

from deep foundations

come tall structures

Oberoi Realty Limited | Annual report 2012-13

Caution regarding forward looking statements

This Annual Report may contain forward looking statements, including those relating to general business statements, plans and strategy of Oberoi Realty group, its future financial condition and growth prospects, future developments in its industry and its competitive and regulatory environment, and statements which contain words or phrases such as 'propose', 'transform', 'can', 'will', 'shall', 'may', 'try', 'expect', 'believe', 'seem', 'confident of', 'target to' etc., or similar expressions or variations of such expressions. These forward-looking statements are based on expectations and projections, and may involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by such statements. These risks and uncertainties include, but are not limited to risks with respect to its real estate business, economic environment in India and overseas, changes in development regulations, changes in tax laws, changes in other applicable laws, litigation and labour relations.

We cannot guarantee that these forward-looking statements will be realised. The achievements of results are subject to risks, uncertainties, and even assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether a result of new information, future events or otherwise.

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At Oberoi Realty Limited, we don't just build; we redefine.

We don't just provide aspirational lifestyle solutions
across the residential, commercial (office spaces and
malls) and hospitality segments; we bring to our
business a different way of doing things.

So even as people admire what we create, it is
what we are that makes us anchored and
enduring.



The content and not the form; the mind and not
the mortar; the foundation and not the height.



That's Oberoi Realty.



Tip

■ A strong presence across strategic locations in Mumbai like Goregaon (East), Andheri (East), Andheri (West), Khar (West) and a progressive foray into upscale south Mumbai with our ambitious Worli project.

■ Two hundred and sixty nine rooms at The Westin Mumbai Garden City, a five-star hotel in Goregaon (East).

■ Office space (0.36 mn sq. ft) at Commerz (Goregaon East) addressing brand-enhancing tenants like Ogilvy & Mather, Group M, Verizon, Mercer and Hewlett Packard, among several others.

■ A pipeline of 18.52 mn sq. ft of space under development / to be developed over the next 3-5 years.

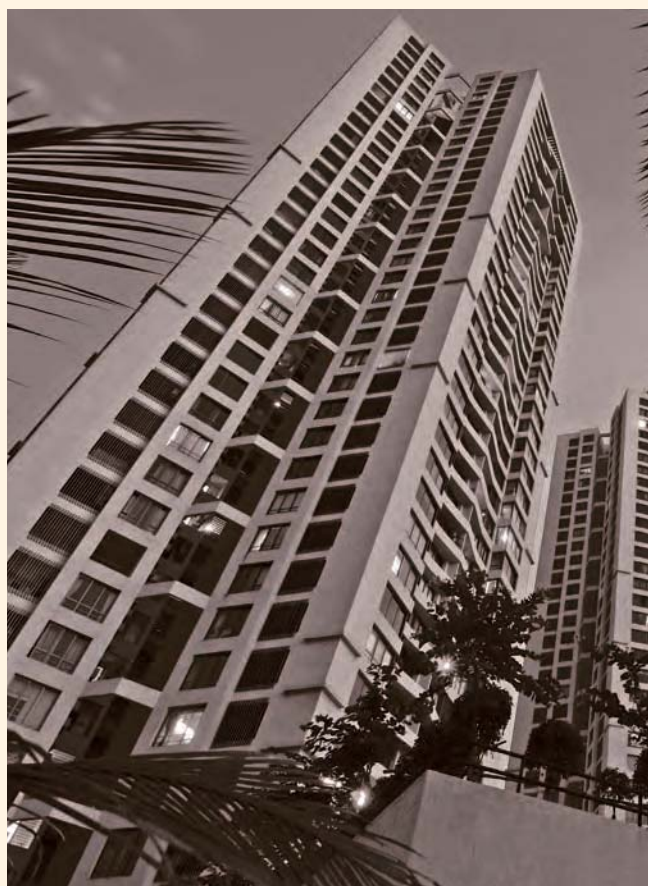


- A rich three decade experience in the transformation of realty properties into trusted lifestyle brands in India's financial capital Mumbai

- The ability to partner some of the most specialised international consultants resulting in the delivery of pioneering conveniences / facilities of world-class-standards in India

- The ability to evolve entire locations into aspirational integrated landmarks (residential, commercial, hospitality and school)

- The ability to evolve its presence in an unorganised sector with an uncompromising governance commitment and professional multi-competence (Engineers, MBAs, CAs and other professionals)



2012-13
in brief

Awards and
accolades

The value we enhance is derived from the values we cherish

Vision: To create spaces that enhance quality of life

Values

■ **Quality:** Quality focus is not a business imperative at Oberoi Realty; it is a way of life.

■ **Customer-centricity:** Keeping customers at the heart of all we do, our initiatives and innovations are attuned to enhancing the life of our customers in real terms.

■ **Excellence:** Through commitment to excellence we create new paradigms in what we deliver and the way we deliver, creating not just a better equity for Oberoi Realty but a better life through spaces we create.

■ **Integrity:** With absolute integrity in all our dealings, by standing true to our words in all circumstances and never misguiding or deceiving through our words, gestures or actions, we ensure credibility, respect and sustained growth for our organisation.

■ **Transparency:** Transparency breeds trust. By being fair, open and honest in all our dealings, we create the necessary environment for sustained growth of our organisation, built on mutual growth and trust.

■ **Innovation:** Innovating consistently is a cultural constant at Oberoi Realty; it empowers us to offer the differentiated and the exemplary to our customers, besides infusing robustness in all our processes.

■ **Teamwork:** A diverse, diligent and qualified workforce driven by team-spirit represents our abiding strength to co-create a positive, bright and forward-looking future.

■ **Passion:** Passion is the core human quality that drives us to deliver with more than 100% in all we do. By bringing passion at work we not only ensure the success but also the brilliance in all our executions.

■ Average realisations in Mumbai realty sector declined; Oberoi Realty strengthened its average realisations by more than 25%

■ The broad Mumbai realty sector complained of overall sluggishness; Oberoi Realty strengthened turnover by 17.72% to ₹ 1,14,752.00 lakh and post-tax profit by 9.06% to ₹ 50,478.60 lakh

■ Oberoi Realty ranked second for the 'Best Investor Relations Practice' (nominated by Sell Side) in the 2012 All-Asia Executive Team by Institutional Investor ■ Oberoi Realty won the 'Highly Commended Commercial High Rise Development India' for Oberoi Commerz at the International Property Awards – Asia Pacific 2012-13 ■ Oberoi Mall won the 'Highly Commended Retail Development India' at the International Property Awards – Asia Pacific 2012-13 ■ Oberoi Realty received the merit award from the Asia Pacific Real Estate Association (APREA): 'Emerging Markets – Accounting and Financial Reporting Category' ■ Oberoi Realty won the 'Asian HR Leadership Award for Promoting Health in the Workplace' at the Asian Leadership Awards 2012 ■ The Westin Mumbai Garden City won the 'Trip Advisor Certificate of Excellence 2012' ■ Oberoi Exquisite was awarded 'The Best Upcoming Luxury Residential Project in Mumbai' by Brands Academy SAARC and ASEAN Real Estate Awards 2012 in association with NDTV Profit ■ Oberoi Realty won the Master Brand 2012 Status by the CMO Council and CMO Asia ■ Oberoi Mall won the 'Retail Marketing Campaign of the Year' at the Asia Retail Awards 2013 for the 50:50 Single Day Flash Sale Event



At Oberoi Realty,
we believe that our customers'
faith in our brand is one of the
key reasons for our growth.



We have consciously selected locations to create premium developments and we partner with leading international consultants and contractors to plan and execute them.

Success of a company primarily depends on its ability to consistently grow in a sustainable way. We, at Oberoi Realty, are committed to building a financially prudent, sustainable and a transparent company; one which will last its lifetime and continue to create value for its stakeholders for many years to come.

The journey is long and our challenges could be global or local, macro or micro, from within or outside the sector. This very nature of the business brings phases of market cyclicity, which in turn present opportunities to our company. Whatever the situation, we will continue to follow our philosophy of 'aggression with caution'. Our growth will also depend on our ability to attract the best capital, investors and talents for the company. And for that, our competition is not just within the sector. Therefore, we continue to learn from leading organisations globally, adapt best practices and evolve as an organisation.

We believe that our customers' faith in our brand is one of the key reasons for our growth. Currently, the preference of buyers in the real estate sector in India, especially in Mumbai, is undergoing a transformation as they are becoming progressively more aware of what's happening around the world. The modern urban Indian buyers are earning more, travelling the world and as a consequence, their desire for quality is increasing. In a city like Mumbai, which has a huge demand for quality housing, the consumer is willing to pay a premium for a better quality home and amenities that upgrade his lifestyle. Besides, factors like easy access to capital, higher disposable income, a growing economy and, most importantly, aspirations of a better life are the key drivers for the demand of premium

CHAIRMAN'S MESSAGE

→ continued



housing. These factors, coupled with the traditional Indian mindset of considering investment in real estate to be a prudent decision, continue to fuel demand for housing. Additionally, we have witnessed that consumers are willing to put their money on developments, which are at the right location and the right price by a trusted developer.

At Oberoi Realty, there is a significant alignment of our business model with these emerging trends of our consumers. We have consciously selected locations to create premium developments and we partner with leading international consultants and contractors to plan and execute them. As an

organisation, we constantly focus on making Oberoi Realty, a knowledge-driven, customer-centric and innovative company which provides for tomorrow's conveniences today.

We will continue our journey of value creation for all our stakeholders over the long run with your continuous support and faith in us. I thank you for resting your trust on me and providing me the opportunity to lead your company in this very dynamic industry.

Best wishes,

Vikas Oberoi

Governance

At Oberoi Realty, our business model revolves around governance-led long-term sustainability. This is influenced by a high proportion of Independent Directors on the Board, customer focus and process orientation. The operating structure is marked by strategic decision-making and hands-on business review by the promoters, complemented by day-to-day management by professionals across all functions.

Core purpose

At Oberoi Realty we are a focused realty developer and do not speculate or trade in land. We focus singularly on the premium segment be it residential, office spaces, retail or hospitality in view of the perceived need for such properties at a time of growing incomes and aspirations.

Locations

At Oberoi Realty, we have built properties across strategic locations in Mumbai like Goregaon, Andheri, Khar and Juhu. In line with this, the Company selects to build properties across large land parcels where it is possible to graduate the reputation of the pin code through its premium development and attract the right clientele.

Multi-format development

Oberoi Realty's business model is calibrated through the outright sale of residential properties. However, we have progressively diversified our revenue mix towards commercial, retail and hospitality segments. The result is that annuity incomes have increased from ₹ 7,374.05 lakh in 2008-09 to ₹ 13,983.27 lakh in 2012-13. The leasing of properties

(commercial and retail) provides predictable annuity revenues with the prospect of periodic upward revision. Long-term agreements with corporate customers for properties being constructed provide assured incomes.

Lifecycle engagement

Even as Oberoi Realty markets residential properties outright, it has secured the variables related to property maintenance through a documented SOP for stringent compliance by specialised maintenance service providers, protecting the look and feel of its properties, years after their sale.

Relationships

Oberoi Realty has focused on relationship building even in supposedly transaction-driven product segments (residential). We pioneered the Elite Club for our residential customers, offering them exclusive privileges (access to luxury brands and services) for life.

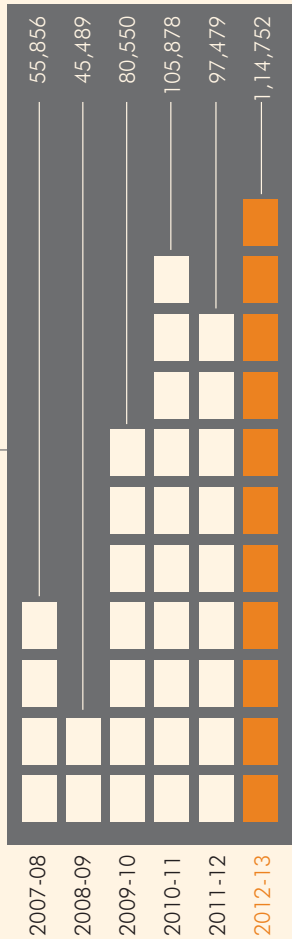
Our business model



Financial highlights

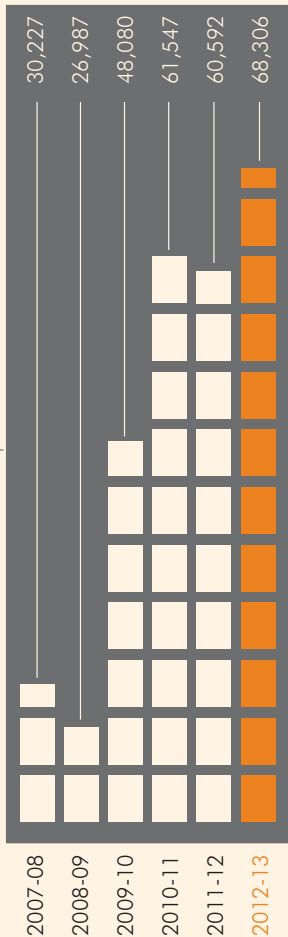
Gross income

(₹ in lakh)



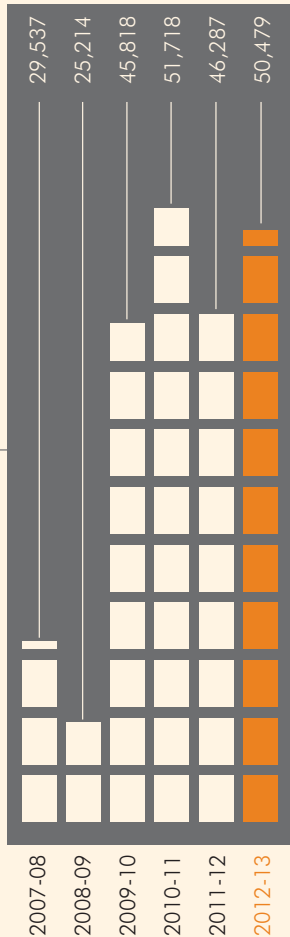
Profit before tax

(₹ in lakh)



Profit after tax

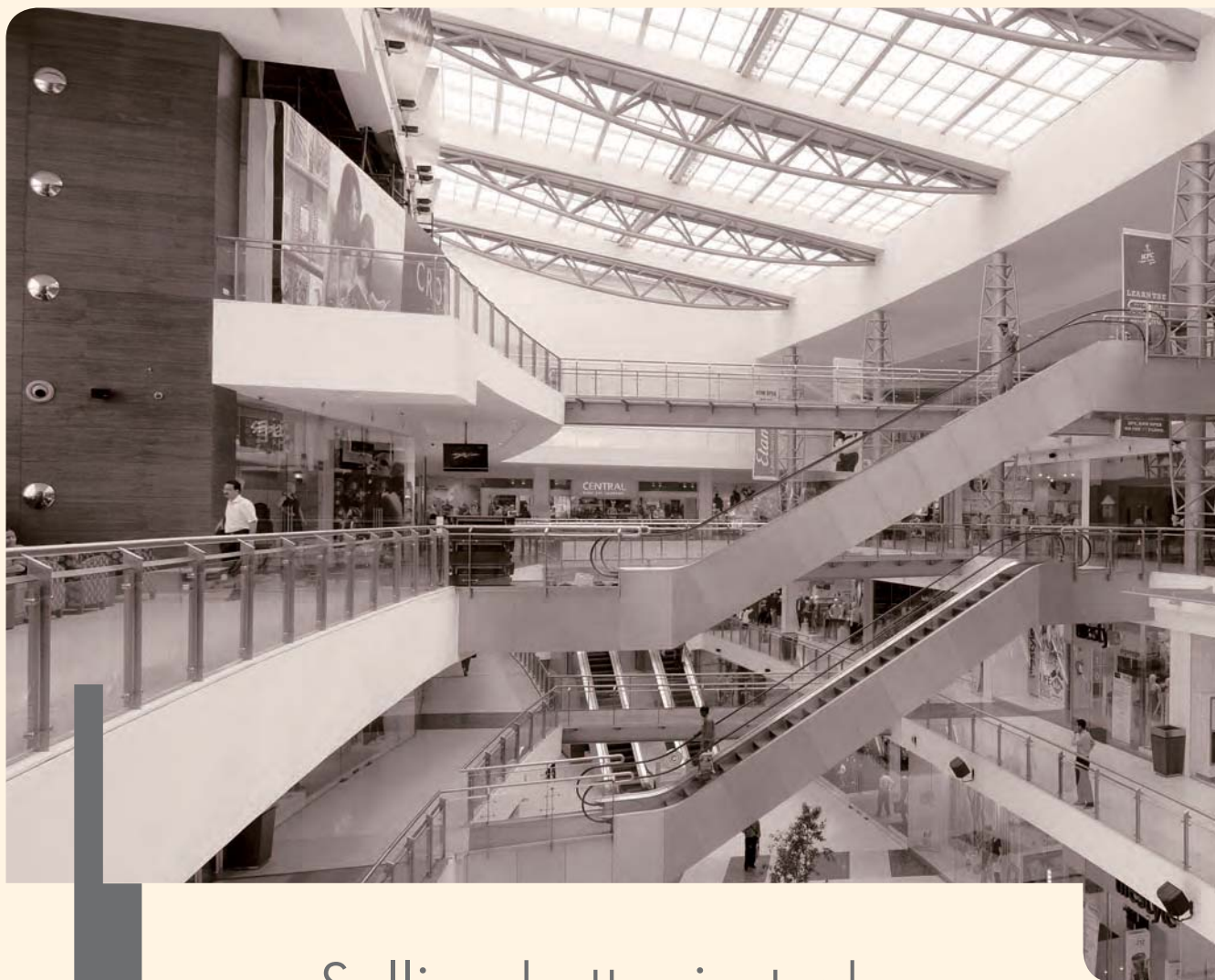
(₹ in lakh)



Basic and diluted EPS

(₹)





Selling better just when it gets challenging

At Oberoi Realty, we are continuously engaged in the exercise of strengthening our brand across locations, products and market cycles.



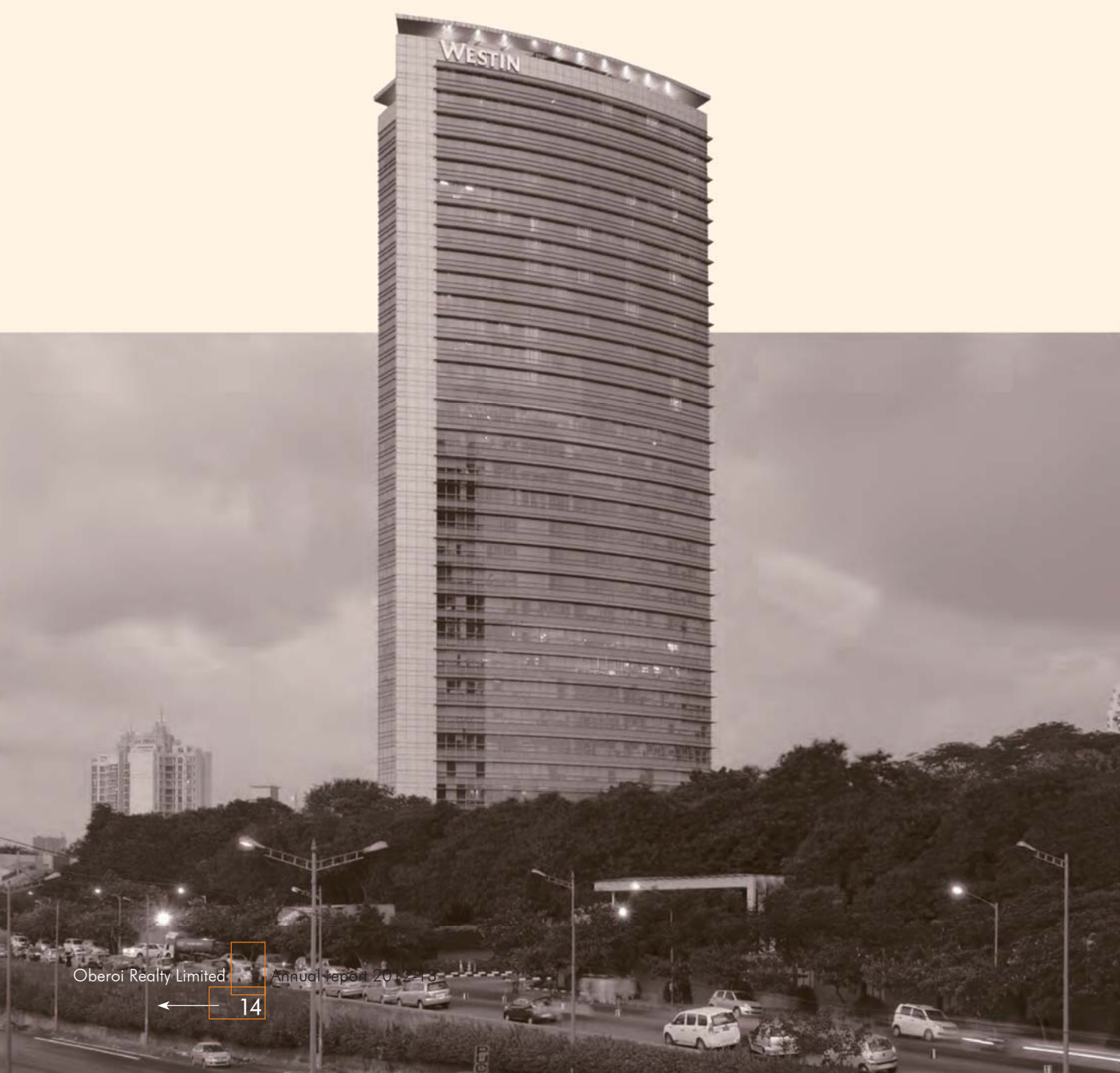
We showcased this capability in a challenging 2012-13; when the prevailing realty price lines either remained sluggish or declined, we continued to command realisations higher than the sectoral and retrospective averages.

This outperformance was the result of a consistent discipline of:

- Managing customer expectations, strengthening our product portfolio and reinforcing our marketing initiatives
- Engaging in effective and brand-faithful advertising to generate a disproportionately higher customer response compared to the spending quantum
- Leasing of commercial space to select brand-enhancing customers (Ogilvy & Mather, Group M, Hewlett-Packard, Mercer and Verizon), enhancing our brand image, subsequent offtake and realisations
- Continuously innovating to deliver superior design and functionality



Strategic location, world-class design and superior functionality have combined into a single number: 25% growth in realisations.





We continued to engage in large-scale realty development, combining world-class living, working and entertainment options within a breezy walking distance

At Oberoi Realty, where we market some of the most exclusive properties in India's most prosperous city, the challenge lies in creating a distinctive customer pull over the conventional product push.

We achieved just this in a difficult 2012-13; even as increasing multi-brand apartment inventory began to be released in a saturated market, the priority at Oberoi Realty was to sell more apartments than ever without compromising its brand value.

The discipline that went into this challenging out-performance comprised the following initiatives:

- We continued to engage in large-scale realty development, combining world-class living, working and entertainment options within a breezy walking distance
- We customised the nature of property intended to be developed (residential, commercial or hybrid) according to its catchment area
- We engaged with some of the world's best construction and design specialists (Samsung C&T, HOK, KPF and LERA among others) to create masterpieces that would create distinctive consumer traction
- We conceptualised properties that extended beyond the usual brick and mortar; the combination of open area and modern amenities enabled us to position our offerings around pride-enhancing lifestyle statements
- We offered our inventory judiciously to supply only what the market could take at specific juncture, generated adequate resources for onward deployment

Oberoi Realty: The making of an institution.

Brand

The Oberoi Realty brand stands for trust, opulence and luxury and enjoys a tremendous recall among discerning and affluent customers

Land bank

Oberoi Realty owns nearly 18.5 mn sq. ft for development in Mumbai.

Diversified portfolio

Oberoi Realty's portfolio comprises residential properties generating lumpy income and commercial assets (office spaces and mall) generating developmental-cum-annuity income.

Intellectual capital

Oberoi Realty is spearheaded by a senior management group with a cumulative realty management experience of 19 people: 417 person-years. The Company comprised 511 employees as on 31 March 2013 of which 20.35% comprised professionals (MBAs and CAs, among others).

Associations

Oberoi Realty engages some of the world's best constructions and design firms like Kohn Pedersen Fox (Oasis and Commerz I and II projects), HOK Architects (Commerz), LERA (Oasis, Exquisite, Splendor Grande and Splendor), Samsung C&T (Oasis) and Bentel Associates (Oberoi Mall), among several others. These alliances bring the benefit of international best practices not only to our properties but to the real estate sector as well.

United we stand

KPF

Kohn Pedersen Fox Associates (KPF) is one of the world's most distinguished architectural firms, operating from six locations across the globe.

Signature projects: Shanghai World Financial Centre and International Commerce Centre, Hong Kong.

Samsung C&T

Adjudged as the world's best construction company, Samsung C&T provides its clients high value by employing the world's best talent and technology.

Signature project: Burj Khalifa, Dubai.

Belt Collins

Belt Collins is an international planning, design and consulting firm. Founded in 1953, the firm has completed over 16,000 projects.

Eco-id

Eco-id Architects Pte Limited is a multi-disciplinary architectural practice that has been established in 1996. Founded by two architects, Mr. Sim Boon Yang and Mr. Calvin Sim, the company has since captured international repute with award-winning projects such as W Resort in Maldives, The Conrad Koh Samui and The Ritz Carlton Residences in Singapore. Comprising 106 employees, the company is headquartered in Singapore and has offices in Bangkok, Thailand and Guangzhou, China.

Signature project: The Ritz Carlton Residences, Singapore.

Larsen & Toubro

With a record of over 70 years, L&T is not only the largest construction company in India but also ranks

27th among the top international contractors globally.

Signature projects: Indira Gandhi International Airport Terminal 3, New Delhi.

Placemedia

Founded in 1992 in Tokyo, Placemedia is one of the leading and highly recognised landscape and urban design firms in Japan.

Signature project: Grand Hyatt, Tokyo

Fortune Elevators

A global leader in vertical transportation design, Fortune Shepler Consulting develops effective solutions for tall and super tall structures.

Signature projects: Burj Khalifa, Dubai and Kingdom Tower, KSA.

Walker Parking Consultants

Since its inception in 1965, Walker Parking Consultants has evolved into the largest parking design and parking consulting firm in the US.

Signature project: Los Angeles International Airport.

Thornton Tomasetti

Thornton Tomasetti is a design engineering firm that addresses the full lifecycle of structures through their six integrated practices in Building Structure, Building Skin, Building Performance, Construction Support Services, Property Loss Consulting and Building Sustainability.

Signature projects: Petronas Tower, Kuala Lumpur and Taipei 101.

Vikas Oberoi

Chairman &
Managing Director



A Harvard Business School alumnus, Mr Oberoi has been on the Board of Directors since the inception of Oberoi Realty Limited. With over three decades of experience in the real estate industry, he brings on board his unique vision, management practices and global approach to the overall functioning, expansion, diversification and management of the organisation. As an integral part of the key management, he manages a portfolio spanning across residential, commercial, retail, hospitality and social infrastructure projects. With passion for design, he gets involved in every project and envisions it as if he were to personally use it.

Anil Harish

Independent,
Non-Executive Director



On the Board of Directors since September 2009, Mr. Anil Harish is a seasoned legal expert with over three decades of experience in real estate, taxation and collaboration laws in India. He holds a Bachelor's degree in law from the Mumbai University and a Master's degree in law from the University of Miami, USA, and is a partner at D.M. Harish & Co., Advocates, Mumbai. He was a member of the Managing Committee of the Indian Merchants Chamber and Executive Vice-President of the Society of Indian Law Firms besides serving as the President of the Hyderabad (Sind) National Collegiate Board.

Profile of our Board of Directors

Bindu Oberoi

Non-Independent,
Non-Executive Director



On the Board of Directors since December 2006, Ms Oberoi is a Commerce graduate from the Mumbai University and is deeply involved in various design and interior aspects.

Tilokchand P. Ostwal

Independent,
Non-Executive Director



On the Board of Directors since December 2007, Mr. T.P. Ostwal has experience of over three decades as Chartered Accountant in practise. He is a member of the advisory group set up by the Government of India for internal taxation and transfer pricing and is a member of group constituted by the United Nations for developing transfer pricing manual and documentation for developing countries. He has been Vice Chairman of the Executive Board of International Fiscal Association, Netherlands, member of the taxation committees of the Bombay Chartered Accountant Society, Bombay Chamber of Commerce and Industry and Indian Merchant Chambers. He is a visiting professor at Vienna University, Austria.

Venkatesh Mysore

Independent,
Non-Executive Director



On the Board of Directors since July 2011, Mr. Venkatesh Mysore is currently the CEO and MD of Knight Riders Sports Private Limited (Kolkata Knight Riders) and also the CEO of Red Chillies Entertainment. He holds a Masters Degree in Business Management from University of Madras and brings on board decades of rich and versatile experience in the insurance sector, asset management and setting up and promoting companies in diverse cultural and business environments like the US, Indonesia, Hong Kong and India. With years of rich experience in the financial sector in the US, he has served as the CEO and MD of MetLife where he spent over two decades and also helped start-up its India venture. He has also served as the India Country Head of Sun Life Financial besides being on board of FICCI, CII, IMC, American Chamber of Commerce, Indo-Canadian Chamber and several committees established by IRDA.



Directors' report

Dear members

Your Directors have pleasure in presenting the Fifteenth Annual Report on the business and operations of the Company together with the audited accounts for the financial year ended March 31, 2013.

Financial highlights

(₹ in Lakh)

Particulars	Consolidated		Standalone	
	2012-13	2011-12	2012-13	2011-12
Revenue from operations	1,04,757.65	82,468.67	59,504.57	39,138.75
Other income	9,994.35	15,009.93	14,744.93	15,886.56
Total Revenue	1,14,752.00	97,478.60	74,249.50	55,025.31
Expenses	43,551.67	34,119.77	27,479.91	18,436.77
Profit before interest, depreciation, amortisation and taxes (EBITDA)	71,200.33	63,358.83	46,769.59	36,588.54
Depreciation and amortisation	2,850.70	2,694.04	2,366.87	2,234.87
Interest and finance charges	36.58	30.53	33.65	26.33
Profit before prior period items and taxes	68,313.05	60,634.26	44,369.07	34,327.34
Prior period income / (expenses)	(6.87)	(42.73)	(6 .87)	(42.73)
Profit Before Tax	68,306.18	60,591.53	44,362.20	34,284.61
Tax expenses	17,827.58	14,304.27	11,614.97	8,791.16
Profit After Tax	50,478.60	46,287.26	32,747.23	25,493.45

Financial performance

Consolidated Financials

During the year under review, your Company's consolidated total revenue stood at ₹1,14,752.00 lakh as compared to ₹97,478.60 lakh for the previous year, representing an increase of 17.72%. Profit before tax stood at ₹68,306.18 lakh for the year under review as compared to ₹60,591.53 lakh for the previous year, representing an increase of 12.73%. Profit after tax stood at ₹50,478.60 lakh as compared to ₹46,287.26 lakh for the previous year, representing an increase of 9.06%.

Standalone Financials

During the year under review, the total revenue stood at ₹74,249.50 lakh as compared to ₹55,025.31 lakh for the previous year, representing an increase of 34.94%. Profit before tax stood at ₹44,362.20 lakh for the year under review as compared to ₹34,284.61 lakh for the previous year, representing an increase of 29.39%. Profit after tax stood at ₹32,747.23 lakh as compared to ₹25,493.45 lakh for the previous year, representing an increase of 28.45%.

Utilisation of IPO proceeds

During FY2010-11, your Company had come up with an Initial Public Offering of 3,95,62,000 equity shares of face value of ₹10 each at an issue price of ₹260 per

equity share (including securities premium of ₹250 per equity share) aggregating to ₹1,02,861.20 lakh.

The IPO proceeds have been fully utilised during the FY2012-13. The details of amount utilised are given below and the same has been taken on record by the Audit Committee and the Board of Directors of the Company:

(₹ in Lakh)

Particulars	Amount
Construction of projects	54,142.94
Acquisition of land or land development rights	40,260.00
General corporate purposes	4,397.73
Share issue expenses	4,060.53
Total	102,861.20

The use of issue proceeds had been monitored by the monitoring agency appointed as per the requirement of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and their last report for the half year ended September 30, 2012 had been reviewed and taken on record by the Audit Committee and the Board of Directors of the Company.

Transfer to reserves

It is proposed to transfer an amount of

₹2,457 lakh to the general reserve out of the profits earned during FY2012-13.

Dividend

Despite of challenging business environment, sluggish industry volumes and increased costs, taking into consideration the stable performance of your Company and in recognition of the trust in the management shown by the members of the Company, your Directors are pleased to recommend dividend at the rate of ₹2 per equity share, i.e. 20% of the paid-up equity share value for the year ended March 31, 2013 (Previous Year: ₹2 per equity share, i.e. 20% of the paid-up equity share value). The proposed dividend together with the dividend distribution tax will amount to ₹7,680.33 lakh.

Subsidiary companies

As on March 31, 2013, the Company has eight wholly-owned subsidiaries, namely Oberoi Constructions Limited, Oberoi Mall Limited, Kingston Property Services Limited, Kingston Hospitality and Developers Private Limited, Expressions Realty Private Limited, Perspective Realty Private Limited, Buoyant Realty Private Limited and Sight Realty Private Limited. Buoyant Realty Private Limited and Sight Realty Private Limited were incorporated during the year under review.

In accordance with the Clause 49 of the Listing Agreement, the minutes of

the subsidiaries were placed before the meeting of Board of Directors of your Company. Oberoi Constructions Limited is a materially non-listed Indian subsidiary as defined under the Listing Agreement.

Financials of subsidiary companies

The Ministry of Corporate Affairs vide General Circular No. 2 / 2011 dated February 8, 2011 has issued directions under Section 212(8) of the Companies Act, 1956 granting general exemption from applicability of the provisions of Section 212 of the Companies Act, 1956 in relation to the attaching of balance sheets and other documents of subsidiary companies with the holding company, subject to fulfillment of the conditions specified in the said circular.

Your Company has availed the benefit of general exemption provided by the aforesaid circular and accordingly, the documents mentioned in Section 212(1) (a) to (d) of the Companies Act, 1956 relating to Company's subsidiaries are not attached to the Balance Sheet of your Company. In terms of the said circular, your Directors undertake that the annual accounts of the subsidiary companies and the related detailed information shall be made available to members of the Company and its subsidiary companies seeking such information at any point of time. Further, the annual accounts of the subsidiary companies shall also be kept for inspection by any member at the registered office of the Company and of the respective subsidiary companies concerned. The statement as required under Clause (iv) of the aforesaid circular is also attached to the financial statements hereto.

Statement under section 212(1) (e) of the Companies Act, 1956 for subsidiary companies

A statement pursuant to Section 212(1) (e) read with Sub-Section (3) of the Section 212 of the Companies Act, 1956 for the FY 2012-13 for the subsidiary companies, namely Oberoi Constructions Limited, Oberoi Mall Limited, Kingston Property Services Limited, Kingston Hospitality and Developers Private Limited, Expressions Realty Private Limited, Perspective Realty Private Limited, Buoyant Realty Private Limited and Sight Realty Private Limited is attached to the Balance Sheet of your Company.

Directors' responsibility statement

As required by the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- the Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956 to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the Annual

Accounts on a 'going concern' basis.

Directors

Mr. T.P. Ostwal and Mr. Jimmy Bilimoria, the Independent Non-Executive Directors shall retire by rotation in the ensuing Annual General Meeting. Mr. Jimmy Bilimoria has not offered himself for re-appointment. Mr. T.P. Ostwal, being eligible and having offered himself for re-appointment, a resolution seeking approval of the members for re-appointment of Mr. T.P. Ostwal have been incorporated in the Notice convening the Annual General Meeting.

As required under clause 49(IV) (G) of the Listing Agreement, the requisite information of Mr. T.P. Ostwal, *inter alia*, in the nature of brief resume, nature of expertise, companies in which he holds directorship / memberships of Board Committees, shareholding in the Company forms part of the Notice of the Annual General Meeting.

Auditors

M/s. P. Raj & Co., Chartered Accountants, Statutory Auditor of the Company holds office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. Your Company has received necessary certificate from the Statutory Auditor to this effect and their reappointment, if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

As per the recommendation of the Audit Committee, the Board of Directors proposes the reappointment of M/s P. Raj & Co., Chartered Accountants as Statutory Auditor of the Company.

Auditors' report

The Auditors' Report does not contain any reservation, qualification or adverse remark.

Corporate governance

The Report on Corporate Governance and the certificate from the Statutory Auditors regarding compliance with the conditions of Corporate Governance have been furnished in the Annual Report and forms part of the Annual Report.

Code of conduct

Pursuant to Clause 49 of the Listing Agreement, the declaration signed by the Managing Director affirming the compliance of Code of Conduct by the Directors and senior management personnel for the year under review is annexed to and forms part of the Corporate Governance Report.

Managing Director and Chief Financial Officer certification

The certificate from the Managing Director and the Chief Financial Officer in accordance with Clause 49(V) of the Listing Agreement is annexed to and forms part of the Corporate Governance Report.

Management discussion and analysis report

The Management Discussion and Analysis Report has been separately furnished in the Annual Report and forms part of the Annual Report.

Employee stock option plan (ESOP)

In recognition of the role played by the employees in the growth of the organisation and the belief that the employees deserve a stake in the value created and enhanced by them, employee stock option plan 'ESOP 2009' had been instituted by your Company approving issue of up to 14,43,356 options, each option conferring a right upon the eligible employee to apply for one equity share of ₹10 each of the Company.

The vesting of first and second tranche

(of 20% each) of options granted under ESOP 2009 occurred on May 4, 2011 and May 4, 2012 respectively. The vesting of third tranche (of 30%) of options granted will occur on May 4, 2013. The Exercise Price is ₹260 per option.

The information in terms of Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is annexed to this report.

The certificate from the Statutory Auditor as required under Clause 14 of the said guidelines, with respect to the implementation of the Company's ESOP Scheme shall be placed at the Annual General Meeting for inspection by the members.

Public deposits

During the year under review, your Company has not accepted any deposits in terms of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975 and also no amount was outstanding on account of principal or interest thereon, as of the date of the Balance Sheet.

Unclaimed shares

Out of the equity shares allotted to the successful applicants in the IPO concluded in the month of October 2010, 200 unclaimed equity shares are pending for credit to the demat accounts of the respective allottees.

In accordance with Clause 5A (I)(a) of the Listing Agreement the said 200 equity shares had been transferred to the unclaimed shares demat suspense account during FY2011-12.

The requisite disclosures under Clause 5A (I)(g) of the Listing Agreement are as under:

Particulars	No. of share-holders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	2	200
Number of shares transferred to the suspense account during the year	Nil	Nil
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	2	200

The voting rights in respect of the above 200 equity shares are frozen. No corporate benefits in the nature of bonus, split and rights had accrued on the aforesaid 200 equity shares.

Unclaimed and unpaid dividends

As on March 31, 2013, amounts of ₹0.19 lakh and ₹0.28 lakh are lying in the unpaid equity dividend account of the Company in respect of the dividend for FY2010-11 and FY2011-12 respectively. Members who have not yet received/claimed their dividend entitlements are

requested to contact the Company or the registrar and transfer agents of the Company.

Particulars of employees

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in annexure forming part of this report. However, in accordance with the provisions contained in the proviso to Section 219 (1) the aforesaid particulars of the employees are not being sent as a part of this Annual Report. Any Member interested in obtaining a copy of the same, may write to the Company Secretary at the registered office of the Company.

Green initiative in corporate governance

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies.

Your Company supports this green initiative and members who have registered for this facility will be getting all documents, including the Notice and Annual Report, through email. Additionally, the members opting for this facility can request for physical copy of such documents and shall

receive the same free of cost.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

As the Company is not a manufacturing company, the Board of Directors have nothing to report pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Foreign exchange earnings and outgo

1. Value of Imports (C. I. F. basis)

(₹ in Lakh)

Particulars	2012-13	2011-12
Materials	4,898.80	28.67
Capital goods	264.24	928.76

2. Expenditure in Foreign Currency (on payment basis)

(₹ in Lakh)

Particulars	2012-13	2011-12
On Foreign travel	14.90	73.36
Professional fees	944.72	1,192.42
Others	409.74	1,281.12

3. Remittance in Foreign Currency on account of dividends

(₹ in Lakh)

Particulars	2012-13	2011-12
Equity shares	-	310.55
Preference shares	-	0.00

4. Earnings in Foreign Currency (on receipts basis)

(₹ in Lakh)

Particulars	2012-13	2011-12
Sale of residential units	548.57	1,152.28
Hospitality services	4,504.22	4,379.53

Acknowledgement

Your Directors take the opportunity to express their deep sense of gratitude to bankers, government authorities, employees, customers, vendors and suppliers.

Your Directors would also like to thank the Members for reposing their confidence and faith in the Company and its Management.

For and on behalf of the Board of Directors

Mumbai, April 19, 2013

Vikas Oberoi
Chairman & Managing Director

Statement pursuant to Clause 12 of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as on March 31, 2013

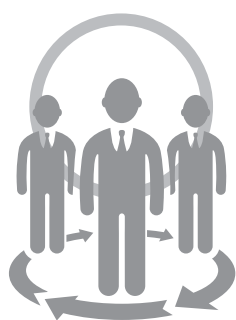
Sr.	Particulars	ESOP 2009 (Grant 1)
1	Total number of options granted	13,49,553
2	Pricing formula	IPO Price ^(A) i.e. ₹ 260
3	Options vested	429,492
4	Options exercised	Nil
5	Total number of equity shares arising as a result of exercise of options	Nil
6	Options lapsed / cancelled / forfeited	282,004
7	Variation of terms of options	None during the year
8	Money realised by exercise of options	Nil
9	Total number of options in force as on March 31, 2013	1,067,549 ^(B)
10	Employee-wise detail of options granted during the FY2012-13	
	A. Senior Managerial Employee	N.A.
	B. Any other employee receiving 5% or more of the total number of options granted during the year	N.A.
	C. Employees granted options equal to or exceeding 1% of the issued capital of the Company at the time of grant	N.A.
11	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard AS-20 (Earnings Per Share)	₹9.97
12	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so calculated using intrinsic value of stock options and the employee compensation cost that would have been recognised if the fair value of options had been used and the impact of this difference on profits and EPS of the Company.	To calculate the employee compensation cost, the Company uses the Intrinsic Value Method for valuation of the options granted. Had the Company used fair value method of valuing stock options, the employee compensation cost would have been higher by ₹195.22 Lakh, profit before tax would have been lower by ₹195.22 Lakh and basic and diluted EPS would have been lower by ₹0.06.
13	Weighted average exercise price and weighted average fair value of options whose exercise price equals or exceeds or is less than market price of the stock.	Weighted average exercise price: ₹260. Weighted average fair value of options: ₹126.97
14	Description of method and significant assumptions used to estimate fair value of options at the time of grant	
	A. Risk free interest rate	7.06%
	B. Expected life	4.2 years
	C. Expected volatility	51.85%
	D. Dividend yield	-
	E. Price of the underlying share in market at the time of the option grant	₹ 260.00

Notes:

A. 'IPO Price' means the final price per equity share at which shares were issued and allotted in the initial public offer of equity shares of the Company i.e. ₹260 per Equity Share of ₹10 each.

B. The options outstanding as on March 31, 2013 are under Grant 1 of ESOP 2009, and are net of the options lapsed/cancelled/forfeited till March 31, 2013.

'Grant 1' means grant of options to those employees of the Group who were in employment on the date two years prior to date of the meeting of the Compensation Committee which had considered and approved grant of options.



Management discussion and analysis

Economic review

Global economy

The financial year 2013 continued to test citizens and corporates across nations. Even 4 years after 2008, the developed economies are still struggling to recover from the scars of financial crisis. Several European nations are now in recession and face challenges on account of high unemployment, banking fragility and fiscal tightening. In the US, a slow recovery is taking hold, driven by improvements in the housing sector and employment conditions. On the other hand, the emerging economies are facing their own challenges on managing growth and inflation and at the same time ensuring that the fruits of development reach across all sections of the society.

Indian economy

The challenging global scenario and the internal structural bottlenecks had a slowdown effect on the Indian economic growth. The persistent high consumer price inflation and the twin deficits on the fiscal and the trade fronts exaggerated the problems associated with the already low GDP growth.

The Government made efforts to kick start the economy onto the path of recovery by coming out with a few initiatives on the policy front. There was a renewed commitment to fiscal consolidation by cutting down on subsidy on fuels like diesel and LPG. The FDI regime was further liberalised in key sectors such as power, banking, insurance, retail, and aviation.

Despite the current macroeconomic environment, India still remains one of the fastest growing economies of the world. Short-term blips apart, the long-term trend seems to be intact.

Industry review

Real Estate witnessed a slowdown in FY2013 with residential market, commercial and retail space facing price and approval challenges. The demand-supply gap, delay in obtaining permissions and rising prices of steel, cement and labour were a cause of concern for all the developers in India. Industry expectations of single window clearance for obtaining permissions to begin a project and the expectations of the Government granting an industry status to Real Estate segment and the creation of a housing regulator did not fructify last year. Most of the companies in the sector continued to be in a repair mode and the overall macroeconomic situation did little to help matters for them.

Mumbai Real Estate

The Mumbai Real Estate market faced a slowdown in absorption rates in Residential and office space. Your company still believes that track record of project execution, quality construction and financial solidity will give a competitive advantage over other players. Limited approvals by local government bodies and unavailability of funding at reasonable rates are a cause of concern for developers in Mumbai. The lack of infrastructure development in line with the overall pace of development of real estate is another area of concern for the Mumbai Real Estate.

Opportunities and challenges

Opportunities

Despite the lack of a consistent and well articulated government policy on the housing and real estate sector, your company still believes that the demand for Real Estate in a country like India is inherently strong. Your Company's cash positive status and consistent financial performance in the industry make it a preferred choice for customers buying apartments.

Challenges

While the management of your Company is confident of exploiting the opportunities, it also finds the following challenges:

- Time required to obtain permissions
- Swelling cost of construction
- Acute shortage of skilled workforce at all levels
- Very slow pace of growth in other infrastructure facilities.

Company strengths

Your Company continues to capitalize on the market opportunities by leveraging its key strengths. These include:

1. **Reputation:** Enjoys higher recall and influences the buying decision of the customer. Strong customer connects further results in higher premium realisations.
2. **Execution:** Possesses a successful track record of quality execution of projects with contemporary architecture.
3. **Strong cash flows:** Has built a business model that ensures continuous cash flows from their investment and development properties ensuring a steady cash flow even during the adverse business cycles.
4. **Significant leveraging opportunity:** Follows conservative debt practice coupled with higher cash balance which provides a significant leveraging opportunity for further expansions.
5. **Outsourcing:** Operates an outsourcing model of appointing globally renowned architects / contractors that allows scalability and emphasises contemporary design and quality construction – a key

factor of success.

6. **Transparency:** Follows a strong culture of corporate governance and ensures transparency and high levels of business ethics.

7. **Highly qualified execution team:** Employs experienced, capable and highly qualified design and project management teams who oversee and execute all aspects of project development.

Business overview

The management of your Company is satisfied with the FY2013 performance despite challenging business environment. Your Company was able to sell nearly 5,00,000 sq. ft. area in FY2013 as compared to a little over 7,00,000 sq. ft in FY2012, at higher realisations. A brief description on the developments across each project is provided below:

i) Oberoi Garden City (Goregaon)

Oberoi Garden City is the flagship mixed-use development of your Company. It is an integrated development on approximately 83 acres of land in Goregaon (East), in the western suburbs of Mumbai, adjacent to the arterial Western Express Highway and overlooking Aarey Milk Colony. The development is approximately eight kilometres from Mumbai's domestic airport and approximately five kilometres from the international airport.

Key FY2013 highlights of the projects in Oberoi Garden City are given below:

Oberoi Mall (Retail)		Commerz (Office Space)	
Revenues ₹8,311.38 Lakh (₹8,145.12 Lakh in FY2012)	Occupancy 94.35% (94.22% in FY2012)	Revenues ₹4,616.21 Lakh (₹4,370.29 Lakh in FY2012)	Occupancy 81.06% (76.49% in FY2012)
Annual Footfall Approximately 9 million people			
The Westin Mumbai Garden City (Hospitality)		Oberoi Exquisite (Residential)	
Revenues ₹9,927.44 Lakh (₹9,405.67 Lakh in FY2012)	Occupancy 68.66% (65.00% in FY2012)	Cumulative units sold 540 units.	Total sales value ₹1,27,084.75 Lakh, of which ₹89,754.36 Lakh has been recognised as revenue till FY2013.
Oberoi Esquire (Residential)			
Cumulative units sold 397 units.		Total sales value ₹1,21,269.25 Lakh, there is no revenue recognition from this project as it is yet to reach the requisite threshold limit	

ii) Oberoi Splendor (Andheri)

Oberoi Splendor is a mixed-use development comprising residential and social infrastructure projects on approximately 21.50 acres of land on the arterial Jogeshwari Vikroli Link Road in the western suburbs of Mumbai. The development is conveniently located near the arterial Western Express Highway and overlooking Aarey Milk Colony. Key FY2013 highlights of the projects in Oberoi Splendor are given below:

Oberoi Splendor (Residential)		Oberoi Splendor Grande (Residential)	
Cumulative units sold 1,294 units.	Total sales value ₹1, 57,139.51 Lakh, which has been fully recognised as revenue till FY2013.	Cumulative units sold 155 units.	Total sales value ₹41,088.81 Lakh, of which ₹39,157.77 Lakh has been recognised as revenue till FY2013.

iii) Oasis (Worli)

This is a joint venture to develop a mixed-use project in Worli, located on the arterial Annie Besant Road. Your Company is contemplating the development of residential complex and a hotel component.

Financial performance overview

Analysis of consolidated financial statements for FY2013 is provided below.

I. Balance sheet analysis

11.46%

Net Worth growth

62.05%

EBITDA Margin

59.52%

PBT Margin

43.99%

PAT Margin

25.77%

Cash and Bank
Balances / Net Worth

A comparative table showing synopsis of FY2013 versus FY2012 Balance Sheet is provided below:

(₹ in Lakh)

Consolidated Balance Sheet as at March 31,	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	32,823.33	32,823.33	-	-
Reserves and surplus	3,83,389.88	3,40,591.61	42,798.27	12.57%
Net worth	4,16,213.21	3,73,414.94	42,798.27	11.46%
Non-current liabilities	6,742.00	7,767.46	(1,025.46)	(13.20)%
Current liabilities	1,05,946.97	97,270.66	8,676.31	8.92%
Total	5,28,902.18	4,78,453.06	50,449.12	10.54%
ASSETS				
Non-current assets	2,58,335.50	2,24,413.27	33,922.23	15.12%
Current assets	2,70,566.68	2,54,039.79	16,526.89	6.51%
Total	5,28,902.18	4,78,453.06	50,449.12	10.54%

i) Non-Current Liabilities

(₹ in Lakh)

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Deferred tax liabilities / (assets)	1,473.33	782.44	690.89	88.30%
Trade payables	797.32	145.58	651.74	447.69%
Other long term liabilities	4,354.10	6,750.86	(2,396.76)	(35.50)%
Long-term provisions	117.25	88.58	28.67	32.37%
Total	6,742.00	7,767.46	(1,025.46)	(13.20)%

ii) Current Liabilities

(₹ in Lakh)

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Trade payables	2,960.13	3,030.14	(70.01)	(2.31)%
Other current liabilities	95,203.38	86,495.38	8,708.00	10.07%
Short-term provisions	7,783.46	7,745.14	38.32	0.49%
Total	1,05,946.97	97,270.66	8,676.31	8.92%

iii) Non-Current Assets

(₹ in Lakh)

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Fixed Assets including CWIP	1,07,144.40	98,501.02	8,643.38	(8.37)%
Goodwill on consolidation	26,537.18	26,537.18	-	-
Non-current investments	1.03	0.96	0.07	7.29%
Long-term loans and advances	1,24,652.89	99,374.11	25,278.78	25.44%
Total	2,58,335.50	2,24,413.27	33,922.23	15.12%

iv) Current Assets

(₹ in Lakh)

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Inventories	1,24,478.38	1,01,962.43	22,515.95	22.08%
Trade receivables	5,222.09	6,791.86	(1,569.77)	(23.11)%
Cash and bank balance	1,07,247.35	1,29,339.47	(22,092.12)	(17.08)%
Short-term loans and advances	32,301.21	14,092.06	18,209.15	129.22%
Other current assets	1,317.65	1,853.97	(536.32)	(28.93)%
Total	2,70,566.68	2,54,039.79	16,526.89	6.51%

II. Profit and Loss Analysis

A comparative table showing synopsis of FY2013 versus FY2012 of statement of Profit and Loss is provided below: (₹ in Lakh)

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Revenue From Operations	1,04,757.65	82,468.67	22,288.98	27.03%
Other Income	9,994.35	15,009.93	(5,015.78)	(33.42)%
Total Revenue	1,14,752.00	97,478.60	17,273.40	17.72%
Total Expenses	46,445.82	36,887.02	9,558.80	25.91%
Profit Before Tax	68,306.18	60,591.53	7,714.65	12.73%
Profit After Tax	50,478.60	46,287.26	4,191.34	9.06%
Basic and diluted EPS (Rs.)	15.38	14.10	1.28	9.08%

i) Revenue from Operations

(₹ in Lakh)

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Revenue from projects	78,128.67	57,684.38	20,444.29	35.44%
Revenue from hospitality	9,559.32	8,973.00	586.32	6.53%
Rent and other related revenue	13,983.27	12,891.35	1,091.92	8.47%
Property and project management revenue	2,503.22	2,288.47	214.75	9.38%
Other operating revenue	583.17	631.47	(48.30)	(7.65)%
Total	1,04,757.65	82,468.67	22,288.98	27.03%

ii) Expenses

(₹ in Lakh)

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Operating costs	37,151.84	29,583.83	7,568.01	25.58%
Employee benefits expense	3,832.82	3,291.63	541.19	16.44%
Other expenses	2,567.01	1,244.31	1,322.70	106.30%
Depreciation and amortisation	2,850.70	2,694.04	156.66	5.82%
Interest and finance charges	36.58	30.53	6.05	19.82%
Prior period income / (expenses)	(6.87)	(42.73)	35.86	(83.92)%
Total	46,445.82	36,887.02	9,558.80	25.91%

III. Cash Flow Analysis

A comparative table of FY2013 versus FY2012 Cash Flows is provided below:

(₹ in Lakh)

	For the year ended March 31,	
	2013	2012
Opening Cash and Cash Equivalents	1,06,443.33	1,40,239.53
Net Cash Inflow from Operating activities	14,191.37	32,622.48
Net Cash Outflow to Investing activities	(83,251.86)	(62,603.66)
Net Cash Inflow / (Outflow) from Financing activities	(7,632.53)	(3,815.02)
Closing Cash and Cash Equivalents	29,750.31	1,06,443.33
Closing Cash and Cash Equivalents including Fixed Deposits having maturity of more than 3 months	1,07,247.35	1,29,339.49

Human resources

Your company's employee count at the end of FY2013 was 511. The focus was on recruiting the best of technical and management staff for the critical roles at different levels. We strongly believe that employees are the most critical contributor in accomplishing the company's goals and objectives.

Training and Career Development

Your company always follows a multi-disciplined approach to achieve its goals by making the best use of its employee's knowledge. To increase the productivity of its employees, your company has built an in house training room which can accommodate around 100 participants and conducted over 25 training programs in FY2013.

A detailed training schedule for each individual employee is prepared based on his/her roles and responsibilities in the organisation. Prime focus is given to enhance their job knowledge and upgradation, problem solving and effective decision making skills.

Employee Welfare

Your company organised over 7 welfare programs in FY2013. To unlock the creative potential of the employees the Company celebrated 'Best out of Waste' event on Earth Day. Your company continued its health program called 'health-o-meter' with primary objective to manage the health scorecard of every employee. The employee in the program undergoes series of consultations and health check-ups all through the year followed by detailed health enhancement plan with regular and measurable updates.

Risks and concerns

Market price fluctuation

The performance of your Company may be affected by the sales and rental realisations of its projects. These prices are driven by prevailing market conditions, the nature and location of the projects, and other factors such as brand and reputation and the design of the projects. Your company follows a prudent business model and tries to ensure steady cash flow even during adverse pricing scenario.

Sales volume

The volume of bookings depends on the ability to design projects that will meet customer preferences, getting various approvals in time, general market factors, project launch and customer trust in entering into sale agreements well in advance of receiving possession of the projects. Your Company sells its projects in phases from the time it launches the project based on the type and scale of the project, depending on market conditions.

Execution

Execution depends on several factors which include labour availability, raw material prices, receipt of approvals and regulatory clearances, access to utilities such as electricity and water, weather conditions and the absence of contingencies such as litigation. Your Company manages the adversities with cautious approach, meticulous planning and by engaging established and reputed contractors. As your Company imports various materials, at times execution is also dependent upon timely shipment and clearance of the material.

Rental realisations

The rental realisations on the space leased depends upon the project location,

design, tenant mix (this is relevant in the case of shopping malls), prevailing economic conditions and competition. Your Company has set up its retail property in prime location and maintains a fresh ambience resulting in crowd pull and attracting first time kind of retailers. As far as the office space rentals are concerned, the same depends on demand and supply, general economic conditions, business confidence and competition.

Land / Development rights – costs and availability

The cost of land forms a substantial part of the project cost, particularly in Mumbai. It includes amounts paid for freehold rights, leasehold rights, fungible FSI, construction cost of area given to landlords in consideration for development rights, registration and stamp duty. Your Company acquires land and land development rights from the government and private parties. It ensures that the consideration paid for the land is as per the prevailing market conditions, reasonable and market timed.

Financing costs

The acquisition of land and development rights needs substantial capital outflow. Inadequate funding resources and high interest costs may impact regular business and operations. Your Company has built sufficient reserves resulting out of operating cash flows to take advantage of any land acquisition opportunity.

Outlook

The outlook for FY2014 is expected to remain challenging in light of the need for significant fiscal adjustment, inflation risks and the spiralling current account and fiscal deficits. Economists expect GDP growth in the range of 5.0-5.5%

for FY2014. The uncertainty around the general elections for the Lok Sabha will bring further complexity to the economic environment in the midst of uncertainty of the directions on the policy front. Amidst all these challenges, your company will target to ensure steady operations and deliver high quality projects for its customers.

Focus on Mumbai and beyond

We shall continue to explore development opportunities in and around Mumbai and also explore hubs in the nearby regions on a case by case basis. Your Company is actively scouting for land parcels in NCR among other metro cities.

Strengthen relationships with key service providers and develop multiple vendors.

In order to continue delivering landmark offerings to our customer, we shall further strengthen our relationship with our key service providers, i.e. architects, designer and contractors. Your Company is also working on strategy to develop more and more vendors who can deliver product and services in line with Company’s philosophy and product offerings.

Internal Control Systems

The company has also focussed on upgrading the IT infrastructure – both in terms of hardware and software. In addition to the existing ERP platform,

the company is presently implementing a consolidation tool to strengthen the control on the financial reporting process and is also implementing a planning and budgeting tool to improve the financial monitoring of the business.

Cautionary Statement

This management discussion and analysis contain forward looking statements that reflects our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in the forward looking statements as a result of many factors.



Report on corporate governance

For the year ended March 31, 2013

Corporate governance philosophy

Your Company firmly believes that maintaining the highest standards of Corporate Governance is the implicit rule that determines a management's ability to make sound decisions in the best interest of its shareholders and other stakeholders.

The philosophy of Corporate Governance is primarily based on the principles of integrity, transparency, fairness, accountability, full disclosure and independent monitoring of the state of affairs.

Your Company is in compliance with the requirements on Corporate Governance as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A report on the matters mentioned in the said clause and the practices / procedures followed by the Company is detailed below:

Board of directors

1. Composition/Category of Directors/Attendance at Meetings/Directorships and Committee Memberships in other companies as on March 31, 2013

The present strength of the Board of Directors is a mix of five Non-Executive Directors and one Executive Director. Of the five Non-Executive Directors, four Directors are Independent Directors.

The Chairman of the Board is an Executive Director.

As per the declarations received by the Company, none of the Directors are disqualified under Section 274 (1) (g) of the Companies Act, 1956 read with Companies (Disqualification of Directors under Section 274(1) (g) of the Companies Act, 1956) Rules, 2003.

Further, disclosures have been made by the Directors regarding their Chairmanships/ Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Clause 49(I) (C)(ii) of the Listing Agreement.

The Composition of Board of Directors as on March 31, 2013 and other relevant details are as under:

Name	Category	Attendance			Directorships ^(A) / Mandatory Committee ^(B) Memberships			
		No. of Board Meetings held during the year	No. of Board Meetings attended	Last AGM attendance	Directorship in public Companies ^(C)	Directorship in private Companies	Mandatory committee Memberships ^(C)	Mandatory committee Chairmanships ^(C)
Mr. Vikas Oberoi (Chairman and Managing Director)	Executive, Non-Independent Director	4	4	Yes	10	12	2	–
Mr. Anil Harish	Non – Executive, Independent Director	4	2	Yes	14	7	6	4
Ms. Bindu Oberoi	Non- Executive, Non-Independent Director	4	4	Yes	10	4	0	1
Mr. Jimmy Bilimoria	Non – Executive, Independent Director	4	2	Yes	10	1	4	4
Mr. T.P. Ostwal	Non – Executive, Independent Director	4	4	Yes	4	4	1	2
Mr. Venkatesh Mysore	Non – Executive, Independent Director	4	3	Yes	3	3	2	-

- A. Directorships in foreign companies and membership in governing councils, chambers and other bodies are not included.
- B. Mandatory committees are the committees prescribed under the Listing Agreement i.e. Audit Committee and Shareholders' Grievance Committee of public companies.
- C. Including Oberoi Realty Limited.
- D. Private company which is a subsidiary of public company is considered as a public company.

Except for Mr. Vikas Oberoi and Ms. Bindu Oberoi, no other Directors are related to each other in terms of the definition of 'relative' given under Companies Act, 1956. Ms. Bindu Oberoi is the sister of Mr. Vikas Oberoi.

None of the Independent Directors has any material pecuniary relationship, transaction or association with the Company.

2. No. of Board Meetings and dates of Board Meetings

The Board oversees the entire functioning of the Company and is involved in strategic decision-making on a collective basis.

At least one meeting of Board of Directors is convened each

quarter and the interval between any such two meetings has not been more than four months. The Company Secretary under the order of the Chairman and in consultation with Chief Financial Officer prepares the agenda along with the explanatory notes thereto and circulates it to the Directors, along with the notice of the meeting. During FY2012-13, four meetings of the Board of Directors were held at the registered office of the Company on:

- April 25, 2012
- July 21, 2012
- October 20, 2012
- January 19, 2013

3. Procedure of Board/ Committee Meeting

The agenda papers with relevant explanatory notes and material documents relating to matters for perusal of the Board/ Committee are circulated in advance, so as to facilitate discussion and informed decision-making in the meeting.

The routine business brought to the Board meetings include, *inter alia*, the following:

- Financial results for the relevant period along with limited review / audit report thereon.
- Minutes of committee meetings of the Company and minutes of board meetings of subsidiary companies.
- Shareholding pattern as per Clause 35 of the Listing Agreement.
- Statement of shareholder grievance received/ disposed during each quarter.

4. Resolution passed by circulation

During the year under review, no resolution was passed by the Board of Directors through circulation. A resolution by circulation was passed by the members of Management Development, Remuneration and Compensation Committee, whereby, it has been decided that in cases of separations by way of death or permanent incapacity, the options granted under employees stock option scheme of the Company viz. ESOP 2009 can be exercised by the employee's legal heirs / nominees or the employee, as the case may be, within a period of 1 (one) year from the date of death/ permanent incapacity. No resolution was passed by any other Committee of the Board through circulation.

5. Directors' Remuneration

Mr. Vikas Oberoi, Managing Director, is paid remuneration in accordance with the terms and conditions contained in the employment contract dated December 17, 2009.

During the year under review, commission pertaining to FY2011-12 of ₹10 Lakh each was paid to Mr. Anil Harish, Mr. Jimmy Bilimoria, Mr. T.P. Ostwal and Mr. Venkatesh Mysore in accordance with and within the limits set out in Section 309 of the Companies Act, 1956. Independent directors have also been paid sitting fees for attending meetings of Board / Board Committees.

None of the Directors has been granted any stock options under the employee stock option scheme of the Company.

The details of the remuneration/ compensation of the Executive and Non-Executive Directors for the year ended March31, 2013 is as follows:

(₹ in Lakh)

Name	Salary	Allow- ances	Sitting fee	Commi- ssion
Executive Director				
Mr. Vikas Oberoi ^(A)	120.00	72.00	-	-
Non Executive Director				
Mr. Anil Harish	-	-	0.65	10.00
Ms. Bindu Oberoi	-	-	-	-
Mr. Jimmy Bilimoria	-	-	0.65	10.00
Mr. T.P. Ostwal	-	-	1.50	10.00
Mr. Venkatesh Mysore	-	-	0.90	10.00

A. Excluding defined benefit plan.

6. Shareholding of Directors in the Company as on March 31, 2013

Name	Number of equity shares	% of total paid up share capital
Mr. Vikas Oberoi	22,43,13,573	68.34
Ms. Bindu Oberoi	111	0.00
Total	22,43,13,684	68.34

Additionally, Mr. Vikas Oberoi holds 99.99% shares of R. S. Estate Developers Private Limited, which holds 3,33,00,000 (i.e. 10.15%) equity shares of the Company as on March 31, 2013.

7. Appointment/reappointment of Directors

In terms of Section 255 of the Companies Act, 1956 Mr. T.P. Ostwal and Mr. Jimmy Bilimoria, Non – Executive Independent Directors are liable to retire by rotation. Mr. T.P. Ostwal has offered himself for reappointment. Resolution for his reappointment as Director is incorporated in the Notice of the ensuing Annual General Meeting.

The brief resume and other information as required under Clause 49(IV) (G) of the Listing Agreement relating to Mr. T.P. Ostwal forms part of the Notice of ensuing Annual General Meeting.

Declaration on code of conduct

This is to certify that your Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the FY 2012-13.

Mumbai, April 19, 2013

Vikas Oberoi
Chairman & Managing Director

Audit committee

The composition of the Audit Committee as on March 31, 2013 is as under:

Name of Members	Category
Mr. T.P. Ostwal (Chairperson)	Independent Director
Mr. Anil Harish	Independent Director
Mr. Jimmy Bilimoria	Independent Director
Mr. Venkatesh Mysore	Independent Director

The Chief Financial Officer, Internal Auditor and the Statutory Auditor are invitees to the relevant meetings of the Audit Committee in respect of businesses related to them. The Company Secretary acts as Secretary to the Audit Committee.

During the year under review, the Audit Committee met four times on:

- April 25, 2012
- July 21, 2012
- October 20, 2012
- January 19, 2013

The time interval between any two Audit Committee meetings was not more than four months.

Attendance of members of Audit Committee at the committee meetings during the year ended March 31, 2013 is as under:

Name of Members	Number of Meetings	
	Held	Attended
Mr. T.P. Ostwal (Chairperson)	4	4
Mr. Anil Harish	4	2
Mr. Jimmy Bilimoria	4	2
Mr. Venkatesh Mysore	4	3

The terms of reference and power of the Audit Committee is as mentioned in Clause 49 (II) of the Listing Agreement

entered with the Stock Exchanges and includes overseeing the Company's financial reporting process, reviewing the quarterly / half yearly / annual financial statements / results, reviewing with the management the adequacy of the internal audit function, recommending the appointment / reappointment of statutory auditor and internal auditor and fixation of audit fees, reviewing the significant internal audit findings, related party transactions, reviewing the Management Discussions and Analysis of financial condition and results of operations. The Committee acts as a link between the management, statutory and internal auditor and the Board of Directors of the Company.

The Committee discusses with the auditors their audit methodology, audit planning and significant observations / suggestions made by them.

Management development, remuneration and compensation committee

The composition of the Management Development, Remuneration and Compensation Committee as on March 31, 2013 is as under:

Name of Members	Category
Mr. Jimmy Bilimoria (Chairperson)	Independent Director
Mr. Anil Harish	Independent Director
Ms. Bindu Oberoi (w.e.f. April 25, 2012)	Non-Independent Director
Mr. T.P. Ostwal	Independent Director
Mr. Vikas Oberoi	Non-Independent Director

During the year under review, the Committee held one meeting on April 25, 2012 and was attended by all the members, except Mr. Jimmy Bilimoria.

The remuneration to Directors is disclosed under Point No. 5

of this Report under the title ‘Board of Directors - Directors’ Remuneration’.

The role of the Committee is to approve/recommend the remuneration/packages of the Executive and Non-Executive Directors and of Senior Management Personnel.

Further, this Committee discharges the functions of the Compensation Committee as prescribed under the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Service contract / notice period / severance fees

As per the employment contract entered into by the Company with the Managing Director, if the Managing Director terminates the contract, he has to give three months’ notice in writing to the Company, in which case no severance fees is payable by the Company.

Shareholders’/investors’ grievance committee

The composition of the Shareholders’ / Investors’ Grievance Committee as on March 31, 2013 is as under:

Name of Members	Category
Ms. Bindu Oberoi (Chairperson)	Non-Independent Director
Mr. T.P. Ostwal	Independent Director
Mr. Vikas Oberoi	Non-Independent Director

Mr. Bhaskar Kshirsagar, the Company Secretary, is the Compliance Officer under the Listing Agreement.

During the year under review, four meetings of the Shareholders’ / Investors’ Grievance Committee were held on following dates and were attended by all the members:

- April 25, 2012
- July 21, 2012
- October 20, 2012
- January 19, 2013

The Shareholders’/Investors’ Grievance Committee has been constituted to specifically look into the matter of the redressal of shareholders’ and investors’ complaints, including but not limited to, transfer/transmission of shares, non-receipt of dividends, non-receipt of Annual Report, non-receipt of refund of application money, non-credit of/allotment of equity shares and any other grievance that a shareholder or investor may have against the Company.

The details of shareholders’ complaints received and disposed of during the year under review are as under:

Number of Investor Complaints			
Pending at the beginning of the financial year	Received during the financial year	Disposed off during the financial year	Pending at the end of the financial year
NIL	27	27	NIL
Nature of Complaint		No. of complaints	
Non-receipt of Dividend		6*	
Non-receipt of Annual Report		21	

* include two complaints received through SEBI Complaints Redress System (SCORES) and one complaint through BSE Limited.

SEBI Complaints Redress System (SCORES)

SEBI vide its Circular No. CIR/OIAE/2/2011 dated June 3, 2011 had introduced a centralised web-based investor complaint redress system ‘SCORES’, wherein the investor complaint are electronically send to the Companies, the action taken reports submitted by Companies are filed online. Also, the system facilitates investors to view online their complaint status. During the year under review, the Company has received two investor complaints through the same, which were resolved within the stipulated time.

Operations committee

As on March 31, 2013, Mr. Vikas Oberoi and Ms. Bindu Oberoi are the Committee members with Mr. Vikas Oberoi being the Chairman of the Committee. During the year, fourteen meetings of the Committee were held and attended by both the members.

The terms of reference of the Operations Committee includes business development (which *inter alia*, involves the acquisition of land), borrowing of funds and approving/ monitoring operational activities.

Investment committee

As on March 31, 2013 the Committee comprises of Mr. Jimmy Bilimoria, Mr. Anil Harish, Mr. T.P. Ostwal, Mr. Venkatesh Mysore and Mr. Vikas Oberoi. Mr. Jimmy Bilimoria is the Chairperson of the Investment Committee.

During the year under review, one meeting of the said Committee was held on July 21, 2012 and was attended by Mr. Jimmy

Bilimoria, Mr. T.P. Ostwal and Mr. Vikas Oberoi. The terms of reference of this Committee includes formulation of guidelines based upon which the investment/divestment of surplus funds of the Company shall be made.

Subsidiary monitoring mechanism

The minutes of board meetings of the subsidiary companies are placed before the meeting of Board of Directors of the Company.

In compliance of the Clause 49(III) (i) of the Listing Agreement, Mr. T.P. Ostwal, Independent Director of the Company is also a Director on the Board of Directors of Oberoi Constructions Limited, which is a material non-listed Indian subsidiary of the Company.

Disclosures

1. There were no materially significant related party transactions, which have potential conflict with the interests of the Company at large. The disclosure of related party transactions is set out in notes forming part of the financial statements.
2. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
3. The Company has a Whistleblower Policy in place. No personnel have either approached the Audit Committee or been denied access to the Audit Committee.
4. Your Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement of the Stock Exchange. Further, your Company has adopted two non-mandatory requirement of Clause 49 of the Listing Agreement, one relating to constitution of Remuneration Committee of the Board and the other relating to Whistle Blower Mechanism.
5. The CEO/CFO certification in terms of Clause 49(V) of the Listing Agreement forms part of the Annual Report.
6. Your Company has framed a code of internal procedures and conduct in line with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, which applies to all the employees identified as designated person under the code, which includes the directors of the Company, and their specified family members. Periodic disclosures are obtained from designated persons on their holding and dealings in the securities of the Company.

7. Payment to Statutory Auditors for the year under review are as follows:

Particulars	Amount in ₹ Lakh
As Auditors	
Audit Fees	36.52
Tax audit fees	7.87
In other capacities	
Taxation matter	7.87
Other services	0.26
Out of pocket expenses	0.05

Company's means of communication

Website	Your Company maintains a website www.oberoirealty.com , wherein there is a dedicated section 'Investor Corner'. The website provides details, <i>inter alia</i> , about the Company, its performance including quarterly financial results, annual reports, press release, conference call invites, transcript of analyst conference call, analyst presentation, share price data, unpaid dividend details, shareholding pattern, quarterly corporate governance report, contact details etc.
Quarterly/ Annual Financial Results	Are generally published in Economic Times (all editions) and Maharashtra Times, Mumbai edition. The results are also uploaded by BSE and NSE at their website www.bseindia.com and www.nseindia.com respectively
Stock exchanges	As per the Listing Agreement all periodical information are sent to NSE and BSE. Shareholding pattern and Corporate Governance Report for each quarter is also filed through NSE Electronic Application Processing System (NEAPS).
Investor servicing	A separate e-mail id cs@oberoirealty.com has been designated for the purpose of registering complaints by shareholders or investors.

General shareholders information

1. General Body Meeting

Financial Year ended	Date	Time	Venue
March 31, 2012	June 29, 2012	3.30 PM	The Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018
March 31, 2011	June 30, 2011	2.00 PM	Rama Watumall Auditorium, K.C. College, Dinshaw Wacha Road, Churchgate, Mumbai 400 020
March 31, 2010	May 4, 2010	5.45 PM	Trident Meeting Room No. 1, Trident, Nariman Point, Mumbai – 400 021

The following Special Resolutions were passed in the last three Annual General Meetings:

Annual General Meeting held on June 29, 2012:

- Cancellation of the un-issued preference shares comprised in the authorised share capital and creation of equity shares in lieu thereof and consequent alteration to Memorandum and Articles of Association.

Annual General Meeting held on June 30, 2011:

- Variation in the terms of Prospectus dated October 13, 2010, including varying and / or revising the utilisation of the proceeds from the Initial Public Offering.
- Ratification of employee stock option scheme 'ESOP 2009' for enabling making of further grants.
- Extension of benefits of ESOP 2009 to the employees / directors of the subsidiary / holding Company.
- Payment of commission to Non-Executive Directors of the Company.
- Keeping of registers and documents under section 163(1) of the Companies Act, 1956 at the office(s) of the registrar and transfer agents of the Company.

Annual General Meeting held on May 4, 2010:

- Amendment of Employee Stock Option Scheme.

Postal Ballot

During FY 2012-13, no ordinary or special resolutions were passed through postal ballot. No special resolution is proposed to be conducted through postal ballot.

2. Other Information

CIN No.	L45200MH1998PLC114818		
Registered office address	Commerz, 3rd Floor, International Business Park, Oberoi Garden City, Off Western Express Highway, Goregaon (East), Mumbai- 400 063		
Date, Time and Venue of Annual General Meeting	July 15, 2013, 2.00 p.m., The Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018		
Financial Year	The financial year of the Company starts from April 1st and ends on March 31st of the succeeding year		
Book closure dates	From July 13, 2013 to July 15, 2013 (both inclusive)		
Rate of dividend and dividend declaration date	<p>₹2 per Equity Share i.e. 20% dividend as recommended by the Board is subject to the approval of the shareholders in the Annual General Meeting to be held on July 15, 2013.</p> <p>The proposed dividend, if so approved, will be paid to the members whose names appear on the Register of Members at the end of day on July 12, 2013.</p> <p>The NECS upload/ dispatch of dividend warrants / demand drafts shall start from July 19, 2013.</p>		
Dividend History	Financial Year	Rate of Dividend	Dividend (in ₹) per share of ₹10 each
	2010-11	10%	1.00
	2011-12	20%	2.00
Tentative calendar of Board Meetings for the financial year 2013-14	<p>For the quarter ended June 30, 2013- mid of July 2013</p> <p>For the quarter and half year ended September 30, 2013 – mid of October 2013</p> <p>For the quarter ended December 31, 2013–mid of January 2014</p> <p>For the quarter and year ended March 31, 2014 – end of April 2014</p>		
Listing on stock exchanges	The Equity Shares of the Company are listed on BSE and NSE		
Stock code	<p>The BSE scrip code of equity shares is 533273</p> <p>The NSE scrip symbol of equity shares is OBEROIRLT</p> <p>The Bloomberg code of equity shares is OBER:IN</p> <p>The Reuters code of equity shares is OEBO.NS and OEBO.BO</p>		

ISIN Number	INE093I01010	Out-standing GDRs / ADRs / Warrants / Convertible Instruments and their impact on equity	As on March 31, 2013, the Company does not have any outstanding GDRs / ADRs / Warrants / Convertible Instruments (other than stock options). For details of options granted under the employee stock option scheme ESOP 2009, kindly refer the annexure to the Directors' Report. The vesting of options granted under ESOP 2009 is in a phased manner over a period of 4 years from the date of grant and the options may be exercised within a period of 3 years from the respective date of vesting. 20% of the options granted have got vested in first phase on May 4, 2011 on completion of one year from the date of grant of options. Further 20% of the options have got vested in second phase on May 4, 2012 on completion of two year from the date of grant of options.
Listing fees	The listing fees of BSE and NSE for 2013-14 has been paid		
Custodian fees	The custodian fees payable to NSDL and CDSL based on the number of folios as on March 31, 2013 has been paid		
Registrar and Transfer agents	Link Intime (India) Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West) Mumbai 400 078 Email: rnt.helpdesk@linkintime.co.in Tel: (022) 2594 6970 Fax: (022) 2594 6969		
Share Transfer system	For shares held in physical form, all requisite documents for share transfer should be sent to the Registrar and Transfer agents of the Company. The share transfers in physical form will be generally approved within 10 days from the date of receipt subject to all documents being in order. For shares held in dematerialised form, kindly contact your depository participant with whom your demat account is held.		

3. Market Price Data

The market price data and the volume of your Company's shares traded on BSE and NSE during the year ended March 31, 2013 are as follows:

BSE Limited

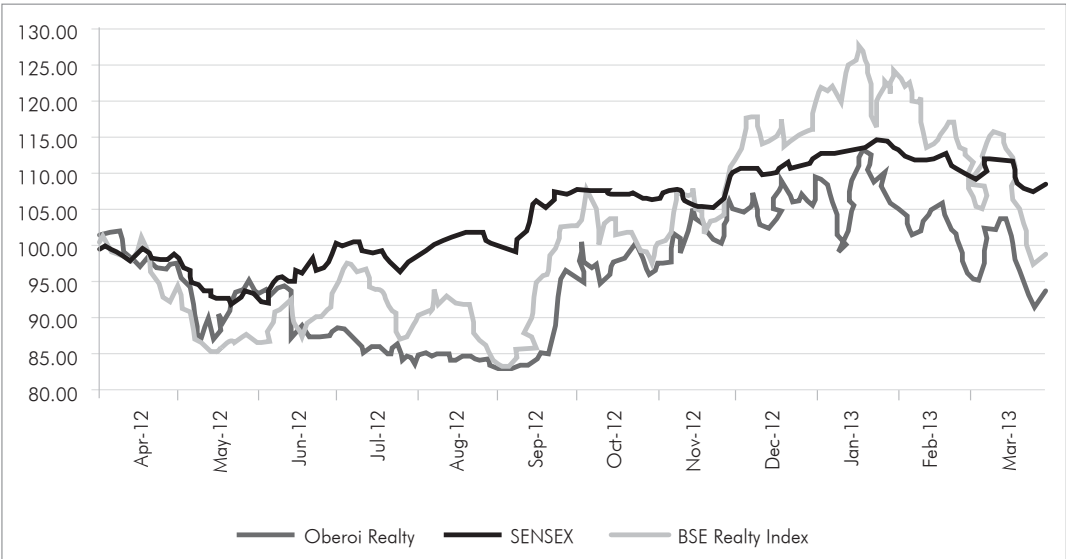
Month	Oberoi Realty on BSE			S&P BSE Sensex Index	
	High (₹)	Low (₹)	Average Volume (Nos)	High	Low
Mar -13	291.85	245.00	23,075	19,754.66	18,568.43
Feb - 13	297.00	272.00	7,014	19,966.69	18,793.97
Jan - 13	327.70	266.75	20,577	20,203.66	19,508.93
Dec - 12	320.00	276.00	24,234	19,612.18	19,149.03
Nov - 12	299.70	265.60	9,272	19,372.70	18,255.69
Oct - 12	284.80	255.15	16,333	19,137.29	18,393.42
Sep - 12	272.50	225.15	94,990	18,869.94	17,250.80
Aug - 12	237.70	225.50	2,829	17,972.54	17,026.97
July - 12	247.00	226.00	7,321	17,631.19	16,598.48
June - 12	271.80	236.20	10,910	17,448.48	15,748.98
May - 12	271.95	228.00	1,360	17,432.33	15,809.71
Apr - 12	284.50	263.00	3,123	17,664.10	17,010.16

National Stock Exchange of India Limited

Month	Oberoi Realty on NSE			NSE CNX Nifty Index	
	High (₹)	Low (₹)	Average Volume (Nos)	High	Low
Mar -13	291.00	244.25	46,892	5,971.20	5,604.85
Feb -13	298.00	270.00	55,459	6,052.95	5,671.90
Jan -13	328.00	267.00	1,21,953	6111.80	5935.20
Dec -12	319.20	277.05	81,934	5965.15	5823.15
Nov -12	299.95	265.05	76,712	5885.25	5548.35
Oct -12	284.75	255.40	87,912	5815.35	4888.20
Sep -12	271.70	226.10	1,15,935	5735.15	5215.70
Aug -12	237.65	225.00	33,017	5448.60	5164.65
July -12	248.80	225.55	1,06,336	5348.55	5032.40
June -12	272.00	232.40	51,915	5286.25	4770.35
May -12	271.00	231.55	1,17,370	5279.60	4788.95
Apr -12	287.20	259.85	49,354	5378.50	5154.30

4. Performance of Oberoi Realty Limited (ORL) scrip in comparison to broad-based indices, viz. S&P BSE Sensex, S&P BSE Realty Index and Nifty

I) Movement of ORL vs. S&P BSE Sensex Index vs. BSE Realty Index



Closing value of ORL scrip, S&P BSE Sensex Index and S&PBSE Realty Index as of April 2, 2012 has been indexed to 100.

II) Movement of ORL vs. NSE CNX Nifty Index



Closing value of ORL scrip and NSE CNX Nifty Index as of April 2, 2012 has been indexed to 100.

5. Distribution of Shareholding as on March 31, 2013

Number of shares held (range)	Number of shareholders	Percentage (%)	Number of shares held	Percentage (%)
1 – 500	11,824	96.22	12,88,386	0.39
501 – 1,000	183	1.49	1,44,820	0.04
1,001 – 2,000	84	0.68	1,26,047	0.04
2,001 – 3,000	25	0.20	63,326	0.02
3,001 – 4,000	10	0.08	36,775	0.01
4,001 – 5,000	7	0.06	33,726	0.01
5,001 – 10,000	31	0.25	2,39,234	0.07
10,001 and above	124	1.01	32,63,00,948	99.41
Total	12,288	100.00	32,82,33,262	100.00

6. Shareholding pattern as on March 31, 2013

Category	Category of shareholder	Number of shareholders	Total number of shares	Total shareholding as a percentage of total number of shares
PROMOTER & PROMOTER GROUP				
Indian	Promoter	1	22,43,13,573	68.34
	Promoter Group	5	3,33,02,442	10.15
	Total (Promoter & Promoter Group)	6	25,76,16,015	78.49

Category	Category of shareholder	Number of shareholders	Total number of shares	Total shareholding as a percentage of total number of shares
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PUBLIC

Institutions	Mutual Funds/ UTI	24	25,93,846	0.79
	Financial Institutions/ Banks	2	691	0.00
	Foreign Institutional Investors	98	3,38,05,673	10.30
	Total (Institutions)	124	3,64,00,210	11.09
Non-institutions	Bodies Corporate	212	12,48,886	0.38
	Individuals	11,577	17,12,761	0.52
	Clearing Members	87	1,27,713	0.04
	NRI	217	47,983	0.01
	NRN	64	24,447	0.01
	Foreign Companies	1	31,055,247	9.46
	Total (Non-Institutions)	12,158	3,42,17,037	10.42
	Total (Public)	12,282	7,06,17,247	21.51
	GRAND TOTAL	12,288	32,82,33,262	100.00

7. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed Capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, *inter alia*, confirms that the total listed and

paid-up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in physical mode.

8. Status of dematerialisation of shares

As on March 31, 2013, all except 3 Equity Shares of the Company are held in dematerialised form. The breakup of the equity shares held in dematerialised and physical form as on March 31, 2013 is as follows;

Particulars	No. of shareholders	No. of shares	Percent of Equity
NSDL	9,469	32,77,66,255	99.86
CDSL	2,817	4,67,004	0.14
Physical	2	3	0.00
Total	12,288	32,82,33,262	100.00

9. Unpaid/ Unclaimed dividend

As on March 31, 2013 following amounts of dividends remained unpaid:

FY 2011-12	Rs. 27,992
FY 2010-11	Rs. 18,607

In accordance with Section 205A(5) of the Companies Act, 1956, the amounts of dividend that remain unpaid or unclaimed dividend for a period of seven years will be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government.

Members can claim the unpaid dividend from the Company before transfer to the IEPF by making their claim to the Company at its registered office or by contacting the Registrar and Transfer Agents. It may be noted that no claim shall lie against the IEPF or the Company in respect of amounts of dividends remaining unpaid or unclaimed for a period of seven year in accordance with explanation to Section 205C(2) of the Companies Act, 1956.

In accordance with Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules,

2012, your Company has filed Form 5INV with the Ministry of Corporate Affairs, containing the details of unclaimed/unpaid amount of dividends as of the date of last Annual General Meeting. Additionally, the details have also been uploaded on the website of the Company.

10. Address for correspondence

For query relating to financial statements / investor relations, please contact:

Investor Relations Department:

Obero Realty Limited

Commerz, 3rd Floor, International Business Park,
Oberoi Garden City, Off Western Express Highway,
Goregaon (East), Mumbai- 400 063

Email: ir@oberoirealty.com

Phone No.: +91 22 6677 3333

Fax No.: +91 22 6677 3334

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

In accordance with clause 49(V) of the listing agreement with the BSE Limited and the National Stock Exchange of India Limited, we certify that:

1. We have reviewed financial statements and the cash flow statement of Oberoi Realty Limited for the year ended March 31, 2013 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee
 - i. the significant changes in internal control over financial reporting during the year, if any;
 - ii. significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Mumbai, April 19, 2013

Vikas Oberoi
Chairman & Managing Director

Saumil Daru
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Oberoi Realty Limited

We have examined the compliance of conditions of Corporate Governance by Oberoi Realty Limited for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations provided to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For P. RAJ & CO.
Chartered Accountants
Firm Registration No. 108310W

P.S. Shah
Partner
Membership No. 44611
Mumbai, April 19, 2013

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To The Board of Directors of Oberoi Realty Limited

We have audited the accompanying consolidated financial statements of Oberoi Realty Limited ("the Company"), its Subsidiaries and Joint Ventures (collectively, the "Group"), which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We did not audit the financial statements of its Joint Venture, Sangam City Township Private Limited, whose financial statements reflect the Group's share of Total Assets of ₹ 4,409.24 Lakh as at March 31, 2013 and Total Revenue of ₹ 1.03 Lakh for the year then ended. These financial statements have been audited by other auditor whose report has been furnished to us, and our opinion is based solely on the report of other auditor.

The financial statements of its other Joint Venture, Oasis Realty are on the basis of unaudited management accounts and the financial statements reflect the Group's share of Total Assets of ₹ 13,718.74 Lakh as at March 31, 2013 and Total Revenues of ₹ Nil for the year then ended.

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, "Consolidated Financial Statements" and Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures" notified by the Companies (Accounting Standards) Rules, 2006, on the basis of separate audited financial statements of the Company, its Subsidiaries and Joint Ventures included in the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

P. S. Shah

Partner

Membership No. 44611

Mumbai, April 19, 2013

CONSOLIDATED BALANCE SHEET

(₹ in Lakh)

AS AT MARCH 31,	NOTE	2013	2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	32,823.33	32,823.33
Reserves and surplus	3	3,83,389.88	3,40,591.61
		4,16,213.21	3,73,414.94
Non-current liabilities			
Deferred tax liabilities	4	1,473.33	782.44
Trade payables	5	797.32	145.58
Other long-term liabilities	6	4,354.10	6,750.86
Long-term provisions	7	117.25	88.58
		6,742.00	7,767.46
Current liabilities			
Trade payables	5	2,960.13	3,030.14
Other current liabilities	8	95,203.38	86,495.38
Short-term provisions	7	7,783.46	7,745.14
		1,05,946.97	97,270.66
Total		5,28,902.18	4,78,453.06
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	68,476.67	69,766.05
Intangible assets	9	188.36	324.55
Capital work in progress		38,479.37	28,410.42
Goodwill on consolidation		26,537.18	26,537.18
Non-current investments	10	1.03	0.96
Long-term loans and advances	11	1,24,652.89	99,374.11
		2,58,335.50	2,24,413.27
Current assets			
Inventories	12	1,24,478.38	1,01,962.43
Trade receivables	13	5,222.09	6,791.86
Cash and bank balances	14	1,07,247.35	1,29,339.47
Short-term loans and advances	11	32,301.21	14,092.06
Other current assets	15	1,317.65	1,853.97
		2,70,566.68	2,54,039.79
Total		5,28,902.18	4,78,453.06

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

For and on behalf of the Board of Directors

P. S. Shah

Partner

Membership No.44611

Mumbai, April 19, 2013

Vikas Oberoi
Chairman & Managing Director

Bindu Oberoi
Director

T. P. Ostwal
Director

Saumil Daru
Chief Financial Officer

Bhaskar Kshirsagar
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakh)

FOR THE YEAR ENDED MARCH 31,	NOTE	2013	2012
INCOME			
Revenue from operations	16	1,04,757.65	82,468.67
Other income	17	9,994.35	15,009.93
Total revenue	(A)	1,14,752.00	97,478.60
EXPENSES			
Operating costs	18	37,151.84	29,583.83
Employee benefits expense	19	3,832.82	3,291.63
Other expenses	20	2,567.01	1,244.31
Total expenses	(B)	43,551.67	34,119.77
Profit before interest , depreciation and amortisation and taxes (EBITDA)	(A-B)	71,200.33	63,358.83
Depreciation and amortisation	21	2,850.70	2,694.04
Interest and finance charges	22	36.58	30.53
Profit before prior period items and taxes		68,313.05	60,634.26
Prior period income / (expenses)		(6.87)	(42.73)
Profit before tax		68,306.18	60,591.53
Tax expense			
Current tax		17,303.53	14,260.27
Deferred tax		690.90	871.85
Short provision of tax in earlier years		22.29	86.13
MAT credit entitlement		(189.14)	(913.98)
Profit after tax		50,478.60	46,287.26
Earnings per equity share (face value of ₹ 10)	23		
- Basic (in ₹)		15.38	14.10
- Diluted (in ₹)		15.38	14.10

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

For and on behalf of the Board of Directors

P. S. Shah

Partner

Membership No.44611

Mumbai, April 19, 2013

Vikas Oberoi

Chairman & Managing Director

Bindu Oberoi

Director

T. P. Ostwal

Director

Saumil Daru

Chief Financial Officer

Bhaskar Kshirsagar

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakh)

FOR THE YEAR ENDED MARCH 31,	2013	2012
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before prior period items and taxes as per statement of profit and loss	68,313.05	60,634.26
Adjustments for		
Depreciation and amortisation	2,850.70	2,694.04
Depreciation and amortisation - allocated to projects	3.34	3.51
Interest income	(8,211.29)	(10,417.02)
Interest expenses	2.91	0.18
Dividend income	(1,680.82)	(2,396.92)
Loss / (profit) on sale of mutual fund units (net)	(4.75)	(0.61)
Loss / (profit) on sale of share (net)	-	(2,127.31)
Loss / (profit) from foreign exchange fluctuation (net)	10.56	145.05
Loss / (profit) on sale / discarding of fixed assets	79.26	21.50
Sundry balances written off / (back)	(21.12)	(9.47)
Prior period (expense) / income	(6.87)	(42.73)
Operating cash profit before working capital changes	61,334.97	48,504.48
Movement for working capital		
Increase / (decrease) in trade payables	1,394.44	(1,576.33)
Increase / (decrease) in other liabilities	6,311.08	36,661.17
Increase / (decrease) in provisions	16.28	(77.59)
(Increase) / decrease in loans and advances	(16,937.91)	(11,069.80)
(Increase) / decrease in trade receivables	1,569.78	(2,116.46)
(Increase) / decrease in inventories	(22,515.95)	(24,490.64)
Cash generated from operations	31,172.69	45,834.83
Direct taxes paid	(16,981.32)	(13,212.35)
Net cash inflow / (outflow) from operating activities (A)	14,191.37	32,622.48
CASH FLOW FROM INVESTING ACTIVITIES:		
(Acquisition) / sale of fixed assets / capital work in progress (net)	(11,810.16)	(9,852.92)
Interest received	8,649.50	10,369.55
Dividend received	1,680.82	2,396.92
Decrease / (increase) in loans and advances to / for joint ventures (net)	(27,175.95)	(24,371.04)
(Acquisition) / sale of investments (net)	4.68	(24,409.33)
(Increase) / decrease in other assets	(54,600.75)	(16,736.84)
Net Cash Inflow / (Outflow) from investing activities (B)	(83,251.86)	(62,603.66)

CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakh)

FOR THE YEAR ENDED MARCH 31,	2013	2012
CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(2.91)	(0.18)
Dividend paid (including dividend distribution tax)	(7,629.62)	(3,814.84)
Net Cash Inflow / (Outflow) from financing activities (C)	(7,632.53)	(3,815.02)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(76,693.02)	(33,796.20)
Add: cash and cash equivalents at the beginning of the year	1,06,443.33	1,40,239.53
Cash and cash equivalents at the end of the year	29,750.31	1,06,443.33

COMPONENTS OF CASH AND CASH EQUIVALENTS

(₹ in Lakh)

AS AT MARCH 31,	2013	2012
Cash on hand	43.90	29.40
Balance with banks in current accounts	3,518.41	3,813.13
Fixed deposits with banks, having original maturity of three months or less	26,188.00	1,02,600.80
Cash and cash equivalents at the end of the year (refer note 14)	29,750.31	1,06,443.33

RECONCILIATION STATEMENT OF CASH AND BANK BALANCES

(₹ in Lakh)

AS AT MARCH 31,	2013	2012
Cash and cash equivalents at the end of the year as per above	29,750.31	1,06,443.33
Add: Balance with bank in unpaid dividend accounts	0.47	0.30
Add: Fixed deposit with banks, having original maturity of more than three months but less than twelve months	70,764.55	18,426.78
Add: Fixed deposits with banks, having original maturity for more than twelve months	2,725.25	75.00
Add: Fixed deposits with banks (lien marked)	4,006.77	4,394.06
Cash and bank balance as per balance sheet	1,07,247.35	1,29,339.47

Significant accounting policies (refer note 1)

The accompanying notes form an integral part of the financial statements

As per our report of even date

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

For and on behalf of the Board of Directors

P. S. Shah

Partner

Membership No.44611

Mumbai, April 19, 2013

 Vikas Oberoi
 Chairman & Managing Director

 Bindu Oberoi
 Director

 T. P. Ostwal
 Director

 Saumil Daru
 Chief Financial Officer

 Bhaskar Kshirsagar
 Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NATURE OF OPERATIONS

Oberoi Realty Limited (the 'Company' or 'ORL'), a public limited company, together with its subsidiaries and joint ventures (collectively referred to as the 'Group') is engaged primarily in the business of real estate development and hospitality.

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation

The consolidated financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Group and is consistent with those used in the previous year. However, in the previous financial year, there was a change to the accounting policy on goodwill arising on consolidation, which was specifically disclosed.

B. Principles of consolidation

The consolidated financial statements are prepared using the financial statements of the Company, its subsidiaries and joint ventures. The consolidated financial statements have been prepared in accordance with Accounting Standard ('AS') - 21 'Consolidated Financial Statements' and AS - 27 'Financial Reporting of Interests in Joint Ventures', other applicable accounting standards, as applicable, notified by the Companies (Accounting Standards) Rules, 2006 (as amended).

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events, in similar circumstances, to the extent possible on the following basis:

i) Subsidiaries

- (a) The financial statements of subsidiaries are consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances / transactions and resulting elimination of unrealised profits and losses, if any.
- (b) Minority interest, if any, in the net assets value of consolidated subsidiaries consist of
 - The amount of equity attributable to minority shareholders as at the date of its investment or the date immediately preceding the date of investments in the subsidiary; and
 - The minority shareholders' share of movements in equity since the date the holding subsidiary relationship came into existence.

ii) Joint ventures

The financial statements of joint ventures are consolidated using the proportionate consolidation method and accordingly, Group's share of the assets, liabilities, income and expenses of jointly controlled operations / entities / assets, as the case may be, is consolidated as per AS - 27 - 'Financial Reporting of Interests in Joint Ventures'.

The excess of cost, if any, to the Group of its investments in the subsidiary / joint venture over the Group's portion of equity of the subsidiary / joint venture, as at the date of its investment or the date immediately preceding the date of investment, is recognised in the consolidated financial statements as goodwill, which is tested for impairment, if any, at balance sheet date.

The excess, if any, of Group's portion of equity of the subsidiary / joint venture over the cost to the Group of its investment in the subsidiary / joint venture as at the date of its investment or the date immediately preceding the date of investment is treated as capital reserve.

Depending upon the terms of agreement between the Partners, the LLP can be a Subsidiary under AS-21, Associate under AS-23 or Jointly Controlled Entity under AS-27 and the financial statements are consolidated accordingly.

C. Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the consolidated financial statements and the results of operations during the reporting period. Although these estimates are based upon Management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognised prospectively.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

D. Tangible assets, intangible assets and capital work in progress

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses. Revenues earned, if any during trial run of assets is adjusted against cost of the assets.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditures incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenues earned, if any, before capitalisation from such capital project are adjusted against the capital work in progress.

Borrowing costs relating to acquisition / construction / development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

E. Depreciation and amortisation

i) Tangible assets

- (a) Depreciation is provided from the date the assets are ready to be put to use, on Straight Line method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule XIV of the Companies Act, 1956, whichever is higher. The higher depreciation rates used are as under :

Portable cabins	25% p.a
Mobile handsets and computers	33% p.a
Vehicles	20% p.a
Lessee specific equipment's and improvements	over lease period

Depreciation method, useful life and residual value are reviewed periodically.

- (b) Assets individually costing less than or equal to ₹ 0.05 Lakh are fully depreciated in the year of purchase except under special circumstances.

ii) Intangible assets

Intangible assets are amortised using straight line method over the estimated useful life, not exceeding 5 years. Amortisation method, useful life and residual value are reviewed periodically.

- iii) Leasehold land and improvements are amortised on the basis of duration and other terms of lease.

F. Impairment of tangible / intangible assets

The carrying amount of tangible assets / intangible assets is reviewed periodically for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

G. Investments

Investments are classified into long-term and current investments. Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long term investments are stated at cost less permanent diminution in value, if any. Current investments are stated at the lower of cost or market value.

H. Valuation of Inventories

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

i) **Construction materials and consumables**

The construction materials and consumables are valued at lower of cost or net realisable value. The construction materials and consumables purchased for construction work issued to the construction work in progress are treated as consumed.

ii) **Construction work in progress**

The construction work in progress is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

iii) **Finished stock of completed projects (ready units)**

Finished stock of completed projects and stock in trade of units is valued at lower of cost or market value.

iv) **Food and beverages**

Stock of food and beverages are valued at lower of cost, (computed on a moving weighted average basis, net of taxes) or net realizable value. Cost includes all expenses incurred in bringing the goods to their present location and condition.

v) **Hospitality related operating supplies**

Hospitality related operating supplies such as guest amenities and maintenance supplies are expensed as and when purchased.

I. Segment Reporting

The Group's reporting segments are identified based on activities, risk and reward structure, organisation structure and internal reporting systems. Segment revenue and expense include amounts which can be directly attributable to the segment and allocable on reasonable basis. Segment assets and liabilities are assets / liabilities which are directly attributable to the segment or can be allocated on a reasonable basis. Income / expenses / assets / liabilities relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses / assets / liabilities.

