

Transcript of Annual General Meeting of shareholders of the company held on 17th September 2022 at 11:30 A.M., through video conference

Mr. Nitin Sharma (CS)

Good Morning, shareholders of Ashiana Housing limited and welcome to the 36th annual Meeting of Ashiana Housing Limited being held today on 17th September, 2022.

I welcome Mr. Vishal Gupta, Managing Director of Ashiana housing Limited. Narayanan Anand, independent director and representative of the Audit Committee, nomination remuneration Committee and Stakeholder Relationship committee.

Miss. Sonal Mattoo, independent actor and member Audit Committee.

Mr. Vikas Dugar our Chief Financial Officer.

Mr. Mahendra Jain statutory auditor of our company.

Mr. Ashok Kumar Verma, secretarial auditor of Ashiana housing limited.

Now I declare the quorum as present in this meeting and this meeting as in order.

I request members to elect Shree Vishal Gupta Ji as chairperson of this meeting.

Vishal sir then proceeding over to you Sir.

Mr. Vishal Gupta (Chairman)

Thank you, Nitin, and welcome to all the shareholders. We have with us Narayan Anand Ji, who's an independent director, Sonal Mattoo, who's also an independent director. We are also joined by our CFO Mr. Vikas Duggar, our statutory auditor Mahendra Jain and our secretarial auditor Ashok Varma, and of course our company Secretary, Nitin.

I would like to confirm that the notice of the AGM was circulated to members of the company on the 26th of August 2022.

I'm going to read the first and the last paragraph.

Notice is hereby given that the 36th annual general meeting of the members of Ashiana Housing Limited will be held on Saturday 17th September 2022 at 11:30 am through VC or other audiovisual means for which purpose the registered office of the company, situated at 5F Everest 46/C Chowringhee Road Kolkata - 700071, shall be deemed as the venue of the meeting and the proceedings of the AGM shall be deemed to be made there at to transact the following businesses.

Last paragraph.

Other required disclosures are given in the Director's report under the heading Corporate Governance, which is given in the annual report 21-22.

I request the Members that the notice convening the annual general meeting we taken as read.

I also request the Members that the auditors report as submitted by M/s. VMSS & Associates, Chartered Accountants on standalone and consolidated financial accounts for the financial year 21-22, we taken as read.

I would like to update the House that there are no adverse remarks or any reservations or qualifications, either by the statutory auditor of the company or by the secretarial auditor in the report for the year under review.

The e-voting facility available to members to cast their vote on the resolution in the AGM notice. For conducting this e-voting, Mr. Ashok Kumar Varma, our company secretary, has been appointed as Scrutinizer. e-voting facility was available through remote e-voting from the 14th September from 9:00 AM up to 16 September 5:00 PM.

The members who have not voted can also cast their vote through e-voting during the meeting. This facility shall last 30 minutes after the conclusion of this meeting.

The results of this meeting will be scrutinized within 48 hours of this of the conclusion of this meeting.

I once again request all Members who have not casted their votes to cast their votes on the following resolutions.

Number 1

To consider and adopt audited standalone and consolidated financial statements as on 31st March 2022 and report of the Board of Directors and auditors thereon.

Number 2

To declare dividend of 50 paisa per equity shares of rupees 2 each that is at the rate of 25%.

Number 3

To confirm the payment of interim dividend of 40 paisa per equity share. That is at the rate of 20%.

Number 4

To reappoint Mr. Varun Gupta, having DIN number 01666653, who retires by rotation and being eligible for reappointment, offers himself to be reappointed.

Number 5

To appoint M/s. B. Chhawchharia & Co., Chartered Accountants having firm registration number 305123E As statutory auditors of the company for a term of 5 years in place of VMSS & Associates.

Number 6

To reappoint Mr. Vishal Gupta having DIN number of 00097939 as Managing director of the company.

Number 7

To reappoint Mr. Ankur Gupta, having DIN number 00059884, as joint Managing director of the company.

Number 8

To reappoint Mr. Varun Gupta having DIN number 01666653 as whole time director of the company.

Number 9

To reappoint Mr. Narayanan Anand having DIN number of 02110727 As independent director of the company and approved payment of remuneration to him in terms of the provisions of the Companies Act, 2013.

Number 10

To reappoint Miss Piyul Mukherjee having DIN number 00182034 as independent director of the company and approved payments of remuneration to her in terms of the provisions of the companies Act, 2013.

Number 11

To obtain approval for payment of remuneration to executive directors exceeding 5% of the net profits of the company.

