DRAFT RED HERRING PROSPECTUS
Dated September 23, 2010
Please read section 60B of the Companies Act, 1956
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Building Issue

KALPATARU LIMITED

Our Company was incorporated as Kalpataru Homes Private Limited on December 22, 1988 under the Companies Act, 1956 (the "**Companies Act**") in Mumbai. Our Company was converted into a public limited company on May 16, 1995 and our Company's name was changed to Kalpataru Homes Limited. The name of our Company was subsequently changed to Kalpataru Limited on February 1, 2008. For further details in relation to the changes to each of the name and registered office of our Company, please see "History and Certain Corporate Matters" on page 192.

Registered and Corporate Office: 91, Kalpataru Synergy, opposite Grand Hyatt, Santacruz (East), Mumbai – 400 055, Maharashtra, India. **Tel**: +91 22 3064 5000; **Fax**: +91 22 3064 3131
Contact Person: Manoj Thakar, Company Secretary and Compliance Officer; **Tel**: +91 22 3064 5000; **Fax**: 91 22 3064 3131
Website: www.kalpataru.com; **Email**: manoj.thakar@kalpataru.com

PROMOTERS OF THE COMPANY: MOFATRAJ P. MUNOT AND PARAG M. MUNOT

PUBLIC ISSUE OF [●] EQUITY SHARES WITH A FACE VALUE OF RS. 10 EACH ("EQUITY SHARES") OF KALPATARU LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●]* PER EQUITY SHARE) AGGREGATING TO RS. 10,080 MILLION (THE "ISSUE" OR THE "IPO"). THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF [●] EQUITY SHARES FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING TO RS. [●] (THE "NET ISSUE") AND A RESERVATION OF [●] EQUITY SHARES FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●]* PER EQUITY SHARE) AGGREGATING TO RS. 35.10 million (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE WILL CONSTITUTE [●]% OF THE FULLY DILUTED POST ISSUE PAID UP CAPITAL OF THE COMPANY.

*The Company is considering a placement of up to 3,100,000 Equity Shares and/or aggregating up to Rs. 2,000 million with various investors ("**Pre-IPO Placement**"). The Pre-IPO Placement will be undertaken at the sole discretion of our Company at a price to be decided by our Company. The Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to filing the Red Herring Prospectus with the Registrar of Companies (the "**RoC**"). If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post-Issue paid-up equity share capital being offered to the public.*

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH.

THE PRICE BAND, AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.

OUR COMPANY IN CONSULTATION WITH THE BRLMS MAY DECIDE TO OFFER A DISCOUNT OF UP TO [●]% OF THE ISSUE PRICE TO THE ELIGIBLE EMPLOYEES AND RETAIL INDIVIDUAL BIDDERS ("EMPLOYEE AND RETAIL DISCOUNT"). THE EXCESS AMOUNT PAID AT THE TIME OF BIDDING SHALL BE REFUNDED TO THE ELIGIBLE EMPLOYEES AND RETAIL INDIVIDUAL BIDDERS.

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional Working Days after revision of the Price Band, subject to the Bidding/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the National Stock Exchange of India Limited ("**NSE**") and the Bombay Stock Exchange Limited ("**BSE**"), by issuing a press release, and also by indicating the change on the website of each of the Book Running Lead Managers ("**BRLMs**") and at the terminals of each of the Syndicate Members.

Our Company is undertaking this Issue under Rule 19(2)(b)(ii) of the Securities Contracts (Regulations) Rules, 1957 ("**SCRR**") and shall comply with the requirements thereunder. This being an issue for less than 25% of the post-Issue paid-up equity share capital, the Issue is being made through the 100% Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIB**"). 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. All Bidders other than Anchor Investors may participate in this Issue through an Application Supported by Blocked Amount ("**ASBA**") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") for the same. For details, please see "Issue Procedure" on page 526.

RISK IN RELATION TO FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. **The face value of the Equity Shares is Rs. 10 each. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value.** The Issue Price (as has been determined in consultation with our Company and the BRLMs as stated under the paragraph on "Basis for Issue Price") should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

IPO GRADING

This Issue has been graded by [●] as [●] (pronounced [●]) indicating [●]. The IPO grading is on a five point scale from one to five, with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. For further details, please see "General Information" on page 64.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page xiii.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which will make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING ARRANGEMENT

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the NSE and the BSE. The Company has received "in-principle" approvals from the NSE and the BSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purpose of the Issue, the Designated Stock Exchange shall be [●].

BOOK RUNNING LEAD MANAGERS						**REGISTRAR TO THE ISSUE**
Morgan Stanley	citi	Collins Stewart Inga	ICICI Securities	IDFC	NOMURA	LINK INTIME INDIA PVT LTD
Morgan Stanley India Company Private Limited 5F, 55-56, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400 021. India. Tel: +91 22 6621 0555 Fax: +91 22 6621 0556 E-mail: kl_ipo@morganstanley.com Investor Grievance Email: investors_india@morganstanley.com Website: www.morganstanley.com/Indiaofferdocuments Contact Person: Ronak Sandil SEBI Registration No.: INM000011203	**Citigroup Global Markets India Private Limited** 12th floor, Bakhtawar, Nariman Point, Mumbai – 400 021. India. Tel: +91 22 6631 9890 Fax: +91 22 6646 6056 E-mail: kalpataru.ipo@citi.com Investor Grievance Email: investors.cgmib@citi.com Website: http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Contact Person: Rajiv Jumani SEBI Registration No.: INM000010718	**Collins Stewart Inga Private Limited** A-404 Neelam Centre Hind Cycle Road Worli Mumbai – 400 030 India Tel: +91 22 2498 2919 Fax: +91 22 2498 2956 E-mail: kalpataru.ipo@csinga.com Investor Grievance Email: investors@csinga.com Website: www.csinga.com Contact Person: Deepa Mutha SEBI Registration No.: INM000010924	**ICICI Securities Limited** ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400 020 India Tel: +91 22 6637 7292 Fax: +91 22 2282 6580 E-mail: kalpataru.ipo@icicisecurities.com Investor Grievance Email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Rajiv Poddar SEBI Registration No.: INM000011179	**IDFC Capital Limited#** Naman Chambers, C-32 G-Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051, India Tel : +91 22 6622 2600 Fax : +91 22 6622 2501 Email : kalpataru.ipo@idfc.com Investor grievance email: complaints@idfc.com Website: www.idfccapital.com Contact Person: Shirish Chikalge SEBI Registration No.: INM000011336	**Nomura Financial Advisory and Securities (India) Private Limited** Ceejay House, Level 11, Dr. Annie Besant Road, Worli, Mumbai 400 018, India Tel: +91 22 4037 4037 Fax: +91 22 4037 4111 Email: kalpataru.ipo-in@nomura.com Investor Grievance Email: investorgrievances-in@nomura.com Website: www.nomura.com/asia/services/capital_raising/equity.shtml Contact Person: Manish Agarwal SEBI Registration No: INM000011419	**Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound L.B.S Marg, Bhandup (West) Mumbai – 400 078 Maharashtra India Tel: +91 22 2596 0320 Fax: +91 22 2596 0329 Email: kalpataru.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Sanjog Sud SEBI Registration No.: INR000004058
# [●]						

ISSUE PROGRAMME	
BID/ISSUE OPENS ON: [●]*	**FOR QIBS BID/ISSUE CLOSES ON: [●]**
	FOR RETAIL AND NON-INSTITUTIONAL BIDDERS (INCLUDING ELIGIBLE EMPLOYEES) BID/ISSUE CLOSES ON [●]

* *Our Company may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*

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DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
Associates	The associates of our Company as disclosed in "Subsidiaries and other Consolidated Entities" on page 211.
Consolidated Partnership Firms	The partnership firms and limited liability partnerships whose accounts are consolidated with the accounts of our Company and as disclosed in "Subsidiaries and Other Consolidated Entities" on page 211.
"our Company", "the Company" or "the Issuer"	Unless the context otherwise requires, refers to Kalpataru Limited, a company incorporated under the Companies Act and having its registered office at 91, Kalpataru Synergy, opposite Grand Hyatt, Santacruz (East), Mumbai 400055, Maharashtra, India.
"we", "us" or "our"	Unless the context otherwise requires, means our Company, its Subsidiaries, Associates, Joint Ventures and Consolidated Partnership Firms.
Subsidiaries	The subsidiaries of our Company as disclosed in "Subsidiaries and Other Consolidated Entities" on page 211.
Joint Ventures	The joint ventures of our Company as disclosed in "Subsidiaries and Other Consolidated Entities" on page 211.

Company Related Terms

Term	Description
Articles of Association	The articles of association of our Company.
Audit Committee	The committee of the Board constituted as our Company's audit committee in accordance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges.
Auditors	The statutory auditors of our Company, M/s. MGB & Co., Chartered Accountants.
Board of Directors/Board	The board of directors of our Company or a duly constituted committee thereof.
Chairman	The executive chairman of our Company, Mofatraj P. Munot.
Director(s)	The director(s) of our Company.
Equity Shares	Equity shares of our Company having a face value of Rs. 10 each.
Equity Shareholders	The holder of Equity Shares of our Company.
Executive Director	An executive Director.
Independent Director	A non-executive, independent Director.
Group Companies	Companies, firms, ventures promoted by our Promoters, irrespective of whether such entities are covered under Section 370(1B) of the Companies Act, and set out in "Group Companies" on page 246.
Managing Director	The Managing Director of our Company, Parag M. Munot.
Memorandum of Association	The memorandum of association of our Company.
Non-executive Director	A non-executive, non-independent Director.
Preference Shares	Redeemable non-convertible preference shares of our Company having a face value of Rs. 10 each and tenure of 15 years, unless otherwise specified.
Preference Shareholders	The preference shareholders of our Company, unless otherwise specified.
Promoters	The Promoters of our Company, Mofatraj P. Munot and Parag M. Munot.
Promoter Group	The Promoter Group refers to such persons and entities which constitute the promoter group of our Company pursuant to Regulation 2 (1)(zb) of the SEBI Regulations, a list of which is provided in "Promoters and Promoter Group" on page 240.
Registered Office	91, Kalpataru Synergy, opposite Grand Hyatt, Santacruz (East), Mumbai – 400055, Maharashtra, India.
Shareholders/Investors Grievance Committee	A committee of the Board comprising Omprakash Gahotra, Sajjanraj Mehta and Imtiaz Kanga constituted in accordance with the provisions of the Listing Agreement.

Issue Related Terms

Term	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, the allotment of Equity Shares to the successful Bidders pursuant to this Issue.
Allottee	A successful Bidder to whom Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer applying under the Anchor Investor category with a minimum Bid of Rs. 100 million.
Anchor Investor Bidding Date	The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to or after which the Syndicate will not accept any Bids and allocation to Anchor Investors shall be completed.
Anchor Investor Confirmation of Allocation Note	Note or advice or intimation of allocation of Equity Shares sent to the Anchor Investors who have been allocated Equity Shares on the Anchor Investor Bidding Date.
Anchor Investor Issue Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLMs prior to the Bid Opening Date.
Anchor Investor Portion	Up to 30% of the QIB Portion which may be allocated by our Company to Anchor Investors on a discretionary basis, and out of which one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by all ASBA Bidders to make a Bid and which authorises an SCSB to block the Bid Amount in a specified bank account maintained with such SCSB.
ASBA Account	A bank account maintained with an SCSB wherein a Bid Amount is blocked pursuant to submission of an ASBA Bid cum Application by an ASBA Bidder.
ASBA Bidder	Any Bidder, other than an Anchor Investor, intending to apply through ASBA by way of the ASBA BCAF in accordance with the terms of the Red Herring Prospectus.
ASBA Bid cum Application Form or ASBA BCAF	The application form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus.
ASBA Revision Form	The form used by the ASBA Bidders to modify the number of Equity Shares or the Bid Amount in their ASBA Bid cum Application Forms or any prior ASBA Revision Form(s).
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders, as described in "Issue Procedure – Basis of Allotment" on page 553.
Bid	An indication to make an offer during the Bidding/Issue Period by a Bidder, or on the Anchor Investor Bidding Date by an Anchor Investor, to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	In relation to each Bid, shall mean the value of the Bid multiplied by the number of Equity Shares Bid for by a Bidder and indicated in the Bid cum Application Form and, in the case of Retail Individual Bidders bidding at Cut-Off Price, the Cut-Off Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the ASBA Bid cum Application Form or the Bid cum Application Form.
Bid/Issue Closing Date	Except in relation to QIBs, the date after which the Syndicate and the SCSBs will not accept any Bids for this Issue, which shall be notified in an English national newspaper, a Hindi national newspaper and a Marathi newspaper, each with wide circulation, and in case of any revision of such date, the extended Bid/Issue Closing Date, which shall be notified on the websites and terminals of each of the Syndicate and the SCSBs as required under the SEBI Regulations.
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate and the SCSBs shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper, a Hindi national newspaper and a Marathi

Term	Description
	newspaper, each with wide circulation.
Bid cum Application Form	The form used by a Bidder (including Anchor Investors) to make a Bid and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus including an ASBA Bid cum Application Form, as the case may be.
Bidder	Any prospective investor who makes a Bid by submitting a Bid cum Application Form pursuant to the terms of the Red Herring Prospectus.
Bidding/Issue Period	Except in relation to Anchor Investors, the period from and including the Bid/Issue Opening Date to and including the Bid/Issue Closing Date for Bidders other than QIBs; and the period from and including the Bid/Issue Opening Date to and including the QIB Bid/Issue Closing Date for QIB Bidders, during which period such Bidders can submit their Bids, including any revision thereof.
Bidding Centres	Centres established by the Syndicate for acceptance of the Bid cum Application Form.
Book Building Process/Method	The book building process as provided under Schedule XI of the SEBI Regulations, in terms of which this Issue is being made.
BRLMs/Book Running Lead Managers	The Book Running Lead Managers to the Issue, namely Morgan Stanley, Citi, CSInga, I-Sec, IDFC and Nomura.
Confirmation of Allotment Notice/CAN	Notice of Allotment of Equity Shares sent to the Bidders who have been Allotted Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof upon the approval of the Basis of Allotment by the Designated Stock Exchange. In the case of Anchor Investors, it shall mean the notice of Allotment of Equity Shares sent to the Anchor Investors who have been Allotted Equity Shares at the Anchor Investor Issue Price, including any revisions thereof.
Cap Price	The higher end of the Price Band above which the Issue Price will not be finalised and no Bids will be accepted.
Citi	Citigroup Global Markets India Private Limited
CSInga	Collins Stewart Inga Private Limited
Controlling Branches	Such branches of the SCSBs which coordinate with the BRLMs, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in/pmd/scsb.pdf.
Cut-off Price	The price at which a Bid is submitted by Retail Individual Investors and Eligible Employees, which will be equal to the Issue Price. No other category of Bidders is entitled to Bid at the Cut-off Price.
Depositories	NSDL and CDSL.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Forms used by the ASBA Bidders, a list of which is available at http://www.sebi.gov.in.
Designated Date	The date, post finalisation of the Basis of Allotment by the Designated Stock Exchange, on which the funds are transferred from the Escrow Accounts to the Public Issue Accounts or the Refund Account, as appropriate, or instructions are given to SCSBs to transfer from the bank account of the ASBA Bidders to the Public Issue Account, as the case may be, which date shall be within twelve Working Days from the Bid/Issue Closing Date, following which the Board shall Allot Equity Shares to successful Bidders.
Designated Stock Exchange	[●].
Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated September 23, 2010, issued in accordance with Section 60B of the Companies Act and the SEBI Regulations, filed with SEBI, and which does not contain the price at which the Equity Shares are offered and complete particulars of the size of the Issue.
Eligible Employees	Permanent and full-time employees of our Company, and of our Subsidiaries and material Associates (whose financial statements are consolidated with our Company's financial statements as per AS 21) or a Director of our Company (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) as at the date of filing of the Red Herring Prospectus with the RoC; and who are Indian nationals, and based, working and present in

Term	Description
	India as at the date of submission of the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, and continues to be in the employment of our Company or its Subsidiaries, as the case may be, until submission of the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be. An employee of our Company or a Subsidiary who is recruited against a regular vacancy, but is on probation, as on the date of submission of the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, will also be deemed to be a 'permanent employee' of our Company or the Subsidiaries, as the case may be.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an invitation by the Issuer to subscribe to the Equity Shares; and subscribing to the Red Herring Prospectus by the Eligible NRI constitutes a lawful offer to subscribe to the Equity Shares.
Employee and Retail Discount	Discount of up to [●]% of the Issue Price given to Eligible Employees and Retail Individual Bidders.
Employee Reservation Portion	Reservation of up to [●] Equity Shares of Rs. 10 each aggregating to Rs. 35.10 million in favour of Eligible Employees.
Engagement Letter	Letter dated September 22, 2010 from the Book Running Lead Managers to the Company offering their services to act as Book Running Lead Managers and the Company's acceptance thereto.
Escrow Accounts	Accounts opened by our Company with Escrow Collection Bank(s) for collection of Bid Amounts. Bidders (excluding ASBA Bidders) will issue cheques or drafts of the Bid Amount into these accounts.
Escrow Agreement	Agreement dated [●] to be entered into amongst our Company, the Registrar to the Issue, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), the Refund Bank(s) and Bankers to the Issue, for collection of the Bid Amounts and where applicable, refunds of the amounts collected from the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof.
Escrow Collection Bank(s) and Banker(s) to the Issue	The banks which are clearing members and registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 with whom the Escrow Account(s) will be opened and in this case being [●].
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form or the ASBA Bid cum Application Form or ASBA Revision Form.
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
I-Sec	ICICI Securities Limited.
IDFC	IDFC Capital Limited
Issue	Public issue of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share aggregating to Rs. 10,080 million comprising the Net Issue and the Employee Reservation Portion. The Company is considering a Pre-IPO Placement of up to 3,100,000 Equity Shares and/or aggregating up to Rs. 2,000 million with various investors. The Pre-IPO Placement will be undertaken at the sole discretion of our Company, at a price to be decided by our Company. The Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue would be reduced to the extent of such Pre-IPO Placement subject to a minimum Net Issue of 10% of the post-Issue paid-up capital being offered to the public.
Issue Agreement	The agreement entered into on September 22, 2010 between our Company and the BRLMs setting out certain arrangements in relation to the Issue.
Issue Price	The final price at which the Equity Shares will be issued and Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLMs on the Pricing Date.

Term	Description
Issue Proceeds	The proceeds of the Issue that are available to our Company.
Monitoring Agency	[●].
Morgan Stanley	Morgan Stanley India Company Private Limited.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the Net QIB Portion available for allocation to Mutual Funds.
Net Issue	The Issue less the Employee Reservation Portion.
Net Proceeds	The Issue Proceeds less the Issue expenses. For further information in relation to the use of Issue Proceeds and the Issue expenses, please see "Objects of the Issue" on page 86.
Net QIB Portion	The QIB Portion of not less than [●] Equity Shares to be Allotted to QIBs on a proportionate basis less the number of Equity Shares Allotted to the Anchor Investors.
Nomura	Nomura Financial Advisory and Securities (India) Private Limited
Non-Institutional Bidders	All Bidders that are not QIBs and who have Bid for Equity Shares for an amount of more than Rs. 100,000 (not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Non-Resident	A person resident outside India as defined under FEMA, and includes NRIs.
NRI/Non Resident Indian	A person resident outside India, as defined under FEMA, who is a citizen of India or a person of Indian origin, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended.
Pre-IPO Placement	A Pre-IPO placement of up to 3,100,000 Equity Shares and/or aggregating up to Rs. 2,000 million with various investors by our Company prior to the filing of the Red Herring Prospectus with the RoC.
Price Band	Price Band of a Floor Price of Rs. [●] and a Cap Price of Rs. [●], including revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLMs and advertised at least two Working Days prior to the Bid/Issue Opening Date in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the Marathi language.
Pricing Date	The date on which our Company finalises the Issue Price in consultation with the BRLMs.
Prospectus	The Prospectus to be filed with the RoC under Section 60 of the Companies Act, containing, amongst other things, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	An account opened with the Public Issue Account Bank to receive monies from the Escrow Accounts and from the bank accounts of the ASBA Bidders, maintained with SCSBs, on the Designated Date.
Qualified Institutional Buyers or QIBs	The term "Qualified Institutional Buyers" or "QIBs" shall have the meaning ascribed to such term under the SEBI Regulations and shall mean and include (i) a Mutual Fund, FVCIs, VCFs registered with SEBI; (ii) an FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; (iii) a public financial institution as defined in Section 4A of the Companies Act; (iv) a scheduled commercial bank; (v) a multilateral and bilateral development financial institution; (vi) a state industrial development corporation; (vii) an insurance company registered with the Insurance Regulatory and Development Authority; (viii) a provident fund with minimum corpus of Rs. 250 million; (ix) a pension fund with minimum corpus of Rs. 250 million; (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and (xi) insurance funds set up and managed by army, navy or air force of the Union of India. Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral financial institutions are not eligible to participate in the Issue.
QIB Bid/Issue Closing Date	Except in relation to Anchor Investors, the date being one day prior to the

Term	Description
	Bid/Issue Closing Date after which the Syndicate and the SCSBs will not accept any Bids from QIBs for this Issue, which shall be notified in an English national newspaper, a Hindi national newspaper and a Marathi newspaper, each with wide circulation, and in case of any revision of such date, the extended QIB Bid/Issue Closing Date, which shall be notified on the websites and terminals of each of the Syndicate and the SCSBs as required under the SEBI Regulations.
QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) amounting to not more than 50% of the Net Issue to be allocated to QIBs on a proportionate basis including the Anchor Investor Portion.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 60B of the Companies Act, which does not contain complete particulars of the price at which the Equity Shares are offered and the size of the Issue.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders), if any, of the whole or part of the Bid Amount shall be made.
Refund Bank(s)	The banks which are clearing members and registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 with whom the Refund Account(s) will be opened and in this case being [●].
Registrar/Registrar to the Issue	Link Intime India Private Limited.
Retail Individual Bidders	Individual Bidders (including HUFs applying through their *karta*, Eligible NRIs and Resident Retail Individual Bidders) submitting a bid of Rs. 100,000 or less in any of the Bidding options in the Issue.
Retail Portion	The portion of the Issue amounting to not less than 35% of the Net Issue available for allocation to Retail Individual Bidder(s).
Revision Form	The form used by the Bidders, excluding ASBA Bidders, to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any prior Revision Form(s).
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
Self Certified Syndicate Bank(s) or SCSB(s)	A banker to the Issue registered with SEBI, which offers the facility of ASBA, a list of which is available on http://www.sebi.gov.in.
Stock Exchanges	The NSE and the BSE.
Syndicate	The BRLMs and the Syndicate Members.
Syndicate Agreement	The agreement to be entered into between the Syndicate, our Company and Registrar in relation to collection of Bids (excluding Bids from the ASBA Bidders).
Syndicate Members	[●].
TRS or Transaction Registration Slip	The slip or document that may be issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to a Bidder as proof of registration of a Bid.
Underwriters	The BRLMs and the Syndicate Members.
Underwriting Agreement	The agreement among the Underwriters and our Company to be entered into on or after the Pricing Date.
Working Day	All days excluding Sundays and bank holidays in Mumbai.

Technical/Industry Related Terms

Term	Description
CC	Commencement Certificate.
C. S. No.	Cadastral Survey Number.
Completed Project(s)	Those projects where construction has been completed and completion certificates have been granted by the relevant authorities.
CTS No.	City Survey Number.
Developable Area	The total area which we develop in each project and includes carpet area, common area, service area, storage area, car park and other open areas.
Forthcoming Project(s)	Projects in respect of which (i) any title or development rights or other interest in the land is held either directly or indirectly by our Company and/or our

Term	Description
	Subsidiaries and/or other entities in which our Company and/or our Subsidiaries are shareholders or have a stake; and (ii) if required, applications have been made for conversion of user for the land for the intended use; and (iii) preliminary management development plans are in place; and (iv) architects have been identified and have commenced work.
FSI	Floor Space Index, which means the quotient of the ratio of the combined gross floor area of all floors, other than areas specifically exempted, to the total area of the plot.
IOD	Intimation of Disapproval.
Land available for Future Development	Lands in which we have obtained any right or interest, or have entered into agreements/memorandum of understanding with respect to such rights or interest, as the case may be, and which does not form part of our Completed, Ongoing, Forthcoming and Planned Projects.
Land Reserves	Lands to which our Company and/or our Subsidiaries and/or our Group Entities and/or other entities in which our Company has a stake, have title, or land from which such entities can derive economic benefit through a documented framework (such as with third party individuals or corporate entities), or where such entities have executed a joint development agreement or an agreement to sell or a memorandum of understanding or an agreement to transfer development rights.
LOI	Letter of intent.
MCGM	Municipal Corporation of Greater Mumbai.
MHADA	Maharashtra Housing Area Development Authority.
NA Order	Non Agricultural Order.
OC	Occupation certificate.
Ongoing Project(s)	Projects in respect of which (i) all title or development rights, or other interest in the land is held either directly by our Company and/or our Subsidiaries and/or other entities in which our Company and/or our Subsidiaries are shareholders or have a stake; and (ii) wherever required, all land for the project has been converted for the intended use; and (iii) the requisite approvals for commencement of construction have been obtained or applied for, as the case may be.
Planned Project(s)	Projects in which (i) we have obtained any right or interest in the land or the development, or have entered into a memorandum of understanding, letter of intent, term sheet with respect to such right or interest in the land, as the case may be; and (ii) our management has commenced with the formulation of development plans.
Saleable/Leasable Area	It is that part of the Developable Area for which the prospective buyer or tenant or lessee or licensee, as the case may be, is obliged to pay to us or for which we expect that the respective buyer or tenant or lessee or licensee, as the case may be, will pay.
TDR	Transferable Development Rights means the development potential of land that may be separated from the land itself and may be made available to the owner of the land in the form of transferable development rights.
ULCRA	Urban Land (Ceiling and Regulation) Act, 1976, as amended.

Conventional/General Terms

Term	Description
Companies Act	Companies Act, 1956, as amended.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the ICAI.
AY	Assessment Year.
BSE	Bombay Stock Exchange Limited.
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
CENVAT	Central Value Added Tax.

Term	Description
CESTAT	Central Excise and Service Tax Appellate Tribunal.
CIN	Corporate Identity Number.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended.
DIN	Directors Identification Number.
DP/Depository Participant	A depository participant as defined under the Depositories Act.
DP ID	Depository Participant's Identity.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation.
EGM	Extraordinary General Meeting.
EPS	Unless otherwise specified, Earnings Per Share, i.e., profit after tax for a fiscal year less preference dividend and tax thereon divided by the weighted average number of equity shares outstanding.
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder, as amended.
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India.
Financial Year/Fiscal/FY	Unless otherwise specified, the period of 12 months ended March 31 of that particular year.
FIPB	Foreign Investment Promotion Board.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended.
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product.
GoI/Government	Government of India.
HNI	High Networth Individual.
HUF	Hindu Undivided Family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Income Tax Act	Income Tax Act, 1961, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial Public Offering.
IST	Indian Standard Time
JV	Joint Venture.
LIBOR	London Interbank Offered Rate.
Mn	Million.
MoEF	Ministry of Environment and Forests.
MoU	Memorandum of Understanding.
NAV	Net Asset Value.
NECS	National Electronic Clearing Service.
NEFT	National Electronic Fund Transfer.
NOC	No objection certificate.
NR	Non Resident.
NRE Account	Non Resident External Account.
NRO Account	Non Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of up to 60% by NRIs including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission

Term	Description
	granted to OCBs under the FEMA. OCBs are not allowed to invest in this Issue.
p.a.	Per annum.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PIO	Persons of Indian Origin.
RBI	Reserve Bank of India.
Re.	One Indian Rupee.
RoC	Registrar of Companies, Maharashtra situated at Everest, 5th Floor, 100, Marine Drive, Mumbai 400002.
RoNW	Return on Net Worth.
Rs./Rupees/INR	Indian Rupees.
RTGS	Real Time Gross Settlement.
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	The Securities and Exchange Board of India Act 1992, as amended.
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985, as amended.
SPV	Special Purpose Vehicle.
Sq. Ft./sq. ft.	Square feet.
Sq. Mtrs./sq. mtrs.	Square metres.
State Government	Government of a state of India.
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended.
U.S./United States	United States of America.
U.S. GAAP	Generally Accepted Accounting Principles in the United States.
US$	United States Dollars.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India and all references to the "U.S." and the "United States" are to the United States of America.

Financial Data

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus is derived from our consolidated financial statements prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations. Our fiscal year commences on April 1 each year and ends on March 31 of the following year. In this Draft Red Herring Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information to a reader is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included here, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage values, as set forth in the sections titled "Risk Factors", "Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages xiii, 131 and 398, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated consolidated and/or restated unconsolidated financial statements, prepared in accordance with Indian GAAP.

Currency and units of presentation

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to "US$" are to United States Dollars, the official currency of the United States of America.

Conversion table for area

In this Draft Red Herring Prospectus, our Company has presented information related to land in various units. The conversion ratio of such units is as follows:

one hectare	=	2.47 acres
one acre	=	4,046.85 sq. mts. or 43,560.00 sq. ft.
one sq. mt.	=	10.764 sq. ft.

Definitions

For definitions, please see "Definitions and Abbreviations" beginning on page i. Defined terms in the section titled "Main Provisions of Articles of Association" on page 564, have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft Red Herring Prospectus has been obtained from industry publications, whether publicly available or specifically sourced by us. Industry publications generally state that the information contained in such publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that the industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely amongst different industry sources.

FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements." All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the real estate industry in India in which we have our businesses and our ability to respond to them, and to successfully implement our strategy, growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the real estate industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Fluctuations in market prices for our projects
- Sales volume and rate of progress of construction and development;
- Supply of land and its cost of acquisition;
- Costs of construction and the rate of progress of construction;
- Availability of credit and prevailing interest rates in India; and
- Indian tax policies and benefits in connection with real estate development.

For a further discussion of factors that could cause our actual results to differ, please see "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operation" on pages xiii and 401, respectively.

By their nature, certain risk disclosures are only estimates and could be different from what actually occurs in the future. As a result, actual future gains or losses could differ from those that have been estimated. The Company, the Directors, the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the BRLMs will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

Cautionary Note

Our classification of properties reflects the basis on which we operate our business and may differ from classifications used by other developers.

1. The project type, description and estimated total Developable Area, Saleable/Leasable Area with respect to each Project represents estimates by our management on the basis of our current development plans and includes required TDR(s), which may not have been acquired. Such projects do not represent commitments and are subject to change, depending on various factors, including prevailing market conditions, strategy and customer preferences. Please see, "Risk Factors – Certain statements contained in this Draft Red

Herring Prospectus are based on current management plans and estimates and may be subject to change. In addition, industry statistical and financial data contained in this Draft Red Herring Prospectus may be incomplete or unreliable.” on page xxix. Unless a project has already been completed, we have provided the estimated completion for such Ongoing, Forthcoming and Planned Projects in this Draft Red Herring Prospectus. While these estimates are based on our management’s best belief and knowledge, they do not represent commitments and are subject to change.

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additionally, risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. If any one or some combination of the following risks or other risks that are currently not known or are now deemed immaterial were to occur, our business, results of operations and financial condition could suffer, and the price of the Equity Shares could decline and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable have been disclosed below. However, there are risk factors where the effect is not quantifiable. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and the risks involved.

Risks Relating to Our Business

1. ***There are outstanding legal proceedings against our Company, its Subsidiaries, Joint Ventures, Associates, Consolidated Partnership Firms, Directors, Promoters and Group Companies.***

We are involved in certain legal proceedings and claims. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Should any new developments arise, such as a change in Indian law or rulings against us by courts or tribunals, we may need to make additional provisions in our financial statements, which could increase our expenses and our current liabilities. We can give no assurance that these legal proceedings will be decided in our favour.

Our Promoter Directors, Mofatraj P. Munot and Parag M. Munot are involved in certain legal proceedings and claims in India. A criminal case has been filed against Mofatraj P. Munot, in relation to alleged forgery and a criminal case has been filed against Parag M. Munot in relation to alleged wrongful encashment of a security cheque amounting to Rs. 1.2 million. Further, Mofatraj P. Munot is also involved in two civil proceedings, the monetary claims of which are Rs. 30 million.

Further, six civil suits have been instituted against our Company, the monetary claims in relation to these proceedings are currently not quantifiable. One labour proceeding has been initiated against our Company, the monetary claim of which is Rs. 0.44 million.

Some of our Subsidiaries, Associates, Joint Ventures, Consolidated Partnership Firms and Group Companies are also involved in various proceedings. The details of these proceedings are given below:

Subsidiaries	**Number and nature of proceedings**	**Monetary claim, if any** *(Rs. In million)*
Kalpataru Properties (Thane) Private Limited	6 civil suits, including a tax dispute	9.97
Kalpataru Retail Ventures Private Limited	4 civil suits	Nil
Shravasti Property Private Limited (formerly known as M/s. Rajshree Builders)	1 civil suit	Nil
Kalpataru Land Private Limited	3 civil suits	Nil
Azure Tree Orchards Private Limited	1 civil suit	Nil
Arena Orchards Private Limited	1 civil suit	Nil
Abhiruchi Orchards Private Limited	1 revenue records proceeding	Nil
Sona Properties Private Limited	1 tax dispute	35.68
Kalpataru Land (Surat) Private Limited	4 civil suits	Nil
Aura Real Estate Private Limited	1 civil suit	Nil
Axiom Orchards Private Limited	1 civil suit	Nil

Group Entity	Number and Nature of Suits	Monetary claim, if any
Caprihans (India) Limited	2 civil suits, 2 tax disputes, 2 labour proceedings	40.62
JMC Projects (India) Limited	12 civil suits, 1 tax dispute, 2 labour cases, 5 criminal cases, 20 notices from tax authorities, various contractors	364.78
Kalpataru Power Transmission Limited	2 civil suits, 1 tax dispute, 4 notices, 1 past liability of Labour Enforcement Officer, 1 arbitration proceeding	34.43
Kalpataru Properties Private Limited	8 civil suits, 3 labour cases	Nil
Karmayog Builders Private Limited	1 civil suit	Nil
Axiom Orchards Private Limited	1 civil case	Nil
Punarvasu Constructions Private Limited	2 civil cases	Nil
Kalpataru Constructions Private Limited	6 civil cases, 1 tax dispute	Nil
Kalpataru Estates Private Limited	2 civil cases	Nil
Neo-Pharma Private Limited	2 civil cases, 2 tax disputes, 1 notice from the pricing authority	12.27
Shree Shubham Logistics Limited	4 civil cases	Nil
M/s. Kalpataru Builders (Pune)	1 civil case	Nil

Joint venture	Number and Nature of Suits	Monetary claim, if any
Azure Tree Township Private Limited	1 civil suit	Nil
M/s. Habitat	1 civil suit	Nil

Consolidated partnership firms	Number and Nature of Suits	Monetary claim, if any
Kalpataru + Sharyans	5 civil suits	Nil

For further details, please see "Outstanding Litigation and Material Developments" on page 426. An adverse outcome in any or all of these criminal proceedings involving the Promoter Directors could have an adverse effect on our business, prospects, financial condition and results of operations, and on the ability of our Directors to serve our Company and/or our Group. In addition, there are outstanding legal proceedings involving our Company, its Subsidiaries, Joint Ventures, Associates, Consolidated Partnership Firms, Directors, Promoters and Group Companies. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers, appellate tribunals and arbitrators.

2. ***Most of our operations are concentrated in and around the Mumbai Metropolitan Region and as a result our business, financial condition and results of operations are significantly dependent on the performance of, and the conditions affecting the real estate market in the Mumbai Metropolitan Region.***

Most of our real estate development projects are located in and around the MMR. As of August 31, 2010, we had (i) 12 Ongoing Projects, aggregating to 7,036,453 square feet of Saleable/Leaseable Area, (ii) six Forthcoming Projects, aggregating 11,893,596 square feet of Saleable/Leaseable Area, and (iii) four Planned Projects, aggregating 3,161,725 square feet of Saleable/Leaseable Area in the MMR. We expect to launch all of these projects within next five years. In the event of a slowdown in construction activity in the MMR or the surrounding areas, or any circumstances that make projects in and around the MMR less economically beneficial, our financial condition and results of operations may be adversely affected. There can be no assurance that the demand for our properties in and around the MMR will grow, or will not decrease, in the future. Consequently, our business, financial condition and results of operations have been, and will continue to be largely, dependent on the performance of, and the prevailing conditions affecting, the real estate market in and around the MMR.

Real estate properties take a substantial amount of time to develop and we could incur losses if we purchase land during periods when land prices are high, and sell our developed properties when property prices are relatively lower. The real estate market in and around the MMR may be affected by various factors beyond our control, including prevailing local economic, political and social conditions, changes in supply and demand for properties comparable to those we develop, natural calamities and changes in applicable Governmental schemes. Any adverse change in the demand for our Ongoing Projects, Forthcoming Projects and Planned Projects in the MMR would have an adverse effect on our business, financial condition and results of operations.

3. ***The limited supply of land, increasing competition and applicable regulations may result in an increase in the price of land and shortages of land available for development, which could affect our land acquisition costs and ability to acquire certain land parcels.***

The supply of land in the MMR is limited and the acquisition of new land poses substantial challenges. In addition, due to limited supply, the acquisition of land in the MMR is highly competitive. In the past, we acquired industrial land, which is no longer available at competitive prices. There can be no assurance that we will be able to continue to acquire such land at reasonable prices, or at all.

While the MMR remains and is expected to remain our key geographical focus, we also intend to selectively pursue opportunities in other metropolitan cities and high growth cities across India. As of August 31, 2010, in terms of Saleable/Leaseable area we had 71.4% of our portfolio of Ongoing Projects, Forthcoming Projects and Planned Projects in Pune, Lonavala, Nagpur, Hyderabad, Jaipur, Udaipur and Surat. As of August 31, 2010, our total Land Available for Future Development and our Land Reserves were 1,303 acres and 2,670.36 acres, respectively.

Our growth plans require us to develop retail, residential, commercial, integrated townships, lifestyle gated community and redevelopment projects in a number of upcoming cites in India. In order to maintain and grow our business, we are required to identify suitable land and purchase it for future development. Our ability to identify and acquire suitable land parcels is dependent on a number of factors, some of which may be beyond our control. These factors include the price and availability of suitable land, the willingness of land owners to sell land or assign development rights or interest in the land on terms acceptable to us, the ability to acquire contiguous parcels of land, the ability to obtain and complete an agreement to sell from all the owners where such land has multiple owners, the availability and cost of financing, encumbrances on targeted land, Government directives on land use and the obtaining of permits, consents and approvals for land acquisition and development. The conveyance of land does not occur upon executing the memorandum of understanding and the formal transfer of title to or interest in land by the seller (at which time stamp duty becomes payable) is generally completed only after all the requisite Government consents and approvals have been obtained. Our acquisition of interests in land is therefore also subject to the risk that sellers may, during such time, identify and transact with alternative purchasers or decide not to sell the land. The failure to acquire targeted land may cause us to modify, delay or abandon entire projects, which in turn could cause our business to suffer.

In addition, land acquisition in India has historically been subject to regulatory restrictions on foreign investment. In addition to these restrictions being gradually relaxed, the aggressive growth strategies and financing plans of real estate development companies as well as real estate investment funds in India, is likely to make suitable land increasingly expensive to purchase. If we are unable to compete effectively for the acquisition of suitable land, our business and prospects will be adversely affected.

Additionally, once a potential development site has been identified, site visits and feasibility studies or surveys are undertaken, which include detailed analysis of factors such as regional demographics, current property development initiatives and market trends. Such information may not be accurate, complete or current. Any decision to acquire land which is based on inaccurate, incomplete or outdated information or any change in circumstances may result in certain risks and liabilities associated with the acquisition of such land, which could adversely affect our business, financial condition and results of operations.

Due to the increased demand for land in connection with the development of residential, commercial and retail properties, we are experiencing and may continue to experience increased competition in our attempt to acquire land in the geographical areas in which we operate and the areas in which we anticipate operating in the future. This increased competition may result in a shortage of suitable land that can be used for development and can increase the price of land. We may not be able to or may decide not to acquire parcels of land due to various factors including price. Further, we may not be able to transfer our costs of acquisition to our customers. Any such increase in price could adversely affect our business, prospects, financial condition and results of operations.

4. ***We have limited experience in conducting business outside of the Mumbai Metropolitan Region and Pune. If we are unable to leverage our experience in the Mumbai Metropolitan Region and Pune for our expansion in other cities, our revenues, business and results of operations will be adversely affected.***

We intend to selectively pursue opportunities in metropolitan cities and high growth cities across India. The level of competition, regulations, business practices and customs, customer tastes, customer behaviour and consumer preferences in cities where we have expanded our operations differ from those in and around the MMR and Pune, and our experience in the MMR and Pune may not be applicable to these other cities. In addition, in the other cities in which we have commenced operations, we compete with local real estate developers who may have an established local presence, are more familiar with local regulations, business practices and customs, and have stronger relationships with local contractors and the relevant Government authorities, all of which may collectively or individually give them a competitive advantage over us.

As we expand into new markets, our business will be exposed to additional challenges, including seeking and obtaining Governmental approvals from agencies with which we have no previous or limited work experience, identifying and collaborating with local business partners, contractors and suppliers with whom we may have no previous or limited working relationships, identifying and obtaining development rights over suitable properties, successfully gauging market conditions in local real estate markets with which we have no previous or limited familiarity, attracting potential customers in a market in which we do not have significant experience and having to familiarise ourselves with local taxation in these areas.

We can provide no assurance that the expansion of our business to cities outside the MMR and Pune will be successful. Any failure to successfully carry out our business plans in these cities could have an adverse effect on our revenues, business and results of operations.

5. ***Sales of our projects are dependent on and will be affected by the ability of our prospective customers to receive cost effective financing and favourable tax treatment.***

In the past, lower interest rates on financing from Indian retail banks and housing finance companies, particularly for residential real estate, combined with favourable tax treatment of loans, had helped the growth of the Indian real estate market. Any changes in the tax treatment with respect to the repayment of principal on housing loans and interest payable on housing loans could affect demand for residential real estate, which, as of August 31, 2010, accounted for 92.8% of the total Saleable/Leaseable Area of our Ongoing Projects, Forthcoming Projects and Planned Projects. Further, changes in interest rates affect the ability and willingness of prospective real estate customers, particularly residential property purchasers, to obtain financing for the purchase of our properties. The interest rate at which our real estate property purchasers may borrow funds for the purchase of our properties affects the affordability of our real estate projects. The economic turmoil in the recent past led to an increase in the interest rates and a decrease in the availability of loans, making our real estate properties less attractive to our customers. These factors may adversely affect our business, future growth and results of operations.

6. ***We have not obtained certain approvals for some of our projects and some of our projects are in the preliminary stages of planning and require approvals or permits and we are required to fulfill certain conditions precedent, which may delay these projects, make us incur additional costs and as a result, have an adverse effect on our business.***

We must obtain statutory and regulatory approvals or permits at various stages in the development of our projects. For example, we are required to obtain requisite change of land use, environmental approvals, fire safety clearances and commencement, completion and occupation certificates from relevant Governmental authorities. Also, our redevelopment projects depend substantially upon approvals from societies and certain Government agencies. We have applied for, or are in the process of applying for, such approvals or their renewals. We may not receive such approvals or renewals in the time frames anticipated by us, or at all, which could adversely affect our business.

In addition, some of our Forthcoming Projects and Planned Projects are in the preliminary stages of planning and development and we have not yet applied for many approvals in order to commence the development of such projects.

For further details with respect to regulatory approvals required for our business, see "Regulations and Policies" on page 181. For further details in relation to pending Government approvals and applications that have been made, see "Government and Other Approvals" on page 489.

If we fail to obtain, or experience delays in obtaining or renewing approvals, the schedule of completing our developments could be substantially disrupted, which could have an adverse effect on our business.

7. ***Our projects have long gestation periods and any delays and cost overruns in relation to our Ongoing Projects, Forthcoming Projects and Planned Projects could adversely affect our prospects, business and results of operations.***

It may take a considerable period of time, following the acquisition of land, before income or positive cash flows can be generated through the sale or lease of a real estate project. Real estate projects take a substantial amount of time to develop and we could incur losses if we purchase land during periods when land prices are high, and sell or lease our developed properties when property prices are relatively lower. Additionally, there could be delays and cost overruns in relation to our Ongoing Projects, Forthcoming Projects and Planned Projects and we cannot assure you that we will be able to complete these projects within the expected budgets and time schedules. During the period that our projects are developed, there can be changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perceptions of prospective customers with respect to the convenience and attractiveness of the project and changes with respect to competition from other property developments. Changes to the business environment during such time may affect the costs and revenues associated with the project and may ultimately affect the profitability of a project. If any of such changes occur during the time it takes to complete a certain project, our return on such project may be lower than expected which could adversely affect our prospects, results of operations and financial condition.

There have been delays during the development of certain of our Completed Projects in the past, owing to which we have not been able to meet our timelines for the handover of these projects. We cannot assure you that we will be able to complete our Ongoing Projects, Forthcoming Projects and Planned Projects within the expected budget and time schedule. Any delays and cost overruns could adversely affect our prospects, business and results of operations.

8. ***Our projects require the services of third parties, which entails certain risks that could adversely affect our business.***

Our projects require the services of third parties including architects, engineers, contractors and suppliers of labour and materials. All of our construction work for our projects is performed by third party sub-contractors. The timing and quality of construction of the projects we develop depend on the availability and skill of such third parties, as well as contingencies affecting them, including labour and raw material shortages. We may not be able to identify appropriately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we undertake our projects, or at all. As a result, we may be required to make additional investments or provide additional services to ensure adequate performance and delivery of contracted services. Any consequent delay in project execution could adversely affect our profitability and reputation.

If such contractors are unable to perform their obligations, including completing our developments within the specifications, quality standards, time frames specified by us, at the estimated cost, or at all, our business, reputation and results of operations could be adversely affected. For example, we ensure that a water-proofing sub-contractor provides a guarantee of 10 years from the date of completion of his work with respect to a property. In addition, under the Maharashtra Ownership of Flat Act, 1963 ("MOFA"), if we commit to our customers to complete the developments within a specified time period, and fail to do so, we are required to compensate these customers at specified rates for the delay except in case of force majeure situations specified in the agreement. Also, under the MOFA we are required to provide warranties for a period of up to two years for construction defects and may be held liable for such defects. Even though generally our contractors provide us with warranties from such time they complete their work, such warranties may not be sufficient to cover our losses, or our contractors could claim defences not available to us against our customers, which could adversely affect our financial condition and results of operations. We cannot assure you that the services rendered by any of these contractors will be satisfactory or match our requirements for quality. Further, delays and cost overruns may occur for reasons not involving the fault of our contractors and for which they therefore disclaim or challenge any responsibility. As we would incur the cost of delays or overruns, this could adversely affect our business.

Due to the number of property developments currently under construction in India, our contractors and other construction companies have a significant number of projects to complete and a substantial backlog. If the services of these or other contractors do not continue to be available on terms acceptable to us, or at all, our business and results of operations could be adversely affected. Additionally, our operations may be adversely affected by circumstances beyond our control such as work stoppages, labour disputes and a shortage of building materials, qualified skilled labour or a lack of availability of adequate infrastructure.

9. ***We benefit from our relationship with our Promoters and our business and growth prospects may decline if we cannot benefit from this relationship in the future.***

We benefit from our relationship with our Promoters in many ways, such as their reputation, experience and knowledge of the real estate and property development industry. As of August 31, 2010, our Promoters and Group Companies collectively developed approximately 10.3 million square feet of Saleable/Leaseable real estate.

Our growth and future success is influenced, in part, by our continued relationship with our Promoters. We cannot assure you that we will be able to continue to take advantage of the benefits from these relationships in the future. If we cease to benefit from these relationships for any reason, our business and growth prospects may decline and our financial condition and results of operations may be adversely affected.

10. ***Our Promoters', Promoter Group and Group Companies' interests in businesses that are engaged in similar lines of business as us may result in conflicts of interest, which could adversely affect our operations.***

Our Promoters have interests in other companies and entities that may compete with us, including our Promoter Group and Group Companies that conduct businesses similar to ours. For details, see "Promoter and Promoter Group" and "Group Companies" on pages 240 and 246, respectively. Our Promoters have entered into a non-compete agreement with our Company, whereby they have undertaken to neither individually nor collectively, with certain group entities set out in the agreement, engage in or otherwise participate in activities or services which compete or may compete with our business. This non-compete agreement is valid until September 19, 2015 but may be terminated on the mutual consent of all the parties to the agreement or upon the collective shareholding of our Promoters, whether held directly or indirectly, in our Company falling below 50.0%. While the parties have undertaken to negotiate in good faith to renew the agreement before it expires, there can be no assurance that we will be able to renew the agreement on similar terms, or terms acceptable to us, or at all.

Conflicts of interest may arise in allocating or addressing business opportunities and strategies among our Company and other entities in our Promoter Group or Group Companies and we cannot assure you that our Promoters will not favour the interests of other Promoter Group or Group Companies over our interests. There can be no assurance that such other entities will not compete with our existing business or any future business that we may undertake, nor that their interests will not conflict with ours.

11. ***Title insurance is not commercially available in India and we face uncertainty of title to our lands.***

Title insurance is not commercially available in India to guarantee title or development rights in respect of land. The absence of title insurance in India means that title records provide only for presumptive rather than guaranteed title. The original title to lands may often be fragmented and the land may have multiple owners. Some of these lands may have irregularities of title, such as non-execution or non-registration of conveyance deeds and inadequate stamping, and may be subject to encumbrances of which we may not be aware. In these projects, the title to the land may be owned by one or more of such third parties, and as such, in such instances, we cannot assure you that the persons with whom we enter into joint ventures or joint-development or collaboration agreements have clear title to such lands.

Prior to acquisition of, or entering into joint venture agreements or any other arrangement with respect to any land, we conduct due diligence and assessment exercises on the land. Through an internal assessment process, we analyse information about the land that is available to us. However, there can be no assurance that such information is accurate, complete or current. Our rights in respect of these lands may be compromised by improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners, or other defects that we may not be aware of. For example, Indian law recognises the ability of persons to effectuate a valid mortgage on an unregistered basis by the physical delivery of original title documents to a lender. Adverse possession under Indian law also arises upon 12 years of occupation over valid ownership rights against all parties, including government entities that are landowners, without the requirement of registration of ownership rights by the adverse possessor. In addition, Indian law recognises the concept of a Hindu undivided family, whereby all family members jointly own land and must consent to its transfer, including minor children, absent whose consent a land transfer may be challenged by such non-consenting family member. Our title to land may be defective as a result of a failure on our part, or on the part of a prior transferee, to obtain the consent of all such persons. Additionally, property records in India are not always available in an electronic database and are generally maintained manually in physical form, which are also manually updated. This updating process can take a significant amount of time and can result in inaccuracies or errors making the records unreliable. Furthermore, these records are difficult to obtain at the relevant land registry office.

The uncertainty of title to land makes the acquisition and development process more complicated, may impede the transfer of title, expose us to legal disputes and adversely affect our land valuations. Legal disputes in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If we or the owners of the land with whom we enter into a joint venture agreement or joint development agreement are unable to resolve such disputes with these claimants, we may lose our interest in the land. Certain of our total Land Reserves are currently subject to title related litigation, please also see “Outstanding Litigation and Material Developments” on page 426 for details on title related litigation. The failure to obtain good title to a particular plot of land may prejudice the success of a development for which that plot is a critical part and may require us to write-off expenditures in respect of the development.

For the reasons mentioned above, it is sometimes difficult for legal counsel to satisfy the various technical requirements to issue a valid title opinion. As a consequence, we do not have title opinions in respect of some of our land. Further, in respect of the lands for which we have obtained title opinions from local counsel, we may not be able to assess or identify all the risks and liabilities associated with the land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, amongst others. For details on the land, please see “Our Business” on page 131.

12. We have entered into agreements, MoUs, partnership and joint venture agreements and similar arrangements with various third parties to acquire land, which entail certain completion and other risks that could adversely affect our business, financial condition and results of operations.

We enter into MoUs, partnership and joint venture agreements, agreements to purchase and similar agreements with third parties to acquire title with respect to land. We enter into these agreements after making certain advance payments to ensure that the sellers of the land satisfy certain conditions within the time frames stipulated under these agreements. Further, since we do not acquire ownership or land development rights with respect to such land upon the execution of such MoUs, a formal transfer of title or land development rights with respect to such land is completed after we have conducted satisfactory due diligence or requisite Governmental consents and approvals have been obtained or we have paid all of the consideration for such land. As a result, we are subject to the risk that pending such consents and approvals, payment of consideration or our due diligence, the owners of such land may transfer the land to other purchasers or may grant developments rights to other parties so that we may never acquire formal title with respect to such land, which could have an adverse impact on our business. Additionally, we cannot assure you that the lands identified will be acquired at prices previously agreed to with the land owners. In the event that the prices are increased by the land owners during the acquisition process, we may not be able to acquire these lands at competitive prices, or at all.

In the event that we are not able to acquire lands identified for acquisition, we may not be able to recover all or part of the advance monies paid by us to the third party land owners. Further, in the event that these agreements are either unenforceable or have expired, we may lose the right to acquire these lands and may not be able to recover the advances made in relation to such lands. Also, our inability to perform or any delay in performing our obligations under these agreements, may lead to us being unable to acquire these lands as the agreements may also expire. Any failure to complete the purchases of land, renew these agreements on terms acceptable to us or recover the advance monies from the relevant counterparties could adversely affect our business, financial condition and results of operations.

13. ***We are party to memoranda of understanding, joint venture and joint development agreements in respect of some of our projects for which we are required to make refundable or non-refundable, non-interest bearing deposits to the respective land owners.***

We enter into memoranda of understanding, joint venture agreements and joint development agreements with third parties and land owners for the construction and development of many of our properties. These agreements envisage us incorporating special purpose vehicles that will develop the project. We do not own the title to the parcels of land under joint development. However, we are required to pay a deposit to the owners of the land for this development which is expected to be returned or adjusted upon the completion of the development of the property or during the development of the property or credited against payments made to owners of the land. Our undivided share in these lands may be transferred only when the development is complete. As of August 31, 2010, we have paid approximately Rs. 346.63 million towards refundable deposits to the owners of the land. Under these agreements or any similar agreements that we may enter in the future, in the event of any delay in the completion of the development within the time frame specified, we may be required to indemnify such parties with whom we have such agreements and pay certain penalties as specified in these agreements. If we are required to pay penalties and we decline to do so, we may not be able to recover the deposits made by us to the owners of the land. In addition, if for any reason the agreement is terminated or the property development is delayed or cancelled, we may not be able to recover such deposits. This could have an adverse effect on our business prospects, financial condition or results of operations.

14. ***Redevelopment projects are subject to certain risks involving existing tenants and applicable Government regulations, which may affect our project completion times and costs.***

As of August 31, 2010, two of our Ongoing Projects, one of our Forthcoming Projects and two of our Planned Projects are redevelopment projects. Under the redevelopment agreements entered into by us with various housing societies, we have paid certain amounts as refundable deposit or non-refundable advance compensation. We have also agreed to compensate the members of the housing societies for their inconvenience they suffer during the course of development and construction. As we have committed to a time frame within which we are required to hand over the completed units to the housing societies, we may be liable to pay penalty from the date of expiry of the stated period until the date we offer possession of the units, apart from the additional rent payable for the alternate premises during such period of delay. Additionally, the security deposit made by us may be forfeited in the event we fail to honour our commitments or obligations under the redevelopment agreements. We are also required to provide a bank guarantee for the completion of the project in accordance with the redevelopment agreement. In the event we fail to offer possession of the units within the time period stipulated under the agreement, these housing societies would be entitled to terminate the agreement and invoke the bank guarantee and all the amounts paid by us under the agreement may stand forfeited.

We have also agreed to allot units within specified areas in the newly constructed buildings to the members of the housing societies. Such allotment is irrespective of the final floor space index ("FSI") that may be available for the project in accordance with the Development Control Rules, 1999 and the MMRDA Act, 1974. If the law in this regard is amended or altered, our profits from such projects will also be affected as a result.

Further, these projects require, among other things, obtaining consent from at least 70.0% of the tenants, consensus between various groups of tenants, providing accommodation to the tenants during the interim period of obtaining consents, demolition and construction. Delay in any of these activities may have adverse financial implications. Any delay in the construction or prolonged construction period will lead to increased costs and will affect our profitability. Moreover, our ability to obtain suitable sites for our redevelopment projects in and around the MMR in the future, and our cost to acquire land development rights over such sites, could be adversely affected by any changes to the applicable Governmental regulations. If the current redevelopment scheme in effect in and around the MMR were to significantly change or be terminated, it may have an adverse effect on our business.

We may own TDRs which we may have acquired as a result of our involvement in redevelopment schemes in and around the MMR. We may derive income from the sale of such TDRs to third parties if market conditions for such sales are favourable. We may also need to purchase TDRs from third parties in connection with development of projects. If the regulations change to preclude the purchase, sale or utilisation of TDRs, or the planning and land use regulations in the MMR are significantly altered or terminated so as to permit additional construction on existing lots, our TDRs may lose value and we may not ultimately derive revenue from their sale, which would adversely affect our financial condition and results of operations.

15. ***We recognise revenue based on the "percentage of completion" method of accounting on the basis of our management's estimates of revenues and development costs on a property by property basis.***

Our income from our properties is recognised on the percentage of completion method of accounting. Under this method, revenue comprises the aggregate amounts or sale price under the sales arrangements entered into and is recognised on the basis of percentage of construction work completed, as certified by a registered architect, subject to such percentage being 25% or more of the project.

We periodically review our total Saleable Area and estimate of cost and recognise any changes therein in the period in which such changes are determined. However, when the total cost of a project is estimated to exceed the total revenue from the project, we recognise the loss in the same fiscal year. The effect of such changes may lead to fluctuations in our revenues and development costs. We cannot assure you that the estimates used under the percentage of completion method will equal the actual cost incurred with respect to these projects.

16. ***Some of the agreements with our customers require us to pay interest or penalties in case of delays in handing over possession to our customers.***

Our agreements with our residential customers require us to hand over possession of the property by a certain date, failing which, we may be liable, under the terms of the agreements, to pay interests, penalties or liquidated damages to the residential customers for every day that the hand over of possession is delayed or the residential customer being entitled to rescind and terminate the agreement, pursuant to which we are liable to refund all the amounts deposited or paid by the customer including interest thereon.

We cannot assure you that we will always complete the construction or development of our projects in accordance with the timelines specified in such agreements, and as a result we may be liable to refund the money under such agreements. Further, such refunds payable by us may have an adverse effect on our financial condition and results of operations. In addition, continued delays in the completion of construction of our projects may adversely affect our reputation.

17. ***We have experienced rapid growth in the past few years and may not be able to sustain our growth, which may adversely affect our business prospects and results of operations.***

We have experienced rapid growth in the past few years. For the fiscal year 2010, we generated consolidated total income of Rs. 6,168.35 million and net profit after tax and minority interest of Rs. 1,044.56 million, as compared to consolidated total income of Rs. 3,670.75 million and net profit after tax and minority interest of Rs. 313.92 million for the fiscal year 2009. As of August 31, 2010, we have 15 Ongoing Projects, 10 Forthcoming Projects and 15 Planned Projects. We may not be able to sustain our growth effectively or to maintain a similar rate of growth in the future due to a variety of reasons including a decline in the demand for quality real estate properties, increased prices or competition, lack of management availability or due to a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business prospects and results of operations.

18. ***Our residential real estate development business depends on our ability to anticipate and respond to consumer requirements, a failure of which could adversely affect our business, financial condition and results of operations.***

We depend on our ability to understand the preferences of our customers and to accordingly develop projects that suit their tastes and preferences. The growing disposable income of India's middle and upper income classes has led to a change in popular lifestyles resulting in substantial changes to the nature of their demands. The range of amenities now demanded by consumers include those that have historically been uncommon in India's residential real estate market such as gardens, community space, security systems, playgrounds, swimming pools, fitness centres, tennis courts, squash courts and golf courses. As customers continue to seek better housing and better amenities as part of their residential needs, we are required to focus on the development of quality residential accommodation with amenities in line with our customers' needs. Our inability to provide customers with certain amenities or our failure to continually anticipate and respond to customer needs could adversely affect our business, financial condition and results of operations.

19. ***Our commercial real estate business is dependent on our ability to provide high quality commercial space to our customers and anticipate future customer needs and expansion plans, and our inability to do so may adversely affect our business.***

Our commercial real estate business is focused on the development of commercial space, including the sale and lease of commercial space. Our growth and success will depend on the provision of high quality commercial space to attract and retain customers who are willing and able to lease or purchase these developments at suitable levels, and on our ability to anticipate the future needs and expansion plans of such customers. We will incur significant costs for the integration of modern fittings, contemporary architecture and landscaping, as well as the security, telecommunications, broadband and wireless systems expected by our customers. Our ability to pass these costs on to commercial customers will depend upon a variety of market factors beyond our control. Our inability to provide customers with properties that correspond to their needs could adversely affect our business.

20. ***Our retail real estate business is dependent on our ability to forecast demand, enter into leasing arrangements with popular retailers, and attract consumers away from traditional shopping environments and competing shopping centres, and our inability to do so may adversely affect our business.***

In order to successfully operate retail developments, we are required to forecast market demand accurately, as well as enter into leasing arrangements with popular retailers. We believe that in order to draw consumers away from traditional shopping environments such as small local retail stores or markets as well as from competing centres, we need to create demand for our retail developments where customers can take advantage of a variety of consumer and retail options, such as large department stores, in addition to amenities such as designer stores, comprehensive entertainment facilities, including multiplexes, restaurants and bars, air conditioning and adequate parking facilities. Further, to help ensure our shopping centres' success, we must secure suitable anchor tenants and other retailers as they play a key role in generating customer traffic. A decline in consumer and retail spending or a decrease in the popularity of the retailers' businesses could cause retailers to cease operations or experience significant financial difficulties that in turn could reduce our ability to continue to attract successful retailers and visitors to our projects.

Our retail business may also be affected by adverse changes specific to the retail industry, which has historically been and could be in the future adversely affected by the adverse financial condition of some large retail companies, ongoing consolidation in the retail sector in India, excess retail space in a number of Indian regional markets, an increase in consumer purchases through catalogues or the Internet and the timing and costs associated with property improvements and rentals, changes in taxation and zoning laws and adverse Government regulation.

21. ***An increase in the prices of, shortages of, or delays or disruptions in the supply of building materials faced by our third party contractors could harm our results of operations and financial condition.***

Our ability to develop and construct properties profitably is dependent upon our ability to source adequate building supplies, such as cement and steel for use in our projects. We also depend on our third party construction contractors to source other building materials for use in our projects. In some of such arrangements, we provide for an escalation or reduction in price that corresponds to an escalation or reduction in the price of such building materials. During periods of shortages of building materials, we may not be able to complete properties according to our construction schedules, at our estimated property development costs, which could harm our results of operations and financial condition. In addition, during periods where the prices of such building materials significantly increase, we may face additional development costs because of our commitments, which could reduce or eliminate the profits we intend to attain from our properties.

22. ***Our inability to acquire large contiguous parcels of land may affect our future development activities, which may adversely affect our business prospects, financial condition and results of operations.***

Certain of our projects are being built on large parcels of land. We may be required to acquire parcels of land from various land owners, which are subsequently consolidated to form a contiguous property, upon which we undertake development. In the future, we may not be able to acquire such large parcels of land at all or on terms that are acceptable to us, or at all. This may prohibit us from developing further large projects or may cause delays or force us to abandon or modify the development of land at a location, which in turn may result in a failure to realise our investment for acquiring such parcels of land. Accordingly, our inability to acquire large contiguous parcels of land may adversely affect our business prospects, financial condition and results of operations.

We may also be forced to pay substantial prices for acquiring certain large parcels of lands owing to its size and location. Paying such prices for land may limit our ability to fund other property developments and may adversely affect our business, financial condition and results of operations.

23. ***Our operations could be affected by changes to the FSI and TDR regimes by the relevant statutory authority where our projects are located.***

We and other developers are subject to municipal planning and land use regulations in effect in the MMR and in other locations in India, in which we operate. These regulations limit the maximum square footage of completed buildings we may construct on plots to specified amounts, calculated based on a ratio of maximum floor space of completed buildings to the surface area of each plot of land.

TDRs, in the form of a Development Rights Certificate granted by the relevant statutory authority (for example, the Municipal Corporation of Greater Mumbai (the "MCGM") in MMR), provide a mechanism by which a person, who is unable to use the available FSI of his plot for various reasons, is permitted to use such unutilised FSI on other properties in accordance with applicable regulations or transfer the unutilised FSI to a third party. If the regulations were changed to reduce the applicable FSI or to disallow the acquisition or utilisation of TDRs or incentive FSI, we may not be able to develop our projects to the full extent of their estimated Saleable/Leaseable Area, and our business, financial condition and results of operations could be adversely affected.

24. ***Compliance with, and changes to, safety, health and environmental laws and various labour, workplace and related laws and regulations impose additional costs and may increase our compliance costs and may adversely affect our results of operations and our financial condition.***

We are subject to a broad range of safety, health and environmental laws and various labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the handling, storage and disposal of raw materials and chemicals, noise emissions, air and water discharges, our employees exposure to hazardous substances and other aspects of our operations. Compliance with, and changes to, these laws may increase our compliance costs and may adversely affect our results of operations and financial condition.

We and our sub-contractors are subject to laws and regulations relating to, among other things, environmental approvals in respect of the project, minimum wages, working hours, health and safety of labourers and requirements of registration for contract labour.

If the contractor through which we engage contract labour is not registered under the Contract Labour (Regulation and Abolition) Act, 1970, or does not pay wages or provide amenities such as rest rooms and a canteen as stipulated by the Contract Labour (Regulation and Abolition) Act, 1970, we as a principal will be liable to provide these amenities and wages to such contract labour. Further, on an application made by the contract labourers, the appropriate court or tribunal may direct that the contract labourers be regularised or absorbed, or that we pay certain statutory contributions in this regard. In addition, we are also required to provide certain statutory dues under the provident fund, Employees State Insurance Scheme and other employee or labour regulations, the non-payment or non-fulfillment of which could subject us to penalties.

Although we believe that our projects are generally in compliance with such laws and regulations, statutory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings.

Further, though we have been able to obtain the necessary approvals in the past, we cannot assure you that we will be able to obtain approvals in relation to our new projects, at such times or in such form as we may require, or at all.

These laws and regulations and their resulting obligations, under which we and our sub-contractors operate, may result in delays in construction and development, cause us to incur substantial compliance and other related costs and prohibit or severely restrict our real estate and construction businesses. If we are unable to continue to deliver products as a result of these restrictions, or if our compliance costs increase substantially, our revenues and earnings may be reduced, which may adversely affect our results of operations, business and financial condition.

25. ***Certain portion of the land to which we have access is classified as "Agriculture Land", which does not permit commercial or residential development.***

Certain of our total Land Reserves are classified as "Agriculture Land" which are held in our name or the name of certain individuals on behalf of us. No commercial or residential development is permitted on such land without the prior approval of local authorities, including the conversion of such land to the appropriate zone for development. We cannot assure you that we will be able to obtain the requisite permissions and conversions by the relevant authorities to convert the use of such land for non-agricultural development purposes in a timely manner, or at all. If we do not receive permissions and conversions in a timely manner, we may not be able to develop these lands as intended, which could adversely affect our business, prospects, financial condition and results of operations.

"Green belt area" refers to lands within a restricted area as declared by the respective state Government, certain lands falling within such area are lands upon which no commercial or residential development is permissible. However, certain activities are allowed to be carried out in the green belt areas, including construction of places of worship, hospitals, libraries, sports clubs and cultural buildings. Any other form of activity to be carried out would require the prior consent of the relevant authority. We cannot assure you that in the event that we are able to acquire such lands directly or indirectly, we will be granted or will obtain permission to develop these lands for purposes other than those mentioned above which could adversely affect our business, prospects, financial condition and results of operations.

26. ***The "Kalpataru" brand is owned by Kalpataru Properties Private Limited, which has, pursuant to a trademarks licensing agreement dated September 20, 2010 granted our Company a non-exclusive right to use the "Kalpataru" name and the "Kalpataru" logo. If we are unable to continue to use the trademark and logo, our goodwill, business and results of operations may be adversely affected.***

The trademark and logo appearing on the cover page of this Draft Red Herring Prospectus is not owned by us. We have obtained a non-exclusive and non-assignable right to use the trademark and logo appearing on the cover page of this Draft Red Herring Prospectus from Kalpataru Properties Private Limited, one of our Promoter Group companies, under a trademarks licensing agreement dated September 20, 2010. This trademark and logo is an important asset of our business. The trademark license agreement may be terminated upon either party giving a written notice to the other party of its intention to terminate the agreement and upon us committing a material breach or default of any of the provisions of the agreement, which is not remedied or remediable within 20 business days or upon there being a change in the composition of our Company's board or share holding pattern so as to result in a change of control of our Company's management. We cannot assure you that we will continue to have the uninterrupted use and enjoyment of the trademark or logo. Infringement of the trademark or logo, for which we may not have any immediate recourse, may adversely affect our ability to conduct our business as well as affect our reputation, and consequently, our results of operations.

27. ***The Government may exercise rights of compulsory purchase or eminent domain over our parcels of land, which could adversely affect our business.***

The Land Acquisition Act, 1894 allows the central and state Governments to exercise rights of compulsory purchase, which if used in respect of our parcels of land, could require us to relinquish land with minimal compensation and no right of appeal. The likelihood of such actions may increase as the central and state Governments seek to acquire land for the development of infrastructure projects such as roads, airports and railways. Any such action in respect of one or more of our Ongoing Projects, Forthcoming Projects or Planned Projects or Land Available For Future Development could adversely affect our business.

28. ***Our business and growth plans could be adversely affected by the incidence of taxes, duties and levies.***

As a property owning and development company, we are subject to the property tax regime in the states where our properties are located. These taxes could increase in the future, and new types of property taxes may be established which would increase our overall development and other costs. We also buy and sell properties and property conveyances are generally subject to stamp duty. Additionally, the sale and receipt of the under construction units attracts service tax and value added tax. If these duties increase, the cost of acquiring properties will rise, and sale values could also be affected. Additionally, if stamp duties were to be levied on instruments evidencing transactions which we believe are currently not subject to such duties, our acquisition costs and sale values may be affected. Any such changes in the incidence or rates of property taxes or stamp duties or service tax or value added tax or any other tax or levies or charges may affect our results of operations.

29. ***Our business depends on our information technology systems in managing our construction and development process, logistics and other integral parts of our business.***

Our information technology systems are important to our business. We utilise information technology systems in managing our construction and development process, sale, finance and accounts, and other integral parts of our business. Any failure in our information technology systems could result in business interruption, which may adversely affect our reputation and weaken our competitive position, and in turn result in an adverse effect on our financial condition and results of operations.

30. ***Our registered office is on premises that have been taken on a leave and license basis. Our inability to seek renewal or extension of such license may disrupt our operations.***

Our registered office is on premises we have licensed from a Group Company. We have entered into an agreement of leave and license for our registered office with Kalpataru Properties Private Limited for a term until March 31, 2015. Any breach of the contractual terms of the leave and license agreement we have entered into, or any inability to renew this leave and license agreement on terms acceptable to us, or at all may have an adverse effect on our business operations. For further details, see "Our Business — Our Registered and Corporate Offices" on page 168.

31. ***Our success depends upon our senior management, Directors and key personnel and our ability to retain them and attract new personnel when necessary. The loss of any such personnel could harm our business***

Our senior management, Directors and key personnel collectively have many years of experience in the real estate industry. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. We cannot assure you that we will continue to retain any or all of the key members of our management. The loss of the services of any member of our management team could have an adverse effect on our business and our results of operation.

Moreover, we do not maintain "key man" insurance for any of our senior or other key management personnel. Any loss of our senior managers or other key personnel or the inability to recruit further senior managers or other key personnel could impede our growth by impairing our day-to-day operations and hinder our development of new projects and our ability to develop, maintain and expand client relationships.

32. ***Our operations and the work force on property sites are exposed to various hazards.***

We conduct various site studies to identify potential risks prior to the acquisition of any parcel of land and its construction and development. However, there are certain unanticipated or unforeseen risks that may arise due to adverse weather and geological conditions such as outbreaks of disease, storms, hurricanes, lightning, floods, landslides, rockslides and earthquakes and other reasons. Additionally, our operations are subject to hazards inherent in providing such services, such as risk of equipment failure, impact from falling objects, collision, work accidents, fire, or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. If any one of these hazards or other hazards were to affect our business, our results of operations may be adversely affected.

33. ***Labour unrest and a shortage of skilled labour may significantly affect our business, we may be subject to slowdowns and increased wage costs.***

We believe that the real estate and property development industry in India is currently experiencing a shortage of skilled labour. As a consequence, we face competitive pressures in recruiting and retaining engineers as well as other skilled labour and professionally qualified staff as and when we need them. We believe that we currently pay salaries at market rates in order to secure an adequate number of skilled personnel, however, we may in the future need to pay remuneration that is above market rates, which could result in lower profit margins for us. Further, there can be no assurance that increased salaries will result in a lower rate of attrition. The loss of the services of our skilled personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

In addition, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment.

34. ***Our insurance coverage may not adequately protect us against certain risks, and we may be subject to losses that might not be covered in whole or in part by our existing insurance coverage.***

We currently maintain standard fire and special perils insurance, public liabilities insurance, motor vehicle insurance, group personal accident insurance and money insurance, but we cannot assure you that the level of insurance maintained by us is adequate. We may face risk of losses in our operations arising from a variety of sources, including, but not limited to, risks relating to construction, catastrophic events, terrorist risk, intentional vandalism, theft of construction supplies and loss of business. If we suffer any losses, damages and liabilities in the course of our operations and real estate development, we may not have sufficient insurance or funds to cover any such losses. In addition, we do not carry insurance coverage for contractor's liability, timely project completion, loss of rent or profit, construction defects or consequential damages for a tenant's lost profits. Any damage suffered by us in respect of uninsured events would not be covered by insurance policies and we would bear the effect of such losses. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully or on time. Any payments we make to cover any losses, damages or liabilities or any delays we experience in receiving appropriate payments from our insurers could have an adverse effect on our business, financial condition and results of operations.

35. ***We may not be able to obtain additional funds for our development activities on terms acceptable to us, or at all, which will have an adverse effect on our ability to develop our projects and grow our business.***

The real estate development industry is capital intensive and requires significant expenditure for land acquisition and development. As of March 31, 2010, we had consolidated outstanding secured and unsecured loans of Rs. 16,717.00 million.

The use of debt presents the risk that we may, in adverse circumstances, face difficulties in servicing interest payments and comply with repayment schedules or comply with other requirements of any loans, potentially rendering debt immediately repayable in whole or in part and we may be forced to sell some of our assets to meet such obligations. As we intend to pursue a strategy of continued investment in our development activities, we will incur additional expenditure in the future. We propose to fund such expenditure through a combination of debt, equity and internal accruals. Our ability to borrow and the terms of our debt will depend on our financial condition and the market conditions at the time. We may not be successful in obtaining these additional funds in a timely manner and on favourable terms, or at all.

Moreover, certain of our loan documents contain provisions that limit our ability to incur any future debt. In addition, the availability of borrowed funds for our business may be greatly reduced, and we may be required to invest increased amounts in a project. If we do not have access to additional capital, we may be required to delay, postpone or abandon some or all of our development projects or reduce capital expenditures and the size of our operations.

36. ***Our indebtedness and the conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.***

Our business is capital intensive and requires significant expenditure for land acquisition and project development. As of March 31, 2010, we had secured and unsecured loans of Rs. 16,717.00 million. Our level of debt and the limitations imposed by our current or future loan arrangements could have adverse consequences, including, but not limited to, the following:

- we may be required to dedicate a portion of our cash flow towards the repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future may be impaired; and
- fluctuations in market interest rates may adversely affect the cost of our borrowings, since the interest rates on certain of our borrowings may be subject to changes based on the prime lending rate of the respective bank lenders, may be re-negotiated on a periodic basis and may not be covered by interest rate hedge agreements.

One of our lenders, which has provided a credit facility to Kalpataru Constructions (Pune) and Kalpataru + Sharyans, two partnership firms in which we have equity interests, is entitled to, on the occurrence of an event of default, appoint a nominee to take over the project being undertaken by each of the partnership firms, namely Kalpataru Estate – Pune and Kalpataru Riverside – Panvel, complete the projects and adjust the proceeds from the sale of such project towards the full satisfaction of the loan and other dues. Furthermore, the lender reserves the right to enter upon and take possession of the secured properties. These projects constitute, in aggregate, 2,617,494 square feet of our residential Saleable/Leaseable area and 243,602 square feet of our commercial Saleable/Leaseable.

Any failure by us to service our indebtedness, maintain the required security interests, comply with the restrictive covenants, obtain required consents or otherwise perform our obligations under our financing agreements could lead to a termination of one or more of our credit facilities, trigger default provisions, result in penalties and acceleration of amounts due under such facilities. Additionally, as some of our borrowings are secured against some of our assets, lenders may be able to take control of and sell those assets. Furthermore, our financing arrangements may contain cross-default clauses which could be automatically triggered if we default under our other financing arrangements. Moreover, the amounts under our unsecured borrowings can be recalled by the lenders at any time. As of March 31, 2010, our unsecured loan, amounting to Rs. 4,391.87 million, was repayable on demand. Any of these factors may adversely affect our business, financial condition and results of operations. For further details see “Financial Indebtedness” on page 417.

37. ***The requirement of funds in relation to the Objects of the Issue have not been appraised and our project expenditure programme may change.***

We intend to use the net proceeds of the Issue for the purposes set out under the “Objects of the Issue” on page 86. The Objects of the Issue have not been appraised by any bank or financial institution. These are based on current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. Our management estimates for the projects may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reallocate our project expenditure and may have an adverse impact on our business, financial condition and results of operations.

A part of the net proceeds of the Issue are intended for financing the construction and development costs of certain of our projects that are being undertaken by our Company’s Subsidiaries, Associates and partnership firms that our Company is a partner in. We intend to infuse funds these entities by means of fresh capital or debt financing. However, we have not entered into any definitive agreements, nor are the means through which our Company will invest in the entities finalised. Additionally, Rs.[•] million amounting to [●]% of the net issue proceeds has been allocated to general corporate purposes and will be used at the discretion of the management.

Our Audit Committee will review the use of proceeds of the Issue in conjunction with our Board and will make recommendations to the Board on such use. Further, our Company will furnish a statement to the

Stock Exchanges indicating material deviations, if any, in the use of proceeds of the Issue from the objects stated in this Draft Red Herring Prospectus. The deployment of funds as stated in the section titled "Objects of the Issue" on page 86 is entirely at the discretion of our Board. All the figures included under the section titled "Objects of the Issue" are based on our own estimates. Pending utilisation of the proceeds of this Issue for the purposes described in this Draft Red Herring Prospectus, we intend to invest the proceeds of the Issue in high quality interest bearing liquid instruments including money market mutual funds and deposits with banks, or for reducing overdrafts. Such investments would be made in accordance with investment policies or investment limits approved by our Board from time to time.

38. ***Fluctuations in market conditions between the time we acquire land and sell developed projects on such land may affect our ability to sell our projects at expected prices, which could adversely affect our revenues and profit margins.***

The Indian real estate market has historically been cyclical, which can affect the optimal timing for both the acquisition of sites and the sale of our properties. Given the fact that real estate projects can take a significant amount of time to develop, we may be subject to significant fluctuations in the market value of our land and inventories. We cannot assure you that real estate market cyclicality will not continue to affect the Indian real estate market in the future, nor can we assure you that prices of real estate will increase in the future. As a result, we may experience fluctuations in property values over time, which in turn may adversely affect our business, financial condition and results of operations.

39. ***We will continue to be controlled by our Promoters and certain Promoter Group entities after the completion of the Issue.***

After the completion of the Issue, our Promoters along with certain of our Promoter Group members will control, directly or indirectly, approximately **[•]** % of our outstanding Equity Shares.

As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

For further information, see section titled "Capital Structure" and "Main Provisions of the Articles of Association" on pages 75 and 564, respectively.

40. ***We receive certain tax benefits under the provisions of the Income Tax Act, which if withdrawn, may adversely affect our financial condition and results of operations.***

We receive certain tax benefits under the provisions of the Income Tax Act, which if withdrawn, may adversely affect our financial condition and results of operations. Modifications to the tax benefits currently in place for real estate developers under Indian law may adversely affect our financial condition and results of operations. For example, we currently benefit from an income tax exemption for profits derived from the development and construction of housing projects if certain conditions are met. In the event that we become ineligible to avail ourselves of these benefits due to any change in law or the scope of our projects, the effective tax rates payable by us may increase and our financial condition and results of operations may be adversely affected. For details, please see "Statement of Tax Benefits" on page 97.

41. ***We have entered into, and will continue to enter into, related party transactions.***

We have entered into transactions with several related parties, including our Promoters, Directors and Promoter Group entities. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest and may or may not be on an arm-length basis. For more information regarding our related party transactions, see "Related Party Transactions" on page 279.

42. ***Our contingent liabilities that have not been provided for could affect our financial condition.***

Our total contingent liabilities that have not been provided for and as disclosed in our restated consolidated financial statements, as per Indian GAAP as of March 31, 2010 were Rs. 1,648.51 million. In the event that any of these amounts that we have not provided for become due, our financial condition and results of operations may be adversely affected. Our contingent liabilities not provided for as of March 31, 2010 included the following:

(Rs. in Millions)

PARTICULARS	**As at March 31, 2010**
Bank Guarantee	3.12
Letter of credit (net of liability provided)	13.61
Guarantees given for loans taken by Subsidiaries (net of liability provided)	1,572.63
Claims against us not acknowledged as debt	9.15
Guarantee given in favour of a financial institution	50.00

For further information, see the notes to our restated consolidated financial statements, on page 282.

43. ***Our transition to IFRS reporting could have an adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the "Press Release") and the clarification thereto dated May 4, 2010 (together with the Press Release, the "IFRS Convergence Note"). Pursuant to the IFRS Convergence Note, all companies having a net worth in excess of Rs. 5,000.00 million and below Rs. 10,000.00 million, will be required to convert their opening balance sheets as at April 1, 2013 (if the financial year commences on or after April 1, 2013) and for companies having networth in excess of Rs 10,000.00 million are required to convert their opening balance sheet as at April 1, 2011 in compliance with the notified accounting standards which are convergent with IFRS. Accordingly, we may be required to prepare our annual and interim financial statements under the accounting standards which are convergent with IFRS. We have not yet determined with any degree of certainty what impact the adoption of IFRS will have on our financial reporting.

Our financial condition, results of operations, cash flows or changes in shareholders' equity is likely to be materially different under IFRS than under Indian GAAP or our adoption of IFRS may adversely affect our reported results of operations or financial condition.

In addition, in our transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, our transition may be hampered by increasing competition and increased costs for the relatively small number of IFRS experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements.

44. ***Certain statements contained in this Draft Red Herring Prospectus are based on current management plans and estimates and may be subject to change. In addition, industry statistical and financial data contained in this Draft Red Herring Prospectus may be incomplete or unreliable.***

Certain information contained in this Draft Red Herring Prospectus, such as development rights owned by us, location and type of project, estimated construction commencement and completion dates, our funding requirements and the Developable Area and Saleable/Leaseable Area presented herein with regard to Ongoing Projects, Forthcoming Projects and Planned Projects are based on management plans and estimates and are subject to regulatory approvals. The square footage that we may develop in the future with regards to a particular property may differ from what is presented herein based on various factors such as prevailing market conditions, current management plans, change in laws and regulations, competition, title defects, an inability to obtain the required regulatory approvals such as zone conversion, approvals under the Township Policy, changes or modifications in the development norms (such as FSI and zoning, including the Coastal Regulatory Zone), approval of Incentive FSI under various regulations, TDR or our understanding of development norms.

We have not independently verified data from Government and industry publications such as CRISIL and McKinsey contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the real estate industry herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

These facts and other statistics include the facts and statistics included in "Industry" on page 106. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

45. ***Our business is highly competitive and we cannot assure you that we will be able to compete effectively with other real estate companies.***

We operate our business in an intensely competitive and highly fragmented industry. We face significant competition in our business from Indian real estate development companies who also operate in the same regional markets as us. The extent of the competition we face in a potential property market depends on a number of factors, such as the size and type of property development, contract value and potential margins, the complexity and location of the property development, and the risks relating to revenue generation.

Given the fragmented nature of the real estate development industry, we often do not have adequate information about the property developments our competitors are developing and accordingly, we run the risk of underestimating supply in the market. While the MMR remains and is expected to remain our primary focus, we also intend to selectively pursue opportunities in other upcoming cities across India. As we diversify our regional focus, we face the risk that some of our competitors, who are also engaged in real estate development, may be better known in other markets, enjoy better relationships with land owners and international or domestic joint venture partners, may gain early access to information regarding attractive parcels of land and may be better placed to acquire such land.

Some of our competitors are larger than us and have greater land reserves or financial resources or a more experienced management team. They may also benefit from greater economies of scale and operating efficiencies. Competitors may, whether through consolidation or growth, present more credible integrated and/or lower cost solutions than we do, causing us to acquire fewer land or development rights. There can be no assurance that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. Also, in the areas of business in which we are a new entrant to the market, we may not be able to compete effectively with our competitors, some of whom may have greater breadth of experience and qualifications.

46. ***Our Company and some of our Subsidiaries have experienced losses and negative operating cash flows in prior periods and certain of our Subsidiaries and Group Companies have negative net worth.***

Certain of our Subsidiaries have incurred losses in the past three fiscal years, the details of which are provided below:

	Fiscal Year		
Name of Entity	**2010**	**2009**	**2008**
	(Rs. in millions)		
Kalpataru Retail Ventures Private Limited	(29.52)	(0.15)	0.93
Shravasti Property Private Limited	(0.31)	(1.34)	1.57

	Fiscal Year		
Name of Entity	**2010**	**2009**	**2008**
Abacus Real Estate Private Limited	(0.19)	(0.10)	(0.09)
Ambrosia Real Estate Private Limited	(0.03)	(0.04)	(0.03)
Ardour Properties Private Limited	8.78	(8.85)	(0.35)
Ardour Real Estate Private Limited	(0.20)	(0.25)	(0.70)
Arimas Real Estate Private Limited	(5.53)	(5.24)	(0.89)
Ashoka Properties Private Limited	1.23	(0.45)	(0.09)
Aura Real Estate Private Limited	10.69	(10.76)	(5.99)
Azure Tree Lands Private Limited	(0.03)	(0.05)	(0.14)
Astrum Developers Private Limited	(0.03)	(0.03)	(0.03)
Kalpataru Constructions (Poona) Private Limited	11.42	(11.47)	(0.02)
Ardour Developers Private Limited	0.19	(0.02)	-
Kalpataru Land Private Limited	(1.91)	(0.24)	0.06
Sona Properties Private Limited	(0.08)	(0.14)	(0.04)
Kalpataru Land (Surat) Private Limited	(0.22)	(0.39)	(0.12)
Kiyana Properties Private Limited	0.09	(0.02)	-
Propnova Properties Private Limited	(0.02)	-	-
Abacus Enviro Farms Private Limited	(0.11)	(0.04)	(0.03)
Abacus Orchards Private Limited	(0.03)	(0.02)	(0.03)
Abhiruchi Orchards Private Limited	(0.02)	(0.04)	(0.03)
Agile Envio Farms Private Limited	(0.01)	(0.02)	(0.02)
Agile Orchards Private Limited	(0.01)	(0.02)	(0.02)
Amber Enviro Farms Private Limited	(0.14)	(0.02)	(0.02)
Amber Orchards Private Limited	(0.01)	(0.02)	(0.03)
Ambrosia Enviro Farms Private Limited	(0.03)	(0.02)	(0.02)
Anant Envio Farms Private Limited	(0.01)	(0.01)	(0.02)
Anant Orchards Private Limited	(0.28)	(0.12)	(0.02)
Appropriate Envio Farms Private Limited	(0.20)	(0.03)	(0.02)
Arena Orchards Private Limited	(0.42)	(0.79)	(0.03)
Ashoka Orchards Private Limited	(0.04)	(0.09)	(0.02)
Aspen Envio Farms Private Limited	(0.03)	(0.04)	(0.03)
Aspen Orchards Private Limited	(0.01)	(0.02)	(0.02)
Astrum Orchards Private Limited	(0.04)	(0.06)	(0.03)
Aura Enviro Farms Private Limited	(0.10)	(0.01)	(0.02)
Aura Orchards Private Limited	(0.03)	(0.02)	(0.02)
Axiom Orchards Private Limited	(0.04)	(0.11)	(0.03)
Azure Tree Enviro Farms Private Limited	(0.13)	(0.16)	(0.03)
Azure Tree Orchards Private Limited	(0.03)	(0.03)	(0.04)
Swarn Bhumi Township Private Limited	(0.71)	(1.13)	(0.93)
Girirajkripa Developers Private Limited	(0.32)	(0.11)	(0.13)

Certain of our Group Companies have incurred losses in the past three fiscal years, the details of which are provided below:

	Fiscal Year		
Name of Entity	**2010**	**2009**	**2008**
	(Rs. in millions)		
Appropriate Developers Private Limited	(0.03)	(0.03)	(0.46)
Appropriate Orchards Private Limited	(0.10)	(0.07)	(0.04)
Argan Developers Private Limited	(0.03)	(0.19)	-
Ascent Enviro Farms Private Limited	(0.22)	(0.07)	(0.03)
Ascent Orchards Private Limited	(0.12)	(0.10)	(0.04)
Axiom Constructions Private Limited	(0.70)	(0.54)	0.17
Axiom Properties Private Limited	(1.99)	(8.38)	(0.04)
Azure Tree Constructions Private Limited	(0.03)	(0.02)	(0.03)
Azure Tree Properties Private Limited	(0.03)	(0.02)	(0.03)
Azure Tree Property Ventures Private Limited	(0.03)	(0.02)	(3.46)
Caprihans International Impex Private Limited	(0.02)	(0.01)	(0.01)
India Office Solutions Private Limited	(0.02)	(0.05)	(0.02)
Kalpataru Energy (India) Private Limited	(0.00)	0.01	(0.23)
Kalpataru E-Vision Private Limited	(0.30)	(0.29)	(0.01)
Kalpataru Theatres Private Limited	(0.92)	(0.58)	0.33
Klassik Townships Private Limited	(0.07)	(0.03)	(0.05)
Mrigashish Constructions Private Limited	(0.02)	(0.01)	(0.27)
Parag Prem Builders Private Limited	(0.02)	(0.01)	(0.01)
Sfurti Impex Private Limited	0.30	(0.40)	(0.22)
Sfurti Multitrade Private Limited	0.32	(0.31)	(0.17)
Agile Real Estate Private Limited	(0.03)	(0.02)	-
Amrita Polytex Private Limited	2.62	1.53	(0.12)
Ananta Villas Private Limited	(0.02)	(0.02)	-
Argos International Marketing Private Limited	*	3.99	(0.11)
Arman Villas Private Limited	(0.02)	(0.02)	-
Aseem Properties Private Limited	(0.02)	(0.20)	(0.01)
Axiom Enviro Farms Private Limited	(0.01)	(0.02)	(0.03)
Databank Office Staples (India) Private Limited	(0.03)	0.06	(0.03)
Databank Trading Company (India) Private Limited	(0.01)	0.00	0.00
Flex-O-Poly Private Limited	(0.04)	(0.02)	(0.02)
Hedavkar Mechanical Works Private Limited	15.68	(1.05)	(0.34)
Kalpataru Homes Limited	(0.03)	(0.01)	-
Lifestyle Property Ventures Private Limited	0.01	(0.27)	6.70
Locksley Hall Hill Resort Private Limited	(0.06)	(0.08)	(0.01)
MPM Holding Private Limited	(0.11)	1.13	3.77

Name of Entity	Fiscal Year 2010	2009	2008
	(Rs. in millions)		
Mrigashish Investment & Trading Company Private Limited	(0.03)	(0.02)	0.99
Punarvasu Constructions Private Limited	*	(0.04)	(0.01)
Punarvasu Holding & Trading Company Private Limited	(0.03)	(0.00)	0.06
Rainbow Prints Private Limited	*	(0.62)	(1.24)
Shouri Constructions Private Limited	(0.20)	(0.16)	0.67
Shouri Investment & Trading Company Private Limited	(0.03)	(0.02)	1.69
Shouri Property Private Limited	(0.02)	0.20	(0.09)
Yugdharm Holdings Private Limited	(0.02)	(0.01)	(0.01)
Yugdharm Real Estate Private Limited	(0.10)	(0.04)	(0.04)

* The financial statements of this Group Company as at and for the year ended March 31, 2010 are in the process of being audited.

Certain of our Subsidiaries have negative net worth. The following are the Subsidiaries which have negative net worth for the fiscal years 2010, 2009 and 2008.

Name of Entity	Fiscal Year 2010	2009	2008
	(Rs. in millions)		
Abacus Real Estate Private Limited	(0.30)	(0.11)	(0.02)
Ambrosia Real Estate Private Limited	(0.01)	0.02	0.05
Ardour Properties Private Limited	(0.34)	(9.13)	(0.28)
Arimas Real Estate Private Limited	(11.57)	(6.04)	(0.81)
Ashoka Properties Private Limited	0.77	(0.46)	(0.02)
Aura Real Estate Private Limited	(5.98)	(16.67)	(5.92)
Azure Tree Lands Private Limited	(0.14)	(0.12)	(0.08)
Astrum Developers Private Limited	(0.01)	0.01	0.04
Kalpataru Constructions (Poona) Private Limited	0.03	(11.40)	0.06
Kalpataru Land Private Limited	(1.92)	(0.01)	0.23
Abacus Enviro Farms Private Limited	(0.08)	0.02	0.05
Amber Enviro Farms Private Limited	(0.10)	0.04	0.05
Anant Orchards Private Limited	(0.35)	(0.07)	0.05
Appropriate Envio Farms Private Limited	(0.16)	0.03	0.05
Arena Orchards Private Limited	(1.16)	(0.74)	0.04
Ashoka Orchards Private Limited	(0.07)	(0.03)	0.05
Aspen Envio Farms Private Limited	(0.01)	0.02	0.05
Astrum Orchards Private Limited	(0.04)	(0.00)	0.05
Aura Enviro Farms Private Limited	(0.05)	0.05	0.06
Axiom Orchards Private Limited	(0.09)	(0.06)	0.05
Azure Tree Enviro Farms Private Limited	(0.24)	(0.11)	0.04
Azure Tree Orchards Private Limited	(0.01)	0.01	0.04

Name of Entity	Fiscal Year 2010	2009	2008
	(Rs. in millions)		
Girirajkripa Developers Private Limited	(0.31)	(0.02)	(0.13)

Certain of Group Companies have negative net worth. The following are the Group Companies which have negative net worth for the fiscal years 2010, 2009 and 2008.

Name of Entity	Fiscal Year 2010	2009	2008
	(Rs. in millions)		
Appropriate Developers Private Limited	(0.43)	(0.41)	(0.38)
Appropriate Orchards Private Limited	(0.12)	(0.03)	0.04
Argan Developers Private Limited	(0.13)	(0.12)	-
Ascent Enviro Farms Private Limited	(0.24)	(0.02)	0.04
Ascent Orchards Private Limited	(0.17)	(0.05)	0.04
Axiom Constructions Private Limited	(0.83)	(0.14)	0.39
Axiom Properties Private Limited	(10.33)	(8.35)	0.03
Azure Tree Constructions Private Limited	(0.00)	0.02	0.03
Azure Tree Properties Private Limited	(0.02)	0.01	0.02
Azure Tree Property Ventures Private Limited	(3.43)	(3.41)	(3.40)
Caprihans International Impex Private Limited	(0.04)	(0.02)	(0.00)
India Office Solutions Private Limited	(0.06)	(0.04)	0.01
Kalpataru Energy (India) Private Limited	(0.15)	(0.15)	(0.16)
Kalpataru E-Vision Private Limited	(0.77)	(0.46)	(0.18)
Kalpataru Theatres Private Limited	(1.82)	(0.90)	(0.31)
Klassik Townships Private Limited	(0.07)	(0.01)	0.02
Mrigashish Constructions Private Limited	(0.22)	(0.20)	(0.19)
Parag Prem Builders Private Limited	(0.12)	(0.10)	(0.09)
Sfurti Impex Private Limited	(0.26)	(0.56)	(0.16)
Sfurti Multitrade Private Limited	(0.06)	(0.38)	(0.07)

For details, with respect to our Group Companies, please see "Group Companies" on page 246.

47. We experienced net negative operating cash flow for the fiscal year 2010. Any negative operating cash flows in the future could adversely affect our results of operations and financial condition.

For the fiscal years 2010, 2009 and 2008, we had a net negative operating cash flow of Rs. 1,106.55 million, Rs.639.06 million and Rs.1,802.11 million, respectively. If we experience any negative cash flow in the future, this could adversely affect our results of operations and financial condition. For further details, please refer to the section titled "Financial Statements" on page 281.

48. In the past 12 months we have issued Equity Shares at a price which may be lower than the Issue Price.

We have allotted 138,600,000 bonus Equity Shares to our existing Equity shareholders pursuant to a Board resolution dated September 9, 2010. For more details on the issuance of bonus shares, please see "Capital Structure" on page 75.

49. ***We prepare our financial statements in accordance with Indian GAAP which differs in certain respects from other accounting principles.***

Financial statements included in this Draft Red Herring Prospectus are prepared in conformity with Indian GAAP. Indian GAAP differs in certain significant respects from International Financial Reporting Standards, U.S. GAAP and other accounting principles and auditing standards with which prospective investors may be familiar with in other countries. We do not provide a reconciliation of these financial statements to IFRS or U.S. GAAP or a summary of principal differences between Indian GAAP, IFRS and U.S. GAAP relevant to our business. Furthermore, we have not quantified or identified the impact of the differences between Indian GAAP and IFRS or between Indian GAAP and U.S. GAAP as applied to these financial statements. As there are significant differences between Indian GAAP and IFRS and between Indian GAAP and U.S. GAAP, there may be substantial differences in the results of operations, cash flows and financial positions discussed in this Draft Red Herring Prospectus, if the relevant financial statements were prepared in accordance with IFRS or U.S. GAAP instead of Indian GAAP. The significant accounting policies applied in the preparation of these financial statements are as set forth in notes to the audited financial statements included in this Draft Red Herring Prospectus. Prospective investors should review the accounting policies applied in the preparation of these financial statements, and consult their own professional advisors for an understanding of the differences between Indian GAAP and IFRS and between Indian GAAP and U.S. GAAP and how they might affect the financial information contained in this Draft Red Herring Prospectus.

Risks Relating to India

50. ***The real estate industry has witnessed significant downturns in the past and any significant downturn in the future could adversely affect our business, financial condition and results of operations.***

Economic developments within and outside India adversely affected the property market in India and our overall business in the recent past. The global credit markets experienced, and may continue to experience, significant volatility and may continue to have an adverse effect on the availability of credit and the confidence of the financial markets, globally as well as in India. As a result of the global downturn, the real estate industry also experienced a downturn. It resulted in an industry-wide softening of demand for property due to a lack of consumer confidence, decreased affordability, decreased availability of mortgage financing, and resulted in large supplies of apartments.

Even though the global credit and the Indian real estate markets have shown signs of recovery, economic turmoil may continue to exacerbate industry conditions or have other unforeseen consequences, leading to uncertainty about future conditions in the real estate industry. These effects include, but are not limited to, a decrease in the sale of, or market rates for, our projects, delays in the release of certain of our projects in order to take advantage of future periods of more robust real estate demand and the inability of our contractors to obtain working capital. Any significant downturn in future would have an adverse effect on our business, financial condition and results of operations.

51. ***The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.***

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition. The potential impact of a natural disaster such as the H5N1 "avian flu" virus or the H1N1 "swine flu" virus on our results of operations and financial condition is highly speculative, and would depend on numerous factors. We cannot assure prospective investors that such events will not occur in the future or that our results of operations and financial condition will not be adversely affected.

52. ***A slowdown in economic growth in India could cause our business to suffer.***

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalisation policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the

Indian economy may adversely affect our business and financial performance and the price of our Equity Shares.

53. Restrictions on foreign direct investment ("FDI") in the real estate sector may adversely affect our ability to raise additional capital, business and prospects.

FDI Regulations impose certain conditions on investment in real estate sector in India. Government policy in respect of FDI in the real estate sector in India is regulated by Chapter 5 of the FDI Circular issued by the Government of India, Ministry of Commerce and Industry, which permits foreign direct investment of up to 100.0% subject to the project fulfilling certain specified conditions. The FDI Regulations and Chapter 5 of the FDI Circular, however, are subject to differing interpretations. For example, FDI is subject to the condition that for joint ventures with Indian partners the "minimum capitalisation" should be US$ 5 million. However, there is some ambiguity on what is meant by "minimum capitalisation". In addition, although the FDI Regulations and Chapter 5 of the FDI Circular stipulate that funds have to be brought in within six months of "commencement of business of our Company", the term "commencement of business of our Company" has not been defined or explained and may also be subject to differing interpretations. Further, Chapter 4 of the FDI Circular amongst other guidelines, prescribe guidelines in relation to the calculation of total foreign investment in Indian companies. Chapter 4 of the FDI Circular is subject to different interpretations and may be subject to amendments as reported in various news articles. There can be no assurance as to the position the Government of India will take in interpreting Chapter 4 of the FDI Circular as mentioned above and the FDI Regulations. Further, while the Government has permitted FDI of up to 100.0% without prior regulatory approval in townships, housing, built-up infrastructure and construction and development projects, it has issued restrictions under the FDI Circular, which subjects such investment to certain restrictions. Our Company's inability to raise additional capital as a result of these and other restrictions could adversely affect the business and prospects of our Company. For more information on these restrictions, see "Regulations and Policies" on page 181.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

54. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, and adversely affect our business. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative affect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse affect on our business and the price of our Equity Shares.

55. Any downgrading of India's debt rating by an independent agency may harm our ability to raise debt financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business and financial performance.

56. ***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.***

According to a report released by RBI, India's foreign exchange reserves totalled over US$279 billion as of March 31, 2010. Reserves have declined recently and may have negatively impacted the valuation of the Rupee. Further declines in foreign exchange reserves could adversely impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares.

57. ***We have not entered into any definitive agreements to use a substantial portion of the Net Proceeds of the Issue.***

The deployment of funds as described in the section titled "Objects of the Issue" beginning on page 86 is at the discretion of our Board. We have not entered into definitive agreements for [●]% of the Net Proceeds of the Issue. There can be no assurance that we will be able to conclude definitive agreements for such investment on terms anticipated by us, or at all.

Risks relating to an Investment in the Equity Shares

58. ***After this Issue, our Equity Shares may experience price and volume fluctuations or an active trading market for our Equity Shares may not develop.***

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the Indian real estate sector and changing perceptions in the market about investments in the Indian real estate sector, adverse media reports on us or the Indian real estate sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations.

There has been no public market for the Equity Shares prior to this Issue and an active trading market for the Equity Shares may not develop or be sustained after this Issue. Further, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue.

59. ***Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

60. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Subsequent to listing, our Company will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform our Company of the percentage limit of the circuit breaker from time to time, and may change it without its knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity

Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

61. ***There may be less information available about the companies listed on the Indian securities markets compared with information that would be available if we were listed on securities markets in developed countries.***

There may be differences between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants and that of the markets in the United States and other more developed countries. SEBI is responsible for approving and improving disclosure and other regulatory standards for the Indian securities markets. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about companies listed on an Indian stock exchange compared with information that would be available if that company was listed on a securities market in a developed country.

62. ***Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.***

Our articles of association, regulations of our board of Directors and Indian law govern our corporate affairs. Legal principles related to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

63. ***Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by us, including in a primary offering, may lead to the dilution of your shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

64. ***You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realised on the sale of our Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax has been paid on the transaction. The securities transaction tax will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realised on the sale of our Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no securities transaction tax has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of our Equity Shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. For more information, see "Statement of Tax Benefits" on page 97. However, capital gains on the sale of our Equity Shares purchased in the Issue by residents of certain countries may not be taxable in India by virtue of the provisions contained in the taxation treaties between India and such countries. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of Equity Shares.

65. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Issue.

The Equity Shares will be listed on the NSE and the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' book entry, or "demat", accounts with depository participants in India are expected to be credited and trading in equity shares is expected to commence within 12 Working Days of the date of closure of the Issue. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above.

Prominent Notes:

1. Our Company was incorporated under the Companies Act as Kalpataru Homes Private Limited on December 22, 1988 in Mumbai. Our Company was converted into a public limited company on May 16, 1995, and consequently, our Company's name was changed to Kalpataru Homes Limited. The name of our Company was subsequently changed to Kalpataru Limited on February 1, 2008. For further details of the changes to the name and registered office of our Company, please refer to the section titled "History and Certain Corporate Matters" beginning on page 192.

2. Public issue of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. 10,080 million. The Issue comprises a Net Issue to the public of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. [●] and an Employee Reservation Portion of [●] Equity Shares for subscription by Eligible Employees for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. 35.10 million. Our Company, in consultation with the BRLMs, may decide to offer a discount of up to [●]% of the Issue Price, the Employee and Retail Discount, to the Eligible Employees and Retail Individual Bidders. The excess amount paid at the time of Bidding shall be refunded to the Eligible Employees. Our Company is also considering a Pre-IPO Placement of up to 3,100,000 Equity Shares and/or aggregating to Rs. 2,000 million with various investors. The Pre-IPO Placement will be undertaken at the sole discretion of our Company and at a price to be decided by our Company. Our Company will complete the issuance and allotment of the Equity Shares pursuant to the Pre-IPO Placement prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the size of the Issue would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 10% of the post-Issue paid-up capital being offered to the public.

3. The Company's net worth on a consolidated basis as at March 31, 2010 was Rs. 5,066.53 million.

4. The net asset value per Equity Share was Rs. 4,816.22 as at March 31, 2010 as per our Company's consolidated financial statements.

5. The average cost of acquisition per Equity Share by our Promoters, Mofatraj P. Munot and Parag M. Munot is Rs. 0.53 and Rs. 0.42, respectively. The average cost of acquisition has been calculated by dividing the aggregate amount paid by the Promoters to acquire the Equity Shares held by them by the aggregate number of Equity Shares held by the Promoters.

6. For details of the related party transactions entered into by our Company, please see "Related Party Transactions" on page 279.

7. Investors may contact any of the BRLMs for complaints, information or clarifications pertaining to the Issue.

SUMMARY OF INDUSTRY AND BUSINESS

SUMMARY OF INDUSTRY

The Indian economy is one of the largest economies in the world with a GDP at current market prices of Rs.61.6 trillion in the fiscal year 2010 (*Source: Economic Survey of India, 2009-2010***)**. It is one of the fastest growing major economies in the world, with a projected real GDP growth rate of 8.8% in 2010. In 2009, China and India sustained real GDP growth rates of 8.7% and 5.7%, respectively, which were among the highest of any economy in the world. *(Source: International Monetary Fund, World Economic Outlook Database, April 2010)* The following table shows India's economic growth in comparison to other developing countries:

Growth /Real GDP*	2002-2010 (Average)[1]	2006	2007	2008	2009	2010P	2011P	2012P
World............................	3.71	5.1	5.2	3.0	(0.6)	4.2	4.3	4.6
Advanced Economies	1.73	3.0	2.8	0.5	(3.2)	2.3	2.4	2.3
China.............................	10.24	11.6	13.0	9.6	8.7	10.0	9.9	9.5
India	**7.8**	**9.8**	**9.4**	**7.3**	**5.7**	**8.8**	**8.4**	**8.1**
Russia	4.64	7.7	8.1	5.6	(7.9)	4.0	3.3	5.0
Mexico..........................	2.16	4.9	3.3	1.5	(6.5)	4.2	4.5	4.0
Brazil	3.73	4.0	6.1	5.1	(0.2)	5.5	4.1	4.1

* Data for some countries are for fiscal years.
(1) Calculated as simple average from 2002 to 2010

Source: International Monetary Fund, World Economic Outlook Database, April 2010

Per capita income in India has grown from around Rs.29,745 for the fiscal year 2005 to Rs.40,745 for the fiscal year 2010. (*Source: Economic Survey of India, 2009-2010)*. This increase in per capita income has created increasing wealth and has had a positive effect on disposable incomes. This has had a significant investment multiplier effect on the economy leading to increasing consumerism and wealth creation and thus, positively impacting savings.

In recent years, India has become a popular destination for foreign direct investment ("FDI"), owing to its well-developed private corporate sector, large consumer market potential, large pool of well-educated and English speaking work force and well established legal systems. FDI has been a key driver of economic growth in India. The Government of India has taken a number of steps to encourage and facilitate FDI. FDI is now permitted in almost every sector of the economy. For many sub-sectors, 100.0% FDI is permitted through the "automatic route", under which no prior Foreign Investment Promotion Board ("FIPB") approval is required. FDI inflows into India have accelerated since the fiscal year 2007 due to regulatory reforms in the real estate sector, better infrastructure and a more vibrant financial sector. Total inward FDI and net FDI in India during the fiscal year 2010 were estimated to be approximately US$ 31.7 billion and US$19.7 billion, respectively. (*Source: Reserve Bank of India, Macroeconomic and Monetary Developments: First Quarter Review 2010-11*)

Capital inflows increased to US$ 344.0 billion in the fiscal year 2010 from US$ 312.4 billion in the fiscal year 2009, a growth of 10.1%. This led to an increase in foreign exchange reserves from US$ 252.0 billion as of March 2009 to US$ 279.1 billion as of March 2010, and contributed to monetary expansion and liquidity growth. India's capital account deficit increased to US$ 38.4 billion, or 2.9% of the GDP, in the fiscal year 2010 from US$ 28.7 billion, or 2.4% of the GDP, in the fiscal year 2009. RBI in its quarterly report "Macroeconomic and Monetary Developments: First Quarter Review 2010-11" has revised the real GDP growth for the fiscal year 2010 to 7.4% and also estimated the real GDP growth for the fiscal years 2011 and 2012 at around 8.4% and 8.5%, respectively. (*Source: RBI, Macroeconomic and Monetary Developments: First Quarter Review 2010-11*)

The table below indicates the growth rate of real GDP for the periods indicated:

	Q1	Q2	Q3	Q4		
		July –	October –	December -		

Sector	April – June		September		December		March			
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
Agricultural	3.2%	1.9%	2.4%	0.9%	-1.4%	-1.8%	3.3%	0.7%	1.6%	0.2%
Industry	5.2%	4.6%	4.9%	9.0%	1.7%	12.3%	0.8%	15.1%	3.1%	10.4%
Services	9.8%	7.5%	9.3%	10.0%	10.0%	7.3%	8.0%	8.5%	9.3%	8.3%
GDP at Factor Cost	7.8%	6.0%	7.5%	8.6%	6.1%	6.5%	5.8%	8.6%	6.7%	7.4%

Source: Reserve Bank of India, Macroeconomic and Monetary Developments: First Quarter Review 2010-11

The table below indicates the median forecasted growth rate of real GDP for the periods indicated:

	Q1	Q2	Q3	Q4		
Sector	April – June 2010	July– September 2010	October – December 2010	January – March 2011	2010-11	2011-12
Agricultural	2.7%	4.0%	6.0%	3.9%	4.1%	3.0%
Industry	11.6%	9.3%	8.7%	8.4%	9.0%	9.1%
Services	9.1%	8.9%	9.3%	9.2%	9.1%	9.5%
GDP at Factor Cost	8.7%	8.2%	8.5%	8.4%	8.4%	8.5%

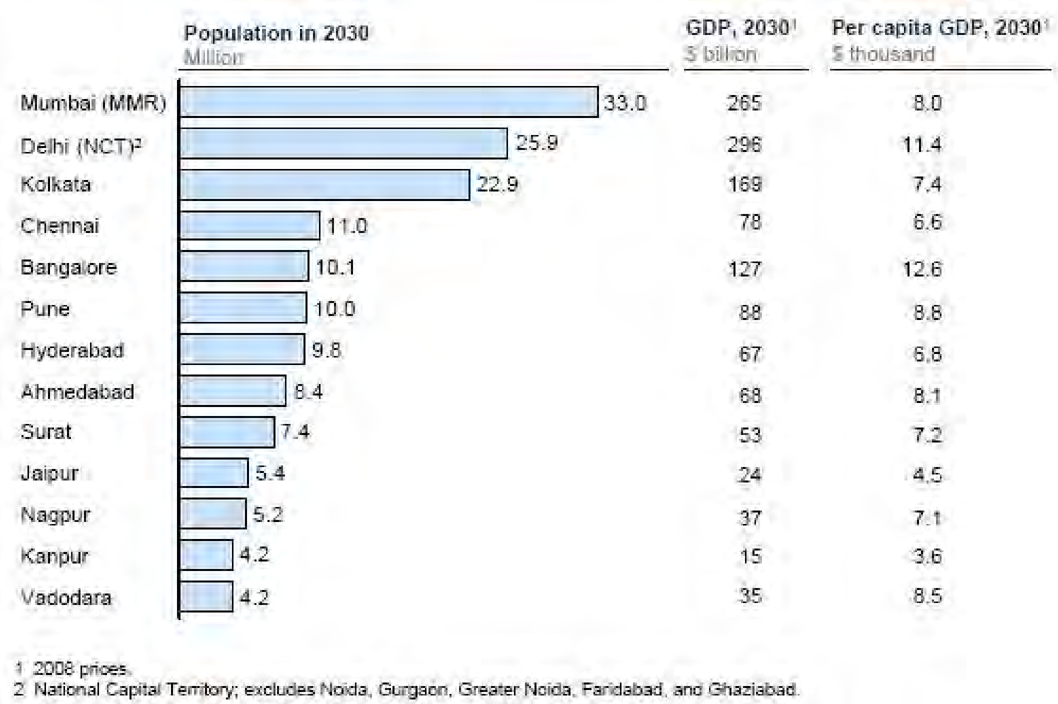
Source: Reserve Bank of India, Macroeconomic and Monetary Developments: First Quarter Review 2010-11

Urbanisation in India

The urban population in India grew from 290 million in the 2001 census to an estimated 340 million in 2008, and is projected to increase further to 590 million by 2030. In the past decade, urbanisation in India increased in line with economic growth. For the first time in India's history, the population living in cities in its five large states (Tamil Nadu, Gujarat, Maharashtra, Karnataka and Punjab) will overtake that in its villages. *(Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010)*

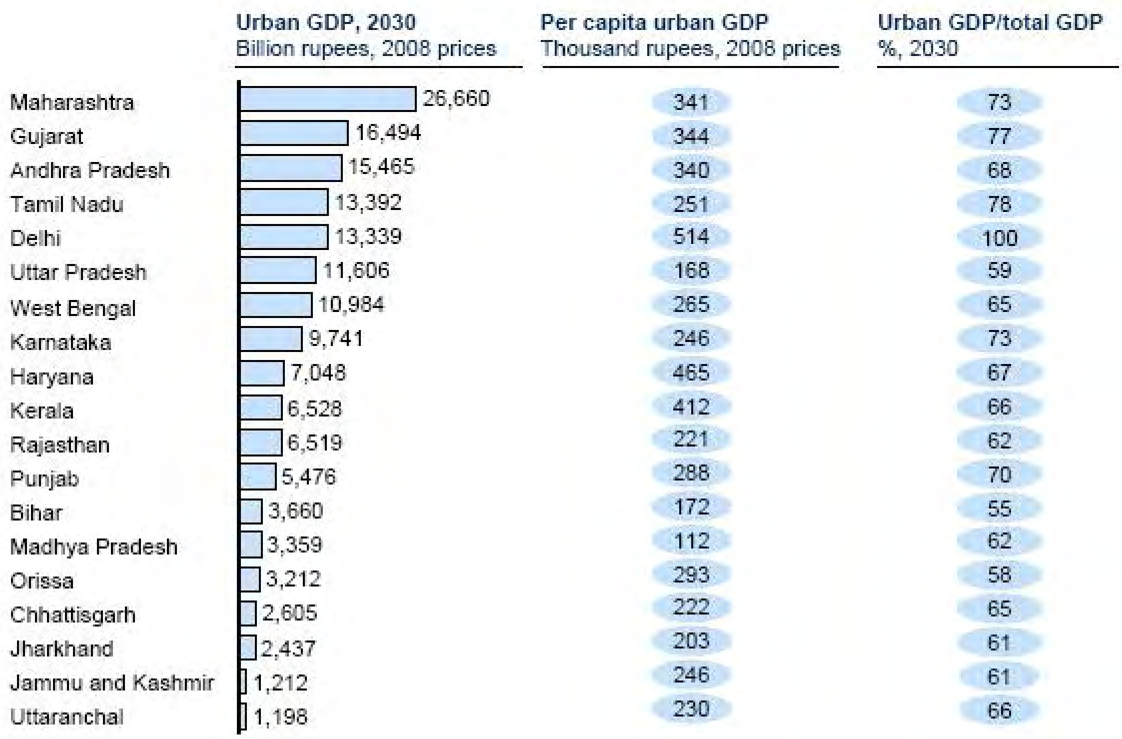
In terms of both population and GDP, many Indian cities will become larger than many countries today. For example, the MMR's GDP is projected to reach US$ 265 billion by 2030. As India's cities expand, India's economic makeup will also change. In 1995, India's GDP split almost evenly between its urban and rural economies. In 2008, urban GDP accounted for 58% of overall GDP. Cities are estimated to generate 70% of new jobs created to 2030, contributing to more than 70% of India's GDP and driving a near fourfold increase in per capita income across the country. *(Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010)*

The following chart shows the cities in India that will have a population of more than four million in 2030:



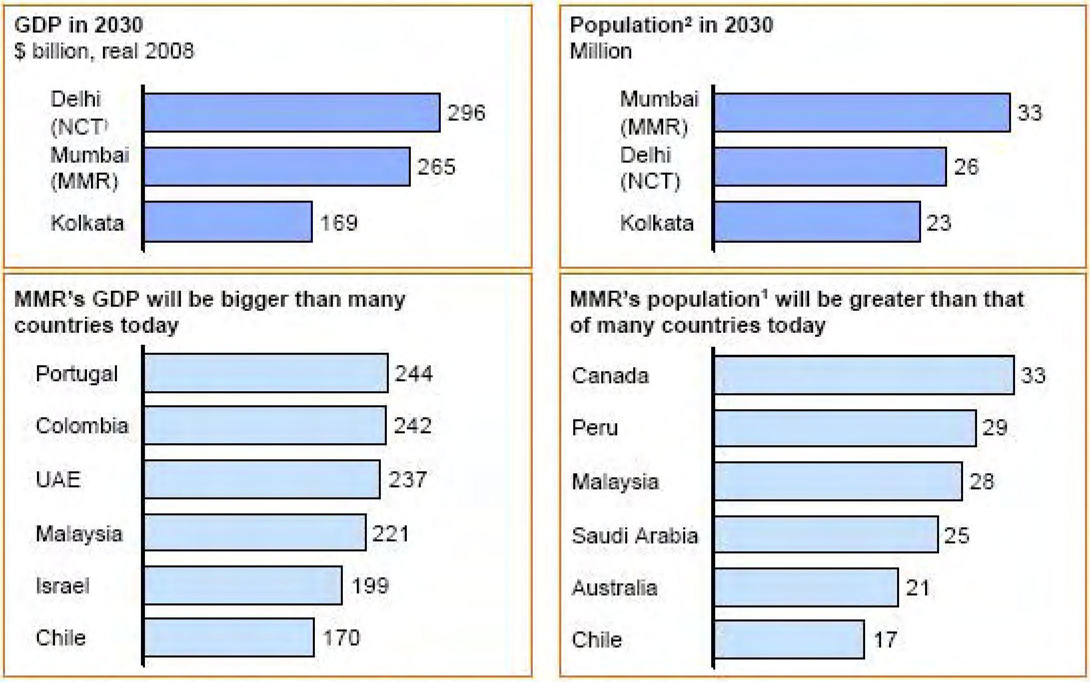
Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010

The following chart lists the states which are expected to have more than 50% of GDP coming from cities:



Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010

The following charts compare the GDP and population of the MMR, Delhi (NCT) and Kolkata in 2030 with those of other countries today:



1 Population is total population for countries and urban population for Indian cities.

Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010

The Real Estate Sector in India

The real estate sector in India mainly comprises the development of residential housing, commercial buildings, hotels, malls, shopping centres, retail outlets and the purchase and sale of land and development rights.

The real estate sector in India assumed greater prominence with the liberalisation of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space. Presently, the real estate and construction sectors play a crucial role in India's core infrastructure development. The growth of the real estate industry is interrelated to developments in other sectors such as banking, financial services industry, retail, hospitality and entertainment (hotels, resorts, cinema and theatres) industries, economic services (hospitals and schools) and information technology-enabled services (call centres).

The real estate sector play an important role in the overall development of India's infrastructure.

Evolution of the Real Estate Sector in India

The real estate sector in India has evolved over the years, facilitated by various regulatory reforms. In the past, factors such as the absence of a centralised title registry providing title guarantee, lack of uniformity in local laws affecting real estate and their application, the unavailability of bank financing, high interest rates and transfer taxes and the lack of transparency in transaction values led to inefficiencies in the sector. However, in recent years, the real estate sector in India has exhibited a trend towards greater organisation and transparency by various regulatory reforms. These reforms in recent years include:

- the support of the Government for the repeal of the Urban Land (Ceiling and Regulation) Act ("ULCRA"), with all state Governments having already repealed ULCRA except West Bengal, Bihar and Jharkhand;
- modifications in the Rent Control Act to provide greater protection to homeowners wishing to rent out their properties;
- rationalisation of property taxes in a numbers of states; and
- the proposed computerisation of land records.

The trend has contributed to the development of more reliable indicators of value and has triggered investment in the real estate sector by domestic and international financial institutions, resulting in greater availability of financing for real estate developers. The nature of demand for real estate is also changing, with heightened consumer expectations influenced by higher (and growing) disposable incomes, increased globalisation and the introduction of new real estate products and services.

The Government in March 2005 amended existing legislation to allow 100% FDI in the construction business. It is expected that the increased FDI will help meet the demand of the commercial and residential real estate sectors. As of June 30, 2009, RBI had extended permission for corporate organisations engaged in the development of integrated townships of at least 100 acres to undertake external commercial borrowing through December 31, 2009. (Source: *Reserve Bank of India Circular: RBI/2008-09/343 A.P. (DIR Series) Circular No. 46 and RBI/2008-09/517 A.P. (DIR Series) Circular No. 71*).

The following table shows the top five sectors that have attracted FDI in the Indian economy:

	April-November (Rs. in billions)			**Growth (%) in 2009-10**
Sector	**2007-08**	**2008-09**	**2009-10**	
Services sector	91.21	159.19	165.66	4.1
Telecommunications	39.63	92.31	108.11	17.1
Housing & real estate	51.61	83.53	105.65	26.5
Construction	35.93	74.90	83.80	11.9
Agriculture services	4.26	0.16	63.27	39,443.8

Source: Economic Survey 2009-2010, Ministry of Finance, Government of India

Substantial growth in the Indian economy has reinforced these trends, stimulating demand for land and developed real estate, although temporarily weakened by the global financial crisis, demand for residential, commercial and retail real estate has been increasing throughout India in recent years. The rapid growth in the Indian real estate sector is thus due to a combination of strong demand drivers and increased availability of capital for the sector in a market that historically has faced supply constraints.

Key Characteristics of the Real Estate Sector in India

The Indian real estate sector has traditionally been dominated by a number of regional players and non-institutional sources of funding. This has changed with growth in the sector and recent trends reflect consumer expectations of increased quality as India has become more closely integrated with the global economy.

The growth witnessed by the Indian real estate sector is mainly influenced by the high GDP growth of India, increased urbanisation, an expanding middle class as well as growth across various sectors such as IT/ITES, retail, consumer durables, automobiles, telecom, banking, insurance, tourism, hospitality and logistics.

Some of the key characteristics of the Indian real estate sector are:

- **Highly fragmented market dominated by regional participants**: Rapid growth in the last decade has contributed towards the emergence of larger participants that have differentiated themselves through superior execution and branding. These participants have been able to capitalise on their early mover advantage with high market share, though generally they remain confined to local or regional markets. While larger regional participants are now initiating efforts to develop a broader geographic presence, their home markets continue to generate a majority of their profitability.

- **Local knowledge is critical to successful development**: The property sector is generally regulated at the state level. As a result, the rules and regulations that impact, among other things, approval processes and transaction costs, vary from state to state. Also, real estate is dramatically affected by the condition of the geographic area surrounding the property which makes local knowledge essential for development.

- **High transaction costs**: The real estate sector has traditionally been burdened with high transaction costs as a result of stamp duty payable on transfers of title to property, the amount of which varies from state to state. Though efforts are being made at the state level to reduce stamp duties, they continue to be as high as 14.7% in certain states such as Orissa. Although the range and availability of financing products has improved in recent years, transaction costs are often increased further by limited access to formal funding and the corresponding dependence on informal, high-cost sources for funding.

- **Enhanced role of mortgage financing**: Over the past few years, a significant portion of new real estate purchases in India, particularly in the larger cities, have been financed through banks and financial institutions. This has been aided by a decline in interest rates and the broader availability of financing products, generally due to aggressive marketing and product development by financial institutions.

- **Lack of clarity in land title**: A significant number of land plots in India do not have clear title because of disorganised land registries, a problem which is compounded by judicial delays in resolving ownership issues. Moreover, the transfer of land is subject to "caveat emptor" rules, which place the burden on the buyer to ensure there are no defects in title prior to purchase. Finally, most land is held by individuals and families, which further obscures title to land.

- **Sector governance issues**: As a result of high transaction costs, real estate transactions in India often require large amounts of cash and lead to efforts to avoid taxes by using inefficient business structuring. In addition, the complex regulatory conditions and lack of clarity in land title lead to greater risk that real estate participants will try to improperly influence government officials.

Residential Real Estate Market

The residential real estate industry has witnessed significant growth in the past few years owing to growth in population, migration towards urban areas, job opportunities in service sectors, increase in nuclear families, growing income levels and easy availability of finance. As a result, demand for houses increased considerably while supply of houses could not keep pace with demand thereby leading to a steep rise in residential capital values especially in urban areas. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

The residential real estate market in India is highly influenced by economic cycles. Due to the global meltdown, the residential real estate market in India witnessed a drastic fall in demand which resulted in a decline in capital values during the second half of 2008 and first half of 2009. However, the sector experienced an increase in demand since the second half of 2009 across major cities mainly attributed to improvement in the economy. Residential projects across cities saw several new mid-income housing projects being launched by developers. Demand for houses mounted as the global economy improved, bringing back financial confidence to home buyers along with low interest rates. Due to a decline in capital values, the affordability for housing improved which resulted in an increased demand. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

Commercial Real Estate Market

The commercial office space segment in India has evolved significantly in the past 10 years due to changes in the business environment. The growth of commercial real estate has been driven largely by service sectors, especially the IT/ITES sector.

Previously, commercial properties were concentrated in Central Business Districts, or CBDs, in large cities. However, with the emergence of the IT/ITES sector, which had significantly larger office space requirements, commercial development started moving towards suburban areas. It resulted in development in areas like Gurgaon near New Delhi, Malad in the MMR, and the Electronic City in Bengaluru. In addition, over the last 10 years, locations such as Bengaluru, Gurgaon, Hyderabad, Chennai, Kolkata and Pune have established themselves as emerging destinations for commercial development, which are now competing with traditional business destinations such as the MMR and Delhi. Tax sops on the profits of IT/ITES companies also led to significant development of IT Parks and SEZs.

The demand for commercial real estate grew rapidly between 2005 and early 2008, driven by exceptionally high employee additions in the IT/ITES sector. The strong demand from domestic IT/ITES companies and captives of large global players was a result of increased business, primarily from the US and European markets. A healthy domestic economy coupled with aggressive corporate expansion plans led to strong demand from sectors such as banking, financial services and insurance and media and entertainment. Furthermore, limited supply of quality office space led to a sharp increase in lease rentals for commercial office space in most micro-markets, with an average increase of nearly 100% between 2005 and early 2008. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

The estimated supply of office space is approximately 167 million square feet in 10 major cities during 2010-12. Expected demand during the same period is approximately 96 million square feet. Supply in the top 10 cities account for approximately 70% to 75% of total office space supply in India. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

During the economic slowdown, demand for commercial real estate dropped sharply leading to a sharp correction in lease rentals since the second half of 2008. Lease rentals have corrected in the range of 10% to

35% during the second half of 2008. However, with the economy stabilising, a revival in commercial real estate demand has been seen between the second half of 2009 and July 2010. This has led to marginal improvement in commercial lease rentals. However, oversupply of commercial space coupled with high vacancy rate is expected to suppress the growth of commercial lease rentals. Commercial lease rentals are expected to remain stable for the remaining part of 2010 and increase by an average of 3 % to 4% across the major cities in India. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

Retail Real Estate Market

The retail industry in India has witnessed a slowdown in the past year after increasing at a CAGR of 28% during 2005-08 period. The industry is expected to increase at a CAGR of 22.3% over the next five years. Organised retail penetration has grown to about 6.5% in 2008-09, which is further expected to increase to about 9.4% by 2013-14. In the past few years, India's organised retail industry has displayed high growth rates given the improvement in key driving factors namely, high disposable incomes and a propensity to spend. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

In the four-year period, between 2005 and 2008, demand for retail space was higher than the supply, leading to an increase in lease rentals on account of increase in footfalls and penetration of organised retail. During the period, lease rentals increased by 82% (average across 10 major cities). However, due to the global slowdown witnessed during the second half of 2008, the demand for retail space started declining. This resulted in a decline of 46% in lease rentals in 2009. However with the revival in the economy, there has been improvement in the demand for retail space in few cities. The retail lease rentals in Pune, the MMR, Ahmedabad, Chennai and Kolkata showed positive growth, while it declined or remained stable in Bengaluru, Chandigarh, Hyderabad, Kochi and National Capital Region between the second half of 2009 and July 2010. This mixed trend in lease rentals is expected to continue during 2011. Lease rentals in Ahmedabad, Chennai, Hyderabad, Kochi and Kolkata are likely to decline by 1% to 4% over December 2010 levels, while they are expected to increase by 1% to 8% in Bengaluru, MMR and Pune. In Chennai and National Capital Region, lease rentals are expected to remain stable at December 2010 levels. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

SUMMARY OF BUSINESS

We are the flagship real estate company of the Kalpataru group of companies (the "Kalpataru Group") which is one of the leading real estate development groups in India (*Source: Construction World September 2010*). Our focus is on the development of premium residential, commercial, retail, integrated townships, lifestyle gated communities and redevelopment projects primarily in the Mumbai Metropolitan Region (the "MMR") and Pune. We are also undertaking projects in other key cities such as Hyderabad, Surat, Nagpur, Jaipur and Udaipur.

The Kalpataru Group has interests in real estate development, property and project management, engineering, procurement and construction ("EPC") contracting for power transmission and infrastructure projects including road projects, warehousing and logistics. The Kalpataru Group was established in 1969 by our Promoter, Mr. Mofatraj P. Munot. The Kalpataru Group includes Kalpataru Power Transmission Limited and JMC Projects (India) Limited, both listed on the NSE and the BSE. Kalpataru Power Transmission Limited and JMC Projects (India) Limited had revenues of Rs.26,306.85 million and Rs.13,209.96 million, respectively, for the fiscal year 2010. One of our key strengths is our affiliation and our relationship with the Kalpataru Group and the strong brand equity generated from the "Kalpataru" brand name.

As of August 31, 2010, we, our Promoters and Group Companies have collectively developed 73 real estate projects across India, aggregating to 10.3 million square feet of Saleable/Leaseable Area. A majority of these projects are located in Mumbai, other locations of the MMR and Pune and are predominantly residential projects.

As of August 31, 2010, we have completed 20 residential developments, three commercial development and one retail development, aggregating 5,293,075 square feet of Saleable/Leaseable Area. As of August 31, 2010, we had:

- 15 Ongoing Projects, aggregating 13,760,719 square feet and 9,651,328 square feet of Developable Area and Saleable/Leaseable Area, respectively;
- 10 Forthcoming Projects, aggregating 21,638,927 square feet and 15,002,064 square feet of Developable Area and Saleable/Leaseable Area, respectively;
- 15 Planned Projects, aggregating 56,529,212 square feet and 52,473,903 square feet of Developable Area and Saleable/Leaseable Area, respectively; and
- Land Available for Future Development aggregating 1,303 acres.

As of August 31, 2010, we had Land Reserves aggregating 2,670.36 acres. Our Land Reserves is the sum of all our land, including our Ongoing Projects, Forthcoming Projects, Planned Projects and Land Available for Future Development.

In 2010, we were awarded the "Best Architecture (Multiple Units) – Asia Pacific" for Kalpataru Aura, a residential development in Mumbai, and the "Best Office Development – Asia Pacific" for Kalpataru Square, a commercial development in Mumbai, at the Asia Pacific Residential and Commercial Property Awards, Hong Kong, organised in association with Bloomberg Television. In 2009, we were awarded a four-star rating in "Best Retail Development - India" for Korum, a shopping mall in Thane, at the CNBC Asia Pacific Commercial Property Awards.

The table set forth below provides a summary of our Ongoing Projects, Forthcoming Projects and Planned Projects as of August 31, 2010:

Type of Project	Number of Projects	Developable Area	Saleable/Leaseable Area
		(in square feet)	*(in square feet)*
Ongoing Projects			
Residential	11	11,550,444	8,091,545
Residential.............................		11,182,142	7,837,703
Commercial [1].........................		368,302	253,842
Commercial	1	324,965	222,135
Integrated townships………………..	1	1,334,166	1,073,176
Residential.............................		1,334,166	1,073,176
Commercial		-	-
Redevelopment	2	551,144	264,472
Residential.............................		508,039	243,782
Commercial		43,105	20,690
Sub-Total....................................	**15**	**13,760,719**	**9,651,328**
Forthcoming Projects			
Residential	5	2,927,630	1,882,575
Commercial	1	186,082	139,561
Retail..	1	755,076	476,785
Lifestyle gated community	1	1,999,833	1,999,833
Residential.............................		1,599,867	1,599,867
Commercial...........................		399,966	399,966
Integrated Township	1	15,543,744	10,415,634
Residential.............................		14,361,945	9,623,728
Commercial...........................		1,181,799	791,906
Redevelopment	1	226,562	87,676
Sub-Total....................................	**10**	**21,638,927**	**15,002,064**
Planned Projects			

Type of Project	Number of Projects	Developable Area	Saleable/Leaseable Area
		(*in square feet*)	(*in square feet*)
Residential	4	4,351,709	3,082,959
Commercial	1	56,998	42,806
Retail...	1	422,402	320,603
Lifestyle gated community	3	13,168,202	13,168,202
Residential		13,050,362	13,050,362
Commercial		117,840	117,840
Integrated townships....................	3	37,065,104	35,104,904
Residential.............................		34,714,645	32,863,345
Commercial...........................		2,350,459	2,241,559
Redevelopment	2	903,161	192,793
Hospitality	1	561,636	561,636
Sub-Total....................................	**15**	**56,529,212**	**52,473,903**
Grand Total...............................	**40**	**91,928,858**	**77,127,295**

[1] Some of our residential properties also include minor commercial space which we lease or sell.

We are an integrated real estate development company involved in all activities associated with real estate development, including, identification and acquisition of land, planning, designing, execution and marketing of our projects. We undertake our projects through our in-house team of professionals and by engaging leading architects, consultants and EPC companies. While designing and developing a project, we rely on a research-based approach for layout planning, FSI utilisation, unit size, amenities, interiors and sales and marketing strategy. Depending upon the market scenario, regulatory practice and consumer preferences, we plan our development mix and product design. We also regularly interact with our customers to receive direct feedback on the quality of our projects.

In our residential developments, we build and sell a wide range of properties including houses, bungalows, duplexes and apartments of varying sizes, with a primary focus on premium real estate. For commercial developments, we adopt a model of leasing and selling spaces with our primary focus being to lease space. In our retail developments, we develop, manage and lease shopping malls. Our integrated township developments and lifestyle gated community projects typically consist of the development, sale or lease and management of residential, commercial and retail developments.

For the fiscal years 2010 and 2009, our consolidated total income was Rs. 6,168.35 million and Rs. 3,670.75 million, respectively, and our net profit after tax and minority interest, as restated was Rs. 1,044.56 million and Rs. 313.92 million, respectively.

Our Strengths

We believe the following are our primary competitive strengths:

Promoters' track record and established brand name

We are the flagship real estate company of the Kalpataru Group, a group with interests across various industries. The Kalpataru Group was established in 1969 by Mr. Mofatraj P. Munot, our Promoter, and has over 41 years of experience in real estate development. The Kalpataru Group also engages in property and project management, EPC contracting for power transmission and infrastructure projects including road projects, warehousing and logistics. Our key strengths are our affiliation and our relationship with the Kalpataru Group and the strong brand equity of the "Kalpataru" brand. We benefit from the reputation and expertise of the Kalpataru Group in the construction and infrastructure sector and their industry knowledge.

As of August 31, 2010, we, our Promoters and our Group Companies have collectively developed 73 real estate projects in India, with approximately 10.3 million square feet of Saleable/Leaseable Area. These developments, over the last 41 years, include a variety of real estate developments including residential high-rises, commercial projects, integrated townships, redevelopment projects and shopping malls.

The Kalpataru Group was rated as one of the India's top builders by the Construction World for the last five years. In 2010, our Promoters were awarded "Best High Rise Architecture India – Highly Recommended" for Kalpataru Towers, a residential development in Mumbai, at the Asia Pacific Residential Property Awards (organised in association with Bloomberg Television) held in Hong Kong. Additionally, Kalpataru Horizon, a premium residential complex of 30 storied twin towers (completed in 2006), was awarded a four-star rating in "Best High-Rise Architecture – India" at the CNBC Asia-Pacific Property Awards in 2008 and Kalpataru Heights, a 39 storied residential complex (completed in 1999), was awarded "Outstanding Concrete Structure 1999-2000" by the Indian Concrete Institute. Other completed prominent real estate projects include Kshitij and Swapnalok, terraced apartments (completed in 1974 and 1975, respectively) and State Bank of India Quarters at Mahim, Mumbai. The Kalpataru Group has also received various other business awards and recognitions. Their experience in construction in the Middle East has provided us with know-how on international best practices and standards in the real estate industry.

Through our Completed Projects and the business of the Kalpataru Group, we believe we have established our reputation and brand image with the quality of our designs, our strong execution skills and customer satisfaction. We believe that our strong brand, reputation and track record of developing projects which emphasise contemporary architecture, strong project execution and quality construction have enabled us to win various real estate awards, differentiated our developments from our competitors, established customer confidence, influenced our customer's buying and leasing decisions and enabled us to achieve premium prices for our projects. In addition, we believe our developments have also enhanced the locational value of the areas that our developments are located in.

In 2010, we were awarded the "Best Architecture (Multiple Units) – Asia Pacific" for Kalpataru Aura, a residential development in Mumbai and "Best Office Development – Asia Pacific" for Kalpataru Square, a commercial development in Mumbai, at the Asia Pacific Residential and Commercial Property Awards, Hong Kong, organised in association with Bloomberg Television. In 2009, we were awarded a four-star rating in "Best Retail Development– India" for Korum, a shopping mall in Thane at the CNBC Asia Pacific Commercial Property Awards and "Best Safety Practices" for Kalpataru Square at the CNBC AWAAZ CRISIL CREDAI Real Estate Awards. In 2008, we were awarded "Best Overall Systems" for Kalpataru Estate at the CNBC AWAAZ CRISIL Real Estate Awards.

Ability to identify and acquire suitable land parcels for development

One of our key strengths is our ability to identify suitable tracts of land in strategic locations in India and in the MMR and Pune in particular where we expect long term appreciation in the value of our projects. Land identification at reasonable pricing and strategic locations is an important factor for the success of our business. We undertake research for our projects prior to making any decisions to acquire, develop or sell our properties. Our in-house market research, business development and execution process teams are involved in gathering relevant market data, assessing the potential of a location after evaluating various trends and identifying relevant Government schemes and incentives, which we believe enables us to design and develop projects which differentiates us from our competitors, allows us to anticipate market trends and create long-term value appreciation for our projects. Our extensive experience has also enabled us to acquire land or development rights through redevelopment projects and joint ventures.

Strong portfolio of Ongoing Projects in the Mumbai Metropolitan Region generating near term cash flows

We, our Promoters and our Group Companies have been operating in the MMR for over 41 years and we believe that we have good knowledge of the market and the regulatory environment in the MMR which assists us significantly in identifying real estate development opportunities in the region. Most of our Completed Projects, Ongoing Projects and Forthcoming Projects are located in the MMR, which we believe is an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We also believe that the MMR's position as the commercial capital of India, together with the demographics of its population, which is a high-income, discerning customer base and an expanding segment of young, upwardly mobile professionals, provides a substantial market for our projects.

We believe that the MMR will continue to be the primary focus of our business as the city continues to develop and demand increases for residential, commercial, retail and hospitality properties. As of August 31, 2010, we had 12 Ongoing Projects, aggregating 10,528,444 square feet and 7,036,453 square feet of Developable Area and Saleable/Leaseable Area, respectively, in the MMR. As of August 31, 2010, we had six Forthcoming Projects, aggregating 17,923,344 square feet and 11,893,596 square feet of Developable Area and Saleable/Leaseable Area, respectively, in the MMR. As of August 31, 2010, we had four Planned Projects, aggregating 4,334,393 square feet and 3,161,725 square feet of Developable Area and Saleable/Leaseable Area, respectively, in the MMR. We expect to launch all of these projects aggregating to 22,091,774 square feet of Saleable/Leaseable Area within the next five years, from which we expect to generate income.

Some of the land we are undertaking the development of our Ongoing Projects and Forthcoming Projects were located in developing locations at the time of acquisition and as a result of which, in the current market scenario, we have the potential for better value realisation. Additionally, out of our Ongoing Projects in the MMR and Pune, we have 100% tax exempt residential projects under Section 80IB(10) of the Income Tax Act for 4,504,689 square feet of Saleable/Leaseable Area, which projects we expect to complete by March 2012.

Emphasis on high quality, innovative and environment friendly projects

Our philosophy is to develop properties that are high quality in terms of their design, construction and environmental sustainability. To achieve high standards in design, we engage nationally and internationally-known architects and designers in addition to our own specialised in-house architects and designers to create innovative and differentiated properties. To achieve high quality construction, we use high-quality materials and fittings in the construction and furnishing of our properties along with closely monitoring the work of our contractors. To achieve environmental sustainability, we innovate and incorporate environmentally sustainable best practices and considerations into the design and construction of our projects. We believe some of the projects we have developed are landmark "destination developments", which we believe has enhanced the location and the desirability of those projects.

We consider innovation to be a key success factor in the real estate development business. We believe we were one of the earlier real estate developers in India to extensively implement sustainable and environmentally responsible design concepts into our real estate developments. Our commercial development, Kalpataru Square at Andheri, Mumbai, was the first building outside the United States and the sixth building in the world to receive the United States Green Building Council's platinum certification under the LEED Core and Shell V.2.0 and has been awarded a three star rating by the Bureau of Energy Efficiency, Ministry of Power, Government of India. Four of our Ongoing Projects in our residential and integrated township projects portfolio, Kalpataru Pinnacle, Kalpataru Hills, Kalpataru Riverside and Srishti have also been pre-certified by Indian Green Building Council as green homes. In addition, we are a founding member of the Indian Green Building Council, which is actively involved in promoting the green building concept in India with a vision to serve as a single point solutions provider and facilitator for green building activities in India.

Robust pipeline of projects in high growth cities

We believe that project selection and positioning are crucial to our success. Our business model includes residential, commercial, retail, lifestyle gated communities and integrated township projects across the MMR, Pune, Hyderabad, Surat, Nagpur, Jaipur and Udaipur. Currently, in terms of Saleable/Leaseable Area, out of our portfolio of Ongoing Projects and Forthcoming Projects, 76.8% are located in the MMR and 23.2% are located across the remaining cities we operate in. For details on our projects and their geographical location, see "—Description of Our Business" on page 141.

Additionally, of the total Ongoing Projects, Forthcoming Projects and Planned Projects we have in our portfolio, nine projects have been launched where sales of units have commenced. The remaining projects are expected to be launched within the next five years. We believe that this mix of launched projects along with a pipeline of projects that are expected to be launched in the near future will provide us with steady revenues.

Experienced and qualified management team with strong human resource practices

We have a highly qualified and experienced management team with extensive experience in the real estate sector. In addition to working with us over the last 11 years on average, our senior management were involved with our Promoters' real estate team that were responsible for developing most of our completed projects. On average, our senior management team (including our key managerial personnel) has 18 years of experience in the real estate sector. In addition, we have a management team that built the reputation and image of the "Kalpataru" brand which, we believe, strongly positions us to manage our future growth while maintaining our standards of design and execution quality.

We believe that one of our key strengths is our Company's organisational structure which promotes operational autonomy and efficiency across departments. In 2007, Lifestyle Property Ventures Private Limited, our Group Company, was awarded "Best Organisational Structure" at the CNBC AWAAZ CRISIL Real Estate Awards 2007.

We place a strong emphasis on employee development and our key initiatives for the development of our employees include the following:

- annual training programmes which consists of, among others, customised career plans, leadership development programmes, mentoring programmes and technical skills training;
- customised MBA programmes in collaboration with a reputed management institute; and
- online learning and development tools including knowledge management.

We believe that our emphasis on employee development and our internal human resources initiatives for the development of our employees provides us with the skills to adapt to the future needs of our business.

Our Strategy

Our business strategy is to build upon our competitive strengths and business opportunities to continue to be a leading real estate development company in India specializing in residential, commercial, retail, lifestyle gated communities and integrated township real estate development in India. Our business strategy consists of the following principal elements:

Maintain our focus on the Mumbai Metropolitan Region and selectively pursue opportunities in other growth centres

Most of our Ongoing Projects and Forthcoming Projects are concentrated in the MMR. We believe that the MMR is an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We believe that there are significant barriers to participating in the real estate market in the MMR, which favours real estate developers that have the experience and have established businesses. Some of these barriers relate to the limited availability of land and dealing with the complexities of the regulatory approval process. We also believe that the MMR's position as the commercial capital of India, together with the demographics of its population, provides a significant market for our developments, which are focused on the residential sector but are also spread across the commercial, retail and integrated townships sectors of the real estate market. Our development sites are located in distinct areas in the MMR, and cater to various income groups. We intend to continue to tailor our projects to the particular requirements of each market.

We believe that favourable initiatives by the Government of Maharashtra, such as the repealing of the ULCRA, announcement of rules for cluster redevelopment leading to additional FSI in densely populated areas of Mumbai and the introduction of legislative changes to increase the FSI available for redevelopment of old structures in the MMR, will lead to an increase in the redevelopment opportunities in the MMR. As of August 31, 2010, we have five Ongoing Projects, Forthcoming Projects or Planned Projects that are redevelopment projects.

Going forward, we believe that redevelopment projects will be an important means for obtaining land in the MMR and we intend to increase our focus on participating in redevelopment projects. Additionally, we intend to pursue opportunities to acquire medium to large sized land parcels in the extended suburbs of the MMR, including industrial land and mill land. In the past, we have acquired industrial plots from large Indian and multinational companies.

While the MMR remains and is expected to remain our primary focus, we also intend to selectively pursue opportunities in other metropolitan cities and high-growth cities across India. As of August 31, 2010, we had 18 Ongoing Projects, Forthcoming Projects and Planned Projects in Pune, Lonavala, Raigad, Nagpur, Shirol (Nasik Road), Hyderabad, Jaipur, Udaipur and Surat. We are also constantly evaluating expansion into other cities in India such as Ahmedabad and Bengaluru. We believe that the economic growth in these cities will result in increased demand for residential housing, as well as retail, hospitality and commercial spaces.

Continue to create innovative real estate developments

We intend to leverage our emphasis on innovation, brand name and extensive experience to continue developing innovative and high quality properties in our chosen markets in India. We will continue our strategy of conducting in-depth market research and analysis with the aim of identifying property trends and potential development opportunities as early as possible in a given market's potential development cycle.

We recognise the importance of delivering quality projects on a timely basis. We intend to increase the scale of our business while staying focused on quality in order to maximise customer satisfaction. We have been an early adopter of construction systems like Mivan Formwork System and Doka Formwork System. We also intend to continue to use technologically advanced tools and processes to ensure quality construction. Furthermore, we will continue to pursue innovation within each of the residential, retail, commercial office space and integrated townships sectors. We believe that innovation will provide us with a competitive advantage by differentiating our products from those of our competitors, and by providing a unique experience to our customers.

Develop high quality integrated townships and lifestyle gated communities

We believe that the market for real estate development in India over the next 10 years will be focused on new urban and suburban integrated township developments that provide residents with an array of amenities. These projects are targeted at India's rapidly growing middle class and upper middle class purchasers. We intend to capitalise on this growing demand by developing such projects across select city suburban areas in India. These projects consist of residences catering to a range of income groups, commercial office space and retail facilities such as shopping centres, hotels, restaurants and cinemas.

Additionally, we believe that there is demand for "weekend homes" among middle and upper middle class purchasers in India. In the past, a majority of such projects have catered to by wealthy customers. We believe there is an opportunity for an established and recognised real estate developer such as ourselves to leverage our brand and sell these projects to our existing customers in the MMR, who we expect to comprise middle and upper middle class purchasers. As a result, we have planned various lifestyle gated communities in proximity to Mumbai. Our lifestyle gated community projects are focused on the development, sale, lease and management of villas and row houses in close proximity to city centres and are expected to consist of facilities such as shopping centre, restaurants, club houses with spas, indoor games rooms, yoga and meditation centres, gymnasiums and swimming pools.

As of August 31, 2010, we had 10 Ongoing Projects, Forthcoming Projects and Planned Projects that are lifestyle gated communities and integrated townships, and by developing these properties, we believe we will be able to attract the rapidly growing number of middle and upper middle class purchasers in India.

Continue to focus on residential projects while selectively developing commercial and retail projects

We have historically focussed on the development of residential projects. As of August 31, 2010, in terms of Saleable/Leaseable Area, 94.9%, 87.9% and 93.7% of our total Ongoing Projects, Forthcoming Projects and Planned Projects, respectively, comprise residential projects. We intend to continue to focus on the residential sector as we believe that we can derive significant returns on our investments in such properties. Given that residential projects continue to be our focus, we will continue to evaluate and selectively develop commercial and retail projects depending on our understanding of that particular location and the potential that particular project will have.

Enhance and leverage the Kalpataru brand and our Group Companies' resources

One of our key strengths is our affiliation and relationship with the Kalpataru Group and the strong brand equity of the "Kalpataru" brand. We believe that our customers perceive the "Kalpataru" brand to be that of a trusted provider of quality real estate projects. We believe that the strength of the "Kalpataru" brand, its association with innovative, large scale projects and its quality and reliability help us in many aspects of our business, including land sourcing, expanding to new cities and markets, formulating business associations and building relationships with our customers, service providers, investors and lenders. We intend to continue to promote the “Kalpataru” brand by continuing to focus on quality and innovation in our projects and providing strong after-sales support. We believe that delivering value to our customers and enhancing their overall satisfaction with our developments and services will enable us to strengthen the “Kalpataru” brand further, and reinforce its association with quality.

In addition, we believe our association with the Kalpataru Group helps us leverage group resources, including corporate governance and best practices. For example, we intend to leverage the project execution and management capabilities of our Group Companies, JMC Projects (India) Private Limited, a construction company and Property Solutions (India) Private Limited a facilities management company as we expand our operations going forward.

Derive synergies from in-house resources and external service providers

We maintain relationships with key service providers such as construction companies and architects for the development of our projects and intend to continue to outsource services in appropriate circumstances to leverage their expertise. We believe that our balanced model of using external service providers and our in-house team enables us to adopt contemporary concepts and maintain control over important elements of the real estate development process. We intend to continue to maintain a business model which leverages our relationships among our various service providers for the development of our future projects. See also “ - Our Property Development Cycle”.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Company's restated unconsolidated financial statements as at and for the years ended March 31, 2006, 2007, 2008, 2009 and 2010 and our restated consolidated financial statements as at and for the years ended March 31, 2007, 2008, 2009 and 2010 (Our Company did not have any subsidiary for the year ended March 31, 2006). These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations and presented under "Financial Statements" on page 281. The summary financial information presented below should be read in conjunction with our Company's restated unconsolidated financial statements and our restated consolidated financial statements, significant accounting policies and the notes thereto, and the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 398 and 281, respectively.

CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED				
				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Goodwill on Consolidation **(A)**	-	8.20	6.85	7.02
Fixed Assets				
Gross Block	22.21	161.01	168.57	3,393.02
Less: Depreciation/Amortization	8.55	41.11	66.12	103.44
Net Block	**13.66**	**119.90**	**102.45**	**3,289.58**
Capital Work In Progress	-	2,240.70	4,122.82	640.52
Net Block **(B)**	**13.66**	**2,360.60**	**4,225.27**	**3,930.10**
Investments **(C)**	14.14	106.03	413.35	310.75
Deferred Tax Assets (Net) **(D)**	1.20	8.20	26.77	12.07
Current Assets, Loans andAdvances				
Inventories	2,443.89	11,260.46	12,202.91	14,669.65
Sundry Debtors	80.37	847.22	1,207.58	938.02
Cash and Bank Balances	3.79	288.61	151.59	395.64
Loans and Advances	434.20	3,064.05	2,734.69	3,461.81
(E)	**2,962.25**	**15,460.34**	**16,296.77**	**19,465.12**
(A+B+C+D+E)	**2,991.25**	**17,943.37**	**20,969.01**	**23,725.06**
Less: Liabilities and Provisions				
Secured Loans	2,112.99	10,811.39	12,098.12	12,325.13
Unsecured Loans	359.70	2,210.92	978.08	4,391.87
Current Liabilities	413.97	2,765.24	3,424.89	3,013.47
Provisions	4.04	19.37	27.92	37.78

Minority Interest (Refer Note 19 of Annexure XXI (II))	1.70	29.67	840.15	(1,109.72)
(F)	**2,892.40**	**15,836.59**	**17,369.16**	**18,658.53**
Net Worth (A+B+C+D+E-F)	**98.85**	**2,106.78**	**3,599.85**	**5,066.53**
Represented By				
Share Capital **(G)**	10.50	17.35	26.85	20.00
Reserves and Surplus **(H)**	88.35	2,089.43	3,573.00	5,046.53
Net Worth (G+H)	**98.85**	**2,106.78**	**3,599.85**	**5,066.53**

CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS, AS RESTATED				
				Rs. in Millions
Particulars	**For the year ended March 31,**			
	2007	**2008**	**2009**	**2010**
Income				
Sales and Services	164.98	4,487.24	3,364.34	5,851.09
Share of profit from Partnership firm	0.47	-	-	-
Other Income	5.30	94.82	306.41	317.26
Total	**170.75**	**4,582.06**	**3,670.75**	**6,168.35**
Expenses				
Cost of Sales	95.94	2,482.48	2,497.44	4,181.61
Administrative and Other Expenses	24.42	123.32	265.58	367.84
Finance Expenses	26.16	155.10	498.75	299.85
Depreciation / Amortization	2.51	10.16	28.36	29.28
Total	**149.03**	**2,771.06**	**3,290.13**	**4,878.58**
Profit Before Tax, as restated	**21.72**	**1,811.00**	**380.62**	**1,289.77**
Provision for Taxation				
- Current Tax	9.20	27.79	45.16	164.48
- MAT Credit Entitlement	-	(15.66)	(14.56)	(84.04)
- Deferred Tax	(0.58)	(0.56)	(13.74)	14.71
- Fringe Benefit Tax	0.58	1.58	3.44	-
Profit After Tax before Minority Interest and share of Loss from Associates, as restated	**12.52**	**1,797.85**	**360.32**	**1,194.62**
Minority Interest	(0.00)	143.98	43.76	149.83
Share of Loss from Associates	(0.03)	(0.05)	(2.64)	(0.23)
Net Profit for the year, as restated	**12.49**	**1,653.82**	**313.92**	**1,044.56**
Balance brought forward from previous year	30.86	43.35	1,684.67	2,240.41
Add / (Less):				
Difference in Accounting for Associates (Refer Note 2 of Annexure - XII)	-	-	229.32	-
Preference Dividend - Proposed (inclusive of tax)	-	-	(0.00)	(0.00)
Transferred from / (to) Debenture Redemption Reserve	-	(12.50)	12.50	-
Balance carried to Balance Sheet	**43.35**	**1,684.67**	**2,240.41**	**3,284.97**

CONSOLIDATED STATEMENT OF CASH FLOW, AS RESTATED					
					Rs. in Millions
	Particulars	**For the year ended March 31,**			
		2007	**2008**	**2009**	**2010**
A.	**Cash Flow from Operating Activities**				
	Profit Before Tax, as restated	**21.72**	**1,811.00**	**380.62**	**1,289.77**
	Adjustments for:				
	Depreciation / Amortization	2.51	10.16	28.36	29.28
	Interest Income	(4.06)	(88.38)	(290.14)	(304.32)
	Interest Expense	26.16	155.10	498.75	299.85
	Dividend Income	(0.06)	(1.09)	(2.11)	(0.06)
	Profit on sale of Investments (net)	-	0.00	(0.71)	(0.89)
	Profit from Partnership Firms (net)	(0.47)	-	-	-
	Loss / (Profit) on sale / discard of Fixed Assets (net)	-	(0.02)	0.78	(8.28)
	Exchange adjustments (net)	-	-	3.59	(0.17)
	Operating Profit Before Working Capital Changes	**45.80**	**1,886.77**	**619.14**	**1,305.18**
	Adjustments for :				
	(Increase)/ Decrease in Inventories	(1,777.25)	(4,556.00)	(1,574.73)	(2,349.69)
	(Increase)/ Decrease in Trade and other Receivables	10.01	168.37	(312.23)	426.56
	Increase/ (Decrease) in Trade and other Payables	287.67	759.66	713.28	(330.93)
	Cash Generated from Operations	**(1,433.77)**	**(1,741.20)**	**(554.54)**	**(948.88)**
	Direct Taxes paid (net of refunds)	(10.14)	(60.91)	(84.52)	(157.67)
	Net Cash used in Operating Activities (A)	**(1,443.91)**	**(1,802.11)**	**(639.06)**	**(1,106.55)**
B.	**Cash Flow from Investing Activities**				
	Purchase of Fixed Assets (including Capital Work in Progress)	(11.37)	(169.54)	(1,972.14)	(858.49)
	Sale of Fixed Assets	-	0.57	29.53	18.81
	Purchase of Investment in Shares				
	- Subsidiaries	(1.00)	(380.02)	-	(117.49)
	- Associates / Joint Ventures	-	(22.97)	-	(18.88)
	- Others	-	(0.00)	-	-
	Sale of Investments in Shares				
	- Subsidiaries	-	-	24.91	0.50
	- Associates	-	-	-	4.81
	- Others	-	0.00	-	-
	Purchase of Investment in Immovable Properties	-	(11.68)	(26.30)	-
	Sale of Investment in Immovable Properties	-	0.00	-	9.21
	Investment Withdrawn in Capital Account of Partnership Firms	1.04	-	-	-
	Loans given	(512.24)	(5,069.71)	(1,996.35)	(2,679.78)

	Loans given repaid	240.72	3,622.71	2,079.30	1,932.17
	Interest Received	4.06	88.38	290.14	304.31
	Dividend Received	0.06	1.09	2.11	0.06
	Increase/ (Decrease) in Minority Interest	(16.04)	(643.09)	777.59	(1,553.45)
	Net Cash used in Investing Activities	**(294.77)**	**(2,584.26)**	**(791.21)**	**(2,958.22)**
C.	**Cash Flow from Financing Activities**				
	Proceeds from issue of Preference Shares (including Securities Premium)	-	-	950.00	-
	Redemption of Preference Shares	-	-	-	(6.85)
	Proceeds from Debentures	-	1,200.00	300.00	-
	Redemption of Debentures	-	-	(1,500.00)	-
	Proceeds from Long Term Borrowings	1,227.36	2,257.47	9,705.44	5,029.37
	Repayment of Long Term Borrowings	(152.34)	(209.90)	(5,397.75)	(5,155.75)
	Proceeds from Short Term Borrowings	-	28.50	-	239.80
	Increase/(Decrease) in Working Capital Loan	-	63.69	(388.64)	71.65
	Proceeds from Inter Corporate Deposits	2,669.02	6,929.35	8,113.71	10,013.89
	Repayment of Inter Corporate Deposits	(2,879.50)	(5,608.51)	(10,014.50)	(5,460.90)
	Proceeds from Loan taken from Others	900.18	-	-	6.60
	Repayment of Loan taken from Others	-	-	(25.49)	(71.63)
	Interest Paid	(26.16)	(88.31)	(447.34)	(356.79)
	Net Cash from Financing Activities	**1,738.56**	**4,572.29**	**1,295.43**	**4,309.39**
	Net Changes in Cash and Cash Equivalents (A+B+C)	**(0.12)**	**185.92**	**(134.84)**	**244.62**
	Opening Balance of Cash and Cash Equivalents	**1.28**	**3.79**	**288.61**	**151.59**
	Add: On account of acquisition of Subsidiaries	2.63	98.90	-	0.01
	Less: On account of disposal/dilution of Subsidiaries	-	-	(2.18)	(0.58)
	Closing Balance of Cash and Cash Equivalents	**3.79**	**288.61**	**151.59**	**395.64**

UNCONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED					
					Rs. In Millions
Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Fixed Assets					
Gross Block	10.81	21.99	61.61	96.11	123.76
Less: Depreciation / Amortization	6.01	8.52	14.92	35.58	54.28
Net Block	**4.80**	**13.47**	**46.69**	**60.53**	**69.48**
Capital Work-in-Progress	-	-	22.81	0.25	-
Net Block **(A)**	**4.80**	**13.47**	**69.50**	**60.78**	**69.48**
Investments **(B)**	**19.33**	**20.33**	**416.25**	**306.06**	**444.91**
Deferred Tax Assets (Net) **(C)**	**0.62**	**1.20**	**2.71**	**16.02**	**7.00**
Current Assets, Loans and Advances					
Inventories	598.58	2,209.84	5,798.25	6,787.78	7,688.18
Sundry Debtors	1.79	80.38	99.64	793.23	552.00
Cash and Bank Balances	1.28	1.38	65.13	32.80	115.56
Loans and Advances	246.82	152.08	3,034.98	3,811.73	5,539.14
(D)	**848.47**	**2,443.68**	**8,998.00**	**11,425.54**	**13,894.88**
(A+B+C+D)	**873.22**	**2,478.68**	**9,486.46**	**11,808.40**	**14,416.27**
Less: Liabilities and Provisions					
Secured Loans	195.05	1,711.64	6,289.87	5,365.51	5,470.31
Unsecured Loans	521.53	302.43	9.92	345.61	4,013.66
Current Liabilities	68.93	361.45	1,013.54	2,738.21	843.48
Provisions	1.12	4.04	9.45	21.22	22.89
(E)	**786.63**	**2,379.56**	**7,322.78**	**8,470.55**	**10,350.34**
Net Worth (A+B+C+D-E)	**86.59**	**99.12**	**2,163.68**	**3,337.85**	**4,065.93**
Represented By					
Share Capital **(F)**	10.50	10.50	10.50	20.00	20.00
Reserves and Surplus **(G)**	76.09	88.62	2,153.18	3,317.85	4,045.93
Net Worth (F + G)	**86.59**	**99.12**	**2,163.68**	**3,337.85**	**4,065.93**

UNCONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS, AS RESTATED					
					Rs. In Millions
Particulars	**For the year ended March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Income					
Sales and Services	138.32	164.98	807.47	2,827.22	3,749.84
Share of Profit from Partnership Firms (Net)	0.71	0.47	1,912.60	79.92	248.46
Other Income	9.70	5.22	56.03	357.56	520.83
Total	**148.73**	**170.67**	**2,776.10**	**3,264.70**	**4,519.13**
Expenses					
Cost of Sales	94.38	94.45	495.55	2,258.55	2,819.72
Administrative and Other Expenses	21.22	25.84	114.48	246.65	356.46
Finance Expenses	19.14	26.14	90.25	517.08	584.98
Depreciation/Amortization	1.57	2.51	8.25	22.04	20.75
Total	**136.31**	**148.94**	**708.53**	**3,044.32**	**3,781.91**
Profit Before Tax, as restated	**12.42**	**21.73**	**2,067.57**	**220.38**	**737.22**
Less: Provision for Taxation					
- Current Tax	5.66	9.52	18.63	16.41	84.15
- MAT Credit Entitlement	-	-	(15.42)	(14.56)	(84.03)
- Deferred Tax	(0.29)	(0.57)	(1.52)	(8.47)	9.02
- Fringe Benefit Tax	0.28	0.58	1.38	2.74	-
Effect of adjustments on tax	(0.91)	(0.33)	(0.06)	0.09	(0.00)
Profit After Tax, as restated	**7.68**	**12.53**	**2,064.56**	**224.17**	**728.08**
Balance brought forward	23.41	31.09	43.62	2,095.68	2,332.35
Add / (Less):					
Transferred from / (to) Debenture Redemption Reserve	-	-	(12.50)	12.50	-
Proposed Preference Dividend (inclusive of tax)	-	-	-	(0.00)	(0.00)
Balance carried to Balance Sheet	**31.09**	**43.62**	**2,095.68**	**2,332.35**	**3,060.43**

	UNCONSOLIDATED STATEMENT OF CASH FLOW, AS RESTATED					
						Rs. In Millions
	Particulars	**For the year ended March 31,**				
		2006	**2007**	**2008**	**2009**	**2010**
A.	**Cash Flow from Operating Activities**					
	Profit Before Tax, as restated	12.42	21.73	2,067.57	220.38	737.22
	Adjustments for :					
	Depreciation / Amortization	1.57	2.51	8.25	22.04	20.75
	Interest Income	(5.14)	(4.05)	(52.61)	(350.08)	(519.82)
	Interest Expense	19.14	26.14	90.25	517.08	584.98
	Dividend Income	(0.01)	(0.06)	(1.09)	(2.11)	(0.06)
	Profit from Partnership Firms (net)	(0.71)	(0.47)	(1,912.60)	(79.92)	(248.46)
	Loss / (Profit) on sale / discard of Fixed Assets (net)	(0.04)	-	(0.02)	0.09	0.27
	Exchange Adjustments (Net)	-	-	-	(1.53)	(0.17)
	Operating Profit before Working Capital Changes	**27.23**	**45.80**	**199.75**	**325.95**	**574.71**
	Adjustments for :					
	(Increase)/ Decrease in Inventories	(31.04)	(1,611.26)	(3,588.41)	(989.53)	(900.40)
	(Increase)/ Decrease in Trade and other Receivables	20.00	(1.18)	(329.57)	(589.11)	366.73
	Increase/ (Decrease) in Trade and other Payables	(59.47)	295.45	580.32	(145.32)	2.08
	Cash Generated from Operations	**(43.28)**	**(1,271.19)**	**(3,137.91)**	**(1,398.01)**	**43.12**
	Direct Taxes paid (net of refunds)	(10.85)	(9.96)	(23.38)	(28.52)	(74.67)
	Net Cash used in Operating Activities	**(54.13)**	**(1,281.15)**	**(3,161.29)**	**(1,426.53)**	**(31.55)**
B.	**Cash Flow from Investing Activities**					
	Purchase of Fixed Assets (including Capital Work in Progress)	(1.43)	(11.18)	(57.24)	(13.67)	(31.62)
	Sale of Fixed Assets	0.08	-	0.44	0.25	1.90
	Purchase of Investments in shares					
	- Subsidiaries	-	-	(203.86)	(0.40)	(124.34)
	- Associates / Joint Ventures	(4.81)	-	(12.97)	-	-
	- Others	-	-	(83.91)	(4.35)	(18.87)
	Sale of Investments in Shares					
	- Subsidiaries	-	-	-	29.26	0.50
	- Associates	-	-	-	-	4.81
	Investment in Capital Account of Partnership Firms	(7.47)	(1.00)	(102.65)	-	(0.95)

	Investment withdrawn from Capital Account of Partnership Firms	-	-	-	85.68	-
	Investment in Current Account of Partnership Firms	(37.75)	(6.28)	(644.95)	(2,034.71)	(3,647.48)
	Withdrawal from Current Account of Partnership Firms	9.19	18.87	2,603.64	3,914.00	2,033.11
	Loans given to					
	- Subsidiaries	-	-	(2,582.76)	(4,341.52)	(4,010.77)
	- Others	-	-	(1,290.24)	(119.80)	(19.13)
	Loans given repaid by					
	- Subsidiaries	-	-	31.75	3,648.16	1,919.58
	- Others	-	-	1,281.75	352.86	339.01
	Interest Received	1.08	9.43	52.61	18.62	517.74
	Dividend Received	0.01	0.06	1.09	2.11	0.06
	Net Cash from / (used in) Investing Activities	**(41.10)**	**9.90**	**(1,007.30)**	**1,536.49**	**(3,036.45)**
C.	**Cash Flow from Financing Activities**					
	Proceeds from issue of Preference Share (including Securities Premium)	-	-	-	950.00	-
	Refund of Share Application Money received	(102.50)	-	-	-	-
	Proceeds from Debentures	-	-	1,200.00	300.00	-
	Redemption of Debentures	-	-	-	(1,500.00)	-
	Proceeds from Long Term Borrowings	193.09	1,668.93	3,508.81	1,705.22	2,474.02
	Repayment of Long Term Borrowings	(312.61)	(152.34)	(203.08)	(2,040.94)	(2,722.62)
	Proceeds from Short Term Borrowings	-	-	28.50	1,000.00	1,239.80
	Repayment of Short Term Borrowings	-	-	-	-	(1,000.00)
	Increase/(Decrease) in Working Capital Loan	-	-	43.99	(388.64)	113.60
	Proceeds from Inter Corporate Deposits	436.13	2,447.42	2,513.94	4,870.47	6,635.00
	Repayment of Inter Corporate Deposits	(101.75)	(2,666.52)	(2,816.37)	(4,524.86)	(2,966.95)
	Interest Paid	(19.14)	(26.14)	(43.45)	(513.54)	(622.09)
	Net Cash from / (used in) Financing Activities	**93.22**	**1,271.35**	**4,232.34**	**(142.29)**	**3,150.76**
	Net changes in Cash and Cash Equivalents (A+B+C)	**(2.01)**	**0.10**	**63.75**	**(32.33)**	**82.76**
	Opening Balance of Cash and Cash Equivalents	**3.29**	**1.28**	**1.38**	**65.13**	**32.80**
	Closing Balance of Cash and Cash Equivalents (Refer Annexure XI)	**1.28**	**1.38**	**65.13**	**32.80**	**115.56**

THE ISSUE

Issue *		Up to Rs. 10,080 million
Including		
Employee Reservation Portion ##		Up to [●] Equity Shares aggregating to Rs. 35.10 million
Net Issue # ***		[●] Equity Shares
Of which		
Of which		
A) QIB portion #**		[●] Equity Shares
Of which		
	Mutual Funds Portion	[●] Equity Shares
	Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion **		Not less than [●] Equity Shares
C) Retail Portion **		Not less than [●] Equity Shares
Pre and post Issue Equity Shares		
Equity Shares outstanding prior to the Issue		1,39,650,000 Equity Shares
Equity Shares outstanding after the Issue		[●] Equity Shares
Use of Issue Proceeds by our Company		Please see "Objects of the Issue" on page 86 for information about the use of the Issue Proceeds.

Allocation to all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis.

**Our Company is considering a Pre-IPO Placement of up to 3,100,000 Equity Shares and/or aggregating up to Rs. 2,000 million with various investors. The Pre-IPO Placement will be undertaken at the sole discretion of our Company and at a price to be decided by our Company. The Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement subject to a minimum Net Issue size of 10% of the post-Issue paid-up capital being offered to the public.*

 # The Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be included in the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation to Mutual Funds. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. In the event of under-subscription in the Mutual Fund Portion only, the unsubscribed portion would be added to the balance of the Net QIB Portion to be allocated on a proportionate basis to QIBs. For further details, please see "Issue Procedure" on page 526.

***Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to valid Bids being received at or above the Issue Price.*

##Undersubscription, if any, in the Employee Reservation Portion will be added back to the Net Issue portion at the discretion of our Company, in consultation with the BRLMs, subject to valid Bids being received at or above the Issue Price. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of our Company.

****Our Company in consultation with the BRLMs may decide to offer a discount of up to [●]% of the Issue Price to Eligible Employees and Retail Individual Bidders. The excess amount paid at the time of Bidding shall be refunded to the Eligible Employees and Retail Individual Bidders. Pursuant to the Employee and Retail Discount, the Retail Portion shall be reduced in such proportion that the number of Equity Shares allocated to Retail Individual Bidders is not less than 35% of the total number of Equity Shares issued pursuant to this Net Issue.*

GENERAL INFORMATION

Our Company was incorporated under the Companies Act, as Kalpataru Homes Private Limited on December 22, 1988 in Mumbai. Our Company was converted into a public limited company on May 16, 1995, and consequently, its name was changed to Kalpataru Homes Limited. The name of our Company was again changed to Kalpataru Limited on February 1, 2008. For details of changes in the name and registered office of our Company, please see "History and Certain Corporate Matters" on page 192. Our Company is involved in real estate development. For further details of the business of our Company, please see "Our Business" on page 131.

Registered Office and Registration Number of our Company

91, Kalpataru Synergy, opposite Grand Hyatt,
Santacruz (East),
Mumbai – 400055,
Maharashtra,
India.
Tel: +91 22 3064 5000
Fax: +91 22 3064 3131
Company Registration Number: 11-50144
CIN: U45200MH1988PLC050144
Website: www.kalpataru.com

Address of the RoC

We are registered with the RoC situated at Everest, 5th Floor, 100, Marine Drive, Mumbai 400 002, Maharashtra, India.

Board of Directors of our Company

The Board of Directors consists of:

Name of the Director	Designation	DIN	Address
Mofatraj P. Munot	Executive Chairman	00046905	'Munot Villa', Westfield Compound Lane, 63K Bhulabhai Desai Road, Mumbai – 400 026, Maharashtra, India.
Parag M. Munot	Managing Director	00136337	'Munot Villa', Westfield Compound Lane, 63K Bhulabhai Desai Road, Mumbai – 400 026, Maharashtra, India.
Imtiaz Kanga	Non-Executive Director	00136272	1, Kalpataru, 39, Dr. G. Deshmukh Marg, Mumbai – 400 026, Maharashtra, India.
Dhananjay Mungale	Independent Director	00007563	10A, Ameya Aparments Near Kirti College, off. Dhuru Road Prabhadevi, Dadar (West) Mumbai 400 028 Maharashtra, India.
Om Prakash Gahrotra	Independent Director	00936696	12, Praneet Co-Operative Housing Society Limited, Dr. J.Palkar Road, Worli, Mumbai 400 025,

Name of the Director	Designation	DIN	Address
			Maharashtra India
Sajjanraj Mehta	Independent Director	00051497	703, Atmaj, 94C, August Kranti Marg, Mumbai 400 036 Maharashtra India

For further details of our Directors, please see "Management" on page 197.

Company Secretary and Compliance Officer

Manoj Thakar is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Kalpataru Limited
91, Kalpataru Synergy, opposite Grand Hyatt,
Santacruz (East),
Mumbai – 400055,
Maharashtra,
India.
Tel: +91 22 3064 5000
Fax: +91 22 3064 3131
Email: manoj.thakar@kalpataru.com

Investors can contact the Compliance Officer or the Registrar in case of any Issue related problems such as non-receipt of letters of allocation, credit of Allotted Equity Shares in the respective beneficiary account and/or refund orders.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Managers. All complaints, queries or comments received by SEBI shall be forwarded to the Book Running Lead Managers, who shall respond to the same.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked. ASBA account number and the designated branch of the SCSB where the ASBA Form was submitted by the ASBA Bidders.

Book Running Lead Managers

Morgan Stanley India Company Private Limited
5F, 55-56, Free Press House,
Free Press Journal Marg,
215, Nariman Point,
Mumbai – 400 021,
India.
Tel: +91 22 6621 0555
Fax: +91 22 6621 0556
E-mail: kl_ipo@morganstanley.com
Investor Grievance Email: investors_india@morganstanley.com
Website: www.morganstanley.com/Indiaofferdocuments
Contact Person: Ronak Sandil
SEBI Registration No.: INM000011203

Citigroup Global Markets India Private Limited
12th floor, Bakhtawar,
Nariman Point,
Mumbai – 400 021,
India.
Tel: +91 22 6631 9890

Fax: +91 22 6646 6056
E-mail: kalpataru.ipo@citi.com
Investor Grievance Email: investors.cgmib@citi.com
Website: www.citibank.co.in
Contact Person: Rajiv Jumani
SEBI Registration No: INM000010718

Collins Stewart Inga Private Limited
A-404 Neelam Centre,
Hind Cycle Road,
Worli,
Mumbai – 400 030,
India.
Tel: +91 22 2498 2919
Fax: +91 22 2498 2956
E-mail: kalpataru.ipo@csinga.com
Investor Grievance Email: investors@csinga.com
Website: www.csinga.com
Contact Person: Deepa Mutha
SEBI Registration No: INM000010924

ICICI Securities Limited
ICICI Centre,
H.T. Parekh Marg,
Churchgate,
Mumbai – 400 020
India
Tel: +91 22 6637 7292
Fax: +91 22 2282 6580
E-mail: kalpataru.ipo@icicisecurities.com
Investor Grievance Email: customercare@ icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Rajiv Poddar
SEBI Registration No.: INM000011179

IDFC Capital Limited
Naman Chamber, C-32,
G Block, Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051
India
Tel: +91 22 6622 2600
Fax: +91 22 6622 2501
E-mail: kalpataru.ipo@idfc.com
Investor Grievance Email: complaints@idfc.com
Website: www.idfccapital.com
Contact Person: Shirish Chikalge
SEBI Registration No.: INM000011336

Nomura Financial Advisory and Securities (India) Private Limited
Ceejay House, Level 11,
Dr. Annie Besant Road,
Worli
Mumbai 400 018
India
Tel: +91 22 4037 4037
Fax: +91 22 4037 4111
E-mail: kalpataru.ipo-in@nomura.com
Investor Grievance Email: investorgrievances-in@nomura.com
Website: www.nomura.com/asia/services/capital_raising/equity.shtml

Contact Person: Manish Agarwal
SEBI Registration No.: INM000011336

Syndicate Members

[●]

Domestic legal advisors to our Company

AZB & Partners
23rd Floor, Express Towers,
Nariman Point,
Mumbai – 400 021,
Maharashtra,
India.
Tel: +91 22 6639 6880
Fax: +91 22 6639 6888

Domestic legal advisors to the Underwriters

Amarchand & Mangaldas & Suresh A. Shroff & Co
201, Midford House, Midford Garden,
Off M.G. Road,
Bangalore – 560 001,
Karnataka,
India.
Tel: +91 80 2558 4870
Fax: +91 80 2558 4266

International legal advisors to the Underwriters

Jones Day
3, Church Street
#14-02, Samsung Hub,
Singapore – 049483.
Tel: +65 6538 3939
Fax: +65 6536 3939

Auditors to our Company

M/s. MGB & Co., Chartered Accountants
Jolly Bhavan 2, 1st floor,
7 New Marine Lines,
Churchgate,
Mumbai – 400020
Maharashtra
India.
Tel: +91 22 6633 2330
Fax: +91 22 6635 1545
Email: mgbco@mgbco.com
Membership No. of Sanjay Kothari, Partner: 48215
Firm Registration No.: 101169W

Registrar to the Issue

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

India.
Tel: +91 22 2596 0320
Fax: +91 22 2596 0329
Email: kalpataru.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sanjog Sud
SEBI Registration No.: INR000004058

Escrow Collection Banks and Banker(s) to the Issue

[●]

Refund Banks

[●]

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on www.sebi.gov.in For details of the Designated Branches of the SCSBs collecting the ASBA Bid cum Application Forms, please see the link mentioned above.

Bankers to our Company

ICICI Bank Limited
ICICI Bank Tower,
South Tower, 7th floor, East Wing,
Bandra Kurla Complex,
Mumbai – 400 051.
Tel: +91 22 2653 8758
Fax: +91 22 2653 1215
Email: rohit.rathi@icicibank.com
Website: www.icicibank.com

Standard Chartered Bank
90, M. G. Road, Fort,
Mumbai – 400 001.
Tel: +91 22 2209 2213
Fax: +91 22 2209 6067
Email: joseph.george@sc.com
Website: www.standardchartered.com

Monitoring Agency

The Company will appoint a Monitoring Agency and update the details of such agency prior to filing the Red Herring Prospectus with the RoC.

Statement of inter se allocation of Responsibilities for the Issue

The following table sets forth the distribution of responsibility and co-ordination for various activities amongst the BRLMs:

S. No.	Activity	Responsibility	Co-ordinator
1.	Capital Structuring with relative components and formalities such as type of instruments., etc.	Morgan Stanley India Company Private Limited ("**Morgan Stanley**"), ("**Citi**"), ("**CS Inga**"), ("**Nomura**"), ("**I-Sec**"), ("**IDFC**")	Morgan Stanley
2.	Due-diligence of the company including its operations/management/business plans/legal, etc. Drafting and design of the Draft Red	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	Morgan Stanley

S. No.	Activity	Responsibility	Co-ordinator
	Herring Prospectus, the Red Herring Prospectus including memorandum containing salient features of the Prospectus. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI, including finalisation of Prospectus and the RoC filing.		
3.	Drafting and approving all statutory advertisements	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	CS Inga
4.	Drafting and approving non-statutory advertisements including corporate advertisements	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	Citi
5.	Appointment of printer(s)	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	CS Inga
6.	Appointment of advertising agency	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	CS Inga
7.	Appointment of Bankers to the Issue	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	CS Inga
8.	Appointment of Registrar to the Issue	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	CS Inga
9.	Non-Institutional and Retail Marketing of the Issue, which will cover, *inter alia*, ▪ Formulating marketing strategies, preparation of publicity budget ▪ Finalizing Media, marketing & public relations strategy ▪ Finalizing centers for holding conferences for brokers, etc. ▪ Follow-up on distribution of publicity and Issuer material including application form, prospectus and deciding on the quantum of the Issue material ▪ Finalizing collection centres	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	I-Sec
10.	International Institutional marketing International Institutional marketing of the Issue, which will cover, inter alia, marketing in the United States and includes: ▪ Institutional marketing strategy ▪ Finalizing the list and division of investors for one to one meetings, and ▪ Finalizing road show schedule and investor meeting schedules	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	Citi
11.	Preparing road show presentation and frequently asked question	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	Nomura
12.	Domestic institutional marketing Domestic institutional marketing of the Issue, which will cover, *inter alia*, Institutional marketing strategy Finalizing the list and division of investors for one to one meetings, and Finalizing road show schedule and investor meeting schedules	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	IDFC
13.	Co-ordination with Stock Exchanges for Book Building Process software, bidding terminals and mock trading	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	I-Sec

S. No.	Activity	Responsibility	Co-ordinator
14.	Finalisation of pricing in consultation with the Company	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	Nomura
15.	Post bidding activities including management of Escrow Accounts, co-ordinate non-institutional allocation, coordination with Registrar and Banks, intimation of allocation and dispatch of refund to Bidders, etc. The post Issue activities of the Issue will involve essential follow up steps, which include finalisation of trading and dealing instruments and dispatch of certificates and demat delivery of shares, with the various agencies connected with the work such as Registrar to the Issue, Banker to the Issue and the bank handling refund business. The Book Running Lead Managers shall be responsible for ensuring that these agencies fulfil their functions and enable them to discharge the responsibility through suitable agreements with the Issuer Company.	Morgan Stanley, Citi, CS Inga, Nomura, I-Sec, IDFC	Citi

Credit Rating

As this is an offer of equity shares, there is no credit rating for this Issue.

IPO Grading

This Issue has been graded by [●] as [●] (pronounced [●]) indicating [●]. The IPO Grading is assigned on a five point scale from 1 to 5 with ‘IPO Grade 5’ indicating strong fundamentals and “IPO Grade 1” indicating poor fundamentals. The rationale/description furnished by the IPO grading agency for the grading will be included in the Red Herring Prospectus to be filed with the Designated Stock Exchange.

Experts to our Company for the Issue

Our Company has obtained a master title certificate dated September 21, 2010 from Sanju H. Ahooja in relation to land held by us. Sanju H. Ahooja has given his written consent to be named as an expert to our Company for the Issue in relation to the lands that we own and/or rights in respect thereof, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has obtained an architect’s certificate dated September 8, 2010 from Vineet Agarwal in relation to projects developed/to be developed by us. Vineet Agarwal has given his written consent to be named as an expert to our Company for the Issue in relation to the lands that we own and/or rights or measurement in respect thereof, and such consent has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus.

In accordance with the Companies Act and the SEBI Regulations, M/s. MGB & Co., Chartered Accountants, has agreed to provide their written consent for the inclusion of the report on the restated consolidated and unconsolidated financial statements and the statement of possible tax benefits in the form and context in which it will appear in the Draft Red Herring Prospectus and such consent has not been and will not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus to SEBI.

Trustees

As this is an issue of equity shares, an appointment of Trustees is not required.

Book Building Process

The Book Building Process means a process undertaken to elicit demand and to determine the price for the specified number of Equity Shares. The principal parties involved in the Book Building Process are:

1. our Company;

2. the BRLMs;

3. the Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters;

4. SCSBs;

5. the Escrow Collection Bank(s) and Banker(s) to the Issue; and

6. the Registrar to the Issue.

Our Company is undertaking this Issue under Rule 19(2)(b)(ii) of the SCRR and shall comply with the requirements thereunder. This being an issue for less than 25% of the post-Issue paid-up equity share capital, the Issue is being made through the 100% Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, [●] Equity Shares shall be available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received from them at or above the Issue Price. Under subscription, if any, in the Employee Reservation Portion, shall be added to the Net Issue. In the event of under subscription in the Net Issue, spill over to the extent of under subscription shall be allowed from the Employee Reservation Portion. The Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed the BRLMs to manage the Issue and to procure subscriptions to the Issue.

QIBs are not allowed to withdraw their Bid(s) after the QIB Bid/Issue Closing Date. For further details, please see "Terms of the Issue" on page 523.

The Book Building Process under the SEBI Regulations is subject to change from time to time and investors are advised to make their own judgment about investment through this process prior to making a Bid or an Application in the Issue.

Illustration of the Book Building Process and Price discovery process

Investors should note that this example is solely for illustrative purposes and is not specific to the Issue; this illustration also excludes bidding by Anchor Investors or under the ASBA process.

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, offer size of 3,000 equity shares and receipt of five bids from bidders out which one bidder has bid for 500 shares at Rs. 24 per share while another has bid for 1,500 shares at Rs. 22 per share. A graphical representation of consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book given below shows the demand for the shares of a company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the company is able to offer the desired number of shares is the price at which the book cuts off *i.e.* Rs. 22 in the above example. The company in consultation with the BRLMs will finalise the Issue Price at or below such cut off price, *i.e.* at or below Rs. 22. All bids at or above the issue price and cut off price are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for Bidding (please see "Issue Procedure – Who Can Bid?" on page 531);

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure that you have mentioned your PAN. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (please see "Issue Procedure" on page 530);

- Ensure that the Bid cum Application Form or the ASBA Bid Cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid Cum Application Form or the ASBA Bid Cum Application Form; and

- Bids by QIBs, excluding by way of ASBA, will only have to be submitted to the BRLMs.

- Bids by ASBA Bidders will have to be admitted to the Designated Branches, ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that the ASBA Bid cum Application Form is not rejected.

Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the decision for withdrawal of the Issue, providing reasons for not proceeding with the Issue. The Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws.

Bidding/Issue Programme

BID/ISSUE OPENS ON	**[●]***
QIB BID/ISSUE CLOSES ON	**[●]**
BID/ISSUE FOR RETAIL AND NON INSTITUTIONAL (INCLUDING ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION) INVESTORS CLOSES ON	**[●]**

**The Company may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*

Bids including any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m**. **IST** during the Bidding/Issue Period as mentioned above at the Bidding centres mentioned on the Bid cum Application Form, however, on the QIB Bid/Issue Closing Date, Bids by QIBs (excluding by way of ASBA) shall be accepted only between **10.00 p.m. and 3.00 p.m. IST** and uploaded until 4.00 p.m. IST, and on the Bid/Issue Closing Date, Bids (excluding by ASBA Bidders) shall be accepted only between **10.00 p.m. and 3.00 p.m. IST** and uploaded until (i) 4.00 p.m. IST in case of Bids by Non-Institutional Bidders; and (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders. It is clarified that the Bids not uploaded in the book will be rejected. Bids by the ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date or the QIB Bid/Issue

Closing Date, as the case may be, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date or the QIB Bid/Issue Closing Date, as the case may be, and, in any case, no later than **3.00 p.m. IST** on the Bid/Issue Closing Date or the QIB Bid/Issue Closing Date, as the case may be. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date or the QIB Bid/Issue Closing Date, as the case may be, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only between Monday to Friday (excluding any public holiday).

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchange within half an hour of such closure.

The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side *i.e.* the Floor Price can move up or down to the extent of 20% of the Floor Price disclosed at least two Working Days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bidding/Issue Period will be extended for three additional Working Days after revision of Price Band subject to the Bidding/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the changes on the website of the BRLMs and at the terminals of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price and allocation of our Equity Shares but prior to filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for certain of the Equity Shares proposed to be offered in this Issue. Pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its respective Syndicate Member/sub-Syndicate Member. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified in such agreement.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be filled in before the filing of the Prospectus with the RoC)

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Million)
Morgan Stanley India Company Private Limited 5F, 55-56, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400 021, India.	[●]	[●]
Citigroup Global Markets India Private Limited 12th floor, Bakhtawar, Nariman Point, Mumbai – 400 021, India.	[●]	[●]
Collins Stewart Inga Private Limited A-404 Neelam Centre, Hind Cycle Road,	[●]	[●]

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Million)
Worli, Mumbai – 400 030, India.		
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400 020 India	[●]	[●]
IDFC Capital Limited Naman Chamber, C-32, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 India	[●]	[●]
Nomura Financial Advisory and Securities (India) Private Limited Ceejay House, Level 11, Dr. Annie Besant Road, Worli Mumbai 400 018 India	[●]	[●]

The amount mentioned above is indicative based on the Issue Price and actual allocation.

In the opinion of the Board of Directors (based on the certificates given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. The Board of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the table above, the BRLMs and the Syndicate Members shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount. The underwriting arrangements mentioned above shall not apply to the ASBA Bidders in this Issue.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Red Herring Prospectus is set forth below:

(In Rs. except share data)

		Aggregate Face Value	Aggregate Value at Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	499,000,000 Equity Shares of Rs. 10 each	4,990,000,000	
	1,000,000 Preference Shares of Rs. 10 each	10,000,000	
	Total	**5,000,000,000**	
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	1,396, 50,000 Equity Shares of Rs. 10 each	1,396,500,000	
	950,000 Preference Shares of Rs. 10 each	9,500,000	
C	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS***		
	[●] Equity Shares of Rs. 10 each	[●]	[●]
	Which comprises		
	Employee Reservation Portion of [●] Equity Shares**	[●]	[●]
	Net offer of [●] Equity Shares	[●]	[●]
D	**SHARE PREMIUM ACCOUNT**		
	Before the Issue	NIL	
	After the Issue	[●]	
E	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of Rs. 10 each	[●]	[●]
	[●] Preference Shares of Rs. 10 each	[●]	[●]

**Our Company is considering a Pre-IPO Placement of up to 3,100,000 Equity Shares and/or aggregating up to Rs. 2,000 million with various investors. The Pre-IPO Placement will be undertaken at the sole discretion of our Company at a price to be decided by our Company. Our Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post-Issue paid-up equity share capital being offered to the public.*

****** *Under-subscription, if any, in the Employee Reservation Portion shall be added to the Net Issue. In case of under-subscription in the Net Issue, spill-over to the extent of under-subscription shall be permitted to the Employee Reservation Portion.*

The Issue has been authorised by the Board of Directors and the Equity Shareholders pursuant to their resolutions, dated September 20, 2010 and September 21, 2010, respectively.

Changes in the Authorised Capital

(1) The initial authorised share capital of Rs. 1,000,000 divided into 10,000 Equity Shares of Rs. 100 each was increased to Rs. 2,000,000 divided into 20,000 Equity Shares of Rs. 100 each pursuant to a resolution of the Equity Shareholders passed on November 29, 1990.

(2) The authorised share capital of Rs. 2,000,000 divided into 20,000 Equity Shares of Rs. 100 each was increased to Rs. 5,000,000 divided into 50,000 Equity Shares of Rs. 100 each pursuant to a resolution of the Equity Shareholders passed on June 27, 1991.

(3) The face value of the Equity Shares of our Company was sub-divided from Rs. 100 each to Rs. 10 each pursuant to a resolution of the Equity Shareholders passed on February 23, 1995. Consequently, the authorised share capital of Rs. 5,000,000 divided into 50,000 Equity Shares of Rs. 100 each was modified to Rs. 5,000,000 divided into 500,000 Equity Shares of Rs. 10 each.

(4) The authorised share capital of Rs. 5,000,000 divided into 500,000 Equity Shares of Rs. 10 each was increased to Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each pursuant to a resolution of the Equity Shareholders passed on April 3, 1995.

(5) The authorised share capital of Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each was increased to Rs. 60,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each and 1,000,000 Preference Shares of Rs. 10 each pursuant to a resolution of the Equity Shareholders passed on December 12, 2008.

(6) The authorised share capital of Rs. 60,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each and 1,000,000 Preference Shares of Rs. 10 each was increased to Rs. 5,000,000,000 divided into 499,000,000 Equity Shares of Rs. 10 each and 1,000,000 Preference Shares of Rs. 10 each pursuant to a resolution of the Equity Shareholders passed on July 1, 2010.

Notes to the Capital Structure

1. **Share Capital History of our Company**

(a) The following is the history of the equity share capital and share premium account of our Company:

Date of allotment of the Equity Shares	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Cumulative No. of Equity Shares	Cumulative paid-up Equity Capital (Rs.)	Cumulative Share Premium (Rs.)
December 22, 1988	100	100	100	Cash	100	10,000	Nil
December 19, 1990	19,900	100	100	Cash	20,000	2,000,000	Nil
July 12, 1991	10,000	100	100	Cash	30,000	3,000,000	Nil
February 23, 1995*	300,000	10	N.A.	N.A.	300,000	3,000,000	N.A.
May 12, 2004	750,000	10	70	Cash	1,050,000	10,500,000	45,000,000
September 9, 2010**	138,600,000	10	N.A	N.A	139,650,000	1,396,500,000	Nil

** The face value of the Equity Shares of our Company was sub-divided from Rs. 100 each to Rs. 10 each pursuant to a resolution of the Equity Shareholders passed on February 23, 1995.*
*** The Company allotted bonus Equity Shares in the ratio of 132 Equity Shares for each Equity Share held by the Equity Shareholders of our Company as at September 9, 2010 by capitalising share premium and profit and loss account pursuant to a resolution of the Equity Shareholders passed on September 9, 2010.*

(b) Equity Shares allotted for consideration other than cash

Date of allotment of the Equity Shares	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration
September 9, 2010*	138,600,000	10	N.A	N.A

** The Company allotted bonus Equity Shares in the ratio of 132 Equity Shares for each Equity Share held by the Equity Shareholders of our Company as at September 9, 2010 by capitalising share premium and profit and loss account pursuant to a resolution of the Equity Shareholders passed on September 9, 2010.*

(c) The following is the history of the redeemable non-convertible preference share capital and share premium account of our Company:

Date of allotment of the Preference Shares	No. of Preference Shares issued/(redeemed)	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash etc)	Cumulative No. of Preference Shares Outstanding	Cumulative paid-up Preference Capital (Rs.)	Cumulative Preference Share Premium (Rs.)
January 15, 2009*	950,000	10	1,000	Cash	950,000	9,500,000	940,500,000

** 950,000 redeemable non-convertible preference shares of our Company were issued to Ananta Landmarks Private Limited, our Associate, pursuant to a Board resolution dated January 15, 2009. The tenure of these preference shares is 15 years unless redeemed earlier at the option of our Company and the dividend with respect to these preference shares shall be payable on a cumulative basis at the rate of 0.01 of the face value of the redeemable non-convertible shares.*

2. **History of the Equity Share Capital held by the Promoters**

(a) *Details of the build up of the Promoters' shareholding in our Company*:

Date of Allotment/ Transfer	Nature of consideration	Nature of Transaction	No. of Equity Shares (a)	Face Value (Rs.)	Issue/ Transfer Price (Rs.)	Cumulative no. of Equity Shares	No, of Equity Shares at (a) as a percentage of the pre-Issue paid-up capital (%)	No, of Equity Shares as a Percentage of the post-Issue paid-up capital (%)
Mofatraj P. Munot								
December 22, 1988	Cash	Subscription to MOA	50	100	100	50	0.00	[●]
December 19, 1990	Cash	Fresh issue	950	100	100	1000	0.00	[●]
February 23, 1995	-	Sub-division	10,000	10*	-	10,000*	0.01	
June 15, 1999	Cash	Transfer of shares from Sharad Munot (Late)	18,500	10	10	28,500	0.01	[●]
May 12, 2004	Cash	Rights issue	71,250	10	70	99,750	0.05	[●]
February 1, 2008	Cash	Transfer of shares from Monica Munot	47,250	10	99	147,000	0.03	[●]
	Cash	Transfer of	99,750	10	99	246,750	0.07	[●]

Date of Allotment/ Transfer	Nature of consideration	Nature of Transaction	No. of Equity Shares (a)	Face Value (Rs.)	Issue/ Transfer Price (Rs.)	Cumulative no. of Equity Shares	No, of Equity Shares at (a) as a percentage of the pre-Issue paid-up capital (%)	No, of Equity Shares as a Percentage of the post-Issue paid-up capital (%)
		shares from Mofatraj P. Munot HUF						
	Cash	Transfer of shares from Sudha Trust	26,250	10	99	273,000	0.02	[●]
September 9, 2010	Bonus	Issue of Bonus Shares	36,036,000	10	N.A.	36,309,000	25.80	[●]
Total			**36,309,000**				**26.00**	[●]
Parag M. Munot								
July 12, 1991	Cash	Further issue of Equity Shares	7,200	100	100	7,200	Nil	[●]
February 23, 1995	N.A.	Sub- Division	72,000	10**	N.A.	72,000**	0.05	[●]
February 25, 1999	Cash	Transfer of Equity Shares to Monica Munot	(30,000)	10	10	42,000	-0.02	[●]
June 15, 1999	Cash	Transfer of Equity Shares to Mofatraj P. Munot HUF	(6,000)	10	10	36,000	0.00	[●]
	Cash	Transfer of Equity Shares to Sudha Trust	(4,500)	10	10	31,500	0.00	[●]
	Cash	Transfer of Equity Shares to Sunita Trust	(4,500)	10	10	27,000	0.00	[●]
	Cash	Transfer of Equity Shares from Monica Munot	1,500	10	10	28,500	0.00	[●]
May 12, 2004	Cash	Rights issue	71,250	10	70	99,750	0.05	[●]
February 1, 2008	Cash	Transfer of Equity Shares to Mofatraj P. Munot (as a trustee of Sharadchandrik, a Munot Family Trust)	(5,250)	10	99	94,500	0.00	[●]
September 9, 2010	Bonus	Issue of Bonus Shares	12,474,000	10	N.A.	12,568,500	8.93	[●]
Total			**12,568,500**				**9.00**	[●]

**The face value of the Equity Shares was sub-divided from Rs. 100 each to Rs. 10 each pursuant to a resolution*

of the Equity Shareholders passed on February 23, 1995. As a result of this sub-division the number of Equity Shares held by Mofatraj P. Munot on February 23, 1995 increased to 10,000.
***The face value of the Equity Shares was sub-divided from Rs. 100 each to Rs. 10 each pursuant to a resolution of the Equity Shareholders passed on February 23, 1995. As a result of this sub-division the number of Equity Shares held by Parag M. Munot on February 23, 1995 increased to 72,000.*

(b) *Details of Promoters' contribution and Lock-in*:

Date of allotment and when made fully paid-up/date of acquisition	Nature of Allotment/Transfer	Nature of Consideration (Cash)	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition Price per Equity Share (Rs.)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)
Mofatraj P. Munot							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Parag M. Munot							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

The above table will be filled-in after finalisation of Issue Price. All Equity Shares held by our Promoters are eligible for Promoters' Contribution

The minimum Promoters' contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI Regulations. Pursuant to Regulations 32 and 36 of the SEBI Regulations, the Promoters' contribution constituting not less than 20% of the post-Issue capital of our Company shall be locked-in for a period of three years from the date of Allotment of the Equity Shares. The Equity Shares constituting minimum Promoters' contribution in the Issue, which shall be locked-in for three years, are eligible therefore in terms of the SEBI Regulations.

(c) *Details of pre-Issue Equity Share capital locked in for one year*:

In addition to the aforesaid 20% of the post-Issue shareholding of our Company held by the Promoters and locked in for three years as specified above, the entire pre-Issue equity share capital of our Company will be locked-in for a period of one year from the date of Allotment of the Equity Shares in this Issue. For the sake of clarity, please note that the Equity Shares that may be allotted pursuant to the Pre-IPO Placement shall also be locked-in for a period of one year from the date of Allotment of the Equity Shares.

(d) *Other requirements in respect of lock-in*:

The Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of the applicable lock-in in the hands of the transferees for the remaining period and compliance with the provisions of the Takeover Code, as applicable.

The Equity Shares held by persons other than the Promoters prior to the Issue, which are locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of such lock-in in the hands of the transferees for the remaining period and compliance with the provisions of the Takeover Code, as applicable.

The Equity Shares held by the Promoters which are locked-in for a period of three years from the date of Allotment can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or institution, provided that the pledge of Equity Shares can be created when the loan has been granted by such bank or financial institution for financing one or more of the objects of the Issue and pledge of Equity Shares is one of the terms of sanction of the loan.

The Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment in the Issue can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such bank or financial institution, provided that the pledge of the Equity Shares is one of the terms of sanction of the loan.

(e) *Lock-in of Equity Shares to be issued, if any, to the Anchor Investor*

Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

3. **Shareholding Pattern of our Company**

(i) The table below presents the shareholding pattern of our Company before the proposed Issue and as adjusted for the Issue:

Category of shareholders	Pre-Issue			Post-Issue			No. of Equity Shares pledged or otherwise encumbered
	No. of Equity Shares	Total shareholding as a percentage of total no. of Equity Shares (%)	No. of Equity Shares held in dematerialised form	No. of Equity Shares	Total shareholding as a percentage of total no. of Equity Shares (%)	No. of Equity Shares held in dematerialised form	
Promoters (A)							
Mofatraj P. Munot	36,309,000	26.00	Nil	36,309,000	[●]	[●]	-
Parag M Munot	12,568,500	9.00	Nil	12,568,500	[●]	[●]	-
Sub Total (A)	**48,877,500**	**35.00**	**Nil**	**48,877,500**	**[●]**	**[●]**	-
Promoter Group (B)							
Mofatraj P. Munot – HUF	13,300	0.01	Nil	13,300	[●]	[●]	-
Monica P. Munot	6,982,500	5.00	Nil	6,982,500	[●]	[●]	-
Sudha R. Golechha	5,236,875	3.75	Nil	5,236,875	[●]	[●]	-
Sunita V. Choraria	5,236,875	3.75	Nil	5,236,875	[●]	[●]	-
Mofatraj P. Munot as Trustee of Sharadchandrika Munot Family Trust	4,887,750	3.50	Nil	4,887,750	[●]	[●]	-
Shouri Investment & Trading Company	13,685,700	9.80	Nil	13,685,700	[●]	[●]	-

Category of shareholders	Pre-Issue			Post-Issue			No. of Equity Shares pledged or otherwise encumbered
	No. of Equity Shares	Total shareholding as a percentage of total no. of Equity Shares (%)	No. of Equity Shares held in dematerialised form	No. of Equity Shares	Total shareholding as a percentage of total no. of Equity Shares (%)	No. of Equity Shares held in dematerialised form	
Private Limited							
Mrigashish Investment & Trading Company Private Limited	13,685,700	9.80	Nil	13,685,700	[●]	[●]	-
Appropriate Developers Private Limited	13,938,400	9.98	Nil	13,938,400	[●]	[●]	-
Flex-O-Poly Private Limited	13,685,700	9.80	Nil	13,685,700	[●]	[●]	-
Mrigashish Constructions Private Limited	13,406,400	9.60	Nil	13,406,400	[●]	[●]	-
MPM Holding Private Limited	13,300	0.01	Nil	13,300	[●]	[●]	-
Sub Total (B)	**90,772,500**	**65.00**		**90,772,500**	**[●]**	**[●]**	**-**
Total Holding of Promoters and Promoter Group (C=A + B)	**139,650,000**	**100**	**Nil**	**139,650,000**	**[●]**	**[●]**	-
Others	Nil	Nil	Nil	Nil	Nil	Nil	-
Sub Total (D)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**-**
Public (pursuant to the Issue) (E)	Nil	Nil	Nil	[●]	[●]	[●]	-
Total (C+D+E)	**139,650,000**	**100**	**Nil**	**[●]**	**[●]**	**[●]**	-

4. **The list of our 10 largest Equity Shareholders and the number of Equity Shares held by them is as under:**

(a) *As of the date of this Draft Red Herring Prospectus:*

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of pre-Issue Equity Share Capital

1.	Mofatraj P. Munot	36,309,000	26.00
2.	Appropriate Developers Private Limited	13,938,400	9.98
3.	Shouri Investment & Trading Company Private Limited	13,685,700	9.80
4.	Mrigashish Investment & Trading Company Private Limited	13,685,700	9.80
5.	Flex-O-Poly Private Limited	13,685,700	9.80
6.	Mrigashish Constructions Private Limited	13,406,400	9.60
7.	Parag M. Munot	12,568,500	9.00
8.	Monica P. Munot	6,982,500	5.00
9.	Sudha R. Golechha	5,236,875	3.75
10.	Sunita V. Choraria	5,236,875	3.75
	Total	**134,735,650**	**96.48**

(b) As of 10 days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of pre-Issue Equity Share Capital
1.	Mofatraj P. Munot	36,309,000	26.00
2.	Appropriate Developers Private Limited	13,938,400	9.98
3.	Shouri Investment & Trading Company Private Limited	13,685,700	9.80
4.	Mrigashish Investment & Trading Company Private Limited	13,685,700	9.80
5.	Flex-O-Poly Private Limited	13,685,700	9.80
6.	Mrigashish Constructions Private Limited	13,406,400	9.60
7.	Parag M. Munot	12,568,500	9.00
8.	Monica P. Munot	6,982,500	5.00
9.	Sudha R. Golechha	5,236,875	3.75
10.	Sunita V. Choraria	5,236,875	3.75
	Total	**134,735,650**	**96.48**

(c) As of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of pre-Issue Equity Share Capital
1.	Mofatraj P. Munot	273,000	26.00
2.	Appropriate Developers Private Limited	104,800	9.98
3.	Flex-O-Poly Private Limited	102,900	9.80
4.	Shouri Investment & Trading Company Private Limited	102,900	9.80
5.	Mrigashish Investment & Trading Company Private Limited	102,900	9.80

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of pre-Issue Equity Share Capital
6.	Mrigashish Constructions Private Limited	100,800	9.60
7.	Parag M. Munot	94,500	9.00
8.	Monica Munot	52,500	5.00
9.	Sudha R. Golechha	39,375	3.75
10.	Sunita V. Choraria	39,375	3.75
	Total	**1,013,050**	**96.48**

5. Our Company, the Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person.

6. Except as stated in the section titled "Management" on page 197, none of the Directors or key management personnel holds any Equity Shares in our Company.

7. Except as stated below, the Promoters, Directors and Promoter Group have not undertaken any transaction of Equity Shares during a period of six months preceding the date on which this Draft Red Herring Prospectus is filed with SEBI:

Sr. No.	Name of the Director/Promoter/Promoter Group	Date of the Transaction	No. of Equity Shares	Transaction Price (Rs.)	Nature of Transaction
1.	Mofatraj P. Munot	September 9, 2010	36,036,000	N.A.	Issue of Bonus Shares
2.	Parag M. Munot	September 9, 2010	12,474,000	N.A.	Issue of Bonus Shares
3.	Appropriate Developers Private Limited	September 9, 2010	13,833,600	N.A.	Issue of Bonus Shares
4.	Flex-O-Poly Private Limited	September 9, 2010	13,582,800	N.A.	Issue of Bonus Shares
5.	Mofatraj P. Munot – HUF	September 9, 2010	13,200	N.A.	Issue of Bonus Shares
6.	Mofatraj P. Munot as Trustee of Sharadchandrika Munot Family Trust	September 9, 2010	4,851,000	N.A.	Issue of Bonus Shares
7.	Monica P. Munot	September 9, 2010	6,930,000	N.A.	Issue of Bonus Shares
8.	MPM Holding Private Limited	September 9, 2010	13,200	N.A.	Issue of Bonus Shares
9.	Mrigashish Constructions Private Limited	September 9, 2010	13,305,600	N.A.	Issue of Bonus Shares
10.	Mrigashish Investment & Trading Company Private Limited	September 9, 2010	13,582,800	N.A.	Issue of Bonus Shares
11.	Shouri Investment & Trading Company Private Limited	September 9, 2010	13,582,800	N.A.	Issue of Bonus Shares
12.	Sudha R. Golechha	September 9, 2010	5,197,500	N.A.	Issue of Bonus Shares
13.	Sunita V. Choraria	September 9, 2010	5,197,500	N.A.	Issue of Bonus Shares

Sr. No.	Name of the Director/Promoter/Promoter Group	Date of the Transaction	No. of Equity Shares	Transaction Price (Rs.)	Nature of Transaction
	Total		**138,600,000**		

8. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price, except issue of bonus shares as stated above.

9. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash, kind, services or otherwise, to any Bidder.

10. Our Company has not raised any bridge loan against the proceeds of the Issue. For details on use of proceeds, please see "Objects of the Issue" on page 86.

11. Our Company is undertaking this Issue under Rule 19(2)(b)(ii) of the SCRR and shall comply with the requirements thereunder. This being an issue for less than 25% of the post-Issue paid-up equity share capital, the Issue is being made through the 100% Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further [●] Equity Shares shall be available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received from them at or above the Issue Price. Under subscription, if any, in the Employee Reservation Portion, shall be added to the Net Issue. In the event of under subscription in the Net Issue, spill over to the extent of under subscription shall be allowed from the Employee Reservation Portion. The Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed the BRLMs to manage the Issue and to procure subscriptions to the Issue. Under-subscription, if any, in the Non-Institutional and Retail Individual categories would be allowed to be met with spill over from any other category at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

12. The Issue includes an Employee Reservation Portion of [●] Equity Shares for subscription by Eligible Employees for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. 35.10 million. Our Company in consultation with the BRLMs may decide to offer a discount of up to [●]% of the Issue Price to the Eligible Employees and Retail Individual Bidders as Employee and Retail Discount. The excess amount paid at the time of Bidding shall be refunded to the Eligible Employees and Retail Individual Bidders.

13. A Bidder cannot make a Bid for more than the aggregate number of Equity Shares, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of Bidder.

14. Spill-over to the extent of any undersubscription in the Employee Reservation Portion shall be permitted from the Net Issue.

15. In the event of undersubscription in the Net Issue, spill-over to the extent of such undersubscription shall be permitted from the Employee Reservation Portion.

16. Subject to the Pre-IPO Placement, if any, there will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed.

17. Our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of

Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement or otherwise. Also, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

18. There shall be only one denomination of the Equity Shares unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

19. Our Company has thirteen members as of the date of filing of this Draft Red Herring Prospectus.

20. Our Company has not issued any Equity Shares out of revaluation reserves. Our Company has not issued any Equity Shares for consideration other than cash except as stated at point 1(b) above.

21. All Equity Shares will be fully paid up at the time of Allotment failing which no Allotment shall be made.

22. The Promoters and members of the Promoter Group will not participate in the Issue.

OBJECTS OF THE ISSUE

The objects of the Issue are to:

a) Finance the construction and development costs of certain of our projects;
b) Invest in our Associate, Ananta Landmarks Private Limited ("**Ananta**") for acquisition of land and land development rights;
c) Repay certain of our existing loans;
d) Be utilised for general corporate purposes; and
e) Finance the Issue expenses.

We are engaged in the business of real estate development, including the development of commercial and residential projects. The main objects clause of our Memorandum of Association and objects incidental to the main objects enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

Objects of the Issue

The use of the proceeds of this Issue ("**Issue Proceeds**") is as follows:

(Amount in Rs; In million)

S.No.	Expenditure Items	Total estimated Amount	Amounts deployed/utilized as on August 31, 2010[1] (unless otherwise specified)	Balance to be deployed as on August 31, 2010 (unless otherwise specified)	Amount up to which will be financed from Issue Proceeds	Estimated amount of Issue Proceeds utilization as on March 31,		
						2011	2012	2013
1.	To finance the construction and development costs of certain of our projects	4096.07	476.68	3619.39	2640.00	597.11	1564.64	478.25
2	Acquisition of land through our Associate, Ananta	2942.09	348.42	2593.67	2593.67	2,268.42	325.25	NIL
3.	Repay certain of our existing loans[3]	1,850.00	N A	N A	1,850.00	700.00	1,150.00	NIL
4.	General corporate purposes [2]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
5.	Issue expenses [2]	[●]	[●]	[●]	[●]	[●]	NIL	NIL
	Total	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**

(1) As per the certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010
(2) To be filled in after determination of Issue Price
(3) As at September 20, 2010, Rs.1,850 million had been drawn down under the loans and remained outstanding.

If our Company incurs any amount after August 31, 2010 towards any of the identified use of Issue Proceeds mentioned above, our Company will recoup such expenditure from the Issue Proceeds.

Means of Finance

The above objects of the Issue would be financed from the Issue Proceeds. Our fund requirements and deployment of the Issue Proceeds is based on internal management appraisals and estimates. These are based on current business plan and market conditions, and are subject to change in light of changes in external circumstances or costs, or in other financial condition, business or strategy.

In case of variations in the actual utilization of funds towards the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available for the other purposes as set out above. If surplus funds are unavailable, the required financing will be through internal accruals, cash flow from our operations, advances received from customers and/or debt.

We operate in a highly competitive and dynamic market and may have to revise our estimates from time to time on account of new projects, modifications in existing or planned developments, the initiatives we may pursue including any industry consolidation initiatives, such as potential acquisition opportunities etc. Consequently, our fund requirements may also change accordingly. Any such change in our plans may require rescheduling of our expenditure programs, starting projects which are not currently planned, discontinuing projects currently planned and an increase or decrease in the expenditure for a particular project or land acquisition in relation to current plans, at the discretion of the management of our Company. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from our cash flows from operations and/or debt.

Details of the Objects

Finance the Construction and Development Costs of certain of our Projects:

We are currently engaged in, amongst others, the construction and development of various residential, commercial and retail projects. We intend to utilize the Issue Proceeds for financing the construction and development costs of certain of our projects, namely Kalpataru Pinnacle, Kalpataru Sparkle and Kalpataru Hills, in full or in the part. These projects are being undertaken by our Subsidiaries or Consolidated Partnership Firms **("Project Entities")**. We intend to fund these Project Entities by infusion of fresh capital or by way of debt financing.

We propose to utilize Rs. 2,640 million from the Issue Proceeds to finance the construction and development requirements of the projects, as follows:

(Rs. in million)

S. No	Project Name – City	Developable Area (square feet)	Financial Year in which the project commenced/will commence	Estimated Financial year of completion	Estimated construction and development costs	Amounts deployed as on August 31, 2010 for construction and development[(1)]	Utilization of Issue Proceeds towards construction and development cost
1.	Kalpataru Pinnacle, Mumbai	456,068	2007-08	2012-13	1022.70	252.35	770.35
2.	Kalpataru Sparkle, Mumbai	519,393	2010-11	2013-14	1,621.17	94.10	847.68
3.	Kalpataru Hills, Thane	913,221	2008-09	2012-13	1,452.20	130.23	1021.97
	Total	**1,888,682**			**4,096.07**	**476.68**	**2,640**

[(1)] *As per the certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010*

Kalpataru Pinnacle, Mumbai

Kalpataru Pinnacle is a high rise luxury residential development and is situated at Goregaon – Mulund Link Road, offering large sized apartments, duplexes and penthouses.

Shravasti Property Private Limited, one of our Subsidiaries, is developing Kalpataru Pinnacle. Our Company holds 88.89% of equity share capital of Shravasti Property Private Limited. Our Company intends to invest Rs. 770.35 million of the Issue Proceeds in Shravasti Property Private Limited, which in turn is proposed to be utilized towards the construction costs for our project, Kalpataru Pinnacle. We may either capitalise our subsidiaries from the Issue Proceeds or provide them with loans on an arm's length basis at the appropriate stage. Shravasti Property Private Limited owns land measuring 3.36 acres on which the project is being undertaken. The project commenced in the fourth quarter of FY 2007-08, and is expected to be completed on or around the third quarter of FY 2012-13. The total Developable Area for this project amounts to 456,068 sq. ft. For further details of the Kalpataru Pinnacle project, refer to "Our Business – Ongoing Residential Projects" on page 151.

The estimated schedule for deployment of Rs. 770.35 million is as follows:

(Rs. In million)

Total construction costs	Amounts deployed as on August 31, 2010*	Amount to be financed from Issue Proceeds	Estimated schedule for deployment of Issue Proceeds		
			March 31, 2011	March 31, 2012	March 31, 2013
1022.70	252.35	770.35	120.00	444.00	206.35

*** As per certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010*

Means of Finance

The balance construction cost of Rs. 770.35 million of the Kalpataru Pinnacle project is proposed to be financed through the Issue Proceeds.

Kalpataru Sparkle, Mumbai

Kalpataru Sparkle is expected to comprise three high rise buildings. The project is located at Gandhinagar, off Western Express Highway, near the MIG club, and is in close vicinity of Bandra-Kurla complex.

Kalpataru Enterprises, a registered partnership firm, wherein our Company holds 95% partnership interests, is undertaking the development of the Kalpataru Sparkle project. Our Company intends to invest Rs. 847.68 million of the Issue Proceeds by way of debt financing in Kalpataru Enterprises, which is expected to be undertaken on an arms length basis and is proposed to be utilized towards the construction and development costs for our project, Kalpataru Sparkle. As per the terms of the partnership deed dated January 1, 2010 amongst Kalpataru Properties Private Limited and our Company, such debt shall be subject to simple interest at the rate of 9% p.a. or such rate as may be prescribed under Section 40(b)(IV) of the Income Tax Act and other applicable provisions. Additionally, the rate of interest can vary with the mutual consent of the partners of Kalpataru Enterprises. Kalpataru Enterprises has development rights over land measuring 2.42 acres, over which the project is being undertaken. The project commenced in the third quarter of FY 2010-11, and is expected to be completed on or around the first quarter of FY 2013-14. The total Developable Area for this project amounts to 519,393 sq. ft. For further details of the Kalpataru Sparkle project, refer to "Our Business – Ongoing Residential Projects" on page 151.

The total construction and development cost for Kalpataru Sparkle is Rs. 1,621.17 million. The same is proposed to be financed as under:

(Rs. in Million)

Means of Finance	
Total Cost (A)	1621.17
Amount already deployed as on August 31, 2010(1) (B)	94.10
Balance to be deployed (A-B)	1527.07
To be financed through	
Loan from Standard Chartered Bank(2)	679.39
From Issue Proceeds	847.68

(1) As per certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010. The same has been financed through a loan from Standard Chartered Bank
(2) By way of its sanction letter dated May 25, 2010, Standard Chartered Bank has sanctioned a loan of Rs.1,400 million.Of the total sanction amount, Rs.350 million has been drawn down as on August 31, 2010 and the balance undrawn limit of Rs. 1,050 million is available as of August 31, 2010. The loan is repayable in 30 monthly installments beginning in January 2012 and ending in June 2014. For further details, please see "Financial Indebtedness" on page 417.

The balance funds on Kalpataru Sparkle project would be deployed as under:

(Rs. In million)

Total construction development costs	**Amounts deployed as on August 31, 2010***	**Amount to be financed from Issue Proceeds**	**Estimated schedule for deployment of Issue Proceeds**		
			March 31, 2011	**March 31, 2012**	**March 31, 2013**
1,621.17	94.10	847.68	311.44	536.24	NIL

**As per certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010.*

We will remain interested in Kalpataru Enterprises to the extent of our interest in it.

Kalpataru Hills, Thane

Kalpataru Hills is expected to consist of two buildings comprising seven wings. The project is located at Manpada Road, opp Tikuji-Ni-Wadi, approximately one kilometre from Ghodbunder Road, and is adjacent to the Sanjay Gandhi National Park.

Kalpataru Properties (Thane) Private Limited ("**KPTPL**"), a Subsidiary of our Company, is undertaking the development of our project, Kalpataru Hills. Our Company owns 100% of equity shares of KPTPL. Our Company intends to invest Rs. 1,021.97 million of the Issue Proceeds. We may invest either by capitalising our Subsidiary from the Issue Proceeds or provide loans on an arm's length basis at the appropriate stage. This investment is proposed to be utilized towards the construction costs for our project, Kalpataru Hills. KPTPL has development rights over land measuring 6.42 acres, over which the project is being undertaken. The project commenced in the fourth quarter of FY 2008-09 and is expected to be completed by the second quarter of FY 2012-13. The total Developable Area for this project amounts to 9,13,221 sq. ft. For further details of the Kalpataru Hills project, refer to "Our Business – Ongoing Residential Projects" on page 151.

The total construction cost for Kalpataru Hills is Rs. 1,021.97 million. The same is proposed to be financed as under:

(Rs. in Million)

Means of Finance	
Total Cost (A)	1452.20
Amount already deployed as on August 31, 2010(1) (B)	130.23
Balance to be deployed (A-B)	1321.97
To be financed through	
Loan from ICICI Home Finance Company Ltd. (2)	300.00
From Issue Proceeds	1021.97

(1) As per certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010. The same has been financed by way of a loan from ICICI Home Finance Company Limited.
(2) Loan granted by ICICI Home Finance Company Limited for an amount of Rs. 600.00 million under the credit arrangement letter dated October 29, 2009. Out of the total sanctioned amount, Rs. 300 million has been drawn down and the balance undrawn limit of Rs.300.00 is still available towards utilisation for the objects. Pursuant to the terms of the credit arrangement letter, an amount not exceeding Rs. 140 million can be utilized for purchase of TDR in relation to Kalpataru Hills. The loan is repayable in 18 monthly installments, beginning in February 2011 and ending in July 2012. For further details, please see "Financial Indebtedness" on page 417.

The balance funds on Kalpataru Hills project would be deployed as under:

Total construction costs	Amounts deployed as on August 31, 2010*	Amount to be financed from Issue Proceeds	Estimated schedule for deployment of Issue Proceeds		
			March 31, 2011	March 31, 2012	March 31, 2013
1,452.20	130.23	1,021.97	165.67	584.40	271.90

**As per certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010.*

We will remain interested in KPTPL to the extent of our interest in it.

Investment in our Associate, Ananta Landmarks Private Limited ("Ananta") for acquisition of land and land development rights

Our Company currently holds 49.5% of the Class A equity shares of Ananta, which have voting and economic rights. 1.5% of the Class A equity shares are held by Kalpataru Properties Private Limited and 49% of the Class B equity shares are held by HDFC Asset Management Company Limited. The Class B equity shares do not carry any economic interest (other than face value thereof) and therefore our Company effectively has 97.06% of the total economic interest in Ananta.

Pursuant to a memorandum of understanding dated August 25, 2010, between Clariant Chemicals (India) Limited ("**Clariant**") and Ananta, Ananta agreed to purchase 149,523.85 square metres of land from Clariant for an aggregate consideration of Rs. 2,400 million. Further, Ananta has applied for and obtained approval from the *Tahsildar (land revenue officer)*, Thane, for change of land use. Pursuant to grant of such approval, Ananta is required to pay *nazrana* (tax payable to a land revenue officer for changing the land use) to the *Tahsildar*, Thane amounting to Rs. 542.09 million pursuant to a demand notice dated August 21, 2010. Hence the total cost of the land is as under:

(Rs. in million)

Item	Total Cost
Land Cost	2,400.00
Nazrana	542.09
Total	2942.09

As of August 31, 2010, the funds deployed by Ananta and the balance fund requirement are as under;

(Rs. in million)

Item	Total Funds Deployed
Land Cost	240.00
Nazrana	108.42
Total (1)	348.42
Balance payable	2,593.67

(1)*As per certificate of Dhiren T. Shah & Co., Chartered Accountants dated September 21, 2010.*

We propose to finance this balance purchase consideration (and applicable levies) for the land being Rs. 2,593.67 million (aggregate of the land and the *nazrana* cost) from the Issue Proceeds. We intend to infuse funds into Ananta by way of subscription to preference shares, equity shares or any other class of security or any other mode of investment. Ananta will in turn utilise this amount for financing the purchase of land mentioned above. The board of directors of Ananta, pursuant to the resolution dated September 20, 2010, have agreed that they shall allot such securities or other instruments so as to enable our Company to make an investment of Rs. 2,593.67 million into Ananta.

For our plans for this parcel of land, refer to "Our Business – Forthcoming Integrated Townships Projects" on page 160.

None of the above lands are proposed to be purchased from our Promoters. Further, none of the Promoters/Directors are interested in the entities from whom we propose to purchase the above lands.

Repay certain of our existing loans

Our Company intends to invest Rs. 1,850 million of the Issue Proceeds as investment in certain of our Subsidiaries, and such Subsidiaries will use such investment for repaying certain of their outstanding indebtedness.

Our Subsidiaries have entered into various financing arrangements with banks, financial institutions, and other corporate entities. Arrangements entered into by the Subsidiaries, includes borrowings in the form of secured loans and unsecured loans. In relation to the loans which have been availed by the Subsidiaries and which are proposed to be repaid from the Issue Proceeds, the total loan outstanding amounts to Rs. 1,850 million as on September 20, 2010.

We may either capitalise our subsidiaries from the Issue Proceeds or provide them with loans on an arm's length basis at the appropriate stage. The choice of mode of funding is driven by the market conditions prevailing at the industry level at the time of such funding. Company, in the past, has funded its Subsidiaries by advancing loans on arms' length basis as well as by capitalizing the subsidiaries.

The Company intends to utilize the Issue Proceeds aggregating up to Rs. 1,850 million towards repayment of a portion of its consolidated debt as given below. Such loans were availed by Abacus Real Estate Private Limited and Kalpataru Properties (Thane) Private Limited, which are our Company's Subsidiaries. Some of our Company's financing arrangements contain provisions relating to pre-payment penalty. Our Company will take these provisions into considerations in pre-paying its debt from the Issue Proceeds.

(Rs. in million)

Sl. No.	Borrower	Lender	Date of Agreement	Rate of Interest	Amount outstanding as on September 20, 2010	Amount to be financed from Issue Proceeds
1.	Abacus Real Estate Private Limited(1)	Kotak Mahindra Prime Limited	August 17, 2010	13.75%	700.00	700.00
2.	Kalpataru Properties (Thane) Private Limited(2)	Future Capital Holdings Limited	August 27, 2010	12.50%	1150.00	1150.00

(1) *Prepayment of this loan is permitted with a prepayment penalty at the rate of 2% on the amount prepaid. However, no prepayment penalty is applicable if the loan is prepaid at any time after six months from the date of first drawdown, which was on August 21, 2010.*
(2) *Prepayment of this loan is permitted on the expiration of 12 months from the date of first drawdown subject to advance notice of 30 business days being given. Other than such prepayment, all other prepayments shall be subject to the written approval of Future Capital Holdings Limited and subject to such prepayment penalty at the sole discretion of Future Capital Holdings Limited.*

For further information, please see "Financial Indebtedness" on page 417.

General Corporate Purposes

We, in accordance with the policies of our Board, will have flexibility in applying the remaining Issue Proceeds, for general corporate purposes including acquisition of land, construction and development of projects, acquisition of fixed assets, investment in our Subsidiaries and Associates, repayment of debt, strategic initiatives and acquisitions, brand building exercises and the strengthening of our marketing capabilities.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Issue Proceeds. In case of a shortfall in the Issue Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the portion of the Issue Proceeds earmarked for general corporate purposes.

Issue Related Expenses

The estimated Issue related expenditure is as follows:

S. No.	Activity Expense	Amount* (Rs. Million)	Percentage of Total Estimated Issue Expenditure*	Percentage of Issue Size*
1	Fees of the Book Running Lead Managers	[●]	[●]	[●]
2	Fees to the Escrow Collection Bank(s) and Banker(s) to the Issue	[●]	[●]	[●]
3	Underwriting commission, brokerage and selling commission	[●]	[●]	[●]
4	Advertising and marketing expenses, printing and stationery, distribution, postage *etc.*	[●]	[●]	[●]
5	Registrar to the Issue	[●]	[●]	[●]
6	Other expenses (IPO Grading Agency, Monitoring Agency, Legal Advisors, Auditors and other Advisors *etc.*)	[●]	[●]	[●]
	Total Estimated Issue Expenditure	[●]	[●]	[●]

**To be completed after finalization of the Issue Price*

Interim Use of Funds

Our management, in accordance with the policies established by our Board from time to time, will have flexibility in deploying the Issue Proceeds. Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration. Such investments will be approved by the Board or its committee from time to time, in accordance with its investment policies.

Monitoring Utilization of Funds from Issue

Our Company has appointed [●] as the Monitoring Agency in relation to the Issue. The Board and [●] will monitor the utilization of the Issue Proceeds. Our Company will disclose the utilization of the Issue Proceeds under a separate head along with details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to the listing.

Pursuant to Clause 49 of the Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee, the uses and applications of the Issue Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement will be certified by the statutory auditors of our Company. In addition, the report submitted by the Monitoring Agency will be placed before the Audit Committee of our Company, so as to enable the Audit Committee to make appropriate recommendations to the Board of Directors of our Company.

Our Company shall be required to inform material deviations in the utilisation of Issue Proceeds to the stock exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee/Monitoring Agency public through advertisement in newspapers.

Except as stated above, no part of the Issue Proceeds will be paid by our Company as consideration to its

Promoters, Directors, Group Companies or key managerial employees, except in the normal course of its business.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares determined through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is Rs. 10 each and the Issue Price is [•] times the face value at the lower end of the Price Band and [•] times the face value at the higher end of the Price Band.

Qualitative Factors

1. Promoters' track record and established brand name

2. Ability to identify and acquire suitable land parcels for development

3. Strong portfolio of Ongoing Projects in the Mumbai Metropolitan Region generating near term cash flows

4. Emphasis on high quality, innovative and environment friendly projects

5. Robust pipeline of projects in high growth cities

6. Experienced and qualified management team with strong human resource practices

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see "Business – Our Strengths" and "Risk Factors" on pages 133 and xiii, respectively.

Quantitative Factors

Information presented in this section is derived from our restated audited unconsolidated and consolidated financial statements prepared in accordance with the Companies Act and Indian GAAP.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings per Share ("EPS"):

Period	Consolidated (Rs. per Equity Share)	Unconsolidated (Rs. per Equity Share)	Weights
Year ended March 31, 2008	11.84	14.78	1
Year ended March 31, 2009	2.25	1.61	2
Year ended March 31, 2010	7.48	5.21	3
Weighted Average	6.46	5.61	6

Note:

1. Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" issued by the Institute of Chartered Accountants of India.
2. The face value of each Equity Share is Rs. 10.
3. Pursuant to the approval of the shareholders in the Extraordinary General Meeting held on September 9, 2010, the Directors of our Company have allotted 138,600,000 Equity Shares by way of a bonus issue ("**Bonus Issue**").
4. The number of Equity Shares used for calculation of EPS for all the years/periods have been adjusted for the Bonus Issue in accordance with AS20.

2. Price Earning Ratio ("P/E") in relation to the Issue Price of Rs. [•] per equity share of face value of Rs. 10 each

Sr. No.	Particulars	Consolidated	Unconsolidated
1.	P/E ratio based on basic EPS for the year ended March	[•]	[•]

Sr. No.	Particulars	Consolidated	Unconsolidated
	31, 2010 at the Floor Price:		
2.	P/E ratio based on weighted average EPS for the year ended March 31, 2010 at the Floor Price:		
3.	P/E ratio based on basic EPS for the year ended March 31, 2010 at the Cap Price:	[●]	[●]
4.	P/E ratio based on weighted average EPS for the year ended March 31, 2010 at the Cap Price:	[●]	[●]
5.	***Industry P/E****		
	Highest	80.00	
	Lowest	17.30	
	Industry Composite	40.20	

** P/E based on trailing twelve months earnings for the entire real estate sector*
Source: Capital Markets, as on September 19, 2010 from www.capitalmarket.com

3. Return on Net worth ("RoNW")

Period	Consolidated (%)	Unconsolidated (%)	Weights
Year ended March 31, 2008	78.76	95.42	1
Year ended March 31, 2009	8.76	6.74	2
Year ended March 31, 2010	20.66	17.95	3
Weighted Average	26.38	27.13	6

Minimum Return on Net Worth after Issue needed to maintain Pre-Issue EPS for the Fiscal 2010:

(a) **Based on Basic EPS**

At the Floor Price – [●]% and [●]% based on the unconsolidated and consolidated financial statements respectively.

At the Cap Price - [●]% and [●]% based on the unconsolidated and consolidated financial statements respectively.

4. Net Asset Value per Equity Share

Period	NAV (Rs.)	
	Consolidated	Unconsolidated
Year ended March 31, 2008	15.04	15.49
Year ended March 31, 2009	25.66	23.83
Year ended March 31, 2010	36.21	29.05
NAV after the Issue	[●]	
Issue Price*	[●]	

*The Issue Price of Rs. [●] per Equity Share has been determined on the basis of the demand from investors through the Book Building Process and is justified based on the above accounting ratios.

5. Comparison with industry peers

	Face Value (Rs.)	EPS (Rs.) *	P/E	RoNW for Fiscal 2010 (%)	NAV for Fiscal 2010 (Rs.)

