

INDEPENDENT AUDITOR'S REPORT

To the Members of Oberoi Construction Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Oberoi Construction Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2015, its profit and its 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29.A.2 to the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P. RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

P. S. Shah

Partner

Membership No. 44611

Mumbai, April 30, 2015

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

- i.
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. 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.
- ii.
 - a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. 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.
- iii.
 - a. The Company has granted unsecured loans to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
 - b. In our opinion and according to the information and explanations given to us, the receipt of principal and interest, wherever applicable, is regular.
 - c. There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchases of fixed assets and for the sale of goods, properties and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v. The Company has not accepted any deposits from public.
- vi. 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 subsection (1) of Section 148 of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii.
 - a. 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, employees state insurance, income tax, service tax, wealth tax, custom duty, value added tax, sales tax and other material statutory dues during the year with the appropriate authorities. As on March 31, 2015, there are no such undisputed dues payable for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no material dues of provident fund, employees state insurance, service tax, wealth tax, custom duty, value added tax, sales tax 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 have not been deposited by the Company on account of disputes:

Nature of Statute	Nature of the Dues	Amount	Financial Year to which the amount relates	Forum where dispute is pending
Income Tax	Income Tax and Interest	3,74,171	2009-10	Income Tax Appellate Tribunal, Mumbai
Income Tax	Income Tax	74,58,088	2011-12	Commissioner of Income Tax (Appeals), Mumbai
Income Tax	Penalty	4,40,531	2008-09	Commissioner of Income Tax (Appeals), Mumbai
Income Tax	Income Tax and Interest	9,26,571	2012-13	Assessing Officer - CPC
Income Tax	Income Tax and Interest	9,54,490	2013-14	Assessing Officer - CPC
Income Tax	Income Tax and Interest	8,22,160	2014-15	Assessing Officer - CPC

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

Nature of Statute	Nature of the Dues	Amount	Financial Year to which the amount relates	Forum where dispute is pending
Income tax	Income tax and interest	61,096	2004-05	High Court, Mumbai
Income Tax	Interest	1,37,07,612	2005-06	High Court, Mumbai
Income Tax	Interest	1,39,48,143	2006-07	High Court, Mumbai

- c. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.
- viii. The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial year.
- ix. According to the information and explanations given to us, the Company did not have any outstanding dues to financial institution, banks or debenture holders during the year.
- x. According to the information and explanations provided to us, the Company has not given any guarantee for loans taken by others from bank or financial institution.

- xi. According to the information and explanations provided to us, the Company did not avail any term loan from bank or financial institution during the year.
- xii. 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 30, 2015

Oberoi Constructions Limited

(in Rupees)

Balance Sheet as at March 31,	Note	2015	2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	5,10,00,000	5,10,00,000
Reserves and surplus	3	15,68,45,63,905	15,63,46,59,236
		15,73,55,63,905	15,68,56,59,236
Non-current liabilities			
Deferred tax liabilities	4	1,44,13,598	1,56,25,940
Trade payables	5	36,25,116	44,46,126
Long-term provisions	6	4,48,062	6,56,368
		1,84,86,776	2,07,28,433
Current liabilities			
Short-term borrowings	7	74,95,91,863	1,00,00,00,000
Trade payables	5	7,61,10,585	4,32,33,768
Other current liabilities	8	2,74,40,81,505	24,94,06,819
Short-term provisions	6	6,41,18,826	6,02,75,035
		3,63,39,02,779	1,35,29,15,622
Total		19,38,79,53,460	17,05,93,03,292
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	5,68,01,746	5,99,52,516
Intangible assets	9	85,881	1,34,614
Capital work in progress		9,75,46,313	5,68,27,141
Non-current investments	10	43,04,10,700	42,33,57,700
Long-term loans and advances	11	11,06,77,77,267	10,85,42,31,743
		11,65,26,21,907	11,39,45,03,714
Current assets			
Current investments	12	-	49,77,000
Inventories	13	5,62,65,68,173	3,82,28,13,777
Trade receivables	14	43,67,72,942	23,03,32,840
Cash and bank balances	15	48,73,61,055	1,27,87,54,945
Short-term loans and advances	11	1,18,11,67,913	31,89,29,552
Other current assets	16	34,61,471	89,91,463
		7,73,53,31,553	5,66,47,99,578
Total		19,38,79,53,460	17,05,93,03,292

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

Vikas Oberoi

Managing Director

Bindu Oberoi

Whole-time Director

P. S. Shah

Partner

Membership No.44611

Mumbai, April 30, 2015

T. P. Ostwal

Director

Bhaskar Kshirsagar

Company Secretary

Oberoi Constructions Limited

(in Rupees)

Statement of Profit and Loss for the year ended March 31,	Note	2015	2014
INCOME			
Revenue from operations	17	1,12,23,63,357	1,01,46,44,597
Other income	18	4,89,24,988	24,07,12,515
Total revenue	(A)	1,17,12,88,345	1,25,53,57,112
EXPENSES			
Operating costs	19	71,67,91,355	76,87,92,671
Employee benefits expense	20	1,81,48,308	1,13,87,601
Other expenses	21	4,54,60,243	2,19,75,448
Total expenses	(B)	78,03,99,907	80,21,55,720
Profit before interest, depreciation, amortisation and taxes (EBITDA)	(A - B)	39,08,88,439	45,32,01,392
Depreciation and amortisation	22	63,17,712	81,78,920
Interest and finance charges	23	2,43,690	2,14,539
Profit before tax		38,43,27,037	44,48,07,933
Tax expense			
Current tax		14,19,02,000	16,22,55,000
Deferred tax		(10,88,388)	(12,23,470)
(Excess) / short provision of tax in earlier years		3,61,532	1,29,521
MAT credit written off		13,16,23,921	-
Profit after tax		11,15,27,972	28,36,46,882
Earnings per equity share (face value of Rs. 10)	24		
- Basic		21.87	55.62
- Diluted		21.87	55.62