J. Revenue recognition

i) **Revenue from real estate projects**

The Group follows the percentage of project completion method for its projects. The revenue recognition policy is as under:

(a) **Project for which revenue is recognised for the first time on or after April 1, 2012**

The Institute of Chartered Accountants of India has issued Guidance Note on Accounting for Real Estate Transactions (Revised 2012) in connection with the revenue recognition for a real estate project which commences on or after April 1, 2012 and also to real estate projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012.

In this scenario, the Group recognises revenue in proportion to the actual project cost incurred (including land cost) as against the total estimated project cost (including land cost), subject to achieving the threshold level of project cost (excluding land cost) as well as area sold, in line with the Guidance Note and depending on the type of project.

(b) **Project for which revenue recognition has commenced prior to April 1, 2012**

In this scenario, the Group recognises revenue in proportion to the actual project cost incurred (excluding land cost) as against the total estimated project cost (excluding land cost) subject to completion of construction work to a certain level depending on the type of the project.

Revenue is recognised net of indirect taxes and on execution of either an agreement or a letter of allotment.

The estimates relating to percentage of completion, costs to completion, area available for sale etc. being of a

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

technical nature are reviewed and revised periodically by the Management and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

Land cost includes the cost of land, land related development rights and premium.

ii) Revenue from hospitality

Room revenue is recognised based on occupancy. Revenue from sale of food and beverages and other allied services is recognised as and when the services are rendered.

Revenue is recognised net of trade discounts and indirect taxes, if any.

iii) Revenue from lease rentals and related income

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease. Revenue from lease rentals is disclosed net of indirect taxes, if any.

Revenue from property management service is recognised at value of service and is disclosed net of indirect taxes, if any.

iv) Other income

Dividend income is recognised when the right to receive dividend is established.

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors which is accounted on acceptance of the Group's claim.

K. Foreign currency transactions

Foreign currency transactions are recorded in the reporting currency (Indian rupee) by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

All monetary items denominated in foreign currency are converted into Indian Rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss. Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.

L. Leases

i) Where a group entity is the lessee

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

ii) Where a group entity is the lessor

Assets representing lease arrangements given under operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs are recognised immediately in the statement of profit and loss.

M. Taxation

i) Provision for income tax is made under the liability method after availing exemptions and deductions at the rates applicable under the Income-tax Act, 1961.

ii) Deferred tax resulting from timing difference between book and tax profits is accounted for using the tax rates and laws that have been enacted as on the balance sheet date.

iii) Deferred tax assets arising on the temporary timing differences are recognised only if there is reasonable certainty of realisation.

iv) Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

that the Group will pay normal income tax during the specified period. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961.

N. Employee stock option scheme

The employee share based payments are accounted on the basis of 'intrinsic value of option' representing the excess of the market price on the date of grant over the exercise price of the shares granted under the 'Employee Stock Option Scheme' of the Company and is amortised as deferred employees compensation on a straight line basis over the vesting period in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

O. Provisions and Contingent liabilities

- i) A provision is recognised when
 - (a) The Group has a present obligation as a result of a past event;
 - (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
 - (c) A reliable estimate can be made of the amount of the obligation
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in rare cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.
- iii) Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

P. Borrowing costs

Borrowing costs that are directly attributable to the acquisition / construction of qualifying fixed assets or for long - term project development are capitalised as part of their costs.

Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the assets for their intended use are in progress.

Other borrowing costs are recognised as an expense, in the period in which they are incurred.

Q. Employee benefits

i) Defined contribution plans

Retirement benefits in the form of contribution to provident fund and pension fund are charged to the statement of profit and loss.

ii) Defined benefit plans

Gratuity is in the nature of a defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuations carried out at balance sheet date and is charged to the statement of profit and loss. The actuarial valuation is performed using the projected unit credit method.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

iii) Other employee benefits

Leave encashment is recognised as an expense in the statement of profit and loss as and when they accrue. The Group determines the liability using the projected unit credit method, with actuarial valuations carried out as at balance sheet date. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

R. Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes thereon) by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

S. The details of entities included in these consolidated financial statement are as under :

NAME OF ENTITY	COUNTRY	OWNERSHIP INTEREST		OWNERSHIP INTEREST HELD BY
		2013	2012	
Subsidiaries				
Oberoi Constructions Limited ('OCL')	India	100%	100%	ORL
Oberoi Mall Limited ('OML')	India	100%	100%	ORL
Kingston Property Services Limited ('KPSL')	India	100%	100%	ORL
Kingston Hospitality and Developers Private Limited ('KHDPL')	India	100%	100%	ORL
Expressions Realty Private Limited ('ERPL')	India	100%	100%	ORL
Perspective Realty Private Limited ('PRPL')	India	100%	100%	OCL
Sight Realty Private Limited (incorporated on January 15, 2013)	India	100%	-	ORL
Buoyant Realty Private Limited (incorporated on January 14, 2013)	India	100%	-	ORL
Joint venture entities				
Siddhivinayak Realities Private Limited ('SRPL')	India	50%	50%	OCL
Sangam City Township Private Limited ('SCTPL')	India	31.67%	31.67%	ORL
I-Ven Realty Limited ('I-Ven')	India	50%	-	ORL
Astir Realty LLP ('ARL')*	India	100%	-	ORL 10% (NA) OCL 90% (NA)
Oasis Realty (AoP)	India	25%-40%	25%-40%	OCL 2% (2%) ARL 98% (98%)
Zaco Aviation (AoP)	India	25%	25%	OCL

* Astir Realty LLP is treated as body corporate and consolidated accordingly.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 2 : SHARE CAPITAL	2013	2012
Authorised share capital		
42,50,00,000 (37,85,00,000) equity shares of ₹ 10 (Rupees ten only) each	42,500.00	37,850.00
Nil (465) redeemable non-convertible cumulative preference shares of ₹ 10,00,000 (Rupees ten lakh only) each	-	4,650.00
	42,500.00	42,500.00
Issued, subscribed and paid up share capital		
32,82,33,262 (32,82,33,262) equity shares of ₹ 10 (Rupees ten only) each fully paid up (above equity shares includes 28,60,70,620 equity shares issued and allotted as fully paid up bonus shares during immediately preceding five years from the reporting date)	32,823.33	32,823.33
	32,823.33	32,823.33

A. Reconciliation of shares outstanding at the beginning and at the end of the year

Equity shares

	2013		2012	
	in No.	₹ in Lakh	in No.	₹ in Lakh
At the beginning of the year	32,82,33,262	32,823.33	32,82,33,262	32,823.33
Add: Issue of fresh shares	-	-	-	-
At the end of the year	32,82,33,262	32,823.33	32,82,33,262	32,823.33

Redeemable non-convertible cumulative preference shares

	2013		2012	
	in No.	₹ in Lakh	in No.	₹ in Lakh
At the beginning of the year	-	-	359	3,590.00
Less: Redemption during the year (refer note C below)	-	-	(359)	(3,590.00)
At the end of the year	-	-	-	-

B. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote. The Company declares dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2013, the amount of per share dividend recognised as proposed for distribution to equity shareholders was ₹ 2 (₹ 2), which is subject to approval of shareholders in ensuing Annual General Meeting.

C. Redemption of redeemable non-convertible cumulative preference shares

During the previous year, the Company has redeemed all 359 redeemable non-convertible cumulative preference shares of ₹ 10,00,000 each aggregating to ₹ 35,90,00,000 for an amount of ₹ 1 and balance ₹ 35,89,99,999 has been transferred to capital reserve.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

D. Details of shareholders holding more than 5% shares in the Company

Equity shares

	2013		2012	
	in No.	% Holding	in No.	% Holding
i) Vikas Oberoi	22,43,13,573	68.34%	22,43,13,573	68.34%
ii) R S Estate Developers Private Limited	3,33,00,000	10.15%	3,33,00,000	10.15%
iii) SSIII India Investments Two Limited	3,10,55,247	9.46%	3,10,55,247	9.46%

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

E. Shares reserved for issue under options

The Company instituted an Employees Stock Option Scheme ('ESOP 2009') pursuant to the Board and Shareholders' resolution dated December 04, 2009. As per ESOP 2009, the Company is authorised to grant 14,43,356 options comprising equal number of equity shares in one or more tranches to the eligible employees of the company and its subsidiaries. The employee will have the option to exercise the right within three years from the date of vesting of options. Under ESOP 2009, 13,49,553 options have been granted.

The following information relates to the Employee Stock Options as on March 31, 2013

Particulars	Number of options	Exercise price (₹)	Weighted average exercise price (₹)	Weighted average contractual life of options as on the date of grant (years)
Outstanding at the beginning of the year	11,26,236	260	260	4.20
Less: Lapsed / forfeited / cancelled during the year	58,687	-	-	-
Outstanding at the end of the year	10,67,549	260	260	4.20
Exercisable at the end of the year	4,29,492	260	260	4.20

The employee share based payments have been accounted using the intrinsic value method measured by a difference between the market price of the underlying equity shares as at the date of grant and the exercise price. Since the market price of the underlying equity shares on the grant date is same as exercise price of the option, the intrinsic value of option is determined as Nil. Hence no compensation expense has been recognised. Under the fair value method, the basic and diluted EPS would have been lowered by ₹ 0.06.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 3 : RESERVES AND SURPLUS	2013	2012
General reserves		
Opening balance	15,302.32	10,306.32
Add: transferred during the year	4,882.00	4,996.00
	20,184.32	15,302.32
Capital redemption reserve		
Opening balance	5,710.00	2,120.00
Add: created during the year	-	3,590.00
	5,710.00	5,710.00
Capital reserve		
Opening balance	3,590.00	-
Add: addition during the year	-	3,590.00
	3,590.00	3,590.00
Securities premium account		
Balance in securities premium account	1,35,132.61	1,35,132.61
	1,35,132.61	1,35,132.61
Capital reserve on consolidation		
Balance in capital reserve on consolidation	7,585.19	7,585.19
	7,585.19	7,585.19
Surplus in statement of profit and loss		
Opening balance	1,73,271.49	1,43,199.88
Add: profit during the year as per statement of profit and loss	50,478.60	46,287.26
Less: Appropriations		
Transfer to capital redemption reserve	-	3,590.00
Transfer to general reserve	4,882.00	4,996.00
Proposed dividend and dividend distribution tax (refer note 24)	7,680.33	7,629.65
	2,11,187.76	1,73,271.49
	3,83,389.88	3,40,591.61

(₹ in Lakh)

NOTE 4 : DEFERRED TAX LIABILITIES	2013	2012
Deferred tax liabilities		
On depreciation	2,134.22	1,662.20
Deferred tax assets		
Share issue expenses	526.74	766.28
On other expenses	134.15	113.48
Deferred tax liabilities (net)	1,473.33	782.44

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 5 : TRADE PAYABLES	Non-current portion		Current portion	
	2013	2012	2013	2012
Trade payables	797.32	145.58	2,960.13	3,030.14
	797.32	145.58	2,960.13	3,030.14

(₹ in Lakh)

NOTE 6 : OTHER LONG-TERM LIABILITIES	2013	2012
Trade deposits	4,354.10	6,750.86
	4,354.10	6,750.86

(₹ in Lakh)

NOTE 7 : PROVISIONS	Long term (non-current)		Short term (current)	
	2013	2012	2013	2012
Provision for employee benefits				
Provision for gratuity (refer note 25)	7.16	5.74	74.58	86.88
Provision for leave salary (refer note 25)	110.09	82.84	28.55	28.64
	117.25	88.58	103.13	115.52
Others				
Proposed equity dividend	-	-	6,564.67	6,564.67
Provision for dividend distribution tax	-	-	1,115.66	1,064.95
	-	-	7,680.33	7,629.62
	117.25	88.58	7,783.46	7,745.14

NOTE 8 : OTHER CURRENT LIABILITIES	2013	2012
Advances from customers / billing in excess of revenue	71,812.74	71,535.99
Unclaimed dividend	0.47	0.30
Trade deposits	9,904.29	6,539.09
Other payables	13,485.88	8,420.00
	95,203.38	86,495.38

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 9 : FIXED ASSETS									
Particulars	Gross block			Accumulated depreciation and amortisation				Net block	
	As At 01-04-2012	Additions	Deductions	As At 31-03-2013	For the year	Deductions	As at 31-03-2013	As at 31-03-2013	As at 31-03-2012
Tangible Assets									
Land - freehold	9,080.53	-	-	9,080.53	-	-	-	9,080.53	9,080.53
Residential building #	72.10	-	-	72.10	1.18	-	7.18	64.92	66.10
Buildings	42,167.34	327.82	76.21	42,418.95	713.32	3.45	2,536.85	39,882.10	40,340.36
Electrical installations	3,133.79	89.70	4.54	3,218.95	354.96	0.59	506.70	2,712.25	2,778.83
Furniture and fixtures*	5,663.14	330.32	3.41	5,990.05	524.08	0.85	1,543.98	4,446.07	4,642.39
Office equipments*	797.85	22.11	12.80	807.16	52.46	9.80	172.83	634.33	667.68
Plant and machinery	13,029.72	404.85	1.81	13,432.76	872.50	0.24	2,958.30	10,474.46	10,943.68
Computer*	673.60	48.37	64.08	657.89	157.40	63.69	530.73	127.16	236.58
Vehicle*	772.79	337.01	355.78	754.02	400.77	261.04	290.47	463.55	372.02
Aircraft*	831.85	-	-	831.85	46.58	-	240.55	591.30	637.88
Total tangible assets	76,222.71	1,560.18	518.63	77,264.26	2,670.59	339.66	8,787.59	68,476.67	69,766.05
Previous year	79,438.25	1,977.46	5,193.00	76,222.71	2,546.79	72.25	6,456.66	69,766.05	75,456.13
Intangible Assets									
Computer software	646.81	47.25	-	694.06	183.44	-	505.70	188.36	324.55
Total intangible assets	646.81	47.25	-	694.06	183.44	-	505.70	188.36	324.55
Previous year	525.97	120.84	-	646.81	150.77	-	322.26	324.55	354.48
Total Assets	76,869.52	1,607.43	518.63	77,958.32	2,854.03	339.66	9,293.29	68,665.03	70,090.60
Previous year	79,964.22	2,098.30	5,193.00	76,869.52	2,697.56	72.25	6,778.92	70,090.60	75,810.61

Notes:

Residential building includes 5 shares of ₹ 10 each of a housing society, which is pending for transfer.

* The above includes gross block of ₹ 837.41 Lakh (₹ 837.41 Lakh) held in the name of AOP on co-ownership basis.

** Refer note no. 21, for depreciation and amortisation capitalised / allocated to project.

Assets given on operating lease

The Group has entered into commercial property leases, the details of which are as under. Leases include a clause to enable revision of the rental charges from time to time.

Class of Assets: Commercial Premises	2013	2012
Gross block	33,224.07	32,484.09
Accumulated depreciation	3,698.73	2,775.62
Depreciation for the year	923.22	903.78

(₹ in Lakh)

Future minimum lease payments receivables under non-cancellable operating lease	2013	2012
Not later than one year	5,002.63	8,991.65
Later than one year and not later than five years	9,456.61	5,026.55
Later than five year	-	831.95
Lease income recognised during the year in statement of profit and loss	12,410.25	11,385.22

(₹ in Lakh)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 10 : NON-CURRENT INVESTMENTS	2013	2012
Long term - trade investments (valued at cost unless stated otherwise)		
Investments in government securities		
National savings certificate (in the name of employee of the Company)	1.03	0.96
	1.03	0.96
Aggregate amount of		
Book value of unquoted investments	1.03	0.96

(₹ in Lakh)

NOTE 11 : LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)	Long term (non-current)		Short term (current)	
	2013	2012	2013	2012
Capital advances	5,887.12	6,455.81	-	-
Advances to vendors	63.00	63.00	26,590.38	10,034.89
Deposits	70,999.42	61,111.33	171.97	163.27
Advances recoverable in cash or kind	166.53	1,005.00	1,810.93	607.86
Loans and advances to related parties (refer note 28)	30,848.50	13,572.55	-	-
Other loans and advances	-	-	1,105.25	1,105.25
	1,07,964.57	82,207.69	29,678.53	11,911.27
Other loans and advances				
Income tax (net of provisions)	16,674.59	17,145.90	2,175.41	1,859.45
Prepaid expenses	13.73	20.52	446.05	319.76
Loan to employees	-	-	1.22	1.58
	16,688.32	17,166.42	2,622.68	2,180.79
	1,24,652.89	99,374.11	32,301.21	14,092.06

Loans / advances due by directors or other officers, etc.

Advances to related parties include

Due from the private limited company (JV) in which the Company's director is a director	260.05	260.05	-	-
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(₹ in Lakh)

NOTE 12 : INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)	2013	2012
Plots of land	864.74	864.74
Works in progress	1,11,439.82	97,359.07
Finished goods	2,002.65	3,578.67
Food and beverages etc.	130.19	107.66
Others (including transferrable development rights)	10,040.98	52.29
	1,24,478.38	1,01,962.43

(₹ in Lakh)

NOTE 13 : TRADE RECEIVABLES (UNSECURED AND CONSIDERED GOOD)	2013	2012
Outstanding for a period exceeding six months from the date of becoming due for payment	2,592.56	1,285.62
Other receivables	2,629.53	5,506.24
	5,222.09	6,791.86

Trade receivables includes:

Receivables from firms in which director is a partner	410.61	-
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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 14 : CASH AND BANK BALANCES	2013	2012
Cash and cash equivalents		
Cash on hand	43.90	29.40
Balance with banks in current accounts	3,518.41	3,813.13
Fixed deposits with banks, having original maturity of three months or less	26,188.00	1,02,600.80
	29,750.31	1,06,443.33
Other Bank Balances		
Balance with bank in unpaid dividend accounts	0.47	0.30
Fixed deposit with banks, having original maturity for more than three months but less than twelve months	70,764.55	18,426.78
Fixed deposit with banks, having original maturity for more than twelve months	2,725.25	75.00
Fixed deposits with banks (lien marked)	4,006.77	4,394.06
	77,497.04	22,896.14
	1,07,247.35	1,29,339.47

(₹ in Lakh)

NOTE 15 : OTHER ASSETS	2013	2012
Interest accrued but not due	1,200.59	1,638.81
Others	117.06	215.16
	1,317.65	1,853.97

(₹ in Lakh)

NOTE 16 : REVENUE FROM OPERATIONS	2013	2012
Revenue from operations		
Revenue from projects	78,128.67	57,684.38
Revenue from hospitality	9,559.32	8,973.00
Rental and other related revenues	13,983.27	12,891.35
Property and management revenues	2,503.22	2,288.47
Other operating revenue	583.17	631.47
	1,04,757.65	82,468.67

(₹ in Lakh)

NOTE 17 : OTHER INCOME	2013	2012
Interest income on		
Bank fixed deposits	8,146.63	10,324.61
Others	64.66	92.41
Dividend income on investment	1,680.82	2,396.92
Profit on sale of shares	-	2,127.31
Profit on sale of mutual funds (net)	4.75	0.61
Other non-operating income	97.49	68.07
	9,994.35	15,009.93

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		(₹ in Lakh)	
NOTE 18 : OPERATING COSTS		2013	2012
Opening balance of works in progress		97,359.07	74,573.49
Opening stock of finished units		3,578.67	1,875.59
Opening stock of food and beverages etc.		107.66	105.68
	(A)	1,01,045.40	76,554.76
Add: expenses incurred during the year			
On acquisition of joint venture		-	9,333.13
Land, development rights and transferrable development rights		17,101.56	110.64
Materials, structural, labour and contract cost		28,243.76	27,221.61
Other project costs		5,364.79	4,184.22
Rates and taxes		1,166.12	4,477.87
Professional charges		1,278.07	1,666.57
Food, beverages and hotel expenses		3,876.71	3,575.66
Depreciation and amortisation		3.34	3.51
Allocated expenses to projects			
Employee benefits expense		3,978.70	3,635.99
Other expenses		822.96	1,118.55
Interest and finance charges		0.54	7.58
	(B)	61,836.55	55,335.33
Less:			
Closing balance of works in progress		1,11,439.82	97,359.07
Closing stock of finished units		2,002.65	3,578.67
Closing stock of food and beverages etc.		130.19	107.66
Closing stock of transferrable development rights		10,000.00	-
Transferred to capital work in progress		1,266.83	1,260.86
Transferred to current assets / fixed assets		890.62	-
	(C)	1,25,730.11	1,02,306.26
	(A+B-C)	37,151.84	29,583.83

		(₹ in Lakh)	
NOTE 19 : EMPLOYEE BENEFITS EXPENSE		2013	2012
Employee cost		7,117.28	6,385.08
Contribution to provident fund, gratuity and others		402.73	263.69
Staff welfare expenses		291.51	278.85
		7,811.52	6,927.62
Less: allocated to projects / capitalized		3,978.70	3,635.99
		3,832.82	3,291.63

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	(₹ in Lakh)	
NOTE 20 : OTHER EXPENSES	2013	2012
Advertisement and marketing expenses	1,701.65	553.60
Books and periodicals expenses	1.18	20.75
Communication expenses	106.33	105.67
Conveyance and travelling expenses	139.62	169.62
Directors sitting fees and commission	57.02	51.25
Donations	27.21	8.72
Electricity charges	68.67	53.12
Hire charges	7.09	6.04
Information technology expenses	131.99	87.63
Insurance charges	129.44	111.27
Legal and professional charges	91.98	124.15
Loss on foreign exchange fluctuation (net)	10.56	145.10
Loss on sale / discarding of fixed asset	79.26	21.50
Membership and subscription charges	47.94	22.22
Miscellaneous expenses	91.13	118.56
Payment to auditor	94.69	86.56
Printing and stationery expenses	102.93	130.81
Rent expenses	27.63	33.07
Repairs and maintenance		
Building	72.67	45.89
Plant and machinery	100.82	88.49
Others	255.05	195.15
Security service charges	28.49	36.79
Transportation charges	0.66	1.31
Vehicle expenses	15.96	145.59
	3,389.97	2,362.86
Less: allocated to projects / capitalized	822.96	1,118.55
	2,567.01	1,244.31

	(₹ in Lakh)	
Payment to auditors	2013	2012
As auditor		
Statutory audit Fees	63.97	57.41
Tax audit fees	15.34	13.09
In other capacity		
Taxation matters	15.03	12.78
Other services	0.26	3.18
Out of pocket expenses	0.09	0.10
	94.69	86.56

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 21 : DEPRECIATION AND AMORTISATION	2013	2012
Depreciation on tangible assets	2,670.60	2,546.78
Amortisation of intangible assets	183.44	150.77
	2,854.04	2,697.55
Less: allocated to projects / capitalized	3.34	3.51
	2,850.70	2,694.04

(₹ in Lakh)

NOTE 22 : INTEREST AND FINANCE CHARGES	2013	2012
Interest expenses	2.91	0.18
Bank and finance charges	34.21	37.93
	37.12	38.11
Less: allocated to projects / capitalized	0.54	7.58
	36.58	30.53

(₹ in Lakh)

NOTE 23 : EARNINGS PER SHARE (EPS)	2013	2012
Net profit after tax as per statement of profit and loss	50,478.60	46,287.26
Weighted average number of equity shares for basic EPS (in No.)	32,82,33,262	32,82,33,262
Add: Weighted average potential equity shares on grant of options under ESOP (in No)	80,624	- #
Weighted average number of equity shares for diluted EPS (in No)	32,83,13,886	32,82,33,262
Face value of equity share (₹)	10.00	10.00
Basic earnings per share (₹)	15.38	14.10
Diluted earnings per share (₹)	15.38	14.10

Anti-dilutive

(₹ in Lakh)

NOTE 24 : PROPOSED DIVIDEND AND DIVIDEND DISTRIBUTION TAX	2013	2012
Proposed dividend		
Equity shares	6,564.67	6,564.67
	6,564.67	6,564.67
Dividend distribution tax		
Equity shares	1,115.66	1,064.98
	1,115.66	1,064.98
	7,680.33	7,629.65

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 25 : EMPLOYEE BENEFITS	2013	2012
A. Defined contribution plans		
Employer's contribution to provident fund	270.98	260.85
Employer's contribution to pension fund	33.10	29.86
Employer's contribution to ESIC	11.97	11.71
Labour welfare fund contribution for workmen	0.40	0.35

(₹ in Lakh)

B. Defined benefit plans	Gratuity		Leave encashment	
	2013	2012	2013	2012
i) Change in present value of obligations				
Present value obligation at the beginning of the year	211.40	257.04	111.49	94.97
Interest cost	17.91	20.30	8.30	6.64
Service cost	99.08	93.27	176.04	161.38
Benefit paid	(8.65)	(6.53)	(31.18)	(24.00)
Actuarial (gains) / losses	(33.65)	(152.68)	(125.99)	(127.51)
Present value obligation at the end of the year	286.09	211.40	138.66	111.48
ii) Change in fair value of plan assets				
Fair value of plan assets at the beginning of the year	119.07	70.30	-	-
Equitable interest transfer out	-	(0.76)	-	-
Expected return on plan assets	12.56	8.60	-	-
Contribution	83.27	56.05	31.18	24.00
Benefit paid	(8.65)	(6.53)	(31.18)	(24.00)
Actuarial gains / (losses)	(1.90)	(8.59)	-	-
Closing balance of fair value of plan assets	204.35	119.07	-	-
iii) Experience history				
(Gains) / losses on obligation due to change in assumption	24.45	(145.03)	9.01	(32.17)
Experience (gains) / losses on obligation	(58.10)	(7.66)	(135.01)	(95.34)
Actuarial gains / (losses) on plan assets	(1.90)	(8.59)	-	-
iv) Amount recognised in the balance sheet				
Present value of obligation at the end of year	286.09	211.40	138.64	111.48
Fair value of plan assets at the end of the year	204.34	119.07	-	-
Funded status	(81.74)	(92.32)	(138.64)	(111.48)
Unrecognised past service cost - non vested benefits	-	0.13	-	-
Net assets / (liability) recognised in the balance sheet	(81.74)	(92.19)	(138.64)	(111.48)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 25 : EMPLOYEE BENEFITS (contd.)

