the prices don't go up. So, the new areas that are coming to play will get absorbed very quickly.

**Vishal Dudhwala:** Okay. Just a follow-up question. Would be the product mix shifting towards mid-income or township assets.

- Vikas Oberoi:** We do all sorts of products. I mean we are doing two projects in Thane, which are aimed at middle-income, then we are doing Borivali and Goregaon, which is upper-middle class. Then we are doing City, which is for like elite. So, we have a mix of everything. And we are quite versatile in our approach to customers. And we love that about ourselves.
- Vishal Dudhwala:** Okay. Got your point. That's it from my side. Thank you.
- Moderator:** We'll take that as the last question. I would now like to hand the conference over to Mr. Oberoi for closing comments.
- Vikas Oberoi:** Thank you all for taking time for this call. We really look forward to hearing from you on an ongoing basis. So please feel free to reach out to us, our Investor Relations team whenever you have any questions. Thank you again. Thank you, guys. Have a good day ahead.
- Saumil Daru:** Thank you.
- Moderator:** Thank you very much. On behalf of Oberoi Realty, that concludes this conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines.