

Annual Report  
2010-11



GROWTH TO THE  
nth<sup>o</sup>  
DEGREE



There comes a time in every business lifecycle when things are tantalizingly poised at an inflection point. After a quarter of a century in the real estate and allied services business, Prestige Estates stands poised on that slingshot of growth that will propel it to the next level and beyond.

In business, all things remaining equal, growth is everything. But growth isn't just about profit. Rather, it is an all-encompassing value that addresses maturity in thinking and quality of output. At Prestige, growth has been a function of a strategically diversified portfolio ensuring stabilized cash flow streams, integrated service extensions, joint development model and tactical geographic concentration.

Prestige has explored the path of growth and excellence with corresponding success. Passion is our strongest motivator. We are not just into

building edifices but work and living spaces designed to catalyse a higher quality of life. The ardor and commitment of the company alongside its focused efforts has resulted in creation of landmarks within a concentrated geography – with Bengaluru as the epicentre and other prominent cities in South India as the unfolding priority. Projects like Forum Mall, UB City, Prestige Shantiniketan, etc. have heralded their respective locations and have become synonymous with the location itself.

Prestige Group has managed to reach the pinnacle of success it has today solely because it is built on a strong foundation of principles. With a business model pillared solidly on the foundation of quality and excellence, the company is now consciously exploring new segments and enhancing footprints in the set geographies. All things considered, the launch pad is in place to catapult Prestige into its next orbit of growth. Newer horizons beckon.

## Transforming locations into landmarks



UB City, Bengaluru





*Epicentre of  
Growth*

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Corporate Office: Prestige Group,  
The Falcon House, Bengaluru

# General Information

## Board of Directors

Irfan Razack  
*Chairman & Managing Director*

Rezwan Razack  
*Joint Managing Director*

Noaman Razack  
*Director*

K. Jagdeesh Reddy  
*Independent Director*

B.G. Koshy  
*Independent Director*

Noor Ahmed Jaffer  
*Independent Director*

Dr. Pangal Ranganath Nayak  
*Independent Director*

## Statutory Auditors

Deloitte Haskins & Sells  
Deloitte Centre, Anchorage II, 100/2  
Richmond Road, Bengaluru - 560 025

## Principal Bankers

Housing Development Finance Corporation Limited.  
Punjab National Bank  
ICICI Bank Limited  
YES Bank Limited  
Andhra Bank  
The Jammu & Kashmir Bank Limited  
Axis Bank Limited  
State Bank of India

## Solicitors

Kusuma Associates  
Nandi Law Chambers  
AZB & Partners

## Registered Office

The Falcon House, No.1 Main Guard Cross Road,  
Bengaluru – 560 001. Tel No. (91 80) 2559 1080  
Fax No. (91 80) 2559 1945

## Registrars & Transfer Agents

Link Intime India Private Limited, C-13, Pannalal Silk Mills  
Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078



Prestige Ozone, Bengaluru



## *A tribute to the architect of growth*



### **❧ Mr. Razack Sattar : A Heritage to Live Up To ❧**

*Mr. Razack Sattar was a man who set an abiding example. He was a true innovator, a pious, orthodox and farsighted man whose regard for his fellow beings governed everything he thought, said and did. He knew the value of the personalized approach, for him it was the right thing to do, as a person who was concerned for other people's feelings and places in life. The daily business of life was important, as is evident from the size of the commercial enterprise he established, but equally important to him was the establishment of a system of values by which one could live.*

*He was born in Bengaluru on the 18th of April 1927, studied at St Joseph's Indian High School and he started Prestige House for Men in the fifties, tailoring men's clothing and selling fabric on Bengaluru's Commercial Street. During the sixties and the seventies, his sons, Irfan and Rezwan initially worked with Mr. Sattar as the business grew rapidly, apace with Bengaluru. Noaman Razack too came to the business to learn at his father's side and in all three of them, and their sister Anjum who joined in, was instilled the spark to achieve and to set examples of their own.*

*Mr. Sattar knew instinctively when to guide, when to suggest, and when to foster the efforts by simple encouragement, by just stepping aside. For him family was paramount, embodying the efficacy of team work, united towards a common goal. But again at the end of the day's work he also knew the need for each person to go his or her own way. It was all about balance and harmony, then, as always. When things became hard, looked bleak, he believed in the restorative power of laughter. When things were good as they often were, then that was a time to be content, yes, but also to look around and see who else could share in the good times. Above all he believed in discretion and in doing things without ostentation, away from the spotlight, as gentlemen have always done. An interesting fact about Mr. Sattar is that he was an ardent tennis player at a time when hardly anyone in the community played it; he was a frequent visitor to the Cubbon Park tennis courts, where he perfected his game. But that was perhaps typical of him, the fact that he did things that were unexpected, or did them in a different way, in his own quiet fashion making a difference.*

*And that is how progress is made, in the way a person works, plays and lives.*

*His legacy lives on in his children and all that they have created has its origins in the ideals he instilled: the instinct for hard work, and the respect that his children have for each other and the people they work with, all the qualities that give such endeavours meaning, effect and endurance.*

# Building Legacies – An Introduction to Prestige



Over the last decade, Prestige Group has firmly established itself as one of South India's most successful developers in the real estate space by imprinting its indelible mark across all asset classes. For 25 years, Prestige has quietly and efficiently gone about its task of transforming locations into landmarks. It has recreated the skyline of the Garden City, gracing it with some of Bengaluru's most beautiful edifices.

Amidst the plethora of players, old and new in the industry, the company has managed to carve a strong niche for itself and is renowned for its diversified portfolio which encompasses residential projects, integrated townships, commercial office blocks, built-to-suit facilities, technology parks, hospitality projects, retail malls and Special Economic Zones. Beyond real estate development, Prestige also offers integrated services in construction, property management and interior designing.

Prestige has a formidable presence in South India, manifested through a showcase of more than 150 projects aggregating to 44.08 msf with 62.29 msf currently under development & planning. This solid track record underlies the expertise of Prestige in the Real Estate industry. Buoyed by the unprecedented success of several landmark projects in Bengaluru like "The Forum", Bengaluru's first mall, UB City, Forum Value Mall, Prestige Ozone, Prestige Acropolis, Prestige Shantiniketan, etc. Prestige today is spreading its wings across several cities in South India. The company is all set to change the skylines of Chennai, Goa, Hyderabad, Kochi, Mangalore and Mysore as they have in Bengaluru.

What gives Prestige its ability to soar to new heights is the experience, expertise and technology that it packs into each of its projects giving it an unparalleled edge over all else. Properties developed by the company have bagged several prestigious awards at National and International forums – a testimony to its penchant for perfection. However, the most treasured award for Prestige Group has been the overwhelming customer response received over the decades for the quality of its projects.



At Prestige, scaling new levels of achievement has been a credible constant. Prestige commits itself to a greener tomorrow - all projects have specific areas set aside for landscaping. The company has been actively involved in improving Bengaluru's civic infrastructure. In line with advancement in the technology and contemporary trends in the Real Estate space, Prestige has adopted the concept of Green Building and is working towards getting the highest rating under LEED (Leadership in Energy and Environmental Design).

At Prestige there is a strong belief in giving back to society and the Corporate Social Responsibility projects are hands-on. Prestige takes its responsibilities as a Corporate Citizen very seriously. Prestige is associated with Akshaya Patra to provide mid-day meals to 1334 students. It has donated vision testing equipment to St John's Hospital for their Vision 20:20 program and created the Prestige Foundation, a trust fund for the social and economically challenged amongst many other ventures.

#### *Vision :*

*To continuously exceed the expectations of our customers and employees and become a benchmark for quality in every field the Prestige Group ventures into.*



#### *Mission :*

*To improve customer experiences through constant innovation and understanding, with a focus on quality and transparency of processes so that when it comes to Prestige, customers come to expect nothing but the best from us. Every time.*

#### **About the CMD:**

Irfan Razack, the Promoter is recognized as a visionary in the Indian real estate sector and at Prestige Group he is synonymous for 'vision', 'growth', 'innovation' and 'leadership'. His highly commendable principles of doing business have won him accolades and enabled him to foster long term harmonious relationships with the reputed land owners and various strategic partners. Under his leadership Prestige Group has been spreading its wings across several cities with the landmark projects and magnificent cityscapes creating "Addresses".

As a leader, he sees opportunities where none apparently exist, and takes the road less traveled to successfully build remarkable projects. His leadership acumen received national recognition when he was declared Professional of the Year at the Real Estate Excellence Awards 2008. He was the President of Bengaluru Commercial Association (BCA), the President of KOAPA (now CREDAI, Karnataka) for four years, Vice President of CREDAI, India and the Chairman of the Real Estate Committee of CII, Southern Regional Council.