	Face Value (Rs.)	EPS (Rs.) *	P/E	RoNW for Fiscal 2010 (%)	NAV for Fiscal 2010 (Rs.)
Kalpataru Limited**	10	7.48	[●]	36.21	20.66
Ackruti City	10	23.00	22.40	13.98	199.80
Anant Raj Industries	2	7.90	17.30	7.04	118.50
DB Realty	10	9.30	48.60	11.35	127.30
DLF	2	4.40	80.00	6.07	75.60
Godrej Properties	10	1.40	NM	2.60	1.40
IndiaBulls Real Estate	2	0.60	NM	-0.13	159.60
Kolte Patil Developers	10	3.50	18.50	4.22	87.90
Phoenix Mills	2	3.80	66.60	3.97	105.50
Sobha Developers	10	13.50	28.00	9.61	174.20

**Source: Capital Markets, as on September 19, 2010 from www.capitalmarket.com except for Kalpataru Limited*

*****Based on the consolidated and restated financial statements as at and for the year ended March 31, 2010.*

The peer group listed companies, as stated above are engaged in the real estate development business.

The Issue Price of Rs. [•] has been determined by our Company, in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares determined through the Book Building process and is justified based on the above qualitative and quantitative factors.

STATEMENT OF POSSIBLE TAX BENEFITS

The Board of Directors
Kalpataru Limited (the "**Company**")
101, Kalpataru Synergy,
Opp. Grand Hyatt,
Santacruz (E),
Mumbai 400 055.

Dear Sirs,

Re: Possible Tax Benefits available under the existing tax laws to the Company and the Shareholders on Initial Public Offering (the "IPO") of Equity Shares as per SEBI Regulations

We hereby report that the enclosed **Annexure** states the possible tax benefits available to the Company and its shareholders under the Income Tax Act, 1961. The analysis is based on the Indian tax laws as are in force as on date of this statement. Some or all of the tax consequences may be modified or amended by future amendments to the Income-tax Act, 1961 or the proposed Direct Taxes Code Bill, 2010 to be effective from April 1, 2012. Legislation, its judicial interpretations and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the above. Accordingly, any change or amendment in the law or relevant regulations would necessitate a review of such benefits.

The statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, each investor is advised to consult his or her tax consultant with respect to the specific tax implications arising out of their participation in the issue.

The Government tabled the Direct Taxes Code Bill, 2010 in the Parliament on August 30, 2010 which is proposed to come into force on April 1, 2012 replacing the Income Tax Act, 1961. The provisions of such New Direct Code, if enacted, may impact all or some of the provisions mentioned above. No study and impact analysis of such Direct Tax Code has been carried out by us though it could affect the taxation of the shareholders or the Company.

We do not express any opinion or provide any assurance as to whether:

- the Company or the shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been / would be met with.

The contents of this **Annexure** are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This **Annexure** is intended solely for information and for the inclusion in the Offer Document in connection with the proposed IPO of Equity Shares of the Company as per SEBI Regulations and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,
For MGB & Co
Chartered Accountants
Registration Number 101169W

Hitendra Bhandari
Partner
Membership No 107832

Place: Mumbai
Date: September 13, 2010

ANNEXURE

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO KALPATARU LIMITED ('COMPANY') AND TO ITS SHAREHOLDERS

A. Under the Income Tax Act, 1961 ("the Act")

I. Special tax benefits available to the company

In accordance with and subject to the conditions specified under Section 80-IB(10) of the Act, the Company is eligible for hundred percent deduction of the profits derived from development and building of housing projects approved before 31 March, 2008, by a local authority subject to fulfilment of conditions mentioned therein.

II. General tax benefits available to the company

1. As per section 10(34) of the Act, any income by way of dividends referred to in section 115-O received on the shares of any Indian company is exempt from tax. However, as per section 94(7) of the Act, losses arising from sale / transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

2. As per section 10(35) of the Act, the following income will be exempt in the hands of the Company:

   - Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or

   - Income received in respect of units from the Administrator of the specified undertaking; or

   - Income received in respect of units from the specified company:

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

For this purpose (i) "Administrator" means the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a Company as referred to in section 2(h) of the said Act.

Further, as per section 94(7) of the Act, losses arising from the sale / redemption of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent such loss does not exceed the amount of income claimed exempt.

As per section 94(8) of the Act, if an investor purchases units within three months prior to the record date for entitlement of bonus, is allotted bonus units without any payment on the basis of holding original units on the record date and such person sells / redeems the original units within nine months of the record date, then the loss arising from sale/ redemption of the original units will be ignored for the purpose of computing income chargeable to tax and the amount of loss ignored shall be regarded as the cost of acquisition of the bonus units.

3. As per section 2(42A) of the Act, shares held in a company or any other security listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of a Mutual Fund specified under section 10(23D) or a zero coupon bonds will be considered as short term capital asset if the period of holding of such security is 12 months or less. If the period of holding is more than 12 months, it will be considered as long term capital assets. In respect of other assets the determinative period of holding is 36 months as against 12 months mentioned above. Further, gain / loss arising from short term capital asset and long term capital asset is regarded as short term capital gain and long term capital gain respectively.

4. As per section 10(38) of the Act, long term capital gains arising to the company from the transfer of long term capital asset being an equity share in a company or a unit of an Equity Oriented Fund where such transaction has been entered into on a recognised stock exchange of India and is chargeable to securities transaction tax will be exempt in the hands of the Company.

   For this purpose, “Equity Oriented Fund” means a fund –

   (i) where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and

   (ii) which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the Act.

5. As per section 115JB, while calculating “book profits” the Company will not be able to reduce the long term capital gains to which the provisions of section 10(38) of the Act apply and will be required to pay Minimum Alternate Tax @ 18% (plus applicable surcharge and education cess) of the book profits including long term capital gains to which provisions of section 10(38) applies.

6. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

7. Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gain (in case not covered under section 10(38) of the Act) arising on the transfer of a Long Term Capital Asset would be exempt from tax if such capital gain is invested within six months from the date of such transfer in a “long term capital asset”. The investment in the long term specified assets is eligible for such deduction to the extent of Rs.50,00,000 during any financial year. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A “long term specified asset” means any bond, redeemable after three years and issued on or after the 1st day of April 2007:

   (i) by the National Highways Authority of India constituted under section 3 of the National HighwayAuthority of India Act, 1988; or

   (ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

8. As per section 111A of the Act, short term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). As per section 70 read with section 74 of the Act, short-term capital loss, if any arising during the year can be set-off against short term capital gain as well as against the long-term capital gains and shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed.

9. As per section 112 of the Act, taxable long-term capital gains, on which securities transaction tax is not paid, on sale of listed securities or units or zero coupon bonds will be charged to tax at the concessional rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits in accordance with and subject to the provisions of section 48 of the Act or at 10% (plus applicable surcharge and education cess) without indexation benefits, at the option of the Company. Under section 48 of the Act, the long term capital gain arising out of the sale of capital asset will be computed after indexing the cost of acquisition / improvement. As per section 70 read with section 74 of the Act, long-term capital loss, if any arising during the year can be set-off only against long-term capital gain and shall be allowed to be carried forward up to eight

assessment years immediately succeeding the assessment year for which the loss was first computed for set off against future long term capital gain.

10. As per the provisions of section 32(2) of the Act, where full effect cannot be given to the depreciation allowance in any year, the same can be carried forward and claimed in the subsequent years as depreciation of subsequent years. Further, as per the provisions of section 72 of the Act, unabsorbed business losses which are not set off in any previous year can be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed and set off against the business profits of the subsequent assessment years. However, the carry forward and set off of business losses is subject to (i) the provisions of section 79 of the Act dealing with carry forward and set off of losses in case of companies (not being companies in which public are substantially interested) in which change in shareholding is more than 49% and (ii) section 80 of the Act dealing with submission of returns for losses.

11. As per section 115JAA(1A) of the Act, credit is allowed in respect of any Minimum Alternate Tax paid under section 115JB of the Act for any assessment year commencing on or after 1st day of April 2006. Tax credit to be allowed shall be the difference between Minimum Alternate Tax paid and the tax computed as per the normal provisions of the Act for that assessment year. The Minimum Alternate Tax credit shall not be allowed to be carried forward beyond tenth assessment year immediately succeeding the assessment year in which tax credit become allowable.

III. General tax benefits available to Resident Shareholders

1. As per section 10(34) of the Act, any income by way of dividends referred to in section 115-O received on the shares of any Indian company is exempt from tax. However, as per section 94(7) of the Act, losses arising from sale / transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

2. As per section 2(42A) of the Act, shares held in a company or any other security listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) or a zero coupon bonds will be considered as short term capital asset if the period of holding of such security is 12 months or less. If the period of holding is more than 12 months, it will be considered as long term capital assets. In respect of other assets the determinative period of holding is 36 months as against 12 months mentioned above. Further, gain / loss arising from short term capital asset and long term capital asset is regarded as short term capital gain and long term capital gain respectively.

3. As per section 10(38) of the Act, long term capital gains arising from the transfer of a long term capital asset being an equity share of the Company, where such transaction has been entered into on a recognised stock exchange of India and is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

4. As per section 111A of the Act, short term capital gains arising from the sale of equity shares of the Company, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). As per section 70 read with section 74 of the Act, short-term capital loss, if any arising during the year can be set-off against short-term capital gain as well as against the long-term capital gains and shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed.

5. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

6. Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gain (in case not covered under section 10(38) of the Act) arising on the transfer of shares of a Company would be exempt from tax if such capital gain is invested within six months from the date of such transfer in a "long term capital asset". The investment in the long term specified assets is eligible for such deduction to the extent of Rs.50,00,000 during any

financial year. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A “long term specified asset” means any bond, redeemable after three years and issued on or after the 1st day of April 2007:

(i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

(ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

7. As per section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an Individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilized to purchase or construct a residential house. The residential house is required to be purchased within a period of one year before or two years after the date of transfer or to be constructed within three years after the date of transfer. Such benefit will not be available:

   (a) if the Individual or HUF -

      - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

      - purchases another residential house within a period of one year after the date of transfer of the shares; or

      - constructs another residential house within a period of three years after the date of transfer of the shares; and

   (b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head “Income from house property”.

   If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

   If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head “Capital Gains” of the year in which the residential house is transferred.

8. As per section 112 of the Act, taxable long-term capital gains, on which securities transaction tax is not paid, on sale of listed securities will be charged to tax at the rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits or at 10% (plus applicable surcharge and education cess) without indexation benefits, whichever is less. Under section 48 of the Act, the long term capital gain arising out of the sale of capital asset will be computed after indexing the cost of acquisition / improvement. As per section 70 read with section 74 of the Act, long-term capital loss, if any arising during the year can be set-off only against long-term capital gain and shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed for set off against future long term capital gain.

9. As per section 36(1)(xv) of the Act, the securities transaction tax paid by the shareholder in respect of taxable securities transactions entered in the course of the business will be eligible for deduction from the income chargeable under the head “Profits and Gains of Business or Profession” if income arising from taxable securities transaction is included in such income.

IV. General tax benefits available to Non-Resident Shareholders (Other than FIIs)

1. As per section 10(34) of the Act, any income by way of dividends referred to in section 115-O received on the shares of any Indian company is exempt from tax. However, as per section 94(7) of the Act, losses arising from sale / transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

2. As per section 10(38) of the Act, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction has been entered into on a recognised stock exchange of India and is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

3. As per section 111A of the Act, short term capital gains arising from the sale of equity shares of the Company, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). As per section 70 read with section 74 of the Act, short-term capital loss, if any arising during the year can be set-off against short-term capital gain as well as against the long-term capital gains and shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed.

4. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

5. As per first proviso to section 48 of the Act, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost Indexation benefit will not be available in such a case. As per section 112 of the Act, taxable long-term capital gains, on which securities transaction tax is not paid, on sale of shares of the company will be charged to tax at the rate of 20% (plus applicable surcharge and education cess). The benefit of proviso to section 112(1) providing for tax rate of 10% on long-term capital gains without indexation may be available to listed securities. As per section 70 read with section 74 of the Act, longterm capital loss, if any arising during the year can be set-off only against long-term capital gain and shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed for set off against future long term capital gain.

6. Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gain (in case not covered under section 10(38) of the Act) arising on the transfer of shares of a Company would be exempt from tax if such capital gain is invested within six months from the date of such transfer in a "long term capital asset". The investment in the long term specified assets is eligible for such deduction to the extent of Rs.50,00,000 during any financial year. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2007:

   (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

7. As per section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an Individual or Hindu Undivided

Family (HUF) will be exempt from capital gains tax if the net consideration is utilized to purchase or construct a residential house. The residential house is required to be purchased within a period of one year before or two years after the date of transfer or to be constructed within three years after the date of transfer. Such benefit will not be available:

(a) if the Individual or HUF -

- owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

- purchases another residential house within a period of one year after the date of transfer of the shares; or

- constructs another residential house within a period of three years after the date of transfer of the shares; and

(b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

8. As per section 36(1)(xv) of the Act, the securities transaction tax paid by the shareholder in respect of taxable securities transactions entered in the course of the business will be eligible for deduction from the income chargeable under the head "Profits and Gains of Business or Profession" if income arising from taxable securities transaction is included in such income.

9. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is considered resident in terms of such Tax Treaty. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

V. Special tax benefits available to Non-Resident Indians

1. As per section 115C(e) of the Act, the term "non-resident Indians" means an individual, being a citizen of India or a person of Indian origin who is not a "resident".

   A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

2. As per section 115E of the Act, in the case of a shareholder being a non-resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, long term capital gains arising on transfer of the shares of the Company (in cases not covered under section 10(38) of the Act) will be subject to tax at the rate of 10% (plus applicable surcharge and education cess), without any indexation benefit.

3. As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long term capital asset being shares of the Company will not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then this exemption would be allowable on a proportionate basis.

Further, if the specified asset or savings certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.

4. As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

5. As per section 115H of the Act, where Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to investment income derived from the investment in equity shares of the Company as mentioned in section 115C(f)(i) of the Act for that year and subsequent assessment years until assets are converted into money.

6. As per section 115I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing a declaration along with his return of income for that assessment year under section 139 of the Act, that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

7. In respect of non-resident Indian, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is considered resident in terms of such Tax Treaty. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

VI. Benefits available to Foreign Institutional Investors (FIIs)

Special tax benefits

1. As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the provision of section 10(38) of the Act, at the following rates:

Nature of income	Rates of tax (%)
Long term capital gains	10
Short term capital gains (other than referred to in section 111A)	30
Short term capital gains referred in section 111A	15

The above tax rates have to be increased by the applicable surcharge and education cess.

2. As per section 196D(2) of the Act, no deduction of tax at source will be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD.

3. In case of long term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

General tax benefits

4. As per section 10(34) of the Act, any income by way of dividends referred to in section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the Company) received on the shares of the Company is exempt from tax.

5. As per section 10(38) of the Act, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt to tax in the hands of the FIIs.

6. As per section 70 read with section 74 of the Act, short term capital loss, if any, arising during the year can be set off against short term capital gain and long term capital gain. It also provides that long-term capital loss, if any arising during the year can be set-off only against long-term capital gain. Both the short term capital loss and long term capital loss shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed. However the brought forward long term capital loss can be set off only against future long term capital gains.

7. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII is considered as resident in terms of such Tax Treaty. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

8. Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gain (in case not covered under section 10(38) of the Act) arising on the transfer of shares of a Company would be exempt from tax if such capital gain is invested within six months from the date of such transfer in a "long term capital asset". The investment in the long term specified assets is eligible for such deduction to the extent of Rs.50,00,000 during any financial year. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2007:

   (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

VII. Special tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

B. General benefits available under the Wealth Tax Act, 1957

Asset as defined under section 2(ea) of the Wealth tax Act, 1957 does not include shares in companies and hence, shares are not liable to wealth tax.

INDUSTRY

The information in this section is derived from various government publications and industry sources, including reports that have been prepared by CRISIL Limited ("CRISIL") and McKinsey & Co ("McKinsey"). Neither we nor any other person connected with the Issue have verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information.

In particular, we have relied on a report by CRISIL, named CRISIL Surat Report, August 2010 (the "CRISIL Surat Report August 2010"). The CRISIL Surat Report August 2010 was commissioned by us for the purpose of confirming our understanding of the industry in connection with the offering. Neither we nor any other person connected with the Issue has verified the information in the CRISIL Surat Report August 2010.

CRISIL limited has used due care and caution in preparing this report. Information has been obtained by CRISIL from sources which it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. No part of this report may be published/reproduced in any form without CRISIL's prior written approval. CRISIL is not liable for investment decisions which may be based on the views expressed in this report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Rating Division, which may, in its regular operations, obtain information of a confidential nature that is not available to CRISIL Research.

The Indian Economy

Overview

The Indian economy is one of the largest economies in the world with a GDP at current market prices of Rs.61.6 trillion in the fiscal year 2010 (*Source: Economic Survey of India, 2009-2010)*. It is one of the fastest growing major economies in the world, with a projected real GDP growth rate of 8.8% in 2010. In 2009, China and India sustained real GDP growth rates of 8.7% and 5.7%, respectively, which were among the highest of any economy in the world. *(Source: International Monetary Fund, World Economic Outlook Database, April 2010)* The following table shows India's economic growth in comparison to other developing countries:

Growth /Real GDP*	2002-2010 (Average)(1)	2006	2007	2008	2009	2010P	2011P	2012P
World........................	3.71	5.1	5.2	3.0	(0.6)	4.2	4.3	4.6
Advanced Economies	1.73	3.0	2.8	0.5	(3.2)	2.3	2.4	2.3
China	10.24	11.6	13.0	9.6	8.7	10.0	9.9	9.5
India.........................	**7.8**	**9.8**	**9.4**	**7.3**	**5.7**	**8.8**	**8.4**	**8.1**
Russia	4.64	7.7	8.1	5.6	(7.9)	4.0	3.3	5.0
Mexico......................	2.16	4.9	3.3	1.5	(6.5)	4.2	4.5	4.0
Brazil	3.73	4.0	6.1	5.1	(0.2)	5.5	4.1	4.1

* Data for some countries are for fiscal years.
(1) Calculated as simple average from 2002 to 2010

Source: International Monetary Fund, World Economic Outlook Database, April 2010

Per capita income in India has grown from around Rs.29,745 for the fiscal year 2005 to Rs.40,745 for the fiscal year 2010. (*Source: Economic Survey of India, 2009-2010)*. This increase in per capita income has created increasing wealth and has had a positive effect on disposable incomes. This has had a significant investment multiplier effect on the economy leading to increasing consumerism and wealth creation and thus, positively impacting savings.

In recent years, India has become a popular destination for foreign direct investment ("FDI"), owing to its well-developed private corporate sector, large consumer market potential, large pool of well-educated and English speaking work force and well established legal systems. FDI has been a key driver of economic growth in India. The Government of India has taken a number of steps to encourage and facilitate FDI. FDI is now permitted in almost every sector of the economy. For many sub-sectors, 100.0% FDI is permitted through the "automatic route", under which no prior Foreign Investment Promotion Board ("FIPB") approval is required. FDI inflows into India have accelerated since the fiscal year 2007 due to regulatory reforms in the real estate sector, better infrastructure and a more vibrant financial sector. Total inward FDI and net FDI in India during the fiscal year 2010 were estimated to be approximately US$ 31.7 billion and US$19.7 billion, respectively. (*Source: Reserve Bank of India, Macroeconomic and Monetary Developments: First Quarter Review 2010-11*)

Capital inflows increased to US$ 344.0 billion in the fiscal year 2010 from US$ 312.4 billion in the fiscal year 2009, a growth of 10.1%. This led to an increase in foreign exchange reserves from US$ 252.0 billion as of March 2009 to US$ 279.1 billion as of March 2010, and contributed to monetary expansion and liquidity growth. India's capital account deficit increased to US$ 38.4 billion, or 2.9% of the GDP, in the fiscal year 2010 from US$ 28.7 billion, or 2.4% of the GDP, in the fiscal year 2009. RBI in its quarterly report "Macroeconomic and Monetary Developments: First Quarter Review 2010-11" has revised the real GDP growth for the fiscal year 2010 to 7.4% and also estimated the real GDP growth for the fiscal years 2011 and 2012 at around 8.4% and 8.5%, respectively. (*Source: RBI, Macroeconomic and Monetary Developments: First Quarter Review 2010-11*)

The table below indicates the growth rate of real GDP for the periods indicated:

	Q1		**Q2**		**Q3**		**Q4**			
Sector	**April – June**		**July – September**		**October – December**		**December - March**			
	2008-09	**2009-10**	**2008-09**	**2009-10**	**2008-09**	**2009-10**	**2008-09**	**2009-10**	**2008-09**	**2009-10**
Agricultural	3.2%	1.9%	2.4%	0.9%	-1.4%	-1.8%	3.3%	0.7%	1.6%	0.2%
Industry	5.2%	4.6%	4.9%	9.0%	1.7%	12.3%	0.8%	15.1%	3.1%	10.4%
Services	9.8%	7.5%	9.3%	10.0%	10.0%	7.3%	8.0%	8.5%	9.3%	8.3%
GDP at Factor Cost	7.8%	6.0%	7.5%	8.6%	6.1%	6.5%	5.8%	8.6%	6.7%	7.4%

Source: Reserve Bank of India, Macroeconomic and Monetary Developments: First Quarter Review 2010-11

The table below indicates the median forecasted growth rate of real GDP for the periods indicated:

	Q1	**Q2**	**Q3**	**Q4**		
Sector	**April – June 2010**	**July– September 2010**	**October – December 2010**	**January – March 2011**	**2010-11**	**2011-12**
Agricultural	2.7%	4.0%	6.0%	3.9%	4.1%	3.0%
Industry	11.6%	9.3%	8.7%	8.4%	9.0%	9.1%
Services	9.1%	8.9%	9.3%	9.2%	9.1%	9.5%
GDP at Factor Cost	8.7%	8.2%	8.5%	8.4%	8.4%	8.5%

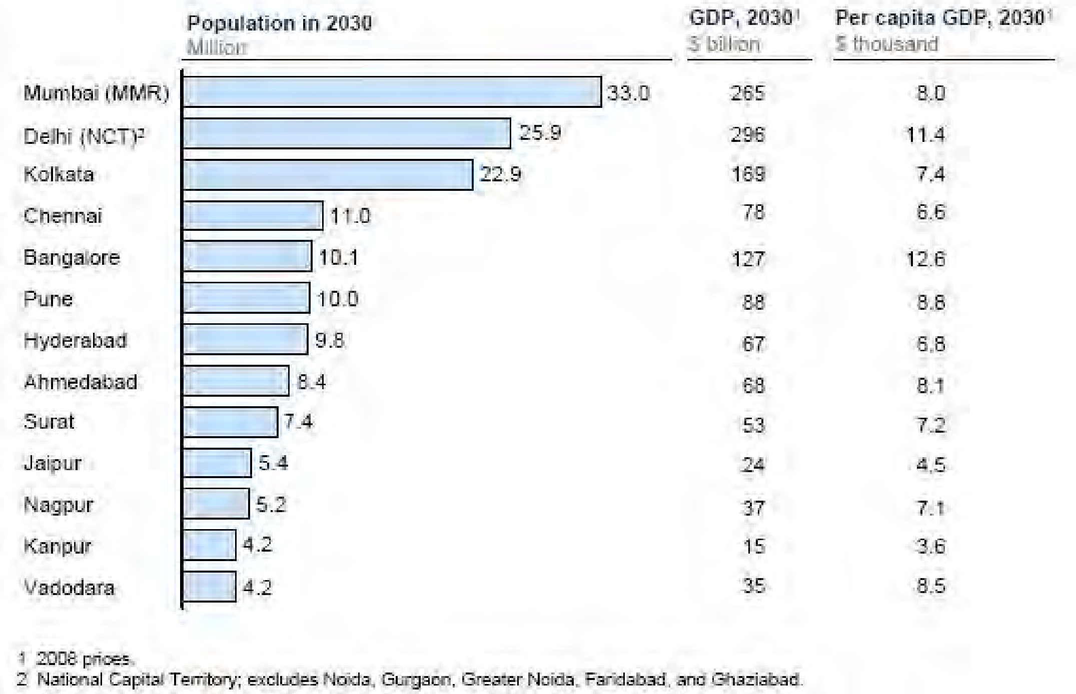
Source: Reserve Bank of India, Macroeconomic and Monetary Developments: First Quarter Review 2010-11

Urbanisation in India

The urban population in India grew from 290 million in the 2001 census to an estimated 340 million in 2008, and is projected to increase further to 590 million by 2030. In the past decade, urbanisation in India increased in line with economic growth. For the first time in India's history, the population living in cities in its five large states (Tamil Nadu, Gujarat, Maharashtra, Karnataka and Punjab) will overtake that in its villages. *(Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010)*

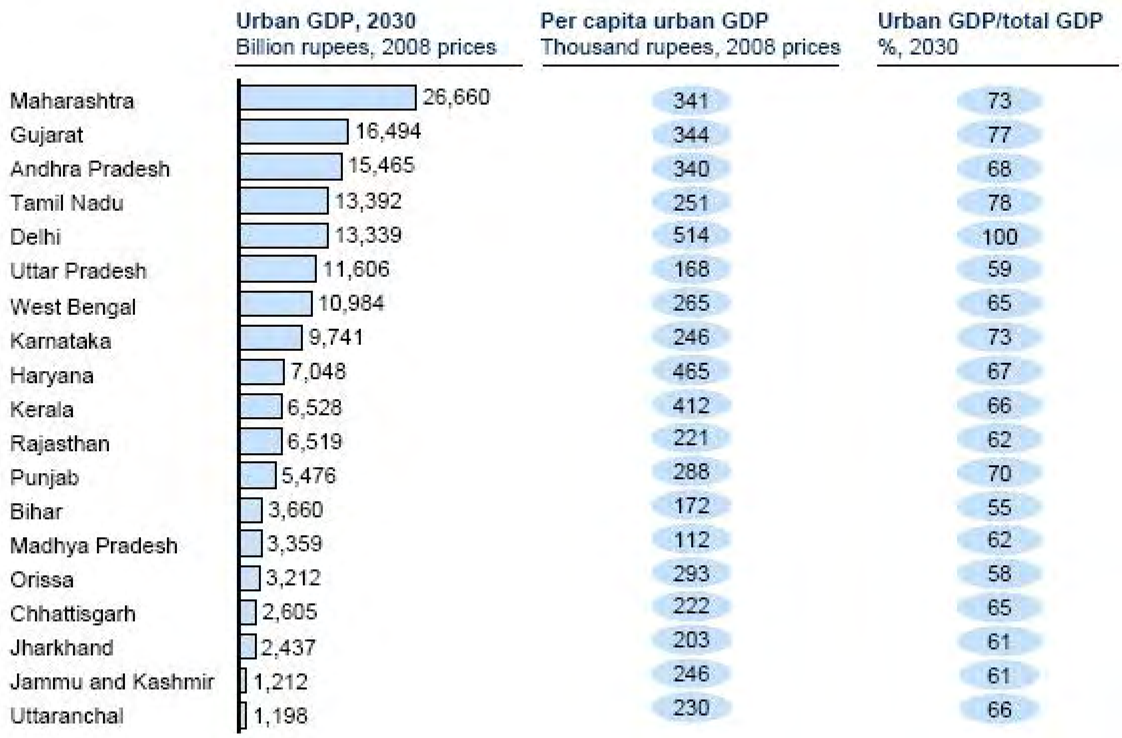
In terms of both population and GDP, many Indian cities will become larger than many countries today. For example, the MMR's GDP is projected to reach US$ 265 billion by 2030. As India's cities expand, India's economic makeup will also change. In 1995, India's GDP split almost evenly between its urban and rural economies. In 2008, urban GDP accounted for 58% of overall GDP. Cities are estimated to generate 70% of new jobs created to 2030, contributing to more than 70% of India's GDP and driving a near fourfold increase in per capita income across the country. *(Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010)*

The following chart shows the cities in India that will have a population of more than four million in 2030:



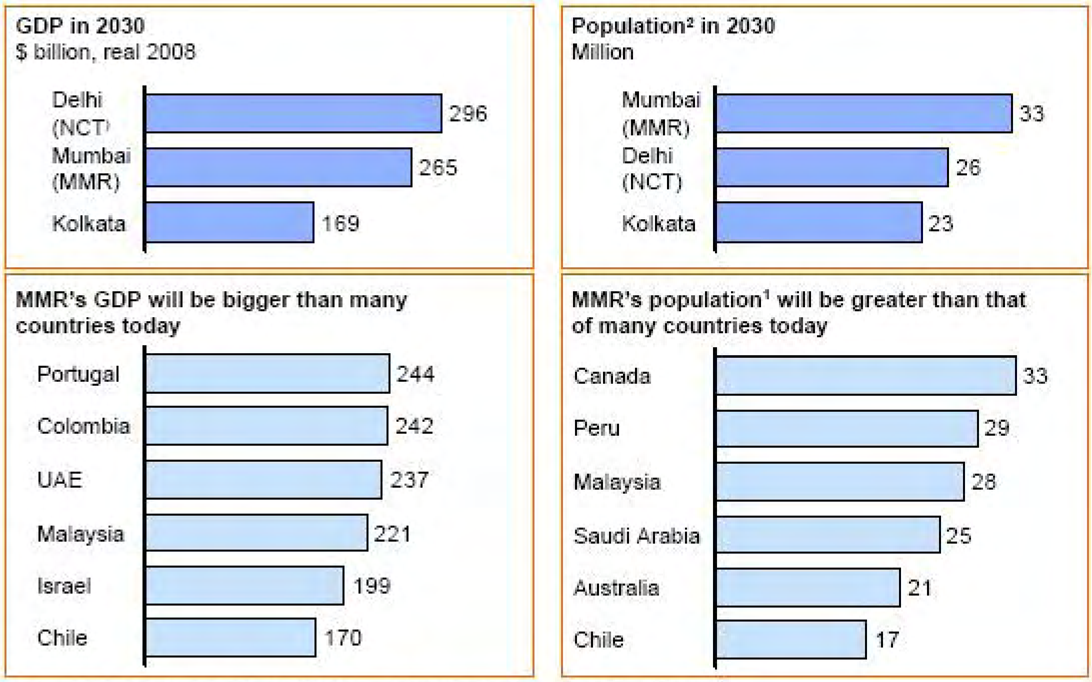
Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010

The following chart lists the states which are expected to have more than 50% of GDP coming from cities:



Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010

The following charts compare the GDP and population of the MMR, Delhi (NCT) and Kolkata in 2030 with those of other countries today:



1 Population is total population for countries and urban population for Indian cities.

Source: McKinsey Global Institute: India's urban awakening: Building inclusive cities, sustaining economic growth, April 2010

The Real Estate Sector in India

The real estate sector in India mainly comprises the development of residential housing, commercial buildings, hotels, malls, shopping centres, retail outlets and the purchase and sale of land and development rights.

The real estate sector in India assumed greater prominence with the liberalisation of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space. Presently, the real estate and construction sectors play a crucial role in India's core infrastructure development. The growth of the real estate industry is interrelated to developments in other sectors such as banking, financial services industry, retail, hospitality and entertainment (hotels, resorts, cinema and theatres) industries, economic services (hospitals and schools) and information technology-enabled services (call centres).

The real estate sector play an important role in the overall development of India's infrastructure.

Evolution of the Real Estate Sector in India

The real estate sector in India has evolved over the years, facilitated by various regulatory reforms. In the past, factors such as the absence of a centralised title registry providing title guarantee, lack of uniformity in local laws affecting real estate and their application, the unavailability of bank financing, high interest rates and transfer taxes and the lack of transparency in transaction values led to inefficiencies in the sector. However, in recent years, the real estate sector in India has exhibited a trend towards greater organisation and transparency by various regulatory reforms. These reforms in recent years include:

- the support of the Government for the repeal of the Urban Land (Ceiling and Regulation) Act ("ULCRA"), with all state Governments having already repealed ULCRA except West Bengal, Bihar and Jharkhand;
- modifications in the Rent Control Act to provide greater protection to homeowners wishing to rent out their properties;
- rationalisation of property taxes in a numbers of states; and
- the proposed computerisation of land records.

The trend has contributed to the development of more reliable indicators of value and has triggered investment in the real estate sector by domestic and international financial institutions, resulting in greater availability of financing for real estate developers. The nature of demand for real estate is also changing, with heightened consumer expectations influenced by higher (and growing) disposable incomes, increased globalisation and the introduction of new real estate products and services.

The Government in March 2005 amended existing legislation to allow 100% FDI in the construction business. It is expected that the increased FDI will help meet the demand of the commercial and residential real estate sectors. As of June 30, 2009, RBI had extended permission for corporate organisations engaged in the development of integrated townships of at least 100 acres to undertake external commercial borrowing through December 31, 2009. (Source: *Reserve Bank of India Circular: RBI/2008-09/343 A.P. (DIR Series) Circular No. 46 and RBI/2008-09/517 A.P. (DIR Series) Circular No. 71*).

The following table shows the top five sectors that have attracted FDI in the Indian economy:

	April-November (Rs. in billions)			**Growth (%) in 2009-10**
Sector	**2007-08**	**2008-09**	**2009-10**	
Services sector	91.21	159.19	165.66	4.1
Telecommunications	39.63	92.31	108.11	17.1
Housing & real estate	51.61	83.53	105.65	26.5
Construction	35.93	74.90	83.80	11.9
Agriculture services	4.26	0.16	63.27	39,443.8

Source: Economic Survey 2009-2010, Ministry of Finance, Government of India

Substantial growth in the Indian economy has reinforced these trends, stimulating demand for land and developed real estate, although temporarily weakened by the global financial crisis, demand for residential, commercial and retail real estate has been increasing throughout India in recent years. The rapid growth in the

Indian real estate sector is thus due to a combination of strong demand drivers and increased availability of capital for the sector in a market that historically has faced supply constraints.

Key Characteristics of the Real Estate Sector in India

The Indian real estate sector has traditionally been dominated by a number of regional players and non-institutional sources of funding. This has changed with growth in the sector and recent trends reflect consumer expectations of increased quality as India has become more closely integrated with the global economy.

The growth witnessed by the Indian real estate sector is mainly influenced by the high GDP growth of India, increased urbanisation, an expanding middle class as well as growth across various sectors such as IT/ITES, retail, consumer durables, automobiles, telecom, banking, insurance, tourism, hospitality and logistics.

Some of the key characteristics of the Indian real estate sector are:

- **Highly fragmented market dominated by regional participants**: Rapid growth in the last decade has contributed towards the emergence of larger participants that have differentiated themselves through superior execution and branding. These participants have been able to capitalise on their early mover advantage with high market share, though generally they remain confined to local or regional markets. While larger regional participants are now initiating efforts to develop a broader geographic presence, their home markets continue to generate a majority of their profitability.

- **Local knowledge is critical to successful development**: The property sector is generally regulated at the state level. As a result, the rules and regulations that impact, among other things, approval processes and transaction costs, vary from state to state. Also, real estate is dramatically affected by the condition of the geographic area surrounding the property which makes local knowledge essential for development.

- **High transaction costs**: The real estate sector has traditionally been burdened with high transaction costs as a result of stamp duty payable on transfers of title to property, the amount of which varies from state to state. Though efforts are being made at the state level to reduce stamp duties, they continue to be as high as 14.7% in certain states such as Orissa. Although the range and availability of financing products has improved in recent years, transaction costs are often increased further by limited access to formal funding and the corresponding dependence on informal, high-cost sources for funding.

- **Enhanced role of mortgage financing**: Over the past few years, a significant portion of new real estate purchases in India, particularly in the larger cities, have been financed through banks and financial institutions. This has been aided by a decline in interest rates and the broader availability of financing products, generally due to aggressive marketing and product development by financial institutions.

- **Lack of clarity in land title**: A significant number of land plots in India do not have clear title because of disorganised land registries, a problem which is compounded by judicial delays in resolving ownership issues. Moreover, the transfer of land is subject to "caveat emptor" rules, which place the burden on the buyer to ensure there are no defects in title prior to purchase. Finally, most land is held by individuals and families, which further obscures title to land.

- **Sector governance issues**: As a result of high transaction costs, real estate transactions in India often require large amounts of cash and lead to efforts to avoid taxes by using inefficient business structuring. In addition, the complex regulatory conditions and lack of clarity in land title lead to greater risk that real estate participants will try to improperly influence government officials.

<u>Residential Real Estate Market</u>

The residential real estate industry has witnessed significant growth in the past few years owing to growth in population, migration towards urban areas, job opportunities in service sectors, increase in nuclear families, growing income levels and easy availability of finance. As a result, demand for houses increased considerably while supply of houses could not keep pace with demand thereby leading to a steep rise in residential capital values especially in urban areas. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

The residential real estate market in India is highly influenced by economic cycles. Due to the global meltdown, the residential real estate market in India witnessed a drastic fall in demand which resulted in a decline in capital values during the second half of 2008 and first half of 2009. However, the sector experienced an increase in demand since the second half of 2009 across major cities mainly attributed to improvement in the economy. Residential projects across cities saw several new mid-income housing projects being launched by developers.

Demand for houses mounted as the global economy improved, bringing back financial confidence to home buyers along with low interest rates. Due to a decline in capital values, the affordability for housing improved which resulted in an increased demand. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

Commercial Real Estate Market

The commercial office space segment in India has evolved significantly in the past 10 years due to changes in the business environment. The growth of commercial real estate has been driven largely by service sectors, especially the IT/ITES sector.

Previously, commercial properties were concentrated in Central Business Districts, or CBDs, in large cities. However, with the emergence of the IT/ITES sector, which had significantly larger office space requirements, commercial development started moving towards suburban areas. It resulted in development in areas like Gurgaon near New Delhi, Malad in the MMR, and the Electronic City in Bengaluru. In addition, over the last 10 years, locations such as Bengaluru, Gurgaon, Hyderabad, Chennai, Kolkata and Pune have established themselves as emerging destinations for commercial development, which are now competing with traditional business destinations such as the MMR and Delhi. Tax sops on the profits of IT/ITES companies also led to significant development of IT Parks and SEZs.

The demand for commercial real estate grew rapidly between 2005 and early 2008, driven by exceptionally high employee additions in the IT/ITES sector. The strong demand from domestic IT/ITES companies and captives of large global players was a result of increased business, primarily from the US and European markets. A healthy domestic economy coupled with aggressive corporate expansion plans led to strong demand from sectors such as banking, financial services and insurance and media and entertainment. Furthermore, limited supply of quality office space led to a sharp increase in lease rentals for commercial office space in most micro-markets, with an average increase of nearly 100% between 2005 and early 2008. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

The estimated supply of office space is approximately 167 million square feet in 10 major cities during 2010-12. Expected demand during the same period is approximately 96 million square feet. Supply in the top 10 cities account for approximately 70% to 75% of total office space supply in India. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

During the economic slowdown, demand for commercial real estate dropped sharply leading to a sharp correction in lease rentals since the second half of 2008. Lease rentals have corrected in the range of 10% to 35% during the second half of 2008. However, with the economy stabilising, a revival in commercial real estate demand has been seen between the second half of 2009 and July 2010. This has led to marginal improvement in commercial lease rentals. However, oversupply of commercial space coupled with high vacancy rate is expected to suppress the growth of commercial lease rentals. Commercial lease rentals are expected to remain stable for the remaining part of 2010 and increase by an average of 3 % to 4% across the major cities in India. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

Retail Real Estate Market

The retail industry in India has witnessed a slowdown in the past year after increasing at a CAGR of 28% during 2005-08 period. The industry is expected to increase at a CAGR of 22.3% over the next five years. Organised retail penetration has grown to about 6.5% in 2008-09, which is further expected to increase to about 9.4% by 2013-14. In the past few years, India's organised retail industry has displayed high growth rates given the improvement in key driving factors namely, high disposable incomes and a propensity to spend. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

In the four-year period, between 2005 and 2008, demand for retail space was higher than the supply, leading to an increase in lease rentals on account of increase in footfalls and penetration of organised retail. During the period, lease rentals increased by 82% (average across 10 major cities). However, due to the global slowdown witnessed during the second half of 2008, the demand for retail space started declining. This resulted in a decline of 46% in lease rentals in 2009. However with the revival in the economy, there has been improvement in the demand for retail space in few cities. The retail lease rentals in Pune, the MMR, Ahmedabad, Chennai and Kolkata showed positive growth, while it declined or remained stable in Bengaluru, Chandigarh, Hyderabad, Kochi and National Capital Region between the second half of 2009 and July 2010. This mixed trend in lease rentals is expected to continue during 2011. Lease rentals in Ahmedabad, Chennai, Hyderabad, Kochi and Kolkata are likely to decline by 1% to 4% over December 2010 levels, while they are expected to increase by 1% to 8% in Bengaluru, MMR and Pune. In Chennai and National Capital Region, lease rentals are expected to remain stable at December 2010 levels. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

Real Estate Market in the Mumbai Metropolitan Region

The greater Mumbai area covers an area of 437.71 square kilometres that constitutes 0.14% of the total area of the state of Maharashtra. Mumbai is the capital city of the state and is also the commercial, entertainment and fashion capital of India. Mumbai is made up of seven connected small islands and the suburban area of Salsette Island. Mumbai's traditional textile industry has made way for the new economy of financial services, call centres and other business process outsourcing services, information technology, engineering, healthcare and entertainment services. The headquarters of a number of financial institutions like BSE, RBI, NSE and the Life Insurance Corporation are located in the MMR. India's leading conglomerates such as Tata, Birla, Godrej and Reliance are also based in Mumbai.

Mumbai is one of the most populous cities in the world with a population of 11.9 million according to the 2001 census.*(Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010*)

Mumbai has witnessed an increase in its population in the island city as well as the surrounding municipal corporations of Thane, Navi Mumbai and Bhiwandi-Nizampur that form part of the larger agglomeration, the MMR. Due to the city's geographical layout, the city's growth has been restricted northwards. The rapid growth in population has led to a shortage of housing and high levels of informal and poor quality housing all over the city. While the Government of Maharashtra initiated various redevelopment schemes, a significant portion of residential real estate in Mumbai continues to remain in a dilapidated state.

Mumbai's micro-markets and satellite townships

Four major micro-markets have emerged as high-growth areas in Mumbai: South and South-Central; Eastern and Western Suburbs; Navi Mumbai; and Thane. Property demand in all of these micro-markets has increased with the overall development of the areas led by improved infrastructure and better connectivity. These major micro-markets are detailed below:

- South and South-Central Mumbai: The metamorphosis of South Mumbai began in the late 1990's with the development of Elphinstone Road Bridge and Mahim Causeway (forming part of the Western Express highway). Because of scarce availability of land within this area most of the development is expected to happen on old mill lands or through redevelopment of existing old buildings or Slum Rehabilitation Authority.

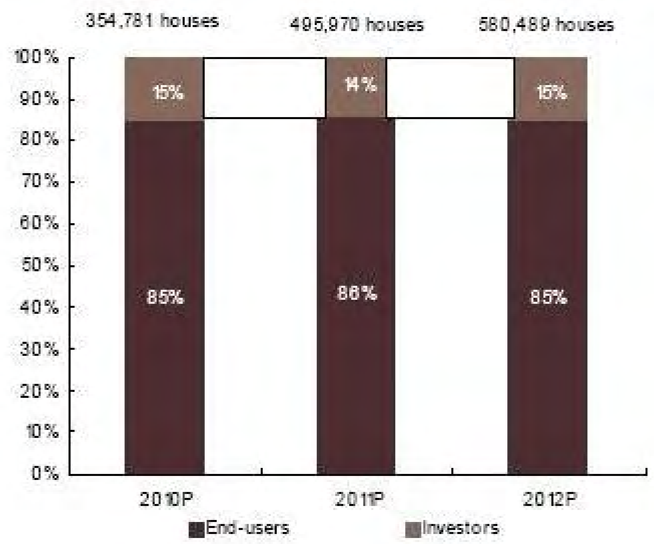
- Eastern and Western Suburbs of Mumbai: Acute scarcity of land coupled with the increasing housing demand directed the expansion of the population outwards from the city centre and towards the suburbs. The structure of the Mumbai local train network and development of the Western and Eastern Express highways have also played their part in directing the ongoing and upcoming development to these locations. As a result, eastern and western Mumbai are growing as commercial and industrial hubs, particularly Bandra-Kurla Complex and Andheri.

- Navi Mumbai: Navi Mumbai is located towards the Northeast of Mumbai and has now evolved into one of the world's largest planned cities. Some of the key areas of Navi Mumbai are Vashi, Nerul, Belapur, Kharghar and New Panvel. Better connectivity to Mumbai by rail and road coupled with a lower cost of living compared to that of Mumbai and good supporting infrastructure has led to numerous entities opening offices in Navi Mumbai. In addition to these key micro-markets, the satellite townships of Mira-Bhayander and Kalyan-Dombivali are growing at a significant rate due to affordable housing and ease of transportation into Mumbai.

- Thane: Thane, a micro-market north of Mumbai, has developed a strong residential segment because it has better infrastructure, less congestion, a lower cost of living, more greenery and more water bodies than most other micro-markets in the city and has therefore established a strong reputation as a highly liveable area. Additionally, Thane is well-connected to the major industrial and commercial hubs of Vikhroli, SEEPZ, Andheri, Bandra-Kurla Complex as well as the South Mumbai business districts through local trains and roads.

Residential Real Estate Development in and around Mumbai

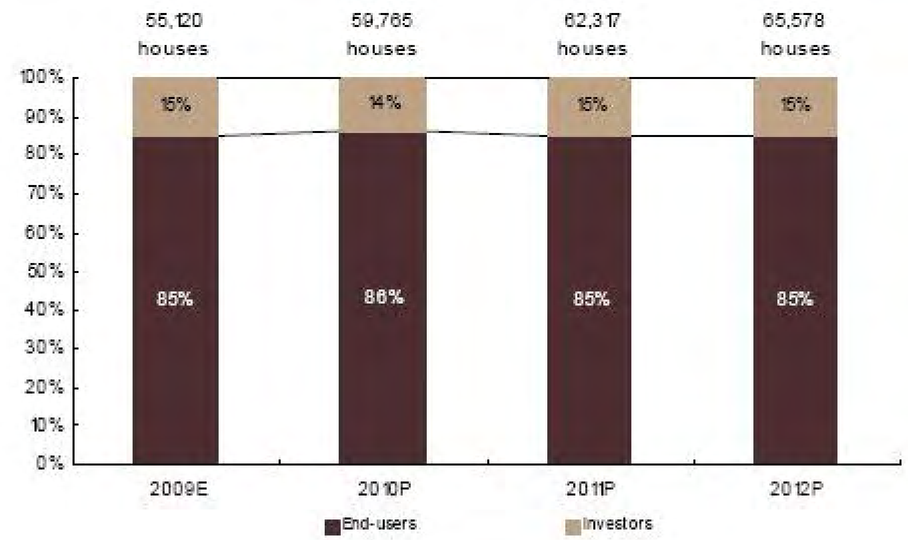
Residential area expansion in Mumbai has been growing on both sides of the Western and Central suburban railway networks. This growth has typically followed the development of the railway network, which extends from Churchgate to Virar on the Western side and from Chatrapati Shivaji Terminus to Karjat and Kasara on the Central railway. Navi Mumbai, connected to the city by the harbour railway network, has seen growth in the residential space over the last two decades. Self-consumption by residents of Mumbai and recent migrants to Mumbai accounted for 80% to 85% of the demand for housing in June 2010. Of this group, between 70% and 75% were salaried, and the balance of the consumers were self-employed. The other major reason for housing demand was investments, which accounted for 15% to 20% of total demand. NRIs were the major individual contributors to investment demand, contributing a significant 25% share. *(Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010*) Housing demand in a rapidly growing metropolis like Mumbai is a combination of residents and migrants, while the proportion of investors varies depending upon expected returns. The following table sets forth the projected potential demand in the MMR during the period from 2010 to 2012:



Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010

A majority of the demand for residential houses would be generated by the middle income demograph with annual incomes ranging between Rs. 300,000 and Rs. 600,000, who are either new recruits or are at middle level positions in corporate entities. The nuclearisation of families is expected to be a major contributor to housing demand going forward. *(Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010*)

The following table sets forth the expected absorption of houses, which is the actual off-take of houses, in the MMR during the period in 2009 and the projected absorption of houses in 2010, 2011 and 2012:



Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010

Housing Supply in Mumbai

CRISIL expects the estimated supply of residential housing in the MMR in the next 2.5 years to be 183.3 million square feet as compared to an estimated demand for residential housing of 150.1 million square feet, although tallying up the projects under construction as well as the announced projects would actually set the total supply at 209.6 million square feet during 2010-12.*(Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010*)

Residential Capital Values, Resale Values and Rental Values

The following table illustrates the outlook on average residential capital values of the different regions of Mumbai from June 2010 to 2011:

Region	Areas	Outlook on average residential capital values (Rs/sq.ft.)			
		Jun-10	Sept-10P	Dec-10P	2011P
South Mumbai - Prime	Napean Sea Road, Walkeshwar, Peddar Road	50,000 - 60,000	47,000 - 57,500	47,000 - 57,500	52,500 - 62,500
South Mumbai - Non Prime	Tardeo, Opera House	25,000 - 35,000	24,000 - 33,000	24,000 - 33,000	26,000 - 34,000
Central Mumbai - Prime	Worli, Prabhadevi, Lower Parel	25,000 - 35,000	24,000 - 33,000	24,000 - 33,000	26,000 - 34,000
Central Mumbai - Non Prime	Dadar, Matunga, Byculla	14,000 - 22,000	14,500 - 22,500	14,500 - 22,500	16,500 - 22,500
Central suburbs	Ghatkopar, Chembur, Kurla	8,000 - 11,000	7,500 - 10,500	7,500 - 10,500	8,000 - 11,000
Central suburbs	Mulund	6,000 - 8,000	5,500 - 7,500	5,500 - 7,500	6,500 - 8,500
Central suburbs	Powai	9,000-13,000	9,000-13,000	9,000-13,000	9,500-14,500
Central suburbs	Vikhroli, Kanjurmarg, Bhandup	5,500 - 7,500	4,750 - 7,500	4,750 - 7,500	5,000 - 8,000
Central suburbs	Wadala, Sewri	9,500 - 11,500	9,000 - 10,750	9,000 - 10,750	10,000 - 12,000
Western suburbs	Bandra, Khar, Santacruz, Juhu	18,000 - 30,000	18,000 - 30,000	18,000 - 30,000	19,000 - 34,000
Western suburbs	Andheri	10,000 - 17,000	9,000 - 16,000	9,000 - 16,000	10,000 - 17,000
Western suburbs	Goregaon, Malad, Kandivali, Borivali	7,500 - 10,000	7,500 - 10,000	7,500 - 10,000	8,500 - 11,000
Downtown western suburbs	Mira Road, Bhayander	3,250 - 3,750	3,250 - 3,750	3,250 - 3,750	3,500 - 4,500
Downtown western suburbs	Vasai, Naigaon, Nallasopara, Virar	2,200 - 2,500	2,200 - 2,500	2,200 - 2,500	2,500 - 3,000
Downtown central suburbs	Thane - Prime	5,000 - 7,000	5,000 - 7,000	5,000 - 7,000	5,500 - 7,500
Downtown central suburbs	Thane - Non-prime - Ghodbunder Road	3,500 - 4,500	3,500 - 4,500	3,500 - 4,500	4,000 - 5,000
Downtown central suburbs	Dombivli, Kalyan	2,200 - 2,500	2,200 - 2,500	2,200 - 2,500	2,500 - 3,000
Navi Mumbai	Airoli, Ghansoli, Koparkhairane	3,400 - 3,800	3,400 - 3,800	3,400 - 3,800	3,700 - 4,500
Navi Mumbai	Vashi, Palm Beach, Nerul	5,500 - 7,500	5,500 - 7,500	5,500 - 7,500	6,000 - 8,500
Navi Mumbai	Kharghar	3,000 - 4,000	3,000 - 4,000	3,000 - 4,000	3,500 - 4,500
Navi Mumbai	Kamothe, Khandeshwar, Panvel	2,700 - 3,100	2,700 - 3,100	2,700 - 3,100	3,000 - 3,400

Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010

<u>Commercial Real Estate Development in and around Mumbai</u>

The demand for commercial office space grew at a slow rate due to low demand from the IT/ITES companies and manufacturing sectors. Though the revenues of first tier IT companies grew by 16.4% during the fourth quarter of the fiscal year 2010, the demand for office space remained muted on account of better capacity utilisation. On the other hand, as companies from the manufacturing sector have a variety of options to choose from, they are bargaining extensively while also purchasing property. *(Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010)*

Trends in Office Space

Historically, office space in Mumbai was largely concentrated in areas around South Mumbai like Nariman Point and Cuffe Parade. However, the city authorities developed the Bandra-Kurla Complex to provide an alternative to South Mumbai and to reduce congestion in South Mumbai. Since then, the Bandra-Kurla Complex has emerged as the prime location for office space, with the banking and financial services industry gradually setting up base in the area.

A shift from high lease rental areas to low lease rental areas is likely to occur as corporate entities strive to protect their margins. Mill land in Lower Parel and its surrounding areas have been converted into commercial complexes and has transformed the area into another commercial centre. Navi Mumbai, has emerged as an attractive destination for corporate entities due to its lower lease rentals, proximity to Pune, a major IT hub of Maharashtra, and the availability of skilled labour in the area. Rising lease rentals has also led to the growth of office space in the Western suburbs like Malad and Goregaon due to lower commuting times, easy availability of man power and lower lease rentals. The existing office space in the Western suburbs like Malad and Goregaon has been occupied by the IT/ITES companies and their expansion plans have an impact on the demand for offices in this region. Lease rentals improved marginally as corporates have been shifting their base to this region for reasons of lower rentals and proximity to residential areas. *(Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010)*

Commercial Real Estate Supply and Demand

The estimated supply of commercial office space is 40.1 million square feet during 2010-12 compared to a planned supply of 62.1 million square feet. Demand is estimated to be around 23.4 million square feet of commercial office space in the same period. Some of the projects that are planned and those that are in the early stages of execution are believed to have been put on hold. This will keep new supply under check, while the rise in demand is expected to reduce vacancy levels, thereby leading to stability in lease rentals. CRISIL expects commercial lease rentals to remain stable in 2010 and increase marginally in 2011 along with economic stability. *(Source: CRISIL Research, City Real(i)ty– Mumbai, August 2010)*

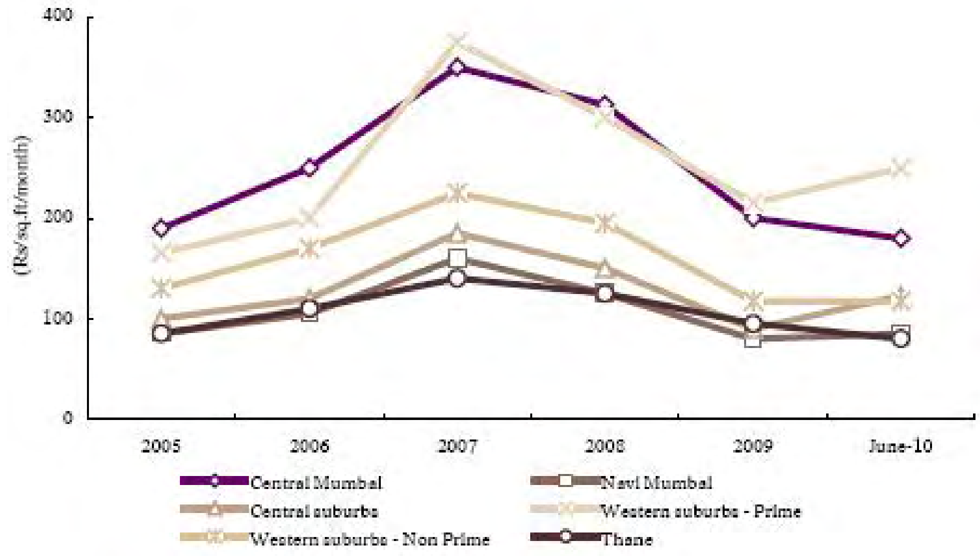
The following table illustrates the lease rentals for commercial office space in different regions of Mumbai:

		Average lease rentals (Rs/aq/ft/month)								
Region	**Area**	**2005**	**2006**	**2007**	**2008**	**2009**	**June 2010**	**Sept 10P**	**Dec 10P**	**2011P**
South Mumbai	Nariman Point, Cuffe Parade, Tardeo, Worli	150 - 250	200 - 300	300 - 500	300-400	180-300	180-300	180-300	180-300	190-320
Central Mumbai	Elphinstone, Lower Parel, Prabhadevi	120 - 190	160 - 230	280 - 350	160-250	125-225	125-225	125-225	125-225	140-250
Western suburbs	Bandra Kurla Complex, CST Road	130 - 200	180 - 280	300 - 350	200-300	175-250	175-250	175-250	175-250	185-275
Western suburb	Andheri	60 - 100	80 - 120	140 - 230	110-180	100 - 150	100-150	100-150	100-150	110-160
Western suburbs	Goregaon, Malad, Kandivali	40 - 60	50 - 70	90 - 120	70-100	70-100	70-100	70-100	70-100	75-110
Central suburbs	Powai, Mulund, Kurla, Kanjurmarg, Bhandup, Vikhroli	40 - 60	50 - 70	80 - 120	65-100	55 - 90	55 - 90	55 - 90	55 - 90	60-95
Central suburbs	Thane	28 - 35	35 - 55	45 - 75	40-70	35 - 65	40-70	40-70	40-70	45-75
Navi Mumbai	Airoli, Rabale, Vashi, Panvel, Kharghar	28 - 35	35 - 55	60 - 95	45-80	40 - 75	40 - 75	40 - 75	40 - 75	45-80

Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010

<u>Retail Real Estate Development in and around Mumbai</u>

High disposable incomes and the propensity to spend by residents are viewed as the key drivers of retail activity in Mumbai. The following chart sets out the trend in retail lease rentals of different regions from 2005 to 2010:



Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010

The profitability of the retailing business depends on lease rentals on the cost side and spending on retail. The improvement in economic conditions is translating into increases in consumer spending, which is likely to increase towards the end of 2010. This will lead to demand for retail space and improve lease rentals. Lease rentals across Mumbai have improved slightly owing to demand for retail space from major brands. (*Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010)*

Retail Sector Outlook

The MMR is expected to see an addition of 5.1 million square feet of retail mall space during 2010-12. Considering that the mall space of 20 million square feet in June 2010, an average annual addition of 2 million square feet would account for 10% of the existing space. Consumer spending is expected to increase as the economy improves which should lead to an increase in lease rentals around December 2010. The rentals are estimated to increase in 2011 as demand for retail space is expected to improve further. *(Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010)*

The following table illustrates the lease rentals of the different regions in Mumbai for the periods indicated:

	Average lease rentals (Rs/sq. ft./month)					Outlook on lease rentals		
Region	**2006**	**2007**	**2008**	**2009**	**June-10**	**Sept-10P**	**Dec-10P**	**2011P**
Central Mumbai	200 - 300	300 - 400	275 - 350	175-225	180-240	180-240	200-250	210-270
Navi Mumbai	90 - 130	140 - 180	110 - 140	60-100	70-100	70-100	80-100	85-105
Central suburbs	110 - 130	150 - 220	120 - 180	90-130	100-130	100-130	120-135	125-140
Western suburbs - Prime	175 - 225	350 - 400	275 - 325	200-230	210-240	210-240	240-270	250-280
Western suburbs	140 - 190	200 - 250	165 - 225	100-135	110-135	100-135	110-145	120-150
Thane	90 - 130	120 - 160	105 - 145	80-110	80-120	80-120	90-110	95-115

Source: CRISIL Research, City Real(i)ty – Mumbai, August 2010

<u>Redevelopment in Mumbai</u>

Transfer of Development Rights and Redevelopment of Old and Dilapidated Structures

Transfer of development rights ("TDRs") have been devised as a mechanism to compensate land owners who relinquish or surrender their land for public works schemes or redevelopment schemes. These TDRs are then available to the land owner for self consumption or for sale. For example, the City of Mumbai has a floor space index ("FSI") of 1.3. If, for any reason, the owner is not allowed to consume the whole FSI available to their plot, the remaining FSI can be transferred on another plot (subject to various conditions) through a TDR. The remaining FSI can also be sold in the open market in the form of TDRs. *(Source: CRISIL Research, City Real(i)ty Outlook 2009-2011–Mumbai, June 2009)*

In Mumbai, TDRs were initially used to compensate plot owners whose development rights were restricted due to public works schemes such as the widening of roads. Since then, the Government has introduced this concept for the redevelopment of old and dilapidated buildings. The TDRs obtained from redevelopment project can only be used north of the location where such redevelopment is proposed. Mumbai has more than 19,000 buildings, which are in a dilapidated state due to a lack of repair and maintenance. The Maharashtra Housing and Development Authority ("MHDA") classifies these buildings as cessed and is responsible for the redevelopment of such residential buildings in Mumbai. The state Government has initiated regulatory changes to provide incentives for the reconstruction of old buildings. For example, on June 30, 2008, the Maharashtra's Urban Development Department ("MUDD") issued a notification introducing for integrated or cluster development of an entire area. This means that localities may be redeveloped like townships, with basic amenities like roads, water and parking, instead of piecemeal redevelopment. *(Source: CRISIL Research, City Real(i)ty Outlook 2009-2011–Mumbai, June 2009)*

The major issue with the implementation of FSI in Mumbai is uniform application throughout the city. Business districts are subject to the same FSI as residential areas, thus preventing the formation of new, high density CBDs. In practice, the uniform FSI forces development in the suburbs and prevents development in downtown areas, resulting in increased travel times and preventing the growth of a modern and dense CBD with the advantages of concentration and economies of scale. Most major cities across the world have evolved with very large variations in FSI between the CBD or other commercial nodes and suburban residential areas. *(Source: CRISIL Research, City Real(i)ty Outlook 2009-2011–Mumbai, June 2009)*

Textile Mills Marked for Redevelopment

The old textile mills in Mumbai have become prime real estate due to the scarcity of land available for real estate development. Located in Greater Mumbai, these old textile mills cover an area between 400 and 500 acres, of which nearly 200 acres can be developed. The attractiveness of such land is compounded by its proximity to South Mumbai and connectivity to the suburban railway lines, which serves as the major transportation network of Mumbai. A large portion of Mumbai's mill lands, around five million square feet, have been cleared for development. *(Source: CRISIL Research, City Real(i)ty Outlook 2009-2011–Mumbai, June 2009)*

Real Estate Market in Pune

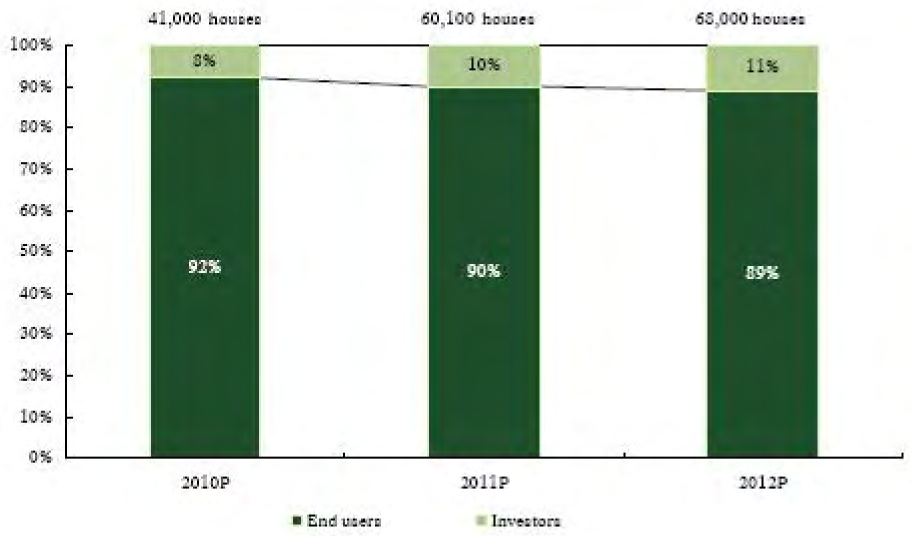
Pune is strategically located in the heart of Maharashtra. Pune had a population of 2.5 million according to the 2001 census. In the past few years, Pune has emerged as a major IT destination in India and the development of IT parks and SEZs in Hinjewadi, Hadapsar and Kharadi contributed to this position. With increasing decentralization, the original CBD of MG Road, Bund Garden Road, Dhole Patil Road and Camp have given way to multiple emerging micro markets like Kalyani Nagar, Viman Nagar, Aundh, Baner and Hinjewadi. Pune has overtaken Mumbai, Chennai and Hyderabad in terms of the number of IT employees. *(Source: CRISIL Research, City Real(i)ty Outlook 2009-2011–Pune, June 2009)*

CRISIL research expects healthy demand across Pune's real estate segments, residential, commercial and retail, between 2010 and 2012. Capital values and lease rentals, though, are expected to improve only marginally due to significant supply coming up in the region. *(Source: CRISIL Research, City Real(i)ty –Pune, August 2010)*

<u>Residential Real Estate Development in Pune</u>

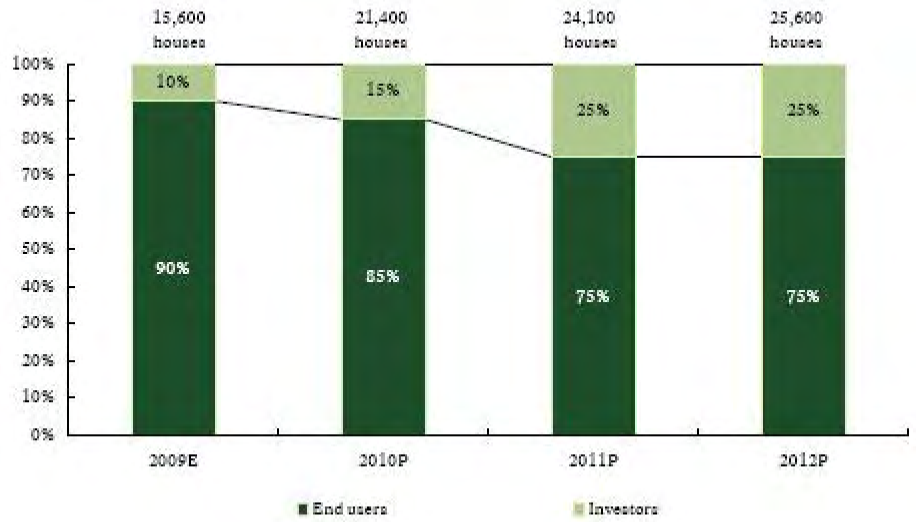
Proximity to Mumbai and the aspirational demand of the residents of Mumbai to have a second home in Pune have resulted in significant investment interest in the city over the years. The Mumbai – Pune expressway has further supported this trend with reduction of travel time between the two cities. The residential real estate market in Pune has changed from being an investor-driven market to an end-user driven market due to a fall in prices. Among the end-users, the salaried class forms the largest group. However, residential real estate demand revived in the first half of 2010 after the economic slowdown, CRISIL expects demand to improve during 2010-2012 with the increase of investor interest. *(Source: CRISIL Research, City Real(i)ty –Pune, August 2010)*

The following chart sets forth the projected potential demand for residential houses in the Pune urban agglomeration during the period from 2010 to 2012:



Source: CRISIL Research, City Real(i)ty – Pune, August 2010

The following chart illustrates the absorption pattern in Pune urban agglomeration in 2009 and the expected movement in 2010, 2011 and 2012:

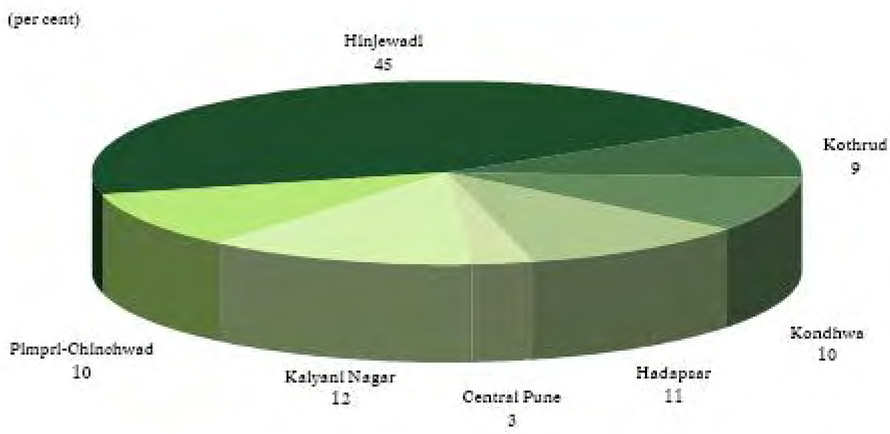


Source: CRISIL Research, City Real(i)ty – Pune, August 2010

Housing Supply in Pune

CRISIL expects the estimated supply of residential housing in over the next 2.5 years to be 95.6 million square feet as against an estimated demand for residential housing of 87.2 million square feet, although the total planned supply is expected to be 119.3 million square feet over the next 2.5 years. *(Source: CRISIL Research, City Real(i)ty– Pune, August 2010*)

The following chart illustrates the estimated supply of residential houses in the different regions of Pune urban agglomeration in the period from 2010-12:



Source: CRISIL Research, City Real(i)ty – Pune, August 2010

Residential capital values in Central Pune continue to be the highest, followed by Kalyani Nagar, Hinjewadi and Kothrud. The following table illustrates the residential capital values of the different regions of Pune for the periods indicated:

Areas	Residential capital values (Rs per sq ft)				Outlook Oon capital values (Rs per sq ft)			
	2006	2007	2008	2009	Jun-10	Sep-10P	Dec-10P	2011
Pimpri-Chinchwad	2,050-2,150	2,400-2,500	2,300-2,400	2,000-2,200	2,450-2,550	2,475-2,575	2,475-2,575	2,650-2,750
Hinjewadi	2,200-3,300	2,800-2,900	3,200-3,300	2,550-2,850	3,450-3,550	3,450-3,550	3,450-3,550	3,650-3,750
Kothrud	3,200-3,300	4,350-4,450	4,200-4,400	3,150-3,250	3,350-3,450	3,350-3,450	3,350-3,450	3,450-3,550
Kondhwa	2,450-2,550	3,600-3,700	3,400-3,600	2,800-2,900	3,050-3,150	3,050-3,150	3,050-3,150	3,100-3,200
Hadapsar	2,300-2,400	2,600-2,700	2,600-3,000	2,650-2,800	3,050-3,150	3,050-3,150	3,050-3,150	3,150-3,250
Central Pune	5,275-5,375	6,800-6,900	7750-8000	7,000-7,100	8,350-8-450	8,550-8-650	8,550-8-650	8,900-9,000
Kalyani Nagar	4,100-4,200	5,050-5,150	4,950-5050	3,700-3,800	4,200-4,300	4,300-4,400	4,300-4,400	4,500-4,600

Source: CRISIL Research, City Real(i)ty – Pune, August 2010

<u>Commercial Real Estate Development in Pune</u>

Demand drivers for commercial office space in Pune include the growth in the IT/ITES sector as it accounts for between 75% and 80% of demand, the growth in the automobile industry and Government policies regarding SEZs and FDI in real estate. Development of IT SEZs and parks in Hinjewadi, Hadapsar and Kharadi has transformed Pune from being a pensioner's paradise to a top IT destination in India. Pune is also a major industrial hub and host to one of the largest industrial zones in India. *(Source: CRISIL Research, City Real(i)ty – Pune, August 2010*)

Following severe demand contraction of commercial office space and consequent sharp correction in lease rentals in Pune in 2008 and 2009 due to the economic downturn, demand has begun to show signs of reviving with the improving economic scenario.

The following chart illustrates the lease rentals of commercial office space from 2006 to 2011 in various districts of the Pune urban agglomeration:

Areas	Average lease rentals (Rs/sq ft/month)					Outlook on lease rentals (Rs/sq. ft./month)			
	2006	2007	2008	H1 2009	H2 2009	During Jun 2010	Sep-10P	Dec-10P	2011 P
Hinjewadi	38-42	48-52	60-65	48-53	50-53	55-60	55-60	55-60	60-65
Baner	38-42	50-54	60-65	47-50	44-46	48-52	48-52	48-52	50-55
Hadapsar	33-35	38-42	50-55	42-45	35-38	35-40	35-40	35-40	38-42
Kalyani Nagar	39-43	50-55	80-85	62-67	50-55	52-57	52-57	52-57	55-60
Kharadi*	-	-	-	42-44	35-40	35-40	35-40	35-40	38-42
Total									

**From 2005 till 2008, Kharadi is included in Kalyani Nagar*

Source: CRISIL Research, City Real(i)ty– Pune, August 2010

Commercial Real Estate Supply and Demand

CRISIL estimates demand for commercial office space by 2012 will be 7.8 million square feet. After adjusting for execution risk, only 8.2 million square feet of planned supply is expected to actually be developed. *(Source: CRISIL Research, City Real(i)ty – Pune, August 2010*)

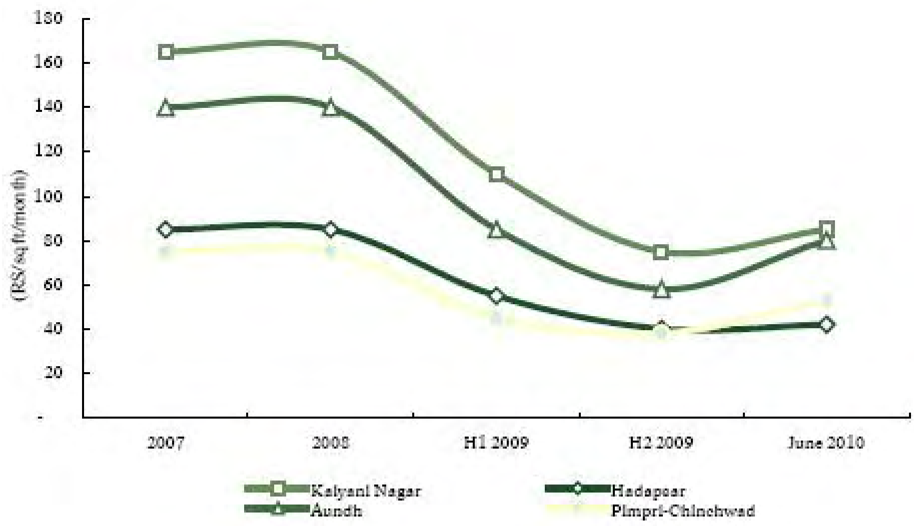
Trends in Office Space

The economic slowdown resulted in a sharp decline in demand for commercial space and high vacancy levels. With the revival in the economy, demand from IT/ ITES companies is expected to grow. However, commercial supply is growing at a faster rate as the projects that were stalled due to the slowdown are nearing completion. Hence, commercial lease rentals are expected to remain flat in the second half of 2010 as compared to the first half of 2010. In 2011, rentals are expected to increase marginally with increased demand from IT/ITES companies. *(Source: CRISIL Research, City Real(i)ty– Pune, August 2010*)

<u>Retail Real Estate Development in Pune</u>

Organised retail in Pune urban agglomeration has grown significantly in the last two to three years. The IT boom and subsequent expansion by IT companies led to substantial migration to the city. High disposable incomes, changing demographics with the growth of IT/ITES and other service industries, the growth of the city in peripheral locations and land availability have been the key demand drivers for growth of organised retail in Pune urban agglomeration. *(Source: CRISIL Research, City Real(i)ty–Pune, August 2010)*

The following chart sets forth the movements of retail lease rentals of different regions in the Pune urban agglomeration from 2007 to 2010:



Source: CRISIL Research, City Real(i)ty –Pune, August 2010

Due to the high execution risk of ongoing and planned retail space, CRISIL estimates that 6.4 million square feet of retail space will be developed by 2012 against a planned development of 12.9 million square feet, after adjustment of execution risk. Due to the large planned supply, retail lease rentals are expected to improve only by an average of 7% to 8% in 2011. (Source: *CRISIL Research, City Real(i)ty – Pune, August 2010)*

Retail Sector Outlook

CRISIL estimates the retail penetration in Pune urban agglomeration to increase from 20% in 2008-09 to 28% by 2012-13. (*Source: CRISIL Research, City Real(i)ty – Pune, August 2010)*

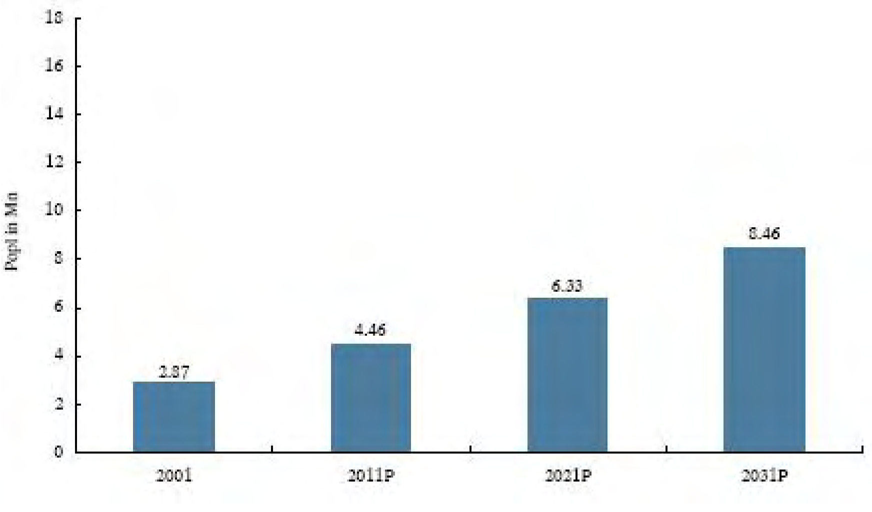
The following table illustrates the lease rentals for retail in different regions of Pune from 2005 to 2011:

Location	Average lease rentals (Rs/sq ft/month)								Outlook on lease rentals		
	2005	2006	2007	H1 2008	H2 2008	H1 2009	H2 2009	Jun-10	Sep-10P	Dec-10P	2011P
Kalyani Nagar	65-75	130-140	160-170	200-220	160-170	105-115	70-80	80-90	85-95	85-95	88-98
Hadapsar	25-35	55-65	80-90	110-120	85-95	50-60	35-45	45-50	45-50	45-50	48-53
Aundh	65-75	110-130	135-145	175-185	120-130	80-90	55-60	75-85	80-90	80-90	88-98
Pimpri-Chinchwad	25-35	40-50	65-75	90-100	55-65	44-46	35-40	50-55	50-55	50-55	55-60
Kondhwa	35-45	75-82	95-105	130-140	90-100	50-60	35-40	45-50	47-52	47-52	52-57
Kothrud	40-50	75-85	105-115	155-165	110-120	95-100	70-80	85-90	88-93	88-93	95-100

Source: CRISIL Research, City Real(i)ty – Pune, August 2010

Real Estate Market in Surat

Surat is the second largest city in Gujarat, an industrial state, as well as a fast emerging and important tier II city in India. The city is best known for its diamond polishing industry along with its textile, petrochemical and gas industries. Gujarat accounts for almost 80% of the diamonds processed in India, of which 90% are processed by the units located in and around Surat alone. The city is also a hub for synthetic and man-made fibre production. The Surat Municipal Corporation, or SMC, was expanded to 326.5 square kilometres in 2006 to address rapid urbanisation. According to the 2001 census, Surat city has a population of 2.87 million. The city has an annualised GDP growth rate of 11.5% over the fiscal year 2004 to the fiscal year 2010. (*Source: CRISIL Surat Report August 2010)* The following chart illustrates the projected population in Surat:



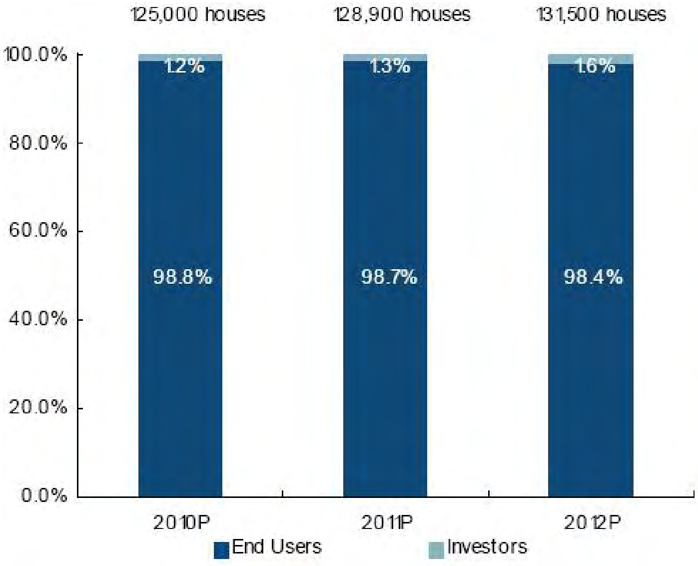
Source: CRISIL Surat Report August 2010

Surat is an important centre on the Ahmedabad-Mumbai regional corridor as well as on the 225 km long industrial belt, having direct linkages with the industrial urban centre of Vadodara, Ankleshwar and Vapi. The Hazira Industrial area, which spreads over 167 square kilometres, is a major industrial area located in contiguity with the Surat Urban Development Authority limits. The Hazira industrial area accommodates 20 large and medium sized industries which produce products such as polymer, heavy engineering products, gas, LPG bottling, steel foils, ammonia. The key players in the Hazira belt include leading industry houses such as Oil and Natural Gas Corporation, Reliance, ESSAR, Larsen & Tuobro, Krishak Bharati Cooperative Limited, Indian Oil Corporation and Shell. (*Source: CRISIL Surat Report August 2010)*

The real estate market in Surat has been developing with the support of growth in the textiles and diamonds businesses as well as land availability, rising disposable incomes and rapid infrastructure development. The real estate activity has increased over the last few years, especially in the Western region of the city with growth in the operations of oil and gas companies. While the textile and diamond processing units are situated in the South and Eastern regions, respectively, the Southwestern area is the retail hub of the city. The Surat real estate market is dominated by local developers. Over the past three to five years, the investor community has been active in Surat, particularly in the residential segment.

Residential Real Estate Development in Surat

The following chart sets forth the projected potential demand for residential houses in the Surat Municipal Corporation during the period from 2010 to 2012:

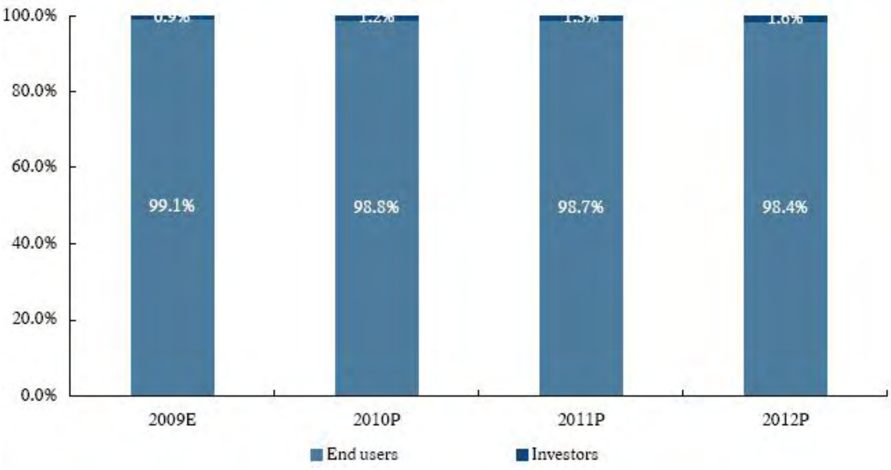


Source: CRISIL Surat Report August 2010

The following chart illustrates the income distribution in Surat during the period from 2007 to 2012:

Source: CRISIL Surat Report August 2010

The following chart illustrates the expected absorption pattern in the Surat Municipal Corporation during the period from 2009 to 2012:

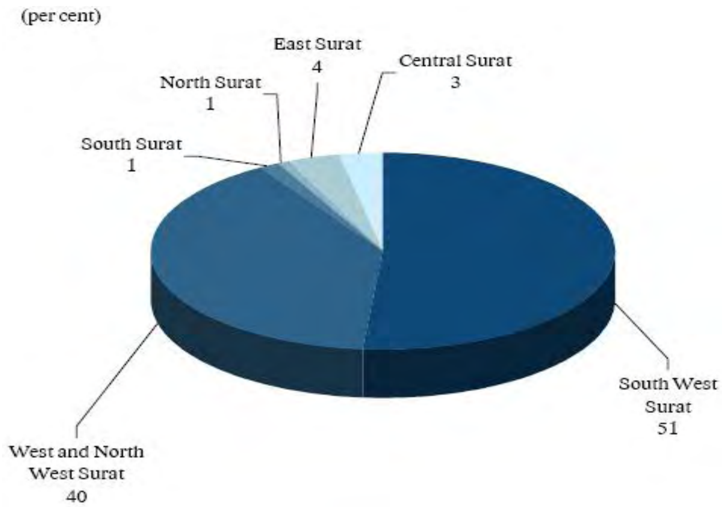


Source: CRISIL Surat Report August 2010

Housing Supply in the Surat Municipal Corporation

CRISIL expects the estimated supply of residential housing over 2010-12 to be 31.8 million square feet as against an estimated demand for residential housing of 95 to 110 million square feet in 2012. The total planned supply over 2010-12 is expected to be 34.5 million square feet. Out of the total planned supply, 92% is expected to come in the West and Southwestern regions of Surat. *(Source: CRISIL Surat Report August 2010*)

The following chart illustrates the estimated supply of residential houses in the different regions of Surat Municipal Corporation in the period from 2010-12:



Source: CRISIL Surat Report August 2010

Residential capital values in the Southwestern region of Surat continues to be the highest, followed by the Western and Northwestern regions. The following table illustrates the average residential capital values of the different regions of the Surat Municipal Corporation area for the periods indicated:

(Rs/sq ft)	2007	2008	H1 2009	H2 2009	Average 2009	Jun-10	2010P	2011P
South West Surat	1,400-1,800	1,500-1,800	1,600-2,000	1,800-2,300	1,700-2,150	2,000-2,400	2,200-2,600	2,400-2,900
West and North West Surat	1,200-1,500	1,200-1,600	1,250-1,650	1,425-1,825	1,340-1,780	1,450-1,950	1,600-2,100	1,800-2,200
South Surat	700-850	700-900	750-900	800-1,000	775-950	850-1,100	900-1,100	1,100-1,250
North Surat	800-900	800-950	850-1,000	900-1,100	875-1,050	1,000-1,150	1,050-1,200	1,100-1,300
East Surat	750-850	750-900	800-950	900-1,050	850-1,000	900-1,100	1,000-1,200	1,100-1,250
Central Surat	950-1,150	950-1,250	1,000-1,350	1,200-1,400	1,100-1,375	1,250-1,500	1,300-1,600	1,500-1,700

Source: CRISIL Surat Report August 2010

Commercial Real Estate Development in Surat

Surat lacks any form of organized large office space and most of the corporate entities present in the city have taken up space in the various commercial complexes around the city. Currently, commercial developments have been set up at high streets at Parle Point, Ghod dod Road and Athwa Lines. Offices in the city cater to insurance companies, broking houses, coaching centers, banks, export houses and accounting firms. No major IT/ITES organization has a presence in Surat as of August 2010. Corporate entities from the banking and financial services sector also have a limited presence so far but with increasing urbanization in the region, more participants are expected to enter the market. *(Source: CRISIL Surat Report August 2010*)

The textile industry occupies a dominant position in the unorganized commercial market with several textile markets present in the old city. While the processing and manufacturing units are located towards the outskirts of the city in areas such as Pandesara and Udhana, the warehousing, assembling, marketing and retail units are located in the heart of Surat in such textile markets. As textile companies are increasingly opting for larger spaces and are moving towards the city in a bid to expand operations, developers are offering projects targeted specifically towards the textile sector. *(Source: CRISIL Surat Report August 2010*)

The CBD of the city, located along Ring Road, is currently experiencing a considerable shortage of space and new developments have come up in the suburbs of the city to cater to demand. Udhana Darwaza and Majura gate, to the south of the city, have a small number of stand-alone structures to cater to the office space needs of the banking and financial sector. *(Source: CRISIL Surat Report August 2010*)

With the old city lacking space for development, new micro-markets have emerged across the city. A number of office developments have come up in the Dumas Road and Vesu-Piplod areas in the Southwestern region and the Adajan-Rander areas in the Northwestern region. The focus of development has shifted from Central Surat to the suburban and peripheral locations in the Southwestern and Northwestern regions of the city. *(Source: CRISIL Surat Report August 2010*)

Trends in commercial real estate market

While the planned supply is expected to be around 4.6 million square feet, with estimated supply expected to be 3.2 million square feet to enter the market over the period 2010-12. With improved demand from the textile industry, the average capital values is expected to improve by 14% over 2010-11. Better national and international air connectivity would be needed in order to increase commercial real estate activity in Surat. *(Source: CRISIL Surat Report August 2010*)

The following chart illustrates total supply of commercial space and region-wise average capital values for the periods indicated for various districts of the Surat Municipal Corporation:

Location	Region wise segregations defined by CRISIL Research	Average Capital Values (Rs. Per sq ft)			Planned supply (Mn. Sq Ft)	Estimated supply (Mn. Sq Ft) 2010-2012	Outlook on Capital Values	
		2008	2009	H1 2010			2010P	2011P
Ring Road	Central	2,500-3,100	3,000-3,600	3,200-3,700			3,750-4,250	4,300-5,000
Parle Point	South-West	3,700-4,300	4,300-4,900	4,500-5,400			5,200-5,800	5,900-6,600
Dumas Road	South-West	2,100-2,700	2,500-3,100	3,000-3,200			3,000-3,500	3,300-4,000
Vesu-Piplod	South-West	2,700-3,300	3,000-3,600	3,200-3,800			3,500-4,000	4,000-4,700
Adajan-Randher	West & North-West	2,200-2,800	2,500-3,000	2,800-3,200			2,800-3,500	3,200-3,900
Total					4.6	3.2		

Source: CRISIL Surat Report August 2010

Retail Real Estate Development in Surat

The mall concept is not very prevalent in the city of Surat. The Southwestern zone, which is considered to be the prime residential area, is the retail hub of Surat. In particular, Dumas Road stretch is dominated with shopping complexes and few high street stores. As opposed to national brands such as retailers, banking and financial institutions, restaurants and car showrooms that follow a lease rental model, local retailers in Surat prefer buying the property outright. *(Source: CRISIL Surat Report August 2010*)

The following chart illustrates total supply of retail space and region-wise average capital values in the period indicated in various districts of the Surat Municipal Corporation:

Location	Region-wise segregations defined by CRISIL Research	Average lease rentals* (Rs/sq ft/month)				Upcoming supply (mn. sq. ft.) 2010-12	Outlook on lease rentals	
		2007	2008	2009	Jun-10		2010P	2011P
Dumas Road	South west	50-60	55-65	45-55	45-55	-	45-55	40-50
Adajan	West	35-45	40-50	35-45	35-45	-	35-45	30-40
Randher	North west	30-40	40-50	35-45	35-45	-	35-45	30-40
Varachha	East	30-40	35-40	30-40	30-40		30-40	30-40
Total						**1.3**		

*Average lease rentals for the ground and first floor would be higher

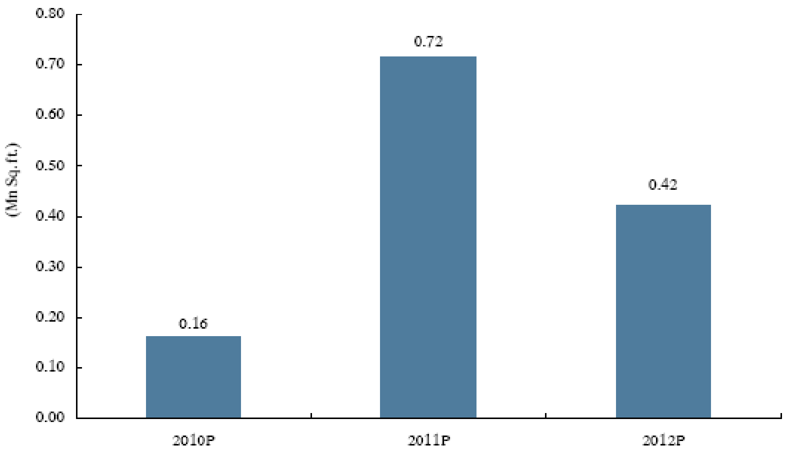
Source: CRISIL Surat Report August 2010

Lease rentals depend on the location of the mall. Affluent areas located in the Southwestern region command the highest lease rentals, followed by the Western region where the lease rentals would be at a discount of around 20%. During the downturn in 2009, retail lease rentals declined by 10% to 15%. *(Source: CRISIL Surat Report August 2010)*

Retail Sector Outlook

Over 2010-12, the retail sector is expected to have 1.3 million square feet of retail real estate space added in Surat. With limited supply expected in 2010, coupled with a buoyant outlook on the economy, lease rentals are expected to remain stable during the year. However, with large scale retail projects expected to be completed in 2011, there is likely to be some pressure on lease rentals values. *(Source: CRISIL Surat Report August 2010*)

The following graph illustrates the expected supply of organised retail space in Surat from 2010 to 2012:



Source: CRISIL Surat Report August 2010

Real Estate Market in Hyderabad

Hyderabad is the capital city of Andhra Pradesh, with a population of 5.75 million in the Hyderabad urban agglomeration and 6.15 million in Hyderabad Metropolitan Development Authority according to the 2001 census. Over the last few years, Hyderabad has experienced a cyber revolution, and has been expanding rapidly. During this period, Hyderabad has witnessed significant growth in the real estate sector due to the IT-driven economic success and the consequent retail industry growth.

Hyderabad Metropolitan Area refers to the jurisdiction covered under Hyderabad Metropolitan Development Authority and the three Special Area Development Authorities namely Cyberabad Development Authority, Hyderabad Airport Development Authority and the Buddha Purnima Project Authority. *(Source: CRISIL Research, City Real(i)ty – Outlook: 2009-2011, June 2009)*

Increasing demand for houses, with a variety of amenities and facilities, led to the emergence of integrated townships, which required vast stretches of land. Land of this scale was available only outside Hyderabad's core city limits; therefore, most developers shifted their focus to suburban and peripheral areas for the development of commercial, retail, residential and leisure facilities. Real estate demand in the suburban and peripheral areas surrounding Hyderabad, especially in the North and Northwestern part, went up exponentially leading to an increase in capital values over the past few years. *(Source: CRISIL Research, City Real(i)ty – Outlook: 2009-2011, June 2009)*

The real estate market of Hyderabad was adversely affected during the first half of 2009 on account of the global economic downturn. Capital values for the residential segment and, lease rentals for commercial and retail spaces declined due to a reduction in demand. In addition, oversupply continued to put pressure on capital values and lease rentals. *(Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010)*

Despite reduction in investor demand, end user demand still exists, albeit on a limited scale as prices are expected to fall further. The improvement in the IT/ITES industry, which is the major demand driver for housing in the city, has also not helped restore demand to previous levels. Buyers have been showing a preference for completed projects, as the credibility of developers has been adversely affected due to delays in completion of projects. Even though many developers have either terminated their projects or put them on hold, excess supply exists, especially in the regions in and around Hi-tech City, the Northwestern region of the city. *(Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010)*

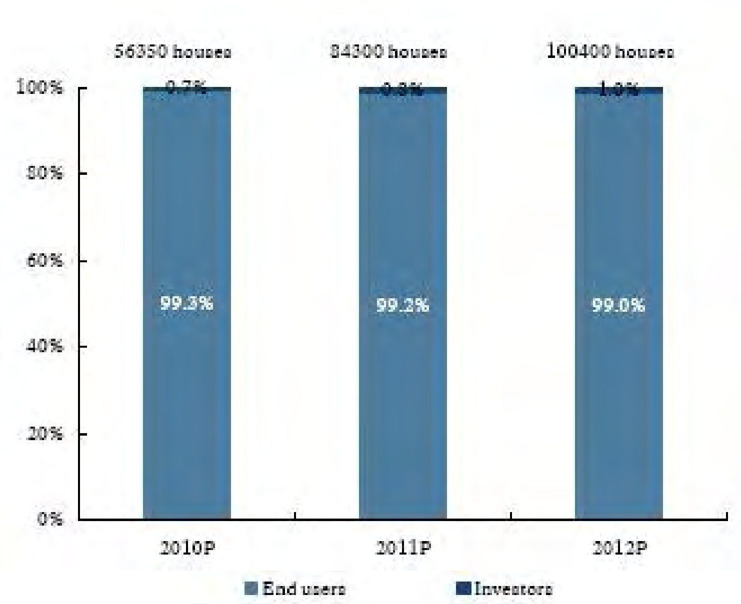
Over the next six months, CRISIL expects residential capital values to decline from their June 2010 levels or remain stable. In the commercial and retail segment as well, lease rentals are likely to decline or remain stable on account of excess supply. *(Source: CRISIL Research, City Real(i)ty– Hyderabad, August 2010)*

Residential Real Estate Development in Hyderabad

The city of Hyderabad has expanded rapidly from its Municipal Corporation of Hyderabad, or MCH, limits especially towards the Northern and Northwestern regions. Fast-paced, haphazard and sub-standard growth in old Hyderabad city has saturated core areas. As a result, the city has expanded beyond the administration limits of the Municipal Corporation of Hyderabad. Suburban and peripheral areas (North and Northwestern regions) witnessed an increasing demand for residential areas along with commercial development. Fast growing IT/ITES, pharmaceutical, biotechnology and other knowledge-based industries, the emerging retail segment and development of infrastructure projects have primarily fuelled residential demand in Hyderabad. *(Source: CRISIL Research, City Real(i)ty –Outlook: 2009-2011, June 2009)*

Self-consumption has been increasingly steadily in the past few years and currently stands at over 95%. Of this group, between 70% and 75% were salaried, and the balance were self-employed and professionals. The proportion of investors has reduced from between 25% and 27% in 2007 to less than 5% in June 2010 *(Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010*)

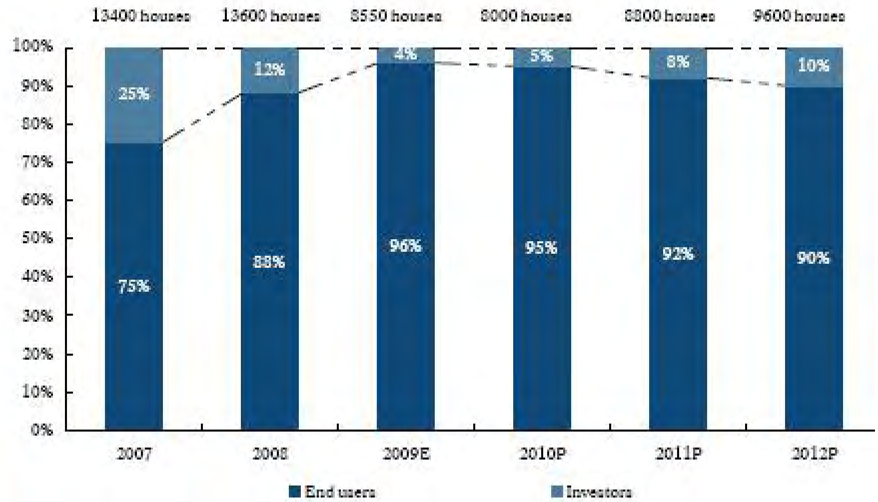
The following chart sets forth the projected potential demand for residential houses in the Hyderabad Metropolitan Area during the period from 2010 to 2012:



Note: End users include residents and migrants (which are people living in the city for less than four years

Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010

The following chart illustrates the absorption pattern in the Hyderabad Metropolitan Area in 2007, 2008 and 2009 and the projected movement in 2010, 2011 and 2012:



Source: CRISIL Research, City Real(i)ty– Hyderabad, August 2010

Housing Supply in Hyderabad

CRISIL expects the total planned residential supply is 127.0 million square feet by the end of 2012, with an estimated supply of 50.7 million square feet expected to be developed. Of this, only 34.3 million square feet is likely to be absorbed, thus leading to excess supply in the market. *(Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010*)

Residential capital values in and around Banjara Hills continue to be the highest, followed by Hi-tech city and Secunderabad Cantonment. The following table illustrates residential capital values of various regions of Hyderabad for the periods indicated:

Regions	Average residential capital values (Rs/sq. ft.)					Outlook on capital values (Rs/sq. ft.)		
	2006	2007	2008	2009	During Jun 2010	Sep-10	Dec-10	2011P
In and around Hi-tech city	2,800-3,000	3,600-3,900	3,800-4,000	2,850-3,050	2,800-3,200	2,700-3,100	2,700-3,100	2,800-3,200
In and around Banjara Hills	3,800-4,000	5,000-5,500	5,700-5,900	5,000-5,500	5,400-5,600	5,400-5,600	5,400-5,600	5,750-6,250
In and around Shameerpet	2,100-2,200	2,250-2,500	2,500-2,700	2,050-2,300	2,150-2,350	2,150-2,350	2,150-2,350	2.250-2.450
Secunderabad Cantonment	2,300-2,400	2,800-3,000	3,100-3,200	2,800-3,000	2,400-2,800	2,400-2,800	2,400-2,800	2,700-2,900
Ghatkesar area	1,250-1,350	1,500-1,650	1,800-1,950	1,550-1,750	1,750-1,850	1,700-1,800	1,700-1,800	1,750-1,950
In and around old Hyderabad	2,100-2,250	2,300-2,500	2,550-2,750	2,400-2,600	2,000-2,200	2,000-2,200	2,000-2,200	2,200-2,300
Shamshabad area	-	2,100-2,300	2,500-2,600	2,100-2,300	2,100-2,300	2,100-2,300	2,100-2,300	2,300-2,500

Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010

Commercial Real Estate Development in Hyderabad

Hyderabad is known for its IT/ITES services, pharmaceuticals and the entertainment industries. Its economy is transforming from being manufacturing-based to a more knowledge-based. Presently, the IT/ITES sector accounts for majority of the total demand for office space. The IT/ITES region is mainly located in the Western part of Hyderabad in Hi-tech City. *(Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010)*

Trends in Office Space

Lease rentals in CBD area, off-CBD and prime suburban areas have escalated over the last five years. Rentals in the CBD areas of Begumpet and Secunderbad have increased from approximately Rs.26 to Rs.28 per square feet per month in 2004 to approximately Rs.50 to Rs.55 per square feet per month during the first half of 2008. However, since then rentals have witnessed a declining trend and have come down to approximately Rs.38 and Rs.42 per square feet per month as of June 2010.

The following table illustrates the lease rentals for commercial office space in the different regions of Hyderabad for the periods indicated:

Regions	Average lease rentals (Rs sq. ft. /month)					Outlook on lease rentals (Rs sq. ft. /month)		
	2006	2007	2008	2009	During Jun 2010	Sep-10P	Dec-10P	2011P
Peripheral	36-38	38-40	40-45	32-38	25-33	23-31	23-31	23-31
Prime suburban	33-35	37-50	57-62	45-50	35-45	35-45	35-45	35-45
Off CBD	33-35	40-42	42-47	38-42	34-45	34-45	34-45	34-45
CBD	35-37	40-45	50-55	43-48	38-42	38-42	40-44	40-44
Suburban	25-28	30-32	32-33	28-30	18-28	20-30	20-30	20-30

Source: CRISIL Research, City Real(i)ty– Hyderabad, August 2010

Commercial Real Estate Supply and Demand

CRISIL estimates a supply of 29.2 million square feet of commercial office space compared to a planned supply of 74.0 million square feet over the next 2.5 years, with a major proportion to cater to the IT/ ITES sector. Demand is estimated to be around 11.8 million square feet of commercial office space in the same period. Of the total expected supply, the Hi-tech City region is expected to account for 60% and Shamshabad area (including Chevella, Hayat Nagar) is expected to contribute close to 34%. *(Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010)*

Retail Real Estate Development in Hyderabad

Retail development in Hyderabad has been tracking the growth in commercial and residential space. With the old city nearing saturation point, new development is primarily coming up in peripheral and prime suburban locations. Out of the total planned supply of retail space, around 75% is in and around Hi-tech City in the areas of Kukatpally, Moosapet, Manikonda and Gachibowli.

Lease rentals primarily depend on the location of the mall. Rentals in upmarket areas like Banjara Hills have dropped by around 10% to 18% even though there has not been an extraordinary increase in retail space. The rentals have fallen to Rs. 90 to Rs. 110 per square feet per month at present from Rs. 110 to Rs. 120 per square feet per month in the second half of 2009. Rentals in Kukatpally have also plummeted in the first six to eight months of 2010, mainly due to huge upcoming supply of retail space. Rentals are expected to fall in regions like Kukatpally, Madhapur and Somajiguda by nearly 21%, 6% and 11%, respectively, in 2011 from their June 2010 levels.

Retail Sector Outlook

Organised retail penetration in Hyderabad is expected to grow from 11.8% in 2007-08 to 23.0% in 2012-13. CRISIL estimates that 6.7 million square feet of mall space is expected to be added by 2012. Retail space of 0.73 million square feet has already been added in the first half of 2010. Kukatpally is expected to add more than three million square feet of retail space which would result in oversupply in this area. Therefore, rentals in this area are likely to come down further. *(Source: CRISIL Research, City Real(i)ty–Hyderabad, August 2010)*

The following table illustrates the lease rentals for retail in the different regions of Hyderabad for the periods indicated:

Location	Average lease rentals (Rs/sq. ft. /month)					Outlook on lease rentals (Rs sq. ft. /month)		
	2006	2007	2008	2009	Jun-10	Sep-10P	Dec-10P	2011P
Banjara Hills	145-155	180-190	170-190	130-145	90-110	90-110	90-110	90-110
Madhapur (Hi-tech city)	110-120	140-150	120-130	90-105	85-90	85-90	85-90	80-90
Punjagutta	140-150	160-170	130-150	105-120	105-115	105-115	105-115	100-110
Somajiguda	90-100	105-115	105-115	95-105	90-100	90-100	90-100	80-90
Begumpet/Ameerpet	110-120	120-130	110-120	90-100	90-100	90-100	90-100	90-100
Abids/Himayat Nagar	95-105	110-120	100-110	90-105	100-120	100-120	100-110	100-110
Kukatpally	95-105	125-135	125-135	120-130	70-90	70-90	60-80	55-70

Source: CRISIL Research, City Real(i)ty – Hyderabad, August 2010

OUR BUSINESS

Overview

We are the flagship real estate company of the Kalpataru group of companies (the "Kalpataru Group") which is one of the leading real estate development groups in India (*Source: Construction World September 2010*). Our focus is on the development of premium residential, commercial, retail, integrated townships, lifestyle gated communities and redevelopment projects primarily in the Mumbai Metropolitan Region (the "MMR") and Pune. We are also undertaking projects in other key cities such as Hyderabad, Surat, Nagpur, Jaipur and Udaipur.

The Kalpataru Group has interests in real estate development, property and project management, engineering, procurement and construction ("EPC") contracting for power transmission and infrastructure projects including road projects, warehousing and logistics. The Kalpataru Group was established in 1969 by our Promoter, Mr. Mofatraj P. Munot. The Kalpataru Group includes Kalpataru Power Transmission Limited and JMC Projects (India) Limited, both listed on the NSE and the BSE. Kalpataru Power Transmission Limited and JMC Projects (India) Limited had revenues of Rs.26,306.85 million and Rs.13,209.96 million, respectively, for the fiscal year 2010. One of our key strengths is our affiliation and our relationship with the Kalpataru Group and the strong brand equity generated from the "Kalpataru" brand name.

As of August 31, 2010, we, our Promoters and Group Companies have collectively developed 73 real estate projects across India, aggregating to 10.3 million square feet of Saleable/Leaseable Area. A majority of these projects are located in Mumbai, other locations of the MMR and Pune and are predominantly residential projects.

As of August 31, 2010, we have completed 20 residential developments, three commercial development and one retail development, aggregating 5,293,075 square feet of Saleable/Leaseable Area. As of August 31, 2010, we had:

- 15 Ongoing Projects, aggregating 13,760,719 square feet and 9,651,328 square feet of Developable Area and Saleable/Leaseable Area, respectively;
- 10 Forthcoming Projects, aggregating 21,638,927 square feet and 15,002,064 square feet of Developable Area and Saleable/Leaseable Area, respectively;
- 15 Planned Projects, aggregating 56,529,212 square feet and 52,473,903 square feet of Developable Area and Saleable/Leaseable Area, respectively; and
- Land Available for Future Development aggregating 1,303 acres.

As of August 31, 2010, we had Land Reserves aggregating 2,670.36 acres. Our Land Reserves is the sum of all our land, including our Ongoing Projects, Forthcoming Projects, Planned Projects and Land Available for Future Development.

In 2010, we were awarded the "Best Architecture (Multiple Units) – Asia Pacific" for Kalpataru Aura, a residential development in Mumbai, and the "Best Office Development – Asia Pacific" for Kalpataru Square, a commercial development in Mumbai, at the Asia Pacific Residential and Commercial Property Awards, Hong Kong, organised in association with Bloomberg Television. In 2009, we were awarded a four-star rating in "Best Retail Development - India" for Korum, a shopping mall in Thane, at the CNBC Asia Pacific Commercial Property Awards.

The table set forth below provides a summary of our Ongoing Projects, Forthcoming Projects and Planned Projects as of August 31, 2010:

Type of Project	Number of Projects	Developable Area	Saleable/Leaseable Area
		(in square feet)	*(in square feet)*
Ongoing Projects			
Residential	11	11,550,444	8,091,545
Residential.............................		11,182,142	7,837,703

Type of Project	Number of Projects	Developable Area	Saleable/Leaseable Area
		(in square feet)	*(in square feet)*
Commercial [1].........................		368,302	253,842
Commercial	1	324,965	222,135
Integrated townships………………..	1	1,334,166	1,073,176
Residential.............................		1,334,166	1,073,176
Commercial		-	-
Redevelopment	2	551,144	264,472
Residential.............................		508,039	243,782
Commercial		43,105	20,690
Sub-Total....................................	**15**	**13,760,719**	**9,651,328**
Forthcoming Projects			
Residential	5	2,927,630	1,882,575
Commercial	1	186,082	139,561
Retail...	1	755,076	476,785
Lifestyle gated community	1	1,999,833	1,999,833
Residential.............................		1,599,867	1,599,867
Commercial...........................		399,966	399,966
Integrated Township	1	15,543,744	10,415,634
Residential.............................		14,361,945	9,623,728
Commercial...........................		1,181,799	791,906
Redevelopment	1	226,562	87,676
Sub-Total....................................	**10**	**21,638,927**	**15,002,064**
Planned Projects			
Residential	4	4,351,709	3,082,959
Commercial	1	56,998	42,806
Retail...	1	422,402	320,603
Lifestyle gated community	3	13,168,202	13,168,202
Residential		13,050,362	13,050,362
Commercial		117,840	117,840
Integrated townships....................	3	37,065,104	35,104,904
Residential.............................		34,714,645	32,863,345
Commercial...........................		2,350,459	2,241,559
Redevelopment	2	903,161	192,793
Hospitality	1	561,636	561,636
Sub-Total....................................	**15**	**56,529,212**	**52,473,903**

Type of Project	Number of Projects	Developable Area	Saleable/Leaseable Area
		(*in square feet)*	(*in square feet*)
Grand Total................................	**40**	**91,928,858**	**77,127,295**

[1] Some of our residential properties also include minor commercial space which we lease or sell.

We are an integrated real estate development company involved in all activities associated with real estate development, including, identification and acquisition of land, planning, designing, execution and marketing of our projects. We undertake our projects through our in-house team of professionals and by engaging leading architects, consultants and EPC companies. While designing and developing a project, we rely on a research-based approach for layout planning, FSI utilisation, unit size, amenities, interiors and sales and marketing strategy. Depending upon the market scenario, regulatory practice and consumer preferences, we plan our development mix and product design. We also regularly interact with our customers to receive direct feedback on the quality of our projects.

In our residential developments, we build and sell a wide range of properties including houses, bungalows, duplexes and apartments of varying sizes, with a primary focus on premium real estate. For commercial developments, we adopt a model of leasing and selling spaces with our primary focus being to lease space. In our retail developments, we develop, manage and lease shopping malls. Our integrated township developments and lifestyle gated community projects typically consist of the development, sale or lease and management of residential, commercial and retail developments.

For the fiscal years 2010 and 2009, our consolidated total income was Rs. 6,168.35 million and Rs. 3,670.75 million, respectively, and our net profit after tax and minority interest, as restated was Rs. 1,044.56 million and Rs. 313.92 million, respectively.

Our Strengths

We believe the following are our primary competitive strengths:

Promoters' track record and established brand name

We are the flagship real estate company of the Kalpataru Group, a group with interests across various industries. The Kalpataru Group was established in 1969 by Mr. Mofatraj P. Munot, our Promoter, and has over 41 years of experience in real estate development. The Kalpataru Group also engages in property and project management, EPC contracting for power transmission and infrastructure projects including road projects, warehousing and logistics. Our key strengths are our affiliation and our relationship with the Kalpataru Group and the strong brand equity of the "Kalpataru" brand. We benefit from the reputation and expertise of the Kalpataru Group in the construction and infrastructure sector and their industry knowledge.

As of August 31, 2010, we, our Promoters and our Group Companies have collectively developed 73 real estate projects in India, with approximately 10.3 million square feet of Saleable/Leaseable Area. These developments, over the last 41 years, include a variety of real estate developments including residential high-rises, commercial projects, integrated townships, redevelopment projects and shopping malls.

The Kalpataru Group was rated as one of the India's top builders by the Construction World for the last five years. In 2010, our Promoters were awarded "Best High Rise Architecture India – Highly Recommended" for Kalpataru Towers, a residential development in Mumbai, at the Asia Pacific Residential Property Awards (organised in association with Bloomberg Television) held in Hong Kong. Additionally, Kalpataru Horizon, a premium residential complex of 30 storied twin towers (completed in 2006), was awarded a four-star rating in "Best High-Rise Architecture – India" at the CNBC Asia-Pacific Property Awards in 2008 and Kalpataru Heights, a 39 storied residential complex (completed in 1999), was awarded "Outstanding Concrete Structure 1999-2000" by the Indian Concrete Institute. Other completed prominent real estate projects include Kshitij and Swapnalok, terraced apartments (completed in 1974 and 1975, respectively) and State Bank of India Quarters at Mahim, Mumbai. The Kalpataru Group has also received various other business awards and recognitions. Their experience in construction in the Middle East has provided us with know-how on international best practices and standards in the real estate industry.

Through our Completed Projects and the business of the Kalpataru Group, we believe we have established our reputation and brand image with the quality of our designs, our strong execution skills and customer satisfaction. We believe that our strong brand, reputation and track record of developing projects which emphasise contemporary architecture, strong project execution and quality construction have enabled us to win various real estate awards, differentiated our developments from our competitors, established customer confidence, influenced our customer's buying and leasing decisions and enabled us to achieve premium prices for our projects. In addition, we believe our developments have also enhanced the locational value of the areas that our developments are located in.

In 2010, we were awarded the "Best Architecture (Multiple Units) – Asia Pacific" for Kalpataru Aura, a residential development in Mumbai and "Best Office Development – Asia Pacific" for Kalpataru Square, a commercial development in Mumbai, at the Asia Pacific Residential and Commercial Property Awards, Hong Kong, organised in association with Bloomberg Television. In 2009, we were awarded a four-star rating in "Best Retail Development– India" for Korum, a shopping mall in Thane at the CNBC Asia Pacific Commercial Property Awards and "Best Safety Practices" for Kalpataru Square at the CNBC AWAAZ CRISIL CREDAI Real Estate Awards. In 2008, we were awarded "Best Overall Systems" for Kalpataru Estate at the CNBC AWAAZ CRISIL Real Estate Awards.

Ability to identify and acquire suitable land parcels for development

One of our key strengths is our ability to identify suitable tracts of land in strategic locations in India and in the MMR and Pune in particular where we expect long term appreciation in the value of our projects. Land identification at reasonable pricing and strategic locations is an important factor for the success of our business. We undertake research for our projects prior to making any decisions to acquire, develop or sell our properties. Our in-house market research, business development and execution process teams are involved in gathering relevant market data, assessing the potential of a location after evaluating various trends and identifying relevant Government schemes and incentives, which we believe enables us to design and develop projects which differentiates us from our competitors, allows us to anticipate market trends and create long-term value appreciation for our projects. Our extensive experience has also enabled us to acquire land or development rights through redevelopment projects and joint ventures.

Strong portfolio of Ongoing Projects in the Mumbai Metropolitan Region generating near term cash flows

We, our Promoters and our Group Companies have been operating in the MMR for over 41 years and we believe that we have good knowledge of the market and the regulatory environment in the MMR which assists us significantly in identifying real estate development opportunities in the region. Most of our Completed Projects, Ongoing Projects and Forthcoming Projects are located in the MMR, which we believe is an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We also believe that the MMR's position as the commercial capital of India, together with the demographics of its population, which is a high-income, discerning customer base and an expanding segment of young, upwardly mobile professionals, provides a substantial market for our projects.

We believe that the MMR will continue to be the primary focus of our business as the city continues to develop and demand increases for residential, commercial, retail and hospitality properties. As of August 31, 2010, we had 12 Ongoing Projects, aggregating 10,528,444 square feet and 7,036,453 square feet of Developable Area and Saleable/Leaseable Area, respectively, in the MMR. As of August 31, 2010, we had six Forthcoming Projects, aggregating 17,923,344 square feet and 11,893,596 square feet of Developable Area and Saleable/Leaseable Area, respectively, in the MMR. As of August 31, 2010, we had four Planned Projects, aggregating 4,334,393 square feet and 3,161,725 square feet of Developable Area and Saleable/Leaseable Area, respectively, in the MMR. We expect to launch all of these projects aggregating to 22,091,774 square feet of Saleable/Leaseable Area within the next five years, from which we expect to generate income.