(₹ in Lakh)

	Gratuity		Leave encashment	
	2013	2012	2013	2012
v) Expense recognised in statement of profit and loss				
Current service cost	99.08	93.27	176.04	161.38
Interest cost	17.91	20.30	8.30	6.64
Past service cost - non vested benefits	0.13	-	-	-
Unrecognised past service cost-non vested benefits	-	(0.13)	-	-
Expected return on plan assets	(12.56)	(8.60)	-	-
Net actuarial (gains) / losses recognised for the year	(31.75)	(144.09)	(125.99)	(127.51)
Expenses recognised in statement of profit and loss	72.81	(39.25)	58.35	40.51
vi) Movement in the liability recognised in balance sheet				
Opening net liability	92.19	186.73	111.48	94.97
Equitable interest transfer-out	-	0.76	-	-
Expenses as above	72.82	(39.25)	58.34	40.51
Contribution paid	(83.27)	(56.05)	(31.18)	(24.00)
Closing net liability	81.74	92.19	138.64	111.48
vii) Classification of defined benefit obligations				
Non-current portion	7.16	5.74	110.09	82.84
Current portion	74.58	86.88	28.55	28.64

Actuarial assumptions

	Gratuity		Leave encashment	
	2013	2012	2013	2012
Interest / discount rate	8.06%	8.65%	8.06%	8.65%
Expected return on plan assets	8.00%	9.15%	-	-
Annual expected increase in salary cost	10.00%	10.00%	10.00%	10.00%

C. General Description of significant defined plans

Gratuity plan

Gratuity is payable to all eligible employees on death or on resignation, or on retirement after completion of five years of service.

Leave plan

Eligible employees can carry forward leave in month of April of every year during tenure of service or encash the same on death, permanent disablement or resignation.

D. Broad category of plan assets relating to gratuity as a percentage of total plan assets as on March 31,

	2013	2012
Government of India securities	Nil	Nil
High quality corporate bonds	Nil	Nil
Equity shares of listed companies	Nil	Nil
Property	Nil	Nil
Policy of insurance	100%	100%
Total	100%	100%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 26 : SEGMENT INFORMATION	2013			2012		
	Real estate	Hospitality	Total	Real estate	Hospitality	Total
Segment revenue	95,102.32	9,655.33	1,04,757.65	73,411.84	9,056.83	82,468.67
Segment result	57,539.51	1,442.58	58,982.09	45,161.46	891.26	46,052.72
Unallocated income net of unallocated expenses			1,156.25			4,195.05
Operating profit			60,138.34			50,247.77
Less: Interest and finance charges			(36.58)			(30.53)
Add: Interest income			8,211.29			10,417.02
Profit before tax and prior period items			68,313.05			60,634.26
Add / (Less) Prior period items			(6.87)			(42.73)
Profit before tax			68,306.18			60,591.53
Provision for tax			(17,827.58)			(14,304.27)
Profit after tax			50,478.60			46,287.26
Other information						
Segment assets	3,68,362.97	39,392.18	4,07,755.15	3,00,211.66	39,984.01	3,40,195.67
Unallocated corporate assets ^(A)			1,21,147.03			1,38,257.39
Total assets			5,28,902.18			4,78,453.06
Segment liabilities	1,00,417.31	3,117.53	1,03,534.84	93,697.63	2,928.14	96,625.77
Unallocated corporate liabilities			9,154.13			8,412.35
Total liabilities			1,12,688.97			1,05,038.12
Capital expenditure for the year	10,845.67	130.12	10,975.79	14,182.85	114.27	14,297.12
Unallocated capital expenditure for the year			693.82			698.40
Depreciation for the year	945.26	1,391.36	2,336.62	925.53	1,386.84	2,312.37
Unallocated depreciation for the year			514.08			381.67

Notes:

- A. Unallocated corporate assets includes temporary surplus. Income earned on temporary investments of the same has been shown in "Unallocated income net of unallocated expenditure".

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 27 : LEASES	2013	2012
Assets taken on operating lease		
Future minimum lease payments under non-cancellable operating lease :		
Not later than one year	445.44	426.96
Later than one year and not later than five years	1,268.60	1,636.28
Later than five year	-	-
Lease payments recognised during the year in the statement of profit and loss	433.73	66.61

NOTE 28 : RELATED PARTY DISCLOSURES

A. Name of related parties and related party relationship

i) Related parties with whom transactions have taken place during the year

Jointly controlled entities / assets	I-Ven Realty Limited (from September 29, 2011) Oasis Realty (AOP) Sangam City Township Private Limited Siddhivinayak Realities Private Limited ZACO Aviation (AOP)
Key management personnel and their relatives	Bindu Oberoi Gayatri Oberoi Ranvir Oberoi Santosh Oberoi Vikas Oberoi
Entities where key management personnel have significant influence	I-Ven Realty Limited (till September 28, 2011) Oberoi Associates R. S. V. Associates Oberoi Foundation R S Estate Developers Private Limited Splendor Developers Private Limited (till January 05, 2012)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 28 : RELATED PARTY DISCLOSURES (contd.)

B. Related party transactions		(₹ in Lakh)	
Relationship	Nature of transaction	2013	2012
Jointly controlled entities / assets			
ZACO Aviation (AOP)	Reimbursement of expenses	33.57	21.73
Oasis Realty (AOP)	Corporate guarantee given on behalf of by JV	-	11,290.00
Key management personnel and their relatives			
Vikas Oberoi	Dividend paid	4,486.27	2,243.14
	Allotment of debentures	271.00	-
	Remuneration	192.00	192.00
Bindu Oberoi	Dividend paid	0.00	0.00
	Remuneration	42.00	42.00
Ranvir Oberoi	Dividend paid	0.02	0.01
Santosh Oberoi	Dividend paid	0.02	0.01
Gayatri Oberoi	Dividend paid	0.00	0.00
Santosh Oberoi	Rent paid	2.40	4.80
	Deposit refunded	4.80	0.00
Entities where key management personnel have significant influence			
Oberoi Foundation	Amount received on behalf of	-	0.30
	Recovery of expenses	-	0.51
	Sale of materials	0.25	-
	Rent income	1,594.41	719.35
	Deposit received	732.74	-
R S Estate Developers Private Limited	Dividend paid	666.00	333.00
R. S. V. Associates	Sale of unit	262.37	-
Oberoi Associates	Sale of unit	258.24	-

C. Closing balances of related parties		(₹ in Lakh)	
Relationship		2013	2012
Jointly controlled entities / assets			
ZACO Aviation (AOP)		5.44	5.37
Sangam City Township Private Limited		260.05	260.05
Oasis Realty (AOP)		30,588.45	13312.50
Corporate guarantee given		11,290.00	11,290.00
Entities where key management personnel have significant influence			
Oberoi Foundation		732.74	-
R. S. V. Associates		207.37	-
Oberoi Associates		203.24	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 29 : CONTINGENT LIABILITIES, CAPITAL COMMITMENTS AND OTHER COMMITMENTS	2013	2012
A. Summary of contingent liabilities		
Letters of credit net of margin (gross ₹ 36.00 Lakh previous year ₹ 316.48 Lakh)	-	-
Bank guarantees net of margin (gross ₹ 2,478.12 Lakh previous year ₹ 2,613.78 Lakh)	-	-
Indemnity bonds given in the favour of the government under Export Promotion Capital Goods Scheme (net of bank guarantees)	3,446.85	3,721.18
Legal cases against the Group not acknowledged as debts	35.55	234.70
Claims against the Group not acknowledged as debts	9,757.73	720.08
Certain other additional matters which are under dispute (including some matters which are pending in court) but which are not acknowledged as debts by the Group	Amounts not ascertainable	Amounts not ascertainable
Custom duty matters in dispute	47.16	47.33
Service tax matters in dispute	1,512.17	329.35
Income-tax matters in dispute	2,619.97	2,207.35
MVAT matter in dispute	-	0.82
Corporate guarantee given	11,290.00	11,290.00
B. Capital Commitments		
Capital contracts (net of advances)	24,801.99	54,965.81
Capital commitment to joint venture (net of advances)	13,703.00	13,703.00
C. Other commitments		
Other commitments	423.06	1,884.67

D. Skylark Buildcon Private Limited (a joint venture partner in Oasis Realty) has been sanctioned a credit facility to the extent ₹ 22,000 Lakh from a bank. Oasis Realty has mortgaged and created first and exclusive charge on 21 (twenty one) identified flats admeasuring in aggregate 1,69,804 square feet area to be constructed in favour of the bank.

E. In respect of the leasehold property at Worli, which was assigned to I-Ven Realty Limited (the Company's JV) in 2005, the Municipal Commissioner (MC) of the Municipal Corporation of Greater Mumbai (MCGM) had passed an order in 2009 revoking various permissions granted earlier by the MCGM and also invalidating the transfer of lease to the Company's JV.

The assignor of the lease had filed a writ petition before the Bombay High Court against the MCGM and others (to which the JV has also been made a party) seeking among other things that the order passed in 2009 be set aside. Vide order dated April 25, 2012, the Bombay High Court has quashed and set aside the order passed in 2009 by the MC and directed the MC to pass a fresh order.

As the matter is still pending, it is not possible to ascertain the monetary liability on this account.

F. The Maharashtra Chamber of Housing Industry (MCHI) had filed a writ petition in Bombay High Court challenging the levy of VAT w.e.f. June 20, 2006 under MVAT Act, 2002 on property under construction which was dismissed by the Bombay High Court. A Special Leave Petition (SLP) was filed before the Hon'ble Supreme Court against the aforesaid decision; however, the Hon'ble Supreme Court in its interim order directed the developers to pay tax under the MVAT Act, 2002 and stayed the recovery of interest and penalty. Interest if any, would be payable subject to the final decision of the Hon'ble Supreme Court. The Group has, under protest, discharged the principal VAT liability excluding the interest thereon. Pending the final decision of the Hon'ble Supreme Court, no effect has been given in respect of in this matter in the statement of profit and loss and the balances have been carried to balance sheet.

G. Work in progress as at March 31, 2013, includes an amount of ₹ 30,022.33 Lakh in respect of the subsidiary's property at Mulund, Mumbai ('Mulund Property'). The Government of Maharashtra had purportedly declared the Mulund Property to be covered by the provisions of the Maharashtra Private Forest (Acquisition) Act, 1975 along with various other properties in Mumbai. By an interim order dated January 25, 2010, the Hon'ble Supreme Court has passed an order declaring that the subsidiary is at liberty to make use of the land and to go on with the construction on the said land and create third party interest, subject to the decision of the MOEF. Further, on February 9, 2011, the Supreme Court has referred the matter to a bench of three judges. The matter is pending for final disposal.

NOTE 30 : OTHER NOTES

- A. The Institute of Chartered Accountants of India has issued Guidance Note on Accounting for Real Estate Transactions (Revised 2012) in connection with the revenue recognition for a real estate project which commences on or after April 1, 2012 and also to real estate projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012.

During the year under consideration, there is no real estate project for which revenue has been recognised under the said Guidance Note, hence there is no impact of the same in the statement of profit and loss for the year ended March 31, 2013.

- B. In our opinion, all current assets appearing in the balance sheet as at March 31, 2013 have a value on realisation in the ordinary course of the Group business at least equal to the amount at which they are stated in the balance sheet.
- C. Balance of trade receivable, trade payables and loans and advances are subject to confirmation from respective parties and reconciliation, if any.
- D. The Group is engaged in real estate development. The group has acquired various lands / development rights and certain projects are at initial stage of implementation. The projects may be developed with various end uses, such as hotel, retail outlets, plots, residential, commercial and IT specific use. Such projects will be classified under fixed assets or inventories, as the case may be, based on ultimate end use as per final development of the property. Pending such reclassification on final development of such properties, such plots and the cost incurred on development of projects is included under the head 'Work in progress' or 'Plots of land' as part of 'Current assets'.
- E. The Group's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and hospitality business is based on 12 months period. Assets and liabilities have been classified into current and non-current based on the operating cycle.
- F. Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.
- G. Figures have been rounded off to the nearest thousand.

As per our report of even date
For P. RAJ & CO.
Chartered Accountants
Firm Registration No. 108310W

For and on behalf of the Board of Directors

P. S. Shah
Partner
Membership No.44611
Mumbai, April 19, 2013

Vikas Oberoi
Chairman & Managing Director

Bindu Oberoi
Director

T. P. Ostwal
Director

Saumil Daru
Chief Financial Officer

Bhaskar Kshirsagar
Company Secretary

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

To The Members of Oberoi Realty Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Oberoi Realty Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

P. S. Shah

Partner

Membership No. 44611

Mumbai, April 19, 2013

ANNEXURE REFERRED TO IN THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- 1) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
The fixed assets have been physically verified by the management as per a phased programme of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on verification were not material and have been properly dealt with in the books of account.
In our opinion, the disposal of fixed assets during the year does not affect the going concern assumption.
- 2) The management has conducted physical verification of inventory at reasonable intervals.
In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and the book records were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.
- 3) The Company has granted interest free loans to six entities covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was ₹ 18,711.84 Lakh and the year-end balance of such loan amounted to ₹ 16,334.39 Lakh.
Other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company.
In our opinion and according to the information and explanations given to us, the receipt of principal is regular.
According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from any of the parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of property. During the course of our audit, no major weakness has been noticed in the internal controls.
- 5) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
Such transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- 7) The Company has an internal audit system commensurate with its size and nature of its business.
- 8) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- 9) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues of provident fund, income tax, service tax, wealth tax, custom duty, cess and other material statutory dues during the year with the appropriate authorities. As on March 31, 2013, there are no undisputed dues payable for a period of more than six months from the date they became payable.
According to the information and explanations given to us, there are no material dues of provident fund, wealth tax, custom duty, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax, Service Tax and Municipal tax have not been deposited by the Company on account of disputes.

ANNEXURE REFERRED TO IN THE AUDITOR'S REPORT(CONTD.)

(Referred to in paragraph 1 of our report of even date)

Nature of Statute	Nature of the Dues	Amount (₹ in Lakh)	Financial Year to which the amount relates	Forum where dispute is pending
Municipal Taxes	Municipal Taxes	4.81	2005-06	The Assistant Assessor and Collector, Assessment Department, M.C.G.M
Service Tax	Service Tax and penalty	171.82	2008-09	CESTAT
Service Tax	Service Tax and penalty	17.71	2009-10	CESTAT
Income Tax	Income Tax and Interest	1.73	2001-02	ITAT
Income Tax	Income Tax and Interest	121.82	2005-06#	CIT-(A)
Income Tax	Income Tax and Interest	129.40	2007-08#	CIT-(A)
Income Tax	Income Tax and Interest	8.53	2008-09#	ITAT
Income Tax	Income Tax and Interest	38.73	2009-10#	CIT-(A)
Income Tax	Income Tax and Interest	271.82	2009-10	CIT-(A)

- Resultant reduction of MAT Credit claimed in Financial Year 2010 – 2011

In the following matters, the department has preferred appeals at higher levels:

Nature of Statute	Nature of the Dues	Amount (₹ in Lakh)	Financial Year to which the amount relates	Forum where dispute is pending
Income Tax	Income Tax and Interest	64.50	2001-02	High Court
Income Tax	Income Tax and Interest	54.51	2002-03	High Court
Income Tax	Income Tax and Interest	414.28	2003-04	High Court
Income Tax	Income Tax and Interest	224.07	2004-05	High Court
Income Tax	Income Tax and Interest	277.80	2006-07#	High Court

- Resultant reduction of MAT Credit claimed in Financial Year 2010 – 2011

- 10) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year
- 11) Based on our audit procedures and on the basis of information and explanations given by the management the Company has not defaulted in repayment of dues to banks.
- 12) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
- 14) In our opinion and according to the information and explanations given to us, the Company has maintained proper records and contracts with respect to its investments wherein timely entries of transactions are made. Also, the securities have been held by the company in its own name.

ANNEXURE REFERRED TO IN THE AUDITOR'S REPORT(CONTD.)

(Referred to in paragraph 1 of our report of even date)

- 15) According to the information and explanations given to us and the records examined by us, the Company has not given any guarantees for loan taken by others from banks and financial institutions.
- 16) According to the information and explanations given to us, the Company has not borrowed any term loans from banks and financial institutions.
- 17) According to the information and explanations provided to us and on an overall examination of the records and cash flow statement of the Company, there are no short-term loans raised during the year
- 18) During the year, the Company has not made any preferential allotment of shares to any party and companies covered in the Register maintained under Section 301 of the Companies act, 1956.
- 19) According to the information and explanations given to us and the records examined by us, during the year the Company has not issued any debentures.
- 20) The Management has disclosed the end use of money raised by public issue in Note 32. We have verified the same to the extent of utilization by the Company.
- 21) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations provided by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For P. RAJ & CO.
Chartered Accountants
Firm Registration No. 108310W

P. S. Shah
Partner
Membership No. 44611
Mumbai, April 19, 2013

STANDALONE BALANCE SHEET

(₹ in Lakh)

AS AT MARCH 31,	NOTE	2013	2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	32,823.33	32,823.33
Reserves and surplus	3	2,17,814.77	1,91,682.93
		2,50,638.10	2,24,506.26
Non-current liabilities			
Deferred tax liabilities	4	1,299.76	654.83
Trade payables	5	652.28	93.39
Other long-term liabilities	6	2,704.92	2,813.32
Long-term provisions	7	108.87	81.81
		4,765.83	3,643.35
Current liabilities			
Trade payables	5	1,876.96	1,777.63
Other current liabilities	8	79,668.28	72,425.53
Short-term provisions	7	7,777.14	7,731.35
		89,322.38	81,934.51
Total		3,44,726.31	3,10,084.12
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	54,394.36	55,405.27
Intangible assets	9	184.70	316.48
Capital work in progress		38,042.50	28,009.32
Non-current investments	10	31,577.64	34,879.57
Long-term loans and advances	11	29,239.12	27,497.28
		1,53,438.32	1,46,107.92
Current assets			
Current investments	12	6,375.00	2,800.00
Inventories	13	58,819.93	40,260.39
Trade receivables	14	3,522.60	2,910.69
Cash and bank balances	15	92,165.45	1,05,150.09
Short-term loans and advances	11	29,291.25	11,427.65
Other current assets	16	1,113.76	1,427.38
		1,91,287.99	1,63,976.20
Total		3,44,726.31	3,10,084.12

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

P. S. Shah

Partner

Membership No.44611

Mumbai, April 19, 2013

Vikas Oberoi

Chairman & Managing Director

Bindu Oberoi

Director

T. P. Ostwal

Director

Saamil Daru

Chief Financial Officer

Bhaskar Kshirsagar

Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in Lakh)

FOR THE YEAR ENDED MARCH 31,	NOTE	2013	2012
INCOME			
Revenue from operations	17	59,504.57	39,138.75
Other income	18	14,744.93	15,886.56
Total revenue	(A)	74,249.50	55,025.31
EXPENSES			
Operating costs	19	21,930.69	14,097.08
Employee benefits expense	20	3,496.82	3,035.66
Other expenses	21	2,052.40	1,304.03
Total expenses	(B)	27,479.91	18,436.77
Profit before interest, depreciation, amortisation and taxes (EBIDTA)	(A-B)	46,769.59	36,588.54
Depreciation and amortisation	22	2,366.87	2,234.87
Interest and finance charges	23	33.65	26.33
Profit before prior period items and taxes		44,369.07	34,327.34
Prior period income / (expenses)		(6.87)	(42.73)
Profit before tax		44,362.20	34,284.61
Tax expense			
Current tax		10,951.10	7,976.89
Deferred tax		644.93	814.27
Short provision of tax in earlier years		18.94	-
Profit after tax		32,747.23	25,493.45
Earnings per equity share (face value of ₹ 10)	24		
- Basic (in ₹)		9.98	7.77
- Diluted (in ₹)		9.97	7.77

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

For and on behalf of the Board of Directors

P. S. Shah

Partner

Membership No.44611

Mumbai, April 19, 2013

Vikas Oberoi

Chairman & Managing Director

Bindu Oberoi

Director

T. P. Ostwal

Director

Saumil Daru

Chief Financial Officer

Bhaskar Kshirsagar

Company Secretary

STANDALONE CASH FLOW STATEMENT

(₹ in Lakh)

FOR THE YEAR ENDED MARCH 31,	2013	2012
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before prior period items and taxes as per statement of profit and loss	44,369.07	34,327.34
Adjustments for		
Depreciation and amortisation	2,366.87	2,234.87
Interest income	(6,888.04)	(8,330.30)
Interest expenses	1.28	0.02
Dividend income	(7,792.69)	(5,291.29)
Loss / (profit) on sale of mutual fund units (net)	(3.55)	(0.46)
Loss / (profit) on sale of share (net)	-	(2,126.70)
Loss / (profit) from foreign exchange fluctuation (net)	(12.27)	224.26
Loss / (profit) on sale / discarding of fixed assets	68.20	1.38
Sundry balances written off / (back)	(16.66)	(7.76)
Prior period (expense) / income	(6.87)	(42.73)
Operating cash profit before working capital changes	32,085.34	20,988.63
Movement for working capital		
Increase / (decrease) in trade payables	1,457.75	(1,256.34)
Increase / (decrease) in other liabilities	7,133.71	34,669.41
Increase / (decrease) in provisions	22.15	(70.02)
(Increase) / decrease in loans and advances	(16,635.06)	(19,121.62)
(Increase) / decrease in trade receivables	(611.90)	(1,028.37)
(Increase) / decrease in inventories	(18,559.55)	(13,051.03)
Cash generated from operations	4,892.44	21,130.66
Direct taxes paid	(10,514.42)	(7,331.82)
Net cash inflow / (outflow) from operating activities (A)	(5,621.98)	13,798.84
CASH FLOW FROM INVESTING ACTIVITIES:		
(Acquisition) / sale of fixed assets / capital work in progress (net)	(11,509.36)	(16,364.67)
Interest received	7,092.69	8,418.51
Dividend received	7,792.69	5,291.29
Decrease / (increase) in loans and advances to / for subsidiaries / joint ventures (net)	(3,903.84)	8,983.44
(Acquisition) / sale of investments (net)	(269.52)	(32,262.42)
(Increase) / decrease in other assets	(58,211.22)	(10,734.19)
Net cash inflow / (outflow) from investing activities (B)	(59,008.56)	(36,668.04)

STANDALONE CASH FLOW STATEMENT

(₹ in Lakh)

FOR THE YEAR ENDED MARCH 31,	2013	2012
CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(1.28)	(0.02)
Dividend paid (including dividend distribution tax)	(6,564.21)	(3,282.03)
Net cash inflow / (outflow) from financing activities (C)	(6,565.49)	(3,282.05)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(71,196.03)	(26,151.25)
Add: cash and cash equivalents at the beginning of the year	90,773.76	116,925.01
Cash and cash equivalents at the end of the year	19,577.73	90,773.76

COMPONENTS OF CASH AND CASH EQUIVALENTS

(₹ in Lakh)

AS AT MARCH 31,	2013	2012
Cash on hand	30.59	17.65
Balance with banks in current accounts	2,404.14	2,315.31
Fixed deposits with banks, having original maturity of three months or less	17,143.00	88,440.80
Cash and cash equivalents at the end of the year (refer note 15)	19,577.73	90,773.76

RECONCILIATION STATEMENT OF CASH AND BANK BALANCES

(₹ in Lakh)

AS AT MARCH 31,	2013	2012
Cash and cash equivalents at the end of the year as per above	19,577.73	90,773.76
Add: Balance with bank in unpaid dividend accounts	0.47	0.30
Add: Fixed deposit with banks, having original maturity for more than three months but less than twelve months	68,060.57	10,747.28
Add: Fixed deposits with banks, having original maturity for more than twelve months	1,308.93	-
Add: Fixed deposits with banks (lien marked)	3,217.75	3,628.75
Cash and bank balance as per balance sheet	92,165.45	1,05,150.09

Significant accounting policies (refer note 1)

The accompanying notes form an integral part of the financial statements

As per our report of even date

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

For and on behalf of the Board of Directors

P. S. Shah

Partner

Membership No.44611

Mumbai, April 19, 2013

Vikas Oberoi

Chairman & Managing Director

Bindu Oberoi

Director

T. P. Ostwal

Director

Saumil Daru

Chief Financial Officer

Bhaskar Kshirsagar

Company Secretary

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NATURE OF OPERATIONS

Oberoi Realty Limited (the 'Company' or 'ORL'), a public limited company, is engaged primarily in the business of real estate development and hospitality.

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Company.

B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognised prospectively.

C. Tangible assets, intangible assets and capital work in progress

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses. Revenues earned, if any during trial run of assets is adjusted against cost of the assets.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditures incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenues earned, if any, before capitalisation from such capital project are adjusted against the capital work in progress.

Borrowing costs relating to acquisition / construction / development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

D. Depreciation and amortisation

i) Tangible assets

- (a) Depreciation is provided from the date the assets are ready to be put to use, on straight line method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule XIV of the Companies Act, 1956, whichever is higher. The higher depreciation rates used are as under :

Portable cabins	25% p.a
Mobile handsets and computers	33% p.a
Vehicles	20% p.a
Lessee specific equipment's and improvements	over lease period

Depreciation method, useful life and residual value are reviewed periodically.