#### **Public Issue and Journey since then....**

From success stems the confidence of reaching higher standards and Prestige did this with the successful completion of its Initial Public Offer of equity shares in October 2010. The company forayed into capital markets by listing its shares on the Indian bourses, NSE and BSE. Buoyed on its success, Prestige has several diverse projects in the pipeline. Prestige is all set to create new benchmarks and go to the next level...

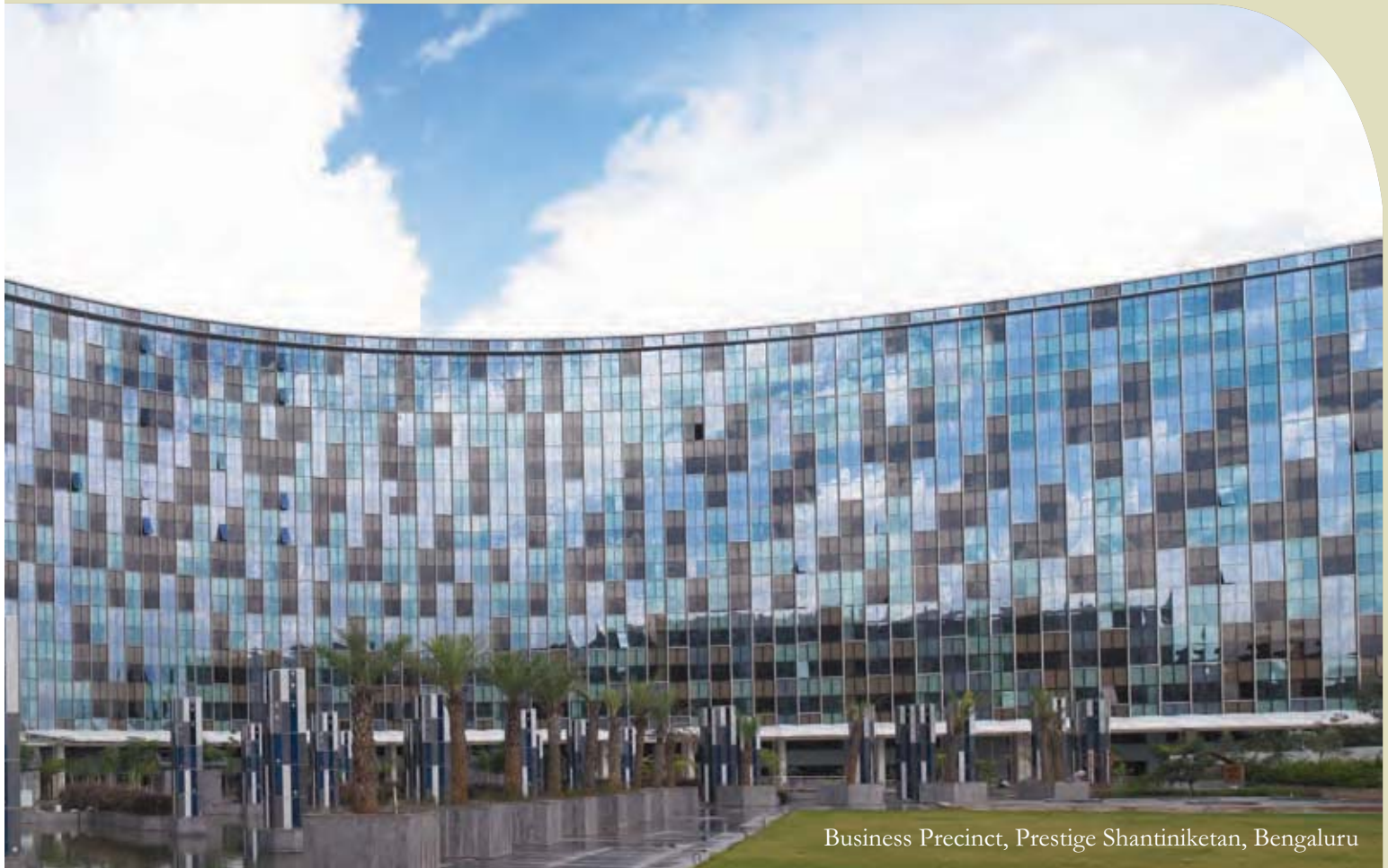
**The Falcon continues to soar.....**

# Milestones



-  **1986** Prestige Estates and Properties started operations
-  **1988** Completed Copper Arch (Commercial) on Infantry Road, our first project
-  **1995** Inaugurated Whistling Palms, our first plotted development project
-  **1996** Foray into property management services
-  **1997** Inaugurated Prestige Elgin (Residential), our 50th project
-  **2000** Inaugurated Prestige Acropolis – the most premium and luxurious residential development of that time
-  **2001** Commenced operation of Angsana, our first hospitality project
-  **2001** Received ISO 9001:2000 Certification
-  **2003** Received CRISIL DA-1 rating (indicating excellent rating for the ability to execute real estate projects as per specified quality level within stipulated schedule and ability to transfer clean title)

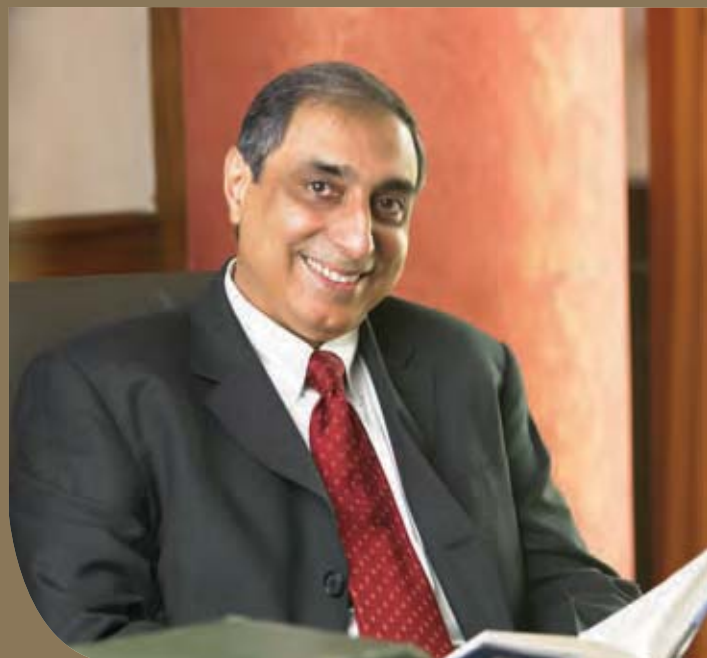




Business Precinct, Prestige Shantiniketan, Bengaluru

-  **2004** Inaugurated The Forum, the first mall in Bengaluru
-  **2005** Launched Prestige Shantiniketan, the first integrated township in Bengaluru
-  **2006** Launched Cessna Business Park, an SEZ
-  **2007** Expanded our operations to Cochin, Chennai and Hyderabad