Some of the land we are undertaking the development of our Ongoing Projects and Forthcoming Projects were located in developing locations at the time of acquisition and as a result of which, in the current market scenario, we have the potential for better value realisation. Additionally, out of our Ongoing Projects in the MMR and

Pune, we have 100% tax exempt residential projects under Section 80IB(10) of the Income Tax Act for 4,504,689 square feet of Saleable/Leaseable Area, which projects we expect to complete by March 2012.

Emphasis on high quality, innovative and environment friendly projects

Our philosophy is to develop properties that are high quality in terms of their design, construction and environmental sustainability. To achieve high standards in design, we engage nationally and internationally-known architects and designers in addition to our own specialised in-house architects and designers to create innovative and differentiated properties. To achieve high quality construction, we use high-quality materials and fittings in the construction and furnishing of our properties along with closely monitoring the work of our contractors. To achieve environmental sustainability, we innovate and incorporate environmentally sustainable best practices and considerations into the design and construction of our projects. We believe some of the projects we have developed are landmark "destination developments", which we believe has enhanced the location and the desirability of those projects.

We consider innovation to be a key success factor in the real estate development business. We believe we were one of the earlier real estate developers in India to extensively implement sustainable and environmentally responsible design concepts into our real estate developments. Our commercial development, Kalpataru Square at Andheri, Mumbai, was the first building outside the United States and the sixth building in the world to receive the United States Green Building Council's platinum certification under the LEED Core and Shell V.2.0 and has been awarded a three star rating by the Bureau of Energy Efficiency, Ministry of Power, Government of India. Four of our Ongoing Projects in our residential and integrated township projects portfolio, Kalpataru Pinnacle, Kalpataru Hills, Kalpataru Riverside and Srishti have also been pre-certified by Indian Green Building Council as green homes. In addition, we are a founding member of the Indian Green Building Council, which is actively involved in promoting the green building concept in India with a vision to serve as a single point solutions provider and facilitator for green building activities in India.

Robust pipeline of projects in high growth cities

We believe that project selection and positioning are crucial to our success. Our business model includes residential, commercial, retail, lifestyle gated communities and integrated township projects across the MMR, Pune, Hyderabad, Surat, Nagpur, Jaipur and Udaipur. Currently, in terms of Saleable/Leaseable Area, out of our portfolio of Ongoing Projects and Forthcoming Projects, 76.8% are located in the MMR and 23.2% are located across the remaining cities we operate in. For details on our projects and their geographical location, see "—Description of Our Business" on page 142.

Additionally, of the total Ongoing Projects, Forthcoming Projects and Planned Projects we have in our portfolio, nine projects have been launched where sales of units have commenced. The remaining projects are expected to be launched within the next five years. We believe that this mix of launched projects along with a pipeline of projects that are expected to be launched in the near future will provide us with steady revenues.

Experienced and qualified management team with strong human resource practices

We have a highly qualified and experienced management team with extensive experience in the real estate sector. In addition to working with us over the last 11 years on average, our senior management were involved with our Promoters' real estate team that were responsible for developing most of our completed projects. On average, our senior management team (including our key managerial personnel) has 18 years of experience in the real estate sector. In addition, we have a management team that built the reputation and image of the "Kalpataru" brand which, we believe, strongly positions us to manage our future growth while maintaining our standards of design and execution quality.

We believe that one of our key strengths is our Company's organisational structure which promotes operational autonomy and efficiency across departments. In 2007, Lifestyle Property Ventures Private Limited, our Group Company, was awarded "Best Organisational Structure" at the CNBC AWAAZ CRISIL Real Estate Awards 2007.

We place a strong emphasis on employee development and our key initiatives for the development of our employees include the following:

- annual training programmes which consists of, among others, customised career plans, leadership development programmes, mentoring programmes and technical skills training;
- customised MBA programmes in collaboration with a reputed management institute; and
- online learning and development tools including knowledge management.

We believe that our emphasis on employee development and our internal human resources initiatives for the development of our employees provides us with the skills to adapt to the future needs of our business.

Our Strategy

Our business strategy is to build upon our competitive strengths and business opportunities to continue to be a leading real estate development company in India specializing in residential, commercial, retail, lifestyle gated communities and integrated township real estate development in India. Our business strategy consists of the following principal elements:

Maintain our focus on the Mumbai Metropolitan Region and selectively pursue opportunities in other growth centres

Most of our Ongoing Projects and Forthcoming Projects are concentrated in the MMR. We believe that the MMR is an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We believe that there are significant barriers to participating in the real estate market in the MMR, which favours real estate developers that have the experience and have established businesses. Some of these barriers relate to the limited availability of land and dealing with the complexities of the regulatory approval process. We also believe that the MMR's position as the commercial capital of India, together with the demographics of its population, provides a significant market for our developments, which are focused on the residential sector but are also spread across the commercial, retail and integrated townships sectors of the real estate market. Our development sites are located in distinct areas in the MMR, and cater to various income groups. We intend to continue to tailor our projects to the particular requirements of each market.

We believe that favourable initiatives by the Government of Maharashtra, such as the repealing of the ULCRA, announcement of rules for cluster redevelopment leading to additional FSI in densely populated areas of Mumbai and the introduction of legislative changes to increase the FSI available for redevelopment of old structures in the MMR, will lead to an increase in the redevelopment opportunities in the MMR. As of August 31, 2010, we have five Ongoing Projects, Forthcoming Projects or Planned Projects that are redevelopment projects.

Going forward, we believe that redevelopment projects will be an important means for obtaining land in the MMR and we intend to increase our focus on participating in redevelopment projects. Additionally, we intend to pursue opportunities to acquire medium to large sized land parcels in the extended suburbs of the MMR, including industrial land and mill land. In the past, we have acquired industrial plots from large Indian and multinational companies.

While the MMR remains and is expected to remain our primary focus, we also intend to selectively pursue opportunities in other metropolitan cities and high-growth cities across India. As of August 31, 2010, we had 18 Ongoing Projects, Forthcoming Projects and Planned Projects in Pune, Lonavala, Raigad, Nagpur, Shirol (Nasik Road), Hyderabad, Jaipur, Udaipur and Surat. We are also constantly evaluating expansion into other cities in India such as Ahmedabad and Bengaluru. We believe that the economic growth in these cities will result in increased demand for residential housing, as well as retail, hospitality and commercial spaces.

Continue to create innovative real estate developments

We intend to leverage our emphasis on innovation, brand name and extensive experience to continue developing innovative and high quality properties in our chosen markets in India. We will continue our strategy of conducting in-depth market research and analysis with the aim of identifying property trends and potential development opportunities as early as possible in a given market's potential development cycle.

We recognise the importance of delivering quality projects on a timely basis. We intend to increase the scale of our business while staying focused on quality in order to maximise customer satisfaction. We have been an early adopter of construction systems like Mivan Formwork System and Doka Formwork System. We also intend to continue to use technologically advanced tools and processes to ensure quality construction. Furthermore, we will continue to pursue innovation within each of the residential, retail, commercial office space and integrated townships sectors. We believe that innovation will provide us with a competitive advantage by differentiating our products from those of our competitors, and by providing a unique experience to our customers.

Develop high quality integrated townships and lifestyle gated communities

We believe that the market for real estate development in India over the next 10 years will be focused on new urban and suburban integrated township developments that provide residents with an array of amenities. These projects are targeted at India's rapidly growing middle class and upper middle class purchasers. We intend to capitalise on this growing demand by developing such projects across select city suburban areas in India. These projects consist of residences catering to a range of income groups, commercial office space and retail facilities such as shopping centres, hotels, restaurants and cinemas.

Additionally, we believe that there is demand for "weekend homes" among middle and upper middle class purchasers in India. In the past, a majority of such projects have catered to by wealthy customers. We believe there is an opportunity for an established and recognised real estate developer such as ourselves to leverage our brand and sell these projects to our existing customers in the MMR, who we expect to comprise middle and upper middle class purchasers. As a result, we have planned various lifestyle gated communities in proximity to Mumbai. Our lifestyle gated community projects are focused on the development, sale, lease and management of villas and row houses in close proximity to city centres and are expected to consist of facilities such as shopping centre, restaurants, club houses with spas, indoor games rooms, yoga and meditation centres, gymnasiums and swimming pools.

As of August 31, 2010, we had 10 Ongoing Projects, Forthcoming Projects and Planned Projects that are lifestyle gated communities and integrated townships, and by developing these properties, we believe we will be able to attract the rapidly growing number of middle and upper middle class purchasers in India.

Continue to focus on residential projects while selectively developing commercial and retail projects

We have historically focussed on the development of residential projects. As of August 31, 2010, in terms of Saleable/Leaseable Area, 94.9%, 87.9% and 93.7% of our total Ongoing Projects, Forthcoming Projects and Planned Projects, respectively, comprise residential projects. We intend to continue to focus on the residential sector as we believe that we can derive significant returns on our investments in such properties. Given that residential projects continue to be our focus, we will continue to evaluate and selectively develop commercial and retail projects depending on our understanding of that particular location and the potential that particular project will have.

Enhance and leverage the Kalpataru brand and our Group Companies' resources

One of our key strengths is our affiliation and relationship with the Kalpataru Group and the strong brand equity of the "Kalpataru" brand. We believe that our customers perceive the "Kalpataru" brand to be that of a trusted provider of quality real estate projects. We believe that the strength of the "Kalpataru" brand, its association with innovative, large scale projects and its quality and reliability help us in many aspects of our business, including land sourcing, expanding to new cities and markets, formulating business associations and building relationships with our customers, service providers, investors and lenders. We intend to continue to promote the "Kalpataru" brand by continuing to focus on quality and innovation in our projects and providing strong after-sales support. We believe that delivering value to our customers and enhancing their overall satisfaction with our developments and services will enable us to strengthen the "Kalpataru" brand further, and reinforce its association with quality.

In addition, we believe our association with the Kalpataru Group helps us leverage group resources, including corporate governance and best practices. For example, we intend to leverage the project execution and management capabilities of our Group Companies, JMC Projects (India) Private Limited, a construction company and Property Solutions (India) Private Limited a facilities management company as we expand our operations going forward.

Derive synergies from in-house resources and external service providers

We maintain relationships with key service providers such as construction companies and architects for the development of our projects and intend to continue to outsource services in appropriate circumstances to leverage their expertise. We believe that our balanced model of using external service providers and our in-house team enables us to adopt contemporary concepts and maintain control over important elements of the real estate development process. We intend to continue to maintain a business model which leverages our relationships among our various service providers for the development of our future projects. See also " - Our Property Development Cycle" on page 164.

Completed Projects Developed by our Promoter and Promoter Group Entities

Completed Projects developed by our Promoter and Promoter Group entities, as of August 31, 2010, are summarised in the following table:

	Project Name	Development Site/Location	Project Type	Completion Year
1.	Kalpataru Towers	Mumbai	Residential	2010
2.	Sudha Kalash	Pune	Residential	2009
3.	Girishikar	Mumbai	Residential	2008
4.	Kalpataru Harmony	Mumbai	Residential	2006
5.	Kalpataru Horizon	Mumbai	Residential	2006
6.	Kalpataru Habitat – A	Mumbai	Residential	2005
7.	Karmakshetra	Mumbai	Residential	2005
8.	Kalpataru Regency – Commercial	Pune	Commercial	2005
9.	Kalpataru Synergy	Mumbai	Commercial	2004
10.	Kalpataru Regency - Phase II	Pune	Residential	2004
11.	Kalpataru Habitat – B	Mumbai	Residential	2003
12.	Shrishti Sector (IIA)	Mumbai	Residential	2003
13.	Shrishti Sector (III)	Mumbai	Residential	2003
14.	Kalpataru Vatika Phase 2	Mumbai	Residential	2001
15.	Khushali	Mumbai	Residential	2001
16.	Asian Paints house	Mumbai	Commercial	2001
17.	Kalpataru Regency - Phase I	Pune	Residential	2000
18.	Kalpataru Heights	Mumbai	Residential	1999
19.	Shrishti Sector (VA)	Mumbai	Residential	1999
20.	Nakshatra	Mumbai	Residential	1998
21.	Kalpataru Vatika Phase 1	Mumbai	Residential	1996
22.	Umang	Mumbai	Residential	1994
23.	Kalpataru Arcade	Pune	Commercial	1994
24.	Kalpataru Habitat	Pune	Residential	1994
25.	Shrishti Sector (II)	Mumbai	Residential	1993
26.	Kalpataru Apartment	Pune	Residential	1993
27.	Shrishti Sector (I)	Mumbai	Residential	1992
28.	Antariksha	Mumbai	Residential	1991
29.	Shrishti Sector (V)	Mumbai	Residential	1991
30.	SBI Quarters	Mumbai	Residential	1990

	Project Name	Development Site/Location	Project Type	Completion Year
31.	Kalpataru Gardens - (Nabard Quarters)	Pune	Residential	1990
32.	Kalpataru Plaza – Pune	Pune	Commercial	1990
33.	Kalpataru Garden (Office Building)	Pune	Commercial	1990
34.	Gaurav	Mumbai	Residential	1989
35.	Kalpataru Apartments	Bangalore	Residential	1983
36.	Kalpataru Theatre	Jodhpur	Theatre	1981
37.	Swapnalok	Mumbai	Residential	1975
38.	Ajay	Mumbai	Residential	1975
39.	Vikas	Mumbai	Residential	1975
40.	Siddharth	Mumbai	Residential	1975
41.	Kshitij	Mumbai	Residential	1974
42.	Sudha Kalash	Mumbai	Residential	1974
43.	House of Soviet Culture	Mumbai	Commercial	1974
44.	Sugan	Mumbai	Residential	1973
45.	Neelambar	Mumbai	Residential	1973
46.	Sonarika	Mumbai	Residential	1972
47.	Parag	Mumbai	Residential	1972
48.	Kalpataru (Peddar Road)	Mumbai	Residential	1971
49.	Kalpavraksha	Mumbai	Residential	1971

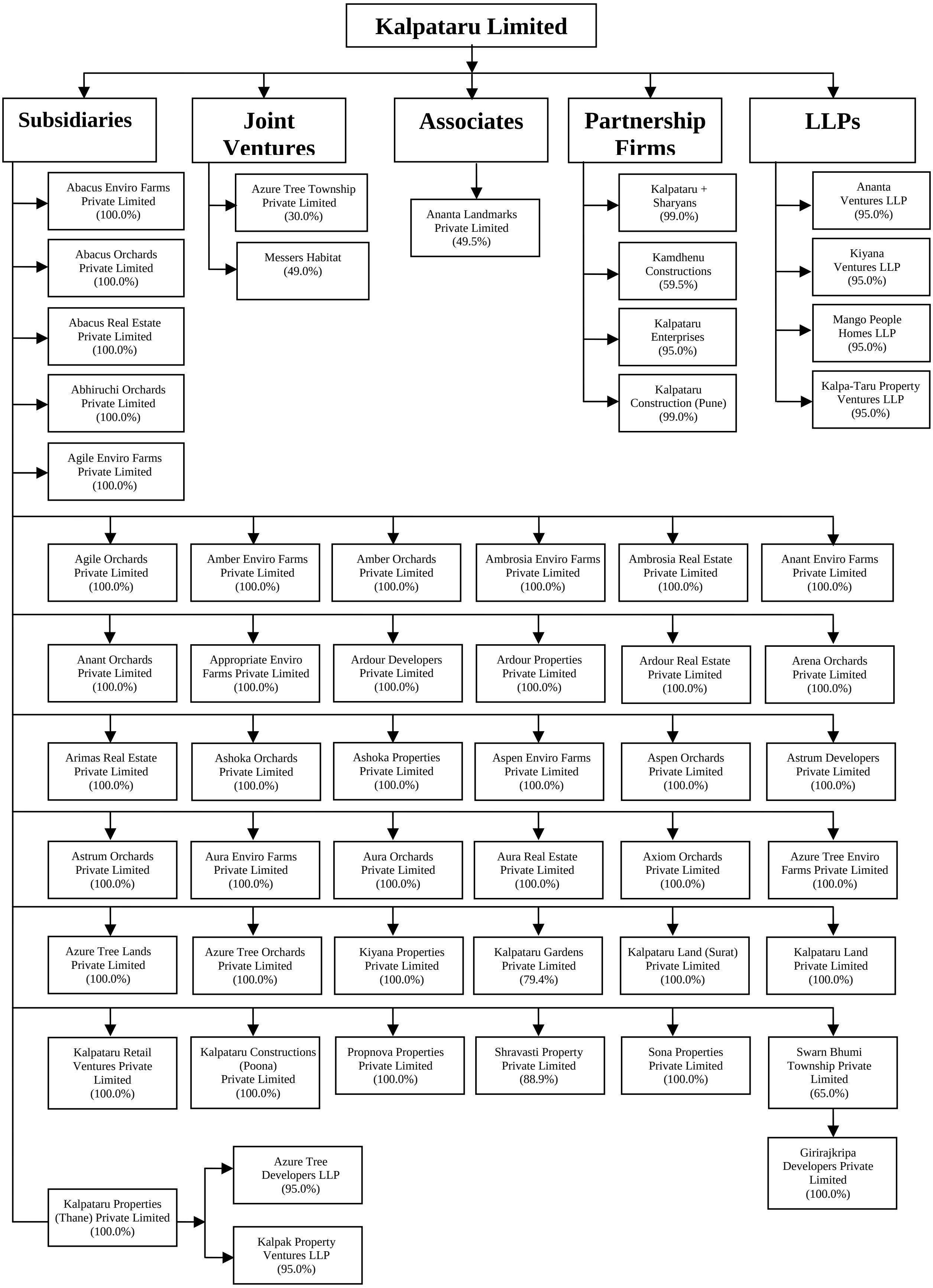
In 2010, our Promoters were awarded "Best High Rise Architecture India – Highly Recommended" for Kalpataru Towers, a residential development in Mumbai, at the Asia Pacific Residential Property Awards (organised in association with Bloomberg Television) held in Hong Kong. Additionally, Kalpataru Horizon, a premium residential complex of 30 storied twin towers (completed in 2006) was awarded a four-star rating in "Best High-Rise Architecture – India" at the CNBC Asia-Pacific Property Awards in 2008 and Kalpataru Heights, a 39 storied residential complex (completed in 1999) was awarded "Outstanding Concrete Structure 1999-2000" by the Indian Concrete Institute. Other prominent real estate projects include Kshitij and Swapnalok, terraced apartments (completed in 1974 and 1975, respectively).

Our Corporate Structure

Our Company was incorporated as Kalpataru Homes Private Limited on December 22, 1988 under the Companies Act, 1956 in Mumbai. Our Company was converted into a public limited company on May 16, 1995 and consequently, its name was changed to Kalpataru Homes Limited. The name of our Company was subsequently changed to Kalpataru Limited on February 1, 2008. Our Promoter, Promoter Group and Group Companies have been developing real estate in India since 1969 and have undertaken construction projects in the Middle East from 1974 to 1982, through various subsidiaries and project specific entities. In February 2008, the principal real estate business operations in India of the Kalpataru Group's various group entities were consolidated under our Company and, following this consolidation, with the exception of certain projects, all real estate development activity in India has been and will continue to be performed by us.

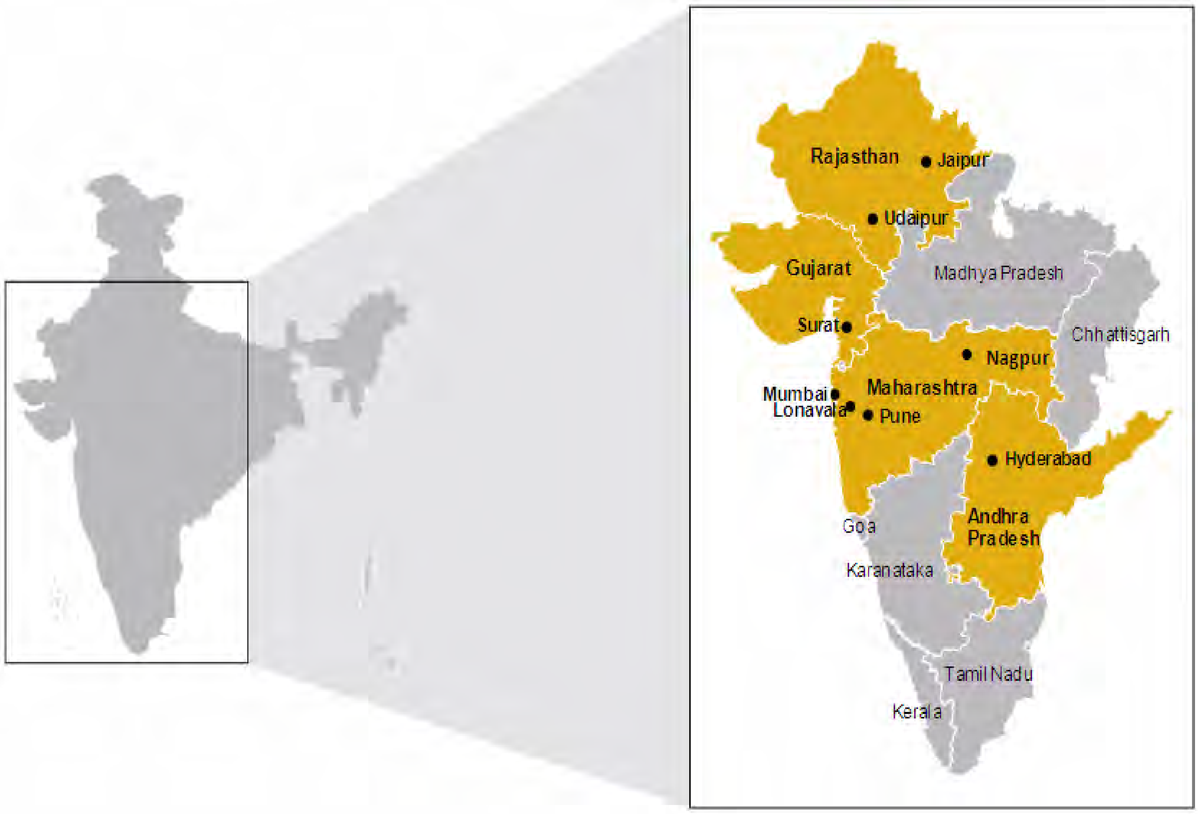
Our Promoters have entered into a non-compete agreement with our Company, whereby our Promoters have undertaken to neither individually nor collectively, with certain group entities set out in the agreement, engage in or otherwise participate in activities or services which compete or may compete with our business. For further details, see "Risk Factors - Risks Relating to Our Business - Our Promoters', Promoter Group and Group Companies' interests in businesses that are engaged in similar lines of business as us may result in conflicts of interest, which could adversely affect our operations." on page xviii.

The following chart illustrates our corporate structure:

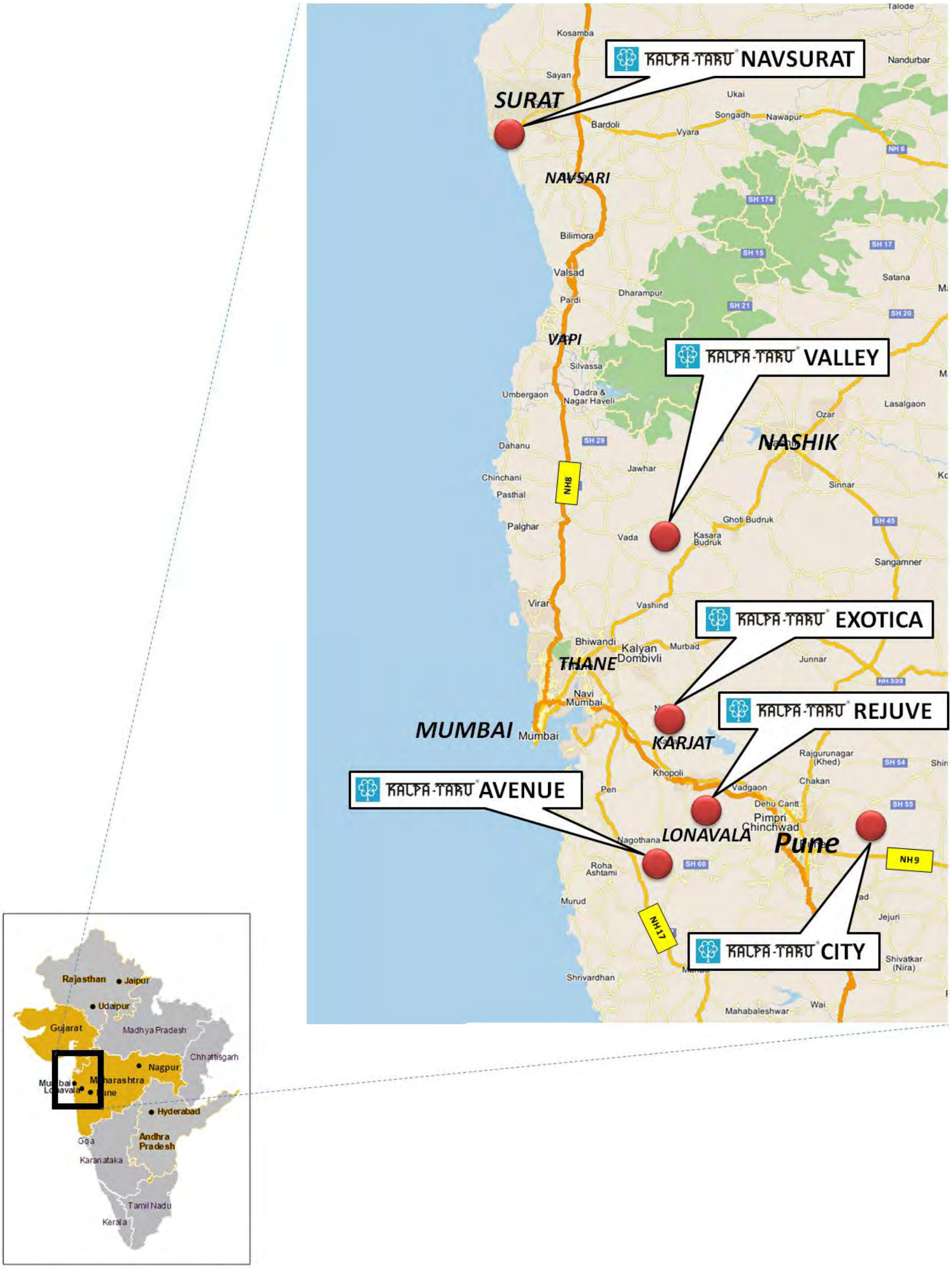


Description of Our Business

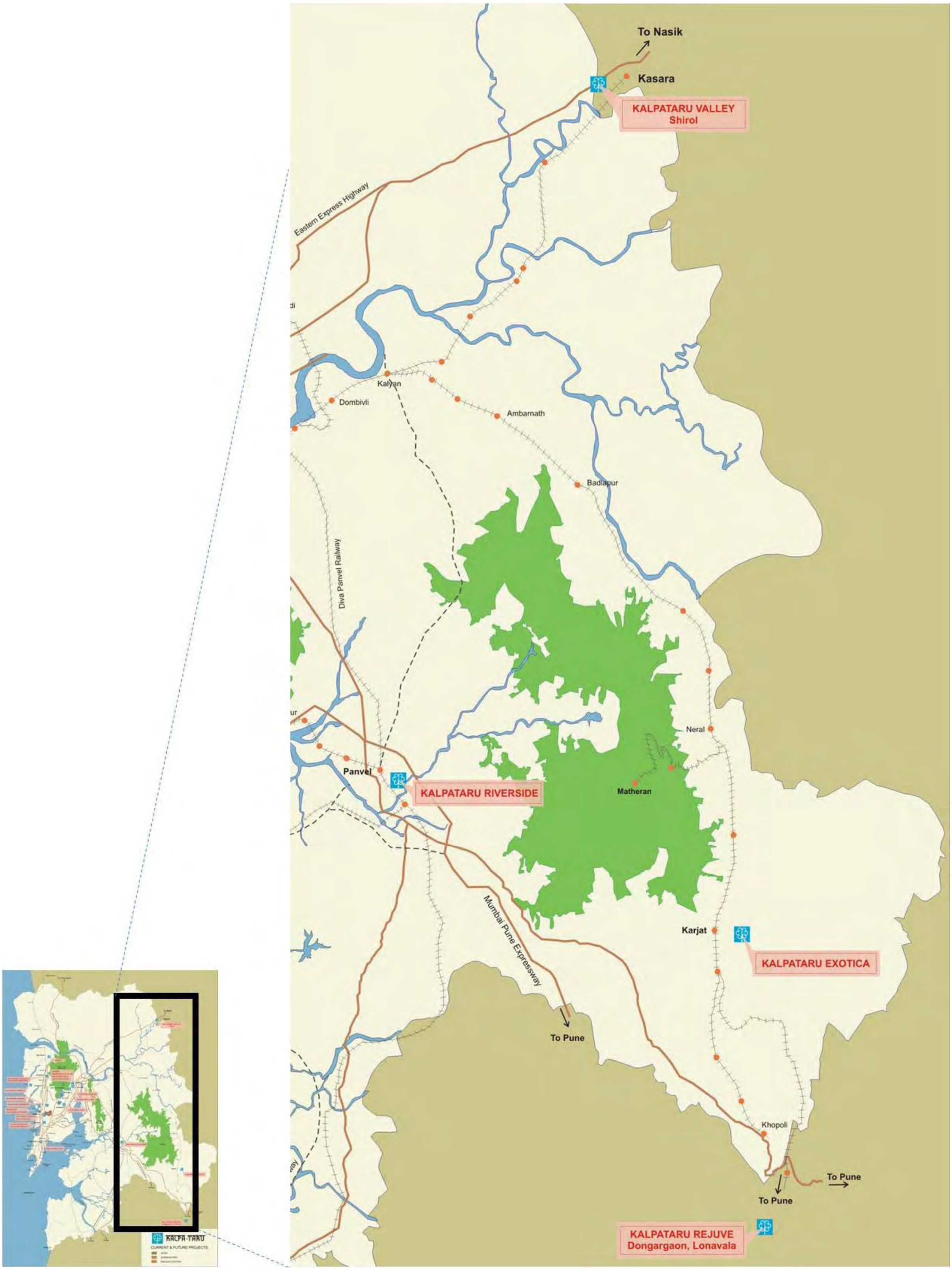
We are a real estate company in India focused on the development of residential, commercial, retail, hospitality, integrated townships and redevelopment projects, in India, which are currently in various stages of development. The following map shows the locations of our Completed Projects, Ongoing Projects, Forthcoming Projects and Planned Projects:



The following map illustrates our geographic presence across Maharashtra and Gujarat:



The following maps illustrate our geographic presence across the MMR and adjoining areas:


To Nasik
Kasara
KALPATARU VALLEY
Shirol
Eastern Express Highway
Kalyan
Dombivli
Ambarnath
Badlapur
Diva Panvel Railway
Neral
Panvel
KALPATARU RIVERSIDE
Matheran
Karjat
KALPATARU EXOTICA
Mumbai Pune Expressway
To Pune
Khopoli
To Pune
To Pune
KALPATARU REJUVE
Dongargaon, Lonavala

The following table presents, as of August 31, 2010, certain information on our projects by geographical area:

	Completed			Ongoing					Forthcoming					Planned				
Location	Land Area (in acres)	Saleable/ Leaseable (in square feet)		Land Area (in acres)	Developable Area (in square feet)		Saleable/ Leaseable (in square feet)		Land Area (in acres)	Developable Area (in square feet)		Saleable/ Leaseable (in square feet)		Land Area (in acres)	Developable Area (in square feet)		Saleable/ Leaseable (in square feet)	
		Residential	*Commercial*		*Residential*	*Commercial*	*Residential*	*Commercial*		*Residential*	*Commercial*	*Residential*	*Commercial*		*Residential*	*Commercial*	*Residential*	*Commercial*
Maharashtra	**9.64**		**691,913**	**123.02**	**13,024,347**	**736,372**	**9,154,661**	**496,667**	**159.14**	**18,353,213**	**1,767,847**	**12,712,189**	**1,331,433**	**716.18**	**27,956,559**	**1,564,669**	**26,291,249**	**1,448,678**
MMR	9.64		691,913	78.16	9,792,072	736,372	6,539,786	496,667	70.35	16,555,463	1,367,881	10,962,129	931,467	89.15	4,216,553	117,840	3,043,885	117,840
Pune				44.86	3,232,275		2,614,875		1.7	197,883	-	150,193		158.28	8,185,685	1,197,201	7,693,043	1,081,210
Lonvala									87.09	1,599,867	399,966	1,599,867	399,966					
Nagpur														146.95	4,742,923	249,628	4,742,923	249,628
Raigad														188.12	6,618,452	-	6,618,452	
Shirol														133.68	4,192,946	-	4,192,946	
Gujarat														**300**	**23,511,510**	**1,383,030**	**21,660,210**	**1,274,130**
Surat														300	23,511,510	1,383,030	21,660,210	1,274,130
Andhra Pradesh									**9.56**	**762,791**	**755,076**	**481,657**	**476,785**					
Hyderabad									9.56	762,791	755,076	481,657	476,785					
Rajasthan														**59.46**	**1,551,808**	**561,636**	**1,238,000**	**561,636**
Jaipur														9.87	1,551,808	-	1,238,000	
Udaipur														49.59	-	561,636		561,636
Grand Total	9.64		691,913	123.02	13,024,347	736,372	9,154,661	496,667	168.7	19,116,004	2,522,923	13,193,846	1,808,218	1,075.64	53,019,877	3,509,335	49,189,459	3,284,444

Our Completed Projects

Our Completed Projects are those projects where construction has been completed and completion certificates have been granted by the relevant authorities. The following table presents, as of August 31, 2010, the Saleable/Leaseable Area of our Completed Projects:

Type of Project	Number of Projects	Saleable/ Leaseable Area
		(in square feet)
Residential projects..	20	4,505,220
Commercial projects..	3	368,399
Retail projects..	1	419,456
Total..	**24**	**5,293,075**

Ongoing Projects

Ongoing Projects are those projects in respect of which (i) all title or development rights, or other interest in the land is held either directly by our Company and/or our Subsidiaries and/or other entities in which our Company and/or our Subsidiaries are shareholders or have a stake; and (ii) wherever required, all land for the project has been converted for the intended use; and (iii) the requisite approvals for commencement of construction have been obtained or applied for, as the case may be. The following table presents, as of August 31, 2010, the Developable Area and Saleable/Leaseable Area of our Ongoing Projects:

Type of Project	Number of Projects	Developable Area	Saleable/ Leaseable Area
		(in square feet)	*(in square feet)*
Residential	11	11,550,444	8,091,545
Residential..		*11,182,142*	*7,837,703*
Commercial		*368,302*	*253,842*
Commercial	1	324,965	222,135
Integrated townships..................................	1	1,334,166	1,073,176
Residential..		*1,334,166*	*1,073,176*
Redevelopment	2	551,144	264,472
Residential..		*508,039*	*243,782*
Commercial		*43,105*	*20,690*
Total..	**15**	**13,760,719**	**9,651,328**

Forthcoming Projects

Forthcoming Projects are those projects in respect of which (i) any title or development rights or other interest in the land is held either directly or indirectly by our Company and/or our Subsidiaries and/or other entities in which our Company and/or our Subsidiaries are shareholders or have a stake; and (ii) if required, applications have been made for conversion of user for the land for the intended use; and (iii) preliminary management development plans are in place; and (iv) architects have been identified and have commenced work. The following table presents, as of August 31, 2010, the Developable Area and Saleable/Leaseable Area of our Forthcoming Projects:

Type of Project	Number of Projects	Developable Area	Saleable/ Leaseable Area
		(in square feet)	*(in square feet)*

Type of Project	Number of Projects	Developable Area	Saleable/ Leaseable Area
Residential	5	2,927,630	1,882,575
Commercial	1	186,082	139,561
Retail	1	755,076	476,785
Lifestyle gated community	1	1,999,833	1,999,833
Residential		*1,599,867*	*1,599,867*
Commercial		*399,966*	*399,966*
Integrated townships	1	15,543,744	10,415,634
Residential		*14,361,945*	*9,623,728*
Commercial		*1,181,799*	*791,906*
Redevelopment	1	226,562	87,676
Total	**10**	**21,638,927**	**15,002,064**

Planned Projects

Planned projects are those projects in which (i) we have obtained any right or interest in the land or the development, or have entered into a memorandum of understanding, Letter of Intent, term sheet with respect to such right or interest in the land, as the case may be; and (ii) our management has commenced with the formulation of development plans. The following table presents, as of August 31, 2010, the Developable Area and Saleable/Leaseable Area of our Planned Projects:

Type of Project	Number of Projects	Developable Area	Saleable/Leaseable Area
		(in square feet)	*(in square feet)*
Residential	4	4,351,709	3,082,959
Commercial	1	56,998	42,806
Retail	1	422,402	320,603
Lifestyle gated community	3	13,168,202	13,168,202
Residential		*13,050,362*	*13,050,362*
Commercial		*117,840*	*117,840*
Integrated townships	3	37,065,104	35,104,904
Residential		*34,714,645*	*32,863,345*
Commercial		*2,350,459*	*2,241,559*
Redevelopment	2	903,161	192,793
Hospitality	1	561,636	561,636
Total	**15**	**56,529,212**	**52,473,903**

Our Residential Projects

Our residential projects are primarily designed for middle-income and high-income customers. Our residential buildings are designed with a variety of amenities such as security systems, sports and recreational facilities, play areas and power back-up. In addition, four of our residential projects, Kalpataru Pinnacle, Kalpataru Hills, Kalpataru Riverside and Srishti have been pre-certified as Indian Green Building Council as green homes. We generally follow a sale model for our residential projects and typically receive up to 20.0% of the purchase price as down payment at the time of booking a particular unit and the remainder through periodic payments linked to certain other construction milestones while the project is being developed. We generally launch such projects and commence the sales process for a portion of the total number of units to be sold around the time we commence construction. We endeavour to sell a majority number of the residential units prior to the completion of construction of our projects. As of August 31, 2010, we had completed 20 residential projects in the MMR and Pune, with 11 residential Ongoing Projects, five residential Forthcoming Projects and four residential Planned Projects in the MMR, Pune, Hyderabad and Jaipur.

Our Completed Residential Projects

The following table sets forth the details of our Completed Projects in our residential projects portfolio, all of which have been fully sold as of August 31, 2010:

Name of the Residential Project	Location	Saleable/ Leaseable Area	Year of Completion
Siddhachal – Phase VI (Buildings 1 and 2)	Thane	489,876	2009
Kalpataru Estates – Phase I	Pune	112,035	2009
Kalpataru Estate, JVLR	Mumbai	1,082,600	2008
Siddhachal – Phase VIII (Buildings 1 and 2)	Thane	100,620	2008
Kamdhenu	Mumbai	489,524	2007
Kalpataru Gardens (Phase I)	Mumbai	201,442	2005
Kalpataru Royale	Mumbai	51,440	2005
Manek Manor	Mumbai	19,006	2005
Siddhachal – Phase V	Thane	115,430	2005
Kalpataru Residency	Mumbai	194,744	2003
Siddhachal – Phase IV	Thane	72,054	2003
Kalpataru Enclave	Pune	129,719	2003
Shravasti	Mumbai	78,143	2002
Yugdharma	Mumbai	122,798	2002
Siddhachal – Phase III	Thane	249,084	2002
Tarangan – Phases I and II	Thane	598,657	2002
Siddhachal – Phase I	Thane	109,236	1999
Siddhachal – Phase II	Thane	185,822	1999
Kalpataru – Byculla	Mumbai	19,145	1998
Divya Swapna – Row Houses and Residential	Mumbai	83,845	1996
Total..		**4,505,220**	

Described below is a summary of our Completed Projects in our residential projects portfolio:

Siddhachal (Phases I, II, III, IV, V, VI (Part I) and VIII (Part I))

Siddhachal Phases I, II, III, IV and V, VI (Part I) and VIII (Part I) consists of multi-storeyed buildings with apartments ranging in size from 580 square feet to 1,190 square feet.

Siddhachal Phases I, II, III, IV and V are situated in Thane (W), Maharashtra at the foothills of Yeoor hills in the Siddhachal integrated township, which has banks and shopping centres and coffee shops. The development includes facilities such as security systems, parking space, landscaped gardens, children's play areas, two clubhouses with modern amenities such as a swimming pool, spa, gymnasium, badminton and tennis courts, games room and party room. The developments are located at Pokharan Road No. 2, approximately two kilometres off the Eastern Express Highway and approximately seven kilometres from the Thane railway station.

Kalpataru Estate (Phase I), Pune

Kalpataru Estate Phase I, Pune consists of three buildings with six wings with apartments ranging in size from 606 square feet to 776 square feet.

Kalpataru Estate Phase I, Pune is a residential development situated in Pimple Gurav, Pune. The development includes facilities such as a landscaped garden with a children's play area and car parking space and once completed, a clubhouse with a spa, a swimming pool, gymnasium, a party room and a games room. This residential development is approximately two kilometres from the old Mumbai-Pune highway.

Kalpataru Estate

Kalpataru Estate consists of six buildings with 14 wings with apartments ranging in size from 1,030 square feet to 1,244 square feet.

Kalpataru Estate is a premium residential complex located on Jogeshwari-Vikhroli Link Road, Andheri (E), Mumbai. The development include facilities such as a clubhouse with a gymnasium, spa, games room, tennis, badminton, squash and half basketball courts, a party room, a swimming pool and landscaped gardens with children's play areas and amphitheatre. Other features include modern security systems and car parking space. This residential development is approximately seven kilometres from the domestic terminal of the Mumbai Airport. Kalpataru Estate was awarded the 'Best Overall Systems' at CNBC AWAAZ CRISIL Real Estate Award 2008.

Kamdhenu

Kamdhenu consists of 13 buildings with apartments ranging in size from 620 square feet to 1,251 square feet.

Kamdhenu is a residential complex situated at Hari-Om Nagar, Mulund (E), Mumbai. The development includes facilities such as security systems, a landscaped garden, a clubhouse with a spa, a swimming pool, a gymnasium, a party room and games room and car parking space. This residential development is located off the Eastern Express highway and is approximately two kilometres from the Thane railway station.

Kalpataru Gardens (Phase I)

Kalpataru Gardens Phase I consists of one building with three wings of 16 floors with apartments ranging in size from 1,028 square feet to 1,170 square feet.

Kalpataru Gardens Phase I is a premium residential development, located off Ashok Chakravarty Road, Kandivali (E), Mumbai. The development includes facilities such as security systems, car parking space, a landscaped garden with a children's play area and amphitheatre, a swimming pool and a clubhouse with a gymnasium, a squash court and a badminton court. This residential development is approximately a kilometre off the S.V. Road and the Western Express highway.

Kalpataru Royale

Kalpataru Royale consists of a building of 14 floors with apartments ranging in size from 1,190 square feet to 3,120 square feet.

Kalpataru Royale is a premium residential development and is situated in Sion (E), Mumbai. The development includes facilities such as a landscaped garden, a swimming pool on the terrace and car parking space. This residential development is approximately four kilometres from the Bandra-Kurla Complex.

Manek Manor

Manek Manor consists of nine residential units and a retail outlet in a building of six floors. The apartments range in size from 1,445 square feet to 1,715 square feet.

Manek Manor is a premium residential development situated at Hill Road, Bandra (W), Mumbai. This residential development is approximately two kilometres from the Lilavati hospital and the Taj Lands End hotel.

Kalpataru Residency

Kalpataru Residency consists of two buildings of 18 floors each. The apartments range in size from 1,135 square feet to 2,720 square feet.

Kalpataru Residency is a premium residential development situated in Sion circle, Sion (E), Mumbai. The development includes facilities such as a landscaped garden with a children's play area and a clubhouse with a spa, a swimming pool, gymnasium, a squash court, a party room and a games room and car parking space. This residential development is approximately four kilometres from the Bandra-Kurla complex.

Kalpataru Enclave

Kalpataru Enclave consists of 80 residential units and four retail outlets in five buildings. The apartments range in size from 1,157 square feet to 2,264 square feet.

Kalpataru Enclave is a premium residential development situated in Aundh, Pune. The development includes car park facility, a landscape garden and a children's play area. This development is approximately half a kilometre away from the Parihar chowk.

Shravasti

Shravasti consists of 154 residential units and eight retail outlets in five buildings. The apartments range in size from 340 square feet to 878 square feet.

Shravasti is a residential development located at Goregaon-Mulund link road, Malad (W), Mumbai. The development includes facilities such as car parking space, a landscaped garden and children's play areas. This development is approximately half a kilometre away from the Inorbit mall.

Yugdharma

Yugdharma consists of a building of 25 floors with apartments ranging in size from 1,077 square feet to 2,360 square feet.

Yugdharma is a premium residential development situated in Goregaon-Mulund link road, Malad (W), Mumbai. The development includes facilities such as a landscaped garden, a swimming pool, a clubhouse, children's play area and car parking space. This development is approximately half a kilometre away from the Inorbit mall.

Tarangan

Tarangan consists of 476 units and 14 shops in nine buildings. The apartments range in size from 976 square feet to 2,576 square feet.

Tarangan is a premium residential development situated at Pokhran Road 1, Thane (W), Mumbai. The development includes facilities such as a landscaped garden, car parking space, children's play areas, a clubhouse with a swimming pool, a gymnasium, a multi-function room and a badminton court. This development is adjacent to Korum mall and is off the Eastern Express highway and approximately three kilometres from the Thane railway station.

Divya Swapna

Divya Swapna consists of 14 split-level row houses and 26 flats in a building of 13 floors. The units range in size from 1,400 square feet to 2,840 square feet.

Divya Swapna is situated in Chembur, Mumbai. The development includes facilities such as a landscaped garden, a swimming pool and a clubhouse and car parking space. This residential development is located next to the Bombay Presidency golf club and the R.K Studios.

Kalpataru - Byculla

Kalpataru - Byculla consists of 14 units in a building of seven floors. The apartments range in size from 1,111 square feet to 1,624 square feet. This residential development is approximately two kilometres from the J.J. hospital.

Ongoing Residential Projects

The following table sets forth the details of the Ongoing Projects in our residential projects portfolio as of August 31, 2010:

Name of the Residential Project	Location	Land Area	Developable Area		Saleable/ Leaseable Area		Commence-ment Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
		(in acres)	*(in square feet)*		*(in square feet)*				
			Residential	*Commercial*	*Residential*	*Commercial*			
Kalpataru Gardens Phase II	Kandivali-East, Mumbai	5.30	594,782		407,534	-	Commenced	Second Quarter, Fiscal Year 2012	79.4%
Kalpataru Aura	Ghatkopar-West, Mumbai	13.60	2,422,619	-	1,508,131	-	Commenced	Third Quarter, Fiscal Year 2012	100.0%
Siddhachal Phase VI (Buildings 3A and 3B)	Thane, Maharashtra	8.99	191,230	-	173,556	-	Commenced	Second Quarter, Fiscal 2011	100.0%
Siddhachal Phase VIII (Building 3 and 4	Thane, Maharashtra	3.34	205,199	-	160,258	-	Commenced	Fourth Quarter, Fiscal Year 2012	100.0%
Kalpataru Hills	Thane, Maharashtra	6.42	897,481	15,740	583,889	10,240	Commenced	Second Quarter, Fiscal Year 2013	100.0%
Kalpataru Pinnacle	Goregaon, Mumbai	3.36	456,068	-	288,233	-	Commenced	Third Quarter, Fiscal Year 2013	88.89%
Kalpataru Estates – Pune Phase II and III	Pune, Maharashtra	19.65	1,227,029	-	1,048,597	-	Commenced	Fourth Quarter, Fiscal Year 2013	99.0%
Kalpataru Harmony*	Pune, Maharashtra	8.02	838,536	-	594,019	-	Third Quarter, Fiscal Year 2011	Second Quarter, Fiscal Year 2014	100.0%
Kalpataru Elan	Parel, Mumbai	2.89	911,850	-	532,330	-	Fourth Quarter, Fiscal Year 2011	Third Quarter, Fiscal Year 2015	100.00%

Name of the Residential Project	Location	Land Area	Developable Area		Saleable/ Leaseable Area		Commence-ment Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
		(in acres)	*(in square feet)*		*(in square feet)*				
Kalpataru Serenity	Pune, Maharashtra	17.19	1,166,710	-	972,259	-	Fourth Quarter, Fiscal Year 2011	Third Quarter, Fiscal Year 2015	100.0%
Kalpataru Riverside Phase I and II	Panvel, Mumbai	22.40	2,270,638	352,562	1,568,897	243,602	Commenced	Second Quarter, Fiscal Year 2016	99.0%
Total		**111.16**	**11,182,142**	**368,302**	**7,837,703**	**253,842**			

* Under the development agreement dated November 10, 2009 between Aura Real Estate Private Limited, our wholly-owned Subsidiary and M/s. Waghere Promoters, M/s. Waghere Promoters are entitled to 36.50% of the sale proceeds from the project while Aura Real Estate Private Limited is entitled to the remaining 63.50%.

Described below is a summary of the Ongoing Projects in our residential projects portfolio:

Kalpataru Gardens (Phase II)

Kalpataru Gardens Phase II at Mumbai is expected to consist of three wings of 28 floors each. The apartments are expected to range from 1,220 square feet to 1,368 square feet. As of August 31, 2010, 179 units of Kalpataru Gardens Phase II were booked.

Kalpataru Gardens is a high rise luxury residential development and includes facilities such as car parking space, safety and security features, club houses with a gymnasium, spa, squash and badminton courts, indoor games room, swimming pools, multi-function lounge, a children's play area and landscaped gardens. This residential development is approximately a kilometre away from S.V. Road and the Western Express highway.

Kalpataru Aura

Kalpataru Aura at Mumbai is expected to consist of three buildings comprising 17 wings of 18 to 20 floors. The apartments are expected to range from 1,028 square feet to 1,360 square feet. As of August 31, 2010, 606 units of Kalpataru Aura Phases were booked.

Kalpataru Aura is a luxury residential development and includes facilities such as car parking space, safety and security features two club houses, gymnasium and spa, squash, tennis and half basketball courts, indoor games room, yoga room, swimming pool, multi-function room, mini-theatre, amphitheatre, a temple, a jogging track, a children's play area and a landscaped garden. The development is located at the L.B.S. Marg Road, approximately two kilometres off the Eastern Express Highway, the Ghatkopar railway station and the metro railway station (under construction). In 2010, we were awarded "Best Architecture (Multiple Units)" for Kalpataru Aura, at the Asia Pacific Property Awards, Hong Kong organised in association with Bloomberg Television.

Siddhachal (Phases VI and VIII)

Siddhachal Phase VI (Buildings 3A and 3B) at Thane is expected to consist of two wings and Siddhachal Phase VIII (Buildings 3 and 4) is expected to consist of one wing each. The apartments in Siddhachal Phase VI are expected to range from 660 square feet to 1,631 square feet, while the apartments in Siddhachal Phase VIII are expected to range from 1,143 square feet to 1,449 square feet. As of August 31, 2010, 552 units and 143 units of Siddhachal Phases VI and VIII, respectively, were booked. For facilities in Siddhachal Phases VI and VIII, please see *"- Our Residential Projects – Completed Residential Projects - Siddhachal (Phases I, II, III, IV, V, VI (Part I) and VIII (Part I))"*.

Kalpataru Hills

Kalpataru Hills at Thane is expected to consist of two buildings comprising seven wings. The apartments are expected to range from 594 square feet to 1,728 square feet. As of August 31, 2010, 244 units of Kalpataru Hills were booked.

Kalpataru Hills is a residential development with apartments overlooking the Yeoor Hills and includes facilities such as car parking space, a club house, gymnasium, landscaped gardens, swimming pools, multi-function room, children's play area, yoga room and a jogging track. The buildings have also been pre-certified as a green building by the U.S. Green Building Council. The development is located on Manpada Road, opposite Tikuji-Ni-Wadi, approximately one kilometre from Ghodbunder Road and is adjacent to the Sanjay Gandhi National Park.

Kalpataru Pinnacle

Kalpataru Pinnacle at Mumbai is expected to consist of multi-storeyed towers. The apartments are expected to range from 2,000 square feet to 5,553 square feet. As of August 31, 2010, 12 units of Kalpataru Pinnacle were booked.

Kalpataru Pinnacle is a high rise luxury residential development, offering large sized apartments, duplexes and penthouses. includes facilities such as car parking space, a club house with a gymnasium, spa, a squash court, two swimming pools, one of which is a rooftop pool and a landscaped garden with a children's play area, a party room and a mini-theatre. The buildings have also been pre-certified as a green building by the U.S. Green Building Council. The development is located on Goregaon-Mulund Link Road, opposite the Inorbit Mall.

Kalpataru Estates – Pune (Phases II and III)

Kalpataru Estates – Pune Phase II is expected to consist of three buildings comprising 10 wings and Kalpataru Estates – Pune Phase III is expected to consist of three buildings comprising nine wings. The apartments in Kalpataru Estates – Pune Phase II are expected to range from 834 square feet to 1,429 square feet, while the apartments in Kalpataru Estates – Pune Phase III are expected to range from 881 square feet to 1,611 square feet. As of August 31, 2010, 499 units of Kalpataru Estates – Pune Phases II and III were booked.

Kalpataru Estates – Pune is a residential development, offering apartments of various sizes. The development includes facilities such as a landscaped garden with a children's play area and car parking space and two a clubhouses with a spa, a swimming pool, gymnasium, a party room and a games room. This residential development is approximately two kilometres from the old Mumbai-Pune highway.

Kalpataru Harmony

Kalpataru Harmony at Pune is expected to consist of two buildings comprising six wings of 12 floors each. The apartments are expected to range from 1,062 square feet to 1,494 square feet.

Kalpataru Harmony is a residential development and includes facilities such as car parking space, a clubhouse, a gymnasium, a swimming pool, an indoor games room, a multi-purpose room, landscaped gardens and a children's play area. This residential development is located approximately two kilometres from Mumbai-Pune Expressway and four kilometres from Hinjewadi IT Park.

Kalpataru Elan

Kalpataru Elan at Mumbai is expected to consist of one building comprising three wings.

Kalpataru Elan is a luxury multi-storeyed residential development off Dr. SS Rao Road, Parel, Mumbai and the development includes facilities such as multiple levels of podium car parking, a clubhouse with spa, a gymnasium, a party room, indoor games rooms, a landscaped garden and a swimming pool. The development is located in Parel off Dr. Ambedkar Road, in close proximity to ITC Grand Central Sheraton, KEM Hospital and the Tata Memorial Hospital and approximately three kilometres from the business district of Lower Parel and nine kilometres away from the Fort area of South Mumbai.

Kalpataru Serenity

Kalpataru Serenity at Pune is expected to consist of six buildings comprising 20 wings.

Kalpataru Serenity is a residential development and includes facilities such as car parking space, clubhouse with a spa, gymnasium, swimming pool, squash court, mutli-purpose hall, indoor game rooms, landscaped gardens and children's play areas. The development is located approximately two kilometres from the Pune-Sholapur road.

Kalpataru Riverside (Phases I and II)

Kalpataru Riverside Phase I at Panvel is expected to consist of four buildings comprising 14 wings. The apartments are expected to range from 1,082 square feet to 1,299 square feet. As of August 31, 2010, 345 units of Kalpataru Riverside Phase I were booked.

Kalpataru Riverside Phase II is expected to consist of multi-storeyed residential buildings and commercial developments.

Kalpataru Riverside is premium development, in close proximity to the Gadhi River and the surrounding mountains. The buildings have been pre-certified as a green building by the U.S. Green Building Council. The development includes facilities such as car parking space, a club house, gymnasium and spa, badminton court, indoor games room, swimming pools, multi-function room and a children's play area. The development is located on the old Mumbai-Pune highway and approximately one kilometre from the Panvel railway station.

Forthcoming Residential Projects

We plan to continue to grow our residential real estate business in the MMR and selectively pursue opportunities in other metropolitan cities and high growth cities across India. As of August 31, 2010, we had five residential Forthcoming Projects in the MMR, Pune and Hyderabad.

The following table sets forth the details of the Forthcoming Projects in our residential projects portfolio as of August 31, 2010:

Name of the Residential Project	Location	Land Area	Developable Area		Saleable/ Leaseable Area		Estimated Commencement Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
		(in acres)	*(in square feet)*		*(in square feet)*				
			Residential	*Commercial*	*Residential*	*Commercial*			
Kalpataru Iconic	Nagar Road, Pune, Maharashtra	1.70	197,883	-	150,193	-	Second Quarter, Fiscal Year 2012	Fourth Quarter, Fiscal Year 2013	100.00%
Siddhachal Phase VII	Thane, Maharashtra	0.84	94,088	-	90,000	-	First Quarter, Fiscal Year 2013	Third Quarter, Fiscal Year 2014	100.00%
Kalpataru Meadows	Kandivali-East, Mumbai	3.04	217,430	-	171,581	-	Third Quarter, Fiscal Year 2012	First Quarter, Fiscal Year 2015	100.00%
Kalpataru Pristine	Mulund-West, Mumbai	6.52	1,655,438	-	989,144	-	Third Quarter, Fiscal Year 2012	Second Quarter, Fiscal Year 2016	100.00%

Name of the Residential Project	Location	Land Area	Developable Area		Saleable/ Leaseable Area		Estimated Commencement Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
Kalpataru Estate	Sanath Nagar, Hyderabad	4.80	762,791	-	481,657	-	Third Quarter, Fiscal Year 2012	Third Quarter, Fiscal Year 2016	100.00%
Total		**16.90**	**2,927,630**	-	**1,882,575**	-			

Described below is a summary of the Forthcoming Projects in our residential projects portfolio:

Kalpataru Iconic

Kalpataru Iconic at Pune is expected to be a premium residential development and will include facilities such as car parking space, a club house, gymnasium, spa, swimming pool, multi-function room, and children's play area. The project site is located on Nagar Road, opposite the Wadia Stud Farm, approximately two kilometres from the Koregaon Park, approximately three kilometres from the Pune railway station and approximately five kilometres from the Pune Airport.

Siddhachal (Phase VII)

For facilities in Siddhachal, please see *"- Our Residential Projects – Completed Residential Projects - Siddhachal (Phases I, II, III, IV, V, VI (Part I) and VIII (Part I))"*.

Kalpataru Meadows

Kalpataru Meadows at Mumbai is expected to be a premium residential development and will include facilities such as car parking space, a club house with gymnasium, spa, party room, swimming pools, landscaped gardens and children's play area. The project site is located off Ashok Chakravarty Road, approximately one kilometre from the Western Express Highway and approximately one kilometre from the Kandivali railway station.

Kalpataru Pristine

Kalpataru Pristine at Mumbai is expected to be a premium residential development and will offer residents various facilities such as car parking space, a club house with a gymnasium and spa, swimming pool, party room, indoor games room, landscaped gardens and multi-function lounges. The project site is located on LBS Road, close to the Nirmal Lifestyle Mall, approximately three kilometres from the Eastern Express Highway and approximately three kilometres from the Mulund railway station.

Kalpataru Estate

Kalpataru Estate at Hyderabad is expected to offer residents various facilities including car parking space, a clubhouse with a gymnasium, a multi-purpose room, spa facilities, a swimming pool, landscaped gardens and children's play area. The project site is located on the Mumbai-Hyderabad Highway, approximately nine kilometres from Hi-Tech City.

Planned Residential Projects

The following table sets forth the details of the Planned Projects in our residential projects portfolio as of August 31, 2010:

Name of the Residential Project	Location	Land Area	Developable Area	Saleable/ Leaseable Area	Estimated Commencement Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
		(in acres)	*(in square feet)*	*(in square feet)*			
Kalpataru Alura	Bhandup, Mumbai	4.36	1,074,428	612,128	Fiscal Year 2012	Fiscal Year 2014	100.0%
Kalpataru Marvel*	Pimple Nilakh, Pune, Maharashtra	9.61	444,435	325,344	Fiscal Year 2012	Fiscal Year 2015	100.0%
Kalpataru Enclave**	Pune, Maharashtra	14.40	1,281,038	907,487	Fiscal Year 2012	Fiscal Year 2016	100.0%
Kalpataru Legacy	Jaipur, Rajasthan	9.87	1,551,808	1,238,000	Fiscal Year 2013	Fiscal Year 2017	65.0%
Total		**38.24**	**4,351,709**	**3,082,959**			

* Our wholly-owned Subsidiary, Kalpataru Constructions (Pune) Private Limited, entered into a memorandum of understanding with M/s. Shubham Properties to jointly develop the project. Pursuant to the memorandum of understanding dated October 6, 2007, Kalpataru Constructions (Pune) Private Limited is entitled to share 55.0% of the sale proceeds while M/s. Shubham Properties is entitled to the remaining 45.0%
** Pursuant to a memorandum of understanding among Kalpataru Properties Private Limited and the land owners dated May 17, 2007 with respect to a part of the land over which we are developing the project, measuring 12.02 acres, Kalpataru Properties Private Limited was entitled to 60.0% of the built-up areas and the land owners were entitled to 40.0% of the built-up areas with respect to this project. Subsequently, pursuant to a memorandum of understanding dated March 5, 2009, Kalpataru Properties Private Limited has assigned its right under the memorandum of understanding dated May 17, 2007 to Astrum Developers Private Limited, our wholly-owned Subsidiary. As a result, with respect to this project, the Saleable Area that we are entitled to will be reduced to the extent agreed pursuant to the memorandum of understanding dated May 17, 2007.

Our Commercial Projects

Our commercial real estate business is focused on developing a portfolio of commercial properties built to international standards. We have received the "Best Office Development – Asia Pacific" at the Asia Pacific Property Awards (organised in association with Bloomberg Television) in 2010 and "Best Safety Practices" by CNBC AWAAZ CRISIL CREDAI Real Estate Awards in 2009 for Kalpataru Square, a commercial development in Mumbai. Kalpataru Square is also the first building outside United States and the sixth building in the world to receive the United States Green Building Council's platinum rating under the LEED Core and Shell V.2.0 and has been awarded a three-star rating by the Bureau of Energy Efficiency, Ministry of Power, Government of India. We intend to lease space in our commercial projects. As of August 31, 2010, we completed three commercial projects in the MMR, with one commercial Ongoing Project in the MMR, one commercial Forthcoming Project in the MMR and one commercial Planned Project in Pune.

Our Completed Commercial Project

The following table sets forth the details of our Completed Projects in our Commercial projects portfolio, which have been fully developed as of August 31, 2010:

Name of the Commercial Project	Location	Saleable/ Leaseable Area	Year of Completion
Kalpataru Square	Mumbai	272,457	Fiscal Year 2009
Kalpataru Court	MMR	36,740	Fiscal Year 1999
Kalpataru Point	MMR	59,202	Fiscal Year 2003

Name of the Commercial Project	Location	Saleable/ Leaseable Area	Year of Completion
Total		368,399	

Kalpataru Square

Kalpataru Square consists of one building with 24 units, with a total area of 2.14 acres of land. Kalpataru Square was completed in the fiscal year 2009 and its Developable Area is 316,766 square feet. The development includes facilities such as a foyer and an atrium, two-level car parking space, building management system, diesel generator power back-up, high-speed elevators, as well as a separate annex structure consisting of an auditorium and café. Kalpataru Square is also equipped with modern security systems. Kalpatrau Square has multi-national tenants such as Lloyd's Register. Kalpataru Square is located off Andheri Kurla Road, Andheri East, Mumbai, approximately two kilometres from the Western Express Highway and approximately two kilometres from Mumbai's Chatrapati Shivaji International Airport and SEEPZ MIDC.

Kalpataru Court

Kalpataru Court consists of one building with 29 units. Kalpataru Court was completed in the fiscal year 1999. Kalpataru Court is located off V.N. Purav Marg, Chembur, Mumbai, approximately four kilometres from the Eastern Express Highway.

Kalpataru Point

Kalpataru Point consists of one building with 10 units. Kalpataru Point was completed in the fiscal year 2003. Kalpataru Point is located off Sion Circle, Sion-East, Mumbai, approximately four kilometres from the Bandra-Kurla Complex.

Ongoing Commercial Project

Our sole Ongoing Project in our commercial projects portfolio, Kalpataru Synergy II, consists of 222,135 square feet of Leaseable Area in Santa Cruz East, Mumbai, with a total area of 1.60 acres of land. We have a 100.0% equity interest in the development, which has a Developable Area of 324,965 square feet and is expected to provide occupants with the option of scaling floor space up or down using floor plates ranging from 21,907 square feet to 24,884 square feet in size. The building is expected to offer high speed elevators, service lifts, a multi-level car park, landscaped gardens. Kalpataru Synergy II is located opposite the Grand Hyatt Hotel, off the Western Express Highway and approximately two kilometres from the Bandra-Kurla complex and approximately four kilometres from the domestic terminal of the Mumbai Airport. The project commenced development in the fourth quarter of the fiscal year 2010 and is expected to be completed by the fourth quarter of the fiscal year 2012.

Forthcoming Commercial Project

We expect that the growth of the Indian economy and sectors such as information technology will continue to drive demand for commercial real estate in the MMR and across major high growth cities in India. We intend to develop commercial properties in select cities, built to international standards, in order to attract key commercial clients and further strengthen our commercial real estate portfolio. As of August 31, 2010 we had one commercial Forthcoming Projects in the MMR.

Our sole Forthcoming Project in our commercial projects portfolio, Kalpataru Edge, is expected to offer occupants flexible floor plates, high speed elevators, central air-conditioning, wireless access and a multi-level car park. We have a 100.0% equity interest in the development, which has a Saleable/Leaseable Area of 139,561 square feet and a Developable Area of 186,082 square feet. The project site is located off the Western Express Highway and approximately two kilometres from the Bandra-Kurla complex and four kilometres from the domestic terminal of the Mumbai Airport. The project is expected to commence development in the fourth quarter of the fiscal year 2012 and be completed by the third quarter of the fiscal year 2014.

Planned Commercial Project

Our sole Planned Project in our commercial projects portfolio, Kalpataru Crest, is expected to be located in Wakad, Pune, Maharashtra. We have a 100.0% equity interest in the development, which has Developable Area of 56,998 square feet and Saleable/Leaseable Area of 42,806 square feet, with a total area of 0.51 acres of land. The project site is located on New Pimple Nilakh - Baner DP Road approximately eight kilometres from the Mumbai-Pune Expressway. The project is expected to commence development in the fiscal year 2012 and be completed in the fiscal year 2014. Pursuant to the memorandum of understanding that our wholly-owned Subsidiary, Ardour Properties Private Limited entered into with M/s. Shubham Property on March 13, 2008, Ardour Properties Private Limited is entitled to share 55.0% of the sale proceeds from the project and M/s. Shubham Property is entitled to the 45.0% of the sale proceeds. In addition, Shubham Property has agreed to give to the original land owners a saleable area of 12,600 square feet of the developed properties, which will be adjusted against the sale proceeds that the Shubham Property is entitled to.

Our Retail Projects

Our retail projects are focused on the development of shopping malls, which are characterised by aesthetic design, high quality infrastructure as well as leisure and entertainment options such as department stores, multiplex cinemas, food courts and restaurants. In 2009, we were awarded a four-star rating in "Best Retail Development - India" for Korum, a shopping mall development located at Thane, at the CNBC Asia-Pacific Commercial Property Awards. The locations of our retail projects, as well as the mix of retail outlets within them, are strategically planned based on the profile of the relevant catchment areas as well as our understanding of consumer preferences, with the aim of attracting shoppers and ensuring an attractive mix of international brands, national retailers and leading local retailers. We intend to retain ownership of most of our retail developments as well as manage our shopping malls in order to control the quality of retail space and maintain an appropriate mix of retailers. We intend to charge management fees to our licensees as part of our shopping mall management services.

Our Completed Retail Project

Our sole Completed Project in our retail projects portfolio, the Korum mall, opened in 2009. The five-level shopping mall, in which we have a 100.0% equity interest, consist of multiple units with 872,992 square feet of Developable Area and 419,456 square feet of Saleable/Leaseable Area. The Korum mall currently has anchor licensees such as West Side, Reliance Retails, a four-screen multiplex by Inox, a food court and a number of restaurants. Other features of the Korum mall include multi-level parking facility, escalators connecting the two basements and all retail levels, high speed elevators, power back-up and building management system. A number of eco-friendly steps have also been implemented at the Korum mall to ensure energy efficiency and conservation of natural resources. In 2009, we were awarded a four-star rating "Best Retail Development" for the Korum mall, at the CNBC Asia-Pacific Commercial Property Awards. The shopping mall is on the Eastern Express highway and approximately three kilometres from the Thane railway station.

Forthcoming Retail Project

Our sole Forthcoming Project in our retail projects portfolio, Korum-Hyderabad, is expected to consist of 755,076 square feet of Developable Area and 476,785 square feet of Saleable/Leaseable Area and will be built over 4.76 acres of land. The Korum mall is expected to have a hypermarket, departmental stores, multiplex and a food court. It is also expected to have multi-level parking facility, high speed elevators, power back-up and building management system. We have a 100.0% equity interest in the development, which will be located in Sanath Nagar, Hyderabad. Korum is a part of a larger development which is expected to comprise a residential and commercial component as well. The development is located on the Mumbai-Hyderabad Highway, approximately nine kilometres from Hi-Tech City. The project is expected to commence development in the third quarter of the fiscal year 2012 and be completed in the third quarter of the fiscal year 2016.

Planned Retail Project

Our sole Planned Project in our retail projects portfolio, Kalpataru Storey, is expected to consist of 422,402 square feet of Developable Area and 320,603 square feet of Saleable/Leaseable Area. The development, in which we have a 100.0% equity interest, will be developed over 5.16 acres of land in Pune, Maharashtra. The project site is located close to Baner Road, approximately three kilometres from the Mumbai-Pune Expressway. The project is expected to commence development in the fiscal year 2012 and be completed in the fiscal year 2015. Pursuant to the memorandum of understanding that our wholly-owned Subsidiary, Ardour Properties Pvt. Ltd. Entered into with M/s. Shubham Property on March 13, 2008, Ardour Properties Pvt. Ltd. is entitled to share 55.0% of the sale proceeds from the project and M/s. Shubham Property is entitled to the remaining 45.0% of the sale proceeds.

Our Lifestyle Gated Communities

Our lifestyle gated community projects are focused on the development, sale, lease and management of villas, which are generally aspiration lifestyle second homes, in close proximity to city centres consisting of facilities such as shops, restaurants, club houses with spas, indoor games rooms, yoga rooms, gymnasiums and swimming pools. We intend to sell the residential properties which will be bungalows, semi-detached houses and terraced houses in these lifestyle gated communities primarily to upper middle income and high net worth purchasers.

We intend to develop the infrastructure, including roads, electricity, water and sewage systems in multiple phases.

Forthcoming Lifestyle Gated Community

Kalpataru Rejuve

Kalpataru Rejuve will be located in Lonavala, Maharashtra and is expected to be a premium villa development which will include facilities such as a clubhouse with a swimming pool, jogging tracks, a multi-purpose hall and spa and meditation centre, a gymnasium and outdoor activities zone. We have a 100.0% equity interest in the development, which will have a residential Saleable Area of 1,599,867 square feet and commercial Saleable/Leasable Area of 399,966 square feet and will be built over 87.09 acres of land. The project site is located approximately four kilometres from the Mumbai-Pune expressway and approximately six kilometres from Lonavala railway station. The project is expected to start by the fiscal year 2011 and be completed by the fiscal year 2016.

Planned Lifestyle Gated Community

The following table sets forth the details of the Planned Projects in our Lifestyle Gated Community portfolio as of August 31, 2010:

Name of the lifestyle Gated Community Project	**Location**	**Land Area**	**Developable Area**		**Saleable/ Leaseable Area**		**Estimated Commencement Date**	**Estimated Completion Date**	**Our Percentage of Equity Interest in the Project**
		(in acres)	*(in square feet)*		*(in square feet)*				
			Residential	Commercial	Residential	Commercial			
Kalpataru Exotica	Karjat, Maharashtra	80.37	2,238,96	117,84	2,238,964	117,840	Fiscal Year 2013	Fiscal Year 2017	100.0%
Kalpataru Valley	Shirol (Nasik Road), Maharashtra	133.68	4,192,94		4,192,946	-	Fiscal Year 2014	Fiscal Year 2020	100.0%

Name of the lifestyle Gated Community Project	Location	Land Area	Developable Area		Saleable/ Leaseable Area		Estimated Commencement Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
Kalpataru Avenue	Raigad, Maharashtra	188.12	6,618,45		6,618,452	-	Fiscal Year 2015	Fiscal Year 2019	100.0%
Total..........		**402.17**	**13,050,362**	**117,840**	**13,050,362**	**117,840**			

Our Integrated Townships Projects

Our integrated townships real estate projects are focused on the development, sale, lease and management of multi-use developments in city centres or integrated townships in close proximity to city centres consisting of luxury residences, commercial office space and retail and hospitality facilities such as shopping centres, hotels, restaurants and cinemas. We intend to sell the residential properties in our integrated townships projects primarily to end purchasers, with our target market generally comprised of middle and upper middle income consumers. We intend to begin sales of residential units after development of the required infrastructure.

In our integrated township projects we develop the infrastructure, including roads, electricity, water and sewage systems in phases. We also construct, sell, lease and manage the properties in phases, enabling us to benefit from cost efficiencies and to expand in a capital intensive industry. We intend to offer a wide range of residential properties in our integrated townships projects including high rise apartments, duplex apartments, bungalows, semi-detached houses and terraced houses. Our integrated townships are designed to be self-sufficient communities, meaning that an array of commercial outlets and services will be constructed in order to be within easy access for residents, including a hotel, retail facilities, leisure facilities and other amenities, such as convenience stores, post offices and maintenance services. By placing these commercial centres around the periphery of our integrated townships, we believe we will be able to cater to both integrated township residents and customers that may reside outside of the integrated township.

Ongoing Integrated Townships Project

Srishti is a 200.0 acre township at Mira Road, Thane, Maharashtra, which has been developed in various phases over the past two decades by our Group Companies. Our sole Ongoing Project in our integrated township portfolio, Srishti (Sector III), which is a part of the larger Srishti project, is expected to be completed in the second quarter of the fiscal year 2012 and will consist of 16 buildings, with 1,334,166 square feet of Developable Area and 1,073,176 square feet of Saleable Area. The total area of the development is 7.63 acres of land with apartments ranging from 1,118 square feet to 1,235 square feet. As of August 31, 2010, 626 units of Srishti (Sector III) were booked. This project is expected to be complete by the second quarter of the fiscal year 2012. This project is being developed by a joint venture, Azure Tree Townships Private Limited, in which we have a 30.0% equity interest. Pursuant to the agreement entered into by Azure Tree Townships Private Limited with Eversmile Properties Private Limited on October 18, 2007, Azure Tree Townships Private Limited is entitled to share 89.0% of the sales proceeds from the project and Eversmile Properties Private Limited is entitled to the remaining 11.0%.

The Srishti integrated township has a hospital, school, college, institute of management and supermarket. The development includes facilities such as car parking space, a club house with a gymnasium, a spa, swimming pools, multi-function room, indoor games room, a children's play area, yoga room and squash court. The buildings have also been pre-certified as a green building by the U.S. Green Building Council. The development is located on Mira Road, off the Western Express Highway, approximately two kilometres from Dahisar Check Naka and the Mira Road railway station.

Forthcoming Integrated Townships Projects

Our sole Forthcoming Project in our integrated townships portfolio, Kalpataru Arena at Thane, MMR, is expected to commence in the first quarter of the fiscal year 2012 and be completed in the third quarter of the fiscal year 2018. We have an equity interest of 49.5% of Class A equity shares and 49.0% class B equity shares that are held by HDFC. The Class B equity shares do not carry any equity interest and our Company has 97.06% effective economic interest in the development, with 9,623,728 square feet of residential Saleable Area and 791,906 square feet of commercial Saleable Area and will be developed over 57.56 acres of land.

Kalpataru Arena is expected to be a modern and self-contained township in Thane (West), Maharashtra, offering apartments with facilities such as landscaped gardens with an amphitheatre and mini-theatres, swimming pools, clubhouse with a spa, a gymnasium, a squash court, a party room, indoor games rooms and car parking space. We expect to develop a school, a hospital, a shopping arcade comprising restaurants, retail outlets and cafes. The development is located at Balkum on Old Agra Road, off the Eastern Express highway.

Planned Integrated Townships Projects

The following table sets forth the details of the Planned Projects in our integrated townships portfolio as of August 31, 2010:

Name of the Integrated Townships Project	**Location**	**Land Area**	**Developable Area**		**Saleable/ Leaseable Area**		**Estimated Commencement Date**	**Estimated Completion Date**	**Our Percentage of Equity Interest in the Project**
		(in acres)	*(in square feet)*		*(in square feet)*				
			Residential	Commercial	Residential	Commercial			
Kalpataru City	Pune, Maharashtra	128.60	6,460,212	717,801	6,460,212	717,801	Fiscal Year 2013	Fiscal Year 2020	100.0%
Kalpataru Uno	Nagpur, Maharashtra	146.95	4,742,923	249,628	4,742,923	249,628	Fiscal Year 2014	Fiscal Year 2020	100.0%
Navsurat Phase I	Surat, Gujarat	300.00	23,511,510	1,383,030	21,660,210	1,274,130	Fiscal Year 2013	Fiscal Year 2020	100.0%
Total		**575.55**	**34,714,645**	**2,350,459**	**32,863,345**	**2,241,559**			

Our Redevelopment Projects

Our redevelopment projects involve rehabilitating occupants and redeveloping old buildings in the MMR. As of August 31, 2010, we intend to redevelop five projects in the MMR once we receive approvals from the relevant Government entities.

Ongoing Redevelopment Projects

The following table sets forth the details of the Ongoing Projects in our redevelopment projects portfolio as of August 31, 2010:

Name of the Redevelopment Project	**Location**	**Land Area**	**Developable Area**	**Saleable/ Leaseable Area**	**Commencement Date**	**Estimated Completion Date**	**Our Percentage of Equity Interest in the Project**
		(in acres)	*(in square feet)*	*(in square feet)*			

Name of the Redevelopment Project	Location	Land Area	Developable Area		Saleable/ Leaseable Area		Commencement Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
			Residential	*Commercial*	*Residential*	*Commercial*			
Nandalaya	JVPD, Mumbai	0.21	31,751	-	15,167	-	Commenced	Fourth Quarter, Fiscal Year 2011	100.0%
Kalpataru Sparkle	Bandra -East, Mumbai	2.42	476,288	43,105	228,615	20,690	Third Quarter, Fiscal Year 2011	First Quarter, Fiscal Year 2014	95.0%
Total............		**2.63**	**508,039**	**43,105**	**243,782**	**20,690**			

Nandalaya

Nandalaya is expected to consist of one building of nine floors.

Nandalaya is a redevelopment project in the MMR, and the development is expected to offer residents various facilities such as automated parking system. The development is located on North-South Road 6 Juhu Vile Parle Development Scheme ("JVPD Scheme"), in proximity to Cooper Hospital and Jamnabai Narsee School, approximately five kilometres from the domestic terminal of the Mumbai Airport.

Kalpataru Sparkle

Kalpataru Sparkle is expected to consist of three high rise buildings. The development is expected to offer residents various facilities including car parking space, a club house, a gymnasium, a squash court, a yoga room, a spa, party room, swimming pools, landscaped gardens and children's play area. The project site is located at Gandhinagar off Western Express Highway, near the MIG club and is less than a kilometre away from the Bundra-Kurla Complex.

Forthcoming Redevelopment Projects

Kalpataru Solitaire

Our sole Forthcoming Project in our redevelopment projects portfolio, Kalpataru Solitaire is expected to consist of multi-storeyed residential buildings. We have a 100.0% equity interest in the development, which has Saleable/Leaseable Area of 87,676 square feet, with a total area of 0.99 acres of land. The development is expected to offer residents various facilities including car parking space, with a children's play area, a club house, gymnasium, spa, swimming pool, indoor games room and landscaped gardens. The project site is located in the Gulmohar area in Juhu, approximately three kilometres from the Western Express Highway and approximately four kilometres from the domestic terminal at the Mumbai Airport.

Planned Redevelopment Project

The following table sets forth the details of the Planned Projects in our redevelopment projects portfolio as of August 31, 2010:

Name of the Redevelopment Project	Location	Land Area	Developable Area	Saleable/Leaseable Area	Estimated Commencement Date	Estimated Completion Date	Our Percentage of Equity Interest in the Project
		(*in acres*)	(*in square feet*)	*(in square feet)*			
Kalpataru Grandeur	Andheri, Mumbai	2.00	429,324	100,426	Fiscal Year 2012	Fiscal Year 2014	100.0%
Kalpataru Sparkle II	Bandra-East, Mumbai	2.42	473,837	92,367	Fiscal Year 2012	Fiscal Year 2014	100.0%
Total................		**4.42**	**903,161**	**192,793**			

Our Hospitality Project

Planned Hospitality Project

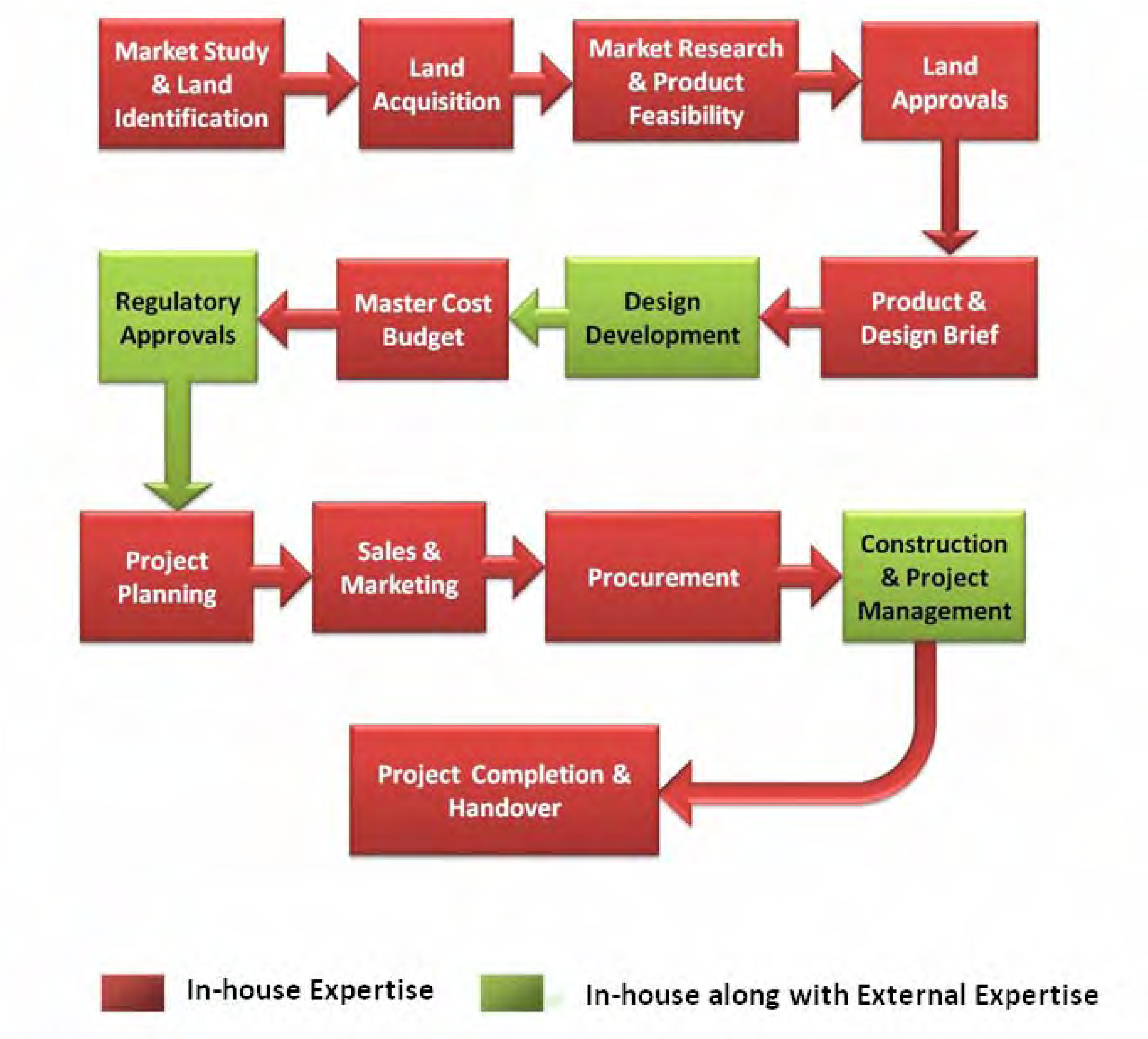
Our sole Planned Project in our hospitality project portfolio, Kalpataru Regale, is located in Udaipur, Rajasthan. We have a 100.0% equity interest in the development, which has Saleable/Leaseable Area of 561,636 square feet, with a total area of 49.59 acres of land. The project site is located on off National Highway No.8 on the by-pass road, closer to Chitrakoot Nagar Scheme, off Sukher village, approximately one kilometre from the upcoming Maharana Pratap Khelgaon. The project is expected to commence development in the fiscal year 2013 and be completed in the fiscal year 2016.

Land Available for Future Development

We are undertaking the development of an integrated township of 1,603 acres in Surat. Navsurat Phase I, comprising 300 acres, and which is our planned integrated township is the first phase of such development. Currently, we have ownership over the remaining 1,303 acres.

Our Property Development Cycle

The following chart illustrates the key processes in our property development cycle:



Identification Process, Land Acquisition and Development Arrangements

Land identification at reasonable pricing and strategic locations, for replenishing our inventory for future developments, is a key factor for the success of our business. We undertake research for our projects prior to making any decisions to acquire, develop, lease or sell our properties. Our in-house market research and business development teams are involved in gathering relevant market data, assessing the potential of a location after evaluating its demographic trends and identifying relevant government schemes and incentives, which we believe enables us to design and develop projects which differentiates us from our competitors and enables us to anticipate market trends and create long-term value appreciation for our projects. We also benefit from our Group Companies' and Promoters' extensive experience and involvement of more than 41 years in the real estate and construction industries, and our senior management's experience, to identify and evaluate potential locations.

Our market research and business development teams work closely with various property consultants, advisory bodies, local architects and consultants who provide information regarding the availability of land, development restrictions, planned developments and market trends specific to the location. Our business development and liaison team examines the applicability of the various applicable Development Control Regulations and state Government schemes. The team, along with our in-house legal team, also evaluates land titles through independent lawyers. Based on this information, a preliminary feasibility proposal is made. Once the requisite knowledge of land title is obtained, based on feasibility, we either acquire the land on an outright basis or enter into a development agreement or other arrangements with the owners. The final decision on the location, nature, financial feasibility and scale of each property is made by our senior management.

Once the feasibility of a project has been ascertained and cleared by the senior management, our team begins negotiations with the land owner. Negotiations with the land owner centre on the total consideration, the form of contract through which we will acquire title to the land or development rights on the land, and the fulfilment of other conditions such as the clearing of all encumbrances and pending litigation related to the property. In the case of redevelopment projects, we enter into negotiations with the existing tenants, occupants or owners of the premises on the land. Negotiations with the tenants, occupants or owners are focused on the specifics of the rehabilitated structure, corpus fund or compensation for the society, the cost of accommodating the tenants, occupants or owners in the interim, and the timeframe within which the project may be completed.

Project Planning, Regulatory Approvals and Execution

We have a full-fledged in-house project management and execution team, which focuses on effective supervision of development activities to ensure efficient and timely project execution. The project planning and execution process commences with obtaining the requisite regulatory approvals, environmental clearances and location specific approvals. While evaluating the feasibility of an area for the implementation of a project, it is critical to understand and comply with the regulations governing land development at the location. The approvals generally required for the development of a property include change of land use, approvals of building plans, layouts and infrastructure facilities such as power and water. Similarly, approvals from various government authorities, including from the relevant environmental authorities, airport authorities and fire authorities are required for buildings above a stipulated height. Building completion or occupation certificates are obtained from the appropriate authorities after the construction of properties is completed, in accordance with applicable law.

We are subject to municipal planning and land use regulation as applicable in the MMR, Pune and in other cities in India, which limit the maximum square footage of developable area that we may construct on the plots.

Our projects require us to make an application along with relevant project drawings to the regulatory authorities to seek approvals based on the guidelines laid down under the relevant rules and regulations. The regulatory authority issues an “Intimation of Disapproval” (“IOD”), which sets out the conditions to be met prior to commencement of construction. Once we meet the terms of the IOD, the regulatory authority will issue us a commencement certificate, which enables us to commence the construction activity.

For our project execution, we issue tenders with relevant specifications and requirements to invite interested contractors for various activities including civil, interior, electrical, plumbing and related services. The contractors are primarily evaluated based on their competency levels, which is a function of their technical capabilities and experience at executing high quality projects.

For our project design, we engage leading architects and engineering consultants, such as Architect Hafeez Contractor, WSP Cantor Seinuk-India, Aedas Pte Ltd, Arup, Ong & Ong (Overseas) Pte Ltd, Leslie E. Robertson Associates International, Consulting Engineers, PLLC, Benoy Limited, Sterling Consultancy Services Private Limited and Sanjay Puri Architects Pvt. Ltd.

Quality Control

We emphasise on quality control to ensure that our buildings meet our standards and have implemented ISO 9001:2008 Quality Management Systems across our projects. We control quality by selecting only experienced design and construction companies. A portion of the contract amount is retained until the expiry of the defect liability period. In the event of delays or poor work quality, the contractor may be required to pay pre-agreed damages under our construction contracts. Our contractors are also subject to our quality control procedures, including examination of materials and supplies, on-site inspection and production of progress reports. We have an in-house quality control team which supervises and monitors the quality of the construction work on a regular basis. We have in-house laboratory to check quality of the material and RCC work. We require our contractors to comply with relevant laws and regulations, as well as our own standards and specifications. We monitor the construction work for quality, timing and cost control reasons. Our execution and project management team are professionally qualified civil engineers or surveyors and are responsible for supervising and managing the construction schedule and quality of the construction work.

Sales and Marketing

Marketing

We have a dedicated marketing team that utilises both print and media marketing and direct marketing and promotions to promote our brand and our projects. We have appointed an advertising agency to promote our brand and when we launch our projects. We also maintain means through which we collate and gather data on potential customer preferences through walk-in and enquiry channels in order for us to understand their preferences and buying habits.

We typically ascertain our marketing budgets according to the construction cycles and the sales targets of the project. The budget is apportioned across our projects and the efficiency of the media used is tracked from cost per enquiries, cost per walk-ins and cost per booking ratios.

Sales

On determining the launch of a particular project, we prepare a detailed launch summary on the product, pricing and process, to brief our top management as well as to train the sales team handling the project. The brief factors information such as area, pricing and documentation process, the benefits of the development and other details. We have a systematic sales process under which we review our sales initiatives and constantly seek to improve on our processes through customer feedback.

Through our marketing initiatives, we use our data base to target customers at the launch of a particular project. Most of our enquiries are handled and processed by the respective sales offices and our head office. Post receipt of these enquiries, we encourage enquirers to visit the site and the model flats to better understand the benefits and the details of the project. We also participate in international and national property exhibitions and trade shows to reach a wider audience.

We usually guide the customer through the registration and agreement process and help facilitate the loan process for the customer as well, if they so desire. A client service team assists the customer from the booking process to the transfer of unit.

Completion and Hand-over of the Property

Our customer service team provides comprehensive assistance beginning from the booking process through to the project's completion. The buyers are kept informed during the various stages of construction and the buyers will receive advance notice in anticipation of final possession. On receipt of the occupation certificate a final demand letter is sent to the customer along with the intimation to take the possession of the unit and joint inspections are undertaken with the customer. We transfer title of the unit to the customer after execution of a definitive sale agreement with the customer and upon completion of construction of the building or structure. We transfer the title of the land on which the building is located to an independent housing society, condominium or corporate body after all the buildings or structures within a project are completed. We also encourage continuous feedback from our buyers and licensees, and have a team in place that collates all issues pertaining to customer needs to ensure appropriate action on our part and to ensure customer satisfaction. We also assign a dedicated facility management team to look after all post-possession support to the customers.

Our Competitors

The real estate market is highly competitive and fragmented, and we face competition from various domestic real estate developers. Some of our competitors have greater financial, marketing, sales and other resources than we do. Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. Competitive overbuilding in certain markets may have a material adverse effect on our operations in that market. Our key competitors in the areas where currently operate and focus include real estate developers such as the Hiranandani group, K. Raheja Corp and Godrej Properties Limited, among others.

Health, Safety and Environment

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety polices and practices, at the beginning of every property development, we identify potential material hazards, evaluate material risks and institute, implement and monitor appropriate risk mitigation measures. We believe that accidents and occupational health hazards can be significantly reduced through the systematic analysis and control of risks and by providing appropriate training to management, employees and sub-contractors. In 2009, our commercial development in Mumbai, Kalpataru Square, were awarded the "Best Safety Practices" by CNBC AWAAZ CRISIL CREDAI Real Estate Awards.

Most of our projects have incorporated energy and water efficiency practices in their design and development, including using local construction material with low volatile organic content, low flow high efficiency water fixtures, treated water for flushing, air-conditioning, and rain water harvesting systems. In the majority of our projects we also blend a minimum of 20.0% fly ash into the cement and concrete mortar we use along with recycled steel to conserve natural resources.

Intellectual Property

Kalpataru Properties Private Limited has pursuant to a trademarks licensing agreement dated September 20, 2010 granted to our Company non-exclusive and non-assignable right to use the trademark and logo appearing on the cover page of this Draft Red Herring Prospectus. For further details, see "Risk Factors - Risks Relating to Our Business - The "Kalpataru" brand is owned by Kalpataru Properties Private Limited, which has, pursuant to a trademarks licensing agreement dated September 20, 2010 granted our Company a non-exclusive right to use the "Kalpataru" name and the "Kalpataru" logo. If we are unable to continue to use the trademark and logo, our goodwill, business and results of operations may be adversely affected"

Insurance

Our operations are subject to hazards inherent to the real estate industry, such as work accidents, fires, earthquakes, floods and other force majeure events, acts of terrorism and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We obtain standard fire and special perils policies for the construction of buildings to cover risks such as fire earthquake, floods, riots and terrorism and public liabilities insurance. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate. We also require contractors to obtain insurance while carrying out any activities on our behalf. We also have group personnel accident and mediclaim policies for our employees. At present, we do not maintain any Directors and Officer's Liability policy for our Directors and key man insurance policy.

Our Employees

Our employees are not covered by any collective bargaining agreements. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees, and we consider our relationship with our employees to be good. As part of our strategy to improve operational efficiency, we regularly organise in-house and external training programmes for our employees.

Our permanent employees include personnel engaged in our management, human resource & administration, project management, procurement, execution, finance and accounts, business development, sales and marketing and legal functions. As of August 31, 2010, we had 872 permanent employees. The function-wise break-down of our employees is as set forth below:

Function	No. of Employees
Purchase, Projects & Execution	540
Sales & Marketing	95
Finance & Accounts	66
Business Development	38
Liaison	31
HR & Administration	30
Retail	20
Architect	24

Function	No. of Employees
Information Technology	15
Legal	13
Total..	872

Our Registered and Corporate Offices

Our registered and corporate offices is located at 91, Kalpataru Synergy, Opposite Grand Hyatt, Santa Cruz (East), Mumbai- 400 055. For more details, see "Risk Factors - Our registered office is on premises that have been taken on a leave and license basis. Our inability to seek renewal or extension of such license may disrupt our operations." on page xxv.

OUR LAND RESERVES

Our Land Reserves comprise lands in respect of which, as of September 15, 2010:

- registered title is owned by our Company, Subsidiaries, Associates, Joint Ventures or Consolidated Partnership Firms;
- our Company, Subsidiaries, Associates, Joint Ventures or Consolidated Partnership Firms have been granted sole development rights;
- a memorandum of understanding, agreement to acquire or letter of acceptance has been entered into by our Company, Subsidiaries, Associates, Joint Ventures or Consolidated Partnership Firms; or
- joint development agreements have been entered into by our Company, Subsidiaries, Associates, Joint Ventures or Consolidated Partnership Firms.

The land reserves figures may include lands in respect of which we have already recognised revenue, partly due to the application of "percentage of completion" method of accounting.

As of September 15, 2010, our Ongoing, Forthcoming and Planned Projects aggregated approximately 1367.36 acres and the estimated Developable Area aggregated approximately 91,928,859 sq. ft. Our land reserves are located in and around Mumbai, Thane, Panvel, Pune, Lonavala, Karjat, Nagpur, Jaipur, Udaipur, Surat and Hyderabad. Further our Future Developable Land aggregates to approximately 1303 acres. The following is a summary of our land reserves as of September 15, 2010:

Sr. No.	Land Bank / Land Reserves (Category Wise)	Acreage (acres) [1]	% of Total Acreage	Estimated Developable area (sq. ft.) [2]	% of Developable area
I	Land owned by the Company				
	1. By itself	1.60	0.06	3,24,965	0.35
	2. Through its subsidiaries	2374.94[3]	88.94	57,123,298	62.14
	3. Through entities other than (1) and (2) above	Nil	Nil	Nil	Nil
II	Land over which the Company has sole development rights				
A	1. Directly by the Company	19.04	0.71	3,609,663	3.93
	2. Through its subsidiaries	102.82	3.85	5,385,505	5.86
	3. Through entities other than (1) and (2) above	20.61	0.77	5,565,611	6.05
III	Memorandum of Understanding / Agreements to acquire / letters of acceptance to which the Company and / or its subsidiaries and / or its group companies are parties, of which				
	1. Land subject to government allocation	Nil	Nil	Nil	nil
	2. Land subject to private acquisition	101.06	3.78	14,649,377	15.94
(A)	**Sub-total (I) + (II) + (III)**	**2,620.07**	**98.12**	**86,658,419**	**94.27**
	Joint developments with partners				

Sr. No.	Land Bank / Land Reserves (Category Wise)	Acreage (acres) [(1)]	% of Total Acreage	Estimated Developable area (sq. ft.) [(2)]	% of Developable area
IV	Land for which joint development agreements have been entered in to:				
	1. By the Company directly	0.21	0.01	31,751	0.03
	2. Through its subsidiaries	0.40	0.01	54,294	0.06
	3. Through entities other than (1) and (2) above	7.63	0.29	1,334,166	1.45
V	Proportionate interest in lands owned indirectly by the Company through joint ventures	42.05	1.57	3,850,229	4.19
(B)	**Sub-total (IV) + (V)**	**50.29**	**1.88**	**5,270,440**	**5.73**
(C)	**Total (I) + (II) + (III) + (IV) + (V)**	**2,670.36**	**100**	**91,928,859**	**100**

[(1)] The land areas in the table above exclude land parcels on which projects have been completed.

[(2)] The Estimated Developable area for certain projects namely, Kalpataru Pinnacle, Kalpataru Rejuve, Kalpataru Uno, Kalpataru Enclave, Kalpataru Pristine and Kalpataru Arena has been arrived at on a pro-rata basis of Acrage as they appear under multiple categories.

[(3)] This includes Future Developable Land of 1303 acres, developable area potential of which is not a part of the Estimated Developable area in this category.

Land Agreements

The following are the land agreements relating to our Land Reserves falling under categories (I), (II), (III), (IV) and (V) above. For details of the litigation in relation to our land reserves, please see "Outstanding Litigation and Material Developments" on page 426.

Category (I): Land Owned by us

Land reserves that we own comprise lands for which sale deeds have been executed and registered in our favour. As of September 15, 2010, the total land owned by us directly, by our Subsidiaries, Associates, Joint Ventures and Consolidated Partnership Firms was approximately 2376.54 acres representing 89% of our total land reserves.

1. By Itself:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Synergy II	Vakola, Mumbai	1.60	June 16, 2006 and February 6, 2007	(a) Hindustan Platinum Private Limited and the Company (b) Dimexon Diamonds Limited and the Company	Company

Of the said land, we plan to develop 0.32 million square feet of estimated Developable Area.

2. Through its Subsidiaries:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Elan	Parel, Mumbai	2.89	December 20, 1989	Trustees of N. M. Wadia Charity and Prime Properties Private Limited	Ardour Real Estate Private Limited(1)
2.	Kalpataru Gardens Phase II	Kandivili, Mumbai	5.30	June 2, 1964 and February 17, 2005	(a) Mrs. Jerbanoo Umakant Srirang Desai and Kalpataru Gardens Private Limited (b) M/s. Chandulal and Company, M/s. Goodwill Builders and Kalpataru Gardens Private Limited	Kalpataru Gardens Private Limited
3.	Kalpataru Harmony	Wakad, Pune	8.02	November 12, 2009	Shri Balakrishna R. Waghere and others and Aura Real Estate Private Limited jointly with Waghere Promoters	Aura Real Estate Private Limited
4.	Kalpataru Meadows	Kandivili, Mumbai	3.04	February 7, 1974	Neo-Pharma Private Limited and Sona Properties Private Limited	Sona Properties Private Limited
5.	Kalpataru Pinnacle	Malad, Mumbai	2.96	Various agreements	Various sellers and Shravasti Property Private Limited	Shravasti Property Private Limited
6.	Kalpataru Exotica	Karjat, Maharashtra	80.37	Various agreements	Various sellers and Arena Orchards Private Limited and Ambrosia Enviro Farms Private Limited	Arena Orchards Private Limited and Ambrosia Enviro Farms Private Limited
7.	Kalpataru Rejuve	Dongargaon, Lonavala	76.29	Various agreements	Various sellers and Ardour Developers Private Limited	Ardour Developers Private Limited
8.	Kalpataru Valley	Shirol, Mumbai-Nashik Highway	133.68	Various agreements	Various sellers and Amber Enviro Farms Private Limited, Austrum Orchards Private Limited and Abhiruchi Orchards Private Limited	Amber Enviro Farms Private Limited, Austrum Orchards Private Limited and Abhiruchi Orchards Private Limited
9.	Kalpataru Uno	Khadka, Nagpur	126.08	Various agreements	Various sellers and Azure Tree Enviro Farms Private Limited, Azure Tree Orchards Private Limited, Amber Orchards Private Limited	Azure Tree Enviro Farms Private Limited, Azure Tree Orchards Private

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
						Limited and Amber Orchards Private Limited
10.	Kalpataru Avenue	Awande, Bhairav and Kudli, Maharashtra	188.12	Various agreements	Various sellers and Aura Orchards Private Limited, Anant Orchards Private Limited, Aspen Enviro Farms Private Limited and Axiom Orchards Private Limited	Aura Orchards Private Limited, Anant Orchards Private Limited, Aspen Enviro Farms Private Limited and Axiom Orchards Private Limited
11.	Kalpataru Legacy	Bani Park, Jaipur	9.87	July 19, 2007	Two agreements between Podar Mills Limited and Swarn Bhumi Township Private Limited and one agreement with Podar Mills Limited and Girirajkripa Developers Private Limited [(4)]	Swarn Bhumi Township Private Limited
12.	Kalpataru City	Fursungi, Pune	128.60	Various agreements	Various sellers and Kalpataru Land Private Limited	Kalpataru Land Private Limited
13.	Kalpataru Enclave	Pune, Maharashta	0.66	Various agreements	Various parties and Astrum Developers Private Limited and Kalpataru properties Private Limited	Astrum Developers Private Limited
14.	Kalpataru Alura	Bhandup, Maharashtra	4.36	August 5, 2010	WRM Private Limited and Kiyana Properties Private Limited	Kiyana Properties Private Limited
15.	Navsurat	Surat, Gujarat	1603	Various indentures of conveyance	Various parties and Kalpataru Land Private Limited	Kalpataru Land Private Limited
16.	Kalpataru Iconic	Nagar Road, Pune	1.70	July 9, 2008	Vijaykumar S. Pokrana and Kalpataru Constructions Overseas Private Limited and Azure Tree Lands Private Limited	Azure Tree Lands Private Limited

(1) Prime Properties Pvt Ltd was demerged with the approval of the High Court and the Plot was mutated in the property register card in the name of Ardour Real Estate Pvt Ltd.

(2) Aura Real Estate Private Limited owns this land jointly with Waghere Promoters pursuant to a sale deed dated November 12, 2009 and has paid Rs. 13.2 million for purchase of the said land. Further, Aura Real Estate Private Limited has also paid interest free security deposit of Rs. 66.4 million to Waghere Promoters and is required to pay 36.50% of the net realisations from the project calculated in a certain manner to Waghere Promoters as per the terms of the joint development agreement dated November 10, 2009. Waghere Promoters has agreed to bear cost of Rs.7.2 million towards permissions, sanctions and approvals that may be required for the development of the land.

[3] The consideration was discharged by allotment of 9,980 fully paid up equity shares of Rs.100 each in the share capital of Sona Properties Private Limited and by payment of the balance amount of Rs.2,000 in cash to Neo-Pharma Private Limited.
[4] Girirajkripa Developers Private Limited is a wholly owned subsidiary of Swarn Bhumi Township Private Limited.

3. Through entities other than (I).1 and (I).2 above:

We do not possess any lands in this category.

The materiality of the agreements in relation to land has been considered on the basis of 10% or more of the aggregate agreement value of lands under each category. The material agreements in this category are as follows:

S. No.	Project	Location of Land	Land Area (Acres)	Date of Agreement	Parties to Agreement	Project entity	Agreement Value (In Rs. million)	Amount paid as at September 15, 2010 (In Rs. million)	Source of funds
1.	Kalpataru Synergy II	Vakola, Mumbai	1.60	June 16, 2006 and February 6, 2007	(a) Hindustan Platinum Private Limited and the Company (b) Dimexon Diamonds Limited and the Company	Company	475.00	475.00	Internal accruals
2.	Kalpataru Rejuve	Dongargaon, Lonavala	76.29	Various agreements	Various sellers and Ardour Developers Private Limited	Ardour Developers Private Limited	488.50	215.56	Internal accruals
3.	Kalpataru City	Fursungi, Pune	128.60	Various agreements	Various sellers and Kalpataru Land Private Limited	Kalpataru Land Private Limited	879.43	727.20	Internal accruals
4.	Kalpataru Uno	Khadka, Nagpur	126.08	Various agreements	Various sellers and Azure Tree Enviro Farms Private Limited, Azure Tree Orchards Private Limited, Amber Orchards Private Limited	Azure Tree Enviro Farms Private Limited, Azure Tree Orchards Private Limited and Amber Orchards Private Limited	377.77	377.77	Internal accruals
5.	Kalpatar	Bhandup,	4.36	August 5,	WRM	Kiyana	810.00	810.00	Internal

S. No.	Project	Location of Land	Land Area (Acres)	Date of Agreement	Parties to Agreement	Project entity	Agreement Value (In Rs. million)	Amount paid as at September 15, 2010 (In Rs. million)	Source of funds
	u Alura	Maharashtra		2010	Private Limited and Kiyana Properties Private Limited	Properties Private Limited			accruals

The aggregate agreement value of the non-material agreements in this category is Rs. 704.74 million and the amounts paid as a percentage of the aggregate amount value is 98.98%.

Category (II): Land over which the Company has sole developable rights

As of September 15, 2010, we have been granted sole development rights (i.e. the complete rights in the land to carry out construction and development activities) in respect of approximately 142.47 acres of land. We acquire sole development rights by entering into agreements with parties having ownership or other interests over the land. As of September 15, 2010, land on which we have been granted sole development rights comprised approximately 5.34% of our land reserves.

1. Directly by the Company:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Aura	Ghatkopar, Mumbai	13.60	October 1, 2003	BOC India Limited and the Company	Company
2.	Kalpataru Pristine	Mulund, Mumbai	3.05	January 1, 2007	Schrader Duncan Limited and the Company	Company
3.	Kalpataru Edge	Vakola, Mumbai	1.40	January 14, 2005	Laxmibai Narayan Harmalkar and others and the Company	Company
4.	Kalpataru Solitaire	Juhu, Mumbai	0.99	December 6, 2009	Garib Co-operative Housing Society Limited and the Company	Company

2. Through its Subsidiaries:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Hills	Thane, Maharashtra	6.42	June 10, 2005	Tata Power Company Limited and Kalpataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited
2.	Kalpataru Estate and Kalpataru Korum[(1)]	Hyderabad	9.56	December 14, 2007	BOC India Limited and Abacus Real Estate Private Limited	Abacus Real Estate Private Limited
3.	Siddhachal Phase VI	Thane, Maharashtra	8.99	March 29, 2001	B. R. T. Limited and Kalpataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
4.	Siddhachal Phase VII	Thane, Maharashtra	0.84	Various agreements	Ajaykumar Thanawala and others and Kalapataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited
5.	Siddhachal Phase VIII	Thane, Maharashtra	3.34	December 29, 2004	Nandkishore Goenka H.U.F. and Kalpataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited
6.	Kalpataru Serenity	Manjri, Pune	17.19	March 5, 2007	Subhash Samudaik Sahakari Shetki Sangh Limited, M/s. Neha Constructions; M/s. Shreeyash Associates; Amar Builders and Ashoka Properties Private Limited	Ashoka Properties Private Limited
7.	Kalpataru Rejuve	Dongargaon, Lonavala	2.75	Various agreements	Various parties and Ardour Developers Private Limited	Ardour Developers Private Limited
8.	Kalpataru Regale	Udiapur, Rajasthan	49.59	May 24, 2008[(2)]	Governor of Rajasthan/Urban Improvement Trust, Udaipur and Ambrosia Real Estate Private Limited	Ambrosia Real Estate Private Limited
9.	Kalpataru Enclave	Pune, Maharashta	1.72	Various agreements	Various parties and Astrum Developers Private Limited	Astrum Developers Private Limited
10.	Kalpataru Sparkle	Bandra, Mumbai	2.42	November 28, 2005	MIG Co-operative Housing Society Limited and M/s. Kalpataru Enterprises	M/s. Kalpataru Enterprises[(4)]

[(1)] There is a common agreement dated December 14, 2007 between BOC India Limited and Abacus Real Estate Private Limited for Kalpataru Estate and Kalpataru Korum projects.
[(2)] Pursuant to the terms of the lease deed between the Governor of Rajasthan/Urban Improvement Trust, Udaipur as lessor and Ambrosia Real Estate Private Limited as lessee, a lease is granted in favour of Ambrosia Real Estate Private Limited for a term of 99 years commencing from May 24, 2008.
[(3)] Ambrosia Real Estate Private Limited is required to pay yearly urban assessment of Rs.5.94 million or such other urban assessment as may be assessed in terms of the lease deed.
[(4)] Kalpataru Sparkle is being developed by M/s. Kalpataru Enterprises, a partnership firm between the Company and Kalpataru Properties Private Limited, in which the share of our Company is 95%.

3. Through entities other than (II).1 and (II).2 above:

[Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Arena	Thane, Maharashtra	20.61[(1)]	December 28, 2005 and December 29, 2006	Clariant Chemicals (India) Limited and Ananta Landmarks Private Limited	Ananta Landmarks Private Limited

[(1)] Kalpataru Arena is being developed by Ananta Landmarks Private Limited in which our Company holds 49.5% of the Class A Equity shares which has voting and economic rights and 1.5% class A shares are held by Kalpataru Properties Private Limited and 49% of the Class B Equity shares are held by HDFC. Class B equity shares do not carry any economic interest (other than face value thereof) and thereby Our Company in effect has 97.06% of the total economic interest in the property. For further details please see 'History and Corporate Structure' on page 192.

The materiality of the agreements in relation to land has been considered on the basis of 10% or more of the aggregate agreement value of lands under each category. The material agreements in this category are as follows:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity	Agreement Value (In Rs. million)	Amount paid as at September 15, 2010 (In Rs. million)	Sources of Funds
1	Kalpataru Estate and Kalpataru Korum[(1)]	Hyderabad	9.56	December 14, 2007	BOC India Limited and Abacus Real Estate Private Limited	Abacus Real Estate Private Limited	777.70	777.70	Internal accruals
3	Kalpataru Sparkle	Bandra, Mumbai	2.42	November 28, 2005	MIG Co-operative Housing Society Limited and M/s. Kalpataru Enterprises	M/s. Kalpataru Enterprises[(2)]	754.12	546.83	Internal accruals
4	Kalpataru Arena	Thane, Maharashtra	20.61[(3)]	December 28, 2005 and December 29, 2006	Clariant Chemicals (India) Limited and Ananta Landmarks Private Limited	Ananta Landmarks Private Limited	476.91[(4)]	476.91	Internal accruals

[(1)] There is a common agreement dated December 14, 2007 between BOC India Limited and Abacus Real Estate Private Limited for Kalpataru Estate and Kalpataru Korum projects

[(2)] Kalpataru Sparkle is being developed by M/s. Kalpataru Enterprises, a partnership firm between the Company and Kalpataru Properties Private Limited, in which the share of our Company is 95%.

[(3)] Kalpataru Arena is being developed by Ananta Landmarks Private Limited in which our Company holds 49.5% of the Class A Equity shares which has voting and economic rights and 1.5% class A shares are held by Kalpataru Properties Private Limited and 49% of the Class B Equity shares are held by HDFC. Class B equity shares do not carry any economic interest (other than face value thereof) and thereby Our Company in effect has 97.06% of the total economic interest in the property. For further details please see 'History and Corporate Structure' on page 192.

[(4)] In addition, we have paid an advance sum of Rs.10 million to Clariant Chemicals (India) Limited towards transfer of the development rights and/or TDR that may be available to Clariant Chemicals (India) Limited.

The aggregate agreement value of the non-material agreements in this category is Rs. 1909.12 million and the amounts paid as a percentage of the aggregate amount value is 83.22%.

Category (III): Land in respect of which memoranda of understanding / agreements to acquire / letters of acceptance have been entered into

As of September 15, 2010, we have been granted rights to acquire and/or develop approximately 101.06 acres of land pursuant to the MoUs/agreements to sell and purchase/letters of acceptance. These land reserves are all subject to private acquisition and none of our lands are subject to government allocation. We generally enter into MoUs/agreements to sell and purchase/letters of acceptance to acquire and/or develop identified lands. These MoUs/agreements to sell and purchase/letters of acceptance are expected to be followed with the execution of definitive agreements, such as sale or lease deeds. At the time of execution of the agreements to sell and purchase or MoUs for acquisition of land, we make payment for a portion of the total consideration of the land. Sale or conveyance deeds for such lands are executed after we have conducted satisfactory due diligence and/or obtained approvals and/or paid the remaining consideration for such land. At the time of entering into agreements to sell and purchase or MoUs for land to be acquired and/or developed by us, the vendors or parties seeking to grant us development rights may not have ownership or title over such land or may have created encumbrances over such land.

1. Land subject to government allocation:

We do not possess any lands in this category.

2. Land subject to private acquisition:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Marvel	Pimple Nilakh, Pune	9.61	October 6, 2007	Shubham Properties and Kalpataru Constructions (Pune) Private Limited[1]	Kalpataru Constructions (Pune) Private Limited
2.	Kalpataru Crest	Vishnoi, Pune	0.51	March 13, 2008	Shubham Properties and Ardour Properties Private Limited[2]	Ardour Properties Private Limited
3.	Kalpataru Sparkle II	Bandra, Mumbai	2.42	February 26, 2007	MIG Co-operative Housing Society Bandra (East) Group-V Limited and Kalpataru Properties Private Limited	Kalpataru Limited[3]
4.	Kalpataru Storey	Vishnoi, Pune	5.16	March 13, 2008	Shubham Properties and Ardour Properties Private Limited[4]	Ardour Properties Private Limited
5.	Kalpataru Grandeur	Andheri, Mumbai	2.00	February 28, 2010	Yashodhan Bank of India Co-operative Housing Society Limited and Kalpataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited
6.	Kalpataru Rejuve	Dongargaon, Lonavala	8.05	March 31, 2010 and May 12, 2010	Rudhraiya Chanaiya Lonimath and Ardour Developers Private Limited	Ardour Developers Private Limited
7.	Kalpataru Arena	Thane, Maharashtra	36.95	August 25, 2010	Clariant Chemicals (India) Limited and Ananta Landmarks Private Limited	Ananta Landmarks Private Limited
8.	Kalpataru Pristine	Mulund Mumbai	3.47	July 20, 2010	Schrader Duncan Limited and the Company	Company
9.	Kalpataru Enclave	Baner, Pune	12.02[5]	March 5, 2009	Babul R. Pathan and others and Kalpataru Properties Private Limited	Astrum Developers Private Limited[6]
10.	Kalpataru Uno	Khadka, Nagpur	20.87	May 29, 2010	Parag M. Munot and Kalpataru Limited	Kalpataru Limited

[1] We are entitled to 55% of the sale proceeds of the developed area. We have paid an interest free adjustable security deposit of Rs.7.14 million to Shubham Properties.
[2] We are entitled to 55% of the sale proceeds of the developed area. We are required to pay Rs.21 million per acre to Shubham Properties, which shall be adjusted from the 45% share of sale proceeds that will accrue to Shubham Properties.
[3] Kalpataru Properties Private Limited has entered into a MOU dated August 3, 2010 for assignment of its development rights in favour of Kalpataru Limited.
[4] We are entitled to 55% of the sale proceeds of the developed area. We are required to pay Rs.21 million per acre to Shubham Properties, which shall be adjusted from the 45% share of sale proceeds that will accrue to Shubham Properties.