Number 12

To provide security against loan including the issue of secured non convertible debentures public bonds on private placement basis.

Number 13

To consider ratification of remuneration of the cost auditors.

I once again remind the shareholders that they can cast their vote through e-voting during the meeting or up to 30 minutes after the conclusion of the meeting.

As all the resolutions have been read out I request Nitin, our company secretary to take up questions of the shareholders and the directors, the CFO and I will be happy to answer these questions. Thank you.

Mr. Nitin Sharma (CS)

Thank you very much, Sir. We have 7 shareholders who have requested join them as a speaker shareholders. Mr. Aashit Kumar Pathak. He's the first shareholder who'd like to ask question.

Mr. Aashit

Am I audible? We can hear, yes, we can. You can ask your question.

Very Good afternoon respected chairman.

गुप्ता जी आप कैसे हैं? बहुत दिनों से आप दिखाई नहीं देता है। बहुत बढ़िया आप कैसे आशीष जी? हां, आप कैसे हैं अरे बहुत दिनों से एक कोरोना में सबको बंधित किया।

Sir you are very good person to us. Thank you so thank you so much. Means a lot.

But sir if you send link very early that I have to tell myself this is my this is my request. Sir very good company and you also appreciated that with good people and I have few questions.

Sir at present Housing sector is very up right. So if you show your Capex program number one. And sir rising of raw materials really impacting our operations because all the materials are very abruptly uprising. and pressure, And if you throw some highlights our company's project work mostly at west Bengal because your project has out you also mention we are a big project also. एंड सर इसी बारे में कुछ हाईलाइट करने के लिए

And sir next my question is any reports we are facing any cost?

And we appreciate my company. I pray to God everybody good health. Thanking you sir.

Mr. Vishal Gupta (Chairman)

Thank you Aashit Ji. Answering your question the price of raw materials have gone up and they have severely impacted the construction cost of whatever unites of the company has already sold we are not permitted to increase any price or charge any acceleration because company has been doing construction in time the impact of the cost increase has been marginal because we were able to fulfill lot of our construction cost of the bookings in time. As far as future goals last year we were able to increase our average realization from 3500 to 3800 and we are continuously making small increasing in prices as well as looking at projects and products which can give us little better price to make business more profitable or keep at profitable at least. So we are expecting that in the future the kind of projects we have taken up the average realization will be more than sufficient to fulfill the cost increase due to material and labor costs. As far as real estate industry we are growing we have taken 6 lands last year we have launched 2 projects already this year. We are in the process of launching another 3 -4 projects this year. I think we are very very excited the company the markets are up and the company is in good position both from cash flow product, human resources to make the most of these opportunity and I think आने वाले वक्त में आपको कंपनी का मच बेटर रिजल्ट नज़र आएगा।

Mr. Nitin Sharma (CS)

Thank you sir. We have another speaker shareholder Mr. Bimal KumarSarkar. He is very old shareholder. Every time joins our meeting. He is requested for some questions.

Mr. Bimal

Hello. Hello. We can hear you please ask your question. सर वीडियो नहीं कनेक्ट हो रहा है? We can hear you. आप सवाल कीजिये ना प्लीज.

सर क्या सवाल करेगा में पुराना शेयरहोल्डर आपने पहले ही बता दिया। तो अब क्या सवाल करे ? कैसे हो बिमलजी ? सर एक दम फाइन सर आप कैसे है आप की तबियत कैसी है ? बहुत बढ़िया. Vey good very good.

