

SCALING NEW HEIGHTS OF EXCELLENCE



ANNUAL REPORT 2016-17

YOUR GUIDE TO THIS REPORT

CORPORATE OVERVIEW

Scaling New Heights of Excellence	01
From the desk of Chairman & Managing Director	06
Financial Performance	08
Omaxe in Facts & Numbers	09
Corporate Information	10
Management Discussion & Analysis	11

MANAGEMENT REPORTS

Notice	17
Directors' Report	31
Certificate on Corporate Governance	64
Corporate Governance Report	65
Chairman & MD / CFO Certificate	83

FINANCIAL STATEMENTS

Standalone Financial Statements	85
Auditors' Report	85
Balance Sheet	90
Statement of Profit and Loss	92
Statement of Changes in Equity	93
Cash Flow Statement	94
Notes to the Financial Statements	96

Consolidated Financial Statements	155
Auditors' Report	155
Consolidated Balance Sheet	158
Consolidated Statement of Profit and Loss	160
Statement of Changes in Equity	161
Consolidated Cash Flow Statement	163
Notes to the Consolidated Financial Statements	165
Disclosure pursuant to Section 129(3) of the Companies Act, 2013	222

Forward Looking Statements

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



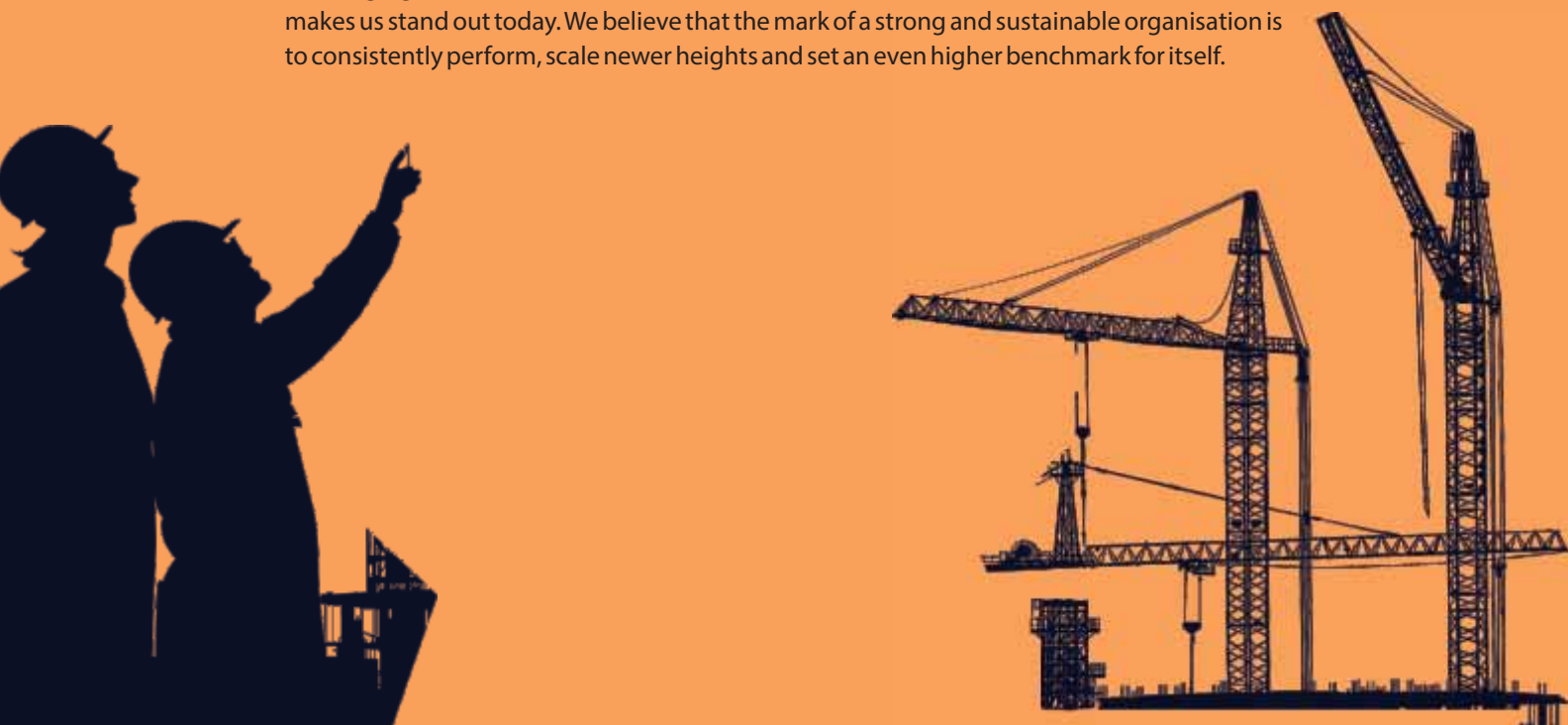
SCALING NEW HEIGHTS OF EXCELLENCE

Good times bring opportunities while the tough times carry lots of challenges. But both times need consistent efforts, diligence, persistence, perseverance and patience, and only those who have these traits can scale new heights of excellence through their journey.

FY2016-17 was a year full of challenges, transformation and promise of brighter future for the Indian economy in general and the real estate sector in particular. India witnessed some landmark policy changes that hold the key to transforming the economy and certain sectors inside-out. From demonetization to implementing RERA (Real Estate Regulation Act 2016), the passage of GST bill, all will have an impact on the sector. The year kept a majority of the sectors, especially real estate, on their toes.

At Omaxe, our story has been that of turning challenges into opportunities and consistently setting higher benchmarks for ourselves. Our strong fundamentals have helped us sail through the ups and downs of our industry through the years. During FY17, we embraced the changes around us positively and held our ground in these testing times. Notwithstanding the transformational changes around us, Omaxe took its usual leap of performance to deliver on its commitments towards customers and business. We delivered 5 Mn. Sq. Ft of space, undeterred, in line with our track-record of delivering 5-6 Mn Sq Ft a year for the last few years. For our investors, we had put up strong numbers on the board and registered a 17% growth in revenues and an impressive 36% growth in net profit.

