

OMAXE LIMITED

CHAIRMAN'S STATEMENT

26TH ANNUAL GENERAL MEETING

TUESDAY, SEPTEMBER 29, 2015

Dear Shareholders,

We have come a long way since the inception of Omaxe and I can proudly say that the reason why your company has survived and thrived is because of our continuous adaptation to changing market dynamics. We continue to be guided by our Vision and Mission statements, on which Omaxe was built over two and a half decades back.

Today, as we stand on the cusp of transforming ourselves from a developing nation to a developed one, the Nation demands of us that we, together with the Government of the day, work towards creating affordable homes, which is a major progressive factor. Government data pegs housing shortage at over 18 million; and the growing migration will only escalate the problem if we don't have a policy that addresses this need. We at Omaxe, have successfully developed large tracts of land into thriving communities with complete residential and commercial solutions inside the complex. These townships, developed both in NCR and Tier II and III cities, have catered to the lower/middle income groups. These homes have a hallmark of Affordable pricing, quality construction and a plethora of services that is unparalleled by every standard. We have developed projects catering to most income groups across North and Central India; measuring 95.2 million sq. ft. in both real estate and construction contracting.

The extended phase of slowdown in real estate sector is a matter of concern for the economy and developers with rising debt, increasing interest cost, finance deficit and shrinking balance sheet; thereby impacting job growth, which again leads into a vicious cycle. The Reserve Bank of India has indicated a soft interest-rate policy and has also initiated interest-rate cuts, but these aren't enough to bring homebuyers back to the market. Efforts like FDI in construction, granting infrastructure status to affordable housing etc. were small initiatives that will take a long time to show its impact. What is needed in the short-run is immediate booster to propel the sector like quicker and fewer approvals and tax breaks for affordable housing.

At Omaxe, prudent and proactive management have ensured healthy Internal accruals and consistent and manageable debt levels. The group sold 4.29 million sq. ft. of space worth Rs. 14910 Mio in 2014-15 with an average realization of Rs. 3,477 per sq. ft. vis-à-vis Rs. 2,692 for the previous year, an increase of 29%. Fresh bookings were majorly seen in New Chandigarh, Noida and Lucknow in the group housing segment. Commercial segment, too, contributed to fresh bookings, majorly in Lucknow. Your company's strength lies in committed deliveries and as a result, have earned the goodwill of its customers. Faster deliveries, which are on schedule makes realization from project that much quicker and have helped us to maintain consistent sales even in subdued market conditions. The Consolidated Income from Operations stood at Rs. 14310 Mio in FY 2014-15 and Consolidated Net Profit for fiscal 2014-15 stood at Rs. 600 Mio.

Our focus on the two emerging non-metropolitan markets, namely New Chandigarh and Lucknow has helped us maintain a healthy topline. Demand in these two regions has been good and as a matter of strategy, we have created a basket of products at price points that have seen encouraging off takes. Besides, these two cities have considerable level of proactive approach by the respective State Governments in

infrastructure development and creating conducive environment, both for the buyers as well as the developers. Besides, the company's demonstration effect through projects delivered earlier in these destinations and across our locations has helped us create happy and fulfilled customer base. Transparency, enhanced customer care support and innovative ways to make seamless connect with customers have seen your company emerge as a trusted player. Our experienced and skilled workforce understands the need of every customer and such personalized approach to business has enabled us to gain ground in cities where we operate. Today, with presence in 8 States across 27 cities, we have mastered the art of delivering quality affordable products that in turn has given us satisfied and happy customers.

Today, we are better equipped to deal with the rapid changes in macroeconomic environment in the country. Your company's financial strength, diversified product portfolio and prudent thought process by the management have enabled us to maintain our leadership position in the markets we operate and continue delivering quality spaces.

On behalf of the board, I thank all our stakeholders for their faith and trust.

Best regards,

Rohtas Goel

Chairman and Managing Director