Sir very Good afternoon में Bimal Kumar Sarkar मेरा रेसिडेंस कोलकाता से बोल रहा हूँ. Sir देखिये इस बार हमारा जो रिजल्ट आया है सर देखिये ये पिछले साल से थोड़ा बहुत खराब हुआ है ये covid 19 और उसके बाद जो थर्ड वेव और उसके बाद ukraine russia का war ये सब geopolitical tension etc etc सारे adverse position में हमारा कंपनी इस बार ज्यादा फल नहीं कर पाया जो थोड़ा खराब हुआ है कोई बात नहीं सर ये हमारा जो एक चीज़ में जानना चाहतु हु सर एक्सपेंसेस में जो देखा गया पॉइंट नंबर 9.1 में देखा गया की लैंड और डेवलपमेंट राइट्स सर ये जो एक्सपेंसेस के बारे में थोड़ा हम जानकारी दे दीजिये ये क्लियर हम समाज में नहीं आया इस के बारे में जानकारी दे दीजिये सर प्रोजेक्ट स्पेस में ठीक है, उसे खर्चा किया यह ज्यादा खर्चा होने का कारण। जो हमारा फाइनेंसियल जो प्रॉफिट आई सर वह कम हो गया है। तो ठीक है सर देखा जाएगा। नेक्स्ट पूरा भरोसा है। आपके ऊपर सर हमारा कंपनी और आगे जाएगा आपके ऊपर पूरा भरोसा है सर जितना रेसोलुशन है फीवर में मैंने इवोटिंग कर दिया। सर सबसे बड़ी बात है यह प्रॉफिट और लॉस तो चलता रहेगा मतलब कंपनी के साथ हम लोगों का शेयरहोल्डर्स का जो रिश्ता है वह बहुत बड़ी बात है। यह हम लोग कोई भी कंडीशन में हम लोग कंपनी के साथ है और रहेगी भी। अभी कुछ नहीं मिला है, ठीक है पर हमारा फुल कॉन्फिडेंस है। सर चेयरमैन सर और आपका पूरा टीम के ऊपर वीथिन शॉर्ट यह परिस्थिति चेंज होगी और लोगों को डिविडेंड मिलेगी।

Bimal Ji we have another shareholders also. Thank you very much.

Mr. Vishal Gupta (Chairman)

Thank you Bimal Ji. Thank you so much. रिजल्ट अब कंपनी का अगला साल डेफिनेटली बेटर होयेगा। इस साल हम लोगों का हैंडिंग ओवर कोविड-19 थोड़ा डिले हुआ है प्रोजेक्ट में। But we will cover that up. और अदर वाइज इस साल कंपनी का परफॉर्मेंस as far as एरिया बुक्स है वह ठीक है कंस्ट्रक्शन वॉल्यूम ठीक करा और कैश फ्लो जनरेशन भी अच्छा रहा जो एक्सपेंस है 9.1.1 का जो आपने पूछा कि उसके लिए मैं चाहूंगा कि विकास जी जो हमारे सीएफओ है, वह जवाब देंगे।

Mr. Vikas Dugar (CFO)

थैंक यू फॉर योर क्वेश्चन विमल जी! आपका जो कंसर्न है वे अप्रिशिएट लैंड और डेवलपमेंट राइट में हम दो तरह के खर्चों को इंकलूड करता है एक जो कोई हमने लैंड खरीदी कोई और उसके अलावा हमारे जो जेबी प्रोजेक्ट है उसमें हमारे पार्टनर्स को उसको जो रेवेन्यू शेयर किया जाता वह दोनों को जोड़ के यहां पर आता है और यह फिगर! आपको एस कंपेयर्ड टो लास्ट ईयर इसलिए ज्यादा दिखाई दे रहा है क्योंकि इस साल हमने कुछ लैंड डील्स की थी। उसमें सबसे बड़ा जो हिस्सा है। गुड़गांव वाला के नए प्रोजेक्ट में हमने जमीन खरीदी जो आशियाना हमारा बोलकर प्रोजेक्ट। जिसमें अपने IFC के साथ मिलकर हमने इन्वेस्ट किया। लगभग 180 करोड वह सबसे बड़ा पार्ट है उसके अलावा चेन्नई में भी एक सीनियर लिविंग के लिए हमने जमीन खरीदी तो उनकी वजह से यह फिगर बढ़कर दिख रहा है। बट ये फिगर एज इट इज क्योंकि यह प्रोजेक्ट अभी स्टार्ट नहीं हुआ है यह हमारे लैंड इन्वेंटरी में चला जाता है तो यह प्रॉफिट एंड लॉस अकाउंट में खर्च की तरह हिट नहीं करते। तो यह हमारे प्रॉफिट में कोई इंपैक्ट नहीं है। क्योंकि यह स्टॉक में आ जाता है। आई होप आई हैव आंसर योर क्वेश्चन।

Mr. Nitin Sharma (CS)

Thank you sir. Thank you for answering. We have another shareholder Mr. Gautam Nandy. Gautam Ji can you hear us? Please ask your question. Jaydip Ji we can hear you. You are another shareholder please ask your question.

Mr. Jaydip

Haa. Nitin Ji Good Afternoon. कैसे है? गुड आफ्टरनून जयदीपजी आप अपना क्वेश्चन कीजिये सर.

Good afternoon, chairman Vishal Ji, our Board of Directors, CFO, Me Jaydeep Bakshi speaking from the city of Kolkata.

Sir, you have nicely explained our company's position and prospects and the future of our company. Sir sirf janana chahta hun ki What is our New projects how we dealing and with the situation now opening up, I think our company will now be in a better position to have better earnings and revenue generation in the near future and nothing to add more.