- (b) Assets individually costing less than or equal to ₹ 0.05 Lakh are fully depreciated in the year of purchase except under special circumstances.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- ii) **Intangible assets**
Intangible assets are amortised using straight line method over the estimated useful life, not exceeding 5 years. Amortisation method, useful life and residual value are reviewed periodically
- iii) Leasehold land and improvements are amortised on the basis of duration and other terms of lease.
- E. **Impairment of tangible / intangible assets**
The carrying amount of tangible assets / intangible assets is reviewed periodically for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.
- F. **Investments**
Investments are classified into long-term and current investments. Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long term investments are stated at cost less permanent diminution in value, if any. Current investments are stated at the lower of cost or market value.
- G. **Valuation of inventories**
 - i) **Construction materials and consumables**
The construction materials and consumables are valued at lower of cost or net realisable value. The construction materials and consumables purchased for construction work issued to the construction work in progress are treated as consumed.
 - ii) **Construction work in progress**
The construction work in progress is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.
 - iii) **Finished stock of completed projects (ready units)**
Finished stock of completed projects and stock in trade of units is valued at lower of cost or market value.
 - iv) **Food and beverages**
Stock of food and beverages are valued at lower of cost, (computed on a moving weighted average basis, net of taxes) or net realizable value. Cost includes all expenses incurred in bringing the goods to their present location and condition.
 - v) **Hospitality related operating supplies**
Hospitality related operating supplies such as guest amenities and maintenance supplies are expensed as and when purchased.
- H. **Segment reporting**
The Company's reporting segments are identified based on activities, risk and reward structure, organisation structure and internal reporting systems. Segment revenue and expense include amounts which can be directly attributable to the segment and allocable on reasonable basis. Segment assets and liabilities are assets / liabilities which are directly attributable to the segment or can be allocated on a reasonable basis. Income / expenses / assets / liabilities relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses / assets / liabilities.
- I. **Revenue recognition**
 - i) **Revenue from real estate projects**
The Company follows the percentage of project completion method for its projects. The revenue recognition policy is as under:
 - (a) **Project for which revenue is recognised for the first time on or after April 1, 2012**
The Institute of Chartered Accountants of India has issued Guidance Note on Accounting for Real Estate Transactions (Revised 2012) in connection with the revenue recognition for a real estate project which commences on or after April 1, 2012 and also to real estate projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012.
In this scenario, the Company recognises revenue in proportion to the actual project cost incurred (including land

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

cost) as against the total estimated project cost (including land cost), subject to achieving the threshold level of project cost (excluding land cost) as well as area sold, in line with the Guidance Note and depending on the type of project.

(b) **Project for which revenue recognition has commenced prior to April 1, 2012**

In this scenario, the Company recognises revenue in proportion to the actual project cost incurred (excluding land cost) as against the total estimated project cost (excluding land cost) subject to completion of construction work to a certain level depending on the type of the project.

Revenue is recognised net of indirect taxes and on execution of either an agreement or a letter of allotment.

The estimates relating to percentage of completion, costs to completion, area available for sale etc. being of a technical nature are reviewed and revised periodically by the Management and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

Land cost includes the cost of land, land related development rights and premium.

ii) **Revenue from hospitality**

Room revenue is recognised based on occupancy. Revenue from sale of food and beverages and other allied services is recognised as and when the services are rendered.

Revenue is recognised net of trade discounts and indirect taxes, if any.

iii) **Revenue from lease rentals and related income**

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease. Revenue from lease rental is disclosed net of Indirect taxes, if any.

Revenue from property management service is recognised at value of service and is disclosed net of indirect taxes, if any.

iv) **Other income**

Dividend income is recognised when the right to receive dividend is established.

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors which is accounted on acceptance of the Company's claim.

J. Foreign currency transactions

Foreign currency transactions are recorded in the reporting currency (Indian rupee) by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss. Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.

K. Leases

i) **Where the Company is the lessee**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the Lease.

ii) **Where the Company is the lessor**

Assets representing lease arrangements given under operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the Lease.

Initial direct costs are recognised immediately in the statement of profit and loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

L. Taxation

- i) Provision for income tax is made under the liability method after availing exemptions and deductions at the rates applicable under the Income-tax Act, 1961.
- ii) Deferred tax resulting from timing difference between book and tax profits is accounted for using the tax rates and laws that have been enacted as on the balance sheet date.
- iii) Deferred tax assets arising on the temporary timing differences are recognised only if there is reasonable certainty of realisation.
- iv) Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961.

M. Employee stock option scheme

The employee share based payments are accounted on the basis of 'intrinsic value of option' representing the excess of the market price on the date of grant over the exercise price of the shares granted under the 'Employee Stock Option Scheme' of the Company and is amortised as deferred employees compensation on a straight line basis over the vesting period in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

N. Provisions and Contingent liabilities

- i) A provision is recognised when
 - (a) The Company has a present obligation as a result of a past event;
 - (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
 - (c) A reliable estimate can be made of the amount of the obligation
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extremely cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.
- iii) Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

O. Borrowing costs

Borrowing costs that are directly attributable to the acquisition / construction of qualifying fixed assets or for long - term project development are capitalised as part of their costs.

Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the assets for their intended use are in progress.

Other borrowing costs are recognised as an expense, in the period in which they are incurred.

P. Employee benefits

- i) **Defined contribution plans**
Retirement benefits in the form of contribution to provident fund and pension fund are charged to statement of profit and loss.
- ii) **Defined benefit plans**
Gratuity is in the nature of a defined benefit plan.
Provision for gratuity is calculated on the basis of actuarial valuations carried out at balance sheet date and is charged to the statement of profit and loss. The actuarial valuation is performed using the projected unit credit method.
Actuarial gains and losses are recognised immediately in the statement of profit and loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

iii) Other employee benefits

Leave encashment is recognised as an expense in the statement of profit and loss as and when they accrue. The Company determines the liability using the projected unit credit method, with actuarial valuations carried out as at balance sheet date. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Q. Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

	(₹ in Lakh)	
NOTE 2 : SHARE CAPITAL	2013	2012
Authorised share capital		
42,50,00,000 (37,85,00,000) equity shares of ₹ 10 (Rupees ten only) each	42,500.00	37,850.00
Nil (465) redeemable non-convertible cumulative preference shares of ₹ 10,00,000 (Rupees ten lakh only) each	-	4,650.00
	42,500.00	42,500.00
Issued, subscribed and paid up share capital		
32,82,33,262 (32,82,33,262) equity shares of ₹ 10 (Rupees ten only) each fully paid up (above equity shares includes 28,60,70,620 equity shares issued and allotted as fully paid bonus shares during immediately preceding five years from the reporting date)	32,823.33	32,823.33
	32,823.33	32,823.33

A. Reconciliation of shares outstanding at the beginning and at the end of the year

Equity shares

	2013		2012	
	in No.	₹ in Lakh	in No.	₹ in Lakh
At the beginning of the year	32,82,33,262	32,823.33	32,82,33,262	32,823.33
Add: Issue of fresh shares	-	-	-	-
At the end of the year	32,82,33,262	32,823.33	32,82,33,262	32,823.33

Redeemable non-convertible cumulative preference shares

	2013		2012	
	in No.	₹ in Lakh	in No.	₹ in Lakh
At the beginning of the year	-	-	359	3,590.00
Less: Redemption during the year (refer note C below)	-	-	(359)	(3,590.00)
At the end of the year	-	-	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

B. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each equity share is entitled to one vote. The Company declares dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2013, the amount of per share dividend recognised as proposed for distribution to equity shareholders was ₹ 2 (₹ 2), which is subject to approval of shareholders in ensuing Annual General Meeting.

C. Redemption of redeemable non-convertible cumulative preference shares

During the previous year, the Company has redeemed all 359 redeemable non-convertible cumulative preference shares of ₹ 10,00,000 each aggregating to ₹ 35,90,00,000 for an amount of ₹ 1 and balance ₹ 35,89,99,999 has been transferred to capital reserve.

D. Details of shareholders holding more than 5% shares in the Company

	2013		2012	
	in No.	% Holding	in No.	% Holding
Equity shares				
i) Vikas Oberoi	22,43,13,573	68.34%	22,43,13,573	68.34%
ii) R S Estate Developers Private Limited	3,33,00,000	10.15%	3,33,00,000	10.15%
iii) SSIII Indian Investments Two Limited	3,10,55,247	9.46%	3,10,55,247	9.46%

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

E. Shares reserved for issue under options

The Company instituted an Employees Stock Option Scheme ('ESOP 2009') pursuant to the Board and Shareholders' resolution dated December 04, 2009. As per ESOP 2009, the Company is authorised to grant 14,43,356 options comprising equal number of equity shares in one or more tranches to the eligible employees of the Company and its subsidiaries. The employee will have the option to exercise the right within three years from the date of vesting of options. Under ESOP 2009, 13,49,553 options have been granted.

The following information relates to the Employee Stock Options as on March 31, 2013

Particulars	Number of options	Exercise price (₹)	Weighted average exercise price (₹)	Weighted average contractual life of options as on the date of grant (years)
Outstanding at the beginning of the year	11,26,236	260	260	4.20
Less: Lapsed / forfeited / cancelled during the year	58,687	-	-	-
Outstanding at the end of the year	10,67,549	260	260	4.20
Exercisable at the end of the year	4,29,492	260	260	4.20

The employee share based payments have been accounted using the intrinsic value method measured by a difference between the market price of the underlying equity shares as at the date of grant and the exercise price. Since the market price of the underlying equity shares on the grant date is same as exercise price of the option, the intrinsic value of option is determined as Nil. Hence no compensation expense has been recognised. Under the fair value method, the basic and diluted EPS would have been lowered by ₹ 0.06.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 3 : RESERVES AND SURPLUS	2013	2012
General reserves		
Opening balance	4,300.32	1,750.32
Add: transferred during the year	2,457.00	2,550.00
	6,757.32	4,300.32
Capital redemption reserve		
Opening balance	5,710.00	2,120.00
Add: created during the year	-	3,590.00
	5,710.00	5,710.00
Capital reserve		
Opening balance	3,590.00	-
Add: addition during the year	-	3,590.00
	3,590.00	3,590.00
Securities premium account		
Balance in securities premium account	1,35,132.61	1,35,132.61
	1,35,132.61	1,35,132.61
Surplus in statement of profit and loss		
Opening balance	42,950.00	30,693.69
Add: profit during the year as per statement of profit and loss	32,747.23	25,493.45
Less: Appropriations		
Transfer to capital redemption reserve	-	3,590.00
Transfer to general reserve	2,457.00	2,550.00
Proposed dividend, dividend distribution tax and credit availed (refer note 25)	6,615.39	7,097.14
	66,624.84	42,950.00
	2,17,814.77	1,91,682.93

(₹ in Lakh)

NOTE 4 : DEFERRED TAX LIABILITIES	2013	2012
Deferred tax liabilities		
On depreciation	1,958.04	1,483.94
Deferred tax assets		
Share issue expenses	526.74	766.28
On other expenses	131.54	62.83
Deferred tax liabilities (net)	1,299.76	654.83

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 5 : TRADE PAYABLES	Non-current portion		Current portion	
	2013	2012	2013	2012
Trade payables (refer note 35)	652.28	93.39	1,876.96	1,777.63
	652.28	93.39	1,876.96	1,777.63

(₹ in Lakh)

NOTE 6 : OTHER LONG-TERM LIABILITIES	2013	2012
Trade deposits	2,704.92	2,813.32
	2,704.92	2,813.32

(₹ in Lakh)

NOTE 7 : PROVISIONS	Long term (non-current)		Short term (current)	
	2013	2012	2013	2012
Provision for employee benefits				
Provision for gratuity (refer note 26)	3.51	3.03	68.71	73.49
Provision for leave salary (refer note 26)	105.36	78.78	28.10	28.24
	108.87	81.81	96.81	101.73
Others				
Proposed equity dividend	-	-	6,564.67	6,564.67
Provision for dividend distribution tax	-	-	1,115.66	1,064.95
	-	-	7,680.33	7,629.62
	108.87	81.81	7,777.14	7,731.35

(₹ in Lakh)

NOTE 8 : OTHER CURRENT LIABILITIES	2013	2012
Advances from customers / billing in excess of revenue	68,288.98	64,230.95
Unclaimed dividend	0.47	0.30
Trade deposits	5,911.65	4,838.12
Other payables	5,467.18	3,356.16
	79,668.28	72,425.53

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 9 : FIXED ASSETS									
Particulars	Gross block			Accumulated depreciation and amortisation			Net block		
	As At 01-04-2012	Additions	Deductions	As At 01-04-2012	For the year	Deductions	As at 31-03-2013	As at 31-03-2013	
Tangible Assets									
Land - freehold	7,513.81	-	-	7,513.81	-	-	7,513.81	7,513.81	
Buildings	32,909.42	324.14	76.21	33,157.35	550.39	3.45	1,750.34	31,407.01	31,706.02
Electrical installations	2,516.76	86.27	4.54	2,598.49	120.40	0.59	363.04	2,235.45	2,273.53
Furniture and fixtures	5,272.69	323.45	3.41	5,592.73	479.93	0.85	1,425.73	4,167.00	4,326.04
Office equipments	698.49	17.77	9.88	706.38	47.79	8.60	149.06	557.32	588.62
Plant and machinery	10,046.51	315.72	1.81	10,360.42	726.67	0.24	2,281.72	8,078.70	8,491.22
Computer	569.10	43.08	30.96	581.22	148.87	30.73	464.39	116.83	222.85
Vehicle	528.17	206.84	205.17	529.84	113.79	147.18	211.60	318.24	283.18
Total tangible assets	60,054.95	1,317.27	331.98	61,040.24	2,187.84	191.64	6,645.88	54,394.36	55,405.27
Previous year	58,495.69	1,582.66	23.40	60,054.95	2,089.85	13.19	4,649.68	55,405.27	55,922.67
Intangible Assets									
Computer software	541.58	47.25	-	588.83	179.03	-	404.13	184.70	316.48
Total intangible assets	541.58	47.25	-	588.83	179.03	-	404.13	184.70	316.48
Previous year	425.21	116.37	-	541.58	145.02	-	225.10	316.48	345.13
Total Assets	60,596.53	1,364.52	331.98	61,629.07	2,366.87	191.64	7,050.01	54,579.06	55,721.75
Previous year	58,920.90	1,699.03	23.40	60,596.53	2,234.87	13.19	4,874.78	55,721.75	56,267.80

Assets given on operating lease

The Company has entered into commercial property leases, the details of which are as under. Leases include a clause to enable revision of the rental charges from time to time.

(₹ in Lakh)

Class of Assets: Commercial Premises	2013	2012
Gross block	19,838.82	19,200.50
Accumulated depreciation	1,974.95	1,434.84
Depreciation for the year	540.13	530.44
Future minimum lease payments receivables under non-cancellable operating lease		
Not later than one year	2,260.11	3,686.75
Later than one year and not later than five years	4,279.11	1,170.02
Later than five years	-	-
Lease income recognised during the year in statement of profit and loss	6,084.27	5,074.10

(₹ in Lakh)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 10 : NON-CURRENT INVESTMENTS	2013	2012
Long term - trade investments (valued at cost unless stated otherwise)		
Unquoted equity and preference shares		
A. Investment in subsidiaries		
90,000 (90,000) equity shares of ₹ 10 each fully paid up of Oberoi Mall Limited	9.00	9.00
51,00,000 (51,00,000) equity shares of ₹ 10 each fully paid up of Oberoi Constructions Limited	3,253.14	3,253.14
3,10,000 (3,10,000) equity shares of ₹ 10 each fully paid up of Kingston Hospitality and Developers Private Limited	31.00	31.00
90,000 (90,000) equity shares of ₹ 10 each fully paid up of Expressions Realty Private Limited	9.00	9.00
90,000 (90,000) equity shares of ₹ 10 each fully paid up of Kingston Property Services Limited	9.00	9.00
10,000 (Nil) equity shares of ₹ 10 each fully paid up of Sight Realty Private Limited	1.00	-
10,000 (Nil) equity shares of ₹ 10 each fully paid up of Buoyant Realty Private Limited	1.00	-
Capital in Astir Realty LLP	0.10	0.10
B. Investment in joint ventures		
9,500 (9,500) equity shares of ₹ 10 each fully paid up of Sangam City Township Private Limited	0.95	0.95
5,00,000 (5,00,000) equity shares of ₹ 10 each fully paid up of I-Ven Realty Limited	25,501.29	25,501.29
3,62,500 (3,62,500) 1% non cumulative non convertible Preference Shares of ₹ 10 each fully paid up of I-Ven Realty Limited	2,500.13	2,500.13
Unquoted debt instruments in joint ventures		
0% optionally convertible debenture of ₹ 100 each fully paid up of I-Ven Realty Limited		
Nil (10,10,000) 2011-Series-3	-	1,010.00
Nil (3,75,000) 2011-Series-4	-	375.00
Nil (6,10,000) 2011-Series-5	-	610.00
Nil (3,80,000) 2012-Series-1	-	380.00
Nil (3,10,000) 2012-Series-2	-	310.00
Nil (1,75,000) 2012-Series-3	-	175.00
Nil (3,55,000) 2012-Series-4	-	355.00
Nil (3,50,000) 2012-Series-5	-	350.00
2,51,000 (Nil) 2012-Series-9	251.00	-
3,000 (Nil) 2013-Series-1	3.00	-
1,000 (Nil) 2013-Series-2	1.00	-
1,000 (Nil) 2013-Series-3	1.00	-
5,000 (Nil) 2013-Series-4	5.00	-
Investments in government securities		
National saving certificate (in the name of employee of the Company)	1.03	0.96
	31,577.64	34,879.57
Aggregate amount of		
Book value of unquoted investments	31,577.64	34,879.57

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 11 : LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)	Long term (non-current)		Short term (current)	
	2013	2012	2013	2012
Capital advances	2,114.46	2,701.30	-	-
Advances to vendors	63.00	63.00	24,693.57	8,156.55
Deposits	12,556.95	12,594.23	58.51	51.13
Advances recoverable in cash or kind	134.25	1,000.00	1,451.84	408.01
Loans and advances to related parties (refer note 34)	14,360.29	11,132.50	1,974.10	1,298.05
	29,228.95	27,491.03	28,178.02	9,913.74
Other loans and advances				
Income tax (net of provisions)	-	-	825.10	1,280.72
Prepaid expenses	10.17	6.25	287.11	231.69
Loan to employees	-	-	1.02	1.50
	10.17	6.25	1,113.23	1,513.91
	29,239.12	27,497.28	29,291.25	11,427.65

Loans / advances due by directors or other officers, etc.

Advances to related parties include

Due from the private limited company (JV) in which the Company's director is a director	4,640.00	4,640.00	-	-
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(₹ in Lakh)

NOTE 12 : CURRENT INVESTMENTS	2013	2012
Current portion of long-term trade investments (valued at cost unless otherwise stated)		
Unquoted debt instruments		
0% optionally convertible debenture of ₹ 100 each fully paid up of I-Ven Realty Limited		
20,00,000 (20,00,000) 2011-Series-1	2,000.00	2,000.00
8,00,000 (8,00,000) 2011-Series-2	800.00	800.00
10,10,000 (Nil) 2011-Series-3	1,010.00	-
3,75,000 (Nil) 2011-Series-4	375.00	-
6,10,000 (Nil) 2011-Series-5	610.00	-
3,80,000 (Nil) 2012-Series-1	380.00	-
3,10,000 (Nil) 2012-Series-2	310.00	-
1,75,000 (Nil) 2012-Series-3	175.00	-
3,55,000 (Nil) 2012-Series-4	355.00	-
3,50,000 (Nil) 2012-Series-5	350.00	-
5,000 (Nil) 2012-Series-6	5.00	-
2,500 (Nil) 2012-Series-7	2.50	-
2,500 (Nil) 2012-Series-8	2.50	-
	6,375.00	2,800.00
Aggregate book value of		
Unquoted investments	6,375.00	2,800.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 13 : INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)	2013	2012
Plots of land	378.49	378.49
Works in progress	47,933.54	38,808.48
Finished units	336.73	913.47
Food and beverages etc.	130.19	107.66
Others (including transferrable development rights)	10,040.98	52.29
	58,819.93	40,260.39

(₹ in Lakh)

NOTE 14 : TRADE RECEIVABLES (UNSECURED AND CONSIDERED GOOD)	2013	2012
Outstanding for a period exceeding six months from the date of becoming due for payment	2,202.80	890.54
Other receivables	1,319.80	2,020.15
	3,522.60	2,910.69

(₹ in Lakh)

NOTE 15 : CASH AND BANK BALANCES	2013	2012
Cash and cash equivalents		
Cash on hand	30.59	17.65
Balance with banks in current accounts	2,404.14	2,315.31
Fixed deposits with banks, having original maturity of three months or less	17,143.00	88,440.80
	19,577.73	90,773.76
Other Bank Balances		
Balance with bank in unpaid dividend accounts	0.47	0.30
Fixed deposit with banks, having original maturity of more than three months but less than twelve months	68,060.57	10,747.28
Fixed deposit with banks, having original maturity for more than twelve months	1,308.93	-
Fixed deposits with banks (lien marked)	3,217.75	3,628.75
	72,587.72	14,376.33
	92,165.45	1,05,150.09

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 16 : OTHER ASSETS	2013	2012
Interest accrued but not due	1,103.16	1,307.81
Others	10.60	119.57
	1,113.76	1,427.38

(₹ in Lakh)

NOTE 17 : REVENUE FROM OPERATIONS	2013	2012
Revenue from operations		
Revenue from projects	43,514.61	24,787.26
Revenue from hospitality	9,559.32	8,973.00
Rental and other related revenues	6,217.06	5,208.50
Other operating revenue	213.58	169.99
	59,504.57	39,138.75

(₹ in Lakh)

NOTE 18 : OTHER INCOME	2013	2012
Interest income on		
Bank fixed deposits	6,887.97	8,330.24
Others	60.38	70.45
Dividend income on		
Investments in subsidiaries	6,564.60	3,282.50
Other investments	1,228.09	2,008.79
Profit on sale of shares	-	2,126.70
Profit on sale of mutual funds (net)	3.55	0.46
Other non-operating income	0.34	67.42
	14,744.93	15,886.56

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 19 : OPERATING COSTS	2013	2012
Opening balance of works in progress	38,808.48	25,051.97
Opening stock of finished units	913.47	1,620.93
Opening stock of food and beverages etc.	107.66	105.68
(A)	39,829.61	26,778.58
Add: expenses incurred during the year		
Land, development rights and transferrable development rights	14,726.81	-
Materials, structural, labour and contract cost	18,017.07	15,402.72
Other project cost	981.01	1,180.52
Rates and taxes	701.57	3,370.43
Professional charges	520.29	1,049.23
Food, beverages and hotel expenses	3,888.17	3,586.36
Allocated expenses to projects		
Employee benefits expense	3,655.23	3,448.62
Other expenses	468.84	670.76
Interest and finance charges	-	0.33
(B)	42,958.99	28,708.97
Less:		
Closing balance of works in progress	47,933.54	38,808.48
Closing stock of finished units	336.73	913.47
Closing stock of food, beverages etc.	130.19	107.66
Closing stock of transferrable development rights	10,000.00	-
Transferred to capital work in progress	1,266.83	1,260.86
Transferred to current assets / fixed assets	890.62	-
Recovery of overheads	300.00	300.00
(C)	60,857.91	41,390.47
(A+B-C)	21,930.69	14,097.08

(₹ in Lakh)

NOTE 20 : EMPLOYEE BENEFITS EXPENSE	2013	2012
Employee costs	6,512.17	5,973.96
Contribution to provident fund, gratuity and others	372.94	254.04
Staff welfare expenses	266.94	256.28
	7,152.05	6,484.28
Less: allocated to projects / capitalised	3,655.23	3,448.62
	3,496.82	3,035.66

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	(₹ in Lakh)	
NOTE 21 : OTHER EXPENSES	2013	2012
Advertisement and marketing expenses	1,156.73	506.53
Books and periodicals expenses	1.14	19.82
Communication expenses	94.89	93.98
Conveyance and travelling expenses	123.91	100.42
Directors sitting fees and commission	48.97	44.45
Donations	27.18	8.72
Electricity charges	68.80	49.65
Hire charges	6.66	2.62
Information technology expenses	123.64	80.29
Insurance charges	81.88	75.31
Legal and professional charges	37.99	38.23
Loss on foreign exchange fluctuation (net)	10.56	237.20
Loss on sale / discarding of fixed assets	68.20	1.38
Membership and subscription charges	43.40	18.17
Miscellaneous expenses	11.27	10.10
Payment to auditor	52.57	45.21
Printing and stationery expenses	94.14	117.64
Rent expenses	14.51	23.14
Repairs and maintenance		
Building	72.03	45.11
Plant and machinery	100.37	88.05
Others	251.75	202.74
Security service charges	21.67	30.86
Transportation charges	0.65	0.41
Vehicle expenses	8.33	134.76
	2,521.24	1,974.79
Less: allocated to projects / capitalised	468.84	670.76
	2,052.40	1,304.03

	(₹ in Lakh)	
Payment to auditor	2013	2012
As auditor		
Statutory audit fees	36.52	30.73
Tax audit fees	7.87	5.62
In other capacity		
Taxation matters	7.87	5.62
Other services	0.26	3.14
Out of pocket expenses	0.05	0.10
	52.57	45.21

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 22 : DEPRECIATION AND AMORTISATION	2013	2012
Depreciation on tangible assets	2,187.84	2,089.85
Amortisation of intangible assets	179.03	145.02
	2,366.87	2,234.87

NOTE 23 : INTEREST AND FINANCE CHARGES	2013	2012
Interest expenses	1.28	0.02
Bank and finance charges	32.37	26.64
	33.65	26.66
Less: allocated to projects / capitalised	-	0.33
	33.65	26.33