Our deep-rooted belief in our strengths, helped us scale newer heights amid a tough and challenging time. We banked on them to tide over the difficult situations and that is what makes us stand out today. We believe that the mark of a strong and sustainable organisation is to consistently perform, scale newer heights and set an even higher benchmark for itself.





PURSUING EXCELLENCE IN CUSTOMER SERVICE

| Omaxe R2, Lucknow (Perspective View)



At Omaxe, every customer matters, and it is an unsaid promise on our behalf to fulfil our commitment, come what may. We dare to care for our customers' dreams. It forms the crux of our corporate philosophy as well – “Turning dreams into reality”.

We count customer satisfaction as our true accomplishment. Our joy knows no bounds to see a happy and content customer and that in itself speaks volumes of our association. We have kept high standards in transparency, fair practices and fulfilling commitments all through our journey. It is the reason why the key elements of RERA, a law passed recently, were part of our practice in spirit and on paper well before the same became a mandate. 'Timely Delivery' and 'Quality Delivery' have been the cornerstone of our customer service.

During FY17, we pursued to stick to these guiding principles of our work culture by doing all that we could to keep our customers happy, undeterred by any challenges posed by the macro environment. We stood by the side of our industry and customers and tried to be their friend in need, indeed, because we believe in serving to bring a smile. Irrespective of the testing macro environment, we launched four new projects. These included 02 Group Housing and 02 commercial projects. We were able to do that because our aim was to be there at the supply side even when the industry's core operating matrix were changing. And that's what counts.

Our customer engagement remained unfazed irrespective of the macro environment. We organized a number of customer engagement programs that were



well received by our customers. The various programs organized under these endeavours included 'Funday's' fun-evenings at Omaxe New Chandigarh; Visit to Singapore for customers of Grand Omaxe, Lucknow (in tranches); 'Summer Beach Party' at Omaxe Residency, Gomti Nagar Extension, Lucknow and the celebration of delivering 100 Mn Sq Ft since inception, at Lucknow. We had put all our efforts to give our customers an experience which we promise them always – a smile of satisfaction.

Delivered
5 Mn Sq Ft Area

Launched
04 new projects
02 Group Housing
02 Commercial





PURSUING EXCELLENCE IN SUSTAINABLE BUSINESS GROWTH

| Omaxe Connaught Place, Greater Noida (Actual Picture)



When the going gets tough, the tough get going, holds true for Omaxe as an organization. Omaxe has been at the forefront of delivering sustainable growth over the years.