And thanks come again once again for the small dividend you have passed on in this difficult period in which every industry passing and today only because of this link we could connect because NSDL server is totally failed today we cannot connect through this NSDL only because of this link we could get connected.

And once again, a happy festive season for the all. Nothing to add more and for giving me an opportunity, I thank the management and the team. And Nitin Ji, thank you very much. Thank you Sir for giving an opportunity.

Mr. Vishal Gupta (Chairman)

Thank you. Thank you, Jaydeep Ji. Thank you so much. And the company has launched 2 new projects, one in Gurgaon, one in Puna. We are launching one senior living project in Bhiwadi very soon. We are going to be launching one project in Jamshedpur in the 4th quarter. 2 projects in Jaipur this year in the 4th quarter, we have one more senior living project in Puna that we are hoping to launch in the 4th quarter. And we have a line up of 2 projects in Chennai, 2 additional projects in Jaipur. So a lot of good pipeline is there available that we can take the that the company can look forward to a very, very healthy pipeline.

Mr. Nitin Sharma (CS)

Sir, we have another shareholder. Mr. Mukesh Bansal. Mukesh Ji we can hear you, please ask your question.

Mr. Mukesh

Good afternoon. Good afternoon, chairman, Sir and everyone.

So first of all, I would like to thanks to the company secretary team and the CFO. They have provided me the opportunity to speak in the AGM.

So the Chairman's has already explained the things on the business areas. So just just one question on that.

So while reading the annual report, so we find that revenue recognize in terms of lack square feet which is in declining trends. So in 17-18 it was higher and now which is in a declining trend And also the EPS is also going down in since last 3-4 years. So what, what kind of reasons like why, why we are not getting the increase the revenue recognitions and also there is a average realization which is in terms of per square feet which is in range of 3500 to 3700 so which is approximately same in last 4-5 years.

So the chairman Sir has already explained the things that that there's a cost is there is an impact of course in the margins also the costs are higher. So these, these are some of the queries how the company will pop out these situations.

Mr. Vikas Dugar (CFO)

Can I take that Vishal Ji? Yes, please do that.

So thank you for your question, Mukesh Ji.

See, regarding revenue recognition as as we all are aware that the company follows a position based accounting system wherein we book the revenues only when we deliver the project, when we hand over the position of the project.

So in any given year, whatever revenue we recognize is basically a reflection of whatever deliveries you would have done in that year.

And accordingly the prophets also get impacted. So in 21-22 since the deliveries were quite less because you got look at, you know what exactly we booked the 2 to 3 years before that because whatever we would have booked 2 to 3 years back that only we are delivering now, so that's where the impact comes from.

And if you see the last 2 years, like we have been clocking approximately 50 lacs square foot and prior to that we clocked around 20 lacs square foot. Now these 3 years have been significantly better than the previous 3 years.

उनसे पहले जो ३ साल थे FY 17- 18 में करीब 7 lakh Square feet book kiya. FY19 में 11 lakh square foot book kiya tha to unki revenue recognition, obviously जब भी आएगी वीक होगी because vo deliver होंगे और जैसे जैसे हमारी बुकिंग सेल्स इम्पूव होंगी हमारा रेवेनुए रिकग्निशन जब वो प्रोजेक्ट डिलीवर होंगे इम्पूव होता जायेगा। तो hopefully this is what the explanation is. The revenue recognition and the profits as a result will depend on deliveries.

Or EPS also is related to that jab profits aayenge, then EPS also will gradually improve.

So this year for example agar आप देखेंगे तो हमने क्वार्टरली प्रेजेंटेशन में भी शेयर किया है। की this साल we have got the deliveries which are higher as compared to last year. हम एक स्लाइड में शेयर करते हैं की हमारे जो ऑनगोइंग प्रोजेक्ट है उनकी हम डिलीवरी कब करेंगे। To customer handover date. उससे आप को अंदाजा

लग जायेगा की इस साल हमारी कोंडी डिलीवरी लाइन्ड अप है And accordingly you'll get a sense ki hamari kya revenue is saal recognized होगी।

Thank you.

Mr. Vishal Gupta (Chairman)

Thank you, Sir. Mukeh Ji also also to add the average realization was pretty stagnant. If you see 2018-2019 उसके बाद १०% बढ़ा फिर ८% बढ़ा इस साल वापिस हमने १०% प्रिसेस को बढ़ाया है and the expectation is that इस साल average realization will move up, will cross 4000 easily. Because both price increase and product mix, दोनों में हम improvement ले के आ रहे है। So you will see much better price realization from the company going forward.