[(5)] Out of the area constructed on the above land, we have agreed to provide 40% of the constructed area to the owners.
[(6)] Kalpataru Properties Private Limited has entered into a MOU dated March 5, 2009 for assignment of its rights in favour of Astrum Developers Private Limited.

The materiality of the agreements in relation to land has been considered on the basis of 10% or more of the aggregate agreement value of lands under each category. The material agreements in this category are as follows:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity	Agreement Value (In Rs. million)	Amount paid as at September 15, 2010 (In Rs. million)	Sources of Funds
1	Kalpataru Sparkle II	Bandra, Mumbai	2.42	February 26, 2007	MIG Co-operative Housing Society Bandra (East) Group-V Limited and Kalpataru Properties Private Limited	Kalpataru Limited[(1)]	765.40	Nil	Internal accruals
2	Kalpataru Arena	Thane, Maharashtra	36.95	August 25, 2010	Clariant Chemicals (India) Limited and Ananta Landmarks Private Limited	Ananta Landmarks Private Limited	2400	240	Internal accruals
3	Kalpataru Pristine	Mulund Mumbai	3.47	July 20, 2010	Schrader Duncan Limited and the Company	Company	408.72	120	Internal accruals

[(1)] Kalpataru Properties Private Limited has entered into a MOU dated August 3, 2010 for assignment of its development rights in favour of Kalpataru Limited.

The aggregate agreement value of the non-material agreements in this category is Rs. 385.78 million and the amounts paid as a percentage of the aggregate amount value is 0.26%.

Category (IV): Land in respect of which the Company has entered into joint development agreements

Under the joint development agreements that we have entered into, the counterparty is typically a land owner or a person with development rights to the land who grants us permission to develop and sell our portion of the developed plot in one or several parts but does not convey the title to the land to us. We are generally required to pay a refundable or non-refundable deposit to the owner of the land. We are either entitled to (a) right, title and interest over a specified proportion of the total developed area of the land or (b) an agreed share of the revenue from the developed project subject to any restrictions placed on us under the agreements. As of September 15, 2010, we have been granted joint development rights in respect of approximately 8.24 acres, which is 0.31% of our Land Reserves.

1. Directly by the Company:

Sr. No.	Project	Location of Land	Total Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Nandalaya	Juhu, Mumbai	0.21[(1)]	December 14, 2007	Vithaldas Karani and others and the Company	Company

[(1)] Out of the area constructed on the above land, we agreed to provide 9583.24 sq. ft. of the built-up area in the form of newly constructed flats to the owners.

2. Through its Subsidiaries:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Pinnacle	Malad, Mumbai	0.40	August 21, 2010	Atul Projects India Limited and Shravasti Property Private Limited	Shravasti Property Private Limited

3. Through entities other than (IV).1 and (i).2 above:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Srishti	Mira Road, Mumbai	7.63	October 18, 2007	Eversmile Properties Private Limited and Azure Tree Townships Private Limited	Azure Tree Townships Private Limited

[(1)] We have paid interest free adjustable security deposit of Rs.1.1 million to Eversmile Properties Private Limited. We are required to pay 11% of the sale proceeds of the total sales area to Eversmile Properties Private Limited.

The materiality of the agreements in relation to land has been considered on the basis of 10% or more of the aggregate agreement value of lands under each category. The material agreements in this category are as follows:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity	Agreement Value (In Rs. million)	Amount paid as at September 15, 2010 (In Rs. million)	Sources of Funds
1	Kalpataru Nandalaya	Juhu, Mumbai	0.21[(1)]	December 14, 2007	Vithaldas Karani and others and the Company	Company	30	30	Internal accruals

[(1)] Out of the area constructed on the above land, we agreed to provide 9583.24 sq. ft. of the built-up area in the form of newly constructed flats to the owners.

The aggregate agreement value of the non-material agreements in this category is Rs. 2.5 million and the amounts paid as a percentage of the aggregate amount value is 100%.

Category (V): Land owned indirectly by the Company through joint ventures

As of September 15, 2010, we own approximately 42.05 acres of land through our joint venture arrangements.

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity
1.	Kalpataru Riverside	Panvel, Maharashtra	22.40	July 25, 1995	Adamji Yahyabhai Jasdanwala and others and Kalpataru + Sharyans[(1)]	Kalpataru + Sharyans
2.	Kalpataru Estate Pune	Pimple Gurav, Pune	19.65	December 29, 2006	Mr.Ismail M. Kanga, Mr.Mofatraj P. Munot, Mr.Parag M. Munot and M/s. Kalpataru Constructions (Pune)[(2)]	M/s. Kalpataru Constructions (Pune)

[(1)] Kalpataru Riverside is owned by M/s. Kalpataru + Sharyans, a partnership firm between the Company and Kalpataru Properties Private Limited, in which the share of our Company is 99%.

[(2)] Kalpataru Estate Pune is being developed by M/s. Kalpataru Constructions (Pune), a partnership firm between the Company and Kalpataru Properties Private Limited, in which the share of our Company is 99%.

The materiality of the agreements in relation to land has been considered on the basis of 10% or more of the aggregate agreement value of lands under each category. The material agreements in this category are as follows:

Sr. No.	Project	Location of Land	Land Area (Acres)	Date of agreement	Parties to the agreement	Project Entity	Agreement Value (In Rs. million)	Amount paid as at September 15, 2010 (In Rs. million)	Sources of Funds
1	Kalpataru Riverside	Panvel, Maharashtra	22.40	July 25, 1995	Adamji Yahyabhai Jasdanwala and others and Kalpataru + Sharyans[(1)]	Kalpataru + Sharyans	93.50	93.50	Internal accruals
2	Kalpataru Estate Pune	Pimple Gurav, Pune	19.65	December 29, 2006	Mr.Ismail M. Kanga, Mr.Mofatraj P. Munot, Mr.Parag M. Munot and M/s. Kalpataru Constructions (Pune)[(2)]	M/s. Kalpataru Constructions (Pune)	54.00	54.00	Internal accruals

[(1)] Kalpataru Riverside is owned by M/s. Kalpataru + Sharyans, a partnership firm between the Company and Kalpataru Properties Private Limited, in which the share of our Company is 99%.

[(2)] Kalpataru Estate Pune is being developed by M/s. Kalpataru Constructions (Pune), a partnership firm between the Company and Kalpataru Properties Private Limited, in which the share of our Company is 99%.

We do not have any concrete project plans with respect to certain of our lands which aggregate to 1303 acres. For further details see "Our Future Developable Lands".

For risk factors relating to each applicable category of our Land Reserves above (falling under category (i), (ii) and (iii), please see the risk factors in the section entitled "Risk Factors" on page xiii.

REGULATIONS AND POLICIES

The following description is a summary of some of the relevant regulations and policies as prescribed by the Central and State Governments in India. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and this section is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice.

The Company is engaged in the business of real estate development. Since its business involves the acquisition of land and land development rights, it is governed by a number of central and state legislation regulating substantive and procedural aspects of the acquisition of, and transfer of land as well as town and city planning. For the purposes of executing our projects, we may be required to obtain licenses and approvals depending upon the prevailing laws and regulations applicable in the relevant state and/or local governing bodies such as the Municipal Corporation of Greater Mumbai, the Fire Department, the Environmental Ministry, the Ministry of Urban Development, the City Survey Department, the Collector, *etc.* For details of such approvals, please see "Government Approvals" on page 489.

Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws. The following is an overview of some of the important laws and regulations, which are relevant to our business as a real estate developer.

PROPERTY RELATED LAWS

Central Laws

Urban Land (Ceiling and Regulation) Act, 1976 (the "Urban Land Ceiling Act")

The Urban Land Ceiling Act prescribes the ceiling on acquisition of vacant urban land by a single entity. It has been repealed in some states including Maharashtra by the Urban Land (Ceiling and Regulation) Repeal Act, 1999. In states where the law is still operative, there are restrictions on the purchase of large areas of land.

Land Acquisition Act, 1894 (the "Land Acquisition Act")

The Government of India and the State Governments are empowered to acquire and take possession of any property for public purpose, however, the courts in India have, through numerous decisions, stipulated that any property acquired by the government must satisfy the due process of law. The key legislation relating to the expropriation of property is the Land Acquisition Act, which provides for the compulsory acquisition of land by the Central Government or appropriate State Government for public purposes, including planned development and town and rural planning. Some states have their own land acquisition statutes and our Company has to abide by State legislations in those states in which it conducts its business.

The Land Acquisition Act lays down the procedures which are required to be compulsorily followed by the Government of India or any of the State Governments for acquisition of land under the Land Acquisition Act. The procedure for acquisition, as mentioned in the Land Acquisition Act, can be briefly summarised as follows:

- identification of land;
- notification of land;
- declaration of land;
- acquisition of land; and
- payment and ownership of land.

Any person having an interest in such land has the right to object and the right to receive compensation. The value of compensation for the property acquired depends on several factors, which, among other things, include the market value of the land and damage sustained by the person in terms of loss of profits. Such a person has the right to approach the courts. However, the only objection that the land owner can raise in respect of land acquisition is in relation to the amount of compensation. The land owner cannot challenge the acquisition of land once the declaration under the Land Acquisition Act is notified in the Official Gazette.

Transfer of Property Act, 1882 (the "TP Act")

The TP Act establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

The TP Act recognises, among other things, the following forms in which an interest in an immoveable property may be transferred:

- Sale: the transfer of ownership in property for a price paid or promised to be paid.
- Mortgage: the transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The TP Act recognises several forms of mortgages over a property.
- Charges: transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by an operation of law, e.g. decree of the court attaching to specified immoveable property or by act of the parties.
- Leases: the transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions

Registration Act, 1908 (the "Registration Act")

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, *inter alia*, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be received as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

Indian Stamp Act, 1899 (the "Stamp Act")

Under the Stamp Act, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all. However, the instruments which have not been properly stamped can, in certain cases, be validated by paying a penalty of up to 10 times of the proper duty or deficient portion thereof payable on such instruments.

Indian Easements Act, 1882 (the "Easement Act")

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

Laws for classification of land user

Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into residential, commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states.

Development of Agricultural Land

The acquisition of land is regulated by state land reform laws, which prescribe limits up to which an entity may acquire agricultural land. Any transfer of land which results in the aggregate land holdings of the acquirer in the state to exceed this ceiling is void, and the surplus land is deemed, from the date of the transfer, to have been vested in the State Government free of all encumbrances.

When local authorities declare certain agricultural areas as earmarked for non-agricultural use such as, townships and commercial complexes, agricultural lands may be acquired by different entities for development. After obtaining a conversion certificate from the appropriate authority with respect to a change in use of the land from agricultural to non-agricultural, the ceilings referred to above will not be applicable. While granting licenses for development of townships, the authorities generally levy proportional development charges for the provision of services.

Land use planning

Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorised agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate.

Building Consents

Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

The municipal authorities regulate building development and construction norms. The Urban Arts Commission advises the relevant State Government in the matter of preserving, developing and maintaining the aesthetic quality of urban and environmental design in some states and also provides advice and guidance to any local body with respect to building or engineering operations or any development proposal which affects or is likely to affect the skyline or the aesthetic quality of the surroundings or any public amenity provided therein.

Under certain State laws, the local body, before it accords its approval for building operations, engineering operations or development proposals, is obliged to refer all such operations to the Urban Arts Commission and seek its approval for the project. Additionally, certain approvals and consents may also be required from various other departments such as the Airports Authority of India and the Archaeological Survey of India.

Urban Development Laws

State legislations provide for the planned development of urban areas and the establishment of regional and local development authorities charged with the responsibility of planning and development of urban areas within their jurisdiction. Real estate projects have to be planned and developed in conformity with the norms established in these laws and regulations made thereunder and require sanctions from the government departments and developmental authorities at various stages. Where projects are undertaken on lands that form part of the approved layout plans and/or fall within municipal limits of a town, generally the building plans of the projects have to be approved by the concerned municipal or developmental authority. Building plans are required to be approved for each building within the project area. Clearances with respect to other aspects of development such as fire, civil aviation and pollution control are required from appropriate authorities, depending on the nature, size and height of the projects.

STATE LAWS

State legislations provide for the planned development of urban areas and the establishment of regional and local development authorities charged with the responsibility of planning and development of urban areas within their jurisdiction. Real estate projects have to be planned and developed in conformity with the norms established in these laws and regulations made there under and require sanctions from the government departments and developmental authorities at various stages.

Maharashtra

The Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963 (the "Ownership of Flats Act")

The Ownership of Flats Act applies throughout the State of Maharashtra. The provisions of the Ownership of Flats Act apply to promoters/developers who intend to construct a block or building of flats on ownership basis. The Ownership of Flats Act prescribes general liabilities of promoters and developers. Under the rules framed under the Ownership of Flats Act, a model form of agreement to be entered into between promoters/developers and purchasers of flats, has been prescribed. Under the Ownership of Flats Act, the promoter/developer is required to enter into a written agreement for the sale of flats with each purchaser and the agreement contains prescribed particulars with relevant copies of documents. These agreements must be compulsorily registered.

Bombay Stamp Act, 1958 (the "Bombay Stamp Act")

Stamp duty on instruments in the state of Maharashtra is governed by the Bombay Stamp Act. This act levies stamp duty on documents/instruments by which any right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded. All instruments chargeable with duty and executed by any person are required to be stamped before or at the time of execution or immediately thereafter on the next Working Day following the day of execution. It authorises the State Government on receiving information from any source, to call for examination of any instrument to satisfy itself that the market value of the property referred therein has been truly set forth and the duty paid on it is adequate. Instruments not duly stamped are incapable of being admitted in court as evidence of the transaction in question. The State Government has the authority to impound insufficiently stamped documents.

The Maharashtra Housing and Area Development Act, 1976 (the "MHADA")

The MHADA has been enacted for giving effect to the policy of the state towards securing the principle specified in the Constitution of India and the execution of the proposals, plans or projects therefore and acquisition therefore of the lands and buildings and transferring the lands, buildings or tenements therein to the needy persons and cooperative societies of occupiers of such lands or buildings. The MHADA consolidated the law relating to housing, repairing and reconstruction of dangerous buildings and carrying out improvement works in slum area. It established the Maharashtra Housing and Area Development Authority with a view to integrate the activities and functions of different statutory bodies which coordinates the activities of seven regional housing boards.

Development Control Regulations for Greater Mumbai, 1991 (the "Development Regulations")

The Development Regulations for the MMR have been enacted to effectuate planned development and optimal use of land in Mumbai and apply to building activity and development work in the areas within the jurisdictions of MCGM. The constructions by the developer must be in accordance with the requirements and specifications including safety requirements provided under the regulations.

Development Control Regulations for Mumbai Metropolitan Region, 1999 (the "Development Control Regulations for MMR")

The Development Control Regulations apply to the development of any land situated within the Mumbai Metropolitan Region as defined in the Mumbai Metropolitan Region Development Authority Act, 1974. Under the Development Control Regulations for MMR no person can carry out any development (except those stated in proviso to Section 43 of the Maharashtra Regional Town Planning Act, 1966) without obtaining permission from the planning authority and other relevant authorities including zilla parishads and the pollution control board.

The Development Control Regulations for MMR have demarcated the region into various zones for development purposes including urbanisable zones, industrial zone, recreation and tourism development zone, green zones and forest zone.

Maharashtra Regional and Town Planning Act, 1966 (the "Town Planning Act")

The Town Planning Act has been enacted with the object of establishing local development authorities in Maharashtra to ensure efficient town planning and development of lands within their jurisdiction. It provides for the creation of new towns and compulsory acquisition of land required for public purposes. The Collector and the Town Planning Department as appointed and established under the Town Planning Act, grant approvals for real estate projects situated in areas falling within their jurisdiction. Change in the use or development of any land which is part of a notified area or site for a new town requires the permission of the planning authority and it may revoke or modify the permission granted if it appears inconsistent with the development plan. The Town Planning Act also empowers the planning authority to levy development charge on use, change of use or development of land for which permission is required at specified rates.

Mumbai Municipal Corporation Act, 1888 (the "Municipal Corporation Act")

The Municipal Corporation Act has been enacted to regulate the municipal administration of the city of Bombay (now Mumbai) and to secure the due administration of municipal funds.

Maharashtra Land Revenue Code, 1966 (the "MLRC")

The MLCR was enacted to unify and amend the law relating to land and land revenues in Maharashtra. The MLRC empowers the state government to specify revenue areas. The MLRC empowers the State Government to appoint a Collector who is in charge of the revenue administration for a district and also the powers and duties of other officers appointed in this regard.

Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971

The Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 ("**MSA Act**") provides for and governs the making of better provisions for improvement and clearance of slum areas in the State and their redevelopment and for the protection of occupiers from eviction and distress warrants.

Maharashtra Rent Control Act, 1999

The Maharashtra Rent Control Act, 1999 ("**MRC Act**") has been enacted to unify, consolidate and amend the law relating to control of rent and repairs of certain premises and of eviction in Maharashtra and for encouraging the construction of new houses by assuring a fair return on the investment by landlords and to provide for the matters connected with the purposes aforesaid.

Maharashtra Tax on Buildings (with Larger Residential Premises) Act, 1979

The Maharashtra Tax on Buildings (with Larger Residential Premises) Act, 1979 has been enacted to provide for levy of tax on buildings in corporation areas in the State of Maharashtra, which contain larger residential premises.

Land Conversion from Agriculture to Non Agriculture

In case of land located in the residential zone as per the Development plan of the City

Lands located in the Residential Zone as per the development plan of city is developable even though it is an agriculture land. The procedure is such that the developer submits the layout plan for approval for approval. Once the layout plan is approved by the Authority concerned, the developer immediately makes an application for conversion of land from Agriculture to Non Agriculture in the Land Department. The land department, based on the layout approval, gives the NA Order (Non Agriculture order) at a payment of certain pre-fixed charges per square feet. The land conversion from Agriculture to Non Agriculture in case of lands located in residential zone as per the city development plan will be a mere procedure.

In case of land located in the agriculture zone

As per the Special Township Project Scheme of Maharashtra, a developer who holds more than 100 acres of land in agriculture zone can take permission/approval from the government of Maharashtra for development of Special Township Scheme. Once the scheme is approved by government of Maharashtra, the land will be automatically converted from Agriculture to Non Agriculture status.

Transfer of development rights

In the event as per the development plan of the city, if the developer is asked to leave the certain portion of the land for the purpose of road widening etc. the Developer is entitled for equal amount of FSI/TDR (Floor Space Index / Transfer of Development Rights). The developer can either use the same within the same land/project or can sell to third party. The actual hand over of land will happen only of the Corporation is ready to acquire the same. Until such time the Developers hands over the land, the Developers shall remain in possession of the land however no development can take place on that portion of the land.

Similarly, within the city limits as also within the proposed city limits a Developer may consume addition area by way of purchase of TDR to the tune of maximum 40% of the net plot area. Based on this the saleable area of the project for the developer shall go up. While approving the plans, the developers can express the proposed TDR to be consumed in that project however the actual TDR is to be purchased only when the Developers decides to physically consume the area of TDR based on their sale of units in the project.

As per the Development plans of the Cities in Maharashtra the Developers have to leave about 1% to 15% by way of Amenities Spaces. However these areas can be developed for the purpose of Software Park by payment of certain premium.

As per the rules of Maharashtra the Developers are entitled for 100% additional FSI for development of Private Software Park and Hotel/Service Apartments on payment additional premium.

MCGM Car Parking Policy

The State Government has enacted new regulations under the Mumbai Development Control Regulations 33(24) under which incentive FSI will be available to developer. This is with a view to create availability of public parking spaces to reduce congestion on the roads. With previous approval of Government for development of multi-storied/ parking lots on any plot abutting roads and/or stretches of road, additional FSI as specified in the car parking policy on built up parking area, created and handed over to MCGM free of cost, shall be allowed on the land belonging to the private owners, which is not reserved for any public purposes.

Rental Housing Policy

In year 2008, the Mumbai Metropolitan Region Development (MMRDA) Authority has undertaken the rental housing project in MMR, which is essentially a slum prevention program. Under the rental housing project, housing units are being specifically developed for renting out to families from economically weaker sections at affordable rates. The dwelling units are offered in newly built structures with self contained bathroom, cooking area and provision of legalized water and power facilities. In order to increase the housing stock by constructing or procuring maximum rental housing units in MMR and to make available housing units of 160 square feet carpet area at a reasonable rent. MMRDA has granted FSI of 4.0 for such projects located in jurisdiction of some Municipal Corporation. Out of the FSI of 4.0,. FSI 1.00 shall be used for rental housing project on minimum 25% of the total land area to be conveyed in the name of MMRDA free of cost. The land owner shall handover to MMRDA free of cost constructed rental units with appurtenant land and the balance FSI 3.0 shall be used for construction of housing units on maximum 75% of the total land area by the land owner and sold in the open market to subsize the component of rental housing.

Proposed amendments to the Development Control Regulations

State Government of Maharshtra has declared a housing policy July 23, 2007. The main objective of the housing policy was to create low and affordable housing to the weaker sections of society, and accordingly the Development Control Regulations was amended to include provisions for low income housing. The State Government of Maharshtra has in August, 2010 proposed to amend the Development Control Regulations to further include that in case the area of a plot of land is 200 square meters or above, the developers are mandatorily required to sub-divide the plot and to provide 20-25% of the plot area in the form of 30 to 50 square meters for economically weaker section or low income group and 10% plot area in the form of 50 to 100 square meters. In case the plot area is more than 4000 square meters, layout of the plot must be such as to provide 20-25% of the plot area in the form of 30 to 40 square meters for economically weaker section or low income group and 10% plot area in the form of 41 to 60 square meters for middle income group. As at the date of this Draft Red Herring Prospectus, the Development Control Regulations have not been amended to reflect this proposal.

Gujarat

The Bombay Provisional Municipal Corporations Act, 1949 (the "BPMC Act")

The BPMC Act was extended to the State of Gujarat in 1973. It provides for duties and powers of municipal authorities and officers including powers of corporation as to the acquisition of property. The BPMC Act further provides that a notice has to be given to the Commissioner of intention to erect building. Further, it provides for power of entry, inspection and eviction by the Commissioner and his authority to levy taxes.

The Gujarat Housing Board Act, 1961 (the "GHB Act")

The GHB Act provides for constitution of the Gujarat Housing Board (the "**GHB**") for the purpose of undertaking activities related to housing. The jurisdiction of the GHB extends to all urban areas in the state, which includes the municipal councils, municipal corporations and town panchayats. The GHB Act sets out the objectives of the GHB that include constructing of houses, shopping complexes, commercial complexes, shops and multi storied buildings.

The Gujarat Municipalities Act, 1963 (the "GM Act")

The GM Act provides that the State Government is empowered to constitute municipalities and change the limits of the municipalities. It also provides for powers and functions of the director of municipalities, which include power to lay down procedure preliminary to imposing tax. According to the GM Act, the collector is empowered to require a person intending to construct, alter externally or add to any building or to construct or reconstruct any projecting portion of a building to furnish to the chief officer a plan as certified by person recognised by the municipality.

The Gujarat Town Planning & Urban Development Act, 1976 (the "GTPUD Act")

The Gujarat Town Planning & Urban Development Act was enacted to consolidate and amend the law relating to the making and execution of development plans and town planning schemes in the state of Gujarat. It provides for constitution of area development authority and urban development authorities. The GTPUD Act also provides for appointment of a town planning officer and levy, assessment and recovery of development charges.

The Gujarat Value Added Tax Act, 2003 (the "GVATA")

The GVATA prescribes certain requirements in relation to the payment of value added tax in the state of Gujarat.

Rajasthan

The Jaipur Development Authority Act, 1982 (the "JDAA")

The Jaipur Development Authority was constituted on August 5, 1982 under the JDAA. Objective behind its establishment is to undertake planning and supervising the proper, orderly and rapid development of Jaipur region.

The Rajasthan Municipal Act, 1959 (the "RMA")

The RMA Act was passed in the year 1959. Rajasthan has several municipalities, a municipal council for a smaller urban region and a municipal corporation for a bigger urban area. The composition varies depending on the urban population of the state. The municipalities of Rajasthan functions as the institutions of self-government and the powers are evolved by the state. Articles 243 of the Constitution of India sets out the provisions regarding election, composition, powers and duration relating to the municipalities. The municipalities are responsible for bringing out social and economic development and social justice. They are authorized to implement developmental schemes and also have the power to impose taxes.

Andhra Pradesh

Andhra Pradesh Urban Areas (Development) Act, 1975 (the "APUDA")

The urban land development in the state of Andhra Pradesh is regulated by the provisions of the APUDA, which provides for the constitution of the Hyderabad Urban Development Authority ("**HUDA**"). The HUDA has developed several master plans and zonal plans. The objects and powers of the HUDA are to promote and secure the development of all or any of the areas comprised in the development area according to the plan. No person is allowed to undertake or carry out development of any land in contravention with the master plan or zonal development plan or without permission or approval or sanction as may be required. An order of demolition of building can also be issued by HUDA where development has commenced or is being carried out or has been completed in contravention of the master plan or zonal plan. The master plan defines various zones into development areas which may be divided for the purposes of development and indicates the manner in which the land in each zone is proposed to be used. It provides the framework for development within the zonal development plans.

Hyderabad Municipal Corporation Act, 1955 (the "HMCA")

The HMCA is applicable to the cities of Hyderabad and Secunderabad. The Municipal Corporation of Hyderabad ("**MCH**") has been set up under the HMCA. The HMCA provides that any person intending to develop a land/use it for building purposes, is required to give written notice of his intention to the commissioner and submit plans and sections, showing the situation and boundaries of such building, land, private street, etc. All plans submitted to the commissioner must be prepared by or under the supervision of a surveyor. If the commissioner does not indicate his approval or disapproval within 60 days of receipt of the notice, then such proposal shall be deemed to have been approved. The HMCA provides that no person shall use or permit the use of any land whether undeveloped or partly developed for building or divide such land into building plots or make or layout any private street, unless such person gives a written notice as provided. In case of any contravention, the commissioner may give a show cause notice to such person as to why such building layout should not be altered to the satisfaction of the commissioner or why such street or building should not be demolished.

The HMCA further provides that any person intending to erect or alter a building shall give notice to the commissioner of his intention in the specified form. The person giving notice may proceed with the building or work, subject to the terms specified by the commissioner, any time within one year from the date of receiving the notice of disapproval from the commissioner. After the expiry of the one year, the person will need to give fresh notice of his intention to erect or re-erect a building or execute such work. The HMCA further provides for specifications with respect to the foundation of the building, plinth area, ventilation, height of the rooms, material used for roofs and external walls, maximum height of the buildings, etc.

Andhra Pradesh Fire Services Act, 1999 ("Fire Services Act")

The maintenance of fire services in the state of Andhra Pradesh is regulated by the provisions of the Fire Services Act. The act provides for the establishment and maintenance of fire services by the Andhra Pradesh Fire Service ("**APFS**"). Any person proposing to construct a high raised building or a building proposed to be used for any other purpose other than residential purpose should apply to the director general to approve under the relevant law for a no objection certificate. The owner of property shall make an application for license to the APFS within 30 days from the date of notification of construction plans. The authorized officer so approached should within a period of 60 days decide whether to grant the license or not and if the license is denied, he must also record his reasons for rejecting the same. Every license granted shall be valid for a period of three years, or for such lesser period of three years as specified in the license and may be specified in the renewed license and may be cancelled for reasons to be recorded in writing.

Hyderabad Revised Building Rules, 2006 ("Building Rules")

The Hyderabad Revised Building Rules, 2006 ("**Building Rules**") (came into effect pursuant to a government order No. 86 dated March 3, 2006) prescribes the rules applicable to Municipal Corporation of Hyderabad and other areas covered by Urban Development Authorities, viz. Hyderabad Urban Development Authority, Hyderabad Airport Development Authority, Hyderabad Development Authority and Buddha Purnima Project Authority. These rules shall apply to all building activity. There shall be restriction on the minimum building plot size along the abutting roads in all new developments areas and layouts.

Under these rules no building / development activity shall be allowed in the bed of water bodies like river, or nala, and in the Full Tank Level (FTL) of any lake, pond, cheruvu or kunta / shikam lands. The above water bodies and courses shall be maintained as recreational/Green buffer zone, and no building activity other than recreational use shall be carried out within the areas specified in the Building Rules. The set back in relation to various construction are also specified in these rules.

In relation to high rise buildings located in vicinity of airports as given in the National Building Code, the maximum height of such building shall be decided in consultation with the Airport Authority and shall be regulated by their rules/requirements. Interstitial sites in the area which are away from the direction of the Airport Funnel zone and already permitted with heights cleared by the Airport Authority shall be permitted without referring such cases to the Airport Authority.

Every application to construct or reconstruct or alteration to existing high rise buildings shall be made in the prescribed form and accompanied by detailed plans floor plans of all floors, complete set of structural drawings and detail specifications duly certified by a qualified structural engineer. Necessary prior No Objection certificate shall be submitted from the Airport Authority (if applicable), Directorate of Fire services, along with the application

These rules also prescribe that an Occupancy Certificate shall be mandatory for all buildings. No person shall occupy or allow any other person to occupy any building or part of a building for any purpose unless such building has been granted an Occupancy Certificate by the Sanctioning Authority.

Andhra Pradesh Municipalities Act, 1965 ("Municipalities Act")

The state of Andhra Pradesh is divided into certain municipalities for better administration. The state of Andhra Pradesh may issue a notification specifying an area as a smaller urban area and constitute a municipality for such an area. Each municipality would be governed by a set of municipal authorities to be constituted/ elected as per the provisions of the Municipalities Act. The Municipalities Act provides that all vacant lands, belonging to or under the control of the state of Andhra Pradesh, situated within the local limits of a municipality would be deemed to be in the possession/ control of the municipal authorities governing such municipality. It is provided that the municipal authority shall not (i) construct or permit the construction of any building or other structure on such vacant land; (ii) use or permit the use of such vacant land for any permanent purpose; and (iii) alienate such vacant land to any third party; unless prior permission is obtained by the municipal authority from the state of Andhra Pradesh. The municipal authority is also authorised to levy property tax on all the buildings and lands within its municipal limits. The municipal authority is also responsible for water supply, public street lighting, maintenance of public and private drains, maintenance and repair of streets within its municipal limits.

The Municipalities Act provides that any person intending to construct or reconstruct a building shall make an application in writing for the approval of the site, together with the site plan. No such construction shall begin made unless the commissioner grants the permission for execution of the work. Within 60 days of making the application, the commissioner shall by a written order either approve or reject the site/ execution of any work. if the commissioner fails to do so within 60 days, such permission is deemed to have been granted and the applicant may proceed to execute the work.

The Municipalities Act provides that if the owner of any agricultural land intends to utilise or sell such land for building purposes, he shall pay to the municipal authority such conversion fee not being less than 25 paise and not more than one rupee per square meter. It is provided that the owner of any land shall, before he utilises, sells or otherwise disposes such land as site for construction of buildings, make a layout plan and construct roads giving access to the sites and connecting them with an existing public or private street. The owner is also required to set apart in the lay out adequate area for a play-ground, park, educational institution or for any other public purpose. If the owner fails to comply with the said conditions, he will not be entitled to utlise, sell or otherwise dispose such land for the construction of buildings. The Municipalities Act provides that no permission for the construction of the buildings on such land shall be granted unless the layouts are approved by the municipal authorities. Any person intending to make such a lay-out is required to make a written application to the municipal authorities with the particulars provided in the Municipalities Act. In addition to the particulars specified, such person is required to furnish a conversion certificate (in case of conversion of agricultural land)

and pay such amount as security deposit in favour of the municipality. The commissioner shall, within 15 days of receipt of such an application, call for such additional particulars (if required) or forward the same to the Director of Town Planning. The Director of Town Planning is required to forward his recommendations to the Municipality within 60 days of receipt of the layout plan in his office. The Council, may, within 60 days of receipt of the recommendations from the Director of Town Planning, either section the lay out or refuse to do so by recording its reasons in writing.

Laws relating to employment

The employment of construction workers is regulated by a wide variety of generally applicable labour laws, including the Contract Labour (Regulation and Abolition) Act, 1970, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Payment of Wages Act, 1936, Industrial Disputes Act, 1947, Payment of Gratuity Act, 1972, Workmen's Compensation Act, 1923, Employees Provident Funds and Miscellaneous Provisions Act, 1952 and Workmen (Regulation of Employment and Condition of Service) Act, 1979.

Environment Laws

Environmental Regulation

The real estate sector is subject to many central, state and local regulations designed to protect the environment. The three major statutes in India which seek to regulate and protect the environment against pollution and related activities in India are the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment (Protection) Act, 1986. Among other things, these laws regulate the environmental impact of construction and development activities, emission of air pollutants and discharge of chemicals into surrounding water bodies. These various environmental laws give primary environmental oversight authority to the Ministry of Environment and Forest ("**MoEF**"), the Central Pollution Control Board ("**CPCB**") and the State Pollution Control Board ("**SPCB**").

The MoEF is the key national regulatory agency responsible for policy formulation, planning and co-ordination of all issues related to environmental protection. The MoEF receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment is assessed by the MoEF before granting clearances for the proposed projects. The CPCB is the law enforcing body at the national level. It enforces environmental legislation, coordinates the activities of 'State Pollution Control Committees', establishes environmental standards and plans and executes a nationwide programme for the prevention, control and abatement of pollution.

The Environment Impact Assessment Notification S.O. 1533, issued on September 14, 2006 ("**EIA Notification**") under the provisions of Environment (Protection) Act 1986, prescribes that new construction projects require prior environmental clearance of the MoEF. The environmental clearance must be obtained from the MoEF according to the procedure specified in the EIA Notification. No construction work, preliminary or other, relating to the setting up of a project can be undertaken until such clearance is obtained.

Public Liability Insurance Act, 1991

This enactment imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government in by way of notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The Rules made under the Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

The Noise Pollution (Control and Regulation) Rules, 2000

Additionally, The Noise Pollution (Control and Regulation) Rules, 2000 have been enacted by the Central Government for the regulation and control of noise producing and generating sources. These Rules also specify the ambient air quality standards to be maintained in respect of noise for different areas that are categorised into industrial, commercial, residential and silence zones. The State Government is required to undertake measures for abatement of noise including noise emanating from vehicles and ensure that the existing noise levels do not exceed the ambient air quality standards specified under these Rules.

Regulations Regarding Foreign Investment

Please see “Restriction on Foreign Ownership of Indian Securities” on page 560.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our group

Our group has interests in real estate development, property and project management, engineering, procurement and construction contracting in relation to power transmission and infrastructure projects including road projects, warehousing and logistics. Our group was established by Mofatraj P. Munot, one of our Promoters in 1969. Our group includes Kalpataru Power Transmission Limited and JMC Projects (India) Limited, both of which are listed on the NSE and the BSE

Our focus is on the development of premium residential, commercial, retail, integrated townships, lifestyle gated communities and redevelopment projects primarily in the MMR and Pune. We are also undertaking projects in other key cities such as Hyderabad, Surat, Nagpur, Jaipur and Udaipur. For further details of the business of our Company, please see "Our Business" on page 131.

Our Company was incorporated as Kalpataru Homes Private Limited on December 22, 1988 under the Companies Act, 1956 in Mumbai and was allotted company registration number 11-50144. Our Company was converted into a public limited company on May 16, 1995 and consequently, its name was changed to Kalpataru Homes Limited and received a fresh certificate of incorporation consequent upon change in status on May 16, 1995. The name of our Company was subsequently changed to Kalpataru Limited on February 1, 2008.

Our Company is involved in real estate development and has a diverse portfolio of projects covering the residential, office space, retail, and social infrastructure segments of the real estate market. Currently, we have projects in MMR and Pune. For further details of the business of our Company, please see "Our Business" on page 131.

Changes in the Registered Office of our Company

Date	Details of change	Reasons for change
May 4, 2006	The address of our Registered Office was changed from 111, Maker Chambers IV, Nariman Point, Mumbai – 400021, Maharashtra India to 91, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz East, Mumbai – 400055, Maharashtra, India.	The change in registered office was effected for operational convenience

Main Objects of our Company

The main objects of our Company as contained in its Memorandum of Association are:

1. *To carry on the business of Builders, Developers, Masonary and General Construction, Contractors and hauliers and to construct, execute, carry out, equip, improve and work roadways, docks, harbours, wharves, canals, water courses, reservoirs, embankments, irrigations, reclamations, sewage, drainage and other sanitary works, gas and other supply works, houses, buildings and erections of every kind.*

2. *To carry on business of buying, selling or otherwise dealing in land (leasehold, or freehold) and buildings and flats or tenements or shops, offices and other premises in such buildings.*

Amendments to the Memorandum of Association

Date of Shareholders' meeting	Nature of amendment
November 29, 1990	Increase in authorised share capital of our Company from Rs. 1,000,000 (10,000 Equity Shares of Rs. 100 each) to Rs. 2,000,000 (20,000 Equity Shares of Rs. 100 each)
June 27, 1991	Increase in authorised share capital of our Company from Rs. 2,000,000 (20,000 Equity Shares of Rs. 100 each) to Rs. 5,000,000 (50,000 Equity Shares of Rs. 100 each)
February 23, 1995	Alteration of the authorised share capital of our Company from Rs. 5,000,000 consisting of 50,000 Equity Shares of Rs. 100 each to Rs. 5,000,000 consisting of 500,000 Equity

Date of Shareholders' meeting	Nature of amendment
	Shares of Rs. 10 each
April 3, 1995	(i) Increase in authorised share capital of our Company from Rs. 5,000,000 (50,000 Equity Shares of Rs. 10 each) to Rs. 50,000,000 (5,000,000 Equity Shares of Rs. 10 each); and (ii) Change in the name of our Company from Kalpataru Homes Private Limited to Kalpataru Homes Limited.
January 28, 2008	Change in the name of our Company from Kalpataru Homes Limited to Kalpataru Limited
December 12, 2008	Increase in authorised share capital of our Company from Rs. 50,000,000 (500,000 Equity Shares of Rs. 10 each) to Rs. 60,000,000 (5,000,000 Equity Shares of Rs. 10 each and 1,000,000 Preference Shares of Rs. 10 each)
May 12, 2010	Alteration of Other Objects Clause III (C) of the Memorandum of Association by inserting new Clause 56 in relation to 'power transmission' activities.
July 1, 2010	Increase in authorised share capital of our Company from Rs. 60,000,000 (5,000,000 Equity Shares of Rs. 10 each and 1,000,000 Preference Shares of Rs. 10 each) to Rs. 5,000,000,000 (499,000,000 Equity Shares of Rs. 10 each and 1,000,000 Preference Shares of Rs. 10)

Major Events, Milestones and Achivements

The table below sets forth some of the major events in our history:

Date	Details
1996	We completed residential project Divya swapna at Chembur, Mumbai
1999	We completed various phases I & II in the residential project, Siddhachal at Thane, Mumbai
2002	We completed commercial project Kalpataru point at Sion Mumbai
	We completed the landmark residential project Yugdharma, Mumbai
	We completed residential project, Tarangan, at Thane Mumbai
2003	We completed the landmark residential project Kalpataru Enclave, Pune
	We completed the landmark residential project Kalpataru Residency, Mumbai.
	We have completed Siddhachal Phase III & IV at Thane
2005	We completed residential project Kalpataru Royal at Sion, Mumbai
	We have completed Siddhachal Phase V at Thane
	We completed the landmark residential project Kalpataru Gardens, Mumbai.
2007	We completed residential project, Kamdhenu, at Mulund, Mumbai
2008	The principal real estate business operations in India of the Kalpataru Group's various group entities were consolidated under our Company
	We completed the landmark residential project Kalpataru Estate, JVLR.
	We implemented the SAP system.
	We completed commercial project at Kalpataru Square, Mumbai
2009	We have completed Siddhachal Phase VI at Thane
	We launched our first retail mall, the Korum Mall, at Thane

Awards and Accreditations

Year	Award
2010	Kalpataru Aura was Awarded the "Best Architecture (Multiple Units)" at the Asia Pacific

Year	Award
	Property awards 2010 (in association with Bloomberg Television) held in Hong Kong
	Awarded the “Best Office Development” at the Asia Pacific Property awards 2010 (in association with Bloomberg Television) held in Hong Kong
	Kalpataru Limited awarded 1st prize for best Stall design at the MCHI property 2010 exhibition
2009	Kalpataru Square awarded the “Best Safety Practices”–CNBC Awaaz Crisil Real Estate Awards
	Korum has been awarded the Asia Pacific International Property Award for Best Retail Development
2008	Kalpataru Limited awarded the “Best Overall Systems”–CNBC Awaaz Crisil Real Estate Awards

Subsidiaries

Our Company has 43 Subsidiaries. For details regarding the Subsidiaries of our Company, please see “Subsidiaries and Other Consolidated Entities” on page 211.

Summary of key agreements

1. **Equity and preference share subscription agreement dated January 14, 2009 between HDFC Asset Management Company Limited (acting in its capacity as portfolio manager of its product HDFC Asset Management Company Limited Portfolio Management Services Real Estate Portfolio-I and on behalf of clients in such product) (“HDFCPMS”), Ananta Landmarks Private Limited (“Ananta”), Mofatraj P. Munot, Parag M. Munot and our Company**

Our Company, our Promoters, Ananta and HDFCPMS had entered into an equity and preference share subscription agreement dated January 14, 2009 (“**Ananta SSA**”). Pursuant to the Ananta SSA, HDFCPMS agreed to subscribe to 3,839,200 Class B equity shares of Ananta having a face value of Rs. 10 each for an aggregate amount of Rs. 38,392,000 and 1,311,608 redeemable preference shares of Ananta, having a face value of Rs. 10 each, for an aggregate amount of Rs. 1,311,608,000. HDFCPMS is required, subject to certain conditions, to subscribe to the preference shares in three tranches out of which, the first tranche of 911,608 preference shares for an amount of Rs. 911,608,000 (face value of Rs. 10 and premium of Rs. 990) has been subscribed; the second tranche is for 150,000 preference shares for an amount of Rs. 150,000,000 (face value of Rs. 10 and premium of Rs. 990); and the third tranche is for 250,000 preference shares for an amount of Rs. 250,000,000 (face value of Rs. 10 and premium of Rs. 990).

2. **Shareholders’ agreement dated January 14, 2009 between HDFC Asset Management Company Limited (acting in its capacity as portfolio manager of its product HDFC Asset Management Company Limited Portfolio Management Services Real Estate Portfolio-I and on behalf of clients in such product), Mofatraj P. Munot, Parag M Munot, our Company, Ananta Landmarks Private Limited and Mr. Imtiaz Kanga**

Ananta Landmarks Private Limited (“**Ananta**”), had executed a shareholders agreement dated January 14, 2009 (“**Ananta SHA**”), with HDFCPMS, Mofatraj P. Munot, Parag M. Munot and our Company, and Imtiaz Kanga for managing and operating Ananta and regulating the terms and conditions of their relationship with respect to the rights of the shareholders of Ananta.

We have summarized the salient terms of the Ananta SHA as below:

- Mofatraj P. Munot, Parag M. Munot and our Company (collectively referred to as the “**Ananta Promoters**”) have agreed that during the subsistence and validity of the Ananta SHA, the shareholding of the Ananta Promoters shall not fall below 51% of the total issued and paid-up equity share capital of Ananta.

- The Ananta Promoters shall have a right of first refusal with respect to a sale of the securities of Ananta held by HDFCPMS. However, such right of first refusal shall not be required in the event of transfer of such securities to one or more of the clients of HDFCPMS’s product, ‘HDFC Asset management Company

Limited Portfolio Management Services Real Estate Portfolio – I. Provided that, in the event of such a transfer contemplated by HDFCPMS, Ananta and / or the Ananta Promoters shall have an option to buyback and / or purchase such securities. Further, the Ananta Promoters and HDFCPMS each have a right of refusal in the case of a sale of the equity shares of Ananta held by the Ananta Promoters or a sale of the preference shares of Ananta held by HDFCPMS ("**HDFC Preference Shares**").

- The HDFC Preference Shares shall be redeemed by Ananta on March 31, 2012 at the price determined in accordance with the provisions of the Ananta SHA.

- From March 31, 2011 up to September 29, 2011 and from September 30, 2011 up to March 30, 2012, the Ananta Promoters and / or Ananta shall have the right to call upon HDFCPMS to sell and / or buy-back the HDFC Preference Shares in accordance with the terms of the Ananta SHA.

- From March 31, 2011 up to September 29, 2011 and from September 30, 2011 up to March 30, 2012, HDFCPMS shall have the right to put to the Ananta Promoters or require Ananta to buyback the HDFC Preference Shares in accordance with the terms of the Ananta SHA.

The Ananta SHA further includes various customary clauses including representations and warranties, indemnity, dispute resolution and confidentiality. The Ananta SHA will terminate as to a particular shareholder of Ananta when as a result of a transfer of equity shares (or preference shares) made in accordance with the Ananta SHA, a shareholder of Ananta ceases to hold any of the equity shares or preference shares in Ananta or if there are no other shareholders in Ananta (save for the affiliates of that shareholder).

3. Preference share subscription agreement cum shareholders' agreement dated January 14, 2009 between HDFC Asset Management Company Limited (acting in its capacity as portfolio manager of its product HDFC Asset Management Company Limited Portfolio Management Services Real Estate Portfolio-I and on behalf of clients in such product), K. C. Holdings Private Limited, Kalpataru Properties Private Limited, Kalpataru Constructions Private Limited, Yugdharm Investment & Trading Company Private Limited, Mofatraj P. Munot, Parag M. Munot, as Trustee of Shardchandrika Munot Family Trust, our Company and Neo-Pharma Private Limited

Neo-Pharma Private Limited ("**NPPL**"), had entered into a preference share subscription cum shareholders agreement dated January 14, 2009, with HDFC Asset Management Company Limited (acting in its capacity as portfolio manager of its product HDFC Asset Management Company Limited Portfolio Management Services Real Estate Portfolio-I and on behalf of clients in such product) ("**HDFCPMS**"), Mofatraj P. Munot, Parag M. Munot and our Company, K. C. Holdings Private Limited, Kalpataru Properties Private Limited, Kalpataru Constructions Private Limited, Yugdharm Investment & Trading Company Private Limited, Mofatraj P. Munot, Parag Munot, Parag M. Munot as Trustee of Shardchandrika Munot Family Trust (the "**NPPL Agreement**"). Pursuant to the NPPL Agreement, HDFCPMS has subscribed to 150,000 non-convertible, cumulative and redeemable preference shares, of face value of Rs.10 each and Rs. 990 towards the premium, aggregating to Rs.150 million ("**NPPL Preference Share Subscription**").

The NPPL Agreement further includes various customary clauses including representations and warranties, indemnity, dispute resolution and confidentiality. The NPPL Agreement will terminate as to a particular shareholder of NPPL when as a result of a transfer of equity shares (or preference shares) made in accordance with the NPPL Agreement, such a shareholder of NPPL ceases to hold any of the equity shares or preference shares in NPPL or if there are no other shareholders in NPPL (save for the affiliates of that shareholder).

4. Non-Compete Agreement dated September 20 2010, between our Company, our Promoters and Kalpataru Properties Private Limited

The Promoters have entered into a non-compete agreement dated September 20, 2010 with our Company and Kalpataru Properties Private Limited under which the Promoters have agreed not to undertake the business of real estate development, either individually or collectively with other entities, under the Kalpataru brand name (using the Kalpataru logo) or under any other brand name for a period for five years, however, existing properties housed under Group companies are carved out of this non-compete arrangement. This agreement is applicable so long as the Promoters, directly or indirectly, continue to hold more than fifty per cent of the Equity Shares of our Company. The agreement is valid for a period of five years and may be renewed thereafter by mutual consent.

5. Trademarks licensing agreement dated September 20, 2010, between our Company and Kalpataru Properties Private Limited

We have been granted a non-exclusive license to use the Kalpataru brandname and logo for real estate development activities. The royalty payable under this Agreement amounts to Rs. 100,000 per year for a period of five years, post which, the royalty payment will be revised by the Board of our Company, and such revised royalty payment will not exceed 0.25% of our total turnover at that time.

Shareholders

Our Company has 13 Equity Shareholders and one Preference Shareholder as on the date of this Draft Red Herring Prospectus.

Competition

For details on the competition faced by our Company, please see "Business – Our Competitors" on page 167.

MANAGEMENT

Under the Articles of Association, our Company is required to have not less than three Directors and not more than such number of Directors as may be stipulated under the Companies Act. Our Company currently has six Directors.

Board of Directors

The following table sets forth details regarding the Board of Directors as of the date of filing the Draft Red Herring Prospectus:

Name, Father's Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Mofatraj P. Munot *(S/o late Pukhraj Jain)* *Executive Chairman* *Address*: 'Munot Villa', Westfield Compound Lane, 63K Bhulabhai Desai Road, Mumbai – 400 026, Maharashtra India *Occupation:* Entrepreneur *Nationality:* Indian *Term:* From September 1, 2010 to August 31, 2015 *DIN*: 00046905	66	*Public limited companies* 1. Caprihans (India) Limited 2. Kalpataru Power Transmission Limited 3. Rajratan Global Wire Limited *Private limited companies* 1. Kalpataru Properties Private Limited 2. Kalpataru Constructions Private Limited 3. Prime Properties Private Limited 4. K. C. Holdings Private Limited 5. Hedavkar Mechanical Works Private Limited 6. Padmanagar Constructions Private Limited 7. Kalpataru Land (Surat) Private Limited 8. Aseem Properties Private Limited 9. Ardour Builders Private Limited 10. Karmayog Builders Private Limited 11. Kalpataru Holdings Private Limited 12. Kalpataru Premises Private Limited 13. Locksley Hall Hill Resort Private Limited 14. Parag-Prem Builders Private Limited 15. Rajasthan Stones Private Limited 16. Kalpataru Viniyog Private Limited 17. Kalpataru Properties (Thane) Private Limited 18. Shouri Investment & Trading Company Private Limited 19. Yugdharm Real Estate Private Limited 20. Punarvasu Holding And Trading Company Private Limited 21. Mrigashish Investment And Trading Company Private Limited 22. Punarvasu Constructions Private Limited 23. Omega Realtors Private Limited 24. Kalpataru Gardens Private Limited 25. Neo-Pharma Private Limited 26. Flex-O-Poly Private Limited 27. Databank Stationery Private Limited 28. Durable Stationery Private Limited 29. Databank Office Staples (India) Private Limited 30. Yugdharam Holdings Private Limited 31. Databank Trading Company (India) Private Limited 32. Kalpataru Land Private Limited 33. P K Velu And Company Private Limited 34. MPM Holding Private Limited 35. Associated Luggage Company Private Limited 36. Caprihans International Impex Private Limited 37. Kalpataru E-Vision Private Limited 38. India Office Solutions Private Limited 39. Kalpataru Energy (India) Private Limited 40. Lifestyle Property Ventures Private Limited 41. Kalpataru Theatres Private Limited 42. Shouri Properties Private Limited

Name, Father's Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
		43. K. V. Property Ventures Private Limited 44. Appropriate Developers Private Limited 45. Mrigashish Constructions Private Limited 46. Bhramar Investments And Trading Company Private Limited 47. Sfurti Impex Private Limited 48. Sfurti Multitrade Private Limited 49. Fine Business Facilitators Private Limited 50. Wondercure Pharmaceuticals Private Limited 51. Amrita Polytex Private Limited 52. Azure Tree Properties Private Limited 53. Azure Tree Constructions Private Limited 54. Argos International Marketing Private Limited 55. Klassik Townships Private Limited 56. Axiom Properties Private Limited 57. Azure Tree Townships Private Limited 58. Azure Tree Property Ventures Private Limited 59. Appropriate Orchards Private Limited 60. Axiom Enviro Farms Private Limited 61. Ascent Orchards Private Limited 62. Ascent Enviro Farms Private Limited 63. Aura Townships Private Limited 64. Argan Enviro Farms Private Limited 65. Argan Developers Private Limited 66. Agile Real Estate Private Limited 67. Ardour Properties Private Limited 68. Arman Villas Private Limited 69. Ananta Villas Private Limited 70. Eversmile Properties Private Limited 71. Kalpataru Plaza Private Limited 72. Propnova Properties Private Limited 73. Kalpataru Builders Private Limited 74. Kiyana Properties Private Limited 75. Rainbow Prints Private Limited
Parag M. Munot *(S/o Mofatraj P. Munot)* *Managing Director* *Address:* 'Munot Villa', Westfield Compound Lane, 63K Bhulabhai Desai Road, Mumbai – 400 026, Maharashtra India *Occupation:* Entrepreneur *Nationality:* Indian *Term:* From September 1, 2010 to August 31, 2015 *DIN:* 00136337	41	*Public limited companies* 1. Energy Link (India) Limited 2. Kalpataru Power Transmission Limited 3. Saicharan Properties Limited *Private limited companies* 1. Kalpataru Properties Private Limited 2. Kalpataru Constructions Private Limited 3. Prime Properties Private Limited 4. K. C. Holdings Private Limited 5. Hedavkar Mechanical Works Private Limited 6. Padmanagar Constructions Private Limited 7. Aseem Properties Private Limited 8. Karmayog Builders Private Limited 9. Kalpataru Holdings Private Limited 10. Kalpataru Premises Private Limited 11. Locksley Hall Hill Resorts Private Limited 12. Parag Prem Builders Private Limited 13. Rajasthan Stones Private Limited 14. Kalpataru Viniyog Private Limited 15. Shouri Investment & Trading Company Private Limited 16. Yugdharm Real Estate Private Limited 17. Punarvasu Holding & Trading Company Private Limited 18. Mrigashish Investment & Trading Company Private Limited 19. Punarvasu Constructions Private Limited

Name, Father's Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
		20. Omega Realtors Private Limited 21. Sona Properties Private Limited 22. Neo-Pharma Private Limited 23. Exclusive Stationery Private Limited 24. Flex-O-Poly Private Limited 25. Databank Stationery Private Limited 26. Shravasti Property Private Limited 27. Durable Stationery Private Limited 28. Databank Office Staples (India) Private Limited 29. Yugdharam Holdings Private Limited 30. Databank Trading Company (India) Private Limited 31. P. K. Velu & Company Private Limited 32. MPM Holding Private Limited 33. Associated Luggage Company Private Limited 34. Caprihans International Impex Private Limited 35. Kalpataru E-Vision Private Limited 36. India Office Solutions Private Limited 37. Kalpataru Energy (India) Private Limited 38. Lifestyle Property Ventures Private Limited 39. Kalpataru Retail Ventures Private Limited 40. Kalpataru Theatres Private Limited 41. Shouri Properties Private Limited 42. K. V. Property Ventures Private Limited 43. Appropriate Developers Private Limited 44. Mrigashish Constructions Private Limited 45. Shouri Constructions Private Limited 46. Bridge Equities Private Limited 47. Bhramar Investment & Trading Company Private Limited 48. Sfurti Impex Private Limited 49. Sfurti Multitrade Private Limited 50. Fine Business Facilitators Private Limited 51. Amrita Polytex Private Limited 52. Azure Tree Properties Private Limited 53. Azure Tree Constructions Private Limited 54. Argos International Marketing Private Limited 55. Klassik Townships Private Limited 56. Ashoka Properties Private Limited 57. Axiom Properties Private Limited 58. Azure Tree Townships Private Limited 59. Azure Tree Property Ventures Private Limited 60. Appropriate Orchards Private Limited 61. Axiom Enviro Farms Private Limited 62. Ascent Orchards Private Limited 63. Ascent Enviro Farms Private Limited 64. Aura Townships Private Limited 65. Kalpataru Constructions (Poona) Private Limited 66. Aura Real Estate Private Limited 67. Argan Enviro Farms Private Limited 68. Argan Real Estate Private Limited 69. Abacus Real Estate Private Limited 70. Ardour Real Estate Private Limited 71. Astrum Developers Private Limited 72. Argan Developers Private Limited 73. Agile Real Estate Private Limited 74. Arman Villas Private Limited 75. Ananta Villas Private Limited 76. Propnova Properties Private Limited 77. Classic Buildhome Private Limited 78. Kalpataru Plaza Private Limited 79. Kiyana Properties Private Limited 80. Rainbow Prints Private Limited
Imtiaz Kanga *(S/o Ismail Kanga)*	58	*Public limited companies*

Name, Father's Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Non-Executive Director *Address:* 1, Kalpataru, 39, Dr. G. Deshmukh Marg, Mumbai – 400 026, Maharashtra India *Nationality:* Canadian *Occupation:* Entrepreneur *Term:* Liable to retire by rotation *DIN*: 00136272		1. Energy Link (India) Limited 2. Kalpataru Limited *Private limited companies* 1. Kalpataru Properties Private Limited 2. Kalpataru Constructions Private Limited 3. Prime Properties Private Limited 4. K. C. Holdings Private Limited 5. Hedavkar Mechanical Works Private Limited 6. Padmanagar Constructions Private Limited 7. Kalpataru Land (Surat) Private Limited 8. Aseem Properties Private Limited 9. Ardour Builders Private Limited 10. Karmayog Builders Private Limited 11. Kalpataru Holdings Private Limited 12. Kalpataru Premises Private Limited 13. Parag-Prem Builders Private Limited 14. Kalpataru Viniyog Private Limited 15. Kalpataru Properties (Thane) Private Limited 16. Shouri Investment &Trading Company Private Limited 17. Yugdharm Real Estate Private Limited 18. Punarvasu Holding And Trading Company Private Limited 19. Yugdharm Investment And Trading Company Private Limited 20. Mrigashish Investment And Trading Company Private Limited 21. Punarvasu Constructions Private Limited 22. Kalpataru Gardens Private Limited 23. Neo-Pharma Private Limited 24. Databank Stationery Private Limited 25. Durable Stationery Private Limited 26. Databank Office Staples (India) Private Limited 27. Yugdharm Holdings Private Limited 28. Databank Trading Company (India) Private Limited 29. P K Velu And Company Private Limited 30. Maximum Impex Private Limited 31. Associated Luggage Company Private Limited 32. Caprihans International Impex Private Limited 33. Kalpataru E-Vision Private Limited 34. India Office Solutions Private Limited 35. Corporate Office Products (India) Private Limited 36. Kalpataru Energy (India) Private Limited 37. Lifestyle Property Ventures Private Limited 38. Kalpataru Retail Ventures Private Limited 39. Kalpataru Theatres Private Limited 40. Shouri Properties Private Limited 41. K. V. Property Ventures Private Limited 42. Mrigashish Constructions Private Limited 43. Bhramar Investments And Trading Company Private Limited 44. Argos International Marketing Private Limited 45. Susme Builders Private Limited 46. Kalpataru Constructions (Poona) Private Limited 47. Eversmile Properties Private Limited 48. Kalpataru Plaza Private Limited 49. Kalpataru Builders Private Limited
Dhananjay Mungale *(S/o Narendra Mungale)* *Independent Director*	57	*Public Companies* 1. Indoco Remedies Limited 2. Caprihans India Limited 3. Mahindra & Mahindra Financial Services Limited

Name, Father's Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Address: 10A, Ameya Aparments Near Kirti College, off. Dhuru Road Prabhadevi, Dadar (West) Mumbai 400 028 *Occupation:* Professional *Nationality:* United Kingdom *Term:* Liable to retire by rotation *DIN*: 00007563		4. Chowgule Steamship Limited 5. Camlin Limited 6. National Organic Chemical Limited 7. LIC Housing Finance Limited 8. Sical Logistics Limited 9. Tamilnadu Petroproducts Limited *Private Companies* 1. Inestor Advisors Private Limited 2. Mentor Technologies Private Limited 3. Snowcem Paints Private Limited 4. I2IT Private Limited 5. J P Morgan Asset Management India Private Limited 6. LICHFL Trustee Company Private Limited 7. Lavgan Dockyard Private Limited
Om Prakash Gahrotra *(S/o Keval Krishan Gahrotra)* *Independent Director* *Address*: 12 Praneet Co-Operative Housing Society Limited Dr. J.Palkar Road, Worli Mumbai 400 025 *Occupation:* Professional *Nationality:* Indian *Term:*Liable to retire by rotation *DIN*: 00936696	64	*Public Limited Companies* 1. National Commodity & Derivatives Exchange Limited 2. Trimax IT Infrastructure & Services Limited *Private Limited Companies* 1. Shinsei Trustee Company (India) Private Limited 2. Elan Vascular Technologies Private Limited 3. Onang Management Advisory Services Private Limited
Sajjanraj Mehta *(S/o Heeralal Mehta)* *Independent Director* *Address*: 703, Atmaj, 94C, August Kranti Marg, Mumbai 400 036 *Occupation:* Professional *Nationality:* Indian *Term:* Liable to retire by rotation *DIN*: 00051497	59	*Public Limited Companies* 1. Kalpataru Power Transmission Limited *Private Limited Companies* 1. Kalpataru Properties Private Limited 2. Suhrid Investments Private Limited

Except for Mofatraj P. Munot and Parag M. Munot, none of the Directors are related to each other.

Brief Biographies

1. Mofatraj P. Munot

Mofatraj P. Munot, aged 66 years, is the founder and promoter of the Kalpataru group of companies. He has been a director of our Company since its incorporation and was subsequently appointed as the chairman of our Company on June 24, 2008. He was redesignated as the Executive Chairman of our Company with effect from September 1, 2010. He has more than 45 years of experience in the real estate business, property development, civil contracting and various other industries. He is the chairman of two companies listed on stock exchanges in India namely, Kalpataru Power Transmission Limited, and Caprihans (India) Limited. He is the ex-President of the Maharashtra Chamber of Housing Industry and is also a director in various unlisted companies of the Kalpataru group of companies.

2. Parag M. Munot

Parag M. Munot, aged 41 years, is the Managing Director of our Company. He has been our Director since October 1, 1990. He has been the Managing Director of our Company since 2008. He holds a Bachelor's of Commerce and subsequently received his M.B.A. from the Carnegie Mellon University and has approximately 17 years of experience in real estate and property development. At present, he is a director of Kalpataru Power Transmission Limited, a company listed on the NSE and BSE. He is also a Director in various unlisted companies of the Kalpataru group of companies.

3. Imtiaz Kanga

Imtiaz Kanga, aged 58 years, is a Non-Executive Director of our Company. He has been our Director since September 30, 2002. A chartered accountant by profession, he has over 30 years of experience in various industries.

4. Dhananjay Mungale

Dhanjay Mungale, aged 57 years, holds a Bachelor's of Commerce and a Bachelor's of Law degree and is also an Associate Member of The Institute of Chartered Accountants of India. He held senior positions with Bank of America and DSP Merrill Lynch. He is currently on the board of various private and public limited companies and also acts as advisor to select groups to in India and Europe.

5. Omprakash Gahrotra

Omprakash Gahrotra, aged 64 years, is a member of the Indian Administrative Service (IAS) He belongs to the 1969 batch of Maharashtra Cadre of Service. He retired as an Additional Chief Secretary to the Government of Maharashtra. He has worked as senior executive director of SEBI and was a SEBI nominee on the board of directors of the NSE.

6. Sajjan Raj Mehta

Sajjan Raj Mehta, aged 59 years is a Chartered Accountant with 37 years of experience. His area of expertise is in the field of Foreign Exchange, Taxation, Corporate Affairs and Strategy.

Agreement with Executive Chairman

Our Company and Mofatraj P. Munot have entered into an agreement dated August 2, 2010 (the "**Agreement**") for the appointment of Mofatraj P. Munot as the Executive Chairman of our Company. The Agreement, *inter alia*, provides that the Executive Chairman shall be responsible for overall planning and policy making and giving guidance to the Board of Directors of our Company in relation to the real estate development projects of our Company and liasoning with the Government and other regulatory authorities and quasi government authorities to spherehead the company's growth. The term of employment of Mofatraj P. Munot is five years from September 1, 2010 to August 31, 2015. The Agreement may be terminated by either party by giving three months written notice. Further, the Agreement contains customary clauses in relation to confidentiality by Mofatraj P. Munot. The Board may, at its liberty, alter and vary the terms and conditions of this Agreement including the remuneration of Mofatraj P. Munot subject to the provisions of the Companies Act.

The remuneration of the Executive Chairman of our Company is provided in the table below:

Particulars	Remuneration (in Rs.)
Basic Salary	Rs.20,00,000/- Per Month in the Scale of (Rs.20,00,000- Rs.5,00,000- Rs.40,00,000)

Particulars	Remuneration (in Rs.)
Perquisites	1. Eligible for fully furnished Company owned /hired/leased accommodation or House Rent Allowance @ 60% of Basic Salary Per Month in lieu of company accommodation. 2. Leave Travel Allowance as per Company Rules subject to a maximum of Rs.5 lacs per annum with such increase as may be decided by the Board of Directors from time to time 3. Leave Encashment according to our Company rules 4. Medical Expenses Reimbursement :- Eligible for reimbursement of actual medical expenses incurred including premium paid on health insurance policies, whether in India or abroad.Such medical reimbursement for self and family are subject to a ceiling limit of 5 month's salary in a block of 5 years. 5. Conveyance: Provision of Company car and driver for use on our Company's business. 6. Club fees : Eligible for membership of two corporate clubs in India. All expenses including admission and membership fees for these two membership would be paid by our Company. 7. Commission: Commission as the percentage of profit of the respective year computed in the manner provided under Section 349 and 350 of the Companies Act,1956 as may be decided by the Board of Directors of our Company within the overall limits of Section 198 of the Companies Act,1956
Minimum Remuneration	Executive Chairman shall be eligible for minimum remuneration as may be decided by the Board of Directors and as prescribed in the Schedule XIII of the Companies Act, 1956 as amended from time to time.

Agreement with Managing Director

Our Company and Parag M. Munot have entered into an agreement dated August 2, 2010 (the "**MD Agreement**") for the appointment of Parag M. Munot as the Managing Director of our Company. The MD Agreement, *inter alia*, provides that the Managing Director shall have the power and duties as imposed by the Board of Directors from time to time and that he shall perform his duties with diligence, and will be subject to the overall supervision of the Board of Directors. The term of employment of Parag M. Munot is five years from September 1, 2010, to August 31, 2015. The MD Agreement may be terminated by either party by giving three months written notice. Further, the MD Agreement contains customary clauses in relation to confidentiality by Parag M. Munot. The Board may, at its liberty, alter and vary the terms and conditions of this MD Agreement including the remuneration of Parag M. Munot subject to the provisions of the Companies Act.

The remuneration of the Managing Director of our Company is provided in the table below:

Particulars	Remuneration (in Rs.)
Basic Salary	Rs.15,00,000/- Per Month in the scale of (Rs.15,00,000- Rs.3,00,000- Rs.30,00,000)
Perquisites	1. Eligible for fully furnished Company owned /hired/leased accommodation or House Rent Allowance @ 60% of Basic Salary Per Month in lieu of company accommodation. 2. Leave Travel Allowance as per Company Rules subject to a maximum of Rs.5 lacs per annum with such increase as may be decided by the Board of Directors from time to time 3. Leave Encashment according to the Company rules 4. Medical Expenses Reimbursement :- Eligible for reimbursement of actual medical expenses incurred including premium paid on health insurance policies, whether in India or abroad.Such medical reimbursement for self and family are subject to a ceiling limit of 5 month's salary in a block of 5 years. 5. Conveyance: Provision of Company car and driver for use on our Company's business. 6. Club fees : Eligible for membership of two corporate clubs in India. All expenses including admission and membership fees for these two membership would be paid by our Company. 7. Commission: Commission as the percentage of profit of the respective year computed in the manner provided under Section 349 and 350 of the Companies Act,1956 as may be decided by the Board of Directors of our Company within the overall limits of Section 198 of the Companies Act.
Minimum Remuneration	Managing Director shall be eligible for minimum remuneration as may be decided by the Board of Directors as prescribed in theSchedule XIII of the Companies Act, 1956 as amended from time to time

Payment or benefit to Directors/officers of our Company

No sitting fees/other remuneration has been paid to our Directors for the last fiscal year.

Our Non Executive and Independent Directors are eligible for sitting fees of Rs. 20,000 for each Board and Committee meeting that they attend.

Except as stated in this section titled "Management", no amount or benefit (other than salaries paid in due course) has been paid within the two preceding years or is intended to be paid or given to any of our Company's officers including the Directors and key management personnel. Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the Directors and key management personnel, are entitled to any benefits upon termination of employment.

Shareholding of Directors

The shareholding of the Directors as of the date of filing this Draft Red Herring Prospectus is set forth below:

Name of Director	Number of Equity Shares held
Mofatraj P. Munot	36,309,000
Parag M. Munot	12,568,500

Borrowing Powers of our Board

In accordance with the Articles of Association, our Board may, from time to time, at its discretion, by way of a resolution passed at its meeting, raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. However, if the moneys sought to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) should exceed the aggregate of the paid-up capital of our Company and its free reserves (not being reserves set apart for any specific purpose), our Board is required to obtain the consent of our Shareholders in a general meeting prior to undertaking such borrowing.

In this regard, our Company, at its EGM dated July 1, 2010 has resolved that pursuant to the provisions of Section 293(1)(d) of the Companies Act, the Board is authorised to borrow moneys for the purpose of our Company (apart from temporary loans obtained from the bankers of our Company in ordinary course of business) from time to time, upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit in excess of the aggregate of the paid-up capital of our Company and its free reserves (not being reserves set apart for any specific purpose), provided that the total amount of such borrowings together with the amounts already borrowed and outstanding shall not exceed Rs. 50,000 million.

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company believes it is in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges and the SEBI Regulations, in respect of corporate governance including constitution of the Board and committees appointed by our Board. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, each as required under law.

Our Board of Directors is constituted in compliance with the Companies Act and the Listing Agreement with Stock Exchanges and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically.

Currently our Board has six Directors, of which the Chairman is an Executive Director. In compliance with the requirements of Clause 49 of the Listing Agreement, we have two Executive Directors and four Non-Executive Directors, including three Independent Directors, on the Board.

I. Committees of the Board in accordance with the Listing Agreement

A. Audit Committee

The members of the Audit Committee are:

1. Sanjjanraj Mehta (Chairman);
2. Dhananjay Mungale (Member);
3. Parag M. Munot (Member).

The Audit Committee was reconstituted by a meeting of the Board of Directors held on September 16, 2010. The scope and function of the Audit Committee is in accordance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement and its terms of reference include the following:

The powers of the Audit Committee shall include the power to (i) investigate any activity within its terms of reference; (ii) seek information from any employee; (iii) obtain outside legal or other professional advice; and (iv) secure attendance of outsiders with relevant expertise, if it considers the attendance of such outsiders necessary.

The Audit Committee shall mandatorily review (i) management discussion and analysis of financial condition and results of operations; (ii) statement of significant related party transactions (as defined by the Audit Committee), submitted by management; (iii) management letters/letters of internal control weaknesses issued by the statutory auditors; (iv) internal audit reports relating to internal control weaknesses; and (v) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

The role of the Audit Committee shall include the following:

(i). oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(ii). recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
(iii). approval of payment to statutory auditors for any other services rendered by the statutory auditors.
(iv). review with the management of, the annual financial statements before submission to the Board for approval, with particular reference to:
    (a). matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act;
    (b). changes, if any, in accounting policies and practices and reasons for the same;
    (c). major accounting entries involving estimates based on the exercise of judgment by management;
    (d). significant adjustments made in the financial statements arising out of audit findings;
    (e). compliance with listing and other legal requirements relating to financial statements;
    (f). disclosure of any related party transactions; and
    (g). qualifications in the draft audit report.
(v). review with the management of the quarterly financial statements before submission to the Board for approval;
(vi). review with the management of the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
(vii). review with the management of the performance of the statutory and internal auditors, and adequacy of the internal control systems;
(viii). review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(ix). discussion with the internal auditors of any significant findings and follow up there on;
(x). review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
(xi). discussion with statutory auditors before the audit commences about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
(xii). to look into the reasons for substantial defaults in the payment to the depositors, debenture holders,

shareholders (in case of non payment of declared dividends) and creditors;

(xiii). review of the functioning of the whistle blower mechanism, if any;

(xiv). approval of appointment of CFO (*i.e.*, the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, *etc.* of the candidate; and

(xv). any other function mentioned in the terms of reference of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Clause 49 of the Listing Agreement.

B. ***Shareholders/Investors Grievance Committee***

The members of the Shareholders/Investors' Grievance Committee are:

1. Omprakash Gahotra (Chairman);
2. Sajjanraj Mehta (Member);
3. Imtiaz Kanga (Member).

The Shareholders/Investors Grievance Committee was constituted by the Board of Directors at their meeting held on September 16, 2010. This Committee is responsible for the redressal of shareholder grievances.

The terms of reference of the Shareholders/Investors Grievance Committee of our Company include the redressal of shareholders' and investors' complaints, including but not limited to, transfer of shares, non-receipt of balance sheet, non-receipt of dividends, and any other grievance that a shareholder or investor of our Company may have against our Company.

II. Other Committees of the Board

A. ***IPO Committee***

The members of the IPO Committee are:

1. Mofatraj P. Munot (Chairman)
2. Parag M. Munot (Member)
3. Imtiaz Kanga (Member)

The IPO Committee was constituted by the Board of Directors at their meeting held on August 2, 2010. The terms of reference of the IPO Committee of our Company include carrying out such actions as may be required in relation to the Issue.

Interest of Directors

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration payable to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Parag M. Munot, one of our Directors, has entered into a memorandum of understanding with our Company to acquire land located at Khadka Nagpur. For further details, see 'Land Reserves' on page 170. We are required to pay a consideration of Rs. 54 million for this land. Additionally, our Company has entered into a trademarks licensing agreement with Kalpataru Properties Private Limited, one of our Group Companies. The royalty payable under this trademarks licensing agreement amounts to Rs. 100,000 per year for a period of five years, post which, the royalty payment will be revised by the Board of our Company, such revised royalty payment will not exceed 0.25% of our total turnover at that time.

For details of interests of our Promoters who are also our Executive Directors, see "Our Promoters and our

Promoter Group" on page 240.

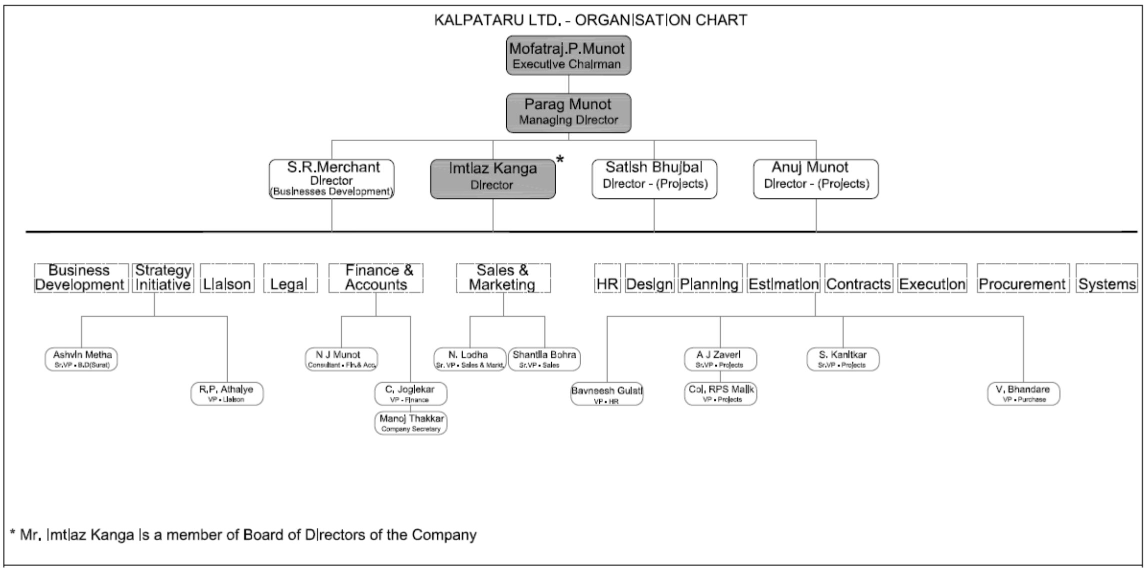
Except as stated above, the Directors have no interest in any property acquired by our Company within two years from the date of this Draft Red Herring Prospectus.

Except as stated in the section titled "Related Party Transactions" on page 279 and described herein to the extent of shareholding in our Company, if any, the Directors do not have any other interest in our business.

Changes in the Board of Directors in the last three years

Name	Date of Appointment/Change/Cessation	Reason
Mofatraj P. Munot	June 24, 2008	Appointment as non-executive chairman
Parag M. Munot	June 24, 2008	Redesignated as the Managing Director
Mofatraj P. Munot	September 1, 2010	Redesignated as Executive Chairman
Anuj Munot	September 6, 2010	Resigned
Dhananjay Mungale	September 16, 2010	Appointment as an Additional Director
Om Prakash Gahrotra	September 16, 2010	Appointment as an Additional Director
Sajjanraj Mehta	September 16, 2010	Appointment as an Additional Director

Management Organisation Structure



Key Management Personnel

The details of the key management personnel, as of the date of this Draft Red Herring Prospectus, are as follows:

Mr. S. R. Merchant, aged 62 years, is the director, Business Development. He holds a bachelor's degree in civil engineering (gold medalist) and a master of technology (structures) with "Excellent Grade" from the Indian Institute of Technology, Mumbai. He joined the Kalpataru group in UAE in 1976, and moved to the Indian operations in 1982. Since 2001, he is responsible for acquisition of land and Business Development, and represents our interests in various industry forums. Prior to joining us, he worked with Tata Consulting Engineers Limited. During the financial year 2009-10, Mr. S. R. Merchant was paid an aggregate compensation of Rs. 7 million.

Mr. Satish Rajaram Bhujbal, aged 56 years, is the director, Projects. He holds a Bachelors Degree in civil engineering and post graduate degrees in general law and economics from the University of Pune. He joined the

Kalpataru group's operations in UAE in 1977. Thereafter, he moved to its Indian operations in 1995. He has extensive international experience of dealing with premium projects. He oversees departments such as planning, estimation, design and execution for our real estate projects. During the financial year 2009-10, Mr. Satish Rajaram Bhujbal was paid compensation aggregating to Rs. 6 million.

Mr Anuj Munot, aged 33 years, is the director, projects. He holds a Bachelor's Degree in Commerce and is a Chartered Accountant. He has also completed his MBA from NMIMS. He started his career with us in 1998 and became a non-executive Director in 2006. He is responsible for procurement, contracts, services, IT and SAP, admin and interiors departments and looks after our green building initiatives. During the financial year 2009-10, Mr. Anuj Munot was paid a gross compensation of Rs. 5.8 million.

Mr. Adi Jehangirji Zaveri, aged 75 years, is a retainer consultant, projects. He holds a B.Sc. (mathematics and physics) from Bombay University and a bachelor's degree in engineering, civil, from London University. He has been associated with us since 1993. Considered to be an expert in all aspects of construction including civil, plumbing, electrical, air-conditioning and other services. Prior to joining us he, had been associated with Tata Housing Development Co. Ltd. During the financial year 2009-10, Mr. Adi Jehangirji Zaveri was paid a gross compensation of Rs. 2 million.

Mr. Narendra Kumar Lodha, aged 47 years is our Senior Vice President, Sales and Marketing. He has been associated with us since 1988. He is a qualified Chartered Accountant and Company Secretary. Initially, Heading finance and accounts for many years, he is currently handling sales, marketing and corporate communications. With his background of finance and sales, he's been involved with business development. Prior to joining us he was associated with M/S Khandelwal Jain & Co. During the financial year 2009-10, Mr. Narendra Kumar Lodha was paid an aggregate compensation of Rs. 5.4 million.

Mr. Shantilal P. Bohra, aged 59 years, is our Senior Vice President, Sales. He holds a Bachelor's Degree in Science from University of Mumbai. He started his career with us in 1974 and has significant experience in the field of residential sales. During the financial year 2009-10, Mr. Shantilal P. Bohra was paid a gross compensation of Rs. 4.3 million.

Mr. S. A. Kanitkar, aged 46 years, is our Senior Vice President, Projects. He holds a Bachelor's Degree in Civil Engineering. He started his career with Kalpataru as a Graduate Engineer Trainee (under the company's GET cadre) in 1983 and has has been since elevated to a position of Senior Vice President. He looks after the execution of residential and commercial projects in the MMR. During the financial year 2009-10, Mr. S. A. Kanitkar was paid a gross compensation of Rs. 4.3 million.

Col (Retd) Ravinder Pal Singh Malik, aged 66 years, is our Vice President – Projects. He has been associated with us since 1995. He holds a B. Tech degree from IIT Madras (received a certificate of academic distinction). He also holds a Masters Degree in Engineering from IISc-Bangalore (distinction) and Business Administration from Symbiosis - Pune. He looks after the execution of residential and commercial projects in the MMR. Prior to joining us he had been associated with Unitech Limited before which he served a long tenure with Corp of Engineers in the Indian Army. During the financial year 2009-10, Col (Retd) Ravinder Pal Singh Malik was paid a gross compensation of Rs. 2.7 million.

Mr. Chandrashekhar Gopal Joglekar, aged 44 years, is the Vice President – Finance and has been associated with us since 2004. He is a Chartered Accountant (FCA) and is a Certified Information Systems Auditor from Information Systems Audit and Control Association, USA. He is responsible for the Finance & Accounts portfolio of the company. His initiatives at budgeting and cost reduction have created good discipline in the company. Prior to joining us he had been associated with Fem Care Pharma Ltd., Mumbai. He has rich experience of working in the Real Estate industry for over 15 years. During the financial year 2009-10, Mr. Chandrashekhar Gopal Joglekar was paid a gross compensation of Rs. 3 million.

Mr. Rajan Prabhakar Athalye, aged 58 years, is our Vice President, Liaison. He has been associated with us since 1999. He holds a Bachelor's Degree in Civil Engineering from the University of Indore and a post graduation diploma in town and country planning with specialization in Urban & Regional Planning from School of Planning & Architecture, New Delhi. He is responsible for Liaison with Municipal and Government Authorities and obtaining statutory approvals. Prior to joining us he worked for three years with a leading architect, before which he worked for 20 years with the Municipal Corporation of Greater Mumbai and associated with preparation of revised development plan, development control regulations and policies thereof. He was also associated with the traffic and transport of Municipal Corporation. He was also seconded as a Full

Time Member in the team of WS Atkins International from January 1993 – December 1993. During the financial year 2009-10, Mr. Rajan Prabhakar Athalye was paid a gross compensation of Rs. 3.9 million.

Mr. Nihalchand J. Munot, aged 65 years is a Retainer Consultant, Accounts & Finance. He holds Bachelor's degree in commerce and is a Fellow member of the Institute of Chartered Accountants of India. He has been associated with the Group since 1976 and worked with our group in the Middle East and India. He was a self employed professional in the interim. Backed up by long & rich experience presently he oversees functioning of the Accounts Department which also includes taxation & company law matters. Prior to joining us he was associated with a diversified group engaged in hospitality, consumer products, fitness equipments & real estate. During the financial year 2009-10 he was paid gross compensation of Rs. 1.8 million.

Mr. Ashvin Mehta, aged 60 years, is the Senior Vice President - Business Development. He has been associated with us since 01st April 2007. He holds a Bachelor's Degree in commerce and a post graduate degree in Law. Mr Ashwin Mehta has been responsible for helping Kalpataru acquire land in the state of Gujarat. Prior to joining us he had been associated as Vice President and State Coordinator with Reliance Infocom Limited. Prior to that he was the Deputy Commissioner of Municipal Corporation of Surat. During the financial year 2009-10, Mr. Ashvin Mehta was paid a gross compensation of Rs. 2.4 million.

Mr. Venkatesh Gajanan Bhandare, aged 53 years, is the Vice President – Purchase. He holds a Bachelor's Degree in Commerce and a Post Graduate Degree in Law. He has been associated with us since 1986. He looks after the procurement and vendor development. Earlier, he has worked in the Accounts function at senior levels. Prior to joining us he had been associated with M/s. Industrial Plant and Waste Treatment Engineering Private Limited. During the financial year 2009-10, Mr. Venkatesh Gajanan Bhandare was paid a gross compensation of Rs. 2.7 million.

Mr. Bavneesh Gulati, aged 44 years, is the Vice President – Human Resource responsible for all people practices in the company. He has been associated with us since 2007. He completed his Masters in Business Administration specializing in Personnel & Marketing from H.P.Unitversity, Shimla. Prior to joining us he has handed the in-house Management Development Institute of HPCL in Pune. In addition, he has experience of handling various HR roles in manufacturing and services industries like Oil, Steel, Retail, etc. at reputed organizations like RPG Enterprises, JSW Steel & HPCL. During the financial year 2009-10, Mr. Bavneesh Gulati was paid a gross compensation of Rs. 3.5 million.

Mr. Manoj Jitendra Thakar, aged 45 years, is the Company Secretary and has been associated with us since 01st July 2010. He holds a Bachelor's degree in commerce, and is a qualified Law Graduate, has also completed his Masters in Financial Management and is a Fellow Member of the Institute of Company secretaries of India. Prior to joining us he had been associated with Unity Infraprojects Limited. He has experience of 25 years in Corporate Secretarial, Finance and Legal across FMCG,Education and Infrastructure Industry. During the financial year 2009-10, Mr. Manoj Jitendra Thakar was not on the rolls of the company.

None of the key management personnel are related to each other.

Shareholding of key management personnel

As at the date of the Draft Red Herring Prospectus, our key management personnel do not hold any Equity Shares.

Bonus or profit sharing plan of the key management personnel

Our Company does not have a performance linked bonus or a profit sharing plan for the key management personnel.

Interests of key management personnel

The key management personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. None of the key management personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in the key management personnel

The changes in the key management personnel in the last three years are as follows:

Name	Designation	Date of change	Reason for change
Bavneesh Gulati	Vice President – Human Resource	June 30, 2007	Appointment
Ashvin Mehta	Senior Vice President - Business Development	April 1, 2007	Appointment
Manoj Thakar	Company Secretary	July 1, 2010	Appointment

Payment or benefit to officers of our Company

No non-salary related amount or benefit has been paid or given within two years, or intended to be paid or given, to any officer of our Company (including Directors and key management personnel).

SUBSIDIARIES AND OTHER CONSOLIDATED ENTITIES

Our Company has 43 Subsidiaries, two Joint Ventures and one Associate as of the date of this Draft Red Herring Prospectus. In addition, our Company is a partner in four partnership firms and four limited liability partnership firms. Further, a wholly owned subsidiary of our Company is a partner in two limited liability partnership firms. None of our Subsidiaries (i) have undertaken any public or rights issue in the last three years; (ii) have become sick companies as contemplated in SICA; and (iii) are under winding up. Further, there are no accummalated profits or losses in relation to any of our Subsidiaries that are not accounted for by our Company.

Interest of the Subsidiaries in our Company

None of the Subsidiaries hold any Equity Shares in our Company. Except as stated in the section titled "Related Party Transactions" on page 279, the Subsidiaries do not have any other interest in our Company's business.

Common Pursuits

Except as disclosed in this Draft Red Herring Prospectus, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Subsidiaries

Our Company has the following Subsidiaries as at the date of this Draft Red Herring Prospectus:

1. Abacus Enviro Farms Private Limited;
2. Abacus Orchards Private Limited;
3. Abacus Real Estate Private Limited;
4. Abhiruchi Orchards Private Limited;
5. Agile Enviro Farms Private Limited;
6. Agile Orchards Private Limited;
7. Amber Enviro Farms Private Limited
8. Amber Orchards Private Limited;
9. Ambrosia Enviro Farms Private Limited;
10. Ambrosia Real Estate Private Limited;
11. Anant Enviro Farms Private Limited;
12. Anant Orchards Private Limited;
13. Appropriate Enviro Farms Private Limited;
14. Ardour Developers Private Limited;
15. Ardour Properties Private Limited;
16. Ardour Real Estate Private Limited;
17. Arena Orchards Private Limited;
18. Arimas Real Estate Private Limited;
19. Ashoka Orchards Private Limited;
20. Ashoka Properties Private Limited;
21. Aspen Enviro Farms Private Limited;
22. Aspen Orchards Private Limited;
23. Astrum Developers Private Limited;
24. Astrum Orchards Private Limited;
25. Aura Enviro Farms Private Limited
26. Aura Orchards Private Limited;
27. Aura Real Estate Private Limited;
28. Axiom Orchards Private Limited;
29. Azure Tree Enviro Farms Private Limited;
30. Azure Tree Lands Private Limited;
31. Azure Tree Orchards Private Limited;
32. Girirajkripa Developers Private Limited;
33. Kalpataru Constructions (Poona) Private Limited;
34. Kalpataru Gardens Private Limited;
35. Kalpataru Land Private Limited;
36. Kalpataru Land (Surat) Private Limited;

37. Kalpataru Properties (Thane) Private Limited;
38. Kalpataru Retail Ventures Private Limited;
39. Kiyana Properties Private Limited;
40. Propnova Properties Private Limited;
41. Shravasti Property Private Limited;
42. Sona Properties Private Limited; and
43. Swarn Bhumi Township Private Limited.

The details of our Subsidiaries are set out below:

1. Abacus Enviro Farms Private Limited ("AbEFPL")

Corporate Information

AbEFPL was incorporated on July 31, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

2. Abacus Orchards Private Limited ("AbOPL")

Corporate Information

AbOPL was incorporated on July 31, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

3. Abacus Real Estate Private Limited ("AbREPL")

Corporate Information

AbREPL was incorporated on August 22, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

4. Abhiruchi Orchards Private Limited ("AbhOPL")

Corporate Information

AbhOPL was incorporated on August 14, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

5. Agile Enviro Farms Private Limited ("AgEFPL")

Corporate Information

AgEFPL was incorporated on July 23, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

6. Agile Orchards Private Limited ("AgileOPL")

Corporate Information

AgileOPL was incorporated on July 19, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

7. Amber Enviro Farms Private Limited ("AmEFPL")

Corporate Information

AmEFPL was incorporated on August 13, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

8. Amber Orchards Private Limited ("AmOPL")

Corporate Information

AmOPL was incorporated on July 31, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

9. Ambrosia Enviro Farms Private Limited ("AmEnFPL")

Corporate Information

AmEnFPL was incorporated on August 2, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

10. Ambrosia Real Estate Private Limited ("AmREPL")

Corporate Information

AmREPL was incorporated on August 21, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M.. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

11. Anant Enviro Farms Private Limited ("AnEFPL")

Corporate Information

AnEFPL was incorporated on July 19, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M.. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

12. Anant Orchards Private Limited ("AnOrPL")

Corporate Information

AnOrPL was incorporated on July 14, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M.. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

13. Appropriate Enviro Farms Private Limited ("AppEnFPL")

Corporate Information

AppEnFPL was incorporated on March 21, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,940	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.10
3.	Parag M.. Munot as a nominee of Kalpataru Limited	10	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
	Total	**10,000**	**100.00**

14. Ardour Developers Private Limited ("ArDPL")

Corporate Information

ArDPL was incorporated on January 19, 2008 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

15. Ardour Properties Private Limited ("ArPPL")

Corporate Information

ArPPL was incorporated on January 19, 2008 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10

5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

16. Ardour Real Estate Private Limited ("ArdREPL")

Corporate Information

ArdREPL was incorporated on September 7, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of shares of Rs. 10 each
Authorised share capital comprising:	
(a) Equity shares	800,000
(b) 1% non cumulative redeemable preference shares	700,000
Issued, subscribed and paid-up Equity share capital	695,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	694,940	99.99
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.00
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.00
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.00
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.00
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.00
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.00
	Total	**695,000**	**100.00**

17. Arena Orchards Private Limited ("ArOrPL")

Corporate Information

ArOrPL was incorporated on August 2, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)

1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

18. Arimas Real Estate Private Limited ("ArREPL")

Corporate Information

ArREPL was incorporated on August 28, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

19. Ashoka Orchards Private Limited ("AsOPL")

Corporate Information

AsOPL was incorporated on March 21, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,940	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.10
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

20. Ashoka Properties Private Limited ("APPL")

Corporate Information

APPL was incorporated on January 22, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,940	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.10
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

21. Aspen Enviro Farms Private Limited ("AspenEFPL")

Corporate Information

AspenEFPL was incorporated on July 14, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

22. Aspen Orchards Private Limited ("AspenOPL")

Corporate Information

AspenOPL was incorporated on July 14, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

23. Astrum Developers Private Limited ("ADPL")

Corporate Information

ADPL was incorporated on November 26, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

24. Astrum Orchards Private Limited ("AsOrPL")

Corporate Information

AsOrEPL was incorporated on August 2, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

25. Aura Enviro Farms Private Limited ("AuraEFPL")

Corporate Information

AuraEFPL was incorporated on June 5, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

26. Aura Orchards Private Limited ("AuraOPL")

Corporate Information

AuraOPL was incorporated on June 5, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

27. Aura Real Estate Private Limited ("AREPL")

Corporate Information

AREPL was incorporated on July 12, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

28. Axiom Orchards Private Limited ("AxOPL")

Corporate Information

AxOPL was incorporated on March 22, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,940	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.10
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

29. Azure Tree Enviro Farms Private Limited ("AzTEFPL")

Corporate Information

AzTEFPL was incorporated on March 22, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each

Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,940	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.10
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

30. Azure Tree Lands Private Limited ("ATLPL")

Corporate Information

ATLPL was incorporated on February 15, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	100,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,940	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.10
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

31. Azure Tree Orchards Private Limited ("AzTOPL")

Corporate Information

AzTOPL was incorporated on March 22, 2007 to carry on the business of agricultural activities and buying, selling or dealing in agricultural farm produce.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,940	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.10
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

32. Girirajkripa Developers Private Limited ("GDPL")

Corporate Information

GDPL was incorporated on July 6, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	500,000
Issued, subscribed and paid-up share capital	30,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Swarn Bhumi Township Private Limited	29,999	100.00
2.	Shri Narendra S. Lodha as nominee of Swarn Bhumi Township Private Limited	1	0.00
	Total	**30,000**	**100.00**

33. Kalpataru Constructions (Poona) Private Limited ("KCPPL")

Corporate Information

KCPPL was incorporated on May 17, 2007 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each

Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

34. Kalpataru Gardens Private Limited ("KGPL")

Corporate Information:

KGPL was incorporated on January 20, 1964 as 'Prescast Engineering Private Limited'. Subsequently, on September 18, 2002, the name was changed to 'Kalpataru Gardens Private Limited'. KGPL was incorporated to carry on the business of, amongst others, manufacturing powder metallurgical products. KGPL is currently carrying on the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of shares of Rs. 1000 each
Authorised share capital (a) Equity shares (b) Redeemable preference shares	 55,700 300
Issued, subscribed and paid-up Equity share capital	55,700

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Yugdharm Investment & Trading Co Private Limited	350	0.63
2.	Kalpataru Limited	44,210	79.37
3.	Sandeep Kothari	3,743	6.72
4.	Sheila Kothari	3,649	6.55
5.	Anila Kothari	3,743	6.72
6.	Sanjay Kothari	5	0.01
	Total	**55,700**	**100.00**

35. Kalpataru Land Private Limited ("KLPL")

Corporate Information

KLPL was incorporated on November 5, 1996 and is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	1,00,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

36. Kalpataru Land (Surat) Private Limited (“KLSPL”)

Corporate Information

KLSPL was incorporated on January 4, 1982 as ‘Kalpataru Land Development Private Limited’. Subsequently, on March 31, 1999, the name was changed to ‘Kalpataru Land (Surat) Private Limited’. KLSPL is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 100 each
Authorised share capital	600,000
Issued, subscribed and paid-up share capital	600,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	599,700	99.94
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	50	0.01
3.	Parag M. Munot as a nominee of Kalpataru Limited	50	0.01
4.	Monica Munot as a nominee of Kalpataru Limited	50	0.01
5.	Sudha Golechha as a nominee of Kalpataru Limited	50	0.01
6.	Sunita Choraria as a nominee of Kalpataru Limited	50	0.01
7.	Rajesh Golechha as a nominee of Kalpataru Limited	50	0.01
	Total	**600,000**	**100.00**

37. Kalpataru Properties (Thane) Private Limited (“KPTPL”)

Corporate Information

KPTPL was incorporated on October 23, 1990, in Mumbai as 'Soham Property Developers Private Limited'. Subsequently, the name was changed to 'Kalpataru Soham Property Developers Private Limited' on December 16, 1992 and subsequently to 'Kalpataru Soham Property Private Limited' on May 13, 1999 and on October 23, 2001 to 'Kalpataru Properties (Thane) Private Limited'. KPTPL is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	10,000,000
Issued, subscribed and paid-up share capital	9,750,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,749,400	99.99
2.	Mofatraj P. Munot as nominee of Kalpataru Limited	100	0.00
3.	Parag M. Munot as nominee of Kalpataru Limited	100	0.00
4.	Monica P. Munot as nominee of Kalpataru Limited	100	0.00
5.	Sudha R. Golechha as nominee of Kalpataru Limited	100	0.00
6.	Sunita V. Choraria as nominee of Kalpataru Limited	100	0.00
7.	Rajesh B. Golechha as nominee of Kalpataru Limited	100	0.00
	Total	**9,750,000**	**100.00**

38. Kalpataru Retail Ventures Private Limited ("KRVPL")

Corporate Information

KRVPL was incorporated on November 27, 2000 and is engaged in the business of development and operation of malls and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	5,000,000
Issued, subscribed and paid-up share capital	4,950,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	4,949,900	99.99
2.	Narendra Lodha as a nominee of Kalpataru Limited	30	0.00
3.	Shantilal Bhora as a nominee of Kalpataru Limited	30	0.00
4.	Monica Munot as a nominee of Kalpataru Limited	10	0.00
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.00

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.00
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.00
	Total	**4,950,000**	**100.00**

39. Kiyana Properties Private Limited ("Kiyana")

Corporate Information

Kiyana was incorporated on May 30, 2008 and is engaged in the business of real estate development.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	9,900	99.00
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	30	0.30
3.	Parag M. Munot as a nominee of Kalpataru Limited	30	0.30
4.	Monica P Munot as a nominee of Kalpataru Limited	10	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	10	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	10	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	10	0.10
	Total	**10,000**	**100.00**

40. Propnova Properties Private Limited ("PPPL")

Corporate Information

PPPL was incorporated on January 4, 2010 and is engaged in the business of real estate development and allied activities.

Capital Structure as on September 3, 2010*

	No. of equity shares of Rs. 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	50,000

Shareholding Pattern as on September 3, 2010*

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	49,940	99.88
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	10	0.02

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
3.	Parag M. Munot as a nominee of Kalpataru Limited	10	0.02
4.	Monica P. Munot as a nominee of Kalpataru Limited	10	0.02
5.	Sudha R. Golechha as a nominee of Kalpataru Limited	10	0.02
6.	Sunita V. Choraria as a nominee of Kalpataru Limited	10	0.02
7.	Rajesh B. Golechha as a nominee of Kalpataru Limited	10	0.02
	Total	**50,000**	**100.00**

* *became a subsidiary with effect from September 3, 2010*

41. Shravasti Property Private Limited ("SPPL")

Corporate Information

SPPL was incorporated under part IX of Companies Act,1956 as 'Shravasti Property Developers Private Limited' on September 4, 1995. Subsequently, the name was changed to 'Shravasti Property Private Limited' on March 24, 1999. SPPL is engaged in the business of real estate development and allied activities.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 100 each
Authorised share capital	1,000,000
Issued, subscribed and paid-up share capital (a) Equity shares (Fully Paid- up) (b) Equity shares (Partly paid up to Rs. 25)	 31,500 945,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Basantraj Gandhi	59,675	6.11
2.	Vinod Gandhi	48,825	5.00
3.	Kalpataru Limited	868,000	88.89
	Total	**976,500**	**100.00**

42. Sona Properties Private Limited ("SOPPL")

Corporate Information

SOPPL was incorporated on June 14, 1973 and is engaged in the business of real estate development and allied activities.

Capital Structure as on as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	99,000
Issued, subscribed and paid-up share capital	99,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Kalpataru Limited	98,400	99.40
2.	Mofatraj P. Munot as a nominee of Kalpataru Limited	100	0.10
3.	Parag M. Munot as a nominee of Kalpataru Limited	100	0.10
4.	Monica Munot as a nominee of Kalpataru Limited	100	0.10
5.	Sudha Golechha as a nominee of Kalpataru Limited	100	0.10
6.	Sunita Choraria as a nominee of Kalpataru Limited	100	0.10
7.	Rajesh Golechha as a nominee of Kalpataru Limited	100	0.10
	Total	**99,000**	**100.00**

43. Swarn Bhumi Township Private Limited ("Swarn Bhumi")

Corporate Information

Swarn Bhumi was incorporated on September 26, 2006 and is engaged in the business of construction and development of departmental stores, offices, residential apartments, bungalows, townships and allied activities.

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Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	1,000,000
Issued, subscribed and paid-up share capital	520,002

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Neelam Kala	60,637	11.66
2.	Aishwarya Mahajan	60,667	11.67
3.	Gesu Singh	60,667	11.67
4.	Kalpataru Limited	338,001	65.00
5.	Mohit Kala	10	0.00
6.	Mahendra Prakash Kala HUF	10	0.00
7.	Kamla Kala	10	0.00
	Total	**520,002**	**100.00**

Joint Ventures

Our Company has formulated arrangements with third parties for the purpose of development and construction of properties for different projects, pursuant to which various entities have been constituted to carry out activities in relation to one or more projects.

Set out below is the summary of the key terms in relation to the corporate affairs, including profit and loss sharing of these joint ventures.

1. Azure Tree Townships Private Limited ("ATTPL")

Corporate Information

ATTPL is a joint venture between Kalpataru, the Dynamix group and the NL Dalmia Group. ATTPL was incorporated on February 13, 2007 to carry on the business of, amongst others, real estate development, and is currently carrying on such business.

Capital Structure as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	10,00,000
Issued, subscribed and paid-up share capital	9,90,000

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
1.	Vinod K Goenka HUF	82,500	8.33
2.	Aseela V Goenka	85,800	8.67
3.	Pramod Goenka	115,500	11.67
4.	Sunita Bali	23,100	2.33
5.	Shanita Jain	23,100	2.33
6.	Ashok Kumar Dalmia	3,333	0.34
7.	Surendra Kumar Dalmia	3,334	0.34
8.	Shivkumar Dalmia	3,333	0.34
9.	Kalpataru Limited	297,000	30.00
10.	Suresh A. Gandhi	13,200	1.33
11.	Anjana S. Gandhi	13,200	1.33
12.	Gaurav Gandhi	6,600	0.67
13.	Minerva Dealers Private Limited	320,000	32.32
	Total	**990,000**	**100.00**

2. Messers Habitat

Messers Habitat is a partnership firm formed as a joint venture with Tyabji Estate Private Limited pursuant to a partnership deed dated June 27, 1986. Messers Habitat is carrying on the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Tyabji Estate Private Limited	50.00
2.	Mofatraj P. Munot	0.80
3.	Tara Kanga	0.10
4.	Monica Munot	0.10
5.	Kalpataru Limited	49.00
	Total	**100.00**

Associates

1. Ananta Landmarks Private Limited ("Ananta")

Corporate Information

Ananta was incorporated on January 1, 2002 as 'Kalpataru Landmarks Private Limited'. Subsequently, the name was changed to 'Ananta Landmarks Private Limited' on December 29, 2008. Ananta is engaged in the business of real estate development and allied activities.

Capital Structure as on as on August 31, 2010

	No. of equity shares of Rs. 10 each
Authorised share capital	10,000,000
Comprising	
Equity share capital	8,500,000
Redeemable preference share capital	1,500,000
Issued, subscribed and paid-up equity share capital	7,835,200
Issued, subscribed and paid-up redeemable preference share capital	911,608

For details of shareholders' agreements between the equity and preference shareholders, see **"***History and Certain Corporate Matters - Summary of Key Agreements***"** on page 195.

Shareholding Pattern as on August 31, 2010

Sr. No.	Name of the shareholder	No. of equity shares	Shareholding (%)
Class 'A' equity shares			
1.	Kalpataru Limited	3,878,479	49.50
2.	Kalpataru Properties Private Limited	117,521	1.50
Class 'B' equity shares			
3.	HDFC Asset Management Company Limited	3,839,200	49.00
	Total	**78,35,200**	**100.00**

Consolidated Partnership Firms

1. M/s. Kalpataru Constructions (Pune)

M/s. Kalpataru Constructions (Pune) is a partnership firm formed pursuant to a deed of partnership dated June 30, 1982. M/s. Kalpataru Constructions (Pune) is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Properties Private Limited	1.00
2.	Kalpataru Limited	99.00
	Total	**100.00**

2. M/s. Kalpataru + Sharyans

M/s. Kalpataru + Sharyans is a partnership firm formed pursuant to a deed of partnership dated June 8, 1994. M/s. Kalpataru + Sharyans is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Limited	99.00

2.	Kalpataru Properties Private Limited	1.00
	Total	**100.00**

3. M/s. Kamdhenu Constructions

M/s. Kamdhenu Constructions is a partnership firm formed pursuant to a deed of partnership dated July 1, 1998. M/s. Kamdhenu Constructions is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Neo-Pharma Private Limited	1.00
2.	Kalpataru Properties Private Limited	1.00
3.	Kalpataru Limited	59.50
4.	K C Holdings Private Limited	1.00
5.	Akansha International Holdings Private Limited	15.00
6.	Trishul Commercials Private Limited	12.50
7.	Ashok Kumar Daga	4.60
8.	Akal Kumari	5.40
	Total	**100.00**

4. M/s. Kalpataru Enterprises

M/s. Kalpataru Enterprises is a partnership firm formed pursuant to a deed of partnership dated January 1, 2010. M/s. Kalpataru Enterprises is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Properties Private Limited	5.00
2.	Kalpataru Limited	95.00
	Total	**100.00**

Consolidated Limited Liability Partnership Firms

1. Ananta Ventures LLP

Ananta Ventures LLP is a limited liability partnership incorporated on April 22, 2010, and is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Limited	95.00
2.	Kalpataru Properties Private Limited	5.00
	Total	**100.00**

2. Kalpak Property Ventures LLP

Kalpak Property Ventures LLP is a limited liability partnership incorporated on May 4, 2010, and is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Properties (Thane) Private Limited	95.00
2.	Kalpataru Properties Private Limited	5.00
	Total	**100.00**

3. Azure Tree Developers LLP

Azure Tree Developers LLP is a limited liability partnership incorporated on May 11, 2010 and is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Properties (Thane) Private Limited	95.00
2.	Kalpataru Properties Private Limited	5.00
	Total	**100.00**

4. Kiyana Ventures LLP

Kiyana Ventures LLP is a limited liability partnership incorporated on May 11, 2010, and is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Limited	95.00
2.	Kalpataru Properties Private Limited	5.00
	Total	**100.00**

5. Kalpa-Taru Property Ventures LLP

Kalpa-Taru Property Ventures LLP is a limited liability partnership incorporated on June 24, 2010, and is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Limited	95.00
2.	Kalpataru Properties Private Limited	5.00
	Total	**100.00**

6. Mango People Homes LLP

Mango People Homes LLP is a limited liability partnership incorporated on June 22, 2010, and is engaged in the business of real estate development and allied activities.

Profit and Loss Sharing Ratio as on August 31, 2010

Sr. No.	Name of Partners	Share of each Partner in Profit/Loss (%)
1.	Kalpataru Limited	95.00
2.	Kalpataru Properties Private Limited	5.00
	Total	**100.00**

PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Mofatraj P. Munot and Parag M. Munot.

Mofatraj P. Munot is the Chairman of our Company. He is a resident Indian national. For further details, please see "Management" on page 197.

Driving license number: 181504
Voter identification number: MT/04/024/036301

We confirm that the permanent account number, bank account number and passport number of Mofatraj P. Munot shall be submitted to the Stock Exchanges, at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Parag M. Munot is the Managing Director of our Company. He is a resident Indian national. For further details, please see "Management" on page 197.

Driving license number: MH01 20080062953
Voter identification number: MT/04/024/036294

We confirm that the permanent account number, bank account number and passport number of Parag M. Munot shall be submitted to the Stock Exchanges, at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

For further details of Mofatraj P. Munot and Parag M. Munot, please see "Management – Board of Directors" on page 197.

Interests of Promoters and Common Pursuits

Each of our Promoters is interested to the extent of their respective shareholding in our Company. For details of our Promoters' shareholding in our Company, please see "Capital Structure" and "Management" on pages 75 and 197, respectively.

Further, each of our Promoters, on account of them being Directors, may be deemed to be interested to the extent of fees, if any, payable to each of them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to each of them. For further details please see "Management" on page 197.

Parag M. Munot, one of our Promoters, has entered into a memorandum of understanding with our Company to acquire land located at Khadka Nagpur. For further details, see 'Our Business-Land Reserves' on page 170. We are required to pay a consideration of Rs. 54 million for this land. Additionally, our Company has entered into a trademarks licensing agreement with Kalpataru Properties Private Limited, one of our Group Companies. The royalty payable under this trademarks licensing agreement amounts to Rs. 100,000 per year for a period of five years, post which, the royalty payment will be revised by the Board of our Company, such revised royalty payment will not exceed 0.25% of our total turnover at that time.

Further, each of our Promoters, on account of them being either a director, or a member, or a partner of certain Group Companies may be deemed to be interested to the extent of the payments made by our Company, if any, to these Group Companies. For the payments that are made by our Company to certain Group Companies, please see "Related Party Transactions" on page 279

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which either of our Promoters is directly or indirectly interested and no payments have been made to either of them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

Our Promoters are further interested in the operations of our Company to the extent of the bank guarantees issued by them as security for certain of our borrowings. For details see “Financial Indebtedness” on page 417.

Our Promoters may also be deemed to be interested in our Company to the extent that they or any entities promoted by them hold an interest in any of our Completed, Ongoing or Forthcoming Projects or the lands on which they are being developed.

Further, neither of our Promoters have any interest in any venture that is involved in any activity similar to those conducted by our Company except as disclosed in this section and the sections titled “Our Business” and “Group Companies” on pages 131 and 246, respectively. The Promoters have entered into a non-compete agreement dated September 20, 2010 with our Company and Kalpataru Properties Private Limited under which the Promoters have agreed not to undertake the business of real estate development, either individually or collectively with other entities, under the Kalpataru brandname (using the Kalpataru logo) or under any other brandname for a period for five years**.** For further details, please see “History and Certain Corporate Matters – Non-Compete Agreement” on page 196.

Confirmations

Our Promoters have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Additionally, none of our Promoters have been restrained from accesing the capital markets for any reasons by the SEBI or any other authorities.

Further, none of our Promoters was or is a promoter, director or person in control of any other Company which is debarred from accessing the capital markets under any order or directions made by the Board.

Payment of benefits to the Promoters

Except as stated in the section titled “Related Party Transactions” on page 279, there have been no payment of benefits to our Promoters during the two years prior to the filing of this Draft Red Herring Prospectus.

Disassociation by the Promoters in the last three years

None of our Promoters have disassociated from any company in the last three years.

Promoter Group

In addition to our Promoters named above, the following constitute the Promoter Group of our Company:

1. Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with Mofatraj P. Munot and/or Parag M. Munot) are as follows:

Name	Relationship with the Promoters
Mofatraj P. Munot	
Parag M. Munot	Son
Sudha Golechha	Daughter
Sunita Choraria	Daughter
Amar Munot	Brother
Ramibai Mutha	Sister
Kanchandevi Jain	Sister
Krishanadevi Oswal	Sister
Parag M. Munot	

Name	Relationship with the Promoters
Mofatraj P. Munot	Father
Monica Munot	Wife
Saachi Munot	Daughter
Shubhika Munot	Daughter
Sudha Golechha	Sister
Sunita Choraria	Sister
Ashok Kumar Daga	Father of the spouse
Sushila Kumari Daga	Mother of the spouse
Abhinav Daga	Brother of the spouse

2. Entities forming part of the Promoter Group

Corporate entities

1. Abacus Enviro Farms Private Limited
2. Abacus Orchards Private Limited
3. Abacus Real Estate Private Limited
4. Abhiruchi Orchards Private Limited
5. Agile Enviro Farms Private Limited
6. Agile Orchards Private Limited
7. Agile Real Estate Private Limited
8. Amber Enviro Farms Private Limited
9. Amber Orchards Private Limited
10. Amber Real Estate Limited
11. Ambrosia Enviro Farms Private Limited
12. Ambrosia Real Estate Private Limited
13. Amrita Polytex Private Limited
14. Anant Enviro Farms Private Limited
15. Anant Orchards Private Limited
16. Ananta Landmarks Private Limited
17. Ananta Villas Private Limited
18. Appropriate Developers Private Limited
19. Appropriate Enviro Farms Private Limited
20. Appropriate Orchards Private Limited
21. Ardour Developers Private Limited
22. Ardour Properties Private Limited
23. Ardour Real Estate Private Limited
24. Arena Orchards Private Limited
25. Argan Developers Private Limited
26. Argos International Marketing Private Limited
27. Arimas Real Estate Private Limited
28. Arman Villas Private Limited
29. Ascent Enviro Farms Private Limited
30. Ascent Orchards Private Limited
31. Aseem Properties Private Limited
32. Ashoka Orchards Private Limited
33. Ashoka Properties Private Limited
34. Aspen Enviro Farms Private Limited
35. Aspen Orchards Private Limited
36. Associated Luggage Private Limited
37. Astrum Developers Private Limited
38. Astrum Orchards Private Limited
39. Aura Enviro Farms Private Limited
40. Aura Orchards Private Limited

41. Aura Real Estate Private Limited
42. Axiom Constructions Private Limited
43. Axiom Enviro Farms Private Limited
44. Axiom Orchards Private Limited
45. Axiom Properties Private Limited
46. Azure Tree Constructions Private Limited
47. Azure Tree Enviro Farms Private Limited
48. Azure Tree Lands Private Limited
49. Azure Tree Orchards Private Limited
50. Azure Tree Properties Private Limited
51. Azure Tree Property Ventures Private Limited
52. Azure Tree Townships Private Limited
53. Bridge Equities Private Limited
54. Caprihans International Impex Private Limited
55. Classic Buildhome Private Limited
56. Databank Stationery Private Limited
57. Databank Trading Company (India) Private Limited
58. Durable Stationery Private Limited
59. Durable Trading Company Private Limited
60. Energylink (India) Limited
61. Eversmile Properties Private Limited
62. Exclusive Trading Company Private Limited
63. Fine Business Facilitators Private Limited
64. Flex-O-Poly Private Limited
65. Girirajkripa Developers Private Limited
66. Hedavkar Mechanical Works Private Limited
67. India Office Solutions Private Limited
68. JMC Projects (India) Limited
69. K.C. Holdings Private Limited
70. K.V. Property Ventures Private Limited
71. Kalpataru Properties (Thane) Private Limited
72. Kalpataru Builders Private Limited
73. Kalpataru Constructions (Poona) Private Limited
74. Kalpataru Constructions Private Limited
75. Kalpataru Energy (India) Private Limited
76. Kalpataru Estates Private Limited
77. Kalpataru E-Vision Private Limited
78. Kalpataru Gardens Private Limited
79. Kalpataru Holdings Private Limited
80. Kalpataru Homes Limited
81. Kalpataru Land (Surat) Private Limited
82. Kalpataru Land Private Limited
83. Kalpataru Landmarks Private Limited
84. Kalpataru Plaza Private Limited
85. Kalpataru Power Transmission (Mauritius) Limited
86. Kalpataru Power Transmission Limited
87. Kalpataru Power Transmission Nigeria Limited
88. Kalpataru Premises Private Limited
89. Kalpataru Properties Private Limited
90. Kalpataru Retail Ventures Private Limited
91. Kalpataru SA (Proprietory) Limited
92. Kalpataru Technopark Properties Private Limited
93. Kalpataru Theatres Private Limited
94. Kalpataru Urbanscape Private Limited
95. Kalpataru Villas Private Limited
96. Kalpataru Viniyog Private Limited
97. Kiyana Properties Private Limited
98. Klassik Townships Private Limited
99. Klassik Vinyl Products Private Limited
100. Lifestyle Property Ventures Private Limited

101.Locksley Hall Hill Resort Private Limited
102.Longulf Trading (India) Private Limited
103.Maximum Impex Private Limited
104.MPM Holding Private Limited
105.Mrigashish Constructions Private Limited
106.Mrigashish Investment & Trading Company Private Limited
107.Neo-Pharma Private Limited
108.Nikita Jewellery Private Limited
109.Omega Realtors Private Limited
110.Padmanagar Constructions Private Limited
111.Padmendra Diamonds Private Limited
112.Parag Prem Builders Private Limited
113.Prime Properties Private Limited
114.Property Solutions (India) Private Limited
115.Propnova Properties Private Limited
116.Punarvasu Constructions Private Limited
117.Punarvasu Holding & Trading Company Private Limited
118.Rainbow Prints Private Limited
119.Rajasthan Stones Private Limited
120.Rough & Diamonds (India) Private Limited
121.Sfurti Impex Private Limited
122.Sfurti Multitrade Private Limited
123.Shouri Constructions Private Limited
124.Shouri Investment & Trading Company Private Limited
125.Shouri Properties Private Limited
126.Shravasti Property Private Limited
127.Shree Shubham Logistics Limited
128.Sona Properties Private Limited
129.Susme Builders Private Limited
130.Swarn Bhumi Township Private Limited
131.Wonder Cure Pharmaceuticals Private Limited
132.Yugdharm Real Estate Private Limited

Partnerships

1. Allied Gems & Jewellery
2. Allied Gems Corporation (Bombay)
3. Dia Excel
4. Gurukrupa Developers
5. Hill Crest Construction
6. Kalpataru + Sharyans
7. Kalpataru Builders
8. Kalpataru Builders – Mumbai
9. Kalpataru Builders (Pune)
10. Kalpataru Constrcutions (Pune)
11. Kalpataru Enterprises
12. Kalpataru Theatres
13. Kamakhsi Realtors
14. Kamdhenu Constructions
15. Messers Habitat
16. Quality Color Gems

Limited Liability Partnerships

1. Ananta Ventures LLP
2. Azure Tree Developers LLP
3. Kalpak Property Ventures LLP
4. Kalpa-Taru Property Ventures LLP
5. Kiyana Ventures LLP
6. Mango People Homes LLP

HUF

1. MPM HUF

GROUP COMPANIES

Companies forming part of the Group Companies

As specified in the SEBI Regulations, the entities promoted by our Promoters, other than our Subsidiaries and our Joint Ventures, which comprise our Group Companies, are set out below. Unless otherwise stated, none of the companies forming part of the Group Companies is a sick company under SICA, none of them are under winding up and none of them have negative networth. Further, except for Caprihans (India) Limited, JMC Projects (India) Limited and Kalpataru Power Transmission Limited, all the Group Companies are unlisted companies and have not made any public issue of securities in the preceding three years.