FY17 brought many transformational changes for our economy and our sector. These changes brought along many challenges and a few opportunities. What seems difficult to act upon today is in likelihood expected to unveil a new and wider opportunity landscape tomorrow. Be it the implementation of RERA, or the announcement of demonetization of specified bank notes, or the passage of GST bills, the economy and our sector remained highly eventful. In the long run, these measures are expected to give a new lease of life to the realty sector through transparency,

quality and timely delivery. These measures are expected to make the sector more organized that is in turn likely to benefit large players like us who are able to fulfil their commitments on quality and time.

During FY17, Omaxe embraced these changes and yet delivered on results as a growth oriented organization. We not only aligned to these newer realities of the real estate sector but added decently to the Company's performance charts. Omaxe reported 17% growth in its revenues from ₹1,385.73 Crores in FY16 to ₹1,626.75 Crores in FY17. Our EBITDA grew by 16% from ₹296.20 Crores in FY 16 to ₹342.56 Crores in FY17. Our Net Profit gave us a rather bigger reason to smile with 36% y-o-y growth from ₹76.98 Crores in FY 16 to ₹105.07 Crores in FY17 - crossing ₹100 Crores mark.



During FY17, we not only remained committed to fulfill our corporate goals and deliver on investor expectations, but we also remained closer to our investor community. Our key management people consistently spoke to the investor community through various mediums across Print, Electronic and Digital.

Net Worth
₹2,119 Crores

Market Capitalization
₹3,083 Crores

EBITDA
Margins **21%**





FROM THE DESK OF **ROHTAS GOEL** CHAIRMAN & MANAGING DIRECTOR

Dear Stakeholders

“Change is the only constant”. The proverb aptly describes the year 2016-17, which has been one of the most eventful years in the last decade or so for the economy as a whole and the real estate sector in particular. The year witnessed everything, from passage of critical reform bills, including Real Estate (Regulation and Development) Act (RERA) and Goods and Services Tax (GST), to radical reform measures like Demonetization of specified bank notes.

Naturally, these developments were accompanied by uncertainty and volatility, but, I am happy to share that despite these challenges, Omaxe has continued to grow at a reasonable pace. This has been made possible mainly due to the dedication and relentless efforts of our employees, suppliers and associates – who have always ensured that we keep achieving our goals year after year, and for that reason alone we are recognized as one of the most reliable and trustworthy name in the real estate space.

The government with its clear intent of bringing about reforms has set the tone for a positive long-term change. This coupled with the liquidity in the banking system, resulting in reduction of home loan rates by close to 100 basis points since January 2017 will provide an impetus to the customers waiting on the sidelines to buy their dream home.

Indian economy for the last couple of years has been the fastest growing economy in the world. It is currently passing through a transformative phase post demonetization and implementation of GST. These reform measures are part of a concerted push by the Government to boost the formalization levels of the economy; and necessary to bump up the growth rates to 8% and above.

We believe that the realty sector is also on the cusp of a paradigm shift in the way companies conduct their businesses. We welcome the new reforms and strongly believe that implementation will lead the realty sector towards a level playing field which will be more transparent, compliant and business friendly. This will help the sector battle the perception of consumer distrust, primarily on account of delay in delivering projects. Along with modified guidelines for Real Estate Investment Trusts (REIT), infrastructure status for Affordable Housing and relaxed FDI norms, RERA will improve the investment worthiness of the sector for institutional players.

We believe our scale of operations and presence across North India gives us an added advantage as compared to our peers and add to our capabilities, systems and processes to ensure delivery and delight to our customers within the set parameters of time, quality and budgets.

At Omaxe, even though it was not in force, we have always lived and practiced the principles of RERA. Fulfilling our commitments and meeting timelines has been the norm at Omaxe. This has been one of the key reasons behind our continued success. The cyclical downturn, Demonetization, RERA & GST have created a short-term uncertainty, however, we think that the same will lead to increased consumer confidence due to consolidation, improved accountability and metrics of companies like ours, built and driven on the principles of high quality construction technology and highest degree of customer satisfaction.