(₹ in Lakh)

NOTE 24 : EARNINGS PER SHARE (EPS)	2013	2012
Profit after tax as per statement of profit and loss	32,747.23	25,493.45
Weighted average number of equity shares for basic EPS (in No.)	32,82,33,262	32,82,33,262
Add: Weighted average potential equity shares on grant of options under ESOP (in No.)	80,624	- #
Weighted average number of equity shares for diluted EPS (in No.)	32,83,13,886	32,82,33,262
Face value of equity share (₹)	10.00	10.00
Basic earnings per share (₹)	9.98	7.77
Diluted earnings per share (₹)	9.97	7.77

Anti-dilutive

(₹ in Lakh)

NOTE 25 : PROPOSED DIVIDEND AND DIVIDEND DISTRIBUTION TAX	2013	2012
Proposed dividend		
Equity shares	6,564.67	6,564.67
	6,564.67	6,564.67
Dividend distribution tax		
Equity shares	1,115.66	1,064.95
Credit availed on dividend from subsidiaries	(1,064.94)	(532.48)
	50.72	532.47
	6,615.39	7,097.14

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 26 : EMPLOYEE BENEFITS	2013	2012
A. Defined contribution plans		
Employer's contribution to provident fund	259.24	245.74
Employer's contribution to pension fund	28.15	25.39
Employer's contribution to ESIC	11.97	11.71
Labour welfare fund contribution for workmen	0.36	0.32

(₹ in Lakh)

B. Defined benefit plans	Gratuity		Leave encashment	
	2013	2012	2013	2012
i) Change in present value of obligations				
Present value obligation at the beginning of the year	188.30	228.57	107.02	89.61
Interest cost	15.96	18.08	7.91	6.21
Service cost	87.73	84.30	162.68	152.70
Benefit paid	(7.68)	(5.19)	(31.09)	(23.94)
Actuarial (gains) / losses	(27.82)	(137.46)	(113.05)	(117.56)
Present value obligation at the end of the year	256.49	188.30	133.47	107.02
ii) Change in fair value of plan assets				
Fair value of plan assets at the beginning of the year	111.77	64.62	-	-
Equitable interest transfer out	-	(0.76)	-	-
Expected return on plan assets	11.44	8.02	-	-
Contribution	70.19	53.11	31.09	23.94
Benefit paid	(7.68)	(5.19)	(31.09)	(23.94)
Actuarial gains / (losses)	(1.46)	(8.02)	-	-
Closing balance of fair value of plan assets	184.26	111.78	-	-
iii) Experience history				
(Gains) / losses on obligation due to change in assumption	22.02	(120.13)	8.61	(27.49)
Experience (gains) / losses on obligation	(49.84)	(17.33)	(121.67)	(90.08)
Actuarial gains / (losses) on plan assets	(1.46)	(8.02)	-	-
iv) Amount recognised in the balance sheet				
Present value of obligation at the end of year	256.48	188.30	133.47	107.02
Fair value of plan assets at the end of the year	184.26	111.77	-	-
Funded status	(72.23)	(76.52)	(133.47)	(107.02)
Net assets / (liability) recognised in the balance sheet	(72.23)	(76.52)	(133.47)	(107.02)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

26. EMPLOYEE BENEFITS (contd.)

(₹ in Lakh)

	Gratuity		Leave encashment	
	2013	2012	2013	2012
v) Expense recognised in statement of profit and loss				
Current service cost	87.73	84.30	162.68	152.70
Interest cost	15.96	18.08	7.91	6.21
Expected return on plan assets	(11.44)	(8.02)	-	-
Net actuarial (gains) / losses recognised for the year	(26.36)	(129.44)	(113.05)	(117.56)
Expenses recognised in statement of profit and loss	65.89	(35.08)	57.54	41.35
vi) Movement in the liability recognised in balance sheet				
Opening net liability	76.52	163.95	107.02	89.61
Equitable interest transfer-out	-	0.76	-	-
Expenses as above	65.89	(35.08)	57.54	41.35
Contribution paid	(70.19)	(53.11)	(31.10)	(23.94)
Closing net liability	72.22	76.52	133.46	107.02
vii) Classification of defined benefit obligations				
Non-current portion	3.51	3.03	105.36	78.78
Current portion	68.71	73.49	28.10	28.24

Actuarial assumptions

	Gratuity		Leave encashment	
	2013	2012	2013	2012
Interest / discount rate	8.06%	8.65%	8.06%	8.65%
Expected return on plan assets	8.00%	9.15%	-	-
Annual expected increase in salary cost	10.00%	10.00%	10.00%	10.00%

C. General Description of significant defined plans

Gratuity plan

Gratuity is payable to all eligible employees of the Company on death or on resignation, or on retirement after completion of five years of service.

Leave plan

Eligible employees can carry forward leave in month of April of every year during tenure of service or encash the same on death, permanent disablement or resignation.

D. Broad category of plan assets relating to gratuity as a percentage of total plan assets as on March 31,

	2013	2012
Government of India securities	Nil	Nil
High quality corporate bonds	Nil	Nil
Equity shares of listed companies	Nil	Nil
Property	Nil	Nil
Policy of insurance	100%	100%
	100%	100%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 27 : SEGMENT INFORMATION	2013			2012		
	Real estate	Hospitality	Total	Real estate	Hospitality	Total
Segment revenue	49,849.24	9,655.33	59,504.57	30,081.93	9,056.82	39,138.75
Segment result	28,740.81	1,442.95	30,183.76	17,857.94	925.93	18,783.87
Unallocated income net of unallocated expenses			7,270.61			7,169.11
Operating profit			37,454.37			25,952.98
Less: Interest and finance charges			(33.65)			(26.33)
Add: Interest income			6,948.35			8,400.69
Profit before tax and prior period items			44,369.07			34,327.34
Add / (less) Prior period items			(6.87)			(42.73)
Profit before tax			44,362.20			34,284.61
Provision for tax			(11,614.97)			(8,791.16)
Profit after tax			32,747.23			25,493.45
Other information						
Segment assets	1,79,209.65	31,206.41	2,10,416.06	1,36,526.66	31,817.35	1,68,344.01
Unallocated corporate assets ^(A)			1,34,310.25			1,41,740.11
Total assets			3,44,726.31			3,10,084.12
Segment liabilities	82,006.95	3,100.70	85,107.65	74,361.14	2,931.97	77,293.11
Unallocated corporate liabilities			8,980.56			8,284.75
Total liabilities			94,088.21			85,577.86
Capital expenditure for the year	10,728.69	107.17	10,835.86	13,876.63	75.09	13,951.72
Unallocated capital expenditure for the year			561.84			652.17
Depreciation for the year	549.84	1,391.36	1,941.20	541.59	1,386.84	1,928.43
Unallocated depreciation for the year			425.67			306.44

Note:

- A. Unallocated corporate assets includes temporary surplus. Income earned on temporary investments of the same has been shown in "Unallocated income net of unallocated expenditure".

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 28 : LEASES	2013	2012
Assets taken on operating lease		
Future minimum lease payments under non-cancellable operating lease :		
Not later than one year	11.51	12.26
Later than one year and not later than five years	3.00	11.17
Later than five year	-	-
Lease payments recognised during the year in the statement of profit and loss	16.85	24.08

NOTE 29 : RELATED PARTY DISCLOSURES

A. Name of related parties and related party relationship	
i) Related parties where control exists	
Subsidiaries	Buoyant Realty Private Limited Expressions Realty Private Limited Kingston Hospitality and Developers Private Limited Kingston Property Services Limited Oberoi Constructions Limited Oberoi Mall Limited Perspective Realty Private Limited Sight Realty Private Limited Triumph Realty Private Limited (till May 23, 2011)
ii) Related parties with whom transactions have taken place during the year	
Jointly controlled entities	Astir Realty LLP I-Ven Realty Limited (from September 29, 2011) Sangam City Township Private Limited
Joint venture of subsidiaries	Oasis Realty (AOP)
Key management personnel and their relatives	Bindu Oberoi Gayatri Oberoi Ranvir Oberoi Santosh Oberoi Vikas Oberoi
Entities where key management personnel have significant influence	Oberoi Foundation R. S. Estate Developers Private Limited

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 29 : RELATED PARTY DISCLOSURES (contd.)

B. Related party transactions		(₹ in Lakh)	
Relationship	Nature of transaction	2013	2012
Subsidiaries			
Oberoi Constructions Limited	Amount paid on behalf of	0.33	-
	Amount paid on behalf by	156.84	0.33
	Dividend received	1,530.00	510.00
	Loan given	6,746.90	3,305.06
	Loan repayment received	5,869.15	5,960.00
	Purchase of material	1.20	21.28
	Recovery of expenses	-	1.64
	Rent received	13.48	13.24
	Sale of material	10.97	-
	Sale of unit	-	401.91
	Service charges	337.08	330.90
	Dividend received	5,034.60	2,772.50
	Loan given	46.00	33.00
Oberoi Mall Limited	Loan repayment received	246.00	33.00
	Rent paid	-	2.21
	Sale of assets	0.30	-
	Subscription to shares	-	8.00
	Amount received on behalf of	0.09	8.27
Kingston Property Services Limited	Profit sharing	30.68	22.43
	Recovery of expenses	-	30.87
	Reimbursement of expenses	198.12	186.58
	Subscription to shares	-	8.00
Kingston Hospitality and Developers Private Limited	Loan given	9.10	51.50
	Loan repayment received	10.80	9,000.00
Sight Realty Private Limited	Subscription to shares	1.00	-
Buoyant Realty Private Limited	Subscription to shares	1.00	-
Perspective Realty Private Limited	Sharing of project Cost	14.66	-
Expressions Realty Private Limited	Loan given	1.80	850.00
	Loan repayment received	1.80	850.00
	Subscription to shares	-	8.00
Triumph Realty Private Limited	Loan repayment received	-	4,047.50
Jointly controlled entities			
Sangam City Township Private Limited	Advance given	-	230.50
	Advance refunded	-	55.50
Astir Realty LLP	Advance given	3,897.31	6,492.70
	Advance received back	669.52	0.20
	Capital contribution	-	0.10
I-Ven Realty Limited	Subscription to debentures	271.00	6,365.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE 29 : RELATED PARTY DISCLOSURES (contd.)

B. Related party transactions (contd.)		(₹ in Lakh)	
Relationship	Nature of transaction	2013	2012
Joint venture of subsidiaries			
Oasis Realty (AOP)	Corporate guarantee given	-	5,000.00
	Recovery of expenses	-	2.60
Key management personnel and their relatives			
Vikas Oberoi	Dividend paid	4,486.27	2,243.14
	Remuneration	192.00	192.00
Ranvir Oberoi	Dividend paid	0.02	0.01
Santosh Oberoi	Deposit refunded	4.80	-
	Dividend paid	0.02	0.01
	Rent paid	2.40	4.80
Bindu Oberoi	Dividend paid	0.00	0.00
Gayatri Oberoi	Dividend paid	0.00	0.00
Entities where key management personnel have significant influence			
R. S. Estate Developers Private Limited	Dividend paid	666.00	333.00
Oberoi Foundation	Recovery of expenses	-	0.51
	Deposit received	732.74	-
	Sale of materials	0.25	-
	Rent income	1,584.35	719.35
	Amount paid on behalf of	-	0.30

C. Closing balances of related parties		(₹ in Lakh)	
Name of Relationship		2013	2012
Subsidiaries			
Oberoi Constructions Limited		877.75	-
Kingston Property Services Limited		35.75	40.75
Kingston Hospitality and Developers Private Limited		1,096.35	1,098.05
Oberoi Mall Limited		-	200.00
Jointly controlled entities			
Sangam City Township Private Limited		4,640.00	4,640.00
Astir Realty LLP		9,720.29	6,492.50
		0.10	0.10
I-Ven Realty Limited		6,636.00	6,365.00
Joint venture of subsidiaries			
Oasis Realty (AOP)		5,000.00	5,000.00
Entities where key management personnel have significant influence			
Oberoi Foundation		732.74	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 30 : CONTINGENT LIABILITIES, CAPITAL COMMITMENTS AND OTHER COMMITMENTS	2013	2012
A. Summary of contingent liabilities		
Letters of credit net of margin (gross ₹ 36.00 Lakh, previous year ₹ 316.48 Lakh)	-	-
Bank guarantees net of margin (gross ₹ 2,412.12 Lakh, previous year ₹ 2,563.78 Lakh)	-	-
Indemnity bonds given in the favour of the government under Export Promotion Capital Goods Scheme (net of bank guarantees)	3,446.85	3,721.18
Legal cases against the Company not acknowledged as debts	-	200.15
Claims against the Company not acknowledged as debts	2,786.15	80.00
Certain other additional matters which are under dispute (including some matters which are pending in court) but which are not acknowledged as debts by the Company	Amounts not ascertainable	Amounts not ascertainable
Custom duty matters in dispute	44.00	44.00
Service tax matters in dispute	189.53	85.88
Income-tax matters in dispute	1,670.55	1,077.54
Corporate guarantee given	5,000.00	5,000.00
B. Capital commitments		
Capital contracts (net of advances)	21,270.66	25,920.81
C. Other commitments		
Other commitments	-	1,884.67

- D. In respect of the leasehold property at Worli, which was assigned to I-Ven Realty Limited (the Company's JV) in 2005, the Municipal Commissioner (MC) of the Municipal Corporation of Greater Mumbai (MCGM) had passed an order in 2009 revoking various permissions granted earlier by the MCGM and also invalidating the transfer of lease to the Company's JV.

The assignor of the lease had filed a writ petition before the Bombay High Court against the MCGM and others (to which the JV has also been made a party) seeking among other things that the order passed in 2009 be set aside. Vide order dated April 25, 2012, the Bombay High Court has quashed and set aside the order passed in 2009 by the MC and directed the MC to pass a fresh order.

As the matter is still pending, it is not possible to ascertain the monetary liability on this account.

- E. The Maharashtra Chamber of Housing Industry (MCHI) had filed a writ petition in Bombay High Court challenging the levy of VAT w.e.f. June 20, 2006 under MVAT Act, 2002 on property under construction which was dismissed by the Bombay High Court. A Special Leave Petition (SLP) was filed before the Hon'ble Supreme Court against the aforesaid decision; however, the Hon'ble Supreme Court in its interim order directed the developers to pay tax under the MVAT Act, 2002 and stayed the recovery of interest and penalty. Interest if any, would be payable subject to the final decision of the Hon'ble Supreme Court. The Company has, under protest, discharged the principal VAT liability excluding the interest thereon. Pending the final decision of the Hon'ble Supreme Court, no effect has been given in respect of in this matter in the statement of profit and loss and the balances have been carried to balance sheet.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 31 : INTEREST IN JOINT VENTURES	Sangam City Township Private Limited		I-Ven Realty Limited		Astir Realty LLP	
	2013	2012	2013	2012	2013	2012
Principal activity	Real estate developments		Real estate developments		Real estate developments	
Country of incorporation	India		India		India	
Ownership interest	31.67%	31.67%	50.00%	50.00%	10.00%	10.00%
The Company's share of the assets and liabilities based on audited financial statements						
Equity and liabilities						
Share capital	0.95	0.95	88.75	88.75	-	-
Reserves and surplus	28.12	27.62	1,378.53	1,378.63	(0.01)	(0.04)
Partner's capital	-	-	-	-	0.10	0.10
Non-current liabilities	-	-	261.00	3,565.00	9,720.29	6,492.50
Current liabilities	4,380.31	4,380.24	7,671.28	4,354.63	0.01	0.04
	4,409.38	4,408.81	9,399.56	9,387.01	9,720.39	6,492.60
Assets						
Non-current assets	-	-	1.51	1.66	9,720.19	6,492.60
Current assets	4,409.38	4,408.81	9,398.05	9,385.35	0.20	-
	4,409.38	4,408.81	9,399.56	9,387.01	9,720.39	6,492.60
The Company's share of the income and expenses based on audited financial statements						
Income	1.03	1.52	1.51	5.95	0.10	-
Less : Expenses	0.30	0.30	1.57	1.33	0.05	0.04
Profit / (loss) before tax	0.73	1.22	(0.06)	4.62	0.05	(0.04)
Less: Tax expense	0.23	0.38	0.04	0.01	0.02	-
Profit / (loss) after tax	0.50	0.84	(0.10)	4.61	0.03	(0.04)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 32 : DETAILS OF UTILIZATION OF PROCEEDS RAISED THROUGH INITIAL PUBLIC OFFERING ('IPO')	2013
The details of utilisation of funds received from IPO are as under :	
Amount received from IPO	1,02,861.20
Actual deployment of fund received from IPO	
Construction of projects	54,142.94
Acquisition of land and / or land development rights	40,260.00
General corporate purposes	4,397.73
Share issue expenses	4,060.53
Total deployment	1,02,861.20
Balance amount to be utilised	-

Shareholders in the Annual General Meeting held on June 30, 2011 had passed a special resolution to vary and / or revise the utilisation proceeds from the Initial Public Offering ('IPO') of Equity Shares to utilise the proceeds of IPO including, change in allocation for constructions of ongoing projects, towards acquisition of land or land development rights and /or general corporate purposes, change in amount or schedule of deployment for the projects identified in the Prospectus, as the case may be.

NOTE 33 : UNHEDGED FOREIGN CURRENCY EXPOSURE	(in foreign currency)		(₹ in Lakh)	
	2013	2012	2013	2012
Payable in USD	4,21,020	30,646	228.98	15.73

(₹ in Lakh)

NOTE 34 : LOANS AND ADVANCES GIVEN TO SUBSIDIARIES AND JOINT VENTURE ENTITIES	2013		2012	
	Closing balance	Maximum amount due	Closing balance	Maximum amount due
Subsidiaries				
Oberoi Constructions Limited	877.75	3,018.00	-	5,223.94
Oberoi Mall Limited	-	220.00	200.00	225.00
Kingston Hospitality and Developers Private Limited	1,096.35	1,107.15	1,098.05	10,096.80
Expressions Realty Private Limited	-	1.80	-	850.00
Joint venture entities				
Sangam City Township Private Limited	4,640.00	4,640.00	4,640.00	4,695.50
Astir Realty LLP	9,720.29	9,724.89	6,492.50	6,492.50

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 35 : DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006	2013	2012
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The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year

- Principal amount	33.93	12.71
- Interest amount	-	-

The amount of interest due and payable for the year due to delay in making payment under Micro, Small and Medium Enterprise Development Act, 2006 is ₹ Nil (₹ Nil). No interest is accrued / unpaid for the current year.

Disclosure of trade payable under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Lakh)

NOTE 36 : VALUE OF IMPORTS (C. I. F. BASIS)	2013	2012
Materials	4,898.80	28.67
Capital goods	264.24	928.76
	5,163.04	957.43

(₹ in Lakh)

NOTE 37 : EXPENDITURE IN FOREIGN CURRENCY (ON PAYMENT BASIS)	2013	2012
Foreign travel	14.90	73.36
Professional fees	944.72	1,192.42
Others	409.74	1,281.12
	1,369.36	2,546.90

(₹ in Lakh)

NOTE 38 : REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS				
No. of shareholders	No. of shares	Year to which dividend relates	Year of payment	
			2013	2012
Equity shareholders				
358	6,24,76,980	2010-2011	-	624.77*
Preference shareholders				
1	359	2010-2011	-	0.00
1	359	2009-2010	-	0.00

* The Company declared and paid dividend to all shareholders in Indian rupees including all registered foreign shareholders, except to one shareholder holding 3,10,55,247 equity shares to whom ₹ 310.55 Lakh had been remitted in equivalent foreign currency.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakh)

NOTE 39 : EARNINGS IN FOREIGN CURRENCY (ON RECEIPT BASIS)	2013	2012
Sale of residential units	548.57	1,152.28
Hospitality services	4,504.22	4,379.53
	5,052.79	5,531.81

NOTE 40 : OTHER NOTES

- A. The Institute of Chartered Accountants of India has issued Guidance Note on Accounting for Real Estate Transactions (Revised 2012) in connection with the revenue recognition for a real estate project which commences on or after April 1, 2012 and also to real estate projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012.
- During the year under consideration, there is no real estate project for which revenue has been recognised under the said Guidance Note, hence there is no impact of the same in the statement of profit and loss for the year ended March 31, 2013.
- B. In our opinion, all current assets appearing in the Balance Sheet as at March 31, 2013 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet.
- C. Balance of trade receivable, trade payables and loans and advances are subject to confirmation from respective parties and reconciliation, if any.
- D. The Company is primarily engaged in real estate development. The Company has acquired various lands / development rights and certain projects are at initial stage of implementation. The projects may be developed with various end uses, such as hotel, retail outlets, plots, residential, commercial and IT specific use. Such projects will be classified under fixed assets or inventories, as the case may be, based on ultimate end use as per final development of the property. Pending such reclassification on final development of such properties, such plots and the cost incurred on development of projects is included under the head 'Work in progress' or 'Plots of land' as part of 'Current assets'.
- E. The Company's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and hospitality business is based on 12 months period. Assets and liabilities have been classified into current and non-current based on the operating cycle.
- F. The share of profit / loss in the LLP is accounted in the books of the Company as and when the same is credited / debited to the Partners' Capital Account.
- G. Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.
- H. Figures have been rounded off to the nearest thousand.

As per our report of even date
For P. RAJ & CO.
Chartered Accountants
Firm Registration No. 108310W

For and on behalf of the Board of Directors

P. S. Shah
Partner
Membership No.44611
Mumbai, April 19, 2013

Vikas Oberoi
Chairman & Managing Director

Bindu Oberoi
Director

T. P. Ostwal
Director

Saumil Daru
Chief Financial Officer

Bhaskar Kshirsagar
Company Secretary

FINANCIAL DETAILS UNDER SECTION 212 (8) OF THE COMPANIES ACT, 1956

No.	Name of subsidiary	Paid-up capital	Reserves and surplus	Total assets (non-current assets + current assets)	Total liabilities (non-current liabilities + current liabilities)	Investments (excluding investments in subsidiaries)	Revenues	Profit / (loss) before tax	Provision for tax	Profit / (loss) after tax	(₹ in Lakh)
											Proposed dividend (excluding dividend distribution tax)
1	Oberoi Constructions Limited	510.00	1,54,106.80	1,60,880.95	6,264.16	4,187.21	34,676.60	22,862.35	4,324.10	18,538.25	510.00
2	Oberoi Mall Limited	9.00	7,971.17	20,343.29	12,363.12	-	8,311.38	7,566.37	1,864.47	5,701.90	5,034.60
3	Kingston Property Services Limited	9.00	179.92	2,746.98	2,558.06	-	2,682.64	90.65	23.78	66.87	-
4	Kingston Hospitality and Developers Private Limited	31.00	(20.16)	1,107.31	1,096.46	-	0.33	0.00	0.06	(0.06)	-
5	Expressions Realty Private Limited	9.00	0.56	9.62	0.06	-	0.22	0.01	0.02	(0.01)	-
6	Perspective Realty Private Limited ^(A)	9.00	0.74	37.27	27.53	-	1,577.33	0.23	0.09	0.14	-
7	Sight Realty Private Limited	1.00	(0.36)	0.73	0.09	-	-	(0.36)	-	(0.36)	-
8	Buoyant Realty Private Limited	1.00	(0.37)	0.73	0.10	-	-	(0.37)	-	(0.37)	-

Note :

A. Oberoi Constructions Limited, a wholly owned subsidiary holds 100% of the total subscribed and paid up share capital of Perspective Realty Private Limited

For and on behalf of the Board of Directors

Vikas Oberoi Chairman & Managing Director	Bindu Oberoi Director	T. P. Ostwal Director
Saumil Daru Chief Financial Officer	Bhaskar Kshirsagar Company Secretary	

Mumbai, April 19, 2013

STATEMENT UNDER SECTION 212 OF THE COMPANIES ACT, 1956

(₹ in Lakh)

No.	Name of subsidiary	Financial year end of the subsidiary company(A)	Interest of the holding company in the subsidiary companies		Net aggregate amount of profit / (loss) of the subsidiary		
			Shareholding (No. of shares)	Extent of holding (%)	Dealt with in the accounts of	Not dealt with in the accounts of	
					for financial year ended on March 31, 2013	till previous financial years since it became subsidiary	till previous financial years since it became subsidiary
1	Oberoi Constructions Limited	31-Mar-13	51,00,000	100%	1,530.00	1,158.75	18,451.57
2	Oberoi Mall Limited	31-Mar-13	90,000	100%	5,034.60	2,773.50	4,846.27
3	Kingston Property Services Limited	31-Mar-13	90,000	100%	-	-	66.87
4	Kingston Hospitality and Developers Private Limited	31-Mar-13	3,10,000	100%	-	-	(0.06)
5	Expressions Realty Private Limited	31-Mar-13	90,000	100%	-	-	(0.01)
6	Perspective Realty Private Limited ^(B)	31-Mar-13	90,000	100%	-	-	0.14
7	Sight Realty Private Limited	31-Mar-13	10,000	100%	-	-	(0.36)
8	Buoyant Realty Private Limited	31-Mar-13	10,000	100%	-	-	(0.37)

Notes :

- A. As the financial year of the subsidiary companies coincide with the financial year of the holding company, Section 212(5) of the Companies Act, 1956. is not applicable.
- B. Oberoi Constructions Limited, a wholly owned subsidiary holds 100% of the total subscribed and paid up share capital of Perspective Realty Private Limited.

For and on behalf of the Board of Directors

Vikas Oberoi
Chairman & Managing Director

Bindu Oberoi
Director

T. P. Ostwal
Director

Saamil Daru
Chief Financial Officer

Bhaskar Kshirsagar
Company Secretary

Mumbai, April 19, 2013

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