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

Vikas Oberoi
Managing Director

Bindu Oberoi
Whole-time Director

P. S. Shah

Partner

Membership No.44611

Mumbai, April 30, 2015

T. P. Ostwal
Director

Bhaskar Kshirsagar
Company Secretary

Oberoi Constructions Limited

(in Rupees)

Cash Flow Statement for the year ended March 31,	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax as per statement of profit and loss	38,43,27,037	44,48,07,933
Adjustments for		
Depreciation and amortisation	63,17,712	81,78,920
Interest income	(1,47,97,798)	(14,84,42,883)
Interest expenses	3,432	1,03,316
Dividend income	(89,26,941)	(1,78,30,865)
Loss / (profit) on sale of investment (net)	(2,52,00,249)	(7,43,62,652)
Loss / (gain) from foreign exchange fluctuation (net)	6,06,885	8,33,529
Loss / (gain) on sale / discard of fixed asset (net)	(21,424)	(2,21,877)
Sundry balances written off / (back)	(4,62,961)	(20,69,269)
Operating cash profit before working capital changes	34,18,45,693	21,09,96,152
Movement for working capital		
Increase / (decrease) in trade payables	3,19,33,263	(3,02,18,345)
Increase / (decrease) in other liabilities	2,49,46,74,686	(13,26,34,343)
Increase / (decrease) in provisions	19,20,355	2,93,908
(Increase) / decrease in loans and advances	(74,93,23,697)	(16,25,84,814)
(Increase) / decrease in trade receivables	(20,64,40,102)	(10,84,81,304)
(Increase) / decrease in inventories	(1,80,37,54,395)	23,29,85,562
Cash generated / (used) from operations	11,08,55,803	1,03,56,816
Direct taxes (paid) / refund	(7,31,80,169)	(8,97,74,204)
Net cash inflow / (outflow) from operating activities	(A) 3,76,75,634	(7,94,17,388)
CASH FLOW FROM INVESTING ACTIVITIES :		
(Acquisition) / sale of fixed assets / addition to capital work in progress (net)	(4,74,97,252)	(4,77,73,295)
Interest received	1,28,00,839	15,14,58,429
Dividend received	89,26,941	1,78,30,865
Decrease / (increase) loans and advances to subsidiaries / joint venture (net)	(51,63,45,283)	(30,61,08,100)
(Acquisition) / sale of investments (net)	2,31,24,249	6,62,43,652
(Increase) / decrease in other assets	(15,61,71,993)	20,42,94,453
Net cash inflow / (outflow) from investing activities	(B) (67,51,62,499)	8,59,46,004
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from borrowings	4,36,82,50,000	10,53,78,76,000
Repayment of borrowings	(4,61,86,58,137)	(9,62,56,51,000)
Interest paid	(3,432)	(1,03,316)
Dividend paid (including dividend distribution tax)	(5,96,67,450)	(5,96,67,450)
Net cash inflow / (outflow) from financing activities	(C) (31,00,79,019)	85,24,54,234

Oberoi Constructions Limited

		(in Rupees)	
Cash Flow Statement for the year ended March 31,		2015	2014
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	(94,75,65,884)	85,89,82,850
Add: cash and cash equivalents at the beginning of the year		1,17,18,59,430	31,28,76,579
Cash and cash equivalents at the end of the year		22,42,93,547	1,17,18,59,430

Components of cash and cash equivalents as at March 31,

		(in Rupees)	
		2015	2014
Cash on hand		10,44,986	10,24,600
Balance with banks in current accounts		6,86,22,116	1,01,42,80,695
Fixed deposits with banks, having original maturity of three months or less		15,46,26,445	15,65,54,135
Cash and cash equivalents at the end of the year		22,42,93,547	1,17,18,59,430

Reconciliation statement of cash and bank balances as at March 31,

		2015	2014
Cash and cash equivalents at the end of the year as per above		22,42,93,547	1,17,18,59,430
Add: Fixed deposit with banks, having original maturity of more than twelve months		18,85,00,000	-
Add: Fixed deposits with banks (lien marked)		7,45,67,508	10,68,95,515
Cash and bank balance as per balance sheet (refer note 15)		48,73,61,055	1,27,87,54,945

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

P. S. Shah

Partner

Membership No.44611

Mumbai, April 30, 2015

For and on behalf of the Board of Directors

Vikas Oberoi
Managing Director

Bindu Oberoi
Whole-time Director

T. P. Ostwal
Director

Bhaskar Kshirsagar
Company Secretary

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31, 2015

NATURE OF OPERATIONS

Oberoi Constructions Limited (the 'Company' or 'OCL'), a public limited company, is engaged primarily in the business of real estate development.

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 (Accounts) Rules, 2014, (as amended) and the relevant provisions of the Companies Act, 2013. 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.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31, 2015

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 as prescribed under Part C of Schedule II of the Companies Act, 2013 except for the following class of assets where the management has estimated useful life which differs from the useful life prescribed under the Act.

Mobile handsets	3 years
Lessee specific assets and improvements	Over lease period or useful life as prescribed in Schedule II, whichever is lower

For these classes of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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

- (b) Assets individually costing less than or equal to Rs. 5,000 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.

E. Impairment of tangible assets / 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 (non-current) and (short-term) current investments. Investments intended to be held for not more than a year are classified as short-term investments. All other investments are classified as long-term investments. Long-term investments are stated at cost less permanent diminution in value, if any. Short-term investments are stated at the lower of cost or fair value.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31, 2015

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 net realisable value.

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:

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.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31, 2015

ii) **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.

iii) **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 and liquidated damages 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.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31, 2015

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. 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 extreme 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.

