

# **RDB REALTY & INFRASTRUCTURE LIMITED**

## **Chairman's Speech**

### **Dear Shareholders**

I heartily welcome you all and my colleagues on the dias at the 5th Annual General Meeting of your Company.

It gives me great pleasure to outline the reasons for optimism of the young and spirited demerged RDB Realty and Infrastructure Ltd in its second year of existence.

We finished 2010-11 with all-round growth reflected in an increase in our topline from Rs. 44.04 cr to Rs. 65.39 cr. Operating profit increased from 8.18 cr to 11.83 cr, EBDIT increased from Rs. 8.65 cr to Rs. 12.19 cr and bottomline increased from Rs. 5.41 cr to Rs. 6.13 cr. Besides, we launched more than 25 lakh square feet of additional saleable space through RDB Realty and Infrastructure Limited along with its subsidiaries.

The Board of Directors has recommended dividend @ 6% for the year under review keeping in mind to share the profits with its shareholders.

Post demerger, the Company has successfully got itself listed with the BSE and CSE during the year under review.

Our presence in tier-II and tier-III cities has provided us with a sustainable growth foundation. As a practice, RDB has always focused on tier-II and tier-III cities and on the semi-urban target segment that had huge untapped potential. Land acquisitions in these locations were cheaper, making it possible for us to scale at a relatively low cost. We leveraged our growing brand to accelerate property sale on the one hand and generate a steady rental income out of property leases on the other.

We incorporated a new Subsidiary with Legend group of Hyderabad whereby our holding being 51%. Through this subsidiary we launched new projects such as Harmony, Coconut Grove, Marie Gold, Mint, Blue Hope, Dawn and Melno Park with total area under construction being about 30 lakh Sq Ft.

During the year we bagged prestigious contract from Ministry of Defense to Construct Dwelling Unit for Navy at Chennai.

We have plans to diversify into hospitality sector in coming years as we entered into an MOU with tourism Department of Government of Gujarat.

The outlook for the company is favorable across the medium and the long-term. We are optimistic of achieving a consolidated turnover of `125 cr in the Financial year 2011-12. I take this opportunity to thank all those who contributed to the company's growth – customers, employees, partners, suppliers and community members

With these words, I conclude with thanks to all of you for your patient hearing and whole-hearted support.

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