-  **2007** Inaugurated UB City, the largest mixed use development in Central Business District, Bengaluru
-  **2008** Entered into strategic alliance with CRIDF – Capital Retail India Development Fund, Singapore for developing malls across South India
-  **2009** Turnover of the Prestige Group crossed ₹ 1,000 Crores.
-  **2010** Forayed into Capital Market with Initial Public Offer of equity shares.

## From the CMD's Desk



“I take this opportunity to thank all our stakeholders for reposing their faith in our abilities and acknowledge the responsibility that comes with it.”

*Dear Fellow Stakeholders,*

It is with a sense of nostalgia and accomplishment that I pen this maiden note post our Initial Public Offer to you, our valued stakeholders. Permit me to share with you, the story of the journey that we have traversed thus far to lay a strong foundation and build our growth story.

Prestige commenced its corporate journey with a modest capital investment from its promoters and has today emerged as a leading player in South India.

### **Laying a Strong Foundation**

The macro economic headwinds have begun to show signs of revival recently and the Indian economy which displayed resilience at the time of the global financial meltdown in 2008 has witnessed a growth in demand since then and continues to do so. The overall GDP growth was 8.6% for the fiscal year 2010-11, reflecting a fair improvement over the revised GDP growth of 8.0 percent recorded in the fiscal year 2009-10.

Reflecting the state of the economy over the past few years, the real estate sector too has witnessed many crests and troughs. Amidst those, Prestige Estates has emerged as a formidable player leveraging on its strong edifice that was built over two and a half decades of hard core experience. To date, your