N. Borrowing costs

Borrowing costs that are directly attributable to the acquisition / construction of qualifying 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.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31, 2015

O. 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 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.

P. 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.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

2. SHARE CAPITAL

	2015	2014
	(in Rupees)	(in Rupees)
Authorised share capital		
52,50,000 (52,50,000) equity shares of Rs. 10 (Rupees ten only) each	5,25,00,000	5,25,00,000
	5,25,00,000	5,25,00,000
Issued, subscribed and paid up share capital		
51,00,000 (51,00,000) equity shares of Rs. 10 (Rupees ten only) each fully paid up {Entire equity shares are held by Oberoi Realty Limited (holding company) along with its nominees }	5,10,00,000	5,10,00,000
	5,10,00,000	5,10,00,000

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

Equity shares

	2015		2014	
	in No.	in Rupees	in No.	in Rupees
At the beginning of the year	51,00,000	5,10,00,000	51,00,000	5,10,00,000
Add: Issue of fresh shares	-	-	-	-
At the end of the year	51,00,000	5,10,00,000	51,00,000	5,10,00,000

B. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder of equity share is entitled to one vote per share. The company declares dividends in Indian rupees. The dividend proposed, if any, 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, 2015, the amount of per share dividend recognised as proposed for distribution to equity shareholders is Rs. 10 (Rs. 10), which is subject to approval of shareholders in ensuing Annual General Meeting.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

3. RESERVES AND SURPLUS

	(in Rupees)	
	2015	2014
General reserve		
Opening balance	1,18,99,00,000	1,16,15,00,000
Add: transferred during the year	-	2,84,00,000
Less: depreciation (net of taxes)	2,40,723	-
	1,18,96,59,277	1,18,99,00,000
Securities premium account		
Balance in Securities premium account	26,85,58,320	26,85,58,320
	26,85,58,320	26,85,58,320
Surplus in statement of profit and loss		
Opening balance	14,17,62,00,916	13,98,06,21,483
Add: profit during the year as per statement of profit and loss	11,15,27,972	28,36,46,883
Less: Appropriations		
Transfer to general reserve	-	2,84,00,000
Proposed dividend and dividend distribution tax (refer note 25)	6,13,82,580	5,96,67,450
	14,22,63,46,308	14,17,62,00,916
	15,68,45,63,905	15,63,46,59,236

4. DEFERRED TAX LIABILITIES

	(in Rupees)	
	2015	2014
Deferred tax liabilities		
On depreciation	1,45,69,871	1,57,24,500
Deferred tax assets		
On other expenses	1,56,273	98,560
Deferred tax liabilities (net)	1,44,13,598	1,56,25,940

5. TRADE PAYABLES

	(in Rupees)			
	Non-current portion		Current portion	
	2015	2014	2015	2014
Trade payables (refer note 32)	36,25,116	44,46,126	7,61,10,585	4,32,12,388
Others	-	-	-	21,380
	36,25,116	44,46,126	7,61,10,585	4,32,33,768

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

6. PROVISIONS

	(in Rupees)			
	Long term (non-current)		Short term (current)	
	2015	2014	2015	2014
Provision for employee benefits				
Provision for gratuity (refer note 26)	-	3,73,731	27,24,546	6,00,253
Provision for leave salary (refer note 26)	4,48,062	2,82,637	11,700	7,332
	4,48,062	6,56,368	27,36,246	6,07,585
Others				
Proposed equity dividend	-	-	5,10,00,000	5,10,00,000
Provision for dividend distribution tax	-	-	1,03,82,580	86,67,450
	-	-	6,13,82,580	5,96,67,450
	4,48,062	6,56,368	6,41,18,826	6,02,75,035

7. SHORT-TERM BORROWINGS (UNSECURED)

	(in Rupees)	
	2015	2014
Loans and advances from holding company (refer note 28)	74,95,91,863	1,00,00,00,000
	74,95,91,863	1,00,00,00,000

8. OTHER CURRENT LIABILITIES

	(in Rupees)	
	2015	2014
Advances from customers / billing in excess of revenue	2,30,15,57,340	12,16,99,595
Other payables (includes provision for expenses, statutory liabilities and others)	44,25,24,165	12,77,07,224
	2,74,40,81,505	24,94,06,819

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

9. FIXED ASSETS

(in Rupees)

Particulars	Gross block				Accumulated depreciation and amortisation					Net block	
	As At 01-04-2014	Additions	Deductions	As At 31-03-2015	As At 01-04-2014	For the year	Deductions	Transfer to reserves and Surplus**	As At 31-03-2015	As At 31-03-2015	As At 31-03-2014
Tangible Assets											
Plant & machinery	22,94,933	3,97,915	14,20,333	12,72,515	7,57,452	2,00,453	5,90,402	-	3,67,503	9,05,012	4,62,602
Aircraft*	8,31,84,546	-	-	8,31,84,546	2,87,13,669	39,37,004	-	-	3,26,50,673	5,05,33,873	5,44,70,877
Furnitures and fixtures*	10,02,306	8,65,733	3,09,200	15,58,838	7,17,108	6,75,972	2,62,023	-	11,31,057	4,27,781	2,84,611
Office equipments*	10,64,070	3,57,246	19,500	14,01,816	3,97,851	1,66,408	15,740	3,41,083	8,89,601	5,12,215	17,41,684
Computer*	38,16,019	12,24,158	-	50,40,177	36,71,721	1,90,157	-	23,594	38,85,473	11,54,704	1,44,298
Vehicles*	95,82,542	2,72,062	7,37,643	91,16,961	67,34,099	5,11,853	7,02,533	-	65,43,419	25,73,542	28,48,443
Buildings*	-	12,81,750	-	12,81,750	-	5,87,131	-	-	5,87,131	6,94,619	-
Total tangible assets (A)	10,09,44,416	43,98,863	24,86,676	10,28,56,603	4,09,91,900	62,68,979	15,70,699	3,64,677	4,60,54,857	5,68,01,746	5,99,52,516
Previous year	11,45,20,607	2,80,290	1,38,56,481	10,09,44,416	3,76,44,448	81,26,272	47,78,820	-	4,09,91,900	5,99,52,516	7,68,76,159
Intangible Assets											
Computer software	5,15,389	-	-	5,15,389	3,80,775	48,733	-	-	4,29,508	85,881	1,34,614
Total intangible assets (B)	5,15,389	-	-	5,15,389	3,80,775	48,733	-	-	4,29,508	85,881	1,34,614
Previous year	22,43,526	-	17,28,137	5,15,389	20,43,047	52,648	17,14,919	-	3,80,775	1,34,614	2,00,479
Total Assets (A+B)	10,14,59,805	43,98,863	24,86,676	10,33,71,992	4,13,72,675	63,17,712	15,70,699	3,64,677	4,64,84,365	5,68,87,627	6,00,87,130
Previous year	11,67,64,133	2,80,290	1,55,84,618	10,14,59,805	3,96,87,495	81,78,920	64,93,740	-	4,13,72,675	6,00,87,130	7,70,76,639

