

Oberoi Realty

Gurgaon success to help deliver 2.5x presales

Based on our last note on ORL- **NCR debut with the MMR touch**, the presales have come in at a record high, with Three Sixty North Phase 1 selling out entirely within minutes of launch, an outcome that surpasses even our optimistic Phase 1 assumptions. Against our expectation of ~INR 35-40bn presales from Phase 1, ORL has booked ~INR 81.1bn, at an average realization of ~INR 60,000 psf, a validation of the pricing power we had flagged for ultra-luxury NCR product. We expect Phase 2 of Gurgaon project with balance INR 70-80bn GDV to get launched in FY28. This single launch alone re-rates our FY27 presales assumption of INR 70bn; with Gurgaon contributing ~INR 81bn for the full year, cumulative FY27 presales could come in ~INR 130-140bn (~2.5x of FY26 presales and 2x of our FY27 presales estimate). Gurgaon success is not only about a one project phenomena, but we expect ORL to build deeper into the NCR market now, given its product was well accepted by buyers. NCR as a market now adds valuation might to the SOTP and we increase our target price for ORL from INR 2,094/sh earlier to INR 2,490/sh now. NCR market can add about INR 50bn/annum in presales annually (basis how GDV addition happens in sustainable manner) and over period ramp up to INR 70-80bn/annum. This will be equal to what it may do in MMR from FY27/28. ORL is well-placed to capitalize on robust demand across residential and mixed-use segments, ensuring sustained growth. We remain constructive on ORL and maintain BUY.

- Gurugram success validates the Mumbai playbook:** Beyond the headline number, the Three Sixty North response also validates the broader strategic thesis we laid out that ORL's Mumbai luxury playbook (design-led homes, disciplined land acquisition, premium pricing) travels well into markets with comparable wealth density but thinner competitive intensity at the very top end. With ~300+ units (Phase 1 - INR 81.1bn GDV sold out) getting absorbed against a full master plan of ~600 units and ~INR 160bn GDV, ORL has de-risked a meaningful chunk of its NCR debut within days rather than the 1-2 month timeline we had originally built in, and channel checks suggest pricing could see further upward revision in subsequent towers/phases, given the demand-supply mismatch at launch (with approx. 600 firm cheques returned). This also has read-through for the rest of the FY27 launch pipeline like Carter Road (Oceanic), Tardeo, Forestville, Jardine, Mulund and Adarsh Nagar since a Gurugram project selling out in minutes strengthens the case that ORL's brand and pricing power remains strong across markets.
- Ready for a launch-heavy FY27:** We expect ORL to clock presales of INR 8.5bn in Q1FY27 (gurugram presales to reflect in Q2FY27), largely driven by sustenance and small contribution from carter road launch. Overall, we now see FY27 presales for ORL in the range of INR 130-140bn, a sharp upgrade from our earlier INR 70bn estimate, with Three Sixty North emerging as the single largest swing factor and reinforcing our constructive stance on the company. Geographically for Gurgaon, the demand base is expected to be fairly balanced. NCR-based buyers are projected to account for about 45-50% of sales, with NRI and non-NCR regions contributing balance 50-55%. ORL has its own MMR clientele which is expected to have participated in this NCR project. Other big launch planned in FY27 include INR 35bn Tardeo (uber luxury, may add INR 10bn to presales). Gurgaon Phase 2 is expected to launch in FY28; may add significantly to FY28 presales.

BUY

CMP (as on 03 Jul 2026)	INR 1,934
Target Price	INR 2,490
NIFTY	24,271

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 2,094	INR 2,490
EPS Change %	FY27E	FY28E
	-	-

KEY STOCK DATA

Bloomberg code	OBER IN
No. of Shares (mn)	364
MCap (INR bn) / (\$ mn)	703/7,387
6m avg traded value (INR mn)	991
52 Week high / low	INR 1,944/1,390

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	28.4	11.8	3.4
Relative (%)	22.3	21.1	10.0

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	67.71	67.71
FIs & Local MFs	13.46	14.58
FPIs	16.58	15.42
Public & Others	2.25	2.28

Pledged Shares

Source : BSE

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Consolidated financial summary

YE March (INR mn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	20,526	26,940	41,926	44,958	52,863	60,091	72,895	84,284
EBITDA	10,004	11,813	21,117	24,099	31,031	33,582	42,439	49,759
APAT	7,360	8,075	16,841	19,266	22,255	25,305	30,899	36,025
Diluted EPS (INR)	20.4	28.8	52.4	53.0	61.2	69.0	85.0	99.1
P/E (x)	67.3	47.6	26.2	32.7	28.3	25.1	20.4	17.5
EV / EBITDA (x)	51.0	43.6	25.1	26.6	20.4	18.7	14.6	12.1
RoE (%)	8.2	8.2	14.9	14.7	15.0	15.1	16.2	16.7

Source: Company, HSIE Research

SOTP valuation:

Oberoi SOTP Valuation	Value (INR mn)	Per share value (INR/share)	Comments
Residential	5,55,969	1,531	Overall projects under construction and development
Rentals	1,93,667	533	Valued at 8% cap rate
Hotels	30,131	83	Westin hotel
Social Infra	3,134	9	Other assets
Other Assets	1,785	5	
Total GAV	7,84,686	2,160	
Less:			
Net Debt	(1,792)	(5)	
Equity Value	7,86,478	2,165	
NAV Premium (%)	1,17,972	325	
TP	9,04,450	2,490	

Financials

Consolidated Income Statement

Year ending March (INR mn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	20,526	26,940	41,926	44,958	52,863	60,091	72,895	84,284
<i>Growth (%)</i>	(8.3)	31.2	55.6	7.2	17.6	13.7	21.3	15.6
Material Expenses	8,908	13,496	18,669	17,936	18,450	22,650	26,144	29,704
Employee Expenses	491	684	778	1,024	1,143	1,347	1,549	1,781
Other Operating Expenses	1,122	946	1,363	1,899	2,240	2,513	2,764	3,040
EBIDTA	10,004	11,813	21,117	24,099	31,031	33,582	42,439	49,759
<i>EBIDTA (%)</i>	48.7	43.9	50.4	53.6	58.7	55.9	58.2	59.0
<i>EBIDTA Growth (%)</i>	(4.5)	18.1	78.8	14.1	28.8	8.2	26.4	17.2
Other Income	380	585	1,006	3,230	1,879	2,952	3,041	3,193
Depreciation	412	398	398	475	885	1,308	1,653	2,153
EBIT	9,972	12,000	21,725	26,853	32,025	35,225	43,826	50,798
Interest	760	860	1,691	2,184	2,652	2,406	2,478	2,591
PBT	9,212	11,140	20,035	24,669	29,373	32,819	41,348	48,207
Tax	1,851	3,065	3,193	5,491	7,194	7,682	10,449	12,182
PAT	7,360	8,075	16,841	19,178	22,179	25,137	30,899	36,025
Minority Interest	-	-	-	-	-	-	-	-
Share of associates	32	2,396	2,204	89	76	168	0	0
APAT	7,393	10,471	19,045	19,266	22,255	25,305	30,899	36,025
<i>APAT Growth (%)</i>	7.2	41.6	81.9	1.2	15.5	13.7	22.1	16.6
EPS	20.4	28.8	52.4	53.0	61.2	69.0	85.0	99.1
<i>EPS Growth (%)</i>	7.2	41.5	81.9	1.2	15.5	12.7	23.2	16.6

Source: Company, HSIE Research

Consolidated Balance Sheet

As at March (INR mn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
SOURCES OF FUNDS								
Share Capital	3,636	3,636	3,636	3,636	3,636	3,636	3,636	3,636
Reserves	90,055	1,00,525	1,18,465	1,34,808	1,53,413	1,75,580	2,06,174	2,42,199
Total Shareholders' Funds	93,691	1,04,161	1,22,101	1,38,444	1,57,049	1,75,446	2,06,040	2,25,885
Minority Interest	-	-	-	-	-	-	-	-
Long Term Debt	3,590	21,650	28,806	21,920	28,949	23,642	23,642	23,642
Short Term Debt	11,748	6,905	10,634	3,032	4,056	4,520	4,520	4,520
Total Debt	15,338	28,555	39,441	24,952	33,004	28,162	28,162	28,162
Deferred Taxes	-530	-25	-1,929	-1,724	-1,359	-1,453	-1,453	-1,453
Long Term Provisions & Others	-	-	-	-	-	-	-	-
TOTAL SOURCES OF FUNDS	1,08,499	1,32,691	1,59,613	1,61,673	1,88,694	2,02,156	2,32,750	2,52,595
APPLICATION OF FUNDS								
Net Block	10,116	9,773	9,467	30,517	46,838	46,714	66,646	68,312
CWIP	19,797	32,974	40,312	27,048	16,044	17,517	19,767	22,017
Goodwill	-	-	-	-	-	-	-	-
Investments, LT Loans & Advances	15,094	17,929	4,190	3,370	3,750	3,952	3,952	3,952
Inventories	46,626	50,361	85,431	92,612	94,465	1,01,832	1,03,869	1,05,946
Debtors	1,280	1,246	10,983	2,042	1,127	3,240	4,284	4,953
Cash & Equivalents	1,331	2,931	5,129	7,672	10,030	16,968	27,120	41,188
Current Investments	1,102	8,865	2,837	4,826	20,768	12,729	12,729	12,729
ST Loans & Advances, Others	24,290	32,529	25,957	26,520	32,196	47,899	47,899	47,899
Total Current Assets	74,628	95,933	1,30,336	1,33,672	1,58,585	1,82,667	1,95,900	2,12,715
Creditors	470	493	518	544	571	599	629	661
Other Current Liabilities & Provns	10,668	23,424	24,174	32,390	35,952	48,095	52,887	53,742
Total Current Liabilities	11,137	23,917	24,692	32,933	36,523	48,695	53,516	54,402
Net Current Assets	63,491	72,015	1,05,644	1,00,738	1,22,063	1,33,972	1,42,384	1,58,313
Misc Expenses & Others	-	-	-	-	-	-	-	-
TOTAL APPLICATION OF FUNDS	1,08,499	1,32,691	1,59,613	1,61,673	1,88,694	2,02,156	2,32,750	2,52,595