Our Group Companies are as follows:

Listed Group Companies

1. Caprihans (India) Limited
2. JMC Projects (India) Limited
3. Kalpataru Power Transmission Limited

Top two Group Companies on the basis of total turnover

1. Kalpataru Properties Private Limited
2. Property Solutions (India) Private Limited

Group Companies with negative net worth

1. Appropriate Developers Private Limited
2. Appropriate Orchards Private Limited
3. Argan Developers Private Limited
4. Ascent Enviro Farms Private Limited
5. Ascent Orchards Private Limited
6. Axiom Constructions Private Limited
7. Axiom Properties Private Limited
8. Azure Tree Constructions Private Limited
9. Azure Tree Properties Private Limited
10. Azure Tree Property Ventures Private Limited
11. Caprihans International Impex Private Limited
12. India Office Solutions Private Limited
13. Kalpataru Energy (India) Private Limited
14. Kalpataru E-Vision Private Limited
15. Kalpataru Theatres Private Limited
16. Klassik Townships Private Limited
17. Mrigashish Constructions Private Limited
18. Parag Prem Builders Private Limited
19. Sfurti Impex Private Limited
20. Sfurti Multitrade Private Limited

Other Group Companies

1. Agile Real Estate Private Limited
2. Amrita Polytex Private Limited
3. Ananta Villas Private Limited
4. Argos International Marketing Private Limited
5. Arman Villas Private Limited
6. Aseem Properties Private Limited
7. Axiom Enviro Farms Private Limited
8. Databank Office Staples (India) Private Limited
9. Databank Trading Company (India) Private Limited
10. Durable Stationery Private Limited
11. Flex-O-Poly Private Limited

12. Hedavkar Mechanical Works Private Limited
13. K.C. Holdings Private Limited
14. Kalpataru Builders Private Limited
15. Kalpataru Constructions Private Limited
16. Kalpataru Estates Private Limited
17. Kalpataru Holdings Private Limited
18. Kalpataru Homes Limited
19. Kalpataru Viniyog Private Limited
20. Karmayog Builders Private Limited
21. Lifestyle Property Ventures Private Limited
22. Locksley Hall Hill Resort Private Limited
23. MPM Holding Private Limited
24. Mrigashish Investment & Trading Company Private Limited
25. Neo-Pharma Private Limited
26. Omega Realtors Private Limited
27. Punarvasu Constructions Private Limited
28. Punarvasu Holding & Trading Company Private Limited
29. Rainbow Prints Private Limited
30. Rajasthan Stones Private Limited
31. Shouri Constructions Private Limited
32. Shouri Investment & Trading Company Private Limited
33. Shouri Properties Private Limited
34. Yugdharm Holdings Private Limited
35. Yugdharm Real Estate Private Limited

Partnership firms forming a part of our Group Companies

1. M/s. Hillcrest Constructions
2. M/s. Kalpataru Builders
3. M/s. Kalpataru Builders – Mumbai
4. M/s. Kalpataru Builders – Pune
5. M/s. Kalpataru Theatres

Trusts forming a part of our Group Companies

1. Manav Foundation
2. MPM Benefit Trust
3. Munot Foundation
4. Riddhi Benefit Trust
5. Sharad Chandrika Munot Family Trust
6. Smt. Sharadchandrika Mofatraj P. Munot Foundation
7. Sudha Trust
8. Sunita Trust
9. Umang Benefit Trust

<u>Details of Group Companies</u>

Our listed Group Companies are as follows:

1. Caprihans (India) Limited ("CIL")

Corporate Information

CIL was incorporated under the Companies Act on April 11, 1946, in Mumbai, Maharashtra. CIL is involved in the business of manufacturing of PVC films and sheeting. The equity shares of CIL are listed on BSE

Interests of the Promoters as on the date of this Draft Red Herring Prospectus

Mofatraj P. Munot holds 56,957 equity shares aggregating to 0.43% of the issued and paid up equity share capital of CIL and Parag M. Munot holds 445,496 equity shares aggregating to 3.39% of the issued and paid up equity share capital of CIL.

Shareholding pattern as on June 30, 2010

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	17	631,579	630,809	4.81	4.81	-	-
Bodies Corporate	6	1,635,511	1,635,511	12.45	12.45	-	-
Sub Total	**23**	**2,267,090**	**2,266,320**	**17.26**	**17.26**	**-**	**-**
(2) Foreign							
Bodies Corporate	1	6,698,325	-	51.00	51.00	-	-
Sub Total	**1**	**6,698,325**	**-**	**51.00**	**51.00**	**-**	**-**
Total shareholding of Promoter and Promoter Group (A)	**24**	**8,965,415**	**2,266,320**	**68.26**	**68.26**	**-**	**-**
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	8	5,016	1,500	0.04	0.04	-	-
Financial Institutions / Banks	3	483,370	483,370	3.68	3.68	-	-
Foreign Institutional Investors	1	450	-	-	-	-	-
Sub Total	**12**	**488,836**	**484,870**	**3.72**	**3.72**	**-**	**-**
(2) Non-Institutions							
Bodies Corporate	181	728,523	723,293	5.55	5.55	-	-
Individuals						**-**	**-**
Individual shareholders holding nominal share capital up to Rs. 1 lakh	8,352	1,606,171	1,250,380	12.23	12.23	-	-

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	21	689,657	689,657	5.25	5.25	-	-
Any Others (Specify)	**139**	**655,369**	**653,704**	**4.99**	**4.99**	**-**	**-**
Clearing Member & Market Maker	29	146,637	146,637	1.12	1.12	-	-
Non Resident Indians	53	15,548	13,883	0.12	0.12	-	-
HUF/Trust/Clearing Members/NRIs	53	95,034	95,034	0.72	0.72	-	-
Directors & their Relatives & Friends	4	398,150	398,150	3.03	3.03	-	-
Sub Total	**8,693**	**3,679,720**	**3,317,034**	**28.02**	**28.02**	**-**	**-**
Total Public shareholding (B)	**8,705**	**4,168,556**	**3,801,904**	**31.74**	**31.74**	**-**	**-**
Total (A)+(B)	**8,729**	**13,133,971**	**6,068,224**	**100.00**	**100.00**	**-**	**-**
(C) Shares held by Custodians and against which Depository Receipts have been issued	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A)+(B)+(C)	**8,729**	**13,133,971**	**6,068,224**	**-**	**100.00**	**-**	**-**

Financial Performance

The summary audited financial information of CIL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	131.34	131.34	131.34
2.	Reserves (excluding revaluation reserves) and surplus	781.70	769.77	759.32
3.	Income including other income	1702.03	1608.62	1252.49
4.	Profit/(Loss) after tax	50.23	33.49	17.98
5.	Earnings per share (face value Rs. 10) (in Rs.)	3.82	2.55	1.37
6.	Net asset value per share (in Rs.)	69.52	68.60	67.81

Stock market data

13,133,971 equity shares were issued and outstanding as of June 30, 2010.

The table set forth below is for the periods that indicate the high and low prices of the Shares. On September 21, 2010, the closing price of the equity shares on BSE was Rs. 85.45 per share (equity share of face value Re. 10 per share).

Monthly high and low prices on the BSE for the six months preceding the date of filing of Draft Red Herring Prospectus:

Month	High (Rs.)	Low (Rs.)
August 2010	104.95	85.70
July 2010	101.50	74.70
June 2010	82.40	68.50
May 2010	71.60	63.05
April 2010	72.50	65.10
March 2010	65.90	50.00

(Source: www.bseindia.com)

Promise vs. performance

CIL has not undertaken a public or rights issue in the three years preceding the date of this Draft Red Herring Prospectus.

Redressal of Investor Grievances

There are no pending investor grievances as of June 30, 2010.

2. JMC Projects (India) Limited ("JMC")

Corporate Information

JMC was incorporated under the Companies Act on June 5, 1986, in Gujarat as 'Civen Construction Private Limited'. Subsequently, on December 10, 1987, the name was changed to 'Joshi & Modi Constructions Private Limited'. On January 21, 1994, the name was further changed to 'JMC Projects (India) Private Limited'. Subsequently on February 4, 1994, JMC was converted into a public limited company *i.e.* 'JMC Projects (India) Limited'. JMC is involved in the business of, amongst others, turnkey execution involving Civil, Mechanical, Electrical, HVAC, Fire Fighting, Architectural and Landscaping Work. The equity shares of JMC are listed on the BSE and NSE.

Interests of the Promoters as on the date of this Draft Red Herring Prospectus

Our Promoters do not have any direct shareholding in JMC.

Shareholding pattern as on June 30, 2010

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares	Shares pledged or otherwise encumbered

				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	8	571,663	571,663	2.63	2.63	-	-
Bodies Corporate	1	11,540,247	11,540,247	53.01	53.01	-	-
Sub Total	**9**	**12,111,910**	**12,111,910**	**55.64**	**55.64**	**-**	**-**
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	**9**	**12,111,910**	**12,111,910**	**55.64**	**55.64**	**-**	**-**
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	8	1,204,177	1,203,577	5.53	5.53	-	-
Financial Institutions / Banks	1	300	300	-	-	-	-
Foreign Institutional Investors	9	1,594,732	1,594,732	7.33	7.33	-	-
Sub Total	**18**	**2,799,209**	**2,798,609**	**12.86**	**12.86**	**-**	**-**
(2) Non-Institutions							
Bodies Corporate	451	1,572,411	1,569,610	7.22	7.22	-	-
Individuals						**-**	**-**
Individual shareholders holding nominal share capital up to Rs. 1 lakh	11,229	3,406,737	3,262,895	15.65	15.65	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	36	1,089,700	1,089,700	5.01	5.01	-	-
Any Others (Specify)	**385**	**788,381**	**787,831**	**3.62**	**3.62**	**-**	**-**
Non Resident Indians	188	483,104	482,554	2.22	2.22	-	-
Trusts	2	82,500	82,500	0.38	0.38	-	-

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
Clearing Members	195	222,777	222,777	1.02	1.02	-	-
Sub Total	**12,101**	**6,857,229**	**6,710,036**	**31.50**	**31.50**	**-**	**-**
Total Public shareholding (B)	**12,119**	**9,656,438**	**9,508,645**	**44.36**	**44.36**	**-**	**-**
Total (A)+(B)	**12,128**	**21,768,348**	**21,620,555**	**100.00**	**100.00**	**-**	**-**
(C) Shares held by Custodians and against which Depository Receipts have been issued	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A)+(B)+(C)	**12,128**	**21,768,348**	**21,620,555**	**-**	**100.00**	**-**	**-**

Financial Performance

The summary audited financial information of JMC for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	217.70	181.40	181.40
2.	Reserves (excluding revaluation reserves) and surplus	2,289.78	1,601.56	1,301.97
3.	Income including other income	13,209.96	13,194.44	9,206.20
4.	Profit/(Loss) after tax	397.02	367.61	307.12
5.	Earnings per share (face value Rs. 10) (in Rs.)	19.27	19.29	16.14
6.	Net asset value per share (in Rs.)	114.82	97.41	80.09

Stock Market Data

As of June 30, 2010, 21,768,348 equity shares were issued and outstanding.

The table set forth below is for the periods that indicate the high and low prices of the Shares. On September 21, 2010, the closing price of the equity shares on BSE was Rs. 210.60 per share and that on NSE was Rs. 210.30 per share (equity share of face value Re. 10 per share).

Monthly high and low prices on the Stock Exchanges for the six months preceding the date of filing of this Placement Document:

Month	BSE		NSE	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)

Month	BSE		NSE	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
August 2010	200.65	179.50	200.55	179.65
July 2010	215.25	194.45	215.30	193.90
June 2010	223.70	203.60	222.90	203.85
May 2010	229.30	173.05	228.45	173.40
April 2010	200.45	183.40	200.50	183.75
March 2010	178.40	160.00	178.80	160.05

(Source: www.bseindia.com and www.nseindia.com)

Promise vs. performance

In the Financial Year 2009-10, JMC came out with a Rights Issue of 3,628,058 Equity Shares of Rs. 10/- each at a premium of Rs. 100/- per share. There is no change in capital structure since the completion of Rights Issue.

Redressal of Investor Grievances

There are no pending investor grievances as of June 30, 2010.

3. Kalpataru Power Transmission Limited ("KPTL")

Corporate Information

KPTL was incorporated under the Companies Act, 1956 on April 23, 1981, in Gujarat, as 'HT Power Structure Private Limited'. On December 20, 1993, HT Power Structure Private Limited was converted into a public limited company and subsequently, on January 4, 1994, the name was changed to 'Kalpataru Power Transmission Limited'. KPTL is involved in the business of engineering, procurement and construction. The equity shares of KPTL are listed on the NSE and BSE.

Interests of the Promoters as on the date of this Draft Red Herring Prospectus

Mofatraj P. Munot holds 9,820,930 equity shares aggregating to 6.40% of the issued and paid up equity share capital of KPTL and Parag M. Munot holds 10,947,970 equity shares aggregating to 7.13%of the issued and paid up equity share capital of KPTL.

Shareholding pattern as on June 30, 2010

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	17	5,002,266	4,873,266	16.30	16.30	1,331,700	26.62

Bodies Corporate	8	11,874,000	11,874,000	38.69	38.69	258,300	2.18
Sub Total	**25**	**16,876,266**	**16,747,266**	**54.99**	**54.99**	**1,590,000**	**9.42**
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	**25**	**16,876,266**	**16,747,266**	**54.99**	**54.99**	**1,590,000**	**9.42**
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	47	4,151,769	4,151,769	13.53	13.53	-	-
Financial Institutions / Banks	4	87,873	87,473	0.29	0.29	-	-
Venture Capital Funds	1	1,439,000	1,439,000	4.69	4.69	-	-
Insurance Companies	3	1,060,085	1,060,085	3.45	3.45	-	-
Foreign Institutional Investors	51	4,557,644	4,557,644	14.85	14.85	-	-
Any Others (Specify)	**2**	**500**	**300**	**-**	**-**	**-**	**-**
Foreign Financial Institutions	1	200	-	-	-	-	-
Trusts	1	300	300	-	-	-	-
Sub Total	**108**	**11,296,871**	**11,296,271**	**36.81**	**36.81**	**-**	**-**
(2) Non-Institutions							
Bodies Corporate	539	513,016	511,116	1.67	1.67	-	-
Individuals						**-**	**-**
Individual shareholders holding nominal share capital up to Rs. 1 lakh	16,019	1,385,736	373,600	4.51	4.51	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	17	392,800	-	1.28	1.28	-	-
Any Others (Specify)	**618**	**227,425**	**226,225**	**0.74**	**0.74**	**-**	**-**
Clearing Members	131	28,968	28,968	0.09	0.09	-	-
Non Resident Indians	487	198,457	197,257	0.65	0.65	-	-
Sub Total	**17,193**	**2,518,977**	**1,110,941**	**8.21**	**8.21**	**-**	**-**

Total Public shareholding (B)	**17,301**	**13,815,848**	**12,407,212**	**45.01**	**45.01**	**-**	**-**
Total (A)+(B)	**17,326**	**30,692,114**	**29,154,478**	**100.00**	**100.00**	**1,590,000**	**5.18**
(C) Shares held by Custodians and against which Depository Receipts have been issued	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A)+(B)+(C)	**17,326**	**30,692,114**	**29,154,478**	**-**	**100.00**	**1,590,000**	**5.18**

Financial Performance

The summary audited financial information of KPTL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	265.00	265.00	265.00
2.	Reserves (excluding revaluation reserves) and surplus	9,611.09	8,099.45	7,407.18
3.	Income including other income	26,306.85	19,137.55	17,590.72
4.	Profit/(Loss) after tax	1,704.56	944.11	1,499.52
5.	Earnings per share (face value Rs. 10) (in Rs.)	64.32	35.63	56.59
6.	Net asset value per share (in Rs.)	372.68	315.64	289.52

Stock Market Data

As of June 30, 2010, 30,692,114 equity shares were issued and outstanding.

The table set forth below is for the periods that indicate the high and low prices of the Shares. On September 21, 2010, the closing price of the Shares on BSE was Rs. 196.05 per share and on the NSE was Rs. 196.95 per share (The face value of the equity shares of KPTL was split on September 8, 2010 to Rs. 2 per equity share).

The monthly high and low prices and trading volumes on the Stock Exchanges for the six months preceding the date of filing of this Placement Document:

Month	BSE		NSE	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
August 2010	1,049.05	975.15	1,050.85	976.75
July 2010	1,052.65	984.45	1,049.95	983.60
June 2010	1,061.55	992.70	1,059.05	980.70
May 2010	1,079.10	998.50	1,077.95	999.90
April 2010	1,098.15	1,035.05	1,100.20	1,031.35
March 2010	1,074.00	1,004.05	1,070.25	1,003.80

(Source: www.bseindia.com and www.nseindia.com)

Promise vs. performance

KPTL has not undertaken a public or rights issue in the three years preceding the date of this Draft Red Herring

Prospectus.

Redressal of Investor Grievances

There are no pending investor grievances as of June 30, 2010.

The top two Group Companies on the basis of total turnover are as follows:

1. Kalpataru Properties Private Limited ("KPPL")

Corporate Information

KPPL was incorporated under the Companies Act on June 9, 1975, in Mumbai. KPPL is involved in the business of real estate development and allied activities comprising rendering architectural, structural engineering, technological services *etc.*

Interests of the Promoters

Our Promoters do not have any direct shareholding in KPPL.

Financial Performance

The summary audited financial information of KPPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2009	March 31, 2008	March 31, 2007
1.	Equity Capital	62.49	62.49	62.49
2.	Reserves (excluding revaluation reserves) and surplus	1,028.06	955.50	854.93
3.	Income including other income	702.48	760.11	1182.48
4.	Profit/(Loss) after tax	72.56	103.17	404.45
5.	Earnings per share (face value Rs. 100) (in Rs.)	116.11	165.10	647.20
6.	Net asset value per share (in Rs.)	1,745.09	1,628.98	1468.05

2. Property Solutions (India) Private Limited ("PSIPL")

Corporate Information

PSIPL was incorporated under the Companies Act on November 27, 2000, in Mumbai. PSIPL is involved in the business of real estate development, facility management, project management and allied activities.

Interests of the Promoters

Our Promoters do not have any direct shareholding in PSIPL.

Financial Performance

The summary audited financial information of PSIPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2009	March 31, 2008	March 31, 2007
1.	Equity Capital	1.00	1.00	1.00

Sr. No.	Particulars	For the year ended		
		March 31, 2009	March 31, 2008	March 31, 2007
2.	Reserves (excluding revaluation reserves) and surplus	21.27	17.82	12.96
3.	Income including other income	377.53	239.85	124.35
4.	Profit/(Loss) after tax	3.45	4.95	7.81
5.	Earnings per share (face value Rs. 10) (in Rs.)	34.54	49.51	78.12
6.	Net asset value per share (in Rs.)	222.75	188.21	139.59

Group Companies with negative net worth are as follows:

1. Appropriate Developers Private Limited ("ADPL")

Corporate Information

ADPL was incorporated under the Companies Act on November 21, 2007, in Mumbai. ADPL is engaged in the business of real estate development and allied activities.

Interests of the Promoters

Mofatraj P. Munot holds 5,100 equity shares aggregating to 51% of the issued and paid up equity share capital of ADPL and Parag M. Munot holds 1,750 equity shares aggregating to 17.50% of the issued and paid up equity share capital of ADPL.

Financial Performance

The summary audited financial information of ADPL for the last three fiscal years is as follows

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.53)	(0.51)	(0.48)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.03)	(0.03)	(0.46)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(2.86)	(2.97)	(45.96)
6.	Net asset value per share (in Rs.)	(42.99)	(40.73)	(38.36)

2. Appropriate Orchards Private Limited ("APPOPL")

Corporate Information

APPOPL was incorporated under the Companies Act on March 21, 2007, in Mumbai. APPOPL is involved in the business of/business as farming, agriculture, planters, growers, cultivators in all their respective forms and branches.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of APPOPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of APPOPL.

Financial Performance

The summary audited financial information of APPOPL for the last three fiscal years is as follows:

(Rs. in Million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.22)	(0.13)	(0.06)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.10)	(0.07)	(0.04)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(9.50)	(7.44)	(3.72)
6.	Net asset value per share (in Rs.)	(12.03)	(3.20)	3.57

3. Argan Developers Private Limited ("ADPL")

Corporate Information

ADPL was incorporated under the Companies Act on January 2, 2008, in Mumbai. ADPL is engaged in the business of real estate development and allied activities.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ADPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ADPL.

Financial Performance

The summary audited financial information for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	-
2.	Reserves (excluding revaluation reserves) and surplus	(0.23)	(0.22)	-
3.	Income including other income	NIL	NIL	-
4.	Profit/(Loss) after tax	(0.03)	(0.19)	-
5.	Earnings per share (face value Rs. 10) (in Rs.)	(2.50)	(19.11)	-
6.	Net asset value per share (in Rs.)	(13.42)	(11.52)	-

4. Ascent Enviro Farms Private Limited ("AEFPL")

Corporate Information

AEFPL was incorporated under the Companies Act on April 24, 2007, in Mumbai. AEFPL is involved in the business of/business as, amongst others, farming, agriculture, planters, growers and cultivators.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AEFPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AEFPL.

Financial Performance

The summary audited financial information of AEFPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	**March 31, 2009**	**March 31, 2008**
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.34)	(0.12)	(0.06)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.22)	(0.07)	(0.03)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(22.41)	(6.89)	(3.43)
6.	Net asset value per share (in Rs.)	(23.95)	(2.16)	4.12

5. Ascent Orchards Private Limited (“Ascent”)

Corporate Information

Ascent was incorporated under the Companies Act on April 24, 2007, in Mumbai. Ascent is involved in the business of/business as, amongst others, farming, agriculture, planters, growers and cultivators.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of Ascent and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of Ascent.

Financial Performance

The summary audited financial information of Ascent for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	**March 31, 2009**	**March 31, 2008**
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.27)	(0.15)	(0.06)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.12)	(0.10)	(0.04)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(12.49)	(9.90)	(3.55)
6.	Net asset value per share (in Rs.)	(17.19)	(5.32)	3.95

6. Axiom Constructions Private Limited (“ACPL”)

ACPL was incorporated under the Companies Act on October 13, 2005, in Mumbai. ACPL is involved in the business of/business as, amongst others, builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ACPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ACPL.

Financial Performance

The summary audited financial information of ACPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.93)	(0.24)	0.29
3.	Income including other income	3.59	2.96	0.94
4.	Profit/(Loss) after tax	(0.70)	(0.54)	0.17
5.	Earnings per share (face value Rs. 10) (in Rs.)	(70.34)	(53.53)	16.59
6.	Net asset value per share (in Rs.)	(83.46)	(13.72)	39.20

7. Axiom Properties Private Limited ("APPL")

Corporate Information

APPL was incorporated under the Companies Act on January 22, 2007, in Mumbai. APPL is engaged in the business of real estate development and allied activities.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of APPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of APPL.

Financial Performance

The summary audited financial information of APPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(10.43)	(8.45)	(0.07)
3.	Income including other income	7.20	NIL	NIL
4.	Profit/(Loss) after tax	(1.99)	(8.38)	(0.04)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(199.11)	(838.40)	(4.48)
6.	Net asset value per share (in Rs.)	(1033.10)	(834.55)	3.30

8. Azure Tree Constructions Private Limited ("ATCPL")

Corporate Information

ATCPL was incorporated under the Companies Act on October 13, 2005, in Mumbai. ATCPL is engaged in the business of real estate development and allied activities.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ATCPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ATCPL.

Financial Performance

The summary audited financial information of ATCPL for the last three fiscal years is as follows:

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.10)	(0.08)	(0.07)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.03)	(0.02)	(0.03)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(2.72)	(2.09)	(2.73)
6.	Net asset value per share (in Rs.)	(0.16)	1.94	3.40

9. Azure Tree Properties Private Limited ("ATPPL")

Corporate Information

ATPPL was incorporated under the Companies Act on August 8, 2005, in Mumbai. ATPPL is engaged in the business of real estate development and allied activities.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ATPPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ATPPL.

Financial Performance

The summary audited financial information of ATPPL for the last three fiscal years is as follows:

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.12)	(0.09)	(0.08)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.03)	(0.02)	(0.03)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
5.	Earnings per share (face value Rs. 10) (in Rs.)	(2.76)	(2.25)	(3.49)
6.	Net asset value per share (in Rs.)	(1.54)	0.61	2.24

10. Azure Tree Property Ventures Private Limited ("ATPVPL")

Corporate Information

ATPVPL was incorporated under the Companies Act on February 15, 2007, in Mumbai. ATPVPL is engaged in the business of real estate development and allied activities.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ATPVPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of ATPVPL.

Financial Performance

The summary audited financial information of ATPVPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(3.53)	(3.51)	(3.50)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.03)	(0.02)	(3.46)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(3.28)	(1.98)	(345.80)
6.	Net asset value per share (in Rs.)	(343.00)	(340.69)	(339.67)

11. Caprihans International Impex Private Limited ("CIIPL")

Corporate Information

CIIPL was incorporated under the Companies Act on February 10, 1992, in Mumbai. CIIPL is involved in the business of manufacturing and trading of plastics, chemicals and such other similar or ancillary products.

Interests of the Promoters

Mofatraj P. Munot holds 2,500 equity shares aggregating to 25% of the issued and paid up equity share capital of CIIPL, however, Parag M. Munot does not hold any equity shares in CIIPL.

Financial Performance

The summary audited financial information of CIIPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.14)	(0.12)	(0.10)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.02)	(0.01)	(0.01)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(2.25)	(1.47)	(1.29)
6.	Net asset value per share (in Rs.)	(3.64)	(1.60)	(0.35)

12. India Office Solutions Private Limited ("IOSPL")

Corporate Information

IOSPL was incorporated under the Companies Act on July 14, 2000, in Mumbai. IOSPL is involved in the business of/business as, amongst others, provision of information/internet system and purveyors of information services.

Interests of the Promoters

Mofatraj P. Munot holds 10 equity shares aggregating to 0.10% of the issued and paid up equity share capital of IOSPL, however, Parag M. Munot does not hold any equity shares in IOSPL.

Financial Performance

The summary audited financial information of IOSPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.16)	(0.14)	(0.09)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.02)	(0.05)	(0.02)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(2.24)	(4.99)	(1.60)
6.	Net asset value per share (in Rs.)	(5.99)	(3.75)	1.23

13. Kalpataru Energy (India) Private Limited ("KEIPL")

Corporate Information

KEIPL was incorporated under the Companies Act on August 25, 2000, in Mumbai. KEIPL is involved in the business of/business as, amongst others, designers, manufacturers, producers, assemblers, repairers, reconditioners, importers, exporters, buyers of and dealers in electrical transmission materials including erecting, fabricating, galvanizing and supplying of transmission line towers, sub-stations and masts.

Interests of the Promoters

Mofatraj P. Munot holds 5,100 equity shares aggregating to 51% of the issued and paid up equity share capital of KEIPL and Parag M. Munot holds 1,750 equity shares aggregating to17.5% of the issued and paid up equity share capital of KEIPL.

Financial Performance

The summary audited financial information for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.25)	(0.25)	(0.26)
3.	Income including other income	0.04	0.04	0.04
4.	Profit/(Loss) after tax	(0.00)	0.01	(0.23)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(0.00)	0.77	(22.98)
6.	Net asset value per share (in Rs.)	(15.30)	(15.29)	(16.07)

14. Kalpataru E-Vision Private Limited ("KEVPL")

Corporate Information

KEVPL was incorporated under the Companies Act on July 11, 2000, in Mumbai. KEVPL is involved in the business of/business as, amongst others, provision of information/internet system and purveyors of information services and remote processing services.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of KEVPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of KEVPL.

Financial Performance

The summary audited financial information of KEVPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.87)	(0.56)	(0.28)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.30)	(0.29)	(0.01)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(30.40)	(28.77)	(1.04)
6.	Net asset value per share (in Rs.)	(76.88)	(46.48)	(17.71)

15. Kalpataru Theatres Private Limited ("KTPL")

Corporate Information

KTPL was incorporated under the Companies Act on December 5, 2000, in Mumbai. KTPL is involved in the business of running theatres, cinema halls, multiplex, concert hall, ball room and exhibition, displaying, organising, arranging cinematographic films, pictures, drama, magical and various entertainment shows.

Interests of the Promoters

Parag M. Munot holds 270,017 equity shares aggregating to 99.9989% of the issued and paid up equity share capital of KTPL, however, Mofatraj P. Munot does not hold any equity shares in KTPL.

Financial Performance

The summary audited financial information of KTPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	2.70	2.70	2.70
2.	Reserves (excluding revaluation reserves) and surplus	(4.52)	(3.60)	(3.01)
3.	Income including other income	0.18	0.19	4.88
4.	Profit/(Loss) after tax	(0.92)	(0.58)	0.33
5.	Earnings per share (face value Rs. 10) (in Rs.)	(3.41)	(2.16)	1.24
6.	Net asset value per share (in Rs.)	(6.73)	(3.32)	(1.16)

16. Klassik Townships Private Limited ("KlTPL")

Corporate Information

KlTPL was incorporated under the Companies Act on August 22, 2006, in Mumbai. KlTPL is involved in the business of/business as builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of KlTPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of KlTPL.

Financial Performance

The summary audited financial information of KTPL for the last three fiscal years is as follows:

(Rs. in Million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.17)	(0.11)	(0.08)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.07)	(0.03)	(0.05)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(6.88)	(3.43)	(4.76)
6.	Net asset value per share (in Rs.)	(7.17)	(0.99)	1.75

17. Mrigashish Constructions Private Limited ("MCPL")

Corporate Information

MCPL was incorporated under the Companies Act on December 29, 2003, in Mumbai. MCPL is involved in the business of/business as builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 5,100 equity shares aggregating to 51% of the issued and paid up equity share capital of MCPL and Parag M. Munot holds 1,750 equity shares aggregating to 17.50% of the issued and paid up equity share capital of MCPL.

Financial Performance

The summary audited financial information of MCPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.32)	(0.30)	(0.29)
3.	Income including other income	NIL	0.00	0.31
4.	Profit/(Loss) after tax	(0.02)	(0.01)	(0.27)
5.	Earnings per share (face value Rs. 10) (in Rs.)	(1.67)	(1.16)	(27.40)
6.	Net asset value per share (in Rs.)	(21.63)	(19.96)	(19.04)

18. Parag Prem Builders Private Limited ("PPBPL")

Corporate Information

PPBPL was incorporated under the Companies Act on March 22, 1972, in Mumbai. PPBPL is involved in the business of/business as builders, masonry and general construction.

Interests of the Promoters

Mofatraj P. Munot holds 210 equity shares aggregating to 10.50% of the issued and paid up equity share capital of PPBPL and Parag M. Munot holds 299 equity shares aggregating to 14.95% of the issued and paid up equity share capital of PPBPL.

Financial Performance

The summary audited financial information of PPBPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.20	0.20	0.20
2.	Reserves (excluding revaluation reserves) and surplus	(0.32)	(0.30)	(0.29)
3.	Income including other income	NIL	NIL	NIL
4.	Profit/(Loss) after tax	(0.02)	(0.01)	(0.01)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
5.	Earnings per share (face value Rs. 100) (in Rs.)	(8.27)	(5.10)	(6.20)
6.	Net asset value per share (in Rs.)	(60.64)	(52.37)	(47.28)

19. Sfurti Impex Private Limited ("SIPL")

Corporate Information

SIPL was incorporated under the Companies Act on August 28, 2003, in Mumbai. SIPL is involved in the business of, amongst others, commodities, goods, articles, materials and things of every description and kind such as computers, its parts and peripherals, laboratory equipments, cosmetics and beverages.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of SIPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of SIPL.

Financial Performance

The summary audited financial information of SIPL for the last three fiscal years is as follows:

(Rs. in million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.36)	(0.66)	(0.26)
3.	Income including other income	1.35	NIL	NIL
4.	Profit/(Loss) after tax	0.30	(0.40)	(0.22)
5.	Earnings per share (face value Rs. 10) (in Rs.)	29.72	(39.90)	(21.75)
6.	Net asset value per share (in Rs.)	(25.79)	(55.52)	(15.62)

20. Sfurti Multitrade Private Limited ("SMPL")

Corporate Information

SMPL was incorporated under the Companies Act on August 21, 2003, in Mumbai. SMPL is involved in the business of, amongst others, commodities, goods, articles, materials and things of every description and kind such as computers, its parts and peripherals, laboratory equipments, cosmetics and toiletries.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of SMPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of SMPL.

Financial Performance

The summary audited financial information of SMPL for the last three fiscal years is as follows:

(Rs. in Million, except share data)

Sr. No.	Particulars	For the year ended		
		March 31, 2010	March 31, 2009	March 31, 2008
1.	Equity Capital	0.10	0.10	0.10
2.	Reserves (excluding revaluation reserves) and surplus	(0.16)	(0.48)	(0.17)
3.	Income including other income	1.35	NIL	NIL
4.	Profit/(Loss) after tax	0.32	(0.31)	(0.17)
5.	Earnings per share (face value Rs. 10) (in Rs.)	32.37	(31.24)	(16.63)
6.	Net asset value per share (in Rs.)	(5.99)	(38.36)	(7.12)

The details of the other Group Companies are as follows:

1. Agile Real Estate Private Limited ("AREPL")

Corporate Information

AREPL was incorporated under the Companies Act on January 2, 2008, in Mumbai. AREPL is involved in the business of/business as, amongst others, builders, developers, masonry, and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AREPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AREPL.

2. Amrita Polytex Private Limited ("APPL")

Corporate Information

APPL was incorporated under the Companies Act on August 5, 1985 in Mumbai. APPL is involved in the business of, amongst others, weaving, processing, printing, bleaching and dyeing of fibers, fabrics and textile goods.

Interests of the Promoters

Mofatraj P. Munot holds 1,500 equity shares aggregating to 42.86% of the issued and paid up equity share capital of APPL and Parag M. Munot holds 1,500 equity shares aggregating to 42.86% of the issued and paid up equity share capital of APPL.

3. Ananta Villas Private Limited ("Ananta")

Corporate Information

Ananta was incorporated under the Companies Act on May 22, 2008, in Mumbai. Ananta is involved in the business of/business as, amongst others, builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of Ananta and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of Ananta.

4. Argos International Marketing Private Limited ("AIMPL")

Corporate Information

AIMPL was incorporated under the Companies Act on December 17, 1998, in Mumbai. AIMPL is involved in business of/business as buyers, sellers, importers, exporters, distributors, agents, brokers, commission agents and dealers of all kinds of pharmaceutical products, drugs, bulk drugs, formulations and other commodities.

Interests of the Promoters

Our Promoters do not have any direct shareholding in AIMPL.

5. Arman Villas Private Limited ("AVPL")

Corporate Information

AVPL was incorporated under the Companies Act on May 22, 2008, in Mumbai. AVPL is involved in the business of/business as, amongst others, builders, developers, masonry, and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AVPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AVPL.

6. Aseem Properties Private Limited ("APPL")

Corporate Information

APPL was incorporated under the Companies Act on June 5, 1979, in Mumbai. APPL is involved in the business of/business as, amongst others, builders, masonry and general construction.

Interests of the Promoters

Mofatraj P. Munot holds 18,870 equity shares aggregating to 51% of the issued and paid up equity share capital of APPL and Parag M. Munot holds 6,475 equity shares aggregating to 17.50% of APPL.

7. Axiom Enviro Farms Private Limited ("AEFPL")

Corporate Information

AEFPL was incorporated under the Companies Act on March 28, 2007, in Mumbai. AEFPL is involved in the business of/business as, amongst others, farming, agriculture, planters, growers and cultivators.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AEFPL and Parag M. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of AEFPL.

8. Databank Office Staples (India) Private Limited ("DOSIPL")

Corporate Information

DOSIPL was incorporated under the Companies Act on August 27, 1996 in Mumbai. DOSIPL is involved in the business of, amongst others, manufacturing, importing, exporting, buying, selling, assembling, distributing or otherwise dealing in stationery, computer stationery, various stationery items and various kinds of educational facilities and items.

Interests of the Promoters

Mofatraj P. Munot holds 20 equity shares aggregating to 0.02% of the issued and paid up equity share capital of DOSIPL, however, Parag M. Munot dose not hold any equity shares in DOSIPL.

9. Databank Trading Company (India) Private Limited ("DTCIPL")

Corporate Information

DTCIPL was incorporated under the Companies Act on December 2, 1996, in Mumbai. DTCIPL is involved in the business of/business as buyers, sellers, traders, commission agents, delcreder agents, dealers, importers, exporters, indenting agents in all kinds of goods, including industrial, non industrial, consumer items, products and merchandise including all kinds of chemicals.

Interests of the Promoters

Mofatraj P. Munot holds 500 equity shares aggregating to 1.36% of the issued and paid up equity share capital of DTCIPL and Parag . Munot holds 130 equity shares aggregating to 0.35% of the issued and paid up equity share capital of DTCIPL.

10. Durable Stationery Private Limited ("DSPL")

Corporate Information

DSPL was incorporated under the Companies Act on February 29, 1996, in Mumbai. DSPL is involved in the business of, amongst others, manufacturing, importing, exporting, buying, selling, assembling, distributing or otherwise dealing in stationery, computer stationery, various stationery items and various kinds of educational facilities and items.

Interests of the Promoters

Mofatraj P. Munot holds 1,000 equity shares, aggregating to 1.00% of the issued and paid up equity share capital of DSPL and Parag M. Munot holds 800 equity shares, aggregating to 0.80% of the issued and paid up equity share capital of DSPL.

11. Flex-O-Poly Private Limited ("FOPPL")

Corporate Information

FOPPL was incorporated under the Companies Act on March 13, 1995, in Mumbai. FOPPL is involved in the business of manufacture, sale, purchase, export, import, processing of PVC and polypropylene sheet, polymers, films of various types and PVC fabricated articles such as files, folders, filmsheet, plastic moulded, articles, stationery products and other related items.

Interests of the Promoters

Mofatraj P. Munot holds 5,100 equity shares aggregating to 51% of the issued and paid up equity share capital of FOPPL and Parag M. Munot holds 1,750 equity shares aggregating to 17.50% of the issued and paid up equity share capital of FOPPL.

12. Hedavkar Mechanical Works Private Limited ("HMWPL")

Corporate Information

HMWPL was incorporated under the Companies Act on December 20, 1960, in Mumbai. HMWPL is involved in the business of/business as, amongst others, mechanical engineers, manufacturers of all kinds of machineries and implements, and tools.

Interests of the Promoters

Mofatraj P. Munot holds 2,030 equity shares aggregating to 81.20% of the issued and paid up equity share capital of HMWPL and Parag M. Munot holds 220 equity shares aggregating to 8.80% of the issued and paid up equity share capital of HMWPL.

13. K. C. Holdings Private Limited ("KCHPL")

Corporate Information

KCHPL was incorporated under the Companies Act on June 24, 1981, in Mumbai. KCHPL is involved in the business of purchasing for the purpose of investment or resale of land, building or property of any kind including gold, silver, jewellery ornaments, pearls, precious stones and metals and acting as brokers or agents for purchase, sale, improvement, development, management of land and buildings and other property.

Interests of the Promoters

Our Promoters do not have any direct shareholding in KCHPL.

14. Kalpataru Builders Private Limited ("KBPL")

Corporate Information

KBPL was incorporated under the Companies Act on March 22, 1972, in Mumbai. KBPL is involved in the business of/business as, amongst others, builders, masonry and general construction.

Interests of the Promoters

Parag M. Munot holds 205 equity shares aggregating to 20.5% of the issued and paid up equity share capital of KBPL, however, Mofatraj P. Munot dose not hold any equity shares in KBPL.

15. Kalpataru Constructions Private Limited ("KCPL")

Corporate Information

KCPL was incorporated under the Companies Act on October 29, 1981, in Mumbai. KCPL is involved in the business of/business as, amongst others, proprietors of lands, flats, maisonettes, dwelling houses, shops, offices, industrial estates lessees of lands, flats and other immovable properties and preparation of building sites for construction, re-construction, demolition, alteration, and maintenance of flats, maisonettes, dwelling houses, shops, offices, and buildings.

Interests of the Promoters

Our Promoters do not have any direct shareholding in KCPL.

16. Kalpataru Estates Private Limited ("KEPL")

Corporate Information

KEPL was incorporated under the Companies Act on November 28, 1972, in Mumbai. KEPL is involved in the business of/business as, amongst others, builders, masonry and general construction.

Interests of the Promoters

Mofatraj P. Munot holds 2,941 equity shares aggregating to 98.03% of the issued and paid up equity share capital of KEPL and Parag M. Munot holds 38 equity shares aggregating to 1.27% of the issued and paid up equity share capital of KEPL.

17. Kalpataru Holdings Private Limited ("KHPL")

Corporate Information

KHPL was incorporated under the Companies Act on September 21, 1981, in Mumbai. KHPL is engaged in the business of investment.

Interests of the Promoters

Our Promoters do not have any direct shareholding in KHPL.

18. Kalpataru Homes Limited ("KHL")

Corporate Information

KHL was incorporated under the Companies Act on July 30, 2008, in Mumbai. KHL is involved in the business of/business as, amongst others, builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 24,500 equity shares aggregating to 49% of the issued and paid up equity share capital of KHL and Parag M. Munot holds 24,500 equity shares aggregating to 49% of the issued and paid up equity share capital of KHL.

19. Kalpataru Viniyog Private Limited ("KVPL")

Corporate Information

KVPL was incorporated under the Companies Act on September 21, 1981, in Mumbai. KVPL is involved in the business of investment.

Interests of the Promoters

Mofatraj P. Munot holds 19,380 equity shares aggregating to 51% of the issued and paid up equity share capital of KVPL and Parag M. Munot holds 6,650 equity shares aggregating to 17.50% of the issued and paid up equity share capital of KVPL.

20. Karmayog Builders Private Limited ("KBPL")

Corporate Information

KBPL was incorporated under the Companies Act on December 22, 1988, in Mumbai. KBPL is involved in the business of/business as, amongst others, builders, developers, masonry and general construction.

Interests of the Promoters

Our Promoters do not have any direct shareholding in KBPL.

21. Lifestyle Property Ventures Private Limited ("LPVPL")

Corporate Information

LPVPL was incorporated under the Companies Act on November 27, 2000, in Mumbai. LPVPL is involved in the business of/business as, amongst others, builders, developers, masonry, and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 225,000 equity shares aggregating to 7.50% of the issued and paid up equity share capital of LPVPL and Parag M. Munot holds 157,500 equity shares aggregating to 5.25% of the issued and paid up equity share capital of LPVPL.

22. Locksley Hall Hill Resorts Private Limited ("LHHRPL")

Corporate Information

LHHRPL was incorporated under the Companies Act on April 3, 1987, in Mumbai. LHHRPL is involved in the business of promoting, laying-out, developing, constructing and popularizing and managing resorts, country clubs, health clubs, yoga centers and places of instruction in arts, handicrafts and sports.

Interests of the Promoters

Mofatraj P. Munot holds 16,875 equity shares aggregating to 99.26% of the issued and paid up equity share capital of LHHRPL and Parag M. Munot holds 125 equity shares aggregating to 0.74% of the issued and paid up equity share capital of LHHRPL.

23. MPM Holding Private Limited ("MPM")

Corporate Information

MPM was incorporated under the Companies Act on May 14, 1997, in Mumbai. MGM is involved in the business of investment.

Interests of the Promoters

Mofatraj P. Munot holds 20 equity shares aggregating to 0.002% of the issued and paid up equity share capital of MPM and Parag M. Munot holds 10 equity shares aggregating to 0.001% of the issued and paid up equity share capital of MPM.

24. Mrigashish Investment & Trading Company Private Limited ("MITCPL")

Corporate Information

MITCPL was incorporated under the Companies Act on August 27, 1993, in Mumbai. MITCPL is involved in the business of investment.

Interests of the Promoters

Mofatraj P. Munot holds 36,975 equity shares aggregating to 51% of the issued and paid up equity share capital of MITCPL and Parag M. Munot holds 12,687 equity shares aggregating to 17.50% of the issued and paid up equity share capital of MITCPL.

25. Neo-Pharma Private Limited ("NPPL")

Corporate Information

NPPL was incorporated under the Companies Act, 1913 on March 9, 1950, in Mumbai. NPPL is involved in the business of manufacturing, buying, selling, refining, manipulating, importing, exporting or otherwise dealing in pharmaceutical, medical and medicinal products and preparations and proprietary articles.

Interests of the Promoters

Mofatraj P. Munot holds 16,150 equity shares aggregating to 26.81% of the issued and paid up equity share capital of NPPL and Parag M. Munot holds 1,800 equity shares aggregating to 2.99% of the issued and paid up equity share capital of NPPL.

26. Omega Realtors Private Limited ("ORPL")

Corporate Information

ORPL was incorporated under the Companies Act on September 28, 1993, in Mumbai. ORPL is involved in the business of/business as, amongst others, builders, developers, masonry, general construction, contractors and hauliers.

Interests of the Promoters

Our Promoters do not have any direct shareholding in ORPL.

27. Punarvasu Constructions Private Limited ("PCPL")

Corporate Information

PCPL was incorporated under the Companies Act on September 28, 1993, in Mumbai. PCPL is involved in the business of/business as, amongst others, builders, developers, general construction and contractors.

Interests of the Promoters

Mofatraj P. Munot holds 6,300 equity shares aggregating to 90% of the issued and paid up equity share capital of PCPL, however, Parag M. Munot does not hold any equity shares in PCPL.

28. Punarvasu Holding & Trading Company Private Limited ("PHTCPL")

Corporate Information

PHTCPL was incorporated under the Companies Act on August 25, 1993, in Mumbai. PHTCPL is involved in the business of investment.

Interests of the Promoters

Mofatraj P. Munot holds 137,920 equity shares aggregating to 99.22% of the issued and paid up equity share capital of PHTCPL and Parag M. Munot holds 80 equity shares aggregating to 0.06% of the issued and paid up equity share capital of PHTCPL.

29. Rainbow Prints Private Limited ("RPPL")

Corporate Information

RPPL was incorporated under the Companies Act on July 12, 1972, in Mumbai. RPPL is involved in the business of, amongst others, printing of papers, plastics, fabrics and metals, and dealing in materials connected with the printing industry.

Interests of the Promoters

Our Promoters do not have any direct shareholding in RPPL.

30. Rajasthan Stones Private Limited ("RSPL")

Corporate Information

RSPL was incorporated under the Companies Act on February 3, 1986, in Mumbai. RSPL is involved in the business of purchasing, extraction, manufacturing, processing, exporting, importing or otherwise dealing in natural stones.

Interests of the Promoters

Mofatraj P. Munot holds 1,287 equity shares, aggregating to 85.80% of the issued and paid up equity share capital of RSPL, however, Parag M. Munot does not hold any equity shares in RSPL.

31. Shouri Constructions Private Limited ("SCPL")

Corporate Information

SCPL was incorporated under the Companies Act on December 29, 2003, in Mumbai. SCPL is involved in the business of/business as, amongst others, builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 6,000 equity shares, aggregating to 30% of the issued and paid up equity share capital of SPPL and Parag M. Munot holds 4,000 equity shares, aggregating to 20% of the issued and paid up equity share capital of SPPL.

32. Shouri Investment & Trading Company Private Limited ("SITCPL")

Corporate Information

SITCPL was incorporated under the Companies Act on September 22, 1993, in Mumbai. SITCPL is involved in the business of investment.

Interests of the Promoters

Mofatraj P. Munot holds 36,975 equity shares, aggregating to 51% of the issued and paid up equity share capital of SITCPL and Parag M. Munot holds 12,687 equity shares, aggregating to 17.50% of the issued and paid up equity share capital of SITCPL.

33. Shouri Properties Private Limited ("SPPL")

Corporate Information

SPPL was incorporated under the Companies Act on January 1, 2002, in Mumbai. SPPL is involved in the business of/business as, amongst others, builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 5,000 equity shares aggregating to 50% of the issued and paid up equity share capital of SPPL and Parag M. Munot holds 4,000 equity shares aggregating to 40% of the issued and paid up equity share capital of SPPL.

34. Yugdharm Holdings Private Limited ("YHPL")

Corporate Information

YHPL was incorporated under the Companies Act on September 2, 1996, in Mumbai. YHPL is involved in the business of manufacture, import, export, purchase, sale, assembling, distribution or otherwise dealing in stationery, computer stationery and all kinds of educational facilities and items.

Interests of the Promoters

Mofatraj P. Munot holds 20 equity shares, aggregating to 0.20% of the issued and paid up equity share capital of YHPL, however, Parag M. Munot does not hold any equity shares in YHPL.

35. Yugdharm Real Estate Private Limited ("YREPL")

Corporate Information

YREPL was incorporated under the Companies Act on December 2, 1993, in Mumbai. YREPL is involved in the business of/business as, amongst others, builders, developers, masonry and general maintenance.

Interests of the Promoters

Mofatraj P. Munot holds 900 equity shares aggregating to 90% of the issued and paid up equity share capital of YREPL, however, Parag M. Munot does not hold any equity shares in YREPL.

Partnership firms

1. M/s. Hillcrest Constructions

Information

M/s. Hillcrest Constructions is a partnership firm formed pursuant to a deed of partnership dated May 2, 1994. It is involved in the business of real estate development and other related activities.

Interests of the Promoters

Our Promoters do not have any direct interest in M/s. Hillcrest Construction.

2. M/s. Kalpataru Builders

Information

M/s. Kalpataru Builders is a partnership firm formed pursuant to a deed of partnership dated June 2, 1986. It is presently involved in the business of real estate development and other related activities.

Interests of the Promoters

The profit/(loss) sharing ratio of Mofatraj P. Munot and Parag M. Munot in M/s. Kalpataru Builders is 51% and 49% respectively.

3. M/s. Kalpataru Builders – Mumbai

Information

M/s. Kalpataru Builders – Mumbai is a partnership firm formed pursuant to a deed of partnership dated December 14, 2003. It is presently involved in the business of real estate development and other related activities.

Interests of the Promoters

The profit/(loss) sharing ratio of Mofatraj P. Munot in M/s. Kalpataru Builders – Mumbai is 36.50% and the profit/(loss) sharing ratio of Parag M. Munot in M/s. Kalpataru Builders – Mumbai is 7.50%.

4. M/s. Kalpataru Builders – Pune

Information

M/s. Kalpataru Builders – Pune is a partnership firm formed pursuant to a deed of partnership dated October 27, 1987. It is presently involved in the business of real estate development and other related activities.

Interests of the Promoters

The profit/(loss) sharing ratio of Mofatraj P. Munot in M/s. Kalpataru Builders - Pune is 22.50% and the profit/(loss) sharing ratio of Parag M. Munot in M/s. Kalpataru Builders – Pune is 17.50%.

5. M/s. Kalpataru Theatres

Information

M/s. Kalpataru Theatres is a partnership firm formed pursuant to a deed of partnership dated January 1, 1982. It is presently involved in the business of running theatres.

Interests of the Promoters

The profit/(loss) sharing ratio of Mofatraj P. Munot in M/s. Kalpataru Theatres is 80.75% and the profit/(loss) sharing ratio of Parag M. Munot in M/s. Kalpataru Theatres is 14.25%.

Trusts

1. Manav Foundation

Manav Foundation is a public charitable trust formed pursuant to a deed of trust dated December 26, 1984, for the purpose of education, medical relief, relief of poverty or distress or any other object of general public utility, without any restriction as to caste, creed, sex or community in India only. The registration number of Manav Foundation is E-10174. Mofatraj P. Munot, Parag M. Munot, Sudha Golechha, Sunita Choraria and Monica Munot are the trustees of Manav Foundation.

2. MPM Benefit Trust

MPM Benefit Trust is formed pursuant to a deed of trust dated February 24, 1999. Mofatraj Munot, Parag M. Munot, Sudha Golechha, Sunita Choraria and Monica Munot are the trustees of MPM Benefit Trust.

3. Munot Foundation

Munot Foundation is a public charitable trust formed pursuant to a deed of trust dated September 1, 1988, for the purposes of, amongst others, education, monetary assistance, securing medical help to people in general, providing monetary help to the poor or the needy, granting relief to persons afflicted by floods, famine, fire, earthquakes or other calamities. The registration number of Munot Foundation is E-12052. Mofatraj Munot, Parag M. Munot, Sudha Golechha, Sunita Choraria and Sajjanraj Mehta are the trustees of Munot Foundation.

4. Riddhi Benefit Trust

Riddhi Benefit Trust is formed pursuant to a deed of trust dated March 25, 2005. Mofatraj Munot, Parag M. Munot, Chandra Munot and Ajay Munot are the trustees of Riddhi Benefit Trust.

5. Sharad Chandrika Munot Family Trust

Sharad Chandrika Munot Family Trust is formed pursuant to a deed of trust dated October 27, 2006. Mofatraj Munot, Parag M. Munot and Monica Munot are the trustees of Sharad Chandrika Munot Family Trust.

6. Smt. Sharad Chandrika Mofatraj Munot Foundation

Smt. Sharad Chandrika Mofatraj P. Munot Foundation is a public charitable trust formed pursuant to a deed of trust dated December 21, 1999 for the purpose of, amongst others, education, monetary assistance for securing medical help to people in general, providing monetary help to the poor or the needy, granting relief to persons afflicted by floods, famine, fire, earthquakes or other calamities. The registration number of Smt. Sharadchandrika Mofatraj P. Munot Foundation is E-19071. Mofatraj P. Munot, Parag M. Munot, Sudha Golechha, Sunita Choraria and Monica Munot are the trustees of Smt. Sharadchandrika Mofatraj P. Munot Foundation.

7. Sudha Trust

Sudha Trust is formed pursuant to a deed of trust dated April 1, 1988. Mofatraj P. Munot, Parag M. Munot and Sudha Golechha are the trustees of Sudha Trust.

8. Sunita Trust

Sunita Trust is formed pursuant to a deed of trust dated April 1, 1988. Mofatraj P. Munot, Parag M. Munot and Sunita Choraria are the trustees of Sunita Trust.

9. Umang Benefit Trust

Umang Benefit Trust is formed pursuant to a deed of trust dated March 1, 1990. Mofatraj P. Munot and Parag M. Munot are the trustees of Umang Benefit Trust.

A. Nature and Extent of Interest of Group Companies

(a) In the promotion of our Company

Except to the extent of the equity shares held by some of our Group Companies in our Company, none of the Group Companies have any interest in the promotion of our Company.

(b) ***In the properties acquired in the past two years before filing the Draft Red Herring Prospectus with SEBI or proposed to be acquired by our Company***

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not acquired nor does it propose to acquire any properties from its Group Companies, other than in the normal course of business.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

Except as stated otherwise in this Draft Red Herring Prospectus, none of the Group Companies have any interest in any transactions for acquisition of land, construction of building and supply of machinery by our Company, other than in the normal course of business.

Common Pursuits amongst the Group Companies with our Company

Several of our Group Companies are in the business of construction and development of residential and commercial projects and have invested in real estate projects. Please see "Risk Factors" on page xiii.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see "Related Party Transactions" on page 279.

Sale/Purchase between Group Companies and Subsidiaries

For details, please refer to the section titled "Related Party Transactions" on page 279.

Business Interest of Group Companies and Subsidiaries in our Company

Except as stated otherwise in this Draft Red Herring Prospectus, none of the Group Companies and Subsidiaries has any business interest in our Company, other than in the normal course of business.

Companies with which the Promoters have disassociated in the last three years

Our Promoters have not disassociated from any companies in the last three years.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, please see "Unconsolidated Financial Statements – Related Party Transactions" and "Consolidated Financial Statements – Related Party Transactions" on pages 366 and 312, respectively.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by the Equity Shareholders at their discretion, subject to the provision of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial position of our Company. Our Company has no formal dividend policy. Our Board may also from time to time pay interim dividends. The dividends declared by our Company during the last five fiscal years have been presented below:

1. *Equity Shares:*

Particulars	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Face value per Equity Share (Rs.)	10	10	10	10	10
Dividend Paid (Rs. in million)	Nil	Nil	Nil	Nil	Nil
Rate of Dividend (%)	Nil	Nil	Nil	Nil	Nil

2. *Preference Shares:*

Particulars	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Face value per Preference Share (Rs.)	10	Nil	Nil	Nil	Nil
Dividend Paid (in Rs.)	950	198*	N.A	N.A	N.A
Rate of Dividend (%)	0.01	0.01	N.A	N.A	N.A

** Dividend amounting to Rs. 198 accrued for a two and a half month period ended March 31, 2009 in relation to the Preference Shares was paid to our Preference Shareholder in Fiscal 2010.*

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future.

FINANCIAL STATEMENTS

Consoliated Restatated Financial Statements as of and for the four years ended March 31, 2010, 2009, 2008 and 2007.

To,
The Board of Directors,
Kalpataru Limited
91, Kalpataru Synergy
Opp. Grand Hyatt, Santacruz (E),
Mumbai 400 055

Dear Sirs,

Sub: Proposed initial public offer of equity shares having a face value of Rs. 10 each for cash, at an issue price to be arrived at by the book building process (referred as the 'Offer').

We have examined the consolidated financial information of Kalpataru Limited ('the Company' or 'the Issuer'), its subsidiaries, Associates and Joint Ventures (collectively referred to as 'the Group') described below in A and B and annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ("the DRHP"). The consolidated financial information has been prepared in accordance with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act'), the Securities and Exchange Board of India ('SEBI') – (Issue of Capital and Disclosure Requirements) Regulation, 2009 (the 'ICDR Regulations') notified on August 26, 2009, the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India ('ICAI') and terms of engagement agreed upon by us with the Company. The consolidated financial information has been prepared by the Company and approved by its Board of Directors.

A. Consolidated Financial Information as per Audited Consolidated Financial Statements:

We have examined:

a) the attached consolidated summary statement of Assets and Liabilities, as restated as at financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 (Annexure I);

b) the attached consolidated summary statement of Profit and Loss, as restated for the financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 (Annexure II);

c) the attached consolidated summary statement of Cash Flow, as restated for the financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 (Annexure III);

d) the significant accounting policies adopted by the Company as at March 31, 2010 and for the financial year ended on that date and notes to the consolidated summary statements along with adjustments on account of audit qualifications/adjustments (Annexure XXI);

- together referred to as the 'Restated Consolidated Summary Statements'.

The Restated Consolidated Summary Statements have been extracted from audited consolidated financial statements of the Company as at and for the financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010, which have been approved by the Board of Directors.

Based on our examination and in accordance with the requirements of the Act, ICDR Regulations and terms of engagement agreed by us with the Company, we state that:

i) the consolidated restated Assets and Liabilities of the Group as at March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 are as set out in Annexure I, which are after making such material adjustments and regroupings to the audited consolidated financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure XXI;

ii) the consolidated restated Profits and Losses of the Group for the financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 are as set out in Annexure II, which have been arrived at after making such material adjustments and regroupings to the audited consolidated financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure XXI;

iii) the consolidated restated statement of Cash Flows of the Group for the financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 are as set out in Annexure III which have been arrived at after making such material adjustments and regroupings;

iv) (a) We, for the financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 did not audit the financial statements of

- certain subsidiaries, whose financial statements reflect total assets of Rs. 4,160.76 Millions, Rs. 7793.74 Millions and Rs. 4,598.39 Millions, as at March 31, 2008, March 31, 2009 and March 31, 2010 respectively, total revenues of Rs. 931.35 Millions, Rs. 554.47 Millions and Rs. 562.86 Millions for the years ended March 31, 2008, March 31, 2009 and March 31, 2010;

- certain associates whose financial statements reflect the Group's share of loss of Rs. 0.03 Millions, Rs. 0.05 Millions, Rs. 0.17 Millions and Rs. 0.15 Millions for the years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010, respectively; and

- certain joint ventures, whose financial statements reflect the Group's share of total assets of Rs. 67.44 Millions, Rs. 703.28 Millions and Rs. 296.62 Millions as at March 31, 2008, March 31, 2009 and March 31, 2010 respectively and total revenues of Rs. Nil, Rs. 99.50 Millions and Rs. 237.94 Millions for the years ended March 31, 2008, March 31, 2009 and March 31, 2010, respectively.

Those financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of other auditors.

(b) i. We, for the year ended March 31, 2007 did not audit the financial statements of a subsidiary, whose financial statements reflect the Group's share of total assets of Rs. 487.11 Millions as at that date and total revenues of Rs. 0.08 Millions for the year ended on that date. We have relied upon the unaudited financial statements as provided by the Management for the purpose of our examination of consolidated financial statements of the group.

ii. We, for the year ended March 31, 2010 did not audit the financial statements of an associate, whose financial statements reflect the Group's share of Profit / Loss of Rs. Nil for the year ended on that date. We have relied upon the unaudited financial statements as provided by the Management for the purpose of our examination of consolidated financial statements of the group.

v) We have been furnished the examination reports of the other auditors on the restated financial information of certain subsidiaries, associates and joint ventures (including partnership firms) for the financial years ended March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 as applicable and in our opinion in so far as it relates to the amounts included in the Summary Statement of Consolidated Assets and Liabilities, as restated, Summary Statement of Consolidated Profit and Loss, as restated and Summary Statement of Consolidated Cash Flow, as restated are based solely on the reports of other auditors.

vi) The other auditors have also confirmed that the restated standalone financial information of the respective subsidiaries, associates and joint ventures (including partnership firms), has been made after incorporating;

(a) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.

(b) Adjustments for the material amounts in the respective financial years to which they relate.

Further they have indicated that there are no extraordinary items that need to be disclosed separately in the accounts and there are no other qualifications in the auditors' reports which require any adjustments to the summary statements.

vii) Without qualifying our opinion, attention has been invited to

a) Note C(b) and C(g) of Annexure XXI (I) regarding adjustment not made for difference in accounting policy for depreciation on fixed assets of partnership firms which is followed on the written down value (WDV) method at the rates and in the manner prescribed in the Income Tax Act, 1951 and

b) Note 2(c)(i) of Annexure XXI (II) in case of an associate, no adjustments are made for difference in accounting policy for depreciation on fixed assets provided on straight line method and retirement benefits in respect of Gratuity and Leave Encashment which is provided on cash basis. However there is no material impact on the restated consolidated financial information.

viii) Qualification in the auditors' report which do not require any corrective adjustments in the Restated Consolidated Summary Statements are disclosed in Note 3 of Annexure XXI (II).

ix) The Restated Consolidated Summary Statements have been restated with retrospective effect to reflect the Significant Accounting Policies being adopted by the Company as at March 31, 2010

x) There are no extra-ordinary items in any of the financial statements that need to be disclosed separately in the Restated Consolidated Summary Statements.

B. Other Consolidated Financial Information as per Audited Consolidated Financial Statements:

We have also examined the following consolidated financial information relating to the Company, which is based on the Audited Consolidated Financial Statements / Consolidated Summary Statements duly approved by the Board of Directors for the purpose of inclusion herein:

a) Consolidated Statement of Share Capital, as restated (Annexure IV).

b) Consolidated Statement of Reserves and Surplus, as restated (Annexure V)

c) Consolidated Statement of Secured Loans, as restated (Annexure VI)

d) Consolidated Statement of Unsecured Loans, as restated (Annexure VII)

e) Consolidated Statement of Inventories, as restated (Annexure VIII)

f) Consolidated Statement of Sundry Debtors, as restated (Annexure IX)

g) Consolidated Statement of Loans and Advances, as restated (Annexure X)

h) Consolidated Statement of Cash and Bank Balances, as restated (Annexure XI)

i) Consolidated Statement of Investments, as restated (Annexure XII)

j) Consolidated Statement of Current Liabilities and Provisions, as restated (Annexure XIII)

k) Consolidated Statement of Sales and Services, as restated (Annexure XIV)

l) Consolidated Statement of Other Income, as restated (Annexure XV)

m) Consolidated Statement of Cost of Sales, as restated (Annexure XVI)

n) Statement of Dividend (Annexure XVII)

o) Consolidated Summary of Accounting Ratios, as restated (Annexure XVIII)

p) Consolidated Statement of Related Party Disclosures, as restated (Annexure XIX)

q) Consolidated Statement of Capitalisation, as restated (Annexure XX)

r) Consolidated Statement of Contingent Liabilities, as restated (Annexure XXII)

Further, in respect of “Group Companies” as defined in the ICDR Regulations and disclosed in Annexure – VII, IX, X, XIII and XV above are based on list of group companies identified by the Company and also as reported by other auditors, as applicable and have been relied up on by us.

In our opinion, the consolidated financial information of the Company attached to this report, as mentioned in paragraph (B) above, read with significant accounting policies and notes as annexed to this report, and after making such adjustments as are considered appropriate, has been prepared in accordance with Part II (B) of Schedule II of the Act and the ICDR Regulations.

This report should not in any way be construed as a new opinion on any of the financial statements referred to herein.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed public offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **MGB & Co.**
Chartered Accountants
Registration No. 101169W

Sanjay Kothari
Partner
Membership No. 48215
Mumbai, September 16, 2010

ANNEXURE - I

CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

Rs. in Millions

Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Goodwill on Consolidation **(A)**	-	8.20	6.85	7.02
Fixed Assets				
Gross Block	22.21	161.01	168.57	3,393.02
Less: Depreciation/Amortization	8.55	41.11	66.12	103.44
Net Block	**13.66**	**119.90**	**102.45**	**3,289.58**
Capital Work In Progress	-	2,240.70	4,122.82	640.52
Net Block **(B)**	**13.66**	**2,360.60**	**4,225.27**	**3,930.10**
Investments **(C)**	14.14	106.03	413.35	310.75
Deferred Tax Assets (Net) **(D)**	1.20	8.20	26.77	12.07
Current Assets, Loans andAdvances				
Inventories	2,443.89	11,260.46	12,202.91	14,669.65
Sundry Debtors	80.37	847.22	1,207.58	938.02
Cash and Bank Balances	3.79	288.61	151.59	395.64
Loans and Advances	434.20	3,064.05	2,734.69	3,461.81
(E)	**2,962.25**	**15,460.34**	**16,296.77**	**19,465.12**
(A+B+C+D+E)	**2,991.25**	**17,943.37**	**20,969.01**	**23,725.06**
Less: Liabilities and Provisions				
Secured Loans	2,112.99	10,811.39	12,098.12	12,325.13
Unsecured Loans	359.70	2,210.92	978.08	4,391.87
Current Liabilities	413.97	2,765.24	3,424.89	3,013.47
Provisions	4.04	19.37	27.92	37.78
Minority Interest (Refer Note 19 of Annexure XXI (II))	1.70	29.67	840.15	(1,109.72)
(F)	**2,892.40**	**15,836.59**	**17,369.16**	**18,658.53**
Net Worth (A+B+C+D+E-F)	**98.85**	**2,106.78**	**3,599.85**	**5,066.53**
Represented By				
Share Capital **(G)**	10.50	17.35	26.85	20.00
Reserves and Surplus **(H)**	88.35	2,089.43	3,573.00	5,046.53
Net Worth (G+H)	**98.85**	**2,106.78**	**3,599.85**	**5,066.53**

The accompanying significant accounting policies and notes (Annexure-XXI) are an integral part of this statement

ANNEXURE - II				
CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS, AS RESTATED				
				Rs. in Millions
Particulars	**For the year ended March 31,**			
	2007	**2008**	**2009**	**2010**
Income				
Sales and Services	164.98	4,487.24	3,364.34	5,851.09
Share of profit from Partnership firm	0.47	-	-	-
Other Income	5.30	94.82	306.41	317.26
Total	**170.75**	**4,582.06**	**3,670.75**	**6,168.35**
Expenses				
Cost of Sales	95.94	2,482.48	2,497.44	4,181.61
Administrative and Other Expenses	24.42	123.32	265.58	367.84
Finance Expenses	26.16	155.10	498.75	299.85
Depreciation / Amortization	2.51	10.16	28.36	29.28
Total	**149.03**	**2,771.06**	**3,290.13**	**4,878.58**
Profit Before Tax, as restated	**21.72**	**1,811.00**	**380.62**	**1,289.77**
Provision for Taxation				
- Current Tax	9.20	27.79	45.16	164.48
- MAT Credit Entitlement	-	(15.66)	(14.56)	(84.04)
- Deferred Tax	(0.58)	(0.56)	(13.74)	14.71
- Fringe Benefit Tax	0.58	1.58	3.44	-
Profit After Tax before Minority Interest and share of Loss from Associates, as restated	**12.52**	**1,797.85**	**360.32**	**1,194.62**
Minority Interest	(0.00)	143.98	43.76	149.83
Share of Loss from Associates	(0.03)	(0.05)	(2.64)	(0.23)
Net Profit for the year, as restated	**12.49**	**1,653.82**	**313.92**	**1,044.56**
Balance brought forward from previous year	30.86	43.35	1,684.67	2,240.41
Add / (Less):				
Difference in Accounting for Associates (Refer Note 2 of Annexure - XII)	-	-	229.32	-
Preference Dividend - Proposed (inclusive of tax)	-	-	(0.00)	(0.00)
Transferred from / (to) Debenture Redemption Reserve	-	(12.50)	12.50	-
Balance carried to Balance Sheet	**43.35**	**1,684.67**	**2,240.41**	**3,284.97**

The accompanying significant accounting policies and notes (Annexure-XXI) are an integral part of this statement

ANNEXURE – III					
CONSOLIDATED STATEMENT OF CASH FLOW, AS RESTATED					
					Rs. in Millions
	Particulars	**For the year ended March 31,**			
		2007	**2008**	**2009**	**2010**
A.	**Cash Flow from Operating Activities**				
	Profit Before Tax, as restated	**21.72**	**1,811.00**	**380.62**	**1,289.77**
	Adjustments for:				
	Depreciation / Amortization	2.51	10.16	28.36	29.28
	Interest Income	(4.06)	(88.38)	(290.14)	(304.32)
	Interest Expense	26.16	155.10	498.75	299.85
	Dividend Income	(0.06)	(1.09)	(2.11)	(0.06)
	Profit on sale of Investments (net)	-	0.00	(0.71)	(0.89)
	Profit from Partnership Firms (net)	(0.47)	-	-	-
	Loss / (Profit) on sale / discard of Fixed Assets (net)	-	(0.02)	0.78	(8.28)
	Exchange adjustments (net)	-	-	3.59	(0.17)
	Operating Profit Before Working Capital Changes	**45.80**	**1,886.77**	**619.14**	**1,305.18**
	Adjustments for :				
	(Increase)/ Decrease in Inventories	(1,777.25)	(4,556.00)	(1,574.73)	(2,349.69)
	(Increase)/ Decrease in Trade and other Receivables	10.01	168.37	(312.23)	426.56
	Increase/ (Decrease) in Trade and other Payables	287.67	759.66	713.28	(330.93)
	Cash Generated from Operations	**(1,433.77)**	**(1,741.20)**	**(554.54)**	**(948.88)**
	Direct Taxes paid (net of refunds)	(10.14)	(60.91)	(84.52)	(157.67)
	Net Cash used in Operating Activities (A)	**(1,443.91)**	**(1,802.11)**	**(639.06)**	**(1,106.55)**
B.	**Cash Flow from Investing Activities**				
	Purchase of Fixed Assets (including Capital Work in Progress)	(11.37)	(169.54)	(1,972.14)	(858.49)
	Sale of Fixed Assets	-	0.57	29.53	18.81
	Purchase of Investment in Shares				
	- Subsidiaries	(1.00)	(380.02)	-	(117.49)
	- Associates / Joint Ventures	-	(22.97)	-	(18.88)
	- Others	-	(0.00)	-	-
	Sale of Investments in Shares				
	- Subsidiaries	-	-	24.91	0.50
	- Associates	-	-	-	4.81
	- Others	-	0.00	-	-
	Purchase of Investment in Immovable Properties	-	(11.68)	(26.30)	-
	Sale of Investment in Immovable Properties	-	0.00	-	9.21
	Investment Withdrawn in Capital Account of Partnership Firms	1.04	-	-	-
	Loans given	(512.24)	(5,069.71)	(1,996.35)	(2,679.78)
	Loans given repaid	240.72	3,622.71	2,079.30	1,932.17
	Interest Received	4.06	88.38	290.14	304.31
	Dividend Received	0.06	1.09	2.11	0.06

	Increase/ (Decrease) in Minority Interest	(16.04)	(643.09)	777.59	(1,553.45)
	Net Cash used in Investing Activities	**(294.77)**	**(2,584.26)**	**(791.21)**	**(2,958.22)**
C.	**Cash Flow from Financing Activities**				
	Proceeds from issue of Preference Shares (including Securities Premium)	-	-	950.00	-
	Redemption of Preference Shares	-	-	-	(6.85)
	Proceeds from Debentures	-	1,200.00	300.00	-
	Redemption of Debentures	-	-	(1,500.00)	-
	Proceeds from Long Term Borrowings	1,227.36	2,257.47	9,705.44	5,029.37
	Repayment of Long Term Borrowings	(152.34)	(209.90)	(5,397.75)	(5,155.75)
	Proceeds from Short Term Borrowings	-	28.50	-	239.80
	Increase/(Decrease) in Working Capital Loan	-	63.69	(388.64)	71.65
	Proceeds from Inter Corporate Deposits	2,669.02	6,929.35	8,113.71	10,013.89
	Repayment of Inter Corporate Deposits	(2,879.50)	(5,608.51)	(10,014.50)	(5,460.90)
	Proceeds from Loan taken from Others	900.18	-	-	6.60
	Repayment of Loan taken from Others	-	-	(25.49)	(71.63)
	Interest Paid	(26.16)	(88.31)	(447.34)	(356.79)
	Net Cash from Financing Activities	**1,738.56**	**4,572.29**	**1,295.43**	**4,309.39**
	Net Changes in Cash and Cash Equivalents (A+B+C)	**(0.12)**	**185.92**	**(134.84)**	**244.62**
	Opening Balance of Cash and Cash Equivalents	**1.28**	**3.79**	**288.61**	**151.59**
	Add: On account of acquisition of Subsidiaries	2.63	98.90	-	0.01
	Less: On account of disposal/dilution of Subsidiaries	-	-	(2.18)	(0.58)
	Closing Balance of Cash and Cash Equivalents (Refer Annexure-XI)	**3.79**	**288.61**	**151.59**	**395.64**

The accompanying significant accounting policies and notes (Annexure-XXI) are an integral part of this statement

ANNEXURE – IV				
CONSOLIDATED STATEMENT OF SHARE CAPITAL, AS RESTATED				
				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Share Capital				
Authorised Capital				
5,000,000 Equity Shares of Rs. 10 each	50.00	50.00	50.00	50.00
1,000,000 non-convertible redeemable preference shares of Rs. 10 each	-	-	10.00	10.00
Total	**50.00**	**50.00**	**60.00**	**60.00**
Issued, Subscribed and Paid Up				
1,050,000 Equity Shares of Rs.10 each fully paid up	10.50	10.50	10.50	10.50
950,000 0.01% Redeemable Non-convertible Preference Shares of Rs.10 each fully paid up (Refer Note 11 of Annexure-XXI (II))	-	-	9.50	9.50
684,760 1% Redeemable Non-Cumulative Preference Shares of Rs.10 each fully paid up (Refer Note 10(c) of Annexure-XXI (II))	-	-	6.85	-
Share Capital Suspense Account 684,760 1% Redeemable Non-Cumulative Preference Shares of Rs.10 each (Refer Note 10 (b) of Annexure-XXI (II))	-	6.85	-	-
Total	**10.50**	**17.35**	**26.85**	**20.00**

ANNEXURE - V

CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Capital Reserve on Consolidation				
As per last Balance Sheet	-	-	347.24	347.07
Add/(Less): Addition during the year	-	347.24	(0.17)	428.97
Closing Balance	**-**	**347.24**	**347.07**	**776.04**
Securities Premium				
As per last Balance Sheet	45.00	45.00	45.00	985.50
Addition during the year	-	-	940.50	-
Closing Balance	**45.00**	**45.00**	**985.50**	**985.50**
Debenture Redemption Reserve				
As per last Balance Sheet	-	-	12.50	-
Transfer from Profit and Loss account	-	12.50	-	-
Transfer to Profit and Loss account	-	-	12.50	-
Closing Balance	**-**	**12.50**	**-**	**-**
General Reserve	-	0.02	0.02	0.02
Profit and Loss Account	43.35	1,684.67	2,240.41	3,284.97
Total	**88.35**	**2,089.43**	**3,573.00**	**5,046.53**

ANNEXURE - VI				
CONSOLIDATED STATEMENT OF SECURED LOANS, AS RESTATED				
				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Debentures (A)	**-**	**1,200.00**	**-**	**-**
Long Term Loans				
From Banks				
Standard Chartered Bank	850.00	1,050.00	1,245.29	2,946.00
Axis Bank Limited	-	500.00	500.00	-
Yes Bank Limited	-	-	400.00	250.00
ICICI Bank Limited	-	747.33	1,230.02	750.00
Andhra Bank	-	-	-	510.00
From Financial Institutions				
Standard Chartered Investment and Loans (India) Limited	-	500.00	-	-
IL&FS Financial Services Limited	-	2,500.00	1,502.94	-
Investsmart Financial Services Limited	-	500.00	-	-
Kotak Mahindra Prime Limited	-	-	611.52	60.00
HDFC Limited	401.34	1,620.00	3,000.00	2,750.69
LIC Housing Finance Limited	-	-	1,275.00	1,869.73
Future Capital Holdings Limited	-	-	693.00	993.00
ICICI Home Finance Company Limited	-	-	-	279.64
DSP Merrill Lynch Capital Limited	-	1,000.00	-	-
Vehicle Loans				
ICICI Bank Limited	4.92	5.30	2.96	1.52
Kotak Mahindra Prime Limited	0.73	0.86	2.43	7.82
HDFC Bank Limited	-	14.40	12.88	13.47
Total (B)	**1,256.99**	**8,437.89**	**10,476.04**	**10,431.87**
Short Term Loans				
From Banks				
Oriental Bank of Commerce	-	28.50	28.50	28.50
Andhra Bank	-	-	1,000.00	1,239.80
Working Capital Facilities				
Standard Chartered Bank	856.00	900.00	511.36	480.00
ICICI Bank Limited	-	-	-	144.96
Total (C)	**856.00**	**928.50**	**1,539.86**	**1,893.26**
Share in Joint Ventures (D)	-	245.00	82.22	-
Total (A+B+C+D)	**2,112.99**	**10,811.39**	**12,098.12**	**12,325.13**

Details of Secured Loans as at March 31, 2010						Rs. In Millions
Sr. No.	**Source**	**Rate of Interest**	**Repayment Schedule**	**Security**	**Penal Interest and liquidated charges**	**Outstanding Amount**
1.	Standard Chartered Bank	15.00%	Repayment on Monthly Basis	1. An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) Personal Guarantee of Promoters; and 3) Corporate guarantee issued by a Group Company.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	352.00
2.	Standard Chartered Bank	12.00%	Repayment on Monthly Basis	1. An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) Personal Guarantee of Promoters; and 3) Corporate guarantee issued by a Group Company.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	494.00
3.	Standard Chartered Bank	12.00%	Repayment on Monthly Basis	1. An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) An exclusive charge on land and building “Kalpataru Elan" (along with underlying receivables) being/to be developed at Parel 3) Personal Guarantee of Promoters.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	1,000.00
		11.70%	Repayment on Monthly Basis	1. An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) An exclusive charge on land and building " Kalpataru Elan" (along with underlying receivables) being/to be developed at Parel 3) Personal Guarantee of Promoters.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	200.00
4.	Standard Chartered Bank	12.00%	Repayment on Monthly Basis	1. A charge by way of mortgage on land and construction thereon in relation to our Projects, Kalpataru Gardens at Kandivali, Kalpataru Aura at Ghatkopar and Kalpataru Elan at Parel; 2.A charge over the receivables arising from our Projects, Kalpataru Gardens, Kalpataru Aura and Kalpataru Elan; 3.Personal guarantees of promoters; and 4.Corporate guarantee of the Company.	Default interest rate 2% p.a. over and above normal interest rate charged.	800.00
		11.70%	Repayment on Monthly Basis	1. A charge by way of mortgage on land and construction thereon in relation to our Projects, Kalpataru Gardens at Kandivali, Kalpataru Aura at Ghatkopar and Kalpataru Elan at Parel; 2.A charge over the receivables arising from our Projects, Kalpataru Gardens, Kalpataru Aura and Kalpataru Elan; 3.Personal guarantees of promoters; and 4.Corporate guarantee of the Company.	Default interest rate 2% p.a. over and above normal interest rate charged.	100.00
5.	Yes Bank Limited	13.25%	Repayment in 8 quarterly installment after a moratorium of 24 months.	1) An exclusive charge by way of mortgage on property of wholly owned subsidiary i.e. land bearing sub-divided plot ‘A’ of land bearing C.T.S. No. 1975	Penal interest @ 2% p.a. over and above normal interest rate	250.00

Details of Secured Loans as at March 31, 2010						Rs. In Millions
Sr. No.	**Source**	**Rate of Interest**	**Repayment Schedule**	**Security**	**Penal Interest and liquidated charges**	**Outstanding Amount**
				and Survey No. 103/127 of village Yerwada, Taluka Haveli, city and district Pune admeasuring about 5855.80 sq. mtrs.2) Hypothecation of receivables of above property.	charged.	
6.	ICICI Bank Limited	12.90%	Repayment on Monthly Basis	1. An exclusive charge by way of mortgage on land bearing C.T.S. No. 4102 A of village Kole Kalyan, Taluka Andheri, Mumbai suburban district at Vakola, Santacruz East admeasuring 5150.41 sq. mtrs. together with buildings and structures thereon, present and future; 2. An exclusive charge on the scheduled receivables of Kalpataru Synergy II under the project documents and all insurance proceeds, both present and future; and 3. Personal guarantee of a Promoter.	Default interest at 8% p.a. over the ICICI Bank Benchmark Advance rate.	750.00
7.	Andhra Bank	11.50%	Repayable in 120 equated monthly installments starting from one month from the date of disbursement.	1.An exclusive charge by way of mortgage on land bearing C.T.S. No. 195A (pt) of village Kondivita, Andheri East, in the Registration Sub-District and District of Mumbai city and Mumbai suburban at Kondivita road, Andheri East, Mumbai - 400059 admeasuring 8211.70 sq. mtrs. together with building "Kalpataru Square"(excluding certain units within the building which have been sold) and structures thereon, present and future; 2) Assignment of Receivable and 3) Personal guarantees of Promoters.	Penal interest rate @ 2% p.a. over and above normal interest rate charged.	510.00
8.	Kotak Mahindra Prime Limited	15.75%	Repayment on Monthly Basis	1) A charge by way of mortgage of land and structure at Fateh Nagar, Hyderabad. 2) Personal Guarantees of Promoters 3) Corporate Guarantee of the Company.	Default interest rate @ 3% per month.	60.00
9.	HDFC Limited	12.00%	Repayment on Quarterly Basis	1. A charge by way of mortgage on land and construction thereon in relation to the Projects, Kalpataru Estate at Pune, Kalpataru Meadows at Kandivali, Kalpataru Riverside at Panvel, Pedder Road and land at Sewri, Mumbai and land and construction thereon at Surat; 2. Assignment of present and future receivables from the Project, Kalpataru Estates; and 3.Personal guarantees of Promoters.	1) Penal interest @ 18% p.a. (additional) 2) Liquidated damages @ 2% p.a.	1,372.57
10.	HDFC Limited	12.00%	Repayment on Quarterly Basis	1.A charge by way of mortgage on land and construction thereon in relation to the Projects, Kalpataru Estate at Pune, Kalpataru Meadows at Kandivali, Kalpataru Riverside at Panvel, Pedder Road and land at Sewri, Mumbai and land and construction thereon at Surat; 2. Assignment of present and future	1) Penal interest @ 18% p.a. (additional) 2) Liquidated damages @ 2% p.a.	778.12

Details of Secured Loans as at March 31, 2010

Rs. In Millions

Sr. No.	Source	Rate of Interest	Repayment Schedule	Security	Penal Interest and liquidated charges	Outstanding Amount
				receivables from the Project, Kalpataru Riverside; and 3.Personal guarantees of Promoters.		
11.	HDFC Limited	12.00%	Repayment on bi-monthly basis	1. A charge by way of mortgage on land and construction thereon in relation to the Projects, Kalpataru Pinnacle at Malad, Kalpataru Estates at Pune, Kalpataru Meadows at Kandivali and Kalpataru Riverside at Panvel, Pedder Road and land at Sewri, Mumbai; 2.Assignment of present and future receivables from the Project, Kalpataru Pinnacle; and 3. Personal guarantees of Promoters.	1) Penal interest @ 18% p.a. (additional) 2) Liquidated damages @ 2% p.a.	600.00
12.	LIC Housing Finance Limited	14.00%	Repayment on Quarterly Basis	1. An exclusive charge by way of mortgage of land for Project, Kalpataru Serenity, Pune; 2) Assignment of receivables from our Project, Kalpataru Serenity; 3) Personal guarantee of a Promoter; and 4).Corporate guarantee of a Group Company.	Additional Interest @ 6% p.a. in case of default/delayed.	375.00
13.	LIC Housing Finance Limited	14.00%	Repayment on Monthly Basis after moratorium of 6 month.	1.An exclusive charge by way of a mortgage on Korum Mall and FSI thereon including car parking area; 2. Assignment of present and future rent receivables from Korum Mall; 3. Personal guarantees of Promoters and a Director.; and 4) Corporate guarantee of the Group.	Additional Interest @ 6% p.a. in case of default/delayed.	1,494.73
14.	Future Capital Holdings Limited	14.75%	Repayment on Monthly Basis	1.An exclusive charge by way of mortgage on land and construction, present and future, thereon being sub-divided plot B bearing C.T.S. No. 4106 (pt), 4108 (pt) and 7632 (pt) of village Kole Kalyan, Taluka Andheri, Mumbai suburban district at Vakola, Santacruz East admeasuring 3457.90 sq. mtrs.; 2. Pledge of equity shares of Kalpataru Power Transmission Limited held by a Group Company and Promoters; and 3.Corporate guarantee of the Company.	Default interest rate @ 3% p.a. over and above normal interest rate.	993.00
15.	ICICI Home Finance Company Limited	12.90%	Repayment on Monthly Basis	1.An exclusive charge by way of registered mortgage on land and construction thereon in relation to our project Siddhachal Phase VIII (excluding buildings 1 and 2) and Kalpataru Hills; 2.An exclusive charge on receivables from our project Siddhachal Phase VIII (excluding buildings 1 and 2) and Kalpataru Hills and buildings 3A and 3B of our project Siddhachal Phase VI 3.Personal guarantee of a Promoter; and 4. Corporate guarantee of the Company.	Default interest @ 8% p.a. over the ICICI Home Finance PLR Rate.	279.64
16.	Andhra Bank	13.25%	Bullet repayment after 12 months from date of disbursement.	1. An exclusive charge by way of mortgage on land bearing C.T.S. No. 195A (pt) of village Kondivita, Andheri East, in the Registration Sub-District and District of Mumbai city and Mumbai suburban at Kondivita road, Andheri	Penal interest rate @ 2% p.a. over and above normal interest rate charged.	1,000.00

Details of Secured Loans as at March 31, 2010						Rs. In Millions
Sr. No.	**Source**	**Rate of Interest**	**Repayment Schedule**	**Security**	**Penal Interest and liquidated charges**	**Outstanding Amount**
				East, Mumbai - 400059 admeasuring 8211.70 sq. mtrs. together with building "Kalpataru Square" (excluding certain units within the building which have been sold) and structures thereon, present and future; and 2) Personal guarantees of Promoters.		
17.	Andhra Bank	12.00%	Bullet repayment after 12 months from date of disbursement.	1. An exclusive charge by way of mortgage on land bearing C.T.S. No. 195A (pt) of village Kondivita, Andheri East, in the Registration Sub-District and District of Mumbai city and Mumbai suburban at Kondivita road, Andheri East, Mumbai - 400059 admeasuring 8211.70 sq. mtrs. together with building "Kalpataru Square" (excluding certain units within the building which have been sold) and structures thereon, present and future; and 2) Personal guarantees of Promoters.	Penal interest rate @ 2% p.a. over and above normal interest rate charged	239.80
18.	Oriental Bank of Commerce	7%	Yearly	Against Lien on Fixed Deposit	Additional/Penal interest @ 2% p.a. over and above normal interest rate charged.	28.50

Notes:

1). Vehicle loans are secured by way of hypothecation of vehicles purchased

2). Working Capital facilities from Standard Chartered Bank are secured against

a). An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being / to be developed at Ghatkopar

b). Personal Guarantee of Promoters

c). Corporate Guarantee issued by a Group Company

3). Working Capital facilities from ICICI Bank Limited are secured against

a). An exclusive charge by way of mortgage on land bearing C.T.S. No. 4102 A of village Kole Kalyan, Taluka Andheri, Mumbai suburban district at Vakola, Santacruz East admeasuring 5150.41 sq. mtrs. together with buildings and structures thereon, present and future

b). An exclusive charge on the scheduled receivables of Kalpataru Synergy II under the project documents and all insurance proceeds, both present and future

c). Personal Guarantee of a Promoter

KALPA-TARU

ANNEXURE - VII

CONSOLIDATED STATEMENT OF UNSECURED LOANS, AS RESTATED

Rs. in Millions

Particulars	As at March 31, 2007	2008	2009	2010	Rate of Interest for FY 2009-10
Term Loan from Bank					
- ICICI Bank Limited	-	-	135.87	-	
Working Capital Facility from ICICI Bank Limited	-	44.27	41.96	-	
Total (A)	**-**	**44.27**	**177.83**	**-**	
Inter Corporate Deposits					
- Group Companies #					
- Interest bearing	302.43	674.39	136.53	1,879.01	15%
- Interest free	-	-	-	0.01	-
- Others					
- Interest bearing	-	1,405.08	570.91	2,494.32	15%
- Interest free	-	-	-	10.00	-
Loans from					
- Promoters and their relatives					
- Interest bearing	-	42.50	40.80	3.38	12%
- Interest free	-	-	-	0.69	-
- Others	57.27	-	24.00	0.08	15%
Total (B)	**359.70**	**2,121.97**	**772.24**	**4,387.49**	
Share in Joint Ventures					
- Group Companies #	-	0.00	-	-	
- Others	-	44.68	28.01	4.38	15%
Total (C)	**-**	**44.68**	**28.01**	**4.38**	
Total (A+B+C)	**359.70**	**2,210.92**	**978.08**	**4,391.87**	

Note: All the above loans are repayable on demand except Loans from ICICI Bank Limited

Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors

ANNEXURE - VIII

CONSOLIDATED STATEMENT OF INVENTORIES, AS RESTATED

				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Work-in-progress	2,318.25	9,963.76	9,820.01	11,805.37
Finished Stock	58.18	1,164.64	2,173.80	2,642.63
Share in Joint Ventures	67.46	132.06	209.10	221.65
Total	**2,443.89**	**11,260.46**	**12,202.91**	**14,669.65**

ANNEXURE - IX

CONSOLIDATED STATEMENT OF SUNDRY DEBTORS, AS RESTATED

				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Sundry Debtors				
(Unsecured - Considered good)				
Outstanding for a period exceeding six months	-	4.73	211.18	150.94
Others				
- Group Companies #	-	0.39	172.16	35.56
- Others	80.37	222.48	287.67	551.82
Share in Joint Ventures				
- Others	-	619.62	536.57	199.70
Total	**80.37**	**847.22**	**1,207.58**	**938.02**
# Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors				

ANNEXURE - X

CONSOLIDATED STATEMENT OF LOANS AND ADVANCES, AS RESTATED

				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Loans and Advances				
(Unsecured- Considered good)				
Loans				
- Promoters	251.95	-	-	0.72
- Group Companies #	5.53	-	7.74	-
- Others	-	1,871.08	1,780.38	2,520.48
Advances (Recoverable in Cash or in kind or for value to be received)				
Advance for Properties				
- Group Companies #	-	-	2.50	-
- Others	44.95	795.35	477.15	404.88
Other Advances				
- Group Companies #	62.96	-	5.10	0.99
- Others	44.46	197.35	231.46	202.13
Partnership Firms - Current Account	0.83	-	-	-
Tax Advances (net of provisions)	6.85	54.69	94.84	184.42
Deposits				
- Group Companies #	5.48	10.96	19.14	18.19
- Others	11.13	83.08	71.67	101.78
	434.14	**3,012.51**	**2,689.98**	**3,433.59**
Share in Joint Ventures				
- Group Companies #	-	-	0.59	1.50
- Others	0.06	51.54	44.12	26.72
Total	**434.20**	**3,064.05**	**2,734.69**	**3,461.81**
Note: Loans to Promoters, Group Companies and Others are repayable on demand				
# Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors				

ANNEXURE - XI				
CONSOLIDATED STATEMENT OF CASH AND BANK BALANCES, AS RESTATED				
			Rs. in Millions	
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Cash in hand	0.48	5.23	2.36	5.91
Balances with Scheduled Banks In				
- Current Accounts	2.64	166.63	21.64	140.87
- Fixed / Margin Deposit	0.58	39.34	122.89	84.30
Cheques in hand	-	72.82	-	142.96
	3.70	**284.02**	**146.89**	**374.04**
Share in Joint Ventures	0.09	4.59	4.70	21.60
Total	**3.79**	**288.61**	**151.59**	**395.64**

ANNEXURE – XII

CONSOLIDATED STATEMENT OF INVESTMENTS, AS RESTATED

Rs. in Millions

Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Associates - Unquoted (Refer note 1 below)				
Susme Builders Private Limited	4.61	4.56	4.40	-
(Nil Equity Shares of Rs.100 each fully paid up)				
N. G. Realty Private Limited	-	10.00	10.00	10.00
(1,000,000 Equity Shares of Rs.10 each fully paid up)				
KalpataruLand (Surat) Private Limited	-	-	29.57	29.45
(297,000 Equity Shares of Rs.100 each fully paid up)				
Ananta Landmarks Private Limited (formerly Kalpataru Landmarks Private Limited) (Refer note 2 below)	-	-	246.76	265.57
(1,991,000 Equity Shares of Rs.10 each fully paid up)				
Sona Properties Private Limited	-	-	4.95	4.91
(49,005 Equity Shares of Rs.100 each fully paid up)				
Trade – Unquoted				
Kalpataru Properties Private Limited	0.01	0.01	0.01	0.01
(11 Equity Shares of Rs.100 each fully paid up)				
Kalpataru Plaza Premises Co-Operative Society Limited	0.00	0.00	0.00	0.00
(10 Equity Shares of Rs.50 each fully paid up)				
Non-Trade – Quoted				
11,900 Equity shares of Bank of India of Rs. 10 each fully paid up	0.54	0.54	0.54	0.54
(Market Value Rs. 4.05 millions)				
Non-Trade – Unquoted				
Saraswat Co-operative Bank Limited	0.01	0.01	0.01	0.01
(1,000 Equity Shares of Rs.10 each fully paid up)				
Investment in Capital account of Partnership Firm	1.50	-	-	-
Investment in Immovable Properties	7.47	90.91	117.11	0.26
(Includes 5 Equity Shares of Rs.50 each in a Co.-operative housing society Limited)				
Share in Joint Ventures	0.00	-	-	-
Total	**14.14**	**106.03**	**413.35**	**310.75**

Note:				
1). Cost of Investment in Associates includes Capital Reserve of Rs Nil, Rs Nil, Rs 0.01 Millions and Rs 217.44 Millions as at March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 respectively and Goodwill of Rs 0.35 Millions, Rs 0.35 Millions, Rs 1.28 Millions and Rs. 0.55 Millions as at March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 arising on acquisition of associates.				
2). During the year 2008-09, the Company has partly diluted shareholding in its subsidiary, Ananta Landmarks Private Limited to 49.82% and then further to 25.41%, thereby making it an associate. The Group has now accounted Investment in the said subsidiary as per AS - 23 "Accounting for Investment in Associates" and accordingly, adjustment of Rs. 229.32 Millions has been given in opening balance of Profit & Loss acount and Investments.				

ANNEXURE- XIII				
CONSOLIDATED STATEMENT OF CURRENT LIABILITIES AND PROVISIONS, AS RESTATED				
				Rs. in Millions
Particulars	**As at March 31,**			
	2007	**2008**	**2009**	**2010**
Current Liabilities and Provisions				
Current Liabilities				
Sundry Creditors				
For Goods and Expenses				
- Promoters	-	0.05	-	-
- Group Companies #	32.81	244.66	130.42	39.85
- Others	100.61	676.62	987.63	917.12
For others				
- Promoters	-	2.11	2.21	-
- Others	16.17	486.66	411.70	552.14
Trade Advances and Deposits				
- Group Companies #	-	3.08	403.21	11.12
- Others	237.63	631.69	786.60	1138.54
Interest accrued but not due	-	66.80	105.88	32.47
	387.22	**2,111.67**	**2,827.65**	**2,691.24**
Share in Joint Ventures				
- Promoters	-	0.01	-	-
- Group Companies #	5.45	50.17	17.74	7.49
- Others	21.30	603.39	579.50	314.74
Total (A)	**413.97**	**2,765.24**	**3,424.89**	**3,013.47**
Provisions				
-For Retirement benefits	4.04	16.27	24.77	26.05
-Proposed Dividend (Inclusive of Tax)	-	-	0.00	0.00
	4.04	**16.27**	**24.77**	**26.05**
Share in Joint Ventures	-	3.10	3.15	11.73
Total (B)	**4.04**	**19.37**	**27.92**	**37.78**
Total (A+B)	**418.01**	**2,784.61**	**3,452.81**	**3,051.25**
# Entities which are covered under Group Companies have been identified by the Company and				
relied upon by the Auditors				

ANNEXURE - XIV				
CONSOLIDATED STATEMENT OF SALES AND SERVICES, AS RESTATED				
				Rs. in Millions
Particulars	**For the year ended March 31,**			
	2007	**2008**	**2009**	**2010**
Sales				
- Self Constructed	163.77	2,300.73	2,710.93	4,689.93
- Traded	-	-	553.24	742.46
	163.77	**2,300.73**	**3,264.17**	**5,432.39**
Rent and Hire Charges	1.21	1.19	1.53	56.65
	164.98	**2,301.92**	**3,265.70**	**5,489.04**
Share in Joint Ventures	-	2,185.32	98.64	362.05
Total	**164.98**	**4,487.24**	**3,364.34**	**5,851.09**

ANNEXURE - XV					
CONSOLIDATED STATEMENT OF OTHER INCOME, AS RESTATED					
					Rs. in Millions
Particulars	**For the year ended March 31,**				**Recurring / Non-Recurring**
	2007	**2008**	**2009**	**2010**	
Interest					Recurring
- Group Companies #	-	28.34	34.17	17.99	
- Others	4.06	60.04	255.97	286.33	
Dividend	0.06	1.09	2.11	0.06	Recurring
Miscellaneous Income	1.18	3.47	12.59	2.05	Non-Recurring
Profit on Sale of Investments	-	0.00	-	0.31	Non-Recurring
Profit on disposal of Subsidiaries / Associates	-	-	0.71	0.58	Non-Recurring
Profit on sale of Fixed Assets (net)	-	0.02	-	8.28	Non-Recurring
	5.30	**92.96**	**305.55**	**315.60**	
Share in Joint Ventures	0.00	1.86	0.86	1.66	Recurring
Total	**5.30**	**94.82**	**306.41**	**317.26**	

Note: The classification of 'Other Income' as Recurring / Non-Recurring is based on the current operations and business activities of the Group as determined by the management

Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors

ANNEXURE - XVI

CONSOLIDATED STATEMENT OF COST OF SALES, AS RESTATED

Rs. in Millions

Particulars	For the year ended March 31,			
	2007	2008	2009	2010
Opening Stock				
- Work-in-progress	453.62	2,318.25	9,963.76	9,820.01
- Finished Stock	144.96	58.18	1,164.64	2,173.80
Add:-				
- Purchases - Land, Development Rights and Constructed Units	1,350.16	3,117.60	1,048.56	2,399.96
- Cost of Construction and Other Expenses	518.32	3,173.55	4,165.91	3,888.13
- Transferred from Investment (Refer Note 18 of Annexure XXI (II))	-	-	-	129.68
- Stock taken over on acquisition of Subsidiaries	5.31	3,760.86	-	-
Total (A)	**2,472.37**	**12,428.44**	**16,342.87**	**18,411.58**
Less:				
-Transferred to Capital Work in Progress	-	-	1,229.33	-
-Transferred on account of disposal of Subsidiaries	-	-	651.54	-
Closing Stock				
- Work-in-progress	2,318.25	9,963.76	9,820.01	11,805.37
- Finished Stock	58.18	1,164.64	2,173.80	2,642.63
Total (B)	**2,376.43**	**11,128.40**	**13,874.68**	**14,448.00**
Share in Joint Ventures **(C)**	-	1,182.44	29.25	218.03
Total (A-B+C)	**95.94**	**2,482.48**	**2,497.44**	**4,181.61**

ANNEXURE - XVII				
STATEMENT OF DIVIDEND				
Particulars	**For the year ended March 31,**			
	2007	**2008**	**2009**	**2010**
Equity Shares				
Number of Shares	1,050,000	1,050,000	1,050,000	1,050,000
Face Value (Rs. per share)	10	10	10	10
Paid -up Value (Rs. in millions)	10.50	10.50	10.50	10.50
Rate of dividend (%)	-	-	-	-
Total dividend (Rs. in millions)	-	-	-	-
Corporate dividend tax on above (Rs. in millions)	-	-	-	-
Preference Shares				
Number of Shares	-	-	950,000	950,000
Face Value (Rs. per share)	-	-	10	10
Paid -up Value (Rs. in millions)	-	-	9.50	9.50
Rate of dividend (%)	-	-	0.01%	0.01%
Total dividend (Rs. in millions)	-	-	0.00	0.00
Corporate dividend tax on above (Rs. in millions)	-	-	0.00	0.00
Note:				
Number of Equity Shares are as it existed on last date of relevant year, without giving any effect of Bonus Equity Shares allotted on September 9, 2010				

ANNEXURE- XVIII					
CONSOLIDATED SUMMARY OF ACCOUNTING RATIOS, AS RESTATED					
					Rs. in Millions
S.No.	**Particulars**	**As at March 31,**			
		2007	**2008**	**2009**	**2010**
1	**Earnings Per Share (EPS)**				
	Net Profit for the year, as restated	12.49	1,653.82	313.92	1,044.56
	Less: Preference Dividend (inclusive of tax)	-	-	0.00	0.00
	Net Profit for the year, as restated available to Equity Shareholders	**12.49**	**1,653.82**	**313.92**	**1,044.56**
	No. of Equity Shares (Refer note 2 below)	139,650,000	139,650,000	139,650,000	139,650,000
	Weighted average number of Equity Shares outstanding during the year	139,650,000	139,650,000	139,650,000	139,650,000
	Earnings Per Share (Rs.)	**0.09**	**11.84**	**2.25**	**7.48**
2	**Cash Earnings Per Share**				
	Net Profit for the year, as restated but before Depreciation	15.00	1,663.98	342.28	1,073.84
	Less: Preference Dividend (inclusive of tax)	-	-	0.00	0.00
	Net Profit for the year, as restated but before Depreciation available to Equity Shareholders	**15.00**	**1,663.98**	**342.28**	**1,073.84**
	No. of Equity Shares (Refer note 2 below)	139,650,000	139,650,000	139,650,000	139,650,000
	Weighted average number of Equity Shares outstanding during the year	139,650,000	139,650,000	139,650,000	139,650,000
	Cash Earnings Per Share (Rs.)	**0.11**	**11.92**	**2.45**	**7.69**
3	**Net Assets Value (NAV)**				
	Net Assets, as restated	98.85	2,106.78	3,599.85	5,066.53
	Less: Preference Share Capital	0.00	6.85	16.35	9.50
	Net Assets available to Equity Shareholders, as restated	**98.85**	**2,099.93**	**3,583.50**	**5,057.03**
	No. of Equity Shares (Refer note 2 below)	139,650,000	139,650,000	139,650,000	139,650,000
	Weighted average number of Equity Shares outstanding during the year	139,650,000	139,650,000	139,650,000	139,650,000
	NAV Per Share (Rs.)	**0.71**	**15.04**	**25.66**	**36.21**
4	**Return On Net Worth**				
	Net Profit for the year, as restated available to Equity Shareholders	12.49	1,653.82	313.92	1,044.56
	Net Worth, as restated	98.85	2,106.78	3,599.85	5,066.53
	Less: Preference Share Capital	0.00	6.85	16.35	9.50
	Net Worth available to Equity Shareholders, as restated	**98.85**	**2,099.93**	**3,583.50**	**5,057.03**
	Return On Net Worth (%)	**12.64%**	**78.76%**	**8.76%**	**20.66%**

Notes:

1. **Definition of Ratios**
   The ratios have been computed as below:

Earnings Per Share (Rs.) = Net Profit for the year, as restated available to Equity Shareholders / Weighted average number of Equity Shares outstanding during the year

Cash Earnings Per Share (Rs.) = Net Profit for the year, as restated but before Depreciation available to Equity Shareholders / Weighted average number of Equity Shares outstanding during the year

Net Asset Value Per Share (Rs.) = Net Assets at the end of the year available to Equity Shareholders, as restated / Weighted average number of Equity Shares outstanding during the year

Return On Net Worth (%) = Net Profit for the year, as restated available to Equity Shareholders / Net Worth at the end of the year available to Equity Shareholders, as restated

2. On September 9, 2010, paid up equity share capital of the Company has been increased from Rs 10.50 millions to Rs 1396.50 millions by issue of bonus shares in the ratio of 132 fully paid up equity shares for every 1 fully paid up equity share held.
3. Earning per share has been calculated in accordance with Accounting Standard 20 - "Earnings per share" issued by the ICAI

ANNEXURE- XIX				
RELATED PARTY DISCLOSURES, AS RESTATED				
(i)	**Enterprises controlled by the Company:**			
	For list of Subsidiaries, Associates and Joint Ventures refer note 4, 5 and 6 respectively of Annexure-XXI (II)			
(ii)	**Key Management Personnel:**			
S.No.	**2007**	**2008**	**2009**	**2010**
1	Mofatraj P. Munot	Mofatraj P. Munot	Mofatraj P. Munot	Mofatraj P. Munot
2	Parag M. Munot	Parag M. Munot	Parag M. Munot	Parag M. Munot
3	Anuj A. Munot	Anuj A. Munot	Anuj A. Munot	Anuj A. Munot
4	Imtiaz I. Kanga	Imtiaz I. Kanga	Imtiaz I. Kanga	Imtiaz I. Kanga
(iii)	**Relatives of Key Management Personnel:**			
S.No.	**2007**	**2008**	**2009**	**2010**
1	Sunita V. Choraria	Sunita V. Choraria	Sunita V. Choraria	Sunita V. Choraria
2	Sudha R. Golechha	Monica P. Munot	Monica P. Munot	Monica P. Munot
3	Monica P. Munot	Tara I. Kanga	Tara I. Kanga	Tara I. Kanga
4	Tara I. Kanga	Ismat I. Kanga	Imran I. Kanga	Ismat I. Kanga
5		Mofatraj P. Munot (HUF)	Ishrat I. Kanga	Imran I. Kanga
6		Imran I. Kanga	Ismat I. Kanga	Ishrat I. Kanga
7		Ishrat I. Kanga	Mofatraj P. Munot (HUF)	Mofatraj P. Munot (HUF)
(iv)	**Other Related Parties where the Directors and their relatives have significant influence with whom transactions have taken place during respective years:**			
S.No.	**2007**	**2008**	**2009**	**2010**
1	Kalpataru Properties Private Limited (formerly Kalpataru Constructions Overseas Private Limited)	Kalpataru Properties Private Limited	Kalpataru Properties Private Limited	Kalpataru Properties Private Limited
2	Neo Pharma Private Limited	Neo Pharma Private Limited	Neo Pharma Private Limited	Neo Pharma Private Limited
3	Yugdharma Real Estate Private Limited	Yugdharma Real Estate Private Limited	Yugdharma Real Estate Private Limited	Yugdharma Real Estate Private Limited
4	Property Solutions (India) Private Limited	Property Solutions (India) Private Limited	Property Solutions (India) Private Limited	Property Solutions (India) Private Limited
5	Caprihans India Limited	Caprihans India Limited	Caprihans India Limited	Caprihans India Limited
6	Durable Trading Company Private Limited	Durable Trading Company Private Limited	Durable Trading Company Private Limited	Durable Trading Company Private Limited
7	Kalpataru Constructions Private Limited	Kalpataru Constructions Private Limited	Kalpataru Constructions Private Limited	Kalpataru Constructions Private Limited
8	K C Holdings Private Limited	K C Holdings Private Limited	K C Holdings Private Limited	K C Holdings Private Limited
9	Lifestyle Property Ventures Private Limited	Lifestyle Property Ventures Private Limited	Lifestyle Property Ventures Private Limited	Lifestyle Property Ventures Private Limited
10	Kalpataru Gardens Private Limited	K. V. Property Ventures Private Limited	K. V. Property Ventures Private Limited	K. V. Property Ventures Private Limited
11	Kalpataru Properties (Thane) Private Limited	MPM Holding Private Limited	MPM Holdings Private Limited	MPM Holdings Private Limited
12	Srishti Vihar Construction Private Limited	Kalpataru Energy India Private Limited	Kalpataru Energy India Private Limited	Kalpataru Energy India Private Limited

13	Kalpataru Premises Private Limited	Mrigashish Constructions Private Limited	Mrigashish Constructions Private Limited	Kalpataru Power Transmission Limited
14	Kamdhenu Constructions	Kalpataru Power Transmission Limited	Kalpataru Power Transmission Limited	Karmayog Builders Private Limited
15	Messers Habitat	Karmayog Builders Private Limited	Karmayog Builders Private Limited	Ardour Builders Private Limited
16		Ardour Builders Private Limited	Ardour Builders Private Limited	Databank Stationary Private Limited
17		Databank Stationary Private Limited	Databank Stationary Private Limited	Hedavkar Mechanical Works Private Limited
18		Hedavkar Mechanical Works Private Limited	Hedavkar Mechanical Works Private Limited	Shouri Properties Private Limited
19		Shouri Properties Private Limited	Shouri Properties Private Limited	Prime Properties Private Limited
20		Prime Properties Private Limited	Prime Properties Private Limited	Corporate Stationary Private Limited
21		Corporate Stationary Private Limited	Corporate Stationary Private Limited	Yugdharma Investments and Trading Company Private Limited
22		Yugdharma Investments and Trading Company Private Limited	Yugdharma Investments and Trading Company Private Limited	Kalpataru Viniyog Private Limited
23		Kalpataru Viniyog Private Limited	Kalpataru Viniyog Private Limited	Amber Real Estate Limited (w. e. f. 16/05/2008).
24		Kalpataru Retail Ventures Private Limited (up to 31/01/2008)	Amber Real Estate Limited (w. e. f. 16/05/2008)	P K Velu and Company Private Limited
25		JMC Projects (India) Limited	P K Velu and Company Private Limited	Locksley Hall Hill Resorts Private Limited
26		Kalpataru Land Private Limited (Up to 28.11.2007)	Kalpataru Theatres	Saicharan Properties Limited (w.e.f. 01/07/2009)
27		Kalpataru Gardens Private Limited (Up to 31.01.2008)	JMC Projects (India) Limited	
28		Kalpataru Properties (Thane) Private Limited (Up to 31.01.2008)		
29		Srishti Vihar Construction Private Limited		-
30		Kalpataru Premises Private Limited		-

ANNEXURE-XIX

STATEMENT OF RELATED PARTY DISCLOSURES, AS RESTATED

Transactions taken place during respective years — **Rs in Millions**

Nature of Transaction	2006-07		2007-08		2008-09		2009-10	
Reimbursement of Expenses paid								
Key Management Personnel	**0.02**		**0.66**		**0.67**		**0.14**	
Mofatraj P Munot		-		0.54		0.54		-
Parag M. Munot		0.02		0.12		0.13		0.14
Joint Ventures/Associates	**-**		**0.10**		**-**		**1.31**	
Messrs Habitat		-		0.10		-		-
Azure Tree Townships Private Limited		-		-		-		0.97
Sona Properties Private Limited		-		-		-		0.34
Other Related Parties	**3.19**		**65.69**		**13.08**		**229.32**	
Kalpataru Properties Private Limited		1.79		55.65		10.32		220.44
Property Solutions (India) Private Limited		0.65		0.78		1.60		7.69
Caprihans India Limited		0.75		3.48		1.16		0.44
Neo Pharma Private Limited		-		-		-		0.75
Others		-		5.78		-		-
Reimbursement of Expenses received								
Joint Ventures/Associates	**-**		**0.65**		**9.26**		**31.03**	
Azure Tree Townships Private Limited		-		-		-		23.47
Messers Habitat		-		0.65		9.26		2.72
Kalpataru Land (Surat) Private Limited		-		-		-		4.84
Key Management Personnel	**-**		**-**		**-**		**0.75**	
Mofatraj P Munot		-		-		-		0.32
Parag M. Munot		-		-		-		0.43
Other Related Parties	**8.49**		**3.53**		**26.71**		**21.48**	
Neo Pharma Private Limited		1.06		1.33		19.18		19.09
Kalpataru Properties Private Limited		-		0.30		5.84		0.03
Lifestyle Property Ventures Private Limited		1.25		0.38		-		-
Kalpataru Properties (Thane) Private Limited		3.05		0.34		-		-
Kalpataru Gardens Private Limited		0.10		0.66		-		-
K.V.Property Ventures Private Limited		-		0.38		-		-
Messers Habitat		1.79		-		-		-
Others		1.24		0.14		1.69		2.36
Purchase of Goods and Services								
Key Management Personnel	**-**		**0.03**		**0.11**		**0.11**	
Mofatraj P Munot		-		0.03		0.11		0.11
Relatives of Key Management Personnel	**-**		**1.38**		**-**		**-**	
Ismat I. Kanga		-		0.74		-		-
Ishrat I. Kanga				0.64		-		-

Joint Ventures/Associates	**-**		**733.43**		**-**		**-**	
Messrs Habitat		-		733.43		-		-
Other Related Parties	**11.96**		**119.47**		**34.84**		**36.25**	
Kalpataru Properties Private Limited		11.90		116.78		34.32		35.92
Property Solutions (India) Private Limited		-		0.18		0.27		0.08
Mrigashish Constructions Private Limited		-		0.31		-		-
Others		0.06		2.20		0.25		0.25
Purchase of Immovable Properties / Development rights								
Other Related Parties	**-**		**-**		**-**		**36.09**	
Kalpataru Properties Private Limited		-		-		-		36.09
Sale of Immovable Properties / Development Rights								
Relatives of Key Management Personnel	**-**		**12.70**		**-**		**-**	
Ismat I. Kanga		-		3.95		-		-
Ishrat I. Kanga				3.95		-		-
Imran I. Kanga		-		4.80		-		-
Other Related Parties	**70.00**		**31.11**		**229.86**		**39.58**	
Neo Pharma Private Limited		-		-		79.18		2.54
Hedvakar Mechanical Works Private Limited		-		-		0.53		0.93
Srishti Vihar Construction Private Limited		70.00		-		-		-
Kalpataru Power Transmission Limited		-		31.11		-		-
Kalpataru Properties Private Limited				-		150.00		36.09
Others		-		-		0.15		0.02
Rent and Society Maintenance Received								
Other Related Parties	**0.09**		**0.10**		**0.20**		**0.17**	
Durable Trading Company Private Limited		0.06		0.02		0.03		0.01
Kalpataru Properties Private Limited		0.02		-		-		-
Yugdharma Real Estate Private Limited		0.01		0.01		0.01		0.01
Karmayog Builders Private Limited		-		0.07		0.16		0.15
Purchase of Fixed Assets								
Other Related Parties	**-**		**-**		**0.09**		**-**	
Lifestyle Property Ventures Private Limited		-		-		0.09		-
Sale of Fixed Assets								
Other Related Parties	**-**		**-**		**0.01**		**-**	
Kalpataru Power Transmission Limited		-		-		0.01		-
Interest Paid								
Key Management Personnel	**-**		**-**		**5.41**		**3.76**	
Parag M. Munot		-		-		5.41		3.76
Relatives of Key Management	**-**		**0.01**		**-**		**-**	

Personnel								
Imran I. Kanga		-		0.01		-		-
Other Related Parties	**76.07**		**32.34**		**68.28**		**79.04**	
Kalpataru Properties Private Limited		69.15		23.99		66.81		77.45
K.C. Holdings Private Limited		5.45		6.87		-		-
Others		1.47		1.48		1.47		1.59
Interest Received								
Other Related Parties	**-**		**28.34**		**47.92**		**30.07**	
Kalpataru Properties Private Limited		-		28.34		34.17		17.99
Saicharan Properties Limited		-		-		1.96		10.63
Amber Real Estate Limited		-		-		11.79		1.45
Project Management fees Paid								
Other Related Parties	**1.70**		**18.38**		**-**		**4.12**	
Kalpataru Properties Private Limited		1.70		18.38		-		4.12
Income from Joint Development								
Other Related Parties	**-**		**1.12**		**0.13**		**0.02**	
K.V. Property Ventures Private Limited		-		1.12		0.13		0.02
Profit/ (Loss) from Partnership Firms								
Other Related Parties	**0.47**		**-**		**-**		**-**	
Kamdhenu Constructions		0.48		-		-		-
Kalpataru Plus Sharyans		-		-		-		-
Others		(0.01)		-		-		-
Investment in Partnership Firms - Current Account								
Other Related Parties	**0.48**		**-**		**-**		**-**	
Kamdhenu Constructions		0.48		-		-		-
Investment Withdrawn from Partnership Firms - Current Account								
Other Related Parties	**1.04**		**-**		**-**		**-**	
Kamdhenu Constructions		1.04		-		-		-
Purchase of Investments								
Key Management Personnel	**-**		**0.51**		**-**		**21.45**	
Mofatraj P Munot				0.25		-		16.14
Parag M. Munot				0.26		-		4.75
Others				0.00		-		0.56
Relatives of Key Management Personnel	**-**		**0.00**		**-**		**1.50**	
Monica P. Munot		-		-		-		1.50
Sunita V Choraria				0.00				-
Other Related Parties	**153.72**		**79.69**		**4.35**		**93.25**	
Amber Real Estate Limited		-		-		4.35		-
K C Holdings Private Limited		-		35.70		-		31.81
Neo Pharma Private Limited		-		8.90		-		-
Kalpataru Properties Private Limited		153.72		0.11		-		44.80
Kalpataru Constructions Private Limited		-		34.98		-		15.64

Others		-		0.00		-		1.00
Sale of Investments								
Key Management Personnel	**-**		**0.00**		**18.43**		**-**	
Mofatraj P Munot		-		0.00		4.31		-
Parag M. Munot		-		-		14.12		-
Relatives of Key Management Personnel	**-**		**-**		**4.19**		**-**	
Sunita V Choraria		-		-		1.80		-
Monica P Munot		-		-		2.39		-
Other Related Parties	**-**		**-**		**4.85**		**-**	
Kalpataru Power Transmission Limited				-		4.85		-
Loans Taken								
Key Management Personnel	**-**		**0.07**		**-**		**-**	
Mofatraj P. Munot		-		0.03		-		-
Parag M. Munot		-		0.04		-		-
Other Related Parties	**2,669.01**		**3,627.92**		**2,215.75**		**2,785.05**	
Kalpataru Properties Private Limited		2,565.62		3,401.96		2,163.07		2,783.09
Others		103.39		225.96		52.68		1.96
Loans Taken Repaid								
Key Management	**2.50**		**3.99**		**0.00**		**40.80**	
Mofatraj P Munot		2.50		0.05		-		-
Parag M. Munot		-		3.94		0.00		40.80
Relatives of Key Management Personnel	**-**		**2.50**		**-**		**-**	
Imran I. Kanga		-		2.50		-		-
Other Related Parties	**2,876.39**		**4,853.32**		**2,641.22**		**1,069.02**	
Kalpataru Properties Private Limited		2,773.00		4,485.54		2,347.64		1,052.47
Others		103.39		367.78		293.58		16.55
Loans Given								
Key Management Personnel	**251.95**		**-**		**-**		**-**	
Mofatraj P Munot		251.95		-		-		-
Joint Ventures/Associates	**-**		**-**		**-**		**0.06**	
Ananta Lanmarks Private Limited		-		-		-		0.06
Other Related Parties	**260.29**		**53.51**		**119.80**		**8.20**	
Kalpataru Properties Private Limited		260.29		53.51		-		-
Amber Real Estate Limited		-		-		119.80		0.88
Saicharan properties Limited		-		-		-		7.32
Loans Given Repaid								
Key Management Personnel	**-**		**251.95**		**-**		**-**	
Mofatraj P Munot		-		251.95		-		-
Joint Ventures/Associates	**-**		**-**		**-**		**7.10**	
Ananta Landmark Private Limited		-		-		-		7.10

Other Related Parties	**240.72**		**59.03**		**230.54**		**331.71**	
Kalpataru Properties Private Limited		240.72		59.03		-		-
Saicharan Properties Limited		-		-		-		317.99
Amber Real Estate Limited		-		-		230.54		13.72
Advances/Deposits given								
Other Related Parties	**-**		**-**		**12.45**		**-**	
Kalpataru Properties Private Limited		-		-		12.45		-
Advances/Deposits Given Refunded								
Other Related Parties	**1.65**		**-**		**5.48**		**400.00**	
Kalpataru Power Transmission Limited								400.00
Kalpataru Premises Private Limited		1.65		-		-		-
Kalpataru Properties Private Limited		-		-		5.48		-
Advances/Deposits Taken								
Key Management Personnel	**-**		**1.78**		**-**		**-**	
Imtiaz I. Kanga		-		1.78		-		-
Relatives of Key Management Personnel	**0.87**				**-**		**-**	
Sunita V Choraria		0.87				-		-
Other Related Parties	**10.50**		**35.00**		**400.00**		**-**	
Kalpataru Constructions Private Limited		10.50		35.00		-		-
Kalpataru Power Transmission Limited		-		-		400.00		-
Advances/Deposits Taken Refunded								
Other Related Parties	**26.50**		**45.50**		**-**		**-**	
Kalpataru Constructions Private Limited		-		45.50		-		-
Kalpataru Properties Private Limited		26.50		-		-		-
Redemption of Preference Shares								
Key Management Personnel	**-**		**-**		**-**		**0.00**	
Mofatraj P Munot		-		-		-		0.00
Other Related Parties	**-**		**-**		**-**		**6.85**	
Kalpataru Properties Private Limited		-		-		-		6.85
Closing Balance	**March 31, 2007**		**March 31, 2008**		**March 31, 2009**		**March 31, 2010**	
Loans given								
Key Management Personnel	**251.95**		**-**		**-**		**0.72**	
Mofatraj P Munot		251.95				-		-
Parag M. Munot								0.72
Other Related Parties	**5.53**		**-**		**20.59**		**10.87**	
Kalpataru Properties Private Limited		5.53		-		-		-
Neo Pharma Private Limited		-		-		0.70		-
Ananta Landmark Private Limited		-		-		7.04		-
Saicharan Properties Limited		-		-		-		9.57
Amber Real Estate Limited		-		-		12.85		1.30
Loans Taken								
Key Management Personnel	**-**		**42.50**		**40.80**		**3.60**	
Mofatraj P Munot		-		6.50		-		0.22

Parag M. Munot		-		36.00		40.80		3.38
Relatives of Key Management Personnel	**-**		**-**		**-**		**0.48**	
Monica P. Munot		-		-		-		0.24
Mofatraj P. Munot (HUF)		-		-		-		0.24
Other Related Parties	**302.43**		**694.81**		**145.26**		**1,879.02**	
K.C.Holdings Private Limited		-		249.93		-		-
Kalpataru Power Transmission Limited		-		107.10		-		-
Kalpataru Properties Private Limited		302.43		304.15		130.67		1,879.02
Others		-		33.63		14.59		-
Advances/Deposits Given								
Joint Ventures/Associates	**0.55**		**-**		**1.20**		**1.24**	
Messers Habitat		0.54		-		1.20		0.48
Azure Tree Townships Private Limited		-		-		-		0.76
Kalpataru + Sharyans		0.01		-		-		-
Other Related Parties	**68.28**		**11.03**		**26.26**		**19.45**	
Kalpataru Properties (Thane) Private Limited		2.02		-		-		-
Neo Pharma Private Limited		0.40		-		4.51		-
Kalpataru Properties Private Limited		5.48		10.96		20.44		19.44
Kalpataru Constructions Private Limited		-		-		1.06		-
JMC Projects (India) Limited		60.00				-		0.01
Others		0.38		0.07		0.25		-
Advances/Deposits Taken								
Key Management Personnel	**-**		**0.03**		**-**		**-**	
Parag M. Munot		-		0.03		-		-
Other Related Parties	**5.25**		**53.25**		**421.57**		**18.47**	
Kalpataru Power Transmission Limited		-		-		400.00		-
Shouri Properties Private Limited		-		0.06		0.06		7.97
Karmayog Builders Private Limited		-		3.00		3.00		3.00
Lifestyle Property Ventures Private Limited		-		0.05		-		-
JMC Projects (India) Limited		-		-		0.13		3.47
Kalpataru Properties Private Limited		-		49.90		17.52		3.95
Property Solutions (India) Private Limited		-		0.22		0.09		0.06
Kalpataru Constructions Private Limited		5.25		-		-		-
Others		-		0.02		0.77		0.02
Sundry Debtors								
Joint Ventures/Associates	**-**		**-**		**0.65**		**5.91**	
Azure Tree Townships Private Limited		-		-		0.21		0.85
Kalpataru Land (Surat) Private Limited		-		-		0.44		4.84
Messers Habitat				-		-		0.22
Other Related Parties	**69.50**		**0.39**		**172.25**		**31.36**	
Kalpataru Properties Private Limited				-		151.79		11.76
Neo Pharma Private Limited		-		0.36		17.49		17.77
Durable Trading Company Private Limited		-		0.02		-		0.00
Yugdharma Real Estate Private Limited		-		0.01		-		0.00

Sristhi Vihar Construction Private Limited		69.50		-		-		-
Others		-		-		2.97		1.83
Sundry Creditors								
Key Management Personnel	**-**		**0.05**		**-**		**-**	
Mofatraj P Munot		-		0.02				-
Parag M. Munot		-		0.03		-		-
Joint Ventures/Associates	**-**		**159.17**		**14.47**		**6.04**	
Messers Habitat		-		159.17		14.47		6.04
Other Related Parties	**32.82**		**87.56**		**116.19**		**33.95**	
Caprihans India Limited		26.25		26.25		26.25		26.26
Kalpataru Properties Private Limited		0.66		51.44		10.69		2.03
Property Solutions (India) Private Limited		0.34		0.20		0.26		4.04
JMC Projects (India) Limited		5.57		1.86		78.33		1.43
Kalpataru Energy India Private Limited		-		-		0.04		-
Others		-		7.81		0.62		0.19
Other Liabilities								
Key Management Personnel	**-**		**2.11**		**2.21**		**-**	
Mofatraj P Munot		-		1.06		1.16		-
Parag M Munot		-		1.05		1.05		-
Other Related Parties	**-**		**-**		**0.12**		**-**	
Property Solutions (India) Private Limited		-		-		0.03		-
Lifestyle Property Ventures Private Limited		-		-		0.09		-
Investment in Capital Account of Partnership Firms								
Other Related Parties	**1.50**		**-**		**-**		**-**	
Kamdhenu Constructions		1.50		-		-		-
Investment in Current Account of Partnership Firms								
Other Related Parties	**0.83**		**-**		**-**		**-**	
Kamdhenu Constructions		0.83		-		-		-
Investment in Immovable Properties / Development Rights								
Other Related Parties	**-**		**0.01**		**0.00**		**0.01**	
Kalpataru Properties Private Limited		-		0.01		0.00		0.01
Guarantee Given								
Other Related Parties	**-**		**-**		**800.00**		**-**	
Amber Real Estate Limited		-		-		800.00		-

ANNEXURE - XX

CONSOLIDATED CAPITALIZATION STATEMENT AS AT MARCH 31, 2010

		Rs. in Millions
Particulars	**Pre-Issue**	**Post-Issue**
Long Term Debts	10,431.87	[•]
Short Term Debts	6,285.13	[•]
Total Debts	**16,717.00**	
Shareholders' Funds		
- Equity Share Capital	10.50	[•]
- Preference Share Capital	9.50	
Sub-total (A)	**20.00**	
Reserves, as Restated		
- Capital Reserve on Consolidation	776.03	[•]
- Securities Premium	985.50	[•]
- General Reserve	0.02	
- Profit and Loss Account	3,284.97	[•]
Sub-total (B)	**5,046.52**	
Total Shareholders' Funds (A+B)	**5,066.52**	[•]
Long Term Debts / Equity	**2.06**	[•]

Notes:

1. Short term debts represent debts which are due within twelve months including loans repayable on demand.
2. Long term debts represent debts other than short term debts, as defined above.
3. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at March 31, 2010.