Note:

* The above includes Gross Block of Rs. 8,41,21,298 (PY Rs. 8,39,92,317) held in the name of AOP on co-ownership basis.

** As per para 7 (b) of Notes to Part C of Schedule II to the Companies Act, 2013, where the remaining useful life of an asset as on the effective date i.e. April 1, 2014 is nil, the carrying amount of the asset (net of taxes) is recognised in opening balance of retained earnings i.e. General Reserve.

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

10. NON-CURRENT INVESTMENTS

	(in Rupees)	
	2015	2014
Long term - trade investments (valued at cost unless stated otherwise)		
Unquoted equity shares		
A. Investment in subsidiaries		
90,000 (90,000) equity shares of Rs.10 each fully paid up of Perspective Realty Private Limited	9,00,000	9,00,000
B. Investment in joint ventures		
4,18,26,070 (4,18,26,070) equity shares of Rs.10 each fully paid up of Siddhivinayak Realities Private Limited	41,82,60,700	41,82,60,700
C. Capital Investment in LLP / AoP		
Capital in Buoyant Realty LLP	1,000	-
Capital in Astir Realty LLP	90,000	90,000
Capital in Aion Realty LLP	5,00,000	5,00,000
Capital in Oasis Realty	2,000	2,000
Unquoted debt instruments in joint ventures		
0% optionally convertible debentures of Siddhivinayak Realities Private Limited of Rs.100 each fully paid up		
5,950 (Nil) 2012-series-1 to 2	5,95,000	-
43,820 (Nil) 2013-series-1 to 13	43,82,000	-
8,800 (8,800) 2013-series-14 to 16	8,80,000	8,80,000
27,250 (27,250) 2014 series-1 to 5	27,25,000	27,25,000
27,250 (Nil) 2014 series-6 to 11	20,75,000	-
	43,04,10,700	42,33,57,700
Aggregate amount of		
Book value of unquoted investments	43,04,10,700	42,33,57,700

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

11. LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)

	(in Rupees)			
	Long term (non-current)		Short term (current)	
	2015	2014	2015	2014
Capital advances	32,95,238	-	-	-
Advances to vendors	-	-	6,73,14,474	3,19,72,482
Deposits	8,29,75,488	10,56,69,120	25,00,000	40,00,000
Advances recoverable in cash or kind	12,72,551	-	35,00,20,308	5,38,27,069
Revenue in excess of billing	-	-	53,42,12,287	10,59,60,067
Loans and advances to related parties (refer note 28)	9,68,84,62,962	9,15,37,90,020	6,04,000	6,79,000
Current capital contribution in LLP (refer note 28)	-	-	17,53,173	-
	9,77,60,06,239	9,25,94,59,140	95,64,04,243	19,64,38,618
Other loans and advances				
Income tax (net of provisions)	1,29,16,52,026	1,59,47,00,828	22,41,19,375	12,17,77,856
Prepaid expenses	1,19,002	71,774	6,44,296	7,13,079
	1,29,17,71,028	1,59,47,72,603	22,47,63,671	12,24,90,935
	11,06,77,77,267	10,85,42,31,743	1,18,11,67,913	31,89,29,552

12. CURRENT INVESTMENTS

	(in Rupees)	
	2015	2014
Current portion of long-term trade investments (valued at lower of cost or fair value)		
Unquoted debt instruments in joint ventures		
0% optionally convertible debentures of Siddhivinayak Realties Private Limited of Rs.100 each fully paid up		
Nil (5,950) 2012-series-1 to 2	-	5,95,000
Nil (43,820) 2013-series-1 to 13	-	43,82,000
	-	49,77,000
Aggregate amount of		
Book value of unquoted investments	-	49,77,000

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

13. INVENTORIES

	(in Rupees)	
	2015	2014
Plots of land	1,36,41,718	1,36,41,718
Works in progress	5,53,97,03,823	3,75,24,19,926
Finished goods	3,09,50,312	1,44,79,813
Stock in trade of unit	4,22,72,320	4,22,72,320
	5,62,65,68,173	3,82,28,13,777

14. TRADE RECEIVABLES (UNSECURED AND CONSIDERED GOOD)

	(in Rupees)	
	2015	2014
Outstanding for a period exceeding six month from the date of becoming due for payment	19,21,03,570	3,54,970
Other receivables	24,46,69,372	22,99,77,870
	43,67,72,942	23,03,32,840

15. CASH AND BANK BALANCES

	(in Rupees)	
	2015	2014
Cash and cash equivalents		
Cash on hand	10,44,986	10,24,600
Balance with banks in current accounts	6,86,22,116	1,01,42,80,695
Fixed deposits with banks, having original maturity of three months or less	15,46,26,445	15,65,54,135
	22,42,93,547	1,17,18,59,430
Other bank balances		
Fixed deposit with banks, having original maturity of more than twelve months	18,85,00,000	-
Fixed deposits with banks (lien marked)	7,45,67,508	10,68,95,515
	26,30,67,508	10,68,95,515
	48,73,61,055	1,27,87,54,945