Source: Company, HSIE Research

Consolidated Cash Flow

Year ending March (INR mn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Reported PAT	8,169	6,893	7,393	19,266	22,255	25,305	30,899	36,025
Non-operating & EO items	-69	-59	-32	-89	-76	-168	-	-
PAT from Operations	8,100	6,834	7,360	19,178	22,179	25,137	30,899	36,025
Interest expenses	194	885	760	2,184	2,652	2,406	2,478	2,591
Depreciation	440	449	412	475	885	1,308	1,653	2,153
Working Capital Change	-6,997	-11,204	-998	8,529	-2,922	-11,628	1,741	-1,860
OPERATING CASH FLOW (a)	1,737	-3,037	7,534	30,366	22,794	17,224	36,772	38,909
Capex	-1,707	-2,257	-13,237	-6,769	-6,905	-6,335	-22,250	-22,250
Free cash flow (FCF)	31	-5,293	-5,703	23,597	15,889	10,889	14,522	16,659
Investments	-1,683	3,386	7,533	2,458	-643	-15	-	-
INVESTING CASH FLOW (b)	-3,389	1,130	-5,705	-4,311	-7,548	-6,350	-22,250	-22,250
Share capital Issuance	11,827	-3,750	450	5,860	11,460	3,770	-	-
Debt Issuance	-1,103	3,242	-134	-8,536	-3,502	-1,033	0	0
Interest expenses	-1,516	-1,711	-1,480	-3,040	-2,319	-2,376	-2,478	-2,591
Dividend	-819	-877	0	-2,909	-3,636	-2,909	0	0
FINANCING CASH FLOW (c)	8,390	-3,095	-1,164	-20,345	2,004	-10,088	-2,478	-2,591
NET CASH FLOW (a+b+c)	6,738	-5,002	666	5,711	17,249	787	12,044	14,068
Non-operating and EO items	-	-	-	-	-	-	-	-
Closing Cash & Equivalents	4,253	1,083	1,331	7,672	10,030	16,968	27,120	41,188

Source: Company, HSIE Research

Key Ratios

	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
PROFITABILITY (%)								
GPM	51.7	53.7	56.6	60.1	65.1	62.3	64.1	64.8
EBITDA Margin	44.7	46.8	48.7	53.6	58.7	55.9	58.2	59.0
APAT Margin	31.6	30.8	36.0	42.9	42.1	42.1	42.4	42.7
RoE	11.5	8.2	8.2	14.7	15.0	15.1	16.2	16.7
Core RoCE	23.3	16.1	12.6	18.1	19.7	19.4	21.5	22.3
RoCE	22.3	15.1	11.6	17.1	18.7	18.4	20.5	21.3
EFFICIENCY								
Tax Rate (%)	30.8	29.0	20.1	22.3	24.5	23.4	25.3	25.3
Asset Turnover (x)	0.4	0.3	0.2	0.3	0.3	0.3	0.3	0.3
Inventory (days)	594	773	887	723	646	596	515	454
Debtors (days)	21	18	22	53	11	13	19	20
Payables (days)	6	7	8	4	4	4	3	3
Cash Conversion Cycle (days)	609	785	901	771	653	606	531	472
Debt/EBITDA (x)	0.7	1.4	1.5	1.0	1.1	0.8	0.7	0.6
Net D/E	0.1	0.2	0.1	0.1	0.1	0.1	0.0	(0.1)
Interest Coverage	61.5	11.9	13.1	12.3	12.1	14.6	17.7	19.6
PER SHARE DATA								
EPS (Rs/sh)	22.5	19.0	20.4	53.0	61.2	69.0	85.0	99.1
CEPS (Rs/sh)	23.7	20.2	21.5	54.3	63.6	73.2	89.5	105.0
DPS (Rs/sh)	2.3	2.4	0.0	8.0	10.0	8.0	0.0	0.0
BV (Rs/sh)	220.4	237.6	257.9	380.8	431.9	482.5	566.7	621.2
VALUATION								
P/E	60.9	72.2	67.3	32.7	28.3	25.1	20.4	17.5
P/BV	6.2	5.8	5.3	4.5	4.0	3.6	3.1	2.8
EV/EBITDA	43.1	48.7	51.0	26.6	20.4	18.7	14.6	12.1
OCF/EV (%)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.1	0.1
FCF/EV (%)	0.0	(1.0)	(1.1)	3.7	2.5	1.7	2.3	2.8
FCFE/Market Cap (%)	(0.5)	(0.8)	(1.5)	1.9	1.6	1.2	1.9	2.2
Dividend Yield (%)	0.2	0.2	0.0	0.5	0.6	0.5	0.0	0.0

Source: Company, HSIE Research

Price movement



Rating Criteria

BUY: >+15% return potential

ADD: +5% to +15% return potential

REDUCE: -10% to +5% return potential

SELL: > 10% Downside return potential

Disclosure:

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