Mr. Nitin Sharma (CS)

Thank you, Sir. We have another shareholder, Mr. Sujan Modak. Sujan ji can you hear me?

Mr. Sujan

Yeah, I can hear you. You can hear me, Sir? हां जी आपकी आवाज आ रही है। आप प्लीज अपना सवाल कीजिये।

Namaskar. Namaskar. Gupta Ji Namaskar. कैसे है सर ? खूब बढ़िया सुजनजी. आप भी बढ़िया? Yeah Yeah. ठीक है। नितिनजी नमस्कार नमस्कार सुजनजी।

Sir Good afternoon, respected chairman of the Board of directors, I'm Sujan Modak, Sir. I'm appearing attending this meeting from my residence in Kolkata, Sir.

Sir the person, whoever before me in the line, they've really asked all my questions. So really, I don't want to consume time, but really I want to tell you that Sir, we have with you, Sir.

सर ऐसे उठा पटक तो होते रहते है। इस बार रिजल्ट थोड़ा नमी आयी है कोई बात नहीं सर हम आपके साथ है। अगले साल जरूर अच्छा हो जायेगा सर आपका जो ट्रैक रिकॉर्ड हमारे पास है सर वो बहुत ही बढ़िया है तो कोई चिंता की बात नहीं है हम आपका साथ है सर। आप जो हंस रहे है आपका मुस्कान जो है ये थम्ब्स अप जो दिखाया This is Fantastic.

ये ही है हम ये चाहते है सर अगले साल आप कोलकाता आ जाये तो सर और अच्छा रहेगा सर। कोई बात नहीं सर बिलकुल सही चला रहे है ऐसा होता रहता है सर।

We are with you. Nothing to add more. We wish you all the best. Thank you over to you, Sir.

Mr. Vishal Gupta (Chairman)

Thank you Sujan Ji and I hope not to disappoint you next year and live up to your expectations.

Mr. Nitin Sharma (CS)

Thank you, Sir. Sir we also had provided the facility of raising question through chat box. So one of the shareholders Mr. Priyank, he has asked the question. I'm reading it out.

That the accounting policies have changed for revenue recognition somewhere around 2015. It is not easy to get a feel of the historical pre tax profit per square foot as a percentage of booking amount. So across the past 30 to 35 years for multiple real estate cycle, can you share these pre tax profit per square foot as a percentage of booking amount per square foot in a rough middle and peak of the real estate cycle. Thank you very much Sir.

विकास सर मेने ये क्वेश्चन आपको व्हाट्सप्प पे भी किया है। आप प्लीज पढ़ लीजियेगा। ठीक है। Thank you.

Vikas you want to answer that question please.

Mr. Vikas Dugar (CFO)

We would not have a readily available answer Vishal Ji for the real estate cycle for 30-35 years. Margins will not have just to add to his question हम अपने annual report me we have started to share for the last few years, the GP margin per square foot, so they can get a sense because that is the key number that we track while underwriting projects also. तो वो हम per square foot level में बहुत detail way me share karte hai तो उससे उनको आईडिया हो जायेगा। की साल दर साल वो कैसे इम्प्रूव हो रहा है।

Mr. Vishal Gupta (Chairman)

And and we have been following the same accounting policies, we have not changed any accounting policy. It is possession based accounting methodology that your company has been following.

And now the Indian accounting standards also have converged toward this accounting policies. Even the operators we are following a proportionate completion method. They also now have gravitated towards position based accounting across the country.

Mr. Nitin Sharma (CS)

Thank you, Sir. There are no more shareholders. All have exhausted their questions. There are only 7 shareholders, so there's no no more question on the chat box also.

We have answered all the questions so we can declare that meeting has concluded with vote of thanks. I request you to give vote of thanks to the participants.

Mr. Vishal Gupta (Chairman)

Thank you, Nitin. Thank you for organizing the meeting. I thank the entire shareholder of Ashiana for the love and support that you have provided. It's it's very, very important for us to keep going and I look forward to continue to drive the organization with honesty, hard work, sincerity to customers, employees and shareholders.

And I'm also like to thank Anand, Sonal, Ashok Ji and Mahendra for being part of this AGM today, thank you for making the time and see you, see all of you next year with the with lot of hope and vigor. Thank you.

Mr. Nitin Sharma (CS)

Thank you sir. Thank you everybody this meeting is concluded. Thank you very much.

Thank you very much.