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

16. OTHER ASSETS

(in Rupees)

	<u>2015</u>	<u>2014</u>
Interest accrued but not due	34,61,471	14,64,512
Others	-	75,26,951
	<u>34,61,471</u>	<u>89,91,463</u>

17. REVENUE FROM OPERATIONS

(in Rupees)

	<u>2015</u>	<u>2014</u>
Revenue from operations		
Revenue from projects	1,07,26,74,456	98,86,07,165
Other operating revenue	4,96,88,901	2,60,37,433
	<u>1,12,23,63,357</u>	<u>1,01,46,44,597</u>

18. OTHER INCOME

(in Rupees)

	<u>2015</u>	<u>2014</u>
Interest income on		
Bank fixed deposits	1,47,89,758	14,84,42,883
Others	8,040	-
Dividend income on investments	89,26,941	1,78,30,865
Profit on sale of investments (net)	2,52,00,249	7,43,62,652
Other non-operating income	-	76,114
	<u>4,89,24,988</u>	<u>24,07,12,515</u>

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

19. OPERATING COSTS

	(in Rupees)	
	2015	2014
Opening balance of works in progress	3,75,24,19,926	3,80,03,92,489
Opening stock of finished goods	1,44,79,813	1,44,79,813
Opening stock in trade of units	4,22,72,320	19,23,02,320
	3,80,91,72,059	4,00,71,74,622
Add: expenses incurred during the year		
Land, development right and transferrable development rights	1,91,34,45,423	28,62,46,000
Materials, structural, labour and contract cost	29,48,07,748	16,55,89,866
Other project costs	5,07,14,688	1,22,56,071
Rates and taxes	27,01,60,857	3,44,69,811
Professional charges	10,12,27,926	4,13,90,105
Allocated expenses to projects		
Employee benefits expense	3,96,14,133	3,86,09,421
Other expenses	2,37,942	1,39,01,599
Interest and finance charges	66,024	1,71,376
	6,47,94,46,800	4,59,98,08,872
Less:		
Closing balance of works in progress	5,53,97,03,823	3,75,24,19,926
Closing stock of finished goods	3,09,50,312	1,44,79,813
Closing stock in trade of units	4,22,72,320	4,22,72,320
Transfer to current assets / fixed assets / capital work in progress	14,97,28,990	2,18,44,141
	5,76,26,55,445	3,83,10,16,200
	71,67,91,355	76,87,92,671

20. EMPLOYEE BENEFITS EXPENSE

	(in Rupees)	
	2015	2014
Employee costs	5,24,00,414	4,54,05,620
Contribution to provident fund, gratuity and others	40,87,440	30,34,231
Staff welfare expenses	12,74,587	15,57,171
	5,77,62,441	4,99,97,022
Less: allocated to projects / capitalised	3,96,14,133	3,86,09,421
	1,81,48,308	1,13,87,601

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

21. OTHER EXPENSES

	2015	(in Rupees) 2014
Advertising and marketing expenses	2,66,22,857	12,45,578
Books and periodicals expenses	1,547	478
Communication expenses	1,94,234	5,19,684
Conveyance and travelling expenses	9,25,221	15,16,723
Corporate social responsibility expenses	42,61,086	-
Directors sitting fees and commission	8,06,238	7,18,436
Donations	7,000	5,01,600
Electricity charges	1,08,890	23,05,088
Hire charges	57,686	2,82,391
Information technology expenses	1,09,647	4,45,214
Insurance charges	88,248	2,20,015
Legal and professional charges	7,43,413	13,30,892
(Gain) / loss on sale / discarding of fixed asset (net)	(21,424)	(2,21,877)
Membership and subscription charges	6,09,133	2,11,254
Miscellaneous expenses	27,67,599	18,39,535
Payment to auditor	25,50,000	25,00,000
Printing and stationery expenses	3,55,401	2,03,537
Rent expenses	8,63,951	11,70,701
Repairs and maintenance	52,88,379	55,74,110
Security expenses	-	10,03,280
Service charges (net)	(11,33,254)	1,39,26,090
Vehicle expenses	4,92,335	5,84,319
	<u>4,56,98,185</u>	<u>3,58,77,047</u>
Less: allocated to projects / capitalised	2,37,942	1,39,01,599
	<u>4,54,60,243</u>	<u>2,19,75,448</u>

Payment to auditor

	2015	(in Rupees) 2014
As auditor		
Statutory audit fees	19,00,000	19,00,000
Tax audit fees	3,00,000	3,00,000
In other capacity		
Taxation matters	3,50,000	3,00,000
	<u>25,50,000</u>	<u>25,00,000</u>

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

22. DEPRECIATION AND AMORTISATION

	2015	(in Rupees) 2014
Depreciation on tangible assets	62,68,979	81,26,272
Amortisation of intangible assets	48,733	52,648
	63,17,712	81,78,920

23. INTEREST AND FINANCE CHARGES

	2015	(in Rupees) 2014
Interest expenses	3,432	1,03,316
Bank and finance charges	3,06,281	2,82,599
	3,09,713	3,85,915
Less: allocated to projects / capitalised	66,024	1,71,376
	2,43,690	2,14,539

24. EARNINGS PER SHARE (EPS)

	2015	(in Rupees) 2014
Profit after tax as per the statement of profit and loss	11,15,27,972	28,36,46,882
Weighted average number of equity shares for basic & diluted EPS (in No.)	51,00,000	51,00,000
Face value of equity share (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	21.87	55.62

25. PROPOSED DIVIDEND AND DIVIDEND DISTRIBUTION TAX

	2015	(in Rupees) 2014
Proposed dividend		
Equity shares	5,10,00,000	5,10,00,000
	5,10,00,000	5,10,00,000
Dividend distribution tax		
Equity shares	1,03,82,580	86,67,450
	1,03,82,580	86,67,450
	6,13,82,580	5,96,67,450