We strongly believe that the Indian Realty sector is set for a transformational change with Urbanisation, change in demographics, and real affordability to drive growth over the next couple of decades. This according to us is the beginning of the revival of the sector. However, the most important factor that could trigger the revival of the sector is 'timely delivery' – as it will help regain the lost trust in the sector. During the year, your Company delivered a total of 5 mn. sq. ft. of area.

We believe our scale of operations and presence across North India gives us an added advantage as compared to our peers and add to our capabilities, systems and processes to ensure delivery and delight to our customers within the set parameters of time, quality and budgets.

With the government focusing on Affordable Housing, Housing for All by 2022 and Pradhan Mantri Awaas Yojana (PMAY) along with reform measures, we see opportunities expanding at a fast pace, particularly in the locations where we are present. Omaxe with its inherent strength, diverse portfolio, widespread presence and strong credentials, will benefit from the sooner than expected uptick in the real estate market.

I once again extend my warm wishes and thank our investors, bankers, board members, partners, suppliers, employees and customers for their trust and support. May you all have a great decade ahead!

Best regards,

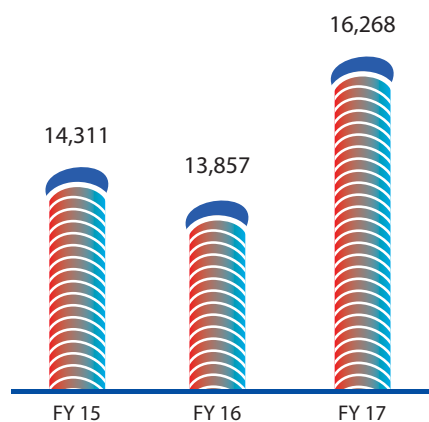
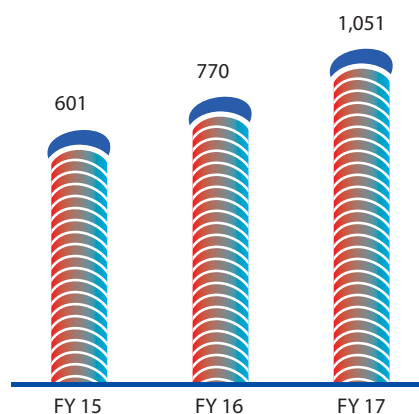
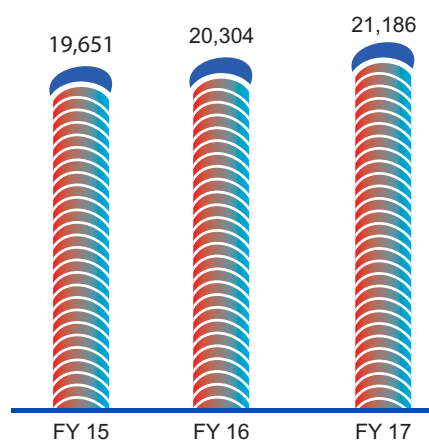
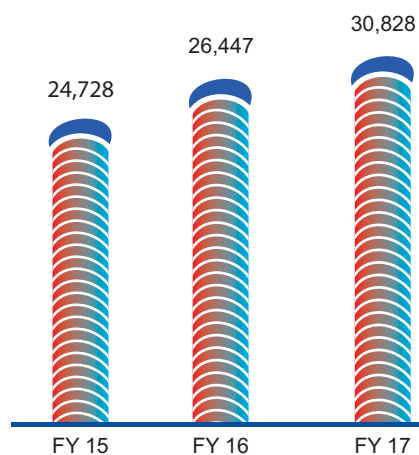
Rohtas Goel



PURSUING EXCELLENCE IN PERFORMANCE BENCHMARKS

(₹ in Mn)

PARTICULARS	FY 15	FY 16*	FY 17*
Total Revenue	14,311	13,857	16,268
Profit after Tax (PAT)	601	770	1,051
Net Worth	19,651	20,304	21,186
Market Capitalization	24,728	26,447	30,828

**Total Revenue (₹ Mn)****Profit After Tax (PAT) (₹ Mn)****Net Worth (₹ Mn)****Market Capitalization (₹ Mn)**

*Figures for FY 17 and FY 16 are in consonance with IND-AS.