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

26. EMPLOYEE BENEFITS

	(in Rupees)	
	2015	2014
A. Defined contribution plans		
Employer's contribution to provident fund	16,77,666	15,98,154
Employer's contribution to pension fund	3,48,958	2,87,095
Labour welfare fund contribution for workmen	2,556	2,556

B. Defined benefit plans

	(in Rupees)			
	Gratuity		Leave encashment	
	2015	2014	2015	2014
i) Change in present value of obligations				
Present value obligation at the beginning of the year	26,16,920	14,15,189	2,89,969	2,91,118
Interest cost	2,26,364	1,14,064	24,718	23,464
Service cost	11,50,656	6,67,655	11,23,304	12,09,025
Past service cost -(vested benefits)	19,66,003	-	-	-
Benefit paid	-	-	(8,427)	-
Actuarial (gains) / losses	(4,24,743)	4,20,012	(9,69,802)	(12,33,638)
Present value obligation at the end of the year	55,35,200	26,16,920	4,59,762	2,89,969
ii) Change in fair value of plan assets				
Fair value of plan assets at the beginning of the year	16,42,936	7,36,262	-	-
Adjustment to opening balance	65,304	-	-	-
Expected return on plan assets	1,75,619	92,495	-	-
Contribution	9,73,984	8,39,850	8,427	-
Benefit paid	-	-	(8,427)	-
Actuarial gains / (losses)	(47,189)	(25,671)	-	-
Closing balance of fair value of plan assets	28,10,654	16,42,936	-	-
iii) Experience history				
(Gains) / losses on obligation due to change in assumption	5,74,044	(2,44,500)	42,745	(24,497)
Experience (gains) / losses on obligation	(9,98,787)	6,64,512	(10,12,547)	(12,09,141)
Actuarial gains / (losses) on plan assets	(47,189)	(25,671)	-	-
iv) Amount recognised in the balance sheet				
Present value of obligation at the end of year	55,35,200	26,16,920	4,59,762	2,89,969
Fair value of plan assets at the end of the year	28,10,654	16,42,936	-	-
Funded status	(27,24,546)	(9,73,984)	(4,59,762)	(2,89,969)
Net assets / (liability) recognised in the balance sheet	(27,24,546)	(9,73,984)	(4,59,762)	(2,89,969)

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

v) Expense recognised in statement of profit and loss

Current service cost	11,50,656	6,67,655	11,23,304	12,09,025
Interest cost	2,26,364	1,14,064	24,718	23,464
Past service cost -(vested benefits)	19,66,003	-	-	-
Expected return on plan assets	(1,75,619)	(92,495)	-	-
Net actuarial (gains) / losses recognised for the year	(3,77,554)	4,45,683	(9,69,802)	(12,33,638)
Expenses recognised in statement of profit and loss	27,89,850	11,34,907	1,78,220	(1,149)

vi) Movement in the liability recognised in balance sheet

Opening net liability	9,73,984	6,78,927	2,89,969	2,91,118
Adjustment to opening balance	(65,304)	-	-	-
Expenses as above	27,89,850	11,34,907	1,78,220	(1,149)
Contribution paid	(9,73,984)	(8,39,850)	(8,427)	-
Closing net liability	27,24,546	9,73,984	4,59,762	2,89,969

vii) Classification of defined benefit obligations

Non-current portion	-	3,73,731	4,48,062	2,82,637
Current portion	27,24,546	6,00,253	11,700	7,332

Actuarial assumptions

	Gratuity		Leave encashment	
	2015	2014	2015	2014
Interest / discount rate	8.00%	8.65%	8.00%	8.65%
Expected rate of return on plan assets	8.00%	8.00%	-	-
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,

	2015	2014
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%

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

27. Interest in joint ventures

	Siddhivinayak Realities Private Limited		Oasis Realty		Astir Realty LLP		Aion Realty LLP*		Buoyant Realty LLP#	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2015
Principal activity		Hospitality		Real estate developments		Real estate developments		Real estate developments		Real estate developments
Country of incorporation		India		India		India		India		India
Ownership interest	50%	50%	0.5% - 0.8%	0.5% - 0.8%	90%	90%	50%	50%		0.99%
The Company's share of the assets and liabilities based on audited financial statements										
Equity and liabilities	2015	2014	2015	2014	2015	2014	2015	2014	2015	2015
Share capital	41,82,60,700	41,82,60,700	-	-	-	-	-	-	-	-
Capital contribution	-	-	500	500	-	-	-	-	-	-
Partner's capital	-	-	-	-	90,000	90,000	5,00,000	5,00,000	1,000	1,000
Current contribution	-	-	-	-	-	-	-	-	17,356	17,356
Reserves and surplus	(21,01,163)	(22,17,568)	(95,814)	(44,816)	(1,888)	(3,185)	(1,01,498)	(1,01,794)	(9,457)	(9,457)
Non current liabilities	1,06,57,000	36,05,000	5,98,89,173	1,50,00,641	-	9,04,95,89,820	-	-	-	-
Current liabilities	8,26,677	54,08,904	1,88,58,427	3,38,28,142	9,55,28,49,979	5,056	11,236	11,686	17,35,944	17,35,944
	42,76,43,214	42,50,57,036	7,86,52,286	4,87,84,468	9,55,29,38,091	9,04,96,81,691	4,09,738	4,09,892	17,44,844	17,44,844

Assets

Non-current assets	42,62,74,147	42,33,84,342	51,60,237	17,658	-	9,04,93,28,820	-	-	-	-
Current assets	13,69,067	16,72,694	7,34,92,049	4,87,66,810	9,55,29,38,091	3,52,871	4,09,738	4,09,892	17,44,844	17,44,844
	42,76,43,214	42,50,57,036	7,86,52,286	4,87,84,468	9,55,29,38,091	9,04,96,81,691	4,09,738	4,09,892	17,44,844	17,44,844

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

28. RELATED PARTY DISCLOSURES

A. Name of related parties and related party relationship

i) Related parties where control exists

Holding company	Oberoi Realty Limited
Subsidiary Company	Perspective Realty Private Limited
Fellow subsidiary Companies	Oberoi Mall Limited Sight Realty Private Limited Buoyant Realty Private Limited (up to March 3, 2015) Incline Realty Private Limited

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

Jointly controlled entities / assets	Siddhivinayak Realities Private Limited Astir Realty LLP Oasis Realty (AoP) ZACO Aviation (AoP) Aion Realty Private Limited (upto November 7, 2013) Aion Realty LLP (from November 8, 2013) Buoyant Realty LLP (from March 4, 2015)
Key management personnel and their relatives	Bindu Oberoi Santosh Oberoi
Entities where key management personnel have significant influence	Oberoi Foundation R. S. V. Associates Oberoi Associates

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

B. Related party transactions

Name and relationship	Nature of transaction	(in Rupees)	
		2015	2014
Holding company			
Oberoi Realty Limited	Loan repaid	4,61,86,58,137	9,62,56,51,000
	Loan accepted	4,36,82,50,000	10,53,78,76,000
	Rent paid	10,11,240	13,48,320
	Advance paid for TDR	39,73,35,250	-
	Reimbursement of expenses	-	1,18,183
	Cancellation of units	11,03,74,668	-
	Sale of unit	11,03,74,668	33,11,24,000
	Sale of material	4,53,650	11,98,058
	Sale of assets	51,600	-
	Purchase of materials	1,92,408	1,637
	Service charges	-	1,68,54,000
	Amount received on behalf by	-	10,907
	Amount received on behalf of	-	8,288
	Amount paid on behalf of	-	8,542
	Purchase of assets	-	22,950
	Dividend paid	5,10,00,000	5,10,00,000
	Advance for TDR received back	39,73,35,250	-
	Loan of transferable development rights of Nil (previous year 864.30 sq.mt.)		
	Subsidiary		
Perspective Realty Private Limited	Loan given	3,00,000	38,80,000
	Loan received back	3,75,000	59,31,000
Fellow subsidiary			
Sight Realty Private Limited	Loan given	-	16,36,649
	Loan recovered	-	16,36,649
Buoyant Realty Private Limited	Subscription to Shares	1,000	-
Incline Realty Private Limited	Sale of assets	8,60,253	-
	Purchase of materials	72,378	-
Jointly controlled entities / assets			
Siddhivinayak Realities Private Limited	Allotment of debentures	20,75,000	76,19,000
	Advance given	1,94,13,95,253	3,71,29,40,100
Astir Realty LLP	Advance received back	1,43,81,40,150	3,41,16,12,000
	Advance given	4,99,75,339	8,41,51,000
Oasis Realty (AoP)	Advance received back	1,85,57,500	6,15,20,000
	Purchase of assets	3,30,000	-
	Recovery of expenses	1,83,22,963	1,60,14,707
Aion Realty Private Limited	Subscription to shares	-	5,00,000
Aion Realty LLP	Capital contribution	-	5,00,000
	Current capital contribution introduced	1,00,00,000	-
	Current capital contribution withdrawn	1,00,00,000	-
ZACO Aviation (AoP)	Reimbursement of expenses	47,72,123	46,79,567
	Purchase of fixed assets	2,72,062	2,51,088
	Sale of fixed assets	25,000	-
	Recovery of deposit	57,306	62,500
Buoyant Realty LLP	Current capital contribution	17,53,173	-

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

Name and relationship	Nature of transaction	(in Rupees)	
		2015	2014
Key management personnel and their relatives			
Bindu Oberoi	Remuneration	50,00,003	42,00,000
Santosh Oberoi	Amount recovered	-	86,673
Entities where key management personnel have significant influence			
Oberoi Foundation	Rent income	-	10,76,400
	Sale of materials	-	25,587

C. Closing balances of related parties

Name and relationship	Nature of transaction	(in Rupees)	
		2015	2014
Holding company			
Oberoi Realty Limited		74,95,91,863	1,00,00,00,000
Subsidiary			
Perspective Realty Private Limited		6,04,000	6,79,000
Jointly controlled entities / assets			
Siddhivinayak Realities Private Limited		1,06,57,000	85,82,000
Astir Realty LLP		9,55,28,44,923	9,04,95,89,820
Oasis Realty (AoP)	-Receivable	13,56,18,039	11,17,27,151
	-Corporate guarantee given	33,29,18,768	62,90,00,000
ZACO Aviation (AoP)		36,255	3,97,623
Buoyant Realty LLP		17,54,173	-

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

29. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

A. Summary details of contingent liabilities	(in Rupees)	
	2015	2014
1. Bank guarantees net of margin (gross Rs. 10,11,000, previous year Rs. 2,95,05,000)	-	-
2. Litigations		
a) Legal cases against the Company not acknowledged as debt (excluding certain matters where amount are not ascertainable)	66,27,40,756	62,02,62,237
b) MVAT matters in dispute	-	4,79,18,175
c) Income-tax matters in dispute	5,77,65,802	4,85,57,851
3. Claims against the Company not acknowledged as debt	-	11,79,12,215
4. Certain other additional matters which are under dispute but which are not acknowledged as debt by the Company	Amounts not ascertainable	Amounts not ascertainable
5. Corporate guarantee given	33,29,18,768	62,90,00,000
6. Loan availed by a joint venture in which company is a member	5,69,66,44,215	3,00,00,00,000
B. Capital commitments		
Capital contracts (net of advances)	13,09,65,711	4,41,72,121

C. The sales tax department of the Government of Maharashtra has completed the VAT assessments in connection with the returns filed by the Company on the sale of flats to the customers during the period beginning from June 2006 till March 2012 and determined the interest liability at Rs 10,71,14,521 on the assessed amounts. However, vide an order of the Hon'ble Supreme Court of India, the recovery of interest amounts in such cases has been stayed. Part of the amount has been collected by the Company from the flat purchasers on account of such liability. Pending the final decision in the matter, no effect is given in the profit and loss account for the same.

30. UNHEDGED FOREIGN CURRENCY EXPOSURE

	(in foreign currency)		(in Rupees)	
	2015	2014	2015	2014
Payable in USD	87,206	86,700	54,58,285	52,10,662

31. LOANS AND ADVANCES GIVEN TO SUBSIDIARIES AND JOINT VENTURE ENTITIES

	(in Rupees)			
	2015		2014	
	Closing balance	Maximum amount due	Closing balance	Maximum amount due
Subsidiaries				
Perspective Realty Private Limited	6,04,000	9,79,000	6,79,000	46,10,000
Joint venture entities				
Oasis Realty (AoP)	13,56,18,039	13,56,18,039	10,42,00,200	16,44,64,200
Astir Realty LLP	9,55,28,44,923	9,55,28,44,923	9,04,95,89,820	11,64,86,15,220

Oberoi Constructions Limited

Notes forming part of financial statements for the year ended March 31,

32. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

	(in Rupees)	
	2015	2014
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	21,757	29,651
- 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 Rs. Nil (Rs. Nil). No interest is accrued / unpaid for the current year.

Disclosure of trade payables 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.

33. VALUE OF IMPORTS (ON C. I. F. BASIS)

	(in Rupees)	
	2015	2014
Materials	50,33,995	10,80,753
	<u>50,33,995</u>	<u>10,80,753</u>

34. EXPENDITURE IN FOREIGN CURRENCY (ON PAYMENT BASIS)

	(in Rupees)	
	2015	2014
Foreign travel	11,43,246	80,683
Professional fees	3,45,67,836	2,37,64,445
Others	29,36,373	29,68,158
	<u>3,86,47,455</u>	<u>2,68,13,286</u>

35. EARNINGS IN FOREIGN CURRENCY (ON RECEIPT BASIS)

	(in Rupees)	
	2015	2014
Sale of residential units	1,57,54,795	-
	<u>1,57,54,795</u>	<u>-</u>

36. OTHER NOTES

- A. Since the operations of the Company involves only real estate segment and one geographical segment, the segment information as required by Accounting Standard 17 "Segment Reporting" is not disclosed.
- B. In our opinion, all current assets appearing in the Balance Sheet as at March 31, 2015 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 receivables, 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. As per section 135 of the Companies Act, 2013 read with relevant rules thereon, the Company was required to spend Rs. 3,31,96,812 on Corporate social responsibility (CSR) activities during FY2014-15, against which the Company has spent Rs. 42,61,086 during the year under review majorly towards maintaining green initiatives and beautification of public spaces.
- G. 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.
- H. A joint venture partner in AoP availed certain credit facilities from the banks against the mortgage of 21 identified flats and receivables thereof. However, the Company's share in receivables from the project is not impacted.
- I. Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.
- J. Figures have been rounded off to the nearest rupee.

As per our report of even date

For P.RAJ & CO.

Chartered Accountants

Firm Registration No. 108310W

P. S. Shah

Partner

Membership No.44611

Mumbai, April 30, 2015

For and on behalf of the Board of Directors

Vikas Oberoi **Bindu Oberoi**
Managing Director Whole-time Director

T. P. Ostwal **Bhaskar Kshirsagar**
Director Company Secretary

Oberoi Constructions Limited

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures u/s 129(3) as on March 31, 2015

**Part A
Subsidiaries**

(Amount in Rs.)

SI No.	Name of subsidiary	Paid-up share capital	Reserves and surplus	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit / (loss) before tax	Provision for tax	Profit / (loss) after tax	Proposed dividend (excluding dividend distribution tax)
1	Perspective Realty Private Limited	9,00,000	82,827	15,92,445	6,09,618	-	22,656	1,625	504	1,120	Nil

Note :

A. Above entity is wholly owned subsidiary of the Company, whose reporting currency is Indian Rupees and having year end on March 31, 2015.

For and on behalf of the Board of Directors

Vikas Oberoi
Managing Director**Bindu Oberoi**
Whole-time Director**T. P. Ostwal**
Director**Bhaskar Kshirsagar**
Company Secretary

Mumbai, April 30, 2015

Part B
Associate Companies and Joint Ventures

SI No	Name of Associates / Joint Ventures	Siddhivinayak Realities Private Limited	Aion Realty LLP**	Oasis Realty (AoP)	Astir Realty LLP	Buoyant Realty LLP*
1	Latest audited Balance Sheet Date	31-Mar-15	31-Mar-15	31-Mar-15	31-Mar-15	31-Mar-15
2	Shares of Associate/Joint Ventures held by the company on the year end					
	a) Number					
	i) Equity	4,18,26,070	-	-	-	-
	ii) Preference	-	-	-	-	-
	b) Amount of Investment in Associates/Joint Venture	42,89,17,700	5,00,000	2,000	90,000	1,000
	c) Extent of Holding %	50.00%	50.00%	0.5% - 0.8%	90.00%	0.99%
3	Description of how there is significant influence	Due to Shareholding	Due to Share in LLP	Due to ownership interest	Due to Share in LLP	Due to Share in LLP
4	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA
5	Networth attributable to Shareholding as per latest audited Balance Sheet	41,61,59,537	3,98,502	(95,314)	88,112	(8,457)
6	Profit / (Loss) after tax for the year					
	a) Considered in Consolidation	1,16,405	297	(50,998)	1,297	9,726
	b) Not Considered in Consolidation	-	-	-	-	-

Note :

* Buoyant Realty Private Limited was converted into Buoyant Realty LLP on March 4, 2015. Buoyant Realty LLP is yet to commence operations.

** Yet to commence operation.

For and on behalf of the Board of Directors

Vikas Oberoi
Managing Director

Bindu Oberoi
Whole-time Director

T. P. Ostwal
Director

Bhaskar Kshirsagar
Company Secretary

Mumbai, April 30, 2015