4. Long Term Debts/Equity = Long Term Debts / Shareholders' Funds

5. The corresponding post issue figures are not determinable at this stage pending completion of the Book Building Process and hence have not been furnished.

ANNEXURE-XXI

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF OPERATIONS

Kalpataru Limited (hereinafter referred to as 'the Parent Company', 'the Company') together with its subsidiaries, associates and joint ventures (collectively referred to as "Group") is engaged primarily in the business of construction and Real Estate Development. Group is based in Mumbai, India. Group has experience in building large residential and commercial complexes and townships primarily in Mumbai Metropolitan Region, Thane and Pune. Group's operations are extended to various cities (including Mumbai, Pune, Surat, Ahmedabad, Nagpur, Udaipur and Hyderabad) across the country.

B. BASIS OF ACCOUNTING

The Consolidated Financial Statements (CFS) have been prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles (GAAP) in India and Accounting Standards as specified in Companies (Accounting Standards) Rules, 2006 as prescribed by the central government.

C. PRINCIPLES OF CONSOLIDATION

a) The CFS have been prepared as per Accounting Standard – 21 on "Consolidated Financial Statements" to the extent possible in the same format as that adopted by the parent company for its separate financial statements by regrouping, recasting or rearranging figures wherever considered necessary.

b) The CFS are prepared to the extent possible using uniform accounting policies for transactions and other events in similar circumstances, except in case of partnership firms, where depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed in Income Tax Act, 1961. Written down value of such fixed assets as on March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 is Rs 0.14 millions, Rs 3.27 millions, Rs 2.73 millions and Rs 2.43 millions respectively.

c) The financial statements of the Parent Company and its subsidiaries have been combined on a line by line basis by adding together the like items of assets, liabilities, income and expenses. All significant inter-group transactions, unrealized inter-company profits and balances have been eliminated in the process of consolidation. Subsidiaries are consolidated from the date on which effective control is acquired by the Parent Company and are excluded from the date of transfer / disposal / dilution. Minority interest in subsidiaries represents the Minority Shareholders' / Partners' proportionate share of the net assets and net income. The financial statements of subsidiaries are drawn up to the same reporting date as of the Parent Company. List of subsidiaries is given in note II (4) below.

d) The excess / shortfall of cost to the Parent Company of its investment in subsidiaries over its portion of equity of the subsidiaries is recognized in the CFS as Goodwill / Capital Reserve as the case may be.

e) Subsequent to the Balance Sheet date, the Company has made investments in following enterprises which became its subsidiaries directly or through its subsidiaries.

   Kalpataru Land (Surat) Private Limited, Sona Properties Private Limited, Kiyana Properties Private Limited**,** Abacus Enviro Farms Private Limited**,** Abacus Orchards Private Limited**,** Abhiruchi Orchards Private Limited**,** Agile Enviro Farms Private Limited**,** Agile Orchards Private Limited**,** Amber Enviro Farms Private Limited, Amber Orchards Private Limited, Ambrosia Enviro Farms Private Limited**,** Anant Enviro Farms Private Limited, Anant Orchards Private Limited, Appropriate Enviro Farms Private Limited, Arena Orchards Private Limited, Ashoka Orchards Private Limited, Aspen Enviro Farms Private Limited, Aspen Orchards Private Limited, Astrum Orchards Private Limited, Aura Enviro Farms Private Limited, Aura Orchards Private Limited, Axiom Orchards Private Limited, Azure Tree Enviro Farms Private Limited, Azure Tree Orchards Private Limited, Girirajkripa Developers Private Limited, Propnova Properties Private Limited, Swarn Bhumi Township Private Limited, Ananta Ventures LLP, Kalpak Property Ventures LLP, Azure Tree Developers LLP, Kiyana Ventures LLP, Kalpa-Taru Property Ventures LLP, Mango People Homes LLP.

f) The Group has adopted and accounted for investment in associates (as listed in Note II (5) below) using the "Equity Method" as per Accounting Standard-23 in this CFS. In one of the associates, no adjustments are made for differences in accounting policies for

   - Depreciation on fixed assets which is provided on the straight line method and in the manner prescribed in Schedule XIV to the Companies Act, 1956
   - Retirement benefits in respect of Gratuity and Leave Encashment which is provided on cash basis
   - However, there is no material impact on the CFS.

g) The Group has adopted and accounted for interest in the Joint Ventures / Partnership Firms (as listed in Note II (6) below) using the "Proportionate Consolidation Method" in accordance with Accounting Standard-27. No adjustment is made for difference in accounting policy for depreciation on fixed assets of Partnership firm, which is provided on the written down value (WDV) method at the rates and in the manner prescribed in Income Tax Act, 1961.

D. USE OF ESTIMATES

The preparation of CFS requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from these estimates. The difference between the actual results and estimates are recognised in the period in which the results are known / crystallized.

E. GOODWILL ON CONSOLIDATION

Goodwill represents the difference between the Group's share in the net worth of subsidiaries / joint ventures and the cost of acquisition at the time of making the investment in the subsidiaries / joint ventures. Capital reserve represents negative goodwill arising on consolidation. Goodwill arising out of consolidation is not amortized.

F. FIXED ASSETS

a) Fixed assets are stated at original cost of acquisition / installation / construction net of accumulated depreciation, amortization and impairment losses except land which is carried at cost including lease premium. Cost includes taxes, duties, freight and incidental expenses related to the acquisition, construction, installation and other pre-operational expenses including borrowing cost.

b) Capital work-in-progress is stated at the amount expended up to the date of Balance Sheet including advances for capital expenditure.

c) The capitalized cost of software includes license fees, cost of implementation and system integration services. These costs are capitalized as intangible assets in the year in which related software is implemented.

G. DEPRECIATION / AMORTISATION

a) Depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. However in respect of certain subsidiaries and a joint venture, which are partnership firms, depreciation on fixed assets is provided on the written down value (WDV) method at the rates and in the manner prescribed in Income Tax Act, 1961.

b) Software (Intangible Assets) including implementation cost, is amortized on a straight line basis over a period of three years from the date of its implementation based on the management estimate of useful life over which economic benefits will be derived from its use.

H. INVESTMENTS

Current investments are stated at lower of cost and fair value. Long term investments are stated at cost and provision for diminution in their value, other than temporary, if any, is made in the accounts.

I. INVENTORIES

Inventories comprising of work in progress and finished stock are valued at lower of cost and net realizable value. Cost includes purchase of constructed units, cost of land / development rights, construction cost, allocated interest and expenses incidental to the projects undertaken by the Group.

J. EMPLOYEE BENEFITS

a) Short term employee benefits are recognised as an expense at the undiscounted amount in the year in which the related service is rendered.

b) Post employment and other long term benefits are recognized as an expense for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined by using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Profit and Loss Account.

c) Payments to defined contribution retirement benefit schemes are expensed out as they fall due.

K. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged to revenue when incurred.

L. OPERATING LEASE

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor is classified as operating lease. Lease payments and receipts under operating lease are recognised as an expense and income on accrual basis in accordance with the respective lease agreements.

M. FINANCE LEASE

Assets given under finance lease are recognized as receivable in the balance sheet at an amount equal to the net investment in the lease. The recognition of finance income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding in respect of the finance lease. Initial direct costs are recognized immediately in the profit and loss account.

N. ACCOUNTING FOR TAXES ON INCOME

a) Current tax is determined as the amount of tax payable in respect of taxable income of the year.

b) Deferred tax is recognised subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods and measured using prevailing enacted or substantively enacted tax rates.

O. REVENUE RECOGNITION

a) **Revenue from Real Estate Activity:** The Group recognizes revenue from sale of real estate projects as per "Percentage of Completion Method". Revenue comprises the aggregate amounts of sale price as per the documents entered into. The percentage completion of construction work is as certified by the registered Architect, subject to such percentage being 25 percent or more. The total saleable area and estimate of costs are reviewed periodically by the management and any effect of changes therein is recognized in the period in which such changes are determined. However, if and when the total project cost is estimated to exceed the total revenue from the project, the loss is recognized in the same financial year.

b) Dividend income is recognize when the right to receive the dividend is established.

c) Interest Income is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

d) Share of profit/ loss from Partnership firms, in which the Company is a partner is accounted for in the financial year ending on (or immediately before) the date of the balance sheet.

P. FOREIGN CURRENCY TRANSACTIONS

a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transactions.

b) Monetary assets and liabilities in foreign currency as at the Balance Sheet date are translated at the exchange rates prevailing at the date of Balance Sheet. Gains and losses arising on account of difference in foreign exchange rates on settlement / translation of monetary assets and liabilities are recognised in the Profit and Loss Account.

c) In respect of derivative contracts, the difference due to change in exchange rate between the inception of derivative contract and the date of Balance Sheet and the proportionate premium / discount for the period up to the date of Balance Sheet is recognized in the Profit and Loss Account. Any profit or loss on settlement / cancellation of derivative contract is recognized as an income or expense for the year in which they arise.

Q. IMPAIRMENT OF ASSETS

If carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured at the higher of the net selling price and value in use determined by the present value of estimated cash flows.

R. EARNINGS PER SHARE

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed and disclosed using weighted average number of common and dilutive common equivalent shares outstanding during the year, except when results would be anti dilutive.

II. NOTES TO CONSOLIDATED SUMMARY STATEMENTS, AS RESTATED

1. Notes to Summary Statement of Assets and Liabilities, As Restated (Annexure-I) and Summary Statement of Profits / Losses (Annexure - II), As Restated

				(Rs in Millions)	
S.	**Particulars**	**For the year ended March 31,**			
No.		**2007**	**2008**	**2009**	**2010**
	Adjustment [Income/Expenses] in statement of Profit and Loss arising out of:				
i)	Share of Profit from Partnership Firm	(0.01)			
ii)					

a)	Provision for Accured Liability of Gratuity and Leave Encashment Liability (Refer Note 2(a))	(0.45)	-	-	-
b)	Deferred Tax on Gratuity and Leave Encashment Liability (Refer Note 2(a))	0.15	-	-	-
c)	Interest Expenses reversed	-	-	30.99	-
iii)	**Prior Period Items / Exceptional Items / Earlier Year Taxation:**				
a)	Prior Period Item (Refer Note 2(b) (iv))	-	-	-	(30.99)
b)	Earlier Year Taxation (Refer note 2(b)(i))	0.02	1.31	0.26	7.07
c)	Current Year Taxation (Refer note 2(b)(i))	(1.36)	(0.34)	4.74	(0.00)
	Total	**(1.65)**	**0.97**	**35.99**	**(23.92)**

Adjustment (Increase/Decrease) in Statement of Assets & Liabilities

(Rs. in Millions)

S.	**Particulars**		**As at March 31,**		
No.		**2007**	**2008**	**2009**	**2010**
a)	Goodwill on Consolidation	-	0.00	0.00	0.00
b)	Fixed Assets	-	-	-	-
c)	Investments	-	-	-	-
d)	Deffered Tax Asset	(0.03)	-	-	-
e)	Inventories	-	-	41.90	-
f)	Sundry Debtors	-	-	-	-
g)	Loans and Advances	(7.66)	8.86	(3.56)	(1.76)
	Total	**(7.69)**	**8.86**	**38.34**	**(1.76)**
h)	Secured Loans	-	-	-	-
i)	Unsecured Loans	-	-	-	-
j)	Current Liabilities	-	0.05	0.05	-
k)	Provisions	(3.25)	(0.59)	(0.50)	(1.21)
l)	Minority Interest	(0.01)	(1.73)	(1.73)	(1.73)
m)	Reserves and Surplus	(4.43)	11.13	40.52	1.18
	Total	**(7.69)**	**8.86**	**38.34**	**(1.76)**

2. **NOTES ON RESTATED ADJUSTMENTS:**

a. **Adjustment on account of AS-15 (Revised) on "Employee Benefits":** Gratuity and Leave Encashment liability for financial year 2006-07 was provided on the basis of management estimate. The Company has adopted AS-15 (Revised) with retrospective effect and accordingly necessary adjustments have been made in the Restated Consolidated Financial Statements.

b. **Adjustments relating to Previous Year:**

(i) **Earlier Year Taxation:** Earlier year taxation primarily resulted on account of assessment made by the Income Tax authority and any differences being a credit / charges were recorded in the financial statement. Accordingly, the effect of these items has been adjusted in the period to which the tax related with a corresponding credit / charge to the "Restated Statement of Profit and Loss".

(ii) **Tax impact of adjustments:** The 'Restated Statement of Profit and Loss' has been adjusted for respective years in respect of short / excess provision for Income Tax as compared to the tax payable as per the Income Tax returns filed by the Company for these years.

(iii) **Material Regroupings:** The following balances have been regrouped in the Statement of Assets and Liabilities, as restated and Statement of Profit and Loss, as restated

1. Project Management Fees and Rent / Hire charges have been regrouped under Sales and Services which was earlier shown in Other Income.
2. Tax Advances are shown net of provision for taxation
3. Loans and advances, other current assets and current liabilities and provisions have been regrouped, reclassified and rearranged wherever necessary.

(iv) **Prior Period Adjustment:** Prior period adjustment in respect of items of income / expenses have been retrospectively adjusted in arriving at the profits of the years to which they relate although the event triggering the income / expenses occurred in the subsequent years, as per SEBI ICDR, Regulations 2009.

c. **Non Adjustments:**

(i). In one of the associates, no adjustments are made for differences in accounting policies for

- Depreciation on fixed assets which is provided on the straight line method and in the manner prescribed in Schedule XIV to the Companies Act, 1956
- Retirement benefits in respect of Gratuity and Leave Encashment which is provided on cash basis

However, there is no material impact on the restated consolidated financial statements.

(ii). In the financial year 2007-08, the Company acquired 30% shareholding in a company and investment was accounted as per AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements" in the audited unconsolidated financial statements. Subsequently, in the FY 2009-10 the associate is reclassified as joint venture and consolidated as per AS 27 "Financial Reporting of Interests in Joint Ventures" retrospectively in the audited CFS.

3. **AUDITORS' QUALIFICATION**

Auditors' qualification pertaining to Companies (Auditors' Report) Order, 2003 for which adjustments are not required in the restated financial statements:

A. Parent Company

a) Undisputed amounts of Rs 0.41 millions and Rs 0.84 millions in respect of Provident fund were outstanding (since paid) as at March 31, 2009 and March 31, 2008 respectively for a period of more than six months from the date it became payable.

b) Undisputed amounts of Rs 0.16 millions in respect of Tax Deducted at Source was outstanding (since paid) as at March 31, 2009 for a period of more than six months from the date they became payable.

c) The Company was regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, wherever applicable, with appropriate authorities except delay in few cases reported in the financial years 2006-07, 2007-08 and 2008-09.

B. Subsidiaries and Associates:

(i). Shravasti Property Private Limited, Ashoka Properties Private Limited, Kalpataru Retail Ventures Private Limited and Ananta Landmarks Private Limited (Associate w.e.f. December 24, 2008)

The subsidiaries and associate have not defaulted in repayment of dues to Banks, Financial Institutions and Debenture Holders except few instances of delays (since paid) were noted in repayment of dues to Financial Institutions for the year ended March 31, 2009 ranging from three days to seventy five days with amounts varying from Rs. 3.86 millions to Rs. 53.44 millions.

(ii).Shravasti Property Private Limited:

The subsidiary has prima facie applied term loans taken during the financial year 2008-09 for the purpose for which they were obtained except Rs. 484.70 millions pending utilization temporarily deployed.

(iii). Kalpataru Gardens Private Limited and Shravasti Property Private Limited:

The subsidiaries have prima facie applied term loans taken during the financial year 2009-10 for the purpose for which they were obtained except Rs.498.84 millions pending utilization temporarily deployed.

(iv). Kalpataru Retail Ventures Private Limited:

The accumulated losses of the subsidiary as at March 31, 2010 are more than fifty percent of its net worth. Further it has incurred cash losses during the financial year ending on that date and in the immediately preceding financial year.

(v).Kalpataru Properties (Thane) Private Limited, Kalpataru Retail Ventures Private Limited, Ardour Real Estate Private Limited, Saicharan Properties Limited and Ashoka Properties Private Limited

The subsidiaries were regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, wherever applicable, with appropriate authorities except delay in few cases reported in the financial year 2007-08.

(vi). Kalpataru Properties (Thane) Private Limited, Kalpataru Retail Ventures Private Limited, Abacus Real Estate Private Limited, Ardour Real Estate Private Limited, Azure Tree Lands Private Limited, Kalpataru Land Private Limited, Saicharan Properties Limited and Ashoka Properties Private Limited

The subsidiaries were regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, wherever applicable, with appropriate authorities except delay in few cases reported in the financial year 2008-09.

(vii).Kalpataru Gardens Private Limited:

The subsidiary has mortgaged its land for loan taken by other from Banks and has obtained unanimous approval of members in Extra Ordinary Meeting for such an arrangement. In the opinion of the management, the said arrangement is not prejudicial to the interest of the Company, upon which the auditor is unable to comment reported in financial years 2007-08, 2008-09 and 2009-10.

(viii). Kalpataru Land (Surat) Private Limited (Associate w.e.f. March 27, 2009)

a) The subsidiary has mortgaged its land for loan taken by other from banks and has obtained unanimous approval of members in Extra Ordinary Meeting for such an arrangement. In the opinion of the management, the said arrangement is not prejudicial to the interest of the Company, upon which the auditor is unable to comment reported in financial years 2007-08 and 2008-09.

b) The transactions made in pursuance of arrangements entered in the register maintained under section 301 of the Act and exceeding the value of Rupees five lacs in respect of such parties relate to mortgage of land belonging to the subsidiary in favour of banks for loans availed or to be availed by such parties, for which unanimous approval of members is obtained by the subsidiary in the Extra Ordinary General Meeting. Since there is no similar comparable transaction/s with other parties, the auditor is unable to comment upon the reasonableness of such transactions having regard to the prevailing market prices at the relevant time for the financial year 2009-10.

(ix). Sona Properties Private Limited (Associate w.e.f. March 27, 2009)

a) The subsidiary has given mortgage of its land for loans taken by others from banks as also, the associate had received loan from a Financial Institution, against properties mortgaged by other company/ies without any consideration being paid to such party/ies. The secured loan received by the associate is fully paid back to the said Financial Institution during the year. In the opinion of the management, the said arrangement is not prejudicial to the interest of the associate, upon which the auditor is unable to comment reported in the financial year 2008-09.

b) The transactions made in pursuance of arrangements entered in the register maintained under section 301 of the Act and exceeding the value of Rupees five lacs in respect of each such parties, except corporate guarantees and giving mortgage on properties of the associate for loans taken by other parties covered in the said Register.

Since there is no similar comparable transaction/s with other parties, the auditor is unable to comment upon the reasonableness of such transactions having regard to the prevailing market prices at the relevant time for the financial year 2009-10.

4. The CFS includes the accounts of the Parent Company and the subsidiaries (as listed in the table below).

Sr. No	Name of the Subsidiary	Extent of holding as at March 31,				Country of Incorporation
		2007	2008	2009	2010	
1	Amber Real Estate Limited * (w.e.f. Dec 03, 2007)	-	100.00%	-	-	India
2	Abacus Real Estate Private Limited (w.e.f. Dec 07, 2007)	-	100.00%	100.00%	100.00%	India
3	Astrum Developers Private Limited (w.e.f. Dec 24, 2007)	-	100.00%	100.00%	100.00%	India
4	Ardour Real Estate Private Limited (w.e.f. Jan 22, 2008)	-	100.00%	100.00%	100.00%	India
5	Ambrosia Real Estate Private Limited (w.e.f. Feb 14, 2008)	-	100.00%	100.00%	100.00%	India
6	Ardour Properties Private Limited (w.e.f. Mar 18, 2008)	-	100.00%	100.00%	100.00%	India
7	Ashoka Properties Private Limited (w.e.f. Feb 01, 2008)	-	100.00%	100.00%	100.00%	India
8	Arimas Real Estate Private Limited (w.e.f. Mar 03, 2008)	-	100.00%	100.00%	100.00%	India
9	Aura Real Estate Private Limited (w.e.f. Mar 03, 2008)	-	100.00%	100.00%	100.00%	India
10	Azure Tree Lands Private Limited (w.e.f. Feb 01, 2008)	-	100.00%	100.00%	100.00%	India
11	Ardour Developers Private Limited (w.e.f. Nov 17, 2009)	-	-	-	100.00%	India
12	Ananta Landmarks Private Limited** (w.e.f. Feb 01, 2008)	-	99.50%	-	-	India
13	Kalpataru Land Private Limited (w.e.f. Nov 29, 2007)	-	100.00%	100.00%	100.00%	India
14	Kalpataru Retail Ventures Private Limited (w.e.f. Feb 01, 2008)	-	97.98%	97.98%	100.00%	India
15	Kalpataru Properties (Thane) Private Limited (w.e.f. Feb 01, 2008)	-	52.18%	52.18%	100.00%	India
16	Kalpataru Constructions (Poona) Private Limited (w.e.f. Mar 03, 2008)	-	100.00%	100.00%	100.00%	India
17	Kalpataru Gardens Private Limited (w.e.f. Feb 01,2008)	-	51.28%	51.28%	79.37%	India
18	Kalpataru Plus Sharyans (w.e.f. April 01, 2007)	-	99.00%	99.00%	99.00%	India
19	Kalpataru Constructions (Pune) (w.e.f. April 01, 2006)	51.00%	99.00%	99.00%	99.00%	India
20	Kamdhenu Constructions (w.e.f. April 01, 2007)	-	59.50%	59.50%	59.50%	India
21	Kalpataru Enterprises (w.e.f. Jan 01, 2010)	-	-	-	95.00%	India
22	Kalpataru Land (Surat) Private Limited*** (w.e.f. 01 Feb 2008)	-	83.50%	-	-	India
23	Sona Properties Private Limited*** (w.e.f. Feb 01, 2008)	-	89.90%	-	-	India
24	Saicharan Properties Limited**** (w.e.f. Feb 01, 2008)	-	100.00%	100.00%	-	India

25	Shravasti Property Private Limited (w.e.f. Feb 01, 2008)	-	88.89%	88.89%	88.89%	India

* Ceased to be subsidiary w.e.f. May 16, 2008
** Ceased to be subsidiary w.e.f. December 24, 2008
*** Ceased to be subsidiaries w.e.f. March 27, 2009
**** Ceased to be subsidiary w.e.f. June 30, 2009

5. ASSOCIATES

The Group has investments in following Associates:

Sr. No	Name of the Company	Extent of holding as at March 31,				Country of Incorporation
		2007	2008	2009	2010	
1	Susme Builders Private Limited* (w.e.f. Feb 06, 2006)	48.00%	48.00%	48.00%	-	India
2	N.G. Realty Private Limited** (w.e.f. Aug 22, 2007)	-	50.00%	50.00%	50.00%	India
3	Kalpataru Land (Surat) Private Limited (w.e.f. Mar 27, 2009)	-	-	49.50%	49.50%	India
4	Ananta Landmarks Private Limited (w.e.f. Dec 24, 2008)	-	-	25.41%	49.50%	India
5	Sona Properties Private Limited (w.e.f. Mar 27, 2009)	-	-	49.50%	49.50%	India

* Ceased to be associate w.e.f. Dec 25, 2009
** Subsequent to the Balance Sheet date ceased to be an associate

6. JOINT VENTURES / PARTNERSHIP FIRM

The Group has investments in following Joint Ventures / Partnership Firms:

Sr. No.	Name of the Enterprise	Location	Principal Activities	Ownership Interest				Country of Incorporation
				2007	2008	2009	2010	
1	Messers Habitat (w.e.f. April 01,2007)	Mumbai	Construction and development of Real Estate	-	49%	49%	49%	India
2	Azure Tree Townships Private Limited (w.e.f. Nov 26, 2007)	Mumbai	Construction and development of Real Estate	-	30%	30%	30%	India
3	Kalpataru Plus Sharyans* (w.e.f. April 01, 2006)	Mumbai	Construction and development of Real Estate	50%	-	-	-	India

*Extent of holding increased to 99% and became Subsidiary w.e.f April 01, 2007

a) The Parent Company's share of contingent liabilities in the Joint Ventures as at March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 is Rs. Nil, Rs. 5.26 million, Rs. 5.26 million and Rs. Nil respectively.

b) No contingent liabilities and capital commitments have been incurred as at March 31, 2010 in relation to the parent company's interest in the Joint Ventures along with other venturers.

7. TAXATION

(i) **Current Tax**

Provision for current tax has been made as per the provisions of the Income-tax Act, 1961 considering the deduction available to the group u/s 80IB (10), wherever applicable.

(ii) **Deferred Tax**

The group has accounted for Deferred Tax in accordance with Accounting Standard (AS-22) "Accounting for Taxes on Income" issued by ICAI, wherever there is a timing difference.

The components of deferred tax balance as on March 31, are as under:

(Rs in Millions)

Particulars	2007	2008	2009	2010
Depreciation on Fixed Assets (net)	0.18	2.00	0.33	0.13
Other timing difference	1.02	0.70	2.41	2.14
Carry forward of losses	-	-	0.07	-
Expenses allowable on payment basis	-	5.50	23.96	9.80
Deferred Tax Assets (net)	**1.20**	**8.20**	**26.77**	**12.07**

8. LEASES

a) Group's significant leasing arrangements are in respect of operating leases for commercial and residential premises. Lease income from cancelable and non cancelable operating leases is recognised on a straight line basis over the period of lease.
Particulars of the premises given under operating leases are as under:

(Rs in Millions)

Particulars	2007	2008	2009	2010
Gross Carrying Amount of Premises (Included in Inventories)	11.69	10.53	10.53	492.86
Gross Carrying Amount of Premises (Included in Fixed Assets)	-	-	-	3.67

Total Rent Income received is as under:

(Rs in Millions)

Particulars	2007	2008	2009	2010
Lease Rental Income received	1.21	1.19	1.38	53.01
Future lease rental obligation receivable in respect of non cancelable operating leases				
- Not later than one year	-	-	-	46.70
- One to Five Years	-	-	-	58.94

b) Group's significant leasing arrangements are in respect of operating leases for commercial and residential premises. Lease expenditure for cancelable and non-cancelable operating leases is recognised on a straight line basis over the period of lease. The initial period for lease is 15-53 months. Particulars of the premises taken on operating leases are as under:

(Rs in Millions)

Particulars	2007	2008	2009	2010
Lease rental charges for the year	11.96	23.56	40.99	42.51
Future lease rental obligation payable in respect of Non-cancelable Leases				
- Not later than one year	-	12.71	0.31	0.18
- One to Five Years	-	4.27	0.17	0.41

c) The Group has given Construction Equipments on finance lease (included under the head "Loans and Advances"). Reconciliation of minimum lease payments and present value is as under:

(Rs in Millions)

Particulars	2007	2008	2009	2010
Reconciliation of Minimum Lease Payments				
Not later than one year	-	5.23	5.23	5.85
Later than one year but not later than five years	-	11.09	3.05	-
Total	**-**	**16.32**	**8.29**	**5.85**
Less: Amount representing interest	-	5.57	2.74	0.71
Present value of Minimum Lease Payments	**-**	**10.75**	**5.55**	**5.14**
- Amount due not later than one year	-	2.40	3.21	5.14
- Amount due later than one year but not later than five years	-	8.35	2.34	-

9. Up to the financial year ended March 31, 2007, the Group had recognized revenue from sale of real estate units / properties as per the Project / Building completion method. Subsequently, the Group has changed the method of revenue recognition and revenue from sale of real estate projects is recognized as per the "Percentage Completion Method". Had the group followed the previous method of accounting, the profit before tax would have been lower by Rs. 429.93 millions and the Reserves and Surplus by Rs. 398.87 millions for that year.

10. SCHEME OF ARRANGEMENT

a) During the year 2007-08, pursuant to a Scheme of Arrangement ("the Scheme") under Section 391 to 394 read with other applicable provisions of the Companies Act, 1956 between Prime Properties Private Limited (Prime) and one of parent's subsidiary i.e. Ardour Real Estate Private Limited ("the Subsidiary") and their respective shareholders, one of the Undertaking namely "Parel Project" (all piece and parcel of freehold land together with building structure, boundary walls forming part of the premises admeasuring 13,646.59 sq. mts bearing C.S. Nos 1/296 and 4/296 of Parel Sewri Division, Mumbai) with all other assets and liabilities pertaining to the said Undertaking was transferred to the Group at book value, as a going concern, with effect from the appointed date i.e. 1 October 2007 and

b) Pursuant to the Scheme, 684,760,1% Redeemable Non-Cumulative Preference Shares will be issued to the equity shareholders of Prime in the ratio of Seventeen 1% Redeemable Non-cumulative Preference Shares of the face value of Rs. 10 each for every one share of face value of Rs. 100 each held in Prime. Pending allotment of the said preference shares, the amount has been disclosed under "Share Capital Suspense Account" in Annexure-IV.

c) During the year 2008-09, the Group has issued 684,760 1% Non Cumulative Redeemable Preference Share of Rs.10 each under the Scheme of Arrangement. As per the terms of the issue, all the said Redeemable Preference Shares are of the tenure of 18 months.

d) During the year 2009-10, the Group has redeemed 684,760 1% Non-Cumulative Redeemable Preference shares of Rs.10 each at par.

11. Group has issued 950,000 0.01% Non-Convertible Redeemable Preference Share (NCRPS) of Rs. 10 each at a premium of Rs. 990 per share in the financial year 2008-09. As per the terms of the issue, all the NCRPS are cumulative and are of the tenure of fifteen years unless redeemed earlier at the option of the Group.

12. CAPITAL PROJECTS

a) The Capital Work in Progress of Rs. 2,240.70 million, Rs. 4,122.82 million andRs. 640.52 million, includes Rs. 238.27 million, Rs. 718.78 million and Rs. 142.01 million, as pre-operative expenses as at March 31, 2008, March 31, 2009 and March 31, 2010 respectively.

The details of pre-operative expenses as at March 31, are as under

(Rs. in Million)

Particulars	2007	2008	2009	2010
Expenditure up to previous year	-	-	238.27	718.78
Administrative and Other Expenses	-	16.83	38.85	89.38
Finance Expenses (net)	-	220.16	441.37	437.18
Depreciation	-	1.29	0.29	18.12

Less: Revenue from trial run operation	-	-	-	(49.84)
Total	**-**	**238.28**	**718.78**	**1,213.62**
Less: Transferred on account of disposal of Subsidiary				75.83
Less: Capitalized during the year	-	-	-	995.79
Balance in Capital Work-in-Progress	-	**238.28**	**718.78**	**142.00**

b) During the financial year 2009-10, the Group has commercially commenced Operation of Shopping Mall cum Multiplex project. Accordingly, amount of Rs 3,184.46 million (including pre-operative expenses) has been transferred from Capital Work-in-Progress to Fixed Assets.

13. Capital Commitments, net of advances, not provided for:

(Rs in Millions)

Particulars	2007	2008	2009	2010
Capital Commitments	-	77.41	70.74	79.49

14. The employees' gratuity fund scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

I. Expenses recognised during the year (Under the head "Personnel Cost")

(Rs in Millions)

	2007	2008	2009	2010
Particulars	Gratuity	Gratuity	Gratuity	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
Current Service cost	0.13	2.40	6.81	2.85
Interest Cost	0.08	0.64	1.27	1.33
Actuarial (gain) / loss	1.08	1.20	(16.45)	2.16
Recovery	-	-	(0.03)	-
Net Cost*	1.29	4.24	(8.40)	6.34

* Includes share in joint venture Rs. 0.02 million (Rs. 0.01 million) for Gratuity

II. Reconciliation of opening and closing balances of Defined Benefit Obligation

(Rs in Millions)

	2007	2008	2009	2010
Particulars	Gratuity	Gratuity	Gratuity	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
Opening Balance of Defined Benefit obligation	0.87	5.60	9.73	14.53
Liability on account of transfer of employees	-	-	14.21	-
Current service cost	0.13	2.40	6.81	2.85
Interest cost	0.08	0.64	1.27	1.33
Actuarial (gain) / loss on obligation	1.08	1.20	(16.45)	2.16
Benefit paid	-	(0.10)	(1.05)	(1.49)
Closing Balance of Defined Benefit obligation*	2.16	9.73	14.53	19.38

* Includes share in joint venture Rs. 0.03 million (Rs. 0.01 million) for Gratuity

III. Actuarial assumptions

	2007	**2008**	**2009**	**2010**
Particulars	**Gratuity**	**Gratuity**	**Gratuity**	**Gratuity**
	(Unfunded)	**(Unfunded)**	**(Unfunded)**	**(Unfunded)**
Mortality Table (LIC)	1994-96	1994-96	1994-96	1994-96
	(Ultimate)	(Ultimate)	(Ultimate)	(Ultimate)
Discount rate (per annum)	8.00%	8.00%	7.83%	8.25%
Rate of escalation in salary (per annum)	10.00%	10.00%	3.00%	3.00%

15. The Group is primarily engaged in the business of construction and real estate development, which as per accounting standard 17 on 'Segment Reporting' is considered to be the only reportable business segment. The group is primarily operating in India which is considered as a single geographical segment.

16. EARNINGS PER SHARE

(Rs in Millions except per share data)

Particulars	2007	2008	2009	2010
a) Net Profit for the year, as restated	12.49	1,653.82	313.92	1,044.56
Less: Preference Dividend (inclusive of tax)	-	-	0.00	0.00
Net Profit for the year, as restated available to Equity shareholders	**12.49**	**1,653.82**	**313.92**	**1,044.56**
b) Weighted average number of Equity Shares outstanding #	139,650,000	139,650,000	139,650,000	139,650,000
c) Basic and Diluted Earnings Per Share of Face Value of Rs. 10 each	0.09	11.84	2.25	7.48

On September 9, 2010, paid up equity capital of the Company has been increased from Rs 10.50 millions to Rs 1396.50 millions by issue of bonus shares in the ratio of 132 fully paid up equity shares for every 1 fully paid up equity share held.

17. EXCHANGE DIFFERENCES

a) The foreign exchange loss (net) including on derivative contracts of Rs Nil, Rs Nil, Rs. 15.43 millions and Rs 28.72 millions for the year ended March 31, 2007, March 31,2008, March 31, 2009 and March 31, 2010 respectively, resulting from settlement / realignment of foreign exchange transactions is debited to Profit and Loss Account under respective heads.

b) Derivative contract outstanding as at March 31, 2007, March 31,2008, March 31, 2009 and March 31, 2010 – Interest Swap on Rs Nil, Rs Nil, Rs. 300.00 millions and Rs. 300.00 millions respectively.

c) Foreign currency exposure that is not hedged by derivative transactions in respect of foreign currency payables (net) as at March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 is Rs Nil, Rs Nil, Rs 8.78 millions and Rs. 1.97 millions respectively.

18. a) During the financial year 2009-10, the Group has decided to use the Land located at Parel for development of Residential Building for sale. Accordingly, the cost of said Land and expenses incurred has been reclassified from investment to work in progress under the head Current Assets.

Detail of Cost of Land and Expenses reclassified to work in progress are as under:

(Rs in Millions)

Particulars	Amount

Land and Building - Opening Balance	116.87
Add: Addition during the period (net)	12.81
Total	**129.68**

b) Inventories include the cost of construction of administrative building handed over free of cost to the erstwhile tenant resulting in the remaining vacant Land available to the Company free from encumbrances.

19. Minority interest is net off debit / credit balances of partner's current account in subsidiaries (partnership firms).

20. ACQUISITION / DISPOSAL OF SUBSIDIARIES

a) The effect of acquisition / disposal of shareholding in subsidiaries on the consolidated financial statements are as under:

Name of Company	2006-07		2007-08		2008-09		2009-10	
	Effect on Group profit/ (loss) after minority interest	Net Assets after minority interest	Effect on Group profit/ (loss) after minority interest	Net Assets after minority interest	Effect on Group profit/ (loss) after minority interest	Net Assets after minority interest	Effect on Group profit/ (loss) after minority interest	Net Assets after minority interest
Acquisition of Subsidiaries								
Kalpataru Constructions (Pune)	0.01	1.01						
Ardour Developers Private Limited	-	-	-	-	-	-	0.10	(0.25)
Amber Real Estate Limited	-	-	(0.08)	0.39	-	-	-	-
Abacus Real Estate Private Limited	-	-	(0.09)	(0.02)	-	-	-	-
Astrum Developers Private Limited	-	-	(0.03)	0.04	-	-	-	-
Ardour Real Estate Private Limited	-	-	(0.70)	6.25	-	-	-	-
Ambrosia Real Estate Private Limited	-	-	(0.03)	0.05	-	-	-	-
Ardour Properties Private Limited	-	-	(0.35)	(0.28)	-	-	-	-
Ashoka Properties Private Limited	-	-	(0.09)	(0.02)	-	-	-	-
Arimas Real Estate Private Limited	-	-	(0.89)	(0.81)	-	-	-	-
Aura Real Estate Private Limited	-	-	(5.99)	(5.92)	-	-	-	-
Azure Tree Lands Private Limited	-	-	(0.14)	(0.08)	-	-	-	-
Kalpataru Land Private Limited	-	-	0.06	0.23	-	-	-	-
Kalpataru Constructions (Poona) Private Limited	-	-	(0.02)	0.06	-	-	-	-
Saicharan Properties Limited	-	-	(0.10)	(0.00)	-	-	-	-
Shravasti Property Private Limited	-	-	1.39	48.85	-	-	-	-
Kalpataru Properties (Thane) Private Limited	-	-	80.31	374.20	-	-	-	-
Kalpataru Land (Surat) Private Limited	-	-	(0.10)	50.38	-	-	-	-
Ananta Landmarks Private Limited	-	-	(0.29)	19.62	-	-	-	-
Kalpataru Retail Ventures Private Limited	-	-	0.91	49.15	-	-	-	-
Sona Properties Private Limited	-	-	(0.03)	8.10	-	-	-	-
Kalpataru Gardens Private Limited	-	-	12.30	119.23	-	-	-	-
Kalpataru Plus Sharyans	-	-	0.66	7.80	-	-	-	-
Kamdhenu Constructions	-	-	160.58	51.03	-	-	-	-

Name of Company	2006-07		2007-08		2008-09		2009-10	
Disposal of Subsidiaries								
Amber Real Estate Limited	-	-	-	-	(0.14)	0.25	-	-
Sona Properties Private Limited	-	-	-	-	(0.12)	7.98	-	-
Ananta Landmarks Private Limited	-	-	-	-	(0.46)	19.16	-	-
Kalpataru Land (Surat) Private Limited	-	-	-	-	(0.33)	50.05	-	-
Saicharan Properties Private Limited	-	-	-	-	-	-	(0.04)	0.30
Step-up acquisition in Subsidiaries								
Kalpataru Properties (Thane) Private Limited	-	-	-	-	-	-	-	446.49
Kalpataru Gardens Private Limited	-	-	-	-	-	-	-	98.86
Kalpataru Retail Ventures Private Limited	-	-	-	-	-	-	(0.48)	0.90

b). During the financial year 2008-09, the Group has partly divested its shareholding in subsidiaries, Kalpataru Land (Surat) Private Limited (extent of holding 83.51%) and Sona Properties Private Limited (extent of holding 89.90%) w.e.f. March 27, 2009 and necessary effect is given in the Consolidated Financial Statements. The Group (currently holding 49.50% in each Company) has now accounted as per AS - 23 “Accounting for Investment in Associates” and relevant adjustment is given in the CFS.

ANNEXURE-XXII

CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

Rs. in Millions

S.No.	Particulars	2007	2008	2009	2010
A	Disputed tax matters under appeal	2.12	0.97	0.97	-
B	Bank Guarantee	2.06	9.99	3.31	3.12
C	(i) Company had entered into agreements as business proposition of undertaking and performance guarantee with Caprihans India Limited for realization of the agreed amount from the sale of specified assets and investments and realization from debtors within specified time. Further, specified assets include a property developed by Caprihans India Limited which is a matter of dispute with the owner of the land is referred to arbitration. The surplus/deficit arising out of arbitration award will be accounted in the year in which the same gets finally decided.	-	-	-	-
	(ii) There are certain legal cases / disputes pending against the Group or filed by the Group. However, they are not likely to have any adverse material effect on the financial position of the Group	-	-	-	-
D	Unexpired Letters of credit (net of liability provided)	-	29.01	99.99	13.61
E	Corporate Guarantees given for loans taken by Subsidiaries (net of liability provided)	-	1,108.40	2,109.15	1,572.63
F	Corporate Guarantee given for loans taken by a Related Party	-	-	800.00	-
G	Corporate Guarantee given in favour of a financial institution	-	-	-	50.00
H	Claims against the Group not acknowledged as debt	9.15	9.15	9.15	9.15

RestatatedUnconsoliated Financial Statements as of and for the five years ended March 31, 2010, 2009, 2008, 2007 and 2006.

To,

The Board of Directors,
Kalpataru Limited
91, Kalpataru Synergy
Opp. Grand Hyatt, Santacruz (E),
Mumbai 400 055

Dear Sirs,

Sub: Proposed initial public offer of equity shares having a face value of Rs. 10 each for cash, at an issue price to be arrived at by the book building process (referred as the 'Offer').

We have examined the unconsolidated financial information of Kalpataru Limited ('the Company' or 'the Issuer') described below in A and B and annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ("the DRHP"). The unconsolidated financial information has been prepared in accordance with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act'), the Securities and Exchange Board of India ('SEBI') –(Issue of Capital and Disclosure Requirements) Regulation, 2009 (the 'ICDR Regulations') notified on August 26, 2009, the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India ('ICAI') and terms of engagement agreed upon by us with the Company. The unconsolidated financial information has been prepared by the Company and approved by its Board of Directors.

A. Unconsolidated Financial Information as per Audited Unconsolidated Financial Statements:

We have examined:

a) the attached unconsolidated summary statement of Assets and Liabilities, as restated as at financial years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 (Annexure I);

b) the attached unconsolidated summary statement of Profit and Loss, as restated for the financial years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 (Annexure II);

c) the attached unconsolidated summary statement of Cash Flow, as restated for the financial years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 (Annexure III);

d) the significant accounting policies adopted by the Company as at March 31, 2010 and for the financial year ended on that date and notes to the unconsolidated summary statements along with adjustments on account of audit qualifications/adjustments (Annexure XXII);

- together referred to as the 'Restated Unconsolidated Summary Statements'.

The 'Restated Unconsolidated Summary Statements' have been extracted from audited unconsolidated financial statements of the Company as at and for the financial years ended on March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010, which have been approved by the Board of Directors and adopted by the Members of the Company at the respective Annual General Meetings.

Based on our examination and in accordance with the requirements of the Act, ICDR Regulations and terms of engagement agreed by us with the Company, we state that:

i. the unconsolidated restated summary statement of Assets and Liabilities of the Company as at March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 are as set out in Annexure I, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure XXII;

ii. the unconsolidated restated summary statement of Profit and Loss of the Company for the financial years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 are as set out in Annexure II, which have been arrived at after making such material adjustments and regroupings to the audited unconsolidated financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure XXII;

iii. the unconsolidated restated statement of Cash Flow of the Company for the financial years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 are as set out in Annexure III which have been arrived at after making such material adjustments and regroupings;

iv. a) We, for the years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 did not audit the financial statements of partnership firms whose financial statements reflect Company's share of profit (net) of Rs. 0.71 Millions, Rs. 0.48 Millions, Rs. 160.58 Millions, Rs. 79.92 Millions and Rs. 31.31 Millions respectively. Those financial statements have been audited by other auditors and accordingly reliance has been placed on the financial statements audited and unqualified report issued by them for respective years.

b) We did not audit the financial statements of a partnership firm for the year ended March 31, 2007 whose financial statements reflect Company's share of loss of Rs. 0.01 Million for that year. Hence, we have relied on the Management certified financial statements.

v. Without qualifying our opinion, attention has been invited to note 10 of Annexure XXII (III) regarding adjustment not made in share of profit from partnership firms for difference in accounting policy for depreciation on fixed assets of partnership firms.

vi. Qualification in the auditors' report which do not require any corrective adjustments in the Restated Unconsolidated Summary Statements are disclosed in Note 3 of Annexure XXII (II).

vii. the Unconsolidated Summary Statements have been restated with retrospective effect to reflect the Significant Accounting Policies being adopted by the Company as at March 31, 2010.

viii. there are no extra-ordinary items in any of the financial statements that need to be disclosed separately in the Restated Unconsolidated Summary Statements.

B. Other Unconsolidated Financial Information as per Audited Unconsolidated Financial Statements:

We have also examined the following unconsolidated financial information relating to the Company, which is based on the Audited Unconsolidated Financial Statements / Restated Unconsolidated Summary Statements duly approved by the Board of Directors for the purpose of inclusion herein:

a) Statement of Share Capital, as restated (Annexure IV).

b) Statement of Reserves and Surplus, as restated (Annexure V)

c) Statement of Secured Loans, as restated (Annexure VI)

d) Statement of Unsecured Loans, as restated (Annexure VII)

e) Statement of Inventories, as restated (Annexure VIII)

f) Statement of Sundry Debtors, as restated (Annexure IX)

g) Statement of Loans and Advances, as restated (Annexure X)

h) Statement of Cash and Bank Balances, as restated (Annexure XI)

i) Statement of Investments, as restated (Annexure XII)

j) Statement of Current Liabilities and Provisions, as restated (Annexure XIII)

k) Statement of Sales and Services, as restated (Annexure XIV)

l) Statement of Other Income, as restated (Annexure XV)

m) Statement of Cost of Sales, as restated (Annexure XVI)

n) Statement of Dividend (Annexure XVII)

o) Summary of Accounting Ratios, as restated (Annexure XVIII)

p) Statement of Related Party Disclosures, as restated (Annexure XIX)

q) Statement of Capitalisation, as restated (Annexure XX)

r) Statement of Tax Shelters, as restated (Annexure XXI)

s) Statement of Contingent Liabilities, as restated (Annexure XXIII)

Further, in respect of "Group Companies" as defined in the ICDR Regulations and disclosed in Annexure – VII, IX, X, XIII and XV above are based on list of group companies identified by the Company and have been relied up on by us.

In our opinion, the unconsolidated financial information of the Company attached to this report, as mentioned in paragraph (B) above, read with significant accounting policies and notes as annexed to this report, and after making such adjustments as are considered appropriate, has been prepared in accordance with Part II(B) of Schedule II of the Act and the ICDR Regulations.

This report should not in any way be construed as a new opinion on any of the financial statements referred to herein.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed public offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **MGB & Co.**
Chartered Accountants
Registration No. 101169W

Sanjay Kothari
Partner
Membership No. 48215
Mumbai, September 16, 2010

ANNEXURE - I

UNCONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

Rs. In Millions

Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Fixed Assets					
Gross Block	10.81	21.99	61.61	96.11	123.76
Less: Depreciation / Amortization	6.01	8.52	14.92	35.58	54.28
Net Block	**4.80**	**13.47**	**46.69**	**60.53**	**69.48**
Capital Work-in-Progress	-	-	22.81	0.25	-
Net Block **(A)**	**4.80**	**13.47**	**69.50**	**60.78**	**69.48**
Investments **(B)**	**19.33**	**20.33**	**416.25**	**306.06**	**444.91**
Deferred Tax Assets (Net) **(C)**	**0.62**	**1.20**	**2.71**	**16.02**	**7.00**
Current Assets, Loans and Advances					
Inventories	598.58	2,209.84	5,798.25	6,787.78	7,688.18
Sundry Debtors	1.79	80.38	99.64	793.23	552.00
Cash and Bank Balances	1.28	1.38	65.13	32.80	115.56
Loans and Advances	246.82	152.08	3,034.98	3,811.73	5,539.14
(D)	**848.47**	**2,443.68**	**8,998.00**	**11,425.54**	**13,894.88**
(A+B+C+D)	**873.22**	**2,478.68**	**9,486.46**	**11,808.40**	**14,416.27**
Less: Liabilities and Provisions					
Secured Loans	195.05	1,711.64	6,289.87	5,365.51	5,470.31
Unsecured Loans	521.53	302.43	9.92	345.61	4,013.66
Current Liabilities	68.93	361.45	1,013.54	2,738.21	843.48
Provisions	1.12	4.04	9.45	21.22	22.89
(E)	**786.63**	**2,379.56**	**7,322.78**	**8,470.55**	**10,350.34**
Net Worth (A+B+C+D-E)	**86.59**	**99.12**	**2,163.68**	**3,337.85**	**4,065.93**
Represented By					
Share Capital **(F)**	10.50	10.50	10.50	20.00	20.00
Reserves and Surplus **(G)**	76.09	88.62	2,153.18	3,317.85	4,045.93
Net Worth (F + G)	**86.59**	**99.12**	**2,163.68**	**3,337.85**	**4,065.93**

The accompanying significant accounting policies and notes (Annexure XXII) are an integral part of this statement

ANNEXURE - II					
UNCONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS, AS RESTATED					
					Rs. In Millions
Particulars	**For the year ended March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Income					
Sales and Services	138.32	164.98	807.47	2,827.22	3,749.84
Share of Profit from Partnership Firms (Net)	0.71	0.47	1,912.60	79.92	248.46
Other Income	9.70	5.22	56.03	357.56	520.83
Total	**148.73**	**170.67**	**2,776.10**	**3,264.70**	**4,519.13**
Expenses					
Cost of Sales	94.38	94.45	495.55	2,258.55	2,819.72
Administrative and Other Expenses	21.22	25.84	114.48	246.65	356.46
Finance Expenses	19.14	26.14	90.25	517.08	584.98
Depreciation/Amortization	1.57	2.51	8.25	22.04	20.75
Total	**136.31**	**148.94**	**708.53**	**3,044.32**	**3,781.91**
Profit Before Tax, as restated	**12.42**	**21.73**	**2,067.57**	**220.38**	**737.22**
Less: Provision for Taxation					
- Current Tax	5.66	9.52	18.63	16.41	84.15
- MAT Credit Entitlement	-	-	(15.42)	(14.56)	(84.03)
- Deferred Tax	(0.29)	(0.57)	(1.52)	(8.47)	9.02
- Fringe Benefit Tax	0.28	0.58	1.38	2.74	-
Effect of adjustments on tax	(0.91)	(0.33)	(0.06)	0.09	(0.00)
Profit After Tax, as restated	**7.68**	**12.53**	**2,064.56**	**224.17**	**728.08**
Balance brought forward	23.41	31.09	43.62	2,095.68	2,332.35
Add / (Less):					
Transferred from / (to) Debenture Redemption Reserve	-	-	(12.50)	12.50	-
Proposed Preference Dividend (inclusive of tax)	-	-	-	(0.00)	(0.00)
Balance carried to Balance Sheet	**31.09**	**43.62**	**2,095.68**	**2,332.35**	**3,060.43**

The accompanying significant accounting policies and notes (Annexure XXII) are an integral part of this statement

ANNEXURE - III						
UNCONSOLIDATED STATEMENT OF CASH FLOW, AS RESTATED						
						Rs. In Millions
	Particulars	**For the year ended March 31,**				
		2006	**2007**	**2008**	**2009**	**2010**
A.	**Cash Flow from Operating Activities**					
	Profit Before Tax, as restated	12.42	21.73	2,067.57	220.38	737.22
	Adjustments for :					
	Depreciation / Amortization	1.57	2.51	8.25	22.04	20.75
	Interest Income	(5.14)	(4.05)	(52.61)	(350.08)	(519.82)
	Interest Expense	19.14	26.14	90.25	517.08	584.98
	Dividend Income	(0.01)	(0.06)	(1.09)	(2.11)	(0.06)
	Profit from Partnership Firms (net)	(0.71)	(0.47)	(1,912.60)	(79.92)	(248.46)
	Loss / (Profit) on sale / discard of Fixed Assets (net)	(0.04)	-	(0.02)	0.09	0.27
	Exchange Adjustments (Net)	-	-	-	(1.53)	(0.17)
	Operating Profit before Working Capital Changes	**27.23**	**45.80**	**199.75**	**325.95**	**574.71**
	Adjustments for :					
	(Increase)/ Decrease in Inventories	(31.04)	(1,611.26)	(3,588.41)	(989.53)	(900.40)
	(Increase)/ Decrease in Trade and other Receivables	20.00	(1.18)	(329.57)	(589.11)	366.73
	Increase/ (Decrease) in Trade and other Payables	(59.47)	295.45	580.32	(145.32)	2.08
	Cash Generated from Operations	**(43.28)**	**(1,271.19)**	**(3,137.91)**	**(1,398.01)**	**43.12**
	Direct Taxes paid (net of refunds)	(10.85)	(9.96)	(23.38)	(28.52)	(74.67)
	Net Cash used in Operating Activities	**(54.13)**	**(1,281.15)**	**(3,161.29)**	**(1,426.53)**	**(31.55)**
B.	**Cash Flow from Investing Activities**					
	Purchase of Fixed Assets (including Capital Work in Progress)	(1.43)	(11.18)	(57.24)	(13.67)	(31.62)
	Sale of Fixed Assets	0.08	-	0.44	0.25	1.90
	Purchase of Investments in shares					
	- Subsidiaries	-	-	(203.86)	(0.40)	(124.34)
	- Associates / Joint Ventures	(4.81)	-	(12.97)	-	-
	- Others	-	-	(83.91)	(4.35)	(18.87)
	Sale of Investments in Shares					
	- Subsidiaries	-	-	-	29.26	0.50
	- Associates	-	-	-	-	4.81
	Investment in Capital Account of Partnership Firms	(7.47)	(1.00)	(102.65)	-	(0.95)
	Investment withdrawn from Capital Account of Partnership Firms	-	-	-	85.68	-
	Investment in Current Account of Partnership Firms	(37.75)	(6.28)	(644.95)	(2,034.71)	(3,647.48)
	Withdrawal from Current Account of Partnership Firms	9.19	18.87	2,603.64	3,914.00	2,033.11
	Loans given to					

	- Subsidiaries	-	-	(2,582.76)	(4,341.52)	(4,010.77)
	- Others	-	-	(1,290.24)	(119.80)	(19.13)
	Loans given repaid by					
	- Subsidiaries	-	-	31.75	3,648.16	1,919.58
	- Others	-	-	1,281.75	352.86	339.01
	Interest Received	1.08	9.43	52.61	18.62	517.74
	Dividend Received	0.01	0.06	1.09	2.11	0.06
	Net Cash from / (used in) Investing Activities	**(41.10)**	**9.90**	**(1,007.30)**	**1,536.49**	**(3,036.45)**
C.	**Cash Flow from Financing Activities**					
	Proceeds from issue of Preference Share (including Securities Premium)	-	-	-	950.00	-
	Refund of Share Application Money received	(102.50)	-	-	-	-
	Proceeds from Debentures	-	-	1,200.00	300.00	-
	Redemption of Debentures	-	-	-	(1,500.00)	-
	Proceeds from Long Term Borrowings	193.09	1,668.93	3,508.81	1,705.22	2,474.02
	Repayment of Long Term Borrowings	(312.61)	(152.34)	(203.08)	(2,040.94)	(2,722.62)
	Proceeds from Short Term Borrowings	-	-	28.50	1,000.00	1,239.80
	Repayment of Short Term Borrowings	-	-	-	-	(1,000.00)
	Increase/(Decrease) in Working Capital Loan	-	-	43.99	(388.64)	113.60
	Proceeds from Inter Corporate Deposits	436.13	2,447.42	2,513.94	4,870.47	6,635.00
	Repayment of Inter Corporate Deposits	(101.75)	(2,666.52)	(2,816.37)	(4,524.86)	(2,966.95)
	Interest Paid	(19.14)	(26.14)	(43.45)	(513.54)	(622.09)
	Net Cash from / (used in) Financing Activities	**93.22**	**1,271.35**	**4,232.34**	**(142.29)**	**3,150.76**
	Net changes in Cash and Cash Equivalents (A+B+C)	**(2.01)**	**0.10**	**63.75**	**(32.33)**	**82.76**
	Opening Balance of Cash and Cash Equivalents	**3.29**	**1.28**	**1.38**	**65.13**	**32.80**
	Closing Balance of Cash and Cash Equivalents (Refer Annexure XI)	**1.28**	**1.38**	**65.13**	**32.80**	**115.56**

The accompanying significant accounting policies and notes (Annexure XXII) are an integral part of this statement

ANNEXURE - IV					
UNCONSOLIDATED STATEMENT OF SHARE CAPITAL, AS RESTATED					
					Rs. In Millions
Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Share Capital					
Authorised Capital					
5,000,000 Equity Shares of Rs.10 each	50.00	50.00	50.00	50.00	50.00
1,000,000 non-convertible redeemable preference shares of Rs. 10 each	-	-	-	10.00	10.00
Total	**50.00**	**50.00**	**50.00**	**60.00**	**60.00**
Issued, Subscribed and Paid Up					
1,050,000 Equity Shares of Rs.10 each fully paid up	10.50	10.50	10.50	10.50	10.50
950,000 0.01% Redeemable Non-convertible Preference Shares of Rs.10 each fully paid up	-	-	-	9.50	9.50
(Refer Note 7 of Annexure XXII (III))					
Total	**10.50**	**10.50**	**10.50**	**20.00**	**20.00**

ANNEXURE - V

UNCONSOLIDATED STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

					Rs. In Millions
Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Securities Premium					
As per last Balance Sheet	45.00	45.00	45.00	45.00	985.50
Addition during the year	-	-	-	940.50	-
Closing Balance	**45.00**	**45.00**	**45.00**	**985.50**	**985.50**
Debenture Redemption Reserve					
As per last Balance Sheet	-	-	-	12.50	-
Transfer from Profit and Loss Account	-	-	12.50	-	-
Transfer to Profit and Loss Account	-	-		12.50	-
Closing Balance	**-**	**-**	**12.50**	**-**	**-**
Profit and Loss Account	31.09	43.62	2,095.68	2,332.35	3,060.43
Total	**76.09**	**88.62**	**2,153.18**	**3,317.85**	**4,045.93**

ANNEXURE - VI

UNCONSOLIDATED STATEMENT OF SECURED LOANS, AS RESTATED

Rs. In Millions

Particulars	As at March 31,				
	2006	2007	2008	2009	2010
Debentures (A)	**-**	**-**	**1,200.00**	**-**	**-**
Long Term Loans					
From Banks					
Standard Chartered Bank	180.00	850.00	1,050.00	1,245.29	2,046.00
Axis Bank Limited	-	-	500.00	500.00	-
Yes Bank Limited	-	-	-	400.00	250.00
ICICI Bank Limited	-	-	-	-	750.00
Andhra Bank	-	-	-	-	510.00
From Financial Institutions					
Standard Chartered Investments and Loans (India) Limited	-	-	500.00	-	-
IL&FS Financial Services Limited	-	-	1,595.00	1,502.94	-
Investsmart Financial Services Limited	-	-	500.00	-	-
Kotak Mahindra Prime Limited	-	-	-	161.52	-
Vehicle Loans					
ICICI Bank Limited	1.96	4.91	4.41	2.96	1.52
Kotak Mahindra Prime Limited	-	0.73	0.41	0.06	6.33
HDFC Bank Limited	-	-	11.55	12.88	13.20
Total (B)	**181.96**	**855.64**	**4,161.37**	**3,825.65**	**3,577.05**
Short Term Loans					
From Banks					
Andhra Bank	-	-	-	1,000.00	1,239.80
Oriental Bank of Commerce	-	-	28.50	28.50	28.50
Working Capital Facilities					
Standard Chartered Bank	13.09	856.00	900.00	511.36	480.00
ICICI Bank Limited	-	-	-	-	144.96
Total (C)	**13.09**	**856.00**	**928.50**	**1,539.86**	**1,893.26**
Total (A + B+ C)	**195.05**	**1,711.64**	**6,289.87**	**5,365.51**	**5,470.31**

Details of Secured Loans as at March 31, 2010						Rs. In Millions
Sr. No.	**Source**	**Rate of Interest**	**Repayment Schedule**	**Security**	**Penal Interest and liquidated charges**	**Outstanding Amount**
1	Standard Chartered Bank	15.00%	Repayment on Monthly Basis	1). An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) Personal Guarantee of Promoters; and 3) Corporate guarantee issued by a Group Company.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	352.00
2	Standard Chartered Bank	12.00%	Repayment on Monthly Basis	1). An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) Personal Guarantee of Promoters; and 3) Corporate guarantee issued by a Group Company.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	494.00
3	Standard Chartered Bank	12.00%	Repayment on Monthly Basis	1). An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) An exclusive charge on land and building " Kalpataru Elan" (along with underlying receivables) being/to be developed at Parel 3) Personal Guarantee of Promoters.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	1,000.00
		11.70%	Repayment on Monthly Basis	1). An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being/to be developed at Ghatkopar; 2) An exclusive charge on land and building " Kalpataru Elan" (along with underlying receivables) being/to be developed at Parel 3) Personal Guarantee of Promoters.	Additional interest rate @ 2% p.a. over and above normal interest rate charged.	200.00
4	Yes Bank Limited	13.25%	Repayment in 8 quarterly installment after a moratorium of 24 months.	1) An exclusive charge by way of mortgage on property of wholly owned subsidiary i.e. land bearing sub-divided plot ‘A’ of land bearing C.T.S. No. 1975 and Survey No. 103/127 of village Yerwada, Taluka Haveli, city and district Pune admeasuring about 5855.80 sq. mtrs.2) Hypothecation of receivables of above property.	Penal interest @ 2% p.a. over and above normal interest rate charged.	250.00
5	ICICI Bank Limited	12.90%	Repayment on Monthly Basis	1). An exclusive charge by way of mortgage on land bearing C.T.S. No. 4102 A of village Kole Kalyan, Taluka Andheri, Mumbai suburban district at Vakola, Santacruz East admeasuring 5150.41 sq. mtrs. together with buildings and structures thereon, present and future; 2). An exclusive charge on the scheduled receivables of Kalpataru Synergy II under the project documents and all insurance proceeds, both present and future; and 3. Personal guarantee of a Promoter.	Default interest at 8% p.a. over the ICICI Bank Benchmark Advance rate.	750.00
6	Andhra Bank	11.50%	Repayable in 120 equated monthly installments starting from one month from the date of disbursement.	1). An exclusive charge by way of mortgage on land bearing C.T.S. No. 195A (pt) of village Kondivita, Andheri East, in the Registration Sub-District and District of Mumbai city and Mumbai suburban at Kondivita road, Andheri East, Mumbai - 400059 admeasuring 8211.70 sq. mtrs. together with building "Kalpataru Square"(excluding certain units within the building which have been sold) and structures thereon, present and future; 2) Assignment of Receivable and 3) Personal guarantees of	Penal interest rate @ 2% p.a. over and above normal interest rate charged.	510.00

Details of Secured Loans as at March 31, 2010						Rs. In Millions
Sr. No.	**Source**	**Rate of Interest**	**Repayment Schedule**	**Security**	**Penal Interest and liquidated charges**	**Outstanding Amount**
				Promoters.		
7	Andhra Bank	13.25%	Bullet repayment after 12 months from date of disbursement.	1). An exclusive charge by way of mortgage on land bearing C.T.S. No. 195A (pt) of village Kondivita, Andheri East, in the Registration Sub-District and District of Mumbai city and Mumbai suburban at Kondivita road, Andheri East, Mumbai - 400059 admeasuring 8211.70 sq. mtrs. together with building "Kalpataru Square" (excluding certain units within the building which have been sold) and structures thereon, present and future; and 2) Personal guarantees of Promoters.	Penal interest rate @ 2% p.a. over and above normal interest rate charged.	1,000.00
8	Andhra Bank	12.00%	Bullet repayment after 12 months from date of disbursement.	1). An exclusive charge by way of mortgage on land bearing C.T.S. No. 195A (pt) of village Kondivita, Andheri East, in the Registration Sub-District and District of Mumbai city and Mumbai suburban at Kondivita road, Andheri East, Mumbai - 400059 admeasuring 8211.70 sq. mtrs. together with building "Kalpataru Square" (excluding certain units within the building which have been sold) and structures thereon, present and future; and 2) Personal guarantees of Promoters.	Penal interest rate @ 2% p.a. over and above normal interest rate charged	239.80
9	Oriental Bank of Commerce	7%	Yearly	Against Lien on Fixed Deposit	Additional/Penal interest @ 2% p.a. over and above normal interest rate charged.	28.50

Notes:

1. Vehicle loans are secured by way of hypothecation of vehicles purchased
2. Working Capital facilities from Standard Chartered Bank are secured against
    a. An exclusive charge on land and building "Kalpataru Aura" (along with underlying receivables) being / to be developed at Ghatkopar
    b. Personal Guarantee of Promoters
    c. Corporate Guarantee issued by a Group Company
3. Working Capital facilities from ICICI Bank Limited are secured against
    a. An exclusive charge by way of mortgage on land bearing C.T.S. No. 4102 A of village Kole Kalyan, Taluka Andheri, Mumbai suburban district at Vakola, Santacruz East admeasuring 5150.41 sq. mtrs. together with buildings and structures thereon, present and future
    b. An exclusive charge on the scheduled receivables of Kalpataru Synergy II under the project documents and all insurance proceeds, both present and future
    c. Personal Guarantee of a Promoter

ANNEXURE - VII

UNCONSOLIDATED STATEMENT OF UNSECURED LOANS, AS RESTATED

						Rs. In Millions
Particulars	**As at March 31,**					**Rate of Interest for FY 2009-10**
	2006	**2007**	**2008**	**2009**	**2010**	
Inter Corporate Deposits from						
- Group Companies #	519.03	302.43	9.25	-	1,539.41	15%
- Others	-	-	0.67	345.61	2,474.25	15%
Loan from a Director	2.50	-	-	-	-	Interest Free
Total	**521.53**	**302.43**	**9.92**	**345.61**	**4,013.66**	

Note: All the above loans are repayable on demand.

Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors

ANNEXURE - VIII

UNCONSOLIDATED STATEMENT OF INVENTORIES, AS RESTATED

Rs. In Millions

Particulars	As at March 31,				
	2006	2007	2008	2009	2010
Work-in-Progress	453.62	2,151.66	4,274.40	4,418.80	4,973.24
Finished Stock	144.96	58.18	1,523.85	2,368.98	2,714.94
Total	**598.58**	**2,209.84**	**5,798.25**	**6,787.78**	**7,688.18**

ANNEXURE - IX					
UNCONSOLIDATED STATEMENT OF SUNDRY DEBTORS, AS RESTATED					
					Rs. In Millions
Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Sundry Debtors					
(Unsecured - Considered good)					
Outstanding for a period exceeding six months					
- Subsidiaries	-	-	-	201.60	10.84
- Others	0.26	-	1.74	64.43	80.50
Others					
- Subsidiaries	-	-	-	66.56	101.22
- Group Companies #	-	-	0.01	170.04	35.92
- Others	1.53	80.38	97.89	290.60	323.52
Total	**1.79**	**80.38**	**99.64**	**793.23**	**552.00**
# Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors					

ANNEXURE - X					
UNCONSOLIDATED STATEMENT OF LOANS AND ADVANCES, AS RESTATED					
					Rs. In Millions
Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Loans and Advances					
(Unsecured - Considered good)					
Loans					
- Subsidiaries	-	-	2,553.30	3,329.94	5,110.46
- Group Companies #	-	-	-	7.04	-
- Others	-	-	8.49	13.04	10.87
Advances (Recoverable in cash or kind or for value to be received)					
Advance for Properties	130.90	47.55	327.93	146.55	56.34
Other Advances					
- Group Companies #	5.19	3.35	-	-	-
- Others	31.02	41.13	68.85	134.46	81.19
Partnership Firms - Current Account	48.86	36.74	30.97	94.87	99.85
Tax Advances (net of Provisions)	6.57	6.75	25.59	49.43	123.98
Deposits					
- Group Companies #	5.48	5.48	5.48	19.14	18.19
- Others	18.80	11.08	14.37	17.26	38.26
Total	**246.82**	**152.08**	**3,034.98**	**3,811.73**	**5,539.14**
Note: Loans to Subsidiaries, Group Companies and Others are repayable on demand					
# Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors					

ANNEXURE - XI					
UNCONSOLIDATED STATEMENT OF CASH AND BANK BALANCES, AS RESTATED					
					Rs. In Millions
Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Cash in hand	0.39	0.44	1.25	0.92	1.68
Balances with Scheduled Banks In					
- Current Accounts	0.31	0.36	25.00	1.88	59.69
- Fixed / Margin Deposit *	0.58	0.58	38.88	30.00	54.19
Cheques in hand					
Total	**1.28**	**1.38**	**65.13**	**32.80**	**115.56**
* Deposited with / lien in favour of Banks for loans taken by the Company					

ANNEXURE - XII					
UNCONSOLIDATED STATEMENT OF INVESTMENTS, AS RESTATED					
					Rs. In Millions
Particulars	**As at March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
1) Long Term (At Cost) (Non Trade)					
A) Investment in Equity Shares in					
Wholly Owned Subsidiaries (Unquoted)					
Kalpataru Land Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Amber Real Estate Limited	-	-	0.50	-	-
(Nil Equity Shares of Rs.10 each fully paid up)					
Abacus Real Estate Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Astrum Developers Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Ardour Real Estate Private Limited	-	-	0.10	0.10	6.95
(695,000 Equity Shares of Rs.10 each fully paid up)					
Azure Tree Lands Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Ashoka Properties Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Ambrosia Real Estate Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Arimas Real Estate Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Aura Real Estate Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Kalpataru Constructions (Poona) Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Saicharan Properties Limited	-	-	0.10	0.50	-
(Nil Equity Shares of Rs.10 each fully paid up)					
Ardour Developers Private Limited	-	-	-	-	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Ardour Properties Private Limited	-	-	0.10	0.10	0.10
(10,000 Equity Shares of Rs.10 each fully paid up)					
Kalpataru Properties (Thane) Private Limited	-	-	82.48	82.48	176.73
(9,750,000 Equity Shares of Rs.10 each full paid up)					

Kalpataru Retail Ventures Private Limited	-	-	48.50	48.50	49.50
(4,950,000 Equity Shares of Rs.10 each fully paid up)					
Other Subsidiaries (Unquoted)					
Shravasti Property Private Limited	-	-	47.60	47.60	47.60
(28,000 Equity Shares of Rs.100 each fully paid up)					
(840,000 Equity Shares of Rs.100 each Rs. 25 paid up)					
Kalpataru Land (Surat) Private Limited	-	-	50.11	-	-
(Nil Equity Shares of Rs.100 each fully paid up)					
Ananta Landmarks Private Limited	-	-	19.91	-	-
(Nil Equity Shares of Rs.10 each fully paid up)					
Sona Properties Private Limited	-	-	8.90	-	-
(Nil Equity Shares of Rs.100 each fully paid up)					
Kalpataru Gardens Private Limited	-	-	28.57	28.57	50.71
(44,210 Equity Shares of Rs.1000 each fully paid up)					
Associates / Joint Venture (Unquoted)					
Susme Builders Private Limited	4.81	4.81	4.81	4.81	-
(Nil Equity Shares of Rs.100 each fully paid up)					
Kalpataru Land (Surat) Private Limited	-	-	-	29.70	29.70
(297,000 Equity Shares of Rs.100 each fully paid up)					
Ananta Landmarks Private Limited	-	-	-	19.91	38.78
(3,878,479 Equity Shares of Rs.10 each fully paid up)					
Sona Properties Private Limited	-	-	-	4.90	4.90
(49,005 Equity Shares of Rs.100 each fully paid up)					
N. G. Realty Private Limited	-	-	10.00	10.00	10.00
(1,000,000 Equity Shares of Rs.10 each fully paid up)					
Azure Tree Townships Private Limited	-	-	2.97	2.97	2.97
(297,000 Equity Shares of Rs.10 each fully paid up)					
Non-Trade - Unquoted					
Saraswat Co-operative Bank Limited	0.01	0.01	0.01	0.01	0.01
(1,000 Equity Shares of Rs.10 each fully paid up)					
Non-Trade - Quoted					
11,900 Equity shares of Bank of India of Rs.10 each fully paid up	0.54	0.54	0.54	0.54	0.54
(Market Value Rs. 4.05 millions)					
Others - Unquoted					
Kalpataru Properties Private Limited	-	-	0.00	0.00	0.00
(1 Equity Share of Rs.100 each fully paid up)					
B) Investment in					
I) Capital Account of Partnership Firms					
M/s Kalpataru Plus Sharyans	5.00	5.00	9.90	9.90	9.90
M/s Kalpataru Constructions (Pune)	-	1.00	1.00	1.00	1.00
M/s Habitat	-	-	10.00	10.00	10.00
M/s Kamdhenu Constructions	1.50	1.50	89.25	3.57	3.57

M/s Kalpataru Enterprises	-	-	-	-	0.95
II) Immovable Property					
Residential Flats	7.47	7.47	-	-	-
Total	**19.33**	**20.33**	**416.25**	**306.06**	**444.91**

ANNEXURE- XIII

UNCONSOLIDATED STATEMENT OF CURRENT LIABILITIES AND PROVISIONS, AS RESTATED

Rs. In Millions

Particulars	As at March 31,				
	2006	2007	2008	2009	2010
Current Liabilities and Provisions					
(A) Current Liabilities					
Acceptances	-	-	-	-	2.38
Sundry Creditors					
- For Goods and Expenses					
- Subsidiaries	-	-	-	-	0.00
- Group Companies #	30.63	27.05	338.76	54.74	39.46
- Others	6.12	84.44	124.81	502.18	216.52
- For Others					
- Directors	-	-	2.11	2.11	-
- Others	2.26	16.16	232.13	93.19	97.66
Trade advances and deposits					
- Group Companies #	8.50	-	-	-	-
- Directors and their relatives	0.40	-	-	-	-
- Others	21.02	233.80	238.54	137.19	440.56
Partnership Firms - Current Account	-	-	40.32	1,903.60	45.74
Interest accrued but not due	-	-	36.87	45.20	1.16
Total (A)	**68.93**	**361.45**	**1,013.54**	**2,738.21**	**843.48**
(B) Provisions					
Retirement Benefits	1.12	4.04	9.45	21.22	22.89
Proposed Preference Dividend (inclusive of tax)	-	-	-	0.00	0.00
Total (B)	**1.12**	**4.04**	**9.45**	**21.22**	**22.89**
Total (A + B)	**70.05**	**365.49**	**1,022.99**	**2,759.43**	**866.37**

Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors

ANNEXURE - XIV

UNCONSOLIDATED STATEMENT OF SALES AND SERVICES, AS RESTATED

					Rs. In Millions
Particulars	**For the year ended March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Sales					
- Self Constructed	136.83	163.77	805.31	2,023.96	2,887.14
- Traded	-	-	-	754.84	742.46
	136.83	**163.77**	**805.31**	**2,778.80**	**3,629.60**
Project Management Fees	-	-	1.00	47.19	67.73
Rent and Hire Charges	1.49	1.21	1.16	1.23	52.51
Total	**138.32**	**164.98**	**807.47**	**2,827.22**	**3,749.84**

ANNEXURE - XV						
UNCONSOLIDATED STATEMENT OF OTHER INCOME, AS RESTATED						
						Rs. In Millions
Particulars	**For the year ended March 31,**					**Nature**
	2006	**2007**	**2008**	**2009**	**2010**	
Miscellaneous Income	4.51	1.11	2.31	5.37	0.95	Non recurring
Interest Received (including TDS)						
- from Subsidiaries	-	-	45.44	332.13	502.45	Recurring
- from Group Companies #	-	-	-	1.96	-	Recurring
- from Others	5.14	4.05	7.17	15.99	17.37	Recurring
Profit on sale of Fixed Assets (net)	0.04	-	0.02	-	-	Non recurring
Dividend	0.01	0.06	1.09	2.11	0.06	Recurring
Total	**9.70**	**5.22**	**56.03**	**357.56**	**520.83**	
Note: The classification of 'Other Income' as Recurring / Non Recurring is based on the current operations and business activities of the Company as determined by the management.						

Entities which are covered under Group Companies have been identified by the Company and relied upon by the Auditors

ANNEXURE - XVI					
UNCONSOLIDATED STATEMENT OF COST OF SALES, AS RESTATED					
					Rs. In Millions
Particulars	**For the year ended March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Opening Stock - Work-in-progress	590.95	453.62	2,151.66	4,274.40	4,418.80
- Finished Stock	95.34	144.96	58.18	1,523.85	2,368.98
Add: Purchases - Land, Development Rights and Constructed Units	54.44	1,284.16	2,124.48	949.48	1,761.61
Cost of Construction and Other Expenses	74.91	421.55	1,959.48	2,298.60	1,958.51
Sub-Total (A)	**815.64**	**2,304.29**	**6,293.80**	**9,046.33**	**10,507.90**
Less:					
Transferred to Loans and Advances (Refer Note 11 of Annexure XXII (III))	122.68	-	-	-	-
Closing Stock - Work-in-progress	453.62	2,151.66	4,274.40	4,418.80	4,973.24
- Finished Stock	144.96	58.18	1,523.85	2,368.98	2,714.94
Sub-Total (B)	**721.26**	**2,209.84**	**5,798.25**	**6,787.78**	**7,688.18**
Total (A-B)	**94.38**	**94.45**	**495.55**	**2,258.55**	**2,819.72**

ANNEXURE - XVII					
STATEMENT OF DIVIDEND					
Particulars	**For the year ended March 31,**				
	2006	**2007**	**2008**	**2009**	**2010**
Equity Shares					
Number of Shares	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
Face Value (Rs. per share)	10	10	10	10	10
Paid -up Value (Rs. in millions)	10.50	10.50	10.50	10.50	10.50
Rate of dividend (%)	-	-	-	-	-
Total dividend (Rs. in millions)	-	-	-	-	-
Preference Shares					
Number of Shares	-	-	-	950,000	950,000
Face Value (Rs. per share)	-	-	-	10	10
Paid -up Value (Rs. in millions)	-	-	-	9.50	9.50
Rate of dividend (%)	-	-	-	0.01%	0.01%
Total dividend (Rs. in millions)	-	-	-	0.00	0.00
Corporate dividend tax on above (Rs. in millions)	-	-	-	0.00	0.00
Note:					
Number of Equity Shares are as it existed on last date of relevant year, without giving any effect of Bonus Equity Shares allotted on September 9, 2010					

ANNEXURE - XVIII

UNCONSOLIDATED SUMMARY OF ACCOUNTING RATIOS, AS RESTATED

Rs. In Millions

S. No.	Particulars	As at March 31,				
		2006	2007	2008	2009	2010
1	**Earnings Per Share (EPS)**					
	Profit After Tax, as restated	7.68	12.53	2064.56	224.17	728.08
	Less: Preference Dividend (inclusive of tax)	-	-	-	0.00	0.00
	Profit After Tax, as restated available to Equity shareholders	**7.68**	**12.53**	**2064.56**	**224.17**	**728.08**
	No. of Equity Shares (Refer note 2 below)	139,650,000	139,650,000	139,650,000	139,650,000	139,650,000
	Weighted average number of Equity Shares outstanding during the year	139,650,000	139,650,000	139,650,000	139,650,000	139,650,000
	Earnings Per Share (Rs.)	**0.06**	**0.09**	**14.78**	**1.61**	**5.21**
2	**Cash Earnings Per Share**					
	Profit After Tax, as restated but before Depreciation	9.25	15.04	2072.81	246.21	748.83
	Less: Preference Dividend (inclusive of tax)	-	-	-	0.00	0.00
	Profit After Tax, as restated but before Depreciation available to Equity shareholders	**9.25**	**15.04**	**2072.81**	**246.21**	**748.83**
	No. of Equity Shares (Refer note 2 below)	139,650,000	139,650,000	139,650,000	139,650,000	139,650,000
	Weighted average number of Equity Shares outstanding during the year	139,650,000	139,650,000	139,650,000	139,650,000	139,650,000
	Cash Earnings Per Share (Rs.)	**0.07**	**0.11**	**14.84**	**1.76**	**5.36**
3	**Net Assets Value (NAV)**					
	Net Assets, as restated	86.59	99.12	2163.68	3337.85	4065.93
	Less: Preference Share Capital	0.00	0.00	0.00	9.50	9.50
	Net Assets available to Equity Shareholders, as restated	**86.59**	**99.12**	**2163.68**	**3328.35**	**4056.43**
	No. of Equity Shares (Refer note 2 below)	139,650,000	139,650,000	139,650,000	139,650,000	139,650,000
	Weighted average number of Equity Shares outstanding during the year	139,650,000	139,650,000	139,650,000	139,650,000	139,650,000
	NAV Per Share (Rs.)	**0.62**	**0.71**	**15.49**	**23.83**	**29.05**
4	**Return On Net Worth**					

	Profit After Tax, as restated available to Equity shareholders	7.68	12.53	2064.56	224.17	728.08
	Net Worth, as restated	86.59	99.12	2163.68	3337.85	4065.93
	Less: Preference Share Capital	0.00	0.00	0.00	9.50	9.50
	Net Worth available to Equity Shareholders, as restated	86.59	99.12	2163.68	3328.35	4056.43
	Return On Net Worth (%)	8.87%	12.64%	95.42%	6.74%	17.95%

Note:

1. Definition of Ratios:

The ratios have been computed as below:

Earnings per share (Rs.) = Profit After Tax, as restated available to Equity shareholders
Weighted average number of Equity Shares outstanding during the year

Cash Earnings Per Share (Rs.) = Profit After Tax, as restated but before Depreciation available to Equity shareholders
Weighted average number of Equity Shares outstanding during the year

Net Asset Value Per Share (Rs.) = Net Assets at the end of the year available to Equity Shareholders, as restated
Weighted average number of Equity Shares outstanding during the year

Return On Net Worth (%) = Profit After Tax, as restated available to Equity Shareholders
Net Worth at the end of the year available to Equity shareholders, as restated

2. On September 9, 2010, paid up equity share capital of the Company has been increased from Rs 10.50 millions to Rs 1396.50 millions by issue of bonus shares in the ratio of 132 fully paid up equity shares for every 1 fully paid up equity share held.

3. Earning per share has been calculated in accordance with Accounting Standard 20 - "Earnings per share" issued by the ICAI

ANNEXURE- XIX-A

UNCONSOLIDATED RELATED PARTY DISCLOSURES, AS RESTATED

i)	**Subsidiary Companies: Direct Subsidiaries**				
S. No.	**2006**	**2007**	**2008**	**2009**	**2010**
1			Amber Real Estate Limited (w.e.f. 03/12/2007)	Amber Real Estate Limited (up to 16/05/2008)	
2			Abacus Real Estate Private Limited (w.e.f. 07/12/2007)	Abacus Real Estate Private Limited	Abacus Real Estate Private Limited
3			Astrum Developers Private Limited (w.e.f. 24/12/2007)	Astrum Developers Private Limited	Astrum Developers Private Limited
4			Ardour Real Estate Private Limited (w.e.f. 22/01/2008)	Ardour Real Estate Private Limited	Ardour Real Estate Private Limited
5			Ambrosia Real Estate Private Limited (w.e.f. 14/02/2008)	Ambrosia Real Estate Private Limited	Ambrosia Real Estate Private Limited
6			Ardour Properties Private Limited (w.e.f. 18/03/2008)	Ardour Properties Private Limited	Ardour Properties Private Limited
7			Kalpataru Land Private Limited (w.e.f. 29/11/2007)	Kalpataru Land Private Limited	Kalpataru Land Private Limited
8			Azure Tree Lands Private Limited (w.e.f. 01/02/2008)	Azure Tree Lands Private Limited	Azure Tree Lands Private Limited
9			Ashoka Properties Private Limited (w.e.f. 01/02/2008)	Ashoka Properties Private Limited	Ashoka Properties Private Limited
10			Saicharan Properties Limited (w.e.f. 01/02/2008)	Saicharan Properties Limited	Saicharan Properties Limited (up to 30/06/2009)
11			Arimas Real Estate Private Limited (w.e.f. 03/03/2008)	Arimas Real Estate Private Limited	Arimas Real Estate Private Limited
12			Kalpataru Constructions (Poona) Private Limited (w.e.f. 03/03/2008)	Kalpataru Constructions (Poona) Private Limited	Kalpataru Constructions (Poona) Private Limited
13			Aura Real Estate Private Limited (w.e.f. 03/03/2008)	Aura Real Estate Private Limited	Aura Real Estate Private Limited
14			Shravasti Property Private Limited (w.e.f. 01/02/2008)	Shravasti Property Private Limited	Shravasti Property Private Limited
15			Kalpataru Properties (Thane) Private Limited (w.e.f. 01/02/2008)	Kalpataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited
16			Kalpataru Land (Surat) Private Limited(w.e.f. 01/02/2008)	Kalpataru Land (Surat) Private Limited (up to 27/03/2009)	Ardour Developers Private Limited (w.e.f. 17/11/2009)
17			Kalpataru Retail Ventures Private Limited (w.e.f. 01/02/2008)	Kalpataru Retail Ventures Private Limited	Kalpataru Retail Ventures Private Limited
18			Kalpataru Gardens Private Limited (w.e.f. 01/02/2008)	Kalpataru Gardens Private Limited	Kalpataru Gardens Private Limited

19			Kalpataru Landmarks Private Limited(w.e.f. 01/02/2008)	Ananta Landmarks Private Limited (up to 24/12/2008) (formerly 'Kalpataru Land-marks Private Limited')	
20			Sona Properties Private Limited	Sona Properties Private Limited (up to 27/03/2009)	
ii)	**Partnership Firms where control exists:**				
S. No.	**2006**	**2007**	**2008**	**2009**	**2010**
1			Kamdhenu Constructions (w.e.f. 01/04/2007)	Kamdhenu Constructions	Kamdhenu Constructions
2			Kalpataru + Sharyans (w.e.f. 01/04/2007)	Kalpataru + Sharyans	Kalpataru + Sharyans
3		Kalpataru Constructions (Pune) (w.e.f. 01/04/2006)	Kalpataru Constructions (Pune)	Kalpataru Constructions (Pune)	Kalpataru Constructions (Pune)
4					Kalpataru Enterprises (w.e.f. 01/01/2010)
iii)	**Associates:**				
S. No.	**2006**	**2007**	**2008**	**2009**	**2010**
1	Susme Builders Private Limited (w.e.f 06/02/2006)	Susme Builders Private Limited	Susme Builders Private Limited	Susme Builders Private Limited	Susme Builders Private Limited (up to 17/01/2010)
2			N.G. Realty Private Limited (w.e.f. 22/8/2007)	N.G. Realty Private Limited	N.G. Realty Private Limited
3				Kalpataru Land (Surat) Private Limited (w.e.f. 28/03/2009)	Kalpataru Land (Surat) Private Limited
4				Sona Properties Private Limited (w.e.f. 28/03/2009)	Sona Properties Private Limited
5				Ananta Landmarks Private Limited (w.e.f. 25/12/2008)	Ananta Landmarks Private Limited
iv)	**Joint Ventures:**				
S. No.	**2006**	**2007**	**2008**	**2009**	**2010**
1			Messrs Habitat (w.e.f. 01/04/2007)	Messrs Habitat	Messrs Habitat
2			Azure Tree Townships Private Limited (w.e.f. 26/11/2007)	Azure Tree Townships Private Limited	Azure Tree Townships Private Limited
v)	**Key Management Personnel:**				
S. No.	**2006**	**2007**	**2008**	**2009**	**2010**

1	Mofatraj P. Munot	Mofatraj P. Munot	Mofatraj P. Munot	Mofatraj P. Munot	Mofatraj P. Munot
2	Parag M. Munot	Parag M. Munot	Parag M. Munot	Parag M. Munot	Parag M. Munot
3	Imtiaz I. Kanga	Imtiaz I. Kanga	Imtiaz I. Kanga	Imtiaz I. Kanga	Imtiaz I. Kanga
4	Anuj A. Munot	Anuj A. Munot	Anuj A. Munot	Anuj A. Munot	Anuj A. Munot
vi)	**Relatives of Key Management Personnel:**				
S. No.	**2006**	**2007**	**2008**	**2009**	**2010**
1	Sudha R. Golechha	Sudha R. Golechha	Sudha R. Golechha	Sudha R. Golechha	Sudha R. Golechha
2	Sunita V. Choraria	Sunita V. Choraria	Sunita V. Choraria	Sunita V. Choraria	Sunita V. Choraria
3	Monica P. Munot	Monica P. Munot	Monica P. Munot	Monica P. Munot	Monica P. Munot
4	Tara I. Kanga	Tara I. Kanga	Tara I. Kanga	Tara I. Kanga	Tara I. Kanga
v)	**Other Related Parties where the Directors and their Relatives have Significant Influence:**				
S. No.	**2006**	**2007**	**2008**	**2009**	**2010**
1	Kalpataru Properties Private Limited	Kalpataru Properties Private Limited	Kalpataru Properties Private Limited	Kalpataru Properties Private Limited	Kalpataru Properties Private Limited
2	Neo Pharma Private Limited	Neo Pharma Private Limited	Neo Pharma Private Limited	Neo Pharma Private Limited	Neo Pharma Private Limited
3	Yugdharm Real Estate Private Limited	Yugdharm Real Estate Private Limited	Yugdharm Real Estate Private Limited	Yugdharm Real Estate Private Limited	Yugdharm Real Estate Private Limited
4	Property Solutions (India) Private Limited	Property Solutions (India) Private Limited	Property Solutions (India) Private Limited	Property Solutions (India) Private Limited	Property Solutions (India) Private Limited
5	Durable Trading Company Private Limited	Durable Trading Company Private Limited	Durable Trading Company Private Limited	Durable Trading Company Private Limited	Durable Trading Company Private Limited
6	Caprihans India Limited	Caprihans India Limited	Caprihans India Limited	Caprihans India Limited	Caprihans India Limited
7	K. V. Property Ventures Private Limited	K. V. Property Ventures Private Limited	K. V. Property Ventures Private Limited	K. V. Property Ventures Private Limited	
8	Kalpataru Premises Private Limited	Kalpataru Premises Private Limited	Kalpataru Premises Private Limited	Kalpataru Premises Private Limited	
9	Life Style Property Ventures Private Limited	Life Style Property Ventures Private Limited	Life Style Property Ventures Private Limited	Life Style Property Ventures Private Limited	Life Style Property Ventures Private Limited
10	P K Velu and Company Private Limited	P K Velu and Company Private Limited	P K Velu and Company Private Limited	P K Velu and Company Private Limited	P K Velu and Company Private Limited
11	Kalpataru Gardens Private Limited	Kalpataru Gardens Private Limited	Kalpataru Gardens Private Limited (up to 31/01/2008)	Srishti Vihar Construction Private Limited	
12	Kalpataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited	Kalpataru Properties (Thane) Private Limited (up to 31/01/2008)	Kalpataru Constructions Private Limited	Kalpataru Constructions Private Limited
13	Kamdhenu Constructions	Kamdhenu Constructions	Srishti Vihar Construction Private Limited	K C Holdings Private Limited	K C Holdings Private Limited
14	Kalpataru Plus Sharyans	Kalpataru Plus Sharyans	Kalpataru Constructions Private Limited	Kalpataru Viniyog Private Limited	Kalpataru Viniyog Private Limited

15		Srishti Vihar Construction Private Limited	K C Holdings Private Limited	Amber Real Estate Limited (w.e.f. 17/05/2008)	Amber Real Estate Limited
16		Kalpataru Constructions Private Limited	Kalpataru Viniyog Private Limited	Ardour Builders Private Limited	Ardour Builders Private Limited
17		K C Holdings Private Limited	Corporate Stationery Private Limited	Kalpataru Power Transmission Limited	Hedavkar Mechanical Works Private Limited
18		Messrs Habitat (up to 31/03/2007)	Kalpataru Retail Ventures Private Limited (up to 31/01/2008)	Kalpataru Builders (Pune)	Kalpataru Builders (Pune)
19					Kalpataru Power Transmission Limited
20					Saicharan Properties Limited (w.e.f. 01/07/2009)

ANNEXURE- XIX-B

UNCONSOLIDATED STATEMENT OF RELATED PARTY DISCLOSURES, AS RESTATED

Rs. In Millions

Nature of Transaction	2005-06		2006-07		2007-08		2008-09		2009-10	
Reimbursement of Expenses paid										
Subsidiaries					**11.57**				**29.86**	
Kalpataru Land Private Limited						11.57				-
Kalpataru Properties (Thane) Private Limited						-				11.89
Kalpataru Gardens Private Limited						-				17.13
Others						0.00				0.84
Partnership Firms where control exists									**1.10**	
Kalpataru + Sharyans										0.96
Kalpataru Constructions (Pune)										0.14
Key Management Personnel			**0.02**		**0.11**		**0.67**		**0.14**	
Mofatraj P Munot								0.54		
Parag M. Munot				0.02		0.11		0.13		0.14
Associates / Joint Ventures							**0.05**		**1.30**	
Messrs Habitat								0.05		
Azure Tree Townships Private Limited										1.30
Other Related Parties	**4.84**		**2.79**		**7.08**		**7.30**		**9.89**	
Kalpataru Properties Private Limited		2.16		1.39		3.03		4.93		2.06
Property Solutions (India) Private Limited		-		0.65		0.53		1.22		6.65
Caprihans India Limited		1.95		0.75		3.48		1.16		0.44
Neo Pharma Private Limited		0.73								0.73
Others						0.04				
Reimbursement of Expenses received										
Subsidiaries					**1.30**		**32.44**		**21.53**	
Kalpataru Garden Private Limited						1.30		12.00		10.93
Kalpataru Retail Ventures private Limited								5.88		1.51
Ashoka Properties Private Limited								7.29		1.87
Shravasti Property								3.91		5.02

Private Limited										
Others								3.35		2.20
Associates / Joint Ventures					**1.27**		**18.84**		**42.73**	
Kalpataru Land (Surat) Private Limited								0.41		4.84
Azure Tree Townships Private Limited								0.27		32.69
Messrs Habitat						1.27		18.16		5.20
Partnership Firms where control exists					**0.84**		**57.20**		**33.83**	
Kalpataru + Sharyans						0.74		32.99		17.96
Kamdhenu Constructions						0.10		2.55		0.93
Kalpataru Constructions (Pune)						-		21.66		14.94
Key Management Personnel									**0.37**	
Mofatraj P Munot										0.07
Parag M. Munot										0.30
Other Related Parties	**0.94**		**8.68**		**3.14**		**21.81**		**20.23**	
Neo Pharma Private Limited		0.03		1.06		1.32		14.77		18.40
Kalpataru Properties Private Limited		-		-		0.30		4.93		
Lifestyle Property Ventures Private Limited		0.01		1.25		0.38				
Kalpataru Properties (Thane) Private Limited		0.36		3.05		0.34				
Kalpataru Gardens Private Limited		-		0.10		0.66				
Messers Habitat		-		1.79						
Kamdhenu Constructions		0.42		0.68						
Others		0.12		0.76		0.14		2.11		1.84
Purchase of Goods and Services										
Partnership Firms where control exists					**0.02**					
Kamdhenu Constructions						0.02				
Other Related Parties	**57.98**		**11.96**		**12.30**		**27.63**		**35.92**	
Kalpataru Properties Private Limited		57.98		11.90		12.30		27.63		35.92
Others				0.06						

Purchase of Immovable Properties / Development Rights										
Associates / Joint Ventures					**1,438.10**					
Messrs Habitat						1,438.10				
Other Related Parties			**153.72**							
Kalpataru Properties Private Limited				153.72						
Sale of Immovable Properties / Development Rights										
Subsidiaries							**201.60**			
Shravasti Property Private Limited								201.60		
Other Related Parties			**70.00**				**227.50**			
Kalpataru Properties Private Limited								150.00		
Neo Pharma Private Limited								77.50		
Sristhi Vihar Construction Private Limited				70.00						
Profit/ (Loss) from Partnership Firms										
Partnership Firms where control exists			**0.01**		**205.61**		**24.52**		**179.93**	
Kalpataru Constructions (Pune)				0.01		44.38		9.65		115.47
Kalpataru + Sharyans						-		1.23		33.15
Kamdhenu Constructions						160.58		13.64		31.31
Others						0.65		-		(0.01)
						-		-		-
Associates / Joint Ventures					**1,706.99**	-	**55.40**	-	**68.53**	-
Messrs Habitat						1,706.99		55.40		68.53
Other Related Parties	**0.71**		**0.47**							
Kamdhenu Constructions		0.71		0.48						
Others		0.00		(0.01)						
Rent and Society Maintenance Received										
Other Related	**1.77**		**0.09**		**0.03**		**0.02**		**0.01**	

Parties										
Durable Trading Company Private Limited		0.06		0.06		0.02		0.01		0.00
Kalpataru Properties Private Limited		1.63		0.03		-		-		-
Yugdharma Real Estate Private Limited		-		0.01		0.01		0.01		0.00
Others		0.08								
Purchase of Fixed Assets										
Other Related Parties							**0.09**			
Lifestyle Property Ventures Private Limited								0.09		
Sale of Fixed Assets										
Other Related Parties	**-**						**0.01**			
Kalpataru Power Transmission Limited								0.01		
Interest Paid										
Partnership Firms where control exists					**20.92**		**118.28**		**215.95**	
Kalpataru + Sharyans						3.11		1.77		54.93
Kalpataru Constructions (Pune)						17.82		116.50		161.02
Relatives of Key Management Personnel	**0.30**									
Sunita V Choraria		0.30								
Other Related Parties	**38.91**		**73.15**		**11.82**		**2.87**		**25.16**	
Kalpataru Properties Private Limited		37.44		66.23		10.34		1.40		23.57
Caprihans India Limited		-		1.47		1.47		1.47		1.60
Others		1.47		5.45						
Interest Received										
Subsidiaries					**45.44**		**332.13**		**502.45**	
Kalpataru Gardens Private Limited						0.76		56.49		36.88
Kalpataru Retail Ventures Private Limited						3.19		87.06		30.35
Azure Tree Lands Private Limited						1.72		36.54		39.98
Abacus Real Estate Private Limited						31.06		81.60		117.06
Kalpataru Land						-		-		141.31

Private Limited										
Others						8.72		70.44		136.87
Associates / Joint Ventures							**1.96**			
Ananta Landmark Private Limited								1.96		
Other Related Parties							**11.79**		**12.08**	
Amber Real Estate Limited								11.79		1.44
Saicharan Properties Limited										10.64
Project Management fees Paid										
Other Related Parties	**1.98**									
Kalpataru Properties Private Limited		1.98								
Project Management fees Received										
Subsidiaries					**1.00**		**47.19**		**59.21**	
Kalpataru Retail Ventures Private Limited								11.08		14.00
Kalpataru Properties (Thane) Private Limited								15.29		20.57
Shravasti Property Private Limited								5.41		6.64
Kalpataru Gardens Private Limited						1.00		12.74		16.57
Others						-		2.68		1.43
Partnership Firms where control exists									**8.52**	
Kalpataru + Sharyans										8.52
Issue of Preference Shares (including Security Premium)										
Associate							**950.00**	-		
Ananta Landmarks Private Limited								950.00		
Purchase of Investments - Immovable Properties / Shares										
Subsidiaries					**203.86**		**0.40**		**6.85**	
Saicharan Properties Limited								0.40		
Ardour Real Estate Private										6.85

Limited										
Kalpataru Properties (Thane) Private Limited						47.50				
Kalpataru Gardens Private Limited						28.56				
Kalpataru Retail Ventures Private Limited						48.50				
Kalpataru Land (Surat) Private Limited						50.10				
Others						29.20				
Associates / Joint Ventures	**4.81**				**12.97**					
N G Realty Private Limited						10.00				
Susme Builders Private Limited		4.81								
Azure Tree Townships Private Limited						2.97				
Key Management Personnel	-				**0.51**				**21.46**	
Mofatraj P Munot						0.25				16.15
Parag M. Munot						0.26				4.75
Others						0.00				0.56
Relatives of Key Management Personnel	-				**0.00**				**1.50**	-
Monica P. Munot										1.50
Others						0.00				0.00
Other Related Parties	**7.47**				**79.69**		**4.35**		**93.26**	
Amber Real Estate Limited								4.35		
K C Holding Private Limited						35.70				31.82
Neo Pharma Private Limited						8.90				
Kalpataru Properties Private Limited						-				44.80
Kalpataru Constructions Private Limited						34.98				15.64
K.V.Property Venture Private Limited		7.47				-				
Others						0.11				1.01
Sale of Investments										
Key Management Personnel					-		**18.43**			
Mofatraj P Munot								4.31		-
Parag M. Munot								14.12		
Relatives of Key					-		**5.98**			

Management Personnel										
Sunita V Choraria								1.80		
Monica P Munot								2.39		
Sudha R Golechha								1.80		
Other Related Parties					**-**		**4.85**		**4.81**	
Kalpataru Properties Private Limited										4.81
Kalpataru Power Transmission Limited								4.85		-
Loans Taken										
Key Management Personnel	**2.50**				**0.03**					
Mofatraj P. Munot		2.50				0.01				
Parag M. Munot						0.02				
Other Related Parties	**433.63**		**2,447.42**		**2,082.77**		**11.10**		**1,802.31**	
Kalpataru Properties Private Limited		433.63		2,344.03		2,082.77		11.10		1,802.31
Others		-		103.39						
Loans Taken Repaid										
Key Management	**-**	**-**	**2.50**	**-**	**0.03**					
Mofatraj P Munot		-		2.50		0.01		-		-
Parag M. Munot						0.02				
Other Related Parties	**101.75**		**2,664.02**		**2,385.19**		**11.10**		**273.31**	
Kalpataru Properties Private Limited		101.75		2,560.63		2,385.19		11.10		273.31
Others		-		103.39						
Loans Given										
Subsidiaries					**2,582.76**		**4,341.52**		**3,508.56**	
Kalpataru Land Private Limited								919.33		25.52
Kalpataru Gardens Private Limited						304.94		250.77		185.76
Kalpataru Retail Ventures Private Limited						310.16		2,186.32		2,227.40
Abacus Real Estate Private Limited						821.76		89.85		453.51
Ambrosia Real Estate Private Limited						270.98		9.96		12.40
Ananta Landmark Private Limited						4.70		176.43		
Others						870.23		708.88		603.98
Associates									**0.06**	
Ananta										0.06

Landmarks Private Limited										
Other Related Parties							**119.80**		**8.20**	
Saicharan Properties Limited										7.32
Amber Real Estate Limited						-		119.80		0.88
Loans Given Repaid										
Subsidiaries					**31.75**	-	**3,648.16**		**1,919.58**	-
Kalpataru Gardens Private Limited						-		160.90		634.49
Kalpataru Retail Ventures Private Limited						19.25		2,446.40		1,128.86
Abacus Real Estate Private Limited						10.00		452.79		2.03
Others						2.50		588.08		154.20
Associates / Joint Ventures							**114.02**		**7.10**	
Ananta Landmark Private Limited								114.02		7.10
Other Related Parties							**230.54**		**331.71**	
Amber Real Estate Limited								230.54		13.72
Saicharan Properties Limited										317.99
Advances / Deposits given										
Associates / Joint Ventures							**1.20**			
Messrs Habitat								1.20		
								-		
Other Related Parties	**5.48**	-	-	-	-	-	**12.45**	-	-	-
Kalpataru Properties Private Limited		5.48		-		-		12.45		-
Advances / Deposits Given Refunded										
Other Related Parties			**1.65**							
Kalpataru Premises Private Limited				1.65						
Advance / Deposits Taken				-						
Relatives of Key Management Personnel	**0.30**	-	**0.87**	-						
Sunita V Choraria		0.30		0.87						
Advances / Deposits Taken Refunded										

Other Related Parties			**8.50**							
Kalpataru Properties Private Limited				8.50						
Investment in Partnership Firms - Capital Account										
Partnership Firms where control exists			**1.00**		**92.65**				**0.95**	-
Kalpataru Enterprises										0.95
Kamdhenu Constructions						87.75				
Kalpataru Constructions (Pune)				1.00						
Others		-		-		4.90		-		-
Associates / Joint Ventures	-	-	-	-	**10.00**	-	-	-	-	-
Messrs Habitat						10.00				
Investment in Partnership Firms -Current Account										
Partnership Firms where control exists	-		**0.01**		**2,260.20**		**1,391.82**		**2,957.99**	
Kalpataru + Sharyans				-		125.02		48.33		932.16
Kalpataru Constructions (Pune)				0.01		2,133.97		1,257.58		1,932.25
Others						1.20		85.91		93.58
Associates / Joint Ventures					**298.00**		**722.80**		**689.49**	
Messrs Habitat						298.00		722.80		689.49
Other Related Parties	**38.46**		**6.75**							
Kalpataru + Sharyans		37.40		6.27						
Others		1.06		0.48						
Investment withdrawn from Partnership Firms -Capital Account										
Partnership Firms where control exists	-		-		-		**85.68**		-	
Kamdhenu constructions								85.68		
Investment withdrawn from Partnership Firms -Current Account										

Partnership Firms where control exists	**9.19**	-	**18.87**	-	**2,514.29**	-	**3,279.26**	-	**1,058.81**	-
Kalpataru + Sharyans		6.14		17.83		163.68		457.71		520.68
Kalpataru Constructions (Pune)		-		-		2,149.78		2,778.28		440.13
Kamdhenu constructions		3.05		1.04		200.83		43.27		98.00
Associates / Joint Venture					**2,002.60**		**634.74**		**779.94**	-
Messrs Habitat						2,002.60		634.74		779.94
Share Application Money Received Refunded										
Key Management Personnel	**2.50**									
Mofatraj P Munot		2.50								
Other Related Parties	**100.00**									
Kalpataru Properties Private Limited		100.00								
Guarantee Given										
Subsidiaries					**1,245.00**		**4,000.00**		**1,300.00**	
Kalpataru Properties (Thane) Private Limited								1,000.00		1,300.00
Abacus Real Estate Private Limited								450.00		
Kalpataru Retail Ventures Private Limited								2,550.00		
Kalpataru Land Private Limited						1,245.00				
Other Related Parties							**800.00**			
Amber Real Estate Limited								800.00		
Closing Balances as at	**31-Mar-06**		**31-Mar-07**		**31-Mar-08**		**31-Mar-09**		**31-Mar-10**	
Loans Given										
Subsidiaries					**2,551.01**		**3,329.94**		**5,110.46**	
Abacus Real Estate Private Limited						811.76		526.72		1,083.56
Ambrosia Real Estate Private Limited						270.98		252.38		300.82
Kalpataru Land Private Limited						-		919.33		1,019.74
Kalpataru Retail Ventures Private Limited						290.91		113.95		1,239.80

Kalpataru Gardens Private Limited						304.94		448.73		33.19
Others						872.43		1,068.83		1,433.36
Associates / Joint Ventures							**7.04**			
Ananta Landmark Private Limited								7.04		
Other Related Parties							**12.84**		**10.87**	
Amber Real Estate Limited								12.84		1.30
Saicharan Properties Limited								-		9.57
Loans Taken										
Key Management Personnel	**2.50**									
Mofatraj P Munot		2.50								
Other Related Parties	**519.03**		**302.43**		**9.25**				**1,539.41**	
Kalpataru Properties Private Limited		519.03		302.43		9.25				1,539.41
Sundry Debtors										
Subsidiaries							**268.16**	-	**76.87**	-
Shravasti Property Private Limited								205.80		7.44
Kalpataru Properties (Thane) Private Limited								17.05		20.42
Kalpataru Retail Ventures Private Limited								17.28		26.13
Kalpataru Gardens Private Limited								15.87		18.01
Others								12.16		4.87
Partnership Firms where control exists									**35.19**	-
Kalpataru + Sharyans										20.50
Kalpataru Constructions (Pune)										14.64
Others										0.05
Associates / Joint Ventures							**0.74**		**6.36**	
Messrs Habitat								-		0.43
Azure Tree Townships Private Limited								0.30		1.08
Kalpataru Land (Surat) Private Limited								0.44		4.84
Other Related Parties			**69.50**		**0.03**		**170.00**		**31.26**	

Kalpataru Properties Private Limited										
Neo Pharma Private Limited								15.92		17.75
Durable Trading Company Private Limited						0.02				0.00
Yugdharm Real Estate Private Limited						0.01				0.00
Sristhi Vihar Construction Private Limited				69.50						-
Others								2.29		1.73
Advances / Deposits given										
Subsidiaries					**2.29**					
Kalpataru Gardens Private Limited						2.29				
Other Related Parties	**5.19**		**3.35**							
Kalpataru Properties (Thane) Private Limited				2.02						
Messrs Habitat				0.54						
Neo Pharma Private Limited		5.19		0.40						
Others		-		0.40						
Associates / Joint Ventures							**1.20**		**0.26**	
Messrs Habitat								1.20		0.26
Other Related Parties	**7.13**		**5.48**		**5.48**		**17.94**		**17.94**	
Kalpataru Properties Private Limited		5.48		5.48		5.48		17.94		17.94
Kalpataru Premises Private Limited		1.65		-		-		-		-
Advances / Deposits Taken										
Other Related Parties	**8.50**									
Kalpataru Properties Private Limited		8.50								
Sundry Creditors										
Subsidiaries									**0.00**	
Kalpataru Constructions (Poona) Private Limited										0.00
										-
Associates / Joint Ventures					**312.10**	-	**28.37**	-	**11.84**	-
Messrs Habitat						312.10		28.37		11.84
Other Liabilities										

Key Management Personnel					**2.11**		**2.11**			
Parag M Munot						1.05		1.05		
Mofatraj P Munot						1.06		1.06		
						-		-		
Relatives of Key Management Personnel	**0.40**									
Sunita V Choraria		0.40								
		-								
Other Related Parties	**30.63**	-	**27.05**	-	**26.66**	-	**26.37**	-	**27.62**	-
Caprihans India Limited		26.25		26.25		26.25		26.25		26.25
Kalpataru Properties Private Limited		4.14		0.46		0.21		-		-
Property Solutions (India) Private Limited		0.23		0.34		0.20		0.03		1.30
Others								0.09		0.06
Invesment in Capital Account of Partnership Firms										
Partnership Firms where control exists	**6.50**	-	**7.50**	-	**100.15**	-	**14.47**	-	**15.42**	-
Kalpataru + Sharyans		5.00		5.00		9.90		9.90		9.90
Kamdhenu Constructions		1.50		1.50		89.25		3.57		3.57
Others				1.00		1.00		1.00		1.95
Associates / Joint Ventures					**10.00**		**10.00**		**10.00**	
Messrs Habitat						10.00		10.00		10.00
Investment in Current Account of Partnership Firms										
Partnership Firms where control exists			**0.01**		**(11.74)**		**(1,899.18)**		**(14.42)**	
Kalpataru + Sharyans						(2.10)		(411.48)		(16.29)
Kalpataru Constructions (Pune)				0.01		28.58		(1,492.12)		(29.44)
Kamdhenu Constructions				-		(38.22)		4.42		31.31
Kalpataru Enterprises										(0.01)
Associates / Joint Ventures					**2.39**		**90.45**		**68.53**	
Messrs Habitat						2.39		90.45		68.53
Other Related Parties	**48.86**		**36.74**							
Kalpataru + Sharyans		47.46		35.91						
Others		1.40		0.83						

Investment in Shares										
Subsidiaries					**287.77**		**208.75**		**332.59**	
Shravasti Property Private Limited						47.60		47.60		47.60
Kalpataru Properties (Thane) Private Limited						82.48		82.48		176.73
Kalpataru Land (Surat) Private Limited						50.11		-		-
Kalpataru Retail Ventures Private Limited						48.50		48.50		49.50
Kalpataru Gardens Private Limited						28.57		28.57		50.71
Others						30.51		1.60		8.05
Associates / Joint Ventures	**4.81**		**4.81**		**17.78**		**72.29**		**86.36**	
Susme Builders Private Limited		4.81		4.81		4.81		4.81		
Kalpataru Land (Surat) Private Limited								29.70		29.70
Ananta Landmark Private Limited								19.91		38.78
N G Realty Private Limited						10.00		10.00		10.00
Azure Tree Townships Private Limited						2.97		2.97		2.97
Others								4.90		4.90
Other Related Parties					**0.00**		**0.00**		**0.00**	
Kalpataru Properties Private Limited						0.00		0.00		0.00
Guarantee Given										
Subsidiaries					**1,245.00**		**4,000.00**		**5,300.00**	
Kalpataru Properties (Thane) Private Limited								1,000.00		2,300.00
Abacus Real Estate Private Limited								450.00		450.00
Kalpataru Retail Ventures Private Limited								2,550.00		1,550.00
Kalpataru Gardens Private Limited										1,000.00
Kalpataru Land Private Limited						1,245.00				
Other Related Parties							**800.00**			
Amber Real Estate Limited								800.00		

ANNEXURE- XX		
CAPITALIZATION STATEMENT AS AT MARCH 31, 2010		
		Rs. In Millions
Particulars	**Pre-Issue**	**Post-Issue**
Long Term Debts	3,577.05	[•]
Short Term Debts	5,906.92	[•]
Total Debts	**9,483.97**	
Shareholders' Funds		
- Equity Share Capital	10.50	[•]
- Preference Share Capital	9.50	
(A)	**20.00**	
Reserves, as Restated		
- Securities Premium	985.50	[•]
- Profit and Loss Account	3,060.43	[•]
(B)	**4,045.93**	
Total Shareholders' Funds (A+B)	**4,065.93**	[•]
Long Term Debts/ Equity	0.88	[•]

Notes:

a) Short term debts represent debts which are due within twelve months including loans repayable on demand

b) Long term debts represent debts other than short term debts, as defined above

c) The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company as at March 31, 2010

d) Long Term Debt / Equity = $\frac{\text{Long Term Debt}}{\text{Shareholders' Fund}}$

e) The corresponding Post issue figures are not determinable at this stage pending the completion of the Book Building Process and hence have not been furnished

ANNEXURE - XXI						
UNCONSOLIDATED STATEMENT OF TAX SHELTER, AS RESTATED						
						Rs. In Millions
Particulars		**For the year ended March 31,**				
		2006	**2007**	**2008**	**2009**	**2010**
Profit before current and deferred taxes, as restated	**A**	**12.42**	**21.73**	**2,067.57**	**220.38**	**737.22**
Notional Tax Rate		33.66%	33.66%	33.99%	33.99%	33.99%
Minimum Alternate Tax Rate (MAT)		8.42%	11.22%	11.33%	11.33%	17.00%
Adjustments						
Permanent Differences						
Deduction u/s 24 (a) of the Act		(0.10)	(0.14)	(0.35)	-	(69.42)
Deduction u/s 80IB and 80G of the Act		(0.25)	(0.01)	(160.37)	(171.04)	(430.16)
Share of profit from Partnership Firms		(0.71)	(0.47)	(1,912.60)	(79.92)	(248.46)
Dividend Income exempt u/s 10(34) of the Act		(0.01)	(0.06)	(1.09)	(2.11)	(0.06)
Expenses disallowed		1.86	5.51	10.06	13.02	52.06
Total	**B**	**0.79**	**4.83**	**(2,064.35)**	**(240.05)**	**(696.04)**
Timing Differences						
Difference between tax depreciation and book depreciation		0.58	(0.20)	(1.85)	(5.02)	2.70
Loss / (Profit) on sale of Fixed Assets		-	-	(0.02)	0.09	0.27
Disallowance u/s 40(a)(ia)		-	-	-	32.19	(29.21)
Provision for Gratuity and Leave Encashment (net of payments)		0.32	0.94	1.90	(7.59)	(9.52)
Total	**C**	**0.90**	**0.74**	**0.03**	**19.67**	**(35.76)**
Taxable Profit	**D=A+B+C**	**14.11**	**27.30**	**3.25**	**0.00**	**5.42**
Tax Liability		4.75	9.19	18.57	16.50	84.15
Tax as per Recasted Profit and Loss Account		5.66	9.52	18.63	16.41	84.15
Adjusted Tax Provision		**0.91**	**0.33**	**0.06**	**(0.09)**	**0.00**

ANNEXURE- XXII

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles (GAAP) in India and Accounting Standards as specified in Companies (Accounting Standards) Rules, 2006 as prescribed by the Central Government.

B. USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of financial statements and the reported amount of revenue and expenses for the year. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. FIXED ASSETS

a) Fixed assets are stated at original cost of acquisition/construction, installation net of accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition, construction, installation and other pre-operational expenses.

b) Capital work-in-progress is stated at the amount expended up to the date of Balance Sheet including advances for capital expenditure.

c) The capitalized cost of software includes license fees, cost of implementation and system integration services. These costs are capitalized as intangible assets in the year in which related software is implemented.

D. DEPRECIATION / AMORTISATION

a) Depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

b) Software (Intangible Assets) including implementation cost, is amortized on a straight line basis over a period of three years from the date of its implementation based on the management estimate of useful life over which economic benefits will be derived from its use.

E. INVESTMENTS

Current investments are stated at lower of cost and fair value. Long term investments are stated at cost and provision for diminution in their value, other than temporary, if any, is made in the accounts.

F. INVENTORIES

Inventories comprising of work in progress and finished stock are valued at lower of cost and net realizable value. Cost includes purchase of constructed units, cost of land / development rights, construction cost, allocated interest and expenses incidental to the projects undertaken by the Company.

G. EMPLOYEE BENEFITS

a) Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

b) Post employment and other long term benefits are recognized as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined by using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Profit and Loss Account.

c) Payments to defined contribution retirement benefit schemes are expensed out as they fall due.

H. BORROWNIG COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

I. OPERATING LEASE

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor is classified as operating lease. Lease payments and receipts under operating lease are recognized as an expense and income on accrual basis in accordance with the respective lease agreements.

J. TAXATION

a) Current tax is determined as the amount of tax payable in respect of taxable income of the year.

b) Deferred tax is recognized subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods and measured using prevailing enacted or substantively enacted tax rates.

K. REVENUE RECOGNITION

a) **Revenue from Real Estate activity**

The Company recognizes revenue from sale of real estate projects as per “Percentage of Completion Method”. Revenue comprises the aggregate amounts of sale price as per the documents entered into. The percentage completion of construction work is as certified by the registered Architect, subject to such percentage being 25 percent or more. The total saleable area and estimate of costs are reviewed periodically by the management and any effect of changes therein is recognized in the period in which such changes are determined. However, if and when the total project cost is estimated to exceed the total revenue from the project, the loss is recognized in the same financial year.

b) **Profit / Loss from Partnership Firms**

Share of Profit / Loss from partnership firms in which the Company is a partner is accounted for in the financial year ending on or after the date of the Balance Sheet of the Firm.

c) **Dividend**

Dividend Income is recognized when the right to receive the dividend is established.

L. FOREIGN CURRENCY TRANSACTIONS

a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transactions. Monetary assets and liabilities in foreign currency as at the Balance Sheet date are translated at the exchange rates prevailing at the date of Balance Sheet. Gains and losses arising on account of difference in foreign exchange rates on settlement / translation of monetary assets and liabilities are recognized in the Profit and Loss Account.

b) In respect of derivative contracts, the difference due to change in exchange rate between the inception of derivative contract and the date of Balance Sheet and the proportionate premium / discount for the period up to the date of Balance Sheet is recognized in the Profit and Loss Account. Any profit or loss on settlement / cancellation of derivative contract is recognized as an income or expense for the year in which they arise.

M. IMPAIRMENT OF ASSETS

If carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured at the higher of the net selling price or value in use. Value in use is determined by the present value of estimated cash flows.

N. EARNINGS PER SHARE

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed and disclosed using weighted average number of common and dilutive common equivalent shares outstanding during the period, except when results would be anti dilutive.

II. Notes to the Restated Unconsolidated Summary Statements:

1. Impact of changes in accounting policies, prior period adjustment and exceptional items:

A)	**Notes to Summary Statement of Assets and Liabilities, As Restated (Annexure-I) and Summary Statement of Profit and Loss, As Restated (Annexure-II)**					
					Rs. In Millions	
	Particulars	**For the year ended March 31,**				
		2006	**2007**	**2008**	**2009**	**2010**
	Adjustment (Income/Expenses) in statement of Profit and Loss arising out of:					
i)						
a)	Provision of Accrued Liability of Gratuity and Leave Encashment Liability (Refer note 2(a))	0.15	(0.45)	-		
b)	Deferred Tax on Gratuity and Leave Encashment Liability (Refer note 2(a))	(0.05)	0.15			
ii)	**Prior Period Items / Exceptional Items / Earlier Year Taxation:**					
a)	Exceptional Item (Refer note 2(b)(iv))					
	- Legal Fees	1.38				
	- Interest and Finance Charges	5.41				
	- Miscellaneous Expenses	0.03				
b)	Prior Period Item (Refer note 2(b)(v))					
	- Refund of Property Taxes	(0.19)				
	- Interest and Finance Charges	(1.69)				
	- Adminstrative and other expenses	(3.52)				
c)	Earlier Year Taxation (Refer note 2(b)(i))	1.93	0.02	0.20	0.00	5.44
d)	Current Year Taxation (Refer note 2(b)(ii))	(2.72)	(1.35)	0.08	4.74	0.00
e)	Deferred Tax (Refer note 2(b)(i))				(4.83)	
iii)	MAT Credit Entitlement			15.42	(1.76)	(15.42)
	Total	**0.73**	**(1.63)**	**15.70**	**(1.85)**	**(9.98)**
B)	**Adjustment (Increase/Decrease) in Statement of Assets & Liabilities**				**Rs. In Millions**	
a)	**Fixed Assets**	-	-	-	-	-
b)	**Investments**	-	-	-	-	-
c)	**Deferred Tax Assets (net)**	**(0.18)**	**(0.03)**	**(0.00)**	**(0.00)**	**(0.00)**
d)	**Inventories**	-	-	-	-	-
e)	**Sundry Debtors**	-	-	-	-	-
f)	**Loans and Advances**	**(3.08)**	**(4.42)**	**11.28**	**9.43**	**(0.56)**
	Total	**(3.26)**	**(4.45)**	**11.28**	**9.43**	**(0.56)**

g)	**Secured Loans**	-	-	-	-	-
h)	**Unsecured Loans**	**(0.40)**	-	-	-	-
i)	**Current Liabilities**	**0.40**	-	-	-	-
j)	**Provisions**	**(0.54)**	**(0.09)**	-	-	-
k)	**Reserves and Surplus**	**(2.72)**	**(4.36)**	**11.28**	**9.43**	**(0.56)**
	Total	**(3.26)**	**(4.45)**	**11.28**	**9.43**	**(0.56)**

1. **Notes on Restated Adjustments:**

a. **Adjustment on account of AS-15 (Revised) on "Employee Benefits":** Gratuity and Leave Encashment liability for financial year 2005-06 and 2006-07 were provided on the basis of management estimate. The Company has adopted AS-15 (Revised) with retrospective effect (i.e. from FY 2005-06) and accordingly necessary adjustments have been made in the Restated Unconsolidated Statements for the financial years 2005-06 and 2006-07.

b. Adjustments relating to Previous Year:

i. Earlier Year Taxation: Earlier year taxation primarily resulted on account of assessment made by the Income Tax authority and any differences being a credit / charges were recorded in the financial statement. Accordingly, the effect of these items has been adjusted in the period to which the tax related with a corresponding charge / credit to the "Restated Statement of Profit and Loss".

ii. Tax impact of adjustments: The 'Restated Statement of Profit and Loss' has been adjusted for respective years in respect of short / excess provision for Income Tax as compared to the tax payable as per the Income Tax returns filed by the Company for these years.

iii. Material Regroupings: The following balances have been regrouped in the Statement of Assets and Liabilities, as restated and Statement of Profit and Loss, as restated

1. Project Management Fees and Rent / Hire charges have been regrouped under Sales and Services which was earlier shown in Other Income.
2. Tax Advances are shown net of provision for taxation
3. Current Account balance in partnership firms, which was earlier shown in Investment Schedule in FY 2005-06, have been regrouped under Loans and Advances Schedule
4. Loans and advances, other current assets and current liabilities and provisions have been regrouped, reclassified and rearranged wherever necessary.

iv. Exceptional Item: Exceptional expenses of Rs 6.82 millions as referred in note 11 have been adjusted retrospectively.

v. Prior Period Adjustment: Prior period adjustment in respect of items of income have been retrospectively adjusted in arriving at the profits of the years to which they relate although the event triggering the income occurred in the subsequent years, as per SEBI ICDR, Regulations 2009.

c. **Non Adjustments:**

In the financial year 2007-08, the company acquired 30% shareholding in a company and investment was accounted as per AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements". Subsequently, the associate is reclassified as joint venture. Hence, all the necessary disclosures are made as per AS 27 "Financial Reporting for Interests in Joint Ventures" retrospectively.

3. **Auditors' Qualification:**

Auditors' qualification pertaining to Companies (Auditors' Report) Order, 2003 for which adjustments are not required in the restated financial statements:

(i). Undisputed amount of Rs 0.84 millions in respect of Provident fund was outstanding (since paid) as at March 31, 2008 for a period of more than six months from the date it became payable.

(ii). Undisputed amounts of Rs 0.16 millions and Rs 0.41 millions in respect of Tax Deducted at Source and Provident fund respectively were outstanding (since paid) as at March 31, 2009 for a period of more than six months from the date they became payable.

(iii). The Company was regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, wherever applicable, with appropriate authorities except delay in few cases reported in the financial years 2005-06, 2006-07, 2007-08 and 2008-09.

III.OTHER NOTES

1. **Investment in Partnership Firms is as under:**

(i) Kalpataru Plus Sharyans (Registered Firm) – Total Capital Rs. 10.00 millions as at March 31, 2010

Name of Partners	Percentage of Share				
	2006	2007	2008	2009	2010
Kalpataru Limited	50.00%	50.00%	99.00%	99.00%	99.00%

Kalpataru Properties Private Limited	50.00%	50.00%	1.00%	1.00%	1.00%

(ii) Kamdhenu Constructions (Registered Firm) – Total Capital Rs. 6.00 millions as at March 31, 2010

Name of Partners	Percentage of Share				
	2006	2007	2008	2009	2010
Kalpataru Limited	1.00%	1.00%	59.50%	59.50%	59.50%
Akanksha International Holdings Private Limited	15.00%	15.00%	15.00%	15.00%	15.00%
Trishul Commercial Private Limited	12.50%	12.50%	12.50%	12.50%	12.50%
Akal Kumari	5.40%	5.40%	5.40%	5.40%	5.40%
Ashok Kumar Daga	4.60%	4.60%	4.60%	4.60%	4.60%
K.C. Holdings Private Limited	1.00%	1.00%	1.00%	1.00%	1.00%
Kalpataru Properties Private Limited	35.50%	35.50%	1.00%	1.00%	1.00%
Neo Pharma Private Limited	25.00%	25.00%	1.00%	1.00%	1.00%

(iii) Kalpataru Constructions (Pune) (Registered Firm)– Total Capital Rs. 2.00 millions as at March 31, 2010 and Rs. 2.70 millions as at March 31, 2009

Name of Partners	Percentage of Share				
	2006	2007	2008	2009	2010
Kalpataru Limited	-	51.00%	99.00%	99.00%	99.00%
Kalpataru Properties Private Limited	-	9.00%	0.20%	0.20%	1.00%
Mofatraj P Munot HUF	-	17.14%	0.24%	0.24%	-
Mofatraj P Munot	-	10.86%	0.24%	0.24%	-
Monica P Munot	-	8.00%	0.24%	0.24%	-
Tara I kanga	-	4.00%	0.08%	0.08%	-

(iv) Messers Habitat (Registered Firm) – Total Capital Rs. 15.00 millions as at March 31, 2010 and Rs. 16 millions as at March 31, 2009

Name of Partners	Percentage of Share				
	2006	2007	2008	2009	2010
Kalpataru Limited	-	-	49.00%	49.00%	49.00%
Tyabji Estate Private Limited	-	-	40.00%	40.00%	50.00%
Haresh K. Nanwani	-	-	10.00%	10.00%	-
Mofatraj P. Munot	-	-	0.80%	0.80%	0.80%
Tara I. Kanga	-	-	0.10%	0.10%	0.10%
Monica P. Munot	-	-	0.10%	0.10%	0.10%

(v) Kalpataru Enterprises (Registered Firm) – Total Capital Rs. 1.00 millions as at March 31, 2010

Name of Partners	Percentage of Share				
	2006	2007	2008	2009	2010
Kalpataru Limited	-	-	-	-	95.00%
Kalpataru Properties Private Limited	-	-	-	-	5.00%

2. Investment in Joint Ventures

Information as per Accounting Standard AS – 27 –"Financial Reporting of Interest in Joint ventures" issued by the ICAI.

Sr. No.	Name of the Enterprise	Country of Incorporation	Principal Activities	Ownership Interest				
				2006	2007	2008	2009	2010
1	Messers Habitat (w.e.f. April 01, 2007)	India	Construction and development of Real Estate	-	-	49%	49%	49%
2	Azure Tree Townships Private Limited (w.e.f. Nov 26, 2007)	India	Construction and development of Real Estate	-	-	30%	30%	30%
3	Kalpataru Plus Sharyans (w.e.f. April 01, 2006) *	India	Construction and development of Real Estate	-	50%	-	-	-

***** Extent of holding increased to 99% and became subsidiary w.e.f. April 01, 2007

The Company's share of the assets, liabilities, income and expenditure of the significant Joint Ventures (under jointly controlled entity) as at March 31:

					Rs. In Millions
Particulars	**2006**	**2007**	**2008**	**2009**	**2010**
Assets	-	67.67	961.62	813.84	614.50
Liabilities	-	62.67	950.90	803.22	603.98
Income	-	0.00	2,891.85	99.50	125.77
Expenses	-	0.02	1,184.93	44.19	57.05

3. Taxation

(i) Current Tax

Provision for current tax has been made as per the provisions of the Income-tax Act, 1961 considering the deduction available to the Company u/s 80IB, where applicable.

(ii) Deferred Tax

The Company has accounted for Deferred Tax in accordance with Accounting Standard (AS-22) "Accounting for Taxes on Income" issued by ICAI.

The components of deferred tax balance are as under:

					Rs. In Millions
Particulars	**2006**	**2007**	**2008**	**2009**	**2010**
Depreciation and Amortization on Fixed Assets	0.25	0.18	(0.47)	(2.14)	(1.79)
Expenses allowable on payment basis	0.37	1.02	3.18	18.16	8.79

Total Deferred Tax Assets	0.62	1.20	2.71	16.02	7.00

4. **Leases**

a) The Company has given commercial and residential premises under cancelable operating lease agreements. Lease income from cancelable operating leases is recognized on a straight line basis over the period of lease. Particulars of the premises given under operating leases are as under:

Rs. In Millions

Particulars	2006	2007	2008	2009	2010
Gross Carrying Amount of Premises (Included in Inventories)	38.90	11.69	7.32	7.32	489.65

Total Rent Income received is as under:

Rs. In Millions

Particulars	2006	2007	2008	2009	2010
Total Rent Income received	1.49	1.21	1.15	1.23	52.51
Future lease rental obligation receivables (In respect of non cancelable operating leases)					
- Not later than one year	-	-	-	-	46.31
- One to Five Years	-	-	-	-	58.90

b) The Company has taken commercial and residential premises under cancelable operating lease agreements. Lease expenditure for cancelable operating leases is recognized on a straight line basis over the period of lease. The initial period for lease is 15 - 53 months.

Total rent paid during the year is as under:

Rs. In Millions

Particulars	2006	2007	2008	2009	2010
Total Rent paid	4.66	11.96	12.80	35.04	42.17

5. Debit and credit balances are subject to confirmation and reconciliation, if any.
6. Up to the financial year ended 31 March 2007, the Company recognized revenue from sale of real estate units / properties as per the Project / Building completion method. Subsequently, the Company has changed the method of revenue recognition and revenue from sale of real estate projects is recognized as per the "Percentage Completion Method". Had the Company followed the previous method of accounting, the profit before tax for FY 2007-08 would have been lower by Rs 266.80 millions and the Reserves and Surplus at the year end would have been lower by Rs 248.60 millions.
7. During 2008-09, the Company had issued 950,000 Redeemable Non Convertible Preference Shares (RNCPS) of Rs. 10 each at a premium of Rs. 990 per share. As per the terms of the issue, all the RNCPS are of the tenure of 15 years unless redeemed earlier at the option of the Company.
8. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence details, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.
9. Current liabilities include cheques overdrawn amounted as under:

Rs. In Millions

Particulars	2006	2007	2008	2009	2010
Cheques Overdrawn	-	-	220.18	10.34	9.90

10. The Company has not made adjustment in share of profit from Partnership firms for difference in accounting policy for depreciation on fixed assets of Partnership firms, which is provided on the written down value (WDV) method at the rates and in the manner prescribed in Income Tax Act, 1961.

11. The Company had made payments for acquisition of certain property located in Mumbai in earlier years. The incidental expenses including interest thereon were added and shown in Work in Progress up to March 31, 2005. Subsequent events leading to withdrawal of the offer / claim by the Company necessitated regrouping from Work in Progress of Rs 122.68 millions to Loans and Advances in FY 2005-06. The difference of Rs 6.82 millions between the carrying value of the said advances and its realizable value was shown as Exceptional Items, since adjusted.

12. Exchange Differences

a) The foreign exchange loss (net) including on derivative contracts of Rs Nil, Rs Nil, Rs Nil, Rs. 15.43 millions and Rs 28.72 millions for the years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 respectively, resulting from settlement / realignment of foreign exchange transactions is debited to Profit and Loss Account under respective heads.

b) Derivative contract outstanding as at March 31, 2006, March 31, 2007, March 31,2008, March 31, 2009 and March 31, 2010 – Interest Swap on Rs Nil, Rs Nil, Rs Nil, Rs. 300.00 millions and Rs. 300.00 millions respectively.

c) Foreign currency exposures that are not hedged by derivative transactions in respect of foreign currency payables (net) as at March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 is Rs Nil, Rs Nil, Rs Nil, Rs 8.78 millions and Rs. 1.97 millions respectively.

13. The employees' gratuity fund scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

I. Expenses recognized during the year (Under the head "Personnel Cost")

					Rs. In Millions
Particulars	**2006**	**2007**	**2008**	**2009**	**2010**
	Gratuity (unfunded)	**Gratuity (unfunded)**	**Gratuity (unfunded)**	**Gratuity (unfunded)**	**Gratuity (unfunded)**
Current Service cost	0.05	0.13	1.13	5.29	2.52
Interest Cost	0.05	0.08	0.26	0.82	1.16
Actuarial (gain) / loss	0.15	1.08	1.76	(12.23)	1.86
Recovery	-	-	-	(0.03)	
Net Cost	0.26	1.29	3.15	(6.15)	5.54

II. Reconciliation of opening and closing balances of Defined Benefit obligation

					Rs. In Millions
Particulars	**2006**	**2007**	**2008**	**2009**	**2010**
	Gratuity (unfunded)	**Gratuity (unfunded)**	**Gratuity (unfunded)**	**Gratuity (unfunded)**	**Gratuity (unfunded)**
Defined benefit obligation as in the beginning of the FY	0.61	0.87	2.16	5.26	12.65
Liability on account of transfer of employees	-	-	-	14.21	-
Current service cost	0.05	0.13	1.13	5.29	2.52
Interest cost	0.05	0.08	0.26	0.82	1.16
Actuarial (gain) / loss on obligation	0.15	1.08	1.76	(12.23)	1.86
Benefit paid	-	-	(0.06)	(0.70)	(1.31)

Defined benefit obligation as in the end of the FY	0.87	2.16	5.26	12.65	16.88

III. Actuarial assumptions

Particulars	2006	2007	2008	2009	2010
	Gratuity (unfunded)	**Gratuity (unfunded)**	**Gratuity (unfunded)**	**Gratuity (unfunded)**	**Gratuity (unfunded)**
Mortality Table (LIC)	1994-96	1994-96	1994-96	1994-96	1994-96
	(Ultimate)	(Ultimate)	(Ultimate)	(Ultimate)	(Ultimate)
Discount rate (per annum)	8%	8%	8%	7.75%	8.25%
Rate of escalation in salary (per annum)	5%	10%	10%	2%	3%

14. Earnings per Share (EPS)

(Amount in Rs. Millions except per share data)

Particulars	2006	2007	2008	2009	2010
a) Profit After Tax, as restated	7.68	12.53	2,064.56	224.17	728.08
Less: Preference Dividend (inclusive of tax)	-	-	-	0.00	0.00
Profit After Tax, as restated available to Equity shareholders	**7.68**	**12.53**	**2,064.56**	**224.17**	**728.08**
b) Weighted average number of Equity Shares outstanding #	139,650,000	139,650,000	139,650,000	139,650,000	139,650,000
c) Basic and Diluted Earnings Per Share of Face value of Rs.10 each (Rs.)	0.06	0.09	14.78	1.61	5.21

On September 9, 2010, paid up equity capital of the Company has been increased from Rs 10.50 millions to Rs 1396.50 millions by issue of bonus shares in the ratio of 132 fully paid up equity shares for every 1 fully paid up equity share held.

15. Segment Reporting

The Company has mainly one reportable segment i.e. real estate development and hence no further disclosure is required under Accounting Standard AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India.

16. Additional information required to be given pursuant to Part – II of Schedule VI to the Companies Act, 1956 is as under:

(i) As regards construction activities, in view of their peculiar nature, details regarding value and quantity of consumption of construction materials are not provided.

(ii) Quantitative details of turnover – constructed units **(FY 2009-10)**

Particulars	Opening Stock		Additions			Sales		Closing Stock	
			Self Constru-cted Units	Purchases					
	No. of Units	Value		No. of Units	Value	No. of Units	Value	No. of Units	Value
		Rs.			Rs.		Rs.		Rs.
Constructed Units	98	2,358.82	10	8	1314.261	67	1,356.28	49	2,704.78
Development Rights (Sq Mtrs)	410	10.16	-	-	-	-	-	410	10.16
Under Construction Units / Land (as per percentage completion method)							2,273.32		

Quantitative details of turnover – constructed units **(FY 2008-09)**

Particulars	Opening Stock		Additions			Sales		Closing Stock	
			Self Constru-cted Units	Purchases					
	No. of Units	Value		No. of Units	Value	No. of Units	Value	No. of Units	Value
		Rs.			Rs.		Rs.		Rs.
Constructed Units	107	1,523.86	24	-	-	33	1,474.87	98	2,358.82
Development Rights (Sq Mtrs)	-	-	-	11,000	272.59	10,590	317.04	410	10.16
Under Construction Units / Land (as per percentage completion method)							986.88		

(iii) Expenditure in Foreign Currency

Particulars	2006	2007	2008	2009	2010
C.I.F. Value of Import					
Construction Material	-	-	11.24	4.26	17.32
Capital Goods	-	-	0.46	-	-
Expenditure in Foreign Currency					
Membership and Subscription	-	0.15	-	-	-
Consultancy Fees	-	-	0.31	13.93	11.02
Sales Promotion	-	-	-	0.45	1.03
Traveling Expenses	-	0.14	0.34	-	-

(iv) Other additional information required to be given pursuant to Part II of Schedule VI to the Companies Act, 1956 is either Nil or Not Applicable.

ANNEXURE - XXIII						
UNCONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED						
						Rs. In Millions
Sr. No.	**Particulars**	**As at March 31,**				
		2006	**2007**	**2008**	**2009**	**2010**
A	Disputed tax matters under appeal	2.12	2.12	-	-	-
B	(i) Company had entered into agreements as business proposition of undertaking and performance guarantee with Caprihans India Limited for realization of the agreed amount from the sale of specified assets and investments and realization from debtors within specified time. Further, specified assets include a property developed by Caprihans India Limited which is a matter of dispute with the owner of the land is referred to arbitration. The surplus/deficit arising out of arbitration award will be accounted in the year in which the same gets finally decided.	-	-	-	-	-
	(ii) There are certain legal cases / disputes pending against the Company or filed by the Company. However, they are not likely to have any adverse material effect on the financial position of the Company	-	-	-	-	-
C.	Guarantee given by the bank to the local authority on behalf of the company.	2.06	2.06	7.69	0.19	-
D	Unexpired Letter of credit (net of liability provided)	-	-	29.01	95.64	13.61
E	Uncalled liability on partly paid equity shares	-	-	63.00	63.00	63.00
F	Claims not acknowledged as debt	0.44	0.44	0.44	0.44	0.44
G	Corporate guarantees to various Banks/Financial Institutions on behalf of subsidiaries and associate concern for loans granted to them #	-	-	1,245.00	4,800.00	5,300.00
# Loan Outstanding against above Corporate Guarantees		-	-	905.00	3,055.52	3,727.37

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our restated consolidated financial statements and the notes to those statements included in this Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections "Risk Factors" and "Forward Looking Statements" included in this Draft Red Herring Prospectus. This discussion is based on our restated consolidated financial statements as of and for the fiscal years ended March 31, 2010, 2009, 2008 and 2007, which have been prepared in accordance with Indian GAAP. Indian GAAP is substantially different from U.S. GAAP and IFRS. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information to a prospective investor in the U.S. or other countries is entirely dependent on the reader's level of familiarity with Indian accounting practices. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the 12 months ending March 31 of that year.

Overview

We are the flagship real estate company of the Kalpataru group of companies (the "Kalpataru Group") which is one of the leading real estate development groups in India (*Source: Construction World September 2010*). Our focus is on the development of premium residential, commercial, retail, integrated townships, lifestyle gated communities and redevelopment projects primarily in the Mumbai Metropolitan Region (the "MMR") and Pune. We are also undertaking projects in other key cities such as Hyderabad, Surat, Nagpur, Jaipur and Udaipur.

The Kalpataru Group has interests in real estate development, property and project management, engineering, procurement and construction ("EPC") contracting for power transmission and infrastructure projects including road projects, warehousing and logistics. The Kalpataru Group was established in 1969 by our Promoter, Mr. Mofatraj P. Munot. The Kalpataru Group includes Kalpataru Power Transmission Limited and JMC Projects (India) Limited, both listed on the NSE and the BSE. Kalpataru Power Transmission Limited and JMC Projects (India) Limited had revenues of Rs. 26,306.85 million and Rs. 13,209.96 million, respectively, for the fiscal year 2010. One of our key strengths is our affiliation and our relationship with the Kalpataru Group and the strong brand equity generated from the "Kalpataru" brand name.

As of August 31, 2010, we, our Promoters and Group Companies have collectively developed 73 real estate projects across India, aggregating to 10.3 million square feet of Saleable/Leaseable Area. A majority of these projects are located in Mumbai, other locations of the MMR and Pune and are predominantly residential projects.

As of August 31, 2010, we have completed 20 residential developments, three commercial development and one retail development, aggregating 5,293,075 square feet of Saleable/Leaseable Area. As of August 31, 2010, we had:

- 15 Ongoing Projects, aggregating 13,760,719 square feet and 9,651,328 square feet of Developable Area and Saleable/Leaseable Area, respectively;
- 10 Forthcoming Projects, aggregating 21,638,927 square feet and 15,002,064 square feet of Developable Area and Saleable/Leaseable Area, respectively;
- 15 Planned Projects, aggregating 56,529,212 square feet and 52,473,903 square feet of Developable Area and Saleable/Leaseable Area, respectively; and
- Land Available for Future Development aggregating 1,303 acres.

As of August 31, 2010, we had Land Reserves aggregating 2,670.36 acres. Our Land Reserves is the sum of all our land, including our Ongoing Projects, Forthcoming Projects, Planned Projects and Land Available for Future Development.

In 2010, we were awarded the "Best Architecture (Multiple Units) – Asia Pacific" for Kalpataru Aura, a residential development in Mumbai, and the "Best Office Development – Asia Pacific" for Kalpataru Square, a commercial development in Mumbai, at the Asia Pacific Residential and Commercial Property Awards, Hong

Kong, organised in association with Bloomberg Television. In 2009, we were awarded a four-star rating in "Best Retail Development - India" for Korum, a shopping mall in Thane, at the CNBC Asia Pacific Commercial Property Awards.

The table set forth below provides a summary of our Ongoing Projects, Forthcoming Projects and Planned Projects as of August 31, 2010:

Type of Project	Number of Projects	Developable Area	Saleable/Leaseable Area
		(in square feet)	*(in square feet)*
Ongoing Projects			
Residential	11	11,550,444	8,091,545
Residential............................		11,182,142	7,837,703
Commercial [1]........................		368,302	253,842
Commercial................................	1	324,965	222,135
Integrated townships………………..	1	1,334,166	1,073,176
Residential............................		1,334,166	1,073,176
Commercial		-	-
Redevelopment...........................	2	551,144	264,472
Residential............................		508,039	243,782
Commercial		43,105	20,690
Sub-Total	**15**	**13,760,719**	**9,651,328**
Forthcoming Projects			
Residential..................................	5	2,927,630	1,882,575
Commercial................................	1	186,082	139,561
Retail..	1	755,076	476,785
Lifestyle gated community..........	1	1,999,833	1,999,833
Residential............................		1,599,867	1,599,867
Commercial		399,966	399,966
Integrated Township...................	1	15,543,744	10,415,634
Residential............................		14,361,945	9,623,728
Commercial		1,181,799	791,906
Redevelopment...........................	1	226,562	87,676
Sub-Total	**10**	**21,638,927**	**15,002,064**
Planned Projects			
Residential..................................	4	4,351,709	3,082,959
Commercial................................	1	56,998	42,806
Retail..	1	422,402	320,603
Lifestyle gated community..........	3	13,168,202	13,168,202
Residential............................		13,050,362	13,050,362
Commercial..........................		117,840	117,840
Integrated townships	3	37,065,104	35,104,904
Residential............................		34,714,645	32,863,345
Commercial		2,350,459	2,241,559
Redevelopment...........................	2	903,161	192,793
Hospitality..................................	1	561,636	561,636
Sub-Total	**15**	**56,529,212**	**52,473,903**
Grand Total	**40**	**91,928,858**	**77,127,295**

[1] Some of our residential properties also include minor commercial space which we lease or sell.

Corporate Restructuring

During the fiscal year 2008, our Company undertook a corporate restructuring wherein 22 entities that were a part of the Kalpataru Group (but not held by our Company) were acquired by our Company. These acquisitions largely took place in February 2008 and were consolidated for a period of two months for the fiscal year 2008.

As a result of this corporate restructuring, our results of operations for the fiscal year 2009 are not comparable to our results of operations for the fiscal year 2008 and our results of operations for the fiscal year 2008 are not comparable to our results of operations for the fiscal year 2007. For further details on the corporate restructuring, see "Financial Statements – Consolidated Financial Statements" on page 281.

Significant Factors Affecting Our Results of Operations

A number of factors affect our financial condition and results of operations, including the following:

Fluctuations in market prices for our projects

A substantial part of our Ongoing Projects, Forthcoming Projects and Planned Projects are concentrated in the MMR and Pune, and as a result we are vulnerable to fluctuations in market conditions affecting the real estate prices in these cities. This may, in turn affect our sales prices and realisation for our real estate projects. The real estate market in MMR and in India was significantly affected by the global financial crisis. However, the sector experienced an increase in demand since the second half of 2009 across major cities mainly attributed to improvement in the economy. *(Source: CRISIL Research, India Real Estate Overview: August 2010)*

Supply and demand market conditions are affected by various factors outside our control, including:

- prevailing local economic and demographic conditions;
- availability of consumer financing;
- availability of and demand for projects comparable to those we develop;
- changes in governmental policies and regulations affecting the real estate sector; and
- competition from other real estate developers.

Sales volume and rate of progress of construction and development

Our income from the properties we intend to sell is recognised on the basis of the percentage of completion method of accounting. Under this method, rev*enue comprises the aggregate amounts or sale price under the sale arrangement and is recognised on the basis of the* percentage of construction work completed as certified by an architect, subject to such percentage being 25.0% or more of the project.

We estimate the total cost of a project prior to its commencement based on, among other things, the size, specifications and location of the project. We re-evaluate project costs periodically, particularly when, in our opinion, there have been significant changes in market conditions, costs of labour and materials and other contingencies. Re-evaluations will affect our revenues for the relevant fiscal periods.

For the fiscal year 2010, we generated total income of Rs. 6,168.35 million and net profit after tax and minority interest of Rs. 1,044.56 million, as compared to total income of Rs. 3,670.75 million and net profit after tax and minority interest of Rs. 313.92 million for the fiscal year 2009.

As of August 31, 2010, we had 15 Ongoing Projects, aggregating 9,651,328 square feet of Saleable/Leaseable Area and 10 Forthcoming Projects, aggregating 15,002,064 square feet of Saleable/Leaseable Area, the revenue generated from which will be recognised based on the percentage of completion method of accounting.

Supply of Land and its Cost of Acquisition

Our performance is dependent on the availability of land at appropriate locations for our developments, as well as the cost of acquisition of land and, in case of joint developments or redevelopment projects, the terms under which we have agreed to share revenue or profits generated from these projects or share a proportionate area in the project. Our growth is directly linked to the availability of land in areas where we can develop properties that are marketable. Any Government regulations, policies or other circumstances that restrict the acquisition of such land or increase in competition for land may affect our operations. Land used in a specific project is assigned to such project and included in the cost of construction and development of such project. Such cost of land, together with cost of construction and development, are expensed for projects as and when they are sold and are subjected to the percentage of completion method of revenue recognition.

Although we acquired certain land, over which our Ongoing Projects, Forthcoming Projects and Planned Projects are being undertaken historically at lower costs, land prices in the MMR have substantially increased over past four to five years. This trend is expected to continue in the future, subject to the overall economic conditions and demand in the real estate sector. This, in turn, will lead to increases in our land acquisition costs. Our profit margins depend on our ability to sell projects at higher prices relative to the cost of acquisition of such land.

The cost of acquisition of land is a significant factor for real estate developers, including us. While we have generally acquired freehold or leasehold interests in land, we intend to pursue the joint development model of acquiring property selectively in the future. The practice of entering into joint development agreements eliminates the need for upfront costs of acquiring land and, as such, also reduces our financing costs, though it requires us to share revenues or profits generated with the land owners. In such developments, we obtain the right to construct and develop the property from the owner of land in exchange for the land owner sharing revenues or profits generated from such development. We generally incur all of the construction and development costs.

Cost of Construction and the Rate of Progress of Construction

Cost of construction primarily comprises cost of raw materials and labour. All of our construction work for our projects is performed by third party sub-contractors. The timing and quality of construction of the projects depends on the availability and skill of such third parties, as well as contingencies affecting them, including labour and raw material shortages. Our ability to develop and construct properties profitably is dependent upon such third party construction contractors. In some of our arrangements with our construction contractors, we provide for an escalation or reduction in price that corresponds to an escalation or reduction in the price of building materials.

Construction progress may be delayed and we may incur additional costs as a result of such delays as construction progress is dependent on factors beyond our control, including the availability and skill of our contractors, architects and consultants, as well as contingencies affecting them, including labour and industrial actions such as strikes and lockouts and raw materials, the prompt receipt of regulatory clearances, access to utilities such as electricity and water, the contingencies such as litigation and adverse weather conditions. Delays and additional costs incurred on projects could adversely affect the relative affordability of our projects compared to our competitors' products which will have an effect on our results of operations.

Availability of Credit and Prevailing Interest Rates in India

Our results of operations, and the purchasing power of our real estate customers, are substantially affected by prevailing interest rates and the availability of credit in the Indian economy. Interest rates in India have exhibited a fluctuating trend over the last two fiscal years.

We finance each of our real estate projects, primarily through borrowings from banks and financial institutions, which we repay as we sell or lease units in the projects. As of March 31, 2010, we had outstanding secured loans of Rs. 12,325.13 million and unsecured loans of Rs. 4,391.87 million aggregating to Rs. 16,717.00 million. Our ability to borrow funds for the development of our real estate projects is affected in part by the prevailing interest rates available to us. Changes in the prevailing interest rates affect our interest expense in respect of our borrowings, and our interest income with respect to our interest on short-term deposits with banks and loans to associates. The interest rate, at which we may borrow funds, and the availability of capital to us for development purposes, affects our results of operations by limiting or facilitating the number of projects we may undertake at a point in time.

Changes in interest rates also affect the ability and willingness of our prospective real estate customers, particularly customers for our residential properties, to obtain financing for their purchase of our developments. The interest rate at which our real estate customers may borrow funds for the purchase of our properties affects the affordability and purchasing power of, and hence the market demand for, our residential real estate developments.

Indian Tax Policies and Benefits in Connection with Real Estate Development

Certain of our real estate developments projects qualify for tax benefits that affect our results of operations. In particular, the following tax benefits have a positive impact on our results of operations:

- Under Section 80-IB (10) of the Income Tax Act, 1961 (the "Income Tax Act"), and subject to certain conditions, we are eligible for a 100.0% deduction from our taxable income, of the profits we earn from the development and construction of certain housing projects approved before March 31, 2008.

- We are nonetheless subject to a minimum alternate tax ("MAT") of 19.9% on our book profits. Amounts paid as MAT may be credited against future income taxes for up to 10 years from the year in which the MAT credited was paid. Indian tax policies also make our properties more affordable to customers by allowing for a deduction of principal payments and interest payments on mortgage loans up to specific amounts. The continuation of these tax benefits or the lack thereof will have an effect on the affordability of our projects and consequently, our business.

Certain Indian tax policies make some of our projects more affordable to residential customers by permitting a deduction on principal payments and interest payments on mortgage loans up to specific amounts. The continuation of these benefits or the lack thereof to residential purchasers will have an impact on the affordability of our projects and consequently, our business.

Significant Accounting Policies

Key accounting policies that are relevant and specific to our business and operations are described below:

Basis of Accounting

The consolidated financial statements are prepared under the historical cost convention and on an accrual basis, in accordance with Indian GAAP and the accounting standards specified in the Companies (Accounting Standards) Rules, 2006, prescribed by the central Government.

Principles of Consolidation

- The consolidated financial statements have been prepared as per Accounting Standard 21 to the extent possible in the same format as that adopted by our Company for its unconsolidated financial statements by regrouping, recasting or rearranging figures wherever considered necessary.

- The consolidated financial statements are prepared to the extent possible using uniform accounting policies for transactions and other events in similar circumstances, except in case of partnership firms, where depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed under the Income Tax Act, 1961 (the "Income Tax Act"). The written down value of fixed assets as of March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 were Rs. 0.14 million, Rs 3.27 million, Rs 2.72 million and Rs 2.43 million, respectively.

- The financial statements of our Company and our Subsidiaries have been combined on a line-by-line basis by adding together the like items of assets, liabilities, income and expenses. All significant inter-group transactions, unrealised inter-company profits and balances have been eliminated in the process of consolidation. Subsidiaries are consolidated from the date on which effective control is acquired by our Company and are excluded from the date of transfer, disposal or dilution. Minority interest in Subsidiaries represents the minority shareholders' or partners' proportionate share of the net assets and net income. The financial statements of our Subsidiaries are drawn up to the same reporting date as of our Company.

- The excess or shortfall of cost to our Company of its investment in our Subsidiaries over its portion of equity in the Subsidiaries is recognised in the consolidated financial statements as goodwill or capital reserve, as the case may be.

- We have adopted and accounted for investments in associates (as listed in the consolidated financial statements) using the "equity method" under Accounting Standard 23 in the consolidated financial statements.

- We have adopted and accounted for interest in the joint ventures and partnership firms (as listed in the consolidated financial statements) using the "proportionate consolidation method" under Accounting Standard 27. No adjustment is made for difference in accounting policy for depreciation on fixed assets of a partnership firm, which is provided on the written down value method at the rates and in the manner prescribed in the Income Tax Act.

Use of Estimates

The preparation of the consolidated financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from these estimates. The difference between the actual results and estimates are recognised in the period in which the results are known or crystallised.

Goodwill on Consolidation

Goodwill represents the difference between our share in the net worth of our Subsidiaries and joint ventures and the cost of acquisition at the time of making the investment in such Subsidiaries and joint ventures. Capital reserve represents negative goodwill arising on consolidation. Goodwill arising out of consolidation is not amortised.

Fixed Assets

- Goodwill represents the difference between our share in the net worth of our Subsidiaries or our Joint Ventures and the cost of acquisition at the time of making the investment in the Subsidiaries or Joint Ventures. Capital reserve represents negative goodwill arising on consolidation. Goodwill arising out of consolidation is not amortised.

- Fixed assets are stated at original cost of acquisition, installation, construction net of accumulated depreciation, amortisation and impairment losses except land which is carried at cost including lease premium. Cost includes taxes, duties, freight and incidental expenses related to the acquisition, construction, installation and other pre-operational expenses including borrowing cost.

- Capital work-in-progress is stated at the amount expended up to the date of balance sheet including advances for capital expenditure.

- The capitalised cost of software includes license fees, cost of implementation and system integration services. These costs are capitalised as intangible assets in the year in which related software is implemented.

Depreciation / Amortisation

- Depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. However, in respect of certain Subsidiaries and a joint venture, which are partnership firms, depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed under the Income Tax Act.

- Software (intangible assets) including implementation cost is amortised on a straight line basis over a period of three years from the date of its implementation based on the management estimate of useful life over which economic benefits will be derived from its use.

Investments

Current investments are stated at lower of cost and fair value. Long term investments are stated at cost and provision for diminution in their value, other than temporary, if any, is made in the accounts.

Inventories

Inventories comprising of work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes acquisition costs of constructed units, cost of land or development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by us.

Employee Benefits

- Short term employee benefits are recognised as an expense at the undiscounted amount in the year in which the related service is rendered.

- Post employment and other long term benefits are recognised as an expense for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable, determined by using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the profit and loss account.

- Payments to defined contribution retirement benefit schemes are expensed out as they fall due.

Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged to revenue when incurred.

Operating Lease

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor is classified as operating lease. Lease payments and receipts under operating lease are recognised as an expense and income on accrual basis in accordance with the respective lease agreements.

Finance Lease

Assets given under finance lease are recognised as receivable in the balance sheet at an amount equal to the net investment in the lease. The recognition of finance income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding in respect of the finance lease. Initial direct costs are recognised immediately in the profit and loss account.

Accounting for Taxes on Income

- Current tax is determined as the amount of tax payable in respect of taxable income of the year.

- Deferred tax is recognised subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods and measured using prevailing enacted or substantively enacted tax rates.

Revenue Recognition

- We recognise revenue from the sale of real estate projects under the "percentage of completion method". Revenue comprises the aggregate amounts or sale price under the sale arrangements entered into and is recognised on the basis of the percentage of construction work completed, as certified by an architect, subject to such percentage being 25.0% or more. The total Saleable Area and the estimate of cost are reviewed periodically by the management and any effect of changes therein is recognised in the period in which such changes are determined. However, if and when the total project cost is estimated to exceed the total revenue from the project, the loss is recognised in the same financial year.

- Dividend income is recorded when the right to receive the dividend is established.

- Interest income is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

- Share of profit and loss from firms in which our Company is a partner is accounted for in the financial year ending on (or after) the date of the balance sheet of the firm. All the partnership firms that our Company is a partner in follow the same period of financial reporting as our Company.

Foreign Currency Transactions

- Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transactions.

- Monetary assets and liabilities in foreign currency as of the balance sheet date are translated at the exchange rates prevailing on the date of balance sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement or translation of monetary assets and liabilities are recognised in the profit and loss account.

- In respect of derivative contracts, the difference due to change in exchange rate between the inception of the derivative contract and the balance sheet date and the proportionate premium or discount for the period up to the balance sheet date is recognised in the profit and loss account. Any profit or loss on settlement or cancellation of a derivative contract is recognised as an income or expense for the year in which they arise.

Impairment of Assets

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured at the higher of the net selling price and value in use determined by the present value of estimated cash flows.

Earnings per Share

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed and disclosed using weighted average number of common and dilutive common equivalent shares outstanding during the year, except when results would be anti dilutive.

Description of Income and Expenditure

Income

Our total income primarily consists of the following items:

- Sales and services;
- Share of profit from partnership firms; and
- Other income.

Sales and services includes sales income which is sale of self constructed units and traded income. Sale of self constructed units is income recognised from sales of units we have constructed from our residential and commercial properties under the percentage of completion method of accounting, reflecting the progress in construction completed. Traded income is income recognised from properties we have not developed but purchased and resold, land we have sold and TDRs we have sold; rent and hire charges from our commercial premises; and shares in the sales of units from our Joint Ventures.

Other income primarily includes interest received on inter corporate deposits we make to our Group Companies and other non-Group Companies.

Expenditure

Total expenditure consists of the following items:

- Cost of sales;
- Administrative and other expenses;
- Finance costs; and
- Depreciation and amortisation.

Cost of Sales: Cost of sales consists primarily of expenses relating to the sale of units including the cost of acquisition of land, the costs of obtaining regulatory approvals, costs of building materials, costs of services of third parties such as architects and sub-contractors, recognised under the percentage of project completion method, reflecting progress in the construction of such projects and the number of units sold.

Administrative and Other Expenses: Administrative and other expenses primarily consists of salaries and allowances, selling and distribution expenses, rent and license fees, legal, professional and consultancy charges, conveyance and travelling expenses and other miscellaneous expenses.

Finance Costs: Our finance costs consist of expenses incurred with respect to borrowings for general working capital purposes as well as for completed projects and inventory. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use.

Depreciation and Amortisation: Depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. However, in respect of certain entities that we consolidated, which are partnership firms, depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed under the Income Tax Act. Software (intangible assets) is amortised on a straight line basis over a period of three years from the date of its implementation based on the management estimate of useful life over which economic benefits will be derived from its use.

Minority Interest: Minority interest in Subsidiaries represents the minority shareholders' or partners' proportionate share of the net assets and net income in accordance with Accounting Standard 21.

Results of Operations

The following table sets forth, for the fiscal years indicated, certain items from our restated consolidated financial statements, in each case also stated as a percentage of total income:

	Fiscal Year							
	2010		2009		2008		2007	
Particulars	**Amount (Rs. in millions)**	**% of Total Income**	**Amount (Rs. in millions)**	**% of Total Income**	**Amount (Rs. in millions)**	**% of Total Income**	**Amount (Rs. in millions)**	**% of Total Income**
Income:								
Sales and Services	5,851.09	94.9	3,364.34	91.7	4,487.24	97.9	164.98	96.6
Share of profit from Partnership firm	—	—	—	—	—	—	0.47	0.3
Other income	317.26	5.1	306.41	8.3	94.82	2.1	5.30	3.1
Total income	6,168.35	100.0	3,670.75	100.0	4,582.06	100.0	170.75	100.0
Expenditure:								
Cost of sales	4,181.61	67.8	2,497.44	68.0	2,482.48	54.2	95.94	56.2
Administrative and other expenses	367.84	6.0	265.58	7.2	123.32	2.7	24.42	14.3
Finance cost	299.85	4.9	498.75	13.6	155.10	3.4	26.16	15.3
Depreciation/amortisation	29.28	0.5	28.36	0.8	10.16	0.2	2.51	1.5
Total expenditure	4,878.58	79.1	3,290.13	89.6	2,771.06	60.5	149.03	87.3
Profit/(loss) before tax	1,289.77	20.9	380.62	10.4	1,811.00	39.5	21.72	12.7
Provision for taxation:								
Current tax	164.48	2.7	45.16	1.2	27.79	0.6	9.20	5.4
Less MAT credit	(84.04)	(1.4)	(14.56)	(0.4)	(15.66)	(0.3)	—	—
Fringe benefit tax	—	—	3.44	0.1	1.58	—	0.58	0.3
Deferred tax	14.71	0.2	(13.74)	(0.4)	(0.56)	—	(0.58)	(0.3)
Net profit/(loss) after tax, as restated	**1,194.62**	**19.4**	**360.32**	**9.8**	**1,797.85**	**39.2**	**12.52**	**7.3**
Minority interest	149.83	2.4	43.76	1.2	143.98	3.1	—	—
Share of profit/(loss) from associates	(0.23)	—	(2.64)	(0.1)	(0.05)	—	(0.03)	—
Net profit after tax and minority interest, as restated,	**1,044.56**	**16.9**	**313.92**	**8.6**	**1,653.82**	**36.1**	**12.49**	**7.3**

Fiscal Year 2010 compared to Fiscal Year 2009

Total income: Total income increased by 68.0% to Rs. 6,168.35 million for the fiscal year 2010 from Rs. 3,670.75 million for the fiscal year 2009, primarily due to an increase in sales as a result of an increase in the number of units sold under the percentage of completion method of accounting during the fiscal year 2010 compared to the fiscal year 2009 and as a result of the increase in prices at which we sold such units during the fiscal year 2010 compared to the fiscal year 2009.

Sales and services: Sales and services increased by 73.9% to Rs. 5,851.09 million for the fiscal year 2010 from Rs. 3,364.34 million for the fiscal year 2009, primarily due to an increase in sales as a result of an increase in sales of self constructed units and traded income, an increase in rent and hire charges for the fiscal year 2010 and an increase in income from our share in Joint Ventures.

Sales: Sales increased primarily as a result of an increase in sale of self constructed units:

Sale of self constructed units: Sale of self constructed units increased to Rs. 4,689.93 million for the fiscal year 2010 from Rs. 2,710.93 million for the fiscal year 2009, primarily due to an increase in the number of units sold under the percentage of completion method of accounting during the fiscal year 2010 compared to the fiscal year 2009 and as a result of the increase in prices of such units during the fiscal year 2010 compared to the fiscal year 2009. The projects that primarily contributed to sale of self constructed units were:

- Kalpataru Aura – Phases I and II, Mumbai, in which we recognised sales amounting to Rs. 2,273.32 million for the fiscal year 2010 compared to Rs. 836.88 million for the fiscal year 2009.

- Kalpataru Estate (Pune), in which we recognised sales amounting to Rs. 684.35 million for the fiscal year 2010 compared to Rs. 256.59 million for the fiscal year 2009.

- Kalpataru Square, a commercial building, in which we recognised sales amounting to Rs. 613.82 million for the fiscal year 2010 compared to Rs. 1,187.07 million for the fiscal year 2009. The decrease in revenue from Kalpataru Square for the fiscal year 2010 compared to the fiscal year 2009 was due to a lower number of units being sold during the fiscal year 2010 compared to the fiscal year 2009, as a result of our management making a policy decision to focus on leasing out commercial space during the fiscal year 2010 and going forward as opposed to selling such space.

- Siddhachal Phases VI and VIII, in which we recognised sales amounting to Rs. 454.94 million for the fiscal year 2010 compared to Rs. 319.85 million for the fiscal year 2009.

- Kalpataru Garden, in which we recognised sales amounting to Rs. 422.05 million for the fiscal year 2010 compared to Rs. 62.96 million for the fiscal year 2009.

- Kamdhenu, in which we recognised sales amounting to Rs. 114.04 million for the fiscal year 2010 compared to Rs. 53.81 million for the fiscal year 2009.

Traded Income: Traded income increased by 34.2% to Rs. 742.46 million for the fiscal year 2010 from Rs. 553.42 million for the fiscal year 2009, primarily due sales of units from Kalpataru Estate (Mumbai), in which we recognised sales amounting to Rs. 742.46 million for the fiscal year 2010 compared to Rs. 287.80 million for the fiscal year 2009.

Rent and hire charges: Income from rent and hire charges increased to Rs. 56.65 million for the fiscal year 2010 from Rs. 1.53 million for the fiscal year 2009, due to receipt of rental income from Kalpataru Square during the fiscal year 2010.

Share in Joint Venture: Income from our share in Joint Ventures increased to Rs. 362.05 million for the fiscal year 2010 from Rs. 98.64 million for the fiscal year 2009, primarily due to our share of revenue from the sale of units in Srishti Phase III amounting to Rs. 236.34 million for the fiscal year 2010 compared to nil for the fiscal year 2009 and Kalpataru Estate (Mumbai) amounting to Rs. 125.71 million for the fiscal year 2010 compared to Rs. 98.64 million for the fiscal year 2009.

Other income: Other income increased by 3.5% to Rs. 317.26 million for the fiscal year 2010 from Rs. 306.41 million for the fiscal year 2009, primarily due to an increase in interest income to Rs. 304.32 million for the fiscal year 2010 from Rs. 290.14 million for the fiscal year 2009. This increase was partially offset by a decrease in miscellaneous income to Rs. 2.05 million for the fiscal year 2010 from Rs. 12.59 million for the fiscal year 2009.

Total expenditure: Total expenditure increased by 48.2% to Rs. 4,878.58 million for the fiscal year 2010 from Rs. 3,290.13 million for the fiscal year 2009, primarily due to an increase in cost of sales as a result of an increase in units sold and higher percentage of completion being recognised across all our projects and administrative and other expenses.

Cost of sales: Cost of sales increased by 67.4% to Rs. 4,181.61 million for the fiscal year 2010 from Rs. 2,497.44 million for the fiscal year 2009, primarily due to an increase in units sold and increase in execution activity across projects resulting in a corresponding increase in the percentage of costs recognised under the percentage of completion method. The projects that primarily contributed to cost of sales were:

- Kalpataru Aura – Phases I and II, in which we recognised costs of Rs. 1,787.83 million for the fiscal year 2010 compared to Rs. 576.65 million for the fiscal year 2009.

- Kalpataru Estate (Pune), in which we recognised costs of Rs. 560.86 million for the fiscal year 2010 compared to Rs. 247.59 million for the fiscal year 2009.

- Kalpataru Estate (Mumbai), in which we recognised costs of Rs. 516.14 million for the fiscal year 2010 compared to Rs. 415.98 million for the fiscal year 2009.

- Kalpataru Square, in which we recognised costs of Rs. 329.49 million for the fiscal year 2010 compared to Rs. 690.37 million for the fiscal year 2009. The decrease in costs recognised in Kalpataru Square for the fiscal year 2010 compared to the fiscal year 2009 was due to lower sales of units in Kalpataru Square during the fiscal year 2010 compared to the fiscal year 2009.

- Siddhachal Phases VI and VIII, in which we recognised costs of Rs. 297.44 million for the fiscal year 2010 compared to Rs. 222.08 million for the fiscal year 2009.

- Kalpataru Garden, in which we recognised costs of Rs. 291.59 million for the fiscal year 2010 compared to Rs. 41.90 million for the fiscal year 2009.

Administrative and other expenses: Administrative and other expenses increased by 38.5% to Rs. 367.84 million for the fiscal year 2010 from Rs. 265.58 million for the fiscal year 2009, primarily due to an increase in salaries and allowances paid to our employees and due to an increase in sales and marketing expenses. The number of employees increased to 809 as of March 31, 2010 compared to 766 as of March 31, 2009.

Finance cost: Finance cost decreased by 39.9% to Rs. 299.85 million for the fiscal year 2010 from Rs. 498.75 million for the fiscal year 2009, primarily due to a decrease in borrowing costs in the fiscal year 2010 compared to the fiscal year 2009 as a result of the lowering of interest rates in the market.

Depreciation/amortisation: Depreciation/amortisation increased by 3.2% to Rs. 29.28 million for the fiscal year 2010 from Rs. 28.36 million for the fiscal year 2009, primarily due to an increase in fixed assets and purchases of equipment for our corporate office.

Provision for taxation: Provision for taxation increased to Rs. 95.15 million for the fiscal year 2010 from Rs. 20.30 million for the fiscal year 2009, primarily due to the increase in provision for current tax (net of Minimum Alternate Tax ("MAT") credit) to Rs. 80.44 million for the fiscal year 2010 from Rs. 30.60 million for the fiscal year 2009, as a result of an increase in profit before tax. The effective tax rate increased to 12.7% for the fiscal year 2010 from 11.9% for the fiscal year 2009.

Net profit after tax, as restated: Net profit after tax, as restated increased to Rs. 1,194.62 million for the fiscal year 2010 from Rs. 360.32 million for the fiscal year 2009 for the reasons stated above.

Minority Interest: Minority interest increased to Rs. 149.83 million for the fiscal year 2010 from Rs. 43.76 million for the fiscal year 2009, primarily due to appropriation of profits to the minority stakeholders in Kalpataru Properties (Thane) Private Limited, the company undertaking the development of Kalpataru Hills and Siddhachal, Kalpataru Gardens Private Limited, the company undertaking the development of Kalpataru Gardens and M/s Kamdhenu Constructions, a partnership firm undertaking the development of Kamdhenu.

Net profit after tax and minority interest, as restated: Net profit after tax and minority interest, as restated increased to Rs. 1,044.56 million for the fiscal year 2010 from Rs. 313.92 million for the fiscal year 2009 for the reasons stated above.

Fiscal Year 2009 Compared to Fiscal Year 2008

As a result of the corporate restructuring that was carried out in the last quarter of the fiscal year 2008, our results of operations for the fiscal year 2009 include the impact of such restructuring for the full fiscal year and therefore are not comparable to our results of operation for the fiscal year 2008.

Total income: Total income decreased by 19.9% to Rs. 3,670.75 million for the fiscal year 2009 from Rs. 4,582.06 million for the fiscal year 2008, primarily due to a decline in income from sales and services due to the economic downturn and due to a decline in income from our share in our Joint Ventures.

Sales and services: Sales and services decreased by 25.0% to Rs. 3,364.34 million for the fiscal year 2009 from Rs. 4,487.24 million for the fiscal year 2008, primarily due to recognising income generated from some of the companies that were acquired by our Company in the fiscal year 2008 and consolidated only for a period of two months for the fiscal year 2008, compared to recognising income generated from these companies for the complete period for the fiscal year 2009, during which period the number of units sold by us, including the prices from these units, decreased as a result of a lack of consumer confidence in purchasing residential units as a result of the tightening of interest rates on housing loans and mortgages due to the economic downturn; and due to a decline in income from our share in our Joint Ventures.

Sales: Sales increased primarily due to recognising income generated from some of the companies that were acquired by our Company in the fiscal year 2008 and consolidated only for a period of two months for the fiscal year 2008, compared to recognising income generated from these companies for the complete period for the fiscal year 2009, during which period the number of units sold by us, including the prices from these units, decreased as a result of a lack of consumer confidence in purchasing residential units and as a result of the tightening of interest rates on housing loans due to the economic downturn.

Sale of self constructed units: Sale of self constructed units increased by 17.83% to Rs. 2,710.93 million for the fiscal year 2009 from Rs. 2,300.73 million for the fiscal year 2008, as a result of the corporate restructuring. The projects that primarily contributed to sale of self constructed units were:

- Kalpataru Square, in which we recognised sales amounting to Rs. 1,187.07 million for the fiscal year 2009 compared to nil for the fiscal year 2008 as a result of sales of units during the fiscal year 2009 compared to not selling any units during the fiscal year 2008.

- Kalpataru Aura – Phase I, in which we recognised sales amounting to Rs. 836.88 million for the fiscal year 2009 compared to Rs. 745.37 million for the fiscal year 2008.

- Siddhachal Phases VI and VIII, in which we recognised sales amounting to Rs. 319.85 million for the fiscal year 2009 compared to Rs. 154.72 million for the fiscal year 2008. The sales recognised for the fiscal year 2008 represented income recognised for two months since the subsidiary undertaking the development became our subsidiary in February 2008.

- Kalpataru Estate (Pune), in which we recognised sales amounting to Rs. 256.59 million for the fiscal year 2009 compared to Rs. 412.48 million for the fiscal year 2008, as a result of the number of units sold decreasing during the fiscal year 2009 compared to the fiscal year 2008.

- Kalpataru Gardens, in which we recognised sales amounting to Rs. 62.96 million for the fiscal year 2009 compared to Rs. 160.04 million for the fiscal year 2008, as a result of the number of units sold decreasing during the fiscal year 2009 compared to the fiscal year 2008 and as a result of lower execution activity during the fiscal year 2009 compared to the fiscal year 2008.

- Kamdhenu, in which we recognised sales amounting to Rs. 47.87 million for the fiscal year 2009 compared to Rs. 768.16 million for the fiscal year 2008. The decline in revenue was as a result of completing the development in the fiscal year 2008 where most of the units in the development were recognised as sold and only the units that remained were sold in the fiscal year 2009.

Traded Income: Traded income increased to Rs. 553.24 million for the fiscal year 2009 from nil for the fiscal year 2008, primarily due to sales of flats from Kalpataru Estate (Mumbai), in which we recognised sales amounting to Rs. 287.80 million for the fiscal year 2009 compared to nil for the fiscal year 2008, land sold amounting to Rs. 150.00 million during the fiscal year 2009 and sales of TDRs amounting to Rs. 115.44 million during the fiscal year 2009.

Rent and hire charges: Income from rent and hire charges increased to Rs. 1.53 million for the fiscal year 2009 from Rs. 1.19 million for the fiscal year 2008.

Share in Joint Venture: Income from our share in Joint Ventures decreased to Rs. 98.64 million for the fiscal year 2009 from Rs. 2,185.32 million for the fiscal year 2008, due to our share of revenue from the sale of units in Kalpataru Estate (Mumbai) amounting to Rs. 2,185.32 million for the fiscal year 2008 compared to Rs. 98.64 million for the fiscal year 2009, due to completing the development in the fiscal year 2008 where most of the units in the development were recognised as sold.

Other income: Other income increased to Rs. 306.41 million for the fiscal year 2009 from Rs. 94.82 million for the fiscal year 2008, primarily due to an increase in interest income to Rs. 290.14 million for the fiscal year 2009 from Rs. 88.38 million for the fiscal year 2008.

Total expenditure: Total expenditure increased by 18.7% to Rs. 3,290.13 million for the fiscal year 2009 from Rs. 2,771.06 million for the fiscal year 2008, primarily due to an increase in administrative and other expenses and finance cost.

Cost of Sales: Cost of sales increased by 0.6% to Rs. 2,497.44 million for the fiscal year 2009 from Rs. 2,482.48 million for the fiscal year 2008, primarily due to recognising cost of sales from some of the companies that were acquired by our Company in the fiscal year 2008 and consolidated only for a period of two months for the fiscal year 2008, compared to recognising cost of sales from these companies for the complete period for the fiscal year 2009, during which period the number of units sold by us decreased as a result of the economic downturn. The projects that primarily contributed to our cost of sales were:

- Kalpataru Square, in which we recognised costs of Rs. 690.37 million for the fiscal year 2009 compared to nil for the fiscal year 2008, which was completed in the fiscal year 2009 as a result of which certain units were sold during the fiscal year 2009 compared to nil units being sold in the fiscal year 2008.

- Kalpataru Aura – Phase I, in which we recognised costs of Rs. 576.65 million for the fiscal year 2009 compared to Rs. 446.31 million for the fiscal year 2008.

- Kalpataru Estate (Mumbai), in which we recognised costs of Rs. 415.98 million for the fiscal year 2009 compared to nil for the fiscal year 2008.

- Siddhachal Phases VI and VIII, in which we recognised costs of Rs. 222.08 million for the fiscal year 2009 compared to Rs. 94.69 million for the fiscal year 2008.

- Kalpataru Estate (Pune), in which we recognised costs of Rs. 247.59 million for the fiscal year 2009 compared to Rs. 345.59 million for the fiscal year 2008.

Administrative and other expenses: Administrative and other expenses increased to Rs. 265.58 million for the fiscal year 2009 from Rs. 123.32 million for the fiscal year 2008, primarily due to an increase in salaries and allowances paid to our employees and due to an increase in the number of employees to 766 as of March 31, 2009 compared to 614 as of March 31, 2008, an increase in rent and license fees and due to an increase in sales and marketing expenses.

Finance cost: Finance cost increased to Rs. 498.75 million for the fiscal year 2009 from Rs. 155.10 million for the fiscal year 2008, primarily due to an increase in interest payments as a result of an increase in our borrowings and an increase in interest rates during the fiscal year 2009 as compared to the fiscal year 2008.

Depreciation/amortisation: Depreciation/amortisation increased to Rs. 28.36 million for the fiscal year 2009 from Rs. 10.16 million for the fiscal year 2008.

Provision for taxation: Provision for taxation increased by 54.4% to 20.30 million for the fiscal year 2009 from Rs. 13.15 million for the fiscal year 2008, primarily due to the increase in provision for current tax (net of MAT) to Rs. 30.60 million for the fiscal year 2009 from Rs. 12.13 million for the fiscal year 2008. The effective tax rate decreased to 11.9% for the fiscal year 2009 from 1.5% for the fiscal year 2008.

Net profit after tax, as restated: Net profit after tax, as restated decreased by 79.9% to Rs. 360.32 million for the fiscal year 2009 from Rs. 1,797.85 million for the fiscal year 2008 for the reasons stated above.

Minority interest: Minority interest decreased to Rs. 43.76 million for the fiscal year 2009 as compared to Rs. 143.98 million for the fiscal year 2008, primarily due to a decrease in the appropriation of profits to the minority stakeholders in Kalpataru Properties (Thane) Private Limited, the company undertaking the development of Kalpataru Hills and Siddhachal, Kalpataru Gardens Private Limited, the company undertaking the development of Kalpataru Gardens and M/s Kamdhenu Constructions, a partnership firm which undertook the development of the Kamdhenu project.

Net profit after tax and minority interest, as restated: Net profit after tax and minority interest, as restated decreased by 81.0% to Rs. 313.92 million for the fiscal year 2009 from Rs. 1,653.82 million for the fiscal year 2008 for the reasons stated above.

Fiscal Year 2008 Compared to Fiscal Year 2007

As a result of the corporate restructuring that was carried out in the last quarter of the fiscal year 2008, our results of operations for the fiscal year 2008 include the impact of such restructuring and therefore are not comparable to our results of operation for the fiscal year 2007.

Total income: Total income increased to Rs. 4,582.06 million for the fiscal year 2008 from Rs. 170.75 million for the fiscal year 2007, primarily due to the increase in income from sales and services during the fiscal year 2008 as a result of the restructuring.

Sales and services: Sales and services increased to Rs. 4,487.24 million for the fiscal year 2008 from Rs. 164.98 million for the fiscal year 2007, primarily due to an increase in sales for the fiscal year 2008 and an increase in income from our share in our Joint Ventures.

<u>Sales:</u> Sales increased to Rs. 2,300.73 million for the fiscal year 2008 from Rs. 163.77 million for the fiscal year 2007, primarily due to recognising revenue from our projects under the percentage of completion method for the fiscal year 2008 for those projects that reached the threshold limits of 25.0% of the project being completed and due to the corporate restructuring, as a result of which the number of projects that are a part of our portfolio increased.

<u>*Sale of self constructed units*</u>: Sale of self constructed units increased to Rs. 2,300.73 million for the fiscal year 2008 from Rs. 163.77 million for the fiscal year 2007 as a result of the corporate restructuring. The projects that primarily contributed to sale of self constructed units were:

- Kamdhenu, in which we recognised sales amounting to Rs. 768.16 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

- Kalpataru Aura – Phase I, in which we recognised sales amounting to Rs. 745.37 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

- Kalpataru Estate (Pune), in which we recognised sales amounting to Rs. 412.48 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

- Kalpataru Gardens, in which we recognised sales amounting to Rs. 160.04 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

- Siddhachal Phases VI and VIII, in which we recognised sales amounting to Rs. 154.72 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

<u>*Traded Income:*</u> We did not have traded income for the fiscal years 2008 and 2007.

<u>Rent and hire charges:</u> Income from rent and hire charges decreased to Rs. 1.19 million for the fiscal year 2008 from Rs. 1.21 million for the fiscal year 2007.

<u>Share in Joint Venture:</u> Income from our share in Joint Ventures increased to Rs. 2,185.32 million for the fiscal year 2008 from nil for the fiscal year 2007, due to our share of revenue from the sale of units in Kalpataru Estate (Mumbai) amounting to Rs. 2,185.32 million for the fiscal year 2008.

Other income: Other income increased to Rs. 94.82 million for the fiscal year 2008 from Rs. 5.30 million for the fiscal year 2007, primarily due to an increase in interest income to Rs. 88.38 million for the fiscal year 2008 from Rs. 4.06 million for the fiscal year 2007.

Total expenditure: Total expenditure increased to Rs. 2,771.06 million for the fiscal year 2008 from Rs. 149.03 million for the fiscal year 2007, primarily due to an increase in cost of sales, administrative and other expenses and finance cost.

Cost of Sales: Cost of sales increased to Rs. 2,482.48 million for the fiscal year 2008 from Rs. 95.94 million for the fiscal year 2007, primarily due to our corporate restructuring and adopting the percentage of completion method of accounting for the fiscal year 2008. The projects that primarily contributed to our cost of sales were:

- Kamdhenu, in which we recognised costs of Rs. 496.76 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

- Kalpataru Aura – Phase I, in which we recognised costs of Rs. 446.31 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

- Kalpataru Estate (Pune), in which we recognised costs of Rs. 345.59 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

- Kalpataru Gardens, in which we recognised costs of Rs. 126.56 million for the fiscal year 2008 compared to nil for the fiscal year 2007.

Administrative and other expenses: Administrative and other expenses increased to Rs. 123.32 million for the fiscal year 2008 from Rs. 24.42 million for the fiscal year 2007, primarily due to an increase in salaries and allowances paid to our employees and due to an increase in the number of employees to 614 as of March 31, 2008 compared to 339 as of March 31, 2007, as a result of the corporate restructuring.

Finance cost: Finance cost increased to Rs. 155.10 million for the fiscal year 2008 from Rs. 26.16 million for the fiscal year 2007, primarily due to an increase in interest payments as a result of an increase in borrowings and an increase in interest rates.

Depreciation/amortisation: Depreciation/amortisation increased to Rs. 10.16 million for the fiscal year 2008 from Rs. 2.51 million for the fiscal year 2007.

Provision for taxation: Provision for taxation increased to Rs. 13.15 million for the fiscal year 2008 from Rs. 9.20 million for the fiscal year 2007.

Net profit after tax, as restated: Net profit after tax, as restated increased to Rs. 1,797.85 million for the fiscal year 2008 from Rs. 12.52 million for the fiscal year 2007 primarily as a result of an increase in profit before tax.

Minority interest: Minority interest was Rs. 143.98 million for the fiscal year 2008 as compared to nil for the fiscal year 2007, due to the appropriation of profits to the minority shareholders in Kalpataru Properties (Thane) Private Limited, the company undertaking the development of Kalpataru Hills and Siddhachal, Kalpataru Gardens Private Limited, the company undertaking the development of the Kalpataru Gardens and M/s Kamdhenu Constructions, a partnership firm undertaking the development of the Kamdhenu project as a result of units recognised as sold during the fiscal year 2008.

Net profit after tax and minority interest, as restated: Net profit after tax and minority interest, as restated increased to Rs. 1,653.82 million for the fiscal year 2008 from Rs. 12.49 million for the fiscal year 2007.

Liquidity and Capital Resources

We broadly define liquidity as our ability to generate sufficient funds from both internal and external sources to meet our obligations and commitments. Historically we have financed our capital requirements primarily through funds generated from our operations and financing from banks and other financial institutions in the form of term loans and other credit facilities. Our primary capital requirements have been to finance purchases of land and developments of our properties, as well as working capital requirements. We believe that we will have sufficient capital resources from our operations, net proceeds of this offering of Equity Shares and other financings from banks, financial institutions and other lenders to meet our future capital requirements.

Cash Flows

The following table sets forth our consolidated cash flows for the fiscal years 2010, 2009, 2008 and 2007:

	Fiscal Year			
	2010	**2009**	**2008**	**2007**
	Amount (Rs. in millions)			
Net cash generated from/(used in) operating activities	(1,106.55)	(639.05)	(1,802.11)	(1,443.91)
Net cash generated from/(used in) investing activities	(2,958.22)	(791.21)	(2,584.26)	(294.77)
Net cash generated from/(used in) financing activities	4,309.39	1,295.43	4,572.29	1,738.56
Net increase/ (decrease) in cash and cash equivalents	244.62	(134.84)	185.92	(0.12)

Cash Flows from Operating Activities

Net cash used in operating activities increased to Rs. 1,106.55 million in the fiscal year 2010 compared to Rs. 639.05 in the fiscal year 2009. Cash flows for the fiscal year 2010 consisted of net profit before tax of Rs. 1,289.77 million, as adjusted for, amongst other things, an increase in inventories of Rs. 2,349.69 million, a decrease in trade and other payables of Rs. 330.93 million, interest income of Rs. 304.32 million and direct taxes paid of Rs. 157.67 million, and was partially offset by increase in trade and other receivables of Rs. 426.56 million, interest expense of Rs. 299.85 million and depreciation/amortisation of Rs. 29.28 million. Inventories increased primarily due to increased execution activity across all our projects. Trade and other payables decreased primarily due to decreases in sundry creditors and trade advances and deposits. Trade and other receivables increased primarily due to increases in loans given to other companies.

Net cash used in operating activities decreased to Rs. 639.05 million in the fiscal year 2009 from Rs. 1,802.11 million in the fiscal year 2008. Cash flows for the fiscal year 2009 consisted of net profit before tax of Rs. 380.62 million, as adjusted for, amongst other things, an increase in inventories of Rs. 1,574.73 million, an increase in trade and other receivables of Rs. 312.23 million, interest income of Rs. 290.14 million and direct taxes paid of Rs. 84.52 million, and was partially offset by increase in trade and other payables of Rs. 713.28 million, interest expense of Rs. 498.75 million and depreciation/amortisation of Rs. 28.36 million. Inventories increased primarily due to increased execution activity across all projects in order to complete certain projects within specific time frames in order to qualify these projects for deduction available under section 80 IB (10) of the Income tax Act. This increase in activity across our projects resulted in a corresponding increase in trade and other receivables and trade and other payables.

Net cash used in operating activities increased to Rs. 1,802.12 million in the fiscal year 2008 from Rs. 1,443.91 million in the fiscal year 2007. Cash flows in the fiscal year 2008 consisted of net profit before tax of Rs. 1,811.00 million, as adjusted for, amongst other things, an increase in inventories of Rs. 4,556.00 million, interest income of Rs. 88.38 million and direct taxes paid of Rs. 60.91 million, and was partially offset by an increase in trade and other payables of Rs. 759.65 million, a decrease in trade and other receivables of Rs. 168.37 million, interest expense of Rs. 155.10 million and depreciation/amortisation of Rs. 10.16 million. Inventories increased primarily due to increased execution activity across all projects in order to complete certain projects within specific time frames in order to qualify these projects for deduction available under section 80 IB (10) of the Income tax Act. This increase in activity across our projects resulted in a corresponding increase in trade and other receivables and trade and other payables.

Cash Flows from Investing Activities

Net cash used in investing activities increased to Rs. 2,958.22 million for the fiscal year 2010 compared to Rs. 791.21 million for the fiscal year 2009 and primarily consisted of inter corporate deposits given to others of Rs. 2,679.78 million, decrease in minority interest in Kalpataru Properties (Thane) Private Limited, Kalpataru Gardens Private Limited, Kalpataru + Sharyans, Kalpataru Constructions (Pune) and Kamdhenu Constructions (net) of Rs. 1,553.45 million and purchase of fixed assets (including capital work in progress) (primarily of Kalpataru Square and Korum) of Rs. 858.49 million, partially offset by loans given repaid of Rs. 1,932.17 million and interest received of Rs. 304.31 million.

Net cash used in investing activities was Rs. 791.21 million for fiscal year 2009 and primarily consisted of inter corporate deposits given to others of Rs. 1,996.35 million and purchase of fixed assets (including capital work in progress) (primarily Korum) of Rs. 1,972.14 million, partially offset by loans given repaid of Rs. 2,079.30 million, increase in minority interest in Kalpataru Constructions (Pune), Kalpataru + Sharyans, Kamdhenu Constructions, Sona Properties Private Limited and Kalpataru Landmarks Private Limited (net) of Rs. 777.59 million and interest received of Rs. 290.14 million.

Net cash used in investing activities was Rs. 2,584.26 million for fiscal year 2008 and primarily consisted of inter corporate deposits given to others of Rs. 5,069.71 million, decrease in minority interest in Kalpataru Properties (Thane) Private Limited, Kalpataru Gardens Private Limited, Shravasti Property Private Limited, Kalpataru Retail Ventures Private Limited, Sona Properties Private Limited, Kalpataru Landmarks Private Limited Kalpataru Constructions (Pune), Kalpataru + Sharyans and Kamdhenu Constructions (net) of Rs. 643.08 million, consideration paid for acquisition of subsidiaries of Rs. 380.02 million and purchase of fixed assets (including capital work in progress) (primarily Korum) of Rs. 169.54 million, partially offset by loans given repaid of Rs. 3,622.71 million and interest received of Rs. 88.38 million.

Financing Activities

Net cash generated from financing activities for fiscal year 2010 was Rs. 4,309.39 million, primarily consisting of proceeds from inter corporate deposits of Rs. 10,013.89 million, proceeds from long term borrowings of Rs. 5,029.37 million and proceeds from short term borrowings of Rs. 239.80 million, partially offset by repayment of inter corporate deposits of Rs. 5,460.90 million, repayment of long term borrowings of Rs. 5,155.75 million and interest payment of Rs. 356.79 million.

Net cash generated from financing activities for fiscal year 2009 was Rs. 1,295.43 million, primarily consisting of proceeds from long term borrowings of Rs. 9,705.44 million, proceeds from inter corporate deposits of Rs. 8,113.71 million, proceeds from issue of debentures of Rs. 300.00 million and proceeds from issue of preference share (including share premium) of Rs. 950.00 million, partially offset by repayment of inter corporate deposits of Rs. 10,014.50 million, repayment of long term borrowings of Rs. 5,397.75 million, redemption of debentures of Rs. 1,500.00 million, interest payment of Rs. 447.34 million and decrease in working capital loan of Rs. 388.64 million.

Net cash generated from financing activities for fiscal year 2008 was Rs. 4,572.29 million, primarily consisting of proceeds from inter corporate deposits of Rs. 6,929.35 million, proceeds from long term borrowings of Rs.

2,257.47 million and proceeds from debentures of Rs. 1,200.00 million, partially offset by repayment of inter corporate deposits of Rs. 5,608.51 million, repayment of long term borrowings of Rs. 209.90 million and interest payment of Rs. 88.31 million.

Our Indebtedness

As of March 31, 2010, we had Rs. 12,325.13 million of secured loans outstanding. These loans were secured by, among other things, mortgages of certain of our land and developments (along with underlying receivables), guarantees of our Directors and corporate guarantee issued by us. As of March 31, 2010, we also had Rs. 4,391.87 million of unsecured loans outstanding. For details, see "Financial Indebtedness" on page 417.

Historical and Planned Capital Expenditures

For the fiscal years 2010, 2009, 2008 and 2007, our total capital expenditures were Rs. 858.49 million, Rs. 1,972.14 million, Rs. 169.54 million and Rs. 11.37 million, respectively. These were primarily used for construction of Korum and purchase of office equipment for our corporate office.

Transactions with Related Parties

Our related party transactions for the fiscal year 2010 primarily consisted of reimbursement of expenses paid and received from our key management personnel in favour of our Company amounting to Rs. 0.14 million and Rs. 0.75 million respectively, loans taken amounting to Rs. 2,785.05 million, loans given amounting to Rs. 8.26 million, loans repaid amounting to Rs. 1,109.82 million and loans given repaid amounting to Rs. 338.81 million. For details, see "Related Party Disclosure" on page 279.

Contractual Obligations and Commercial Commitments

As of March 31, 2010, our contractual obligations and commercial commitments amounted to Rs. 11.46 million. The following table summarises our contractual obligations and commercial commitments as of March 31, 2010 by maturity:

Contractual obligations	**As of March 31, 2010**	**Less than 1 year**	**1-5 years**
	(Rs. in millions)		
Operating lease commitments......................................	0.59	0.18	0.41
Finance lease commitments...	5.14	5.14	—
Total..	5.73	5.32	0.41

Contingent Liabilities Not Provided For

Our contingent liabilities not provided for as of March 31, 2010 included the following:

	(Rs. in Millions)
PARTICULARS	**As at March 31, 2010**
Bank Guarantee	3.12
Letter of credit (net of liability provided)	13.61
Guarantees given for loans taken by Subsidiaries (net of liability provided)	1572.63
Claims against us not acknowledged as debt	9.15
Guarantee given in favour of a financial institution	50.00

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Derivative Instruments

We have used derivative instruments in the past to manage the risks arising from fluctuations in interest/ exchange rates. We entered into one such interest rate swap arrangement for a three year open position, hedging the Japanese Yen against the US Dollar in the fiscal year 2007. We have booked losses amounting to Rs. 28.72 million for the financial year 2010 as a result of the gains in the US Dollar against the Japanese Yen during the financial year 2010.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss related to adverse charges in market prices, including interest rate risk and commodities risk. We are exposed to commodity risk, interest rate risk and credit risk in the normal course of our business.

Risk Management Procedures

The objective of market risk management is to avoid excessive exposure of our income and equity to loss. We generally manage our market risk through our treasury operations.

Interest Rate Risk

We currently maintain deposits of cash and cash equivalents with banks and other financial institutions and thus are exposed to market risk as a result of changes in interest rates. Upward fluctuations in interest rates increase the cost of both existing and new debts. It is likely that that in the current fiscal year and in future periods our borrowings will rise substantially given our planned expenditure.

Commodity Risk

We are exposed to market risk with respect to the prices of raw material and components used in our projects. These commodities are primarily steel, cement and other building material such as marble, stone, wood, aluminium. The cost of these raw materials and components are subject to fluctuation based on commodity prices. The cost of components and various small parts sourced from third party manufacturers may also fluctuate based on their availability from suppliers.

Inflation

In recent years, although India has experienced fluctuations in inflation rates, inflation has not had material impact on our business and results of operations.

Other Qualitative Factors

Significant Developments Occurring After March 31, 2010

Except as described in this Draft Red Herring Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Other than as described in the section titled "Risk Factors", this section and elsewhere in this Draft Red Herring Prospectus, to the best of our knowledge there are no known trends or uncertainties that have had, or are expected to have, a material adverse impact on our revenues or income from continuing operations.

Future Relationship between Costs and Income

Other than as described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on pages xiii and 398, respectively, to our knowledge there are no future relationship between cost and income that have or had or are expected to have a material adverse impact on our operations and finances.

New Product or Business Segment

Other than as described in the section "Our Business" beginning on page 131, to our knowledge, there are no new products or business segments.

Seasonality

Our results of operations do not generally exhibit seasonality. However, we may have variation in our financial results from the fiscal period to the fiscal period as a result of various factors, including those described under "– Factors Affecting Our Results of Operations" and "Risk Factors".

Competitive Conditions

We expect competition in the real estate development sector from existing and potential competitors to intensify. for further details, please refer to the discussions of our competition in the sections "Risk Factors" and "Our Business" beginning on pages xiii and 131, respectively.

FINANCIAL INDEBTEDNESS

Borrowings of our Company

Set forth below, is a brief summary of our Company's borrowings of Rs. 5,850.56 million as of August 31, 2010, together with a brief description of certain significant terms of such financing arrangements:

Name of lender	Amount sanctioned (Rs. in million)	Amount outstanding (Rs. in million) as on August 31, 2010	Rate of interest as at August 31, 2010 (%)	Tenure	Repayment schedule
ICICI Bank Limited	1,300.00	750.00	12.90	Until June 2021	Repayable in 108 monthly installments beginning in July 2012 and ending in June 2021.
	200.00	64.96	14.00	Until June 2021	Repayable in 108 monthly installments beginning in July 2012 and ending in June 2021.
Andhra Bank	333.50	333.50	12.50	Until March 2011	One time repayment after 12 months from the date of disbursement.
	510.00	498.54	12.00	Until March 2020	Repayable in 120 monthly installments beginning in April 2010 and ending in March 2020.
	419.10	415.06	13.00	Until June 2019	Repayable in 108 monthly installments beginning in July 2010 and ending in June 2019.
	430.50	427.06	13.00	Until June 2020	Repayable in 120 monthly installments beginning in July 2010 and ending in June 2020.
Yes Bank Limited	500.00	250.00	13.75	Until May 2012	Repayable in eight quarterly installments after a period of 24 months from the date of disbursement.
Standard Chartered Bank	1,000.00(1)	380.00	12.50	Until February 2012	Balance amount repayable in seven monthly installments of varying principal amounts beginning in August 2011 and ending in February 2012.
Standard Chartered Bank	400.00	152.00	13.00	Until November 2010	Balance amount repayable in three monthly installments of varying principal amounts ending in November 2010.
	100.00	44.68	12.50	Until March 2012	Repayable in two monthly installments of varying principal amounts beginning in

Name of lender	Amount sanctioned (Rs. in million)	Amount outstanding (Rs. in million) as on August 31, 2010	Rate of interest as at August 31, 2010 (%)	Tenure	Repayment schedule
					February 2012 and ending in March 2012.
Standard Chartered Bank	100.00	40.76	-	Until March 2013	-
Standard Chartered Bank	500.00	494.00	12.00	Until August 2011	Balance amount repayable in 10 monthly installments of varying principal amounts beginning in November 2010 and ending in August 2011.
Standard Chartered Bank	1,000.00	1,000.00	12.00	Until March 2012	Repayable in 19 monthly installments of varying principal amounts beginning in September 2010 and ending in March 2012.
	200.00	200.00	11.70		
Standard Chartered Bank	1,200.00	800.00	11.50	Until March 2013	Repayable in 21 monthly installments of varying principal amounts beginning in July 2011 and ending in March 2013.

1. *This loan amount includes an overdraft sub-limit of Rs. 600 million.*

ICICI Bank Limited: By way of a credit arrangement letter dated December 28, 2009 issued by ICICI Bank Limited, amended on September 9, 2010, and an indenture of mortgage dated December 30, 2009 between our Company and ICICI Bank Limited, our Company had availed of a Rupee term loan aggregating to Rs. 1,500 million including an overdraft facility of Rs. 200 million as a sub-limit of the Rupee term loan.

This facility has been secured by way of the following:

1. An exclusive charge by way of a mortgage on land bearing C.T.S. No. 4102 A of village Kole Kalyan, Taluka Andheri, Mumbai suburban district at Vakola, Santacruz East admeasuring 5150.41 sq. mtrs. together with all buildings and structures thereon, present and future;
2. An exclusive charge on the scheduled receivables of Kalpataru Synergy II under the project documents and all insurance proceeds, both present and future; and
3. Personal guarantee of one our Promoters.

Andhra Bank: By way of a sanction letter dated March 9, 2010, and a composite agreement dated March 20, 2010 between our Company and Andhra Bank, our Company availed of a lease rental discounting facility of Rs. 510 million and corporate loan of Rs. 333.5 million. Further, by way of a sanction letter dated June 21, 2010 and a composite agreement dated June 22, 2010 between our Company and Andhra Bank, our Company had availed of two lease rental discounting facilities of Rs. 419.10 million and Rs. 430.50 million.

These facilities have been secured by way of the following:

1. An exclusive charge by way of a mortgage on land bearing C.T.S. No. 195A (pt) of village Kondivita, Andheri East, in the Registration Sub-District and District of Mumbai city and Mumbai suburban at Kondivita road, Andheri East, Mumbai - 400059 admeasuring 8211.70 sq. mtrs. together with all buildings (excluding certain units within the building which have been sold) and structures thereon, present and future;
2. Hypothecation of receivables from Kalpataru Square towards lease rental discounting facilties; and
3. Personal guarantees of our Promoters.

Yes Bank Limited: By way of a sanction letter dated May 6, 2008 issued by Yes Bank Limited, amended by way of an addendum dated May 8, 2008, and a loan agreement dated May 8, 2008 between our Company and Yes Bank Limited, our Company had availed of a term loan aggregating to Rs. 500 million.

This facility has been secured *via* an exclusive charge by way of a mortgage on, as well as hypothecation of receivables, from Kalpataru Iconic.

Standard Chartered Bank: Our Company has availed of six facilities from Standard Chartered Bank *i.e.* (i) a term loan of Rs. 1,000 million including an overdraft facility of Rs. 600 million, as a sub-limit of the term loan; (ii) a term loan of Rs. 500 million including an overdraft facility of Rs.100 million, as a sub-limit of the term loan; (iii) a non-fund based limit of Rs. 100 million; (iv) a term loan of Rs. 500 million; (v) a term loan of Rs. 1,200 million; and (vi) a term loan of Rs. 1,200 million.

Some or all of the securities set out below have been created with respect to these facilities:

1. An exclusive charge by way of mortgage on land and construction thereon for our Company's Project, Kalpataru Aura;
2. An exclusive charge on the receivables from our Company's Project, Kalpataru Aura;
3. An exclusive charge by way of mortgage on land and construction thereon, as well as hypothecation of receivable of, our Project, Kalpataru Elan;
4. Personal guarantees of Mofatraj P. Munot and Parag P. Munot; and
5. Corporate guarantees issued by Kalpataru Properties Private Limited.

Borrowings of our Subsidiaries

Name of lender	Amount sanctioned (Rs. In million)	Amount outstanding (Rs. in million) as on August 31, 2010	Rate of interest (%)	Tenure	Repayment schedule
Abacus Real Estate Private Limited					
Kotak Mahindra Prime Limited	700.00	700.00	13.75	Until August 2011	Repayable in three equal installments, beginning in June 2011 and ending in August 2011.
Ardour Developers Private Limited					
Housing Development Finance Corporation Limited	363.70	272.94	-	Until November 30, 2010	-
Ashoka Properties Private Limited					
LIC Housing Finance Limited	600.00	425.00	14.00	Until March 2012	Repayable in seven quarterly installments of varying principal amounts beginning in September 2010 and ending in March 2012.
Aura Real Estate Private Limited					
Axis Bank Limited	620.00	95.58	11.75	Until February 2014	Drawing limits under the facility shall be reduced in seven equal quarterly installments, beginning in August 2012 and ending in February 2014.

Name of lender	Amount sanctioned (Rs. In million)	Amount outstanding (Rs. in million) as on August 31, 2010	Rate of interest (%)	Tenure	Repayment schedule
Kalpataru Gardens Private Limited					
Standard Chartered Bank	800.00	800.00	12.00	Until September 2011	Repayable in 13 monthly installments of varying principal amounts beginning in September 2010 and ending in September 2011.
	100.00	100.00	11.70		
	50.00	34.17	12.50		
	50.00	-	-		
Kalpataru Properties (Thane) Private Limited					
ICICI Home Finance Company Limited	200.00	140.74	13.40	Until July 2011	Repayable in 12 monthly installments, beginning in August 2010 and ending in July 2011.
	600.00	300.00	13.40	Until July 2012	Repayable in 18 monthly installments, beginning in February 2011 and ending in July 2012.
Future Capital Holdings Limited	1,150.00	462.00	12.50	Until August 2012	Repayable in six monthly installments, beginning in March 2012 and ending in August 2012.
Kalpataru Retail Ventures Private Limited					
LIC Housing Finance Limited	1,550.00	1,448.09	14.00	Until December 2017	Repayable in 99 monthly installments beginning in October 2009 and ending in December 2017.
Shravasti Property Private Limited					
Housing Development Finance Corporation Limited	600.00	300.00	12.00	Until February 2011	Repayable in six bi-monthly installments beginning in April 2010 and ending in February 2011.

Abacus Real Estate Private Limited

Kotak Mahindra Prime Limited: By way of a sanction letter dated July 9, 2010 issued by Kotak Mahindra Prime Limited and a facility agreement dated August 17, 2010 between Abacus Real Estate Private Limited and Kotak Mahindra Prime Limited, Abacus Real Estate Private Limited had availed of a working capital demand loan facility amounting to Rs. 700 million.

This facility has been secured by way of the following:

1. A mortgage on land of, as well as hypothecation of receivables, of Kalpataru Estate, Hyderabad and Korum;

2. Personal guarantee of one of our Promoters; and
3. Corporate guarantee of our Company.

Ardour Developers Private Limited

Housing Development Finance Corporation Limited: By way of a sanction letter dated February 2, 2010 issued by Housing Development Finance Corporation Limited and a guarantee facility agreement dated March 31, 2010 between Ardour Developers Private Limited and Housing Development Finance Corporation Limited, Ardour Developers Private Limited had availed of a guarantee facility comprising of two guarantees aggregating to Rs. 363.70 million.

This facility has been secured by way of the following:

1. A mortgage on land of Ardour Developers Private Limited situated at Village Dongargaon, Taluka Maval, District Pune along with all its receivables; and
2. Personal guarantees of Mofatraj P. Munot and Parag P. Munot.

Ashoka Properties Private Limited

LIC Housing Finance Limited: By way of a sanction letter dated March 31, 2008 issued by LIC Housing Finance Limited, amended by way of a revision letter dated June 25, 2008 and a loan agreement dated May 16, 2008 between Ashoka Properties Private Limited and LIC Housing Finance Limited, Ashoka Properties Private Limited had availed of a term loan aggregating to Rs. 600 million.

This facility has been secured by way of the following:
1. An exclusive charge by way of a mortgage on land for our Project, Kalpataru Serenity;
2. Assignment of receivables from our Project, Kalpataru Serenity;
3. Personal guarantee of Parag P. Munot; and
4. Corporate guarantee of Kalpataru Properties Private Limited.

Aura Real Estate Private Limited

Axis Bank Limited: By way of a sanction letter dated June 30, 2010, modified on July 15, 2010, issued by Axis Bank Limited and a demand credit facility agreement dated August 11, 2010 between Aura Real Estate Private Limited and Axis Bank Limited, Aura Real Estate Private Limited had availed of a cash credit facility amounting to Rs. 620 million.

This facility has been secured by way of the following:

1. A mortgage on land and construction thereon, as well as hypothecation of receivables, of Kalpataru Harmony; and
2. Corporate guarantee of our Company.

Kalpataru Gardens Private Limited

Standard Chartered Bank: By way of a sanction letter dated September 7, 2009 issued by Standard Chartered Bank and facility agreements dated September 11, 2009 and September 18, 2009, each between Kalpataru Gardens Private Limited and Standard Chartered Bank, Kalpataru Gardens Private Limited had availed of a term loan aggregating to Rs. 1,000 million.

This facility has been secured by way of the following:
1. A charge by way of mortgage on land and construction thereon in relation to our Projects, Kalpataru Garden, Kalpataru Aura and Kalpataru Elan;
2. A charge over the receivables arising from our Projects, Kalpataru Garden, Kalpataru Aura and Kalpataru Elan;
3. Personal guarantees of Mofatraj P. Munot and Parag P. Munot; and
4. Corporate guarantee of our Company.

Kalpataru Properties (Thane) Private Limited

ICICI Home Finance Company Limited: By way of a credit arrangement letter dated October 29, 2009 issued by ICICI Home Finance Company Limited and an indenture of mortgage dated November 26, 2009 between Kalpataru Properties (Thane) Private Limited and ICICI Home Finance Company Limited, Kalpataru Properties (Thane) Private Limited had availed of a total facility aggregating to Rs. 800 million comprising (i) a rupee term loan of Rs. 200 million (Term Loan 1); and (ii) a rupee term loan of Rs. 600 million (Term Loan II). Term loan I shall be utilized to part finance/refinance the construction cost of Siddhachal VIII and the Term Loan II shall be utilized to part finance/ refinance the construction cost of Kalpataru Hills. An amount not exceeding Rs. 140 million out of Term Loan II can be utilized for purchase of TDR for Kalpataru Hills.

This facility has been secured by way of the following:
1. An exclusive charge by way of registered mortgage on land and construction thereon in relation to our Project, Siddhachal Phase VIII (excluding buildings 1 and 2) and Kalpataru Hills;
2. An exclusive charge on receivables from our Projects, Siddhachal Phase VIII (excluding buildings 1 and 2) and Kalpataru Hills and buildings 3A and 3B of Siddhachal Phase VI;
3. Personal guarantee of Parag P. Munot; and
4. Corporate guarantee of our Company.

Future Capital Holdings Limited: Kalpataru Properties (Thane) Private Limited has availed of a term loan from Future Capital Holdings Limited amounting to Rs.1,150 million.

These facilities have been secured by way of the following:
1. An exclusive charge by way of mortgage on land and construction, present and future, thereon being sub-divided plot B bearing C.T.S. No. 4106 (pt), 4108 (pt) and 7632 (pt) of village Kole Kalyan, Taluka Andheri, Mumbai suburban district at Vakola, Santacruz East admeasuring 3457.90 sq. mtrs.;
2. Pledge of 1,590,000 equity shares of Kalpataru Power Transmission Limited held by one of our Group Companies; and
3. Corporate guarantee of our Company.

<u>Kalpataru Retail Ventures Private Limited</u>

LIC Housing Finance Limited: By way of a sanction letter dated February 28, 2009 issued by LIC Housing Finance Limited and a loan agreement dated March 26, 2009 between Kalpataru Retail Ventures Private Limited and LIC Housing Finance Limited, Kalpataru Retail Ventures Private Limited had availed of a term loan aggregating to Rs. 1,550 million.

This facility has been secured by way of the following:
1. An exclusive charge by way of a mortgage on Korum Mall and FSI thereon including car parking area;
2. Assignment of present and future rent receivables from Korum Mall;
3. Personal guarantees of Mofatraj P. Munot, Parag M. Munot and Anuj Munot; and
4. Corporate guarantees of our Company and Kalpataru Properties (Thane) Private Limited.

<u>Shravasti Property Private Limited</u>

Housing Development Finance Corporation Limited: By way of a sanction letter dated June 23, 2008 issued by Housing Development Finance Corporation Limited and a term loan agreement dated August 21, 2008 between Shravasti Property Private Limited and Housing Development Finance Corporation Limited, Shravasti Property Private Limited had availed of a term loan aggregating to Rs. 600 million.

This facility has been secured by way of the following:
1. A charge by way of a mortgage on land and construction thereon in relation to our Projects, Kalpataru Pinnacle, Kalpataru Estate, Kalpataru Meadows and Kalpataru Riverside, Pedder Road and land at Sewri, Mumbai;
2. Assignment of present and future receivables from our Project, Kalpataru Pinnacle; and
3. Personal guarantees of Mofatraj P. Munot and Parag M. Munot.

Borrowings of our partnership firms in which our Company is a partner

Name of lender	Amount sanctioned (Rs. In million)	Amount outstanding (Rs. in million) as on August 31, 2010	Rate of interest (%)	Tenure	Repayment schedule
M/s. Kalpataru Constructions Pune					
Housing Development Finance Corporation Limited	1,600.00	1,233.77	12.00	Until December 2012	Repayable in seven quarterly installments beginning in June 2011 and ending in December 2012.
M/s. Kalpataru Enterprises					
Standard Chartered Bank	100.00	100.00	11.50	Until June 2014	Repayable in 30 monthly installments beginning in January 2012 and ending in June 2014.
	150.00	150.00	12.00		
	100.00	26.60	12.00		
	1,050.00	-	-		
	150.00	-	-	-	Maximum up to 31 months.
	250.00	-	-	-	Maximum up to 48 months -
M/s. Kalpataru + Sharyans					
Housing Development Finance Corporation Limited	750.00	187.61	12.00	Until October 2010.	Repayable in five quarterly installments of varying principal amounts beginning in October 2009 and ending in October 2010.
Housing Development Finance Corporation Limited	250.00	250.00	12.00	45 months from the date of first disbursement.	Repayable in five quarterly installments beginning in December 2011 and ending in December 2012.

<u>M/s. Kalpataru Constructions (Pune)</u>

Housing Development Finance Corporation Limited: By way of a sanction letter dated March 25, 2009 issued by Housing Development Finance Corporation Limited and a Master Facility Agreement dated March 31, 2009 between M/s. Kalpataru Constructions (Pune) and Housing Development Finance Corporation Limited, M/s. Kalpataru Constructions (Pune) had availed of a term loan aggregating to Rs. 1,600 million.

This facility has been secured by way of the following:

1. A charge by way of a mortgage on land and construction thereon in relation to our Projects, Kalpataru Estate, Kalpataru Meadows, Kalpataru Riverside, Pedder Road and land at Sewri, Mumbai and land and construction thereon at Surat;
2. Assignment of present and future receivables from our Project, Kalpataru Estate; and
3. Personal guarantees of Mofatraj P. Munot and Parag M. Munot.

<u>M/s. Kalpataru Enterprises</u>

Standard Chartered Bank: By way of a sanction letter dated May 25, 2010 issued by Standard Chartered Bank and facility agreements dated June 9, 2010 between M/s. Kalpataru Enterprises and Standard Chartered Bank, M/s. Kalpataru Enterprises has availed of (i) a term loan aggregating to Rs. 1,400 million; (ii) a financial guarantee facility aggregating to Rs. 150 million; and (iii) a bond and guarantee facility aggregating to Rs. 250 million.

This facility has been secured by way of the following:
1. A charge by way of a mortgage on land and construction thereon in relation to our Projects, Kalpataru Aura, Kalpataru Elan, Kalpataru Garden;
2. Exclusive charge over the development rights and receivables of our Project, Kalpataru Sparkle;
3. Pari passu charge on the receivables arising out of our Projects, Kalpataru Aura, Kalpataru Elan, Kalpataru Gardens - II;
4. Personal guarantees of one of our promoters; and
5. Corporate guarantee of our Company.

<u>M/s. Kalpataru + Sharyans</u>

Housing Development Finance Corporation Limited:

M/s. Kalpataru + Sharyans has availed of two facilities from Housing Development Finance Corporation Limited *i.e.* (i) a term loan aggregating to Rs. 750 million; and (ii) a term loan aggregating to Rs. 250 million.

These facilities have been secured by way of the following:
1. A charge by way of a mortgage on land and construction thereon in relation to our Projects, Kalpataru Estate, Kalpataru Meadows, Kalpataru Riverside, Pedder Road and land at Sewri, Mumbai and land and construction thereon at Surat;
2. Assignment of present and future receivables from our Project, Kalpataru Riverside; and
3. Personal guarantees of Mofatraj P. Munot and Parag M. Munot.

<u>Collective non-fund based limit availed of by M/s. Kalpataru + Sharyans, M/s. Habitat, M/s. Kalpataru Constructions (Pune) and Kalpataru Gardens Private Limited from Kotak Mahindra Bank Limited</u>

In addition to the facilities specified above, M/s. Kalpataru + Sharyans, M/s. Habitat, M/s. Kalpataru Constructions (Pune) and Kalpataru Gardens Private Limited have, by way of a sanction letter dated May 8, 2007 issued by Kotak Mahindra Bank Limited, renewed by way of a renewal letter dated August 12, 2008, and amended on September 9, 2010 and a master facility agreement dated May 17, 2007, collectively availed of a non-fund based limit aggregating up to Rs. 50 million. The amount outstanding as on August 31, 2010 in relation to this facility is Rs. 16.16 million.

This facility has been secured by way of the following:
1. Personal guarantees of our Promoters; and
2. Corporate guarantee issued by one of our Group Companies.

Corporate guarantees executed by our Company as of August 31, 2010 are as follows:

Name of the lender	Name of the borrower	Guarantee amount (Rs. in million)
Future Capital Holdings Limited	Kalpataru Properties (Thane) Private Limited	1,150.00
LIC Housing Finance Limited	Kalpataru Retail Ventures Private Limited	1,550.00
ICICI Home Finance Company Limited	Kalpataru Properties (Thane) Private Limited	800.00
Standard Chartered Bank	Kalpataru Gardens Private Limited	1,000.00
Standard Chartered Bank	M/s. Kalpataru Enterprises	1,800.00
Axis Bank Limited	Aura Real Estate Private Limited	620.00
Kotak Mahindra Prime Limited	Abacus Real Estate Private Limited	700.00

Consents

Pursuant to the terms of certain of the above facilities and corporate guarantees, our Company is required to obtain the prior consents of certain of the lenders for undertaking, amongst other things, any of the following:

1. altering the capital structure of our Company;
2. any change in the constitution of our Company;
3. any change in the control of our Company;
4. any change in the shareholding pattern of our Company which results in a change of control;
5. any material change in the management of the business of our Company;
6. contract, create, incur, assume or suffer to exist any indebtedness in any manner whatsoever;
7. undertake or permit any merger, demerger, consolidation, reorgainsation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;
8. amend or modify any of its constitutional documents which have a material adverse affect.

Our Company has obtained the requisite consents for the Issue from its lenders.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, its Directors, its Subsidiaries, its Joint Ventures, its Associates, its Promoters and its Group Companies and there are no defaults, non payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, Subsidiaries, Directors, Joint Ventures, Associates, Promoters and Group Companies.

Litigation against our Company

Civil proceedings

1. Ramesh Narayanrao Siddhanti and Others *v.* Prabha Narayan Kabbur and Others
   Suit No. 44 of 2002 in Probate No. 848 of 2001 before the Bombay High Court

Pursuant to an agreement for development dated May 8, 2002, (the "**Agreement**") between S. K. Kabbur Private Limited, as the holder of property, Rameshrao Siddhanti and another (the "**Confirming Parties**") and our Company, as the developer, our Company obtained development rights in respect of Plot No. 110(E) bearing new survey nos. 607, 610, 611 and 612 and city survey No. 410/6 at Sion – Matunga, of which 60% of the FSI from the property belonged to our Company and the balance 40% was to be retained by the Confirming Parties. Pursuant to a will and testament, one Radhabai Kabbur had bequeathed her shareholding in S. K. Kabbur Private Limited to Rameshrao Siddhanti pursuant to which probate no. 848 of 2001 was filed by Rameshrao Siddhanti before the Bombay High Court. This probate was contested by Prabha Narayan Kabbur and others on the basis that they were the legal heirs of the husband of Radhabai Kabbur. This probate was subsequently converted into suit no. 44 of 2002. Our Company has been made a party to this suit in its capacity as a developer. Our Company is directed to retain 40% of the saleable area belonging to the estate of Radhabai Kabbur, in respect of which no third party rights are created. The matter is currently pending before the Bombay High Court.

2. M/s. Arun Bros. *v.* S. K. Kabbur Private Limited, our Company and Others
   R.A.D. Suit No. 230 of 2003 before the Small Causes Court at Bombay

M/s. Arun Bros., (the "**Plaintiff**") had filed a declaratory suit on January 8, 2002 in the Small Causes Court at Bombay against S. K. Kabbur Private limited, our Company and others (collectively referred to as the "**Defendants**") seeking a declaration that the Plaintiff is the lawful tenant of a portion of the premises bearing no.109-A situated at industrial area, S. K. Kabbur premises, opposite Nehru Garden, Sion (East), Mumbai (the "**Suit Premises**"), and also seeking court orders not to evict and dispossess the Plaintiff from the Suit Premises. Further, the Plaintiff has prayed for an injunction against dispossessing it from the Suit Premises and for maintenance of *status-quo*. Kalpataru Constructions Overseas Private limited (now known as Kalpataru Properties Private Limited) has filed an affidavit in the Small Causes Court at Bombay on the ground that it has been wrongly made a party to this suit. By way of an order dated August 8, 2005, an injunction has been granted against S. K. Kabbur Private Limited and Kalpataru Constructions Overseas Private Limited from dispossessing the Plaintiff from the Suit Premises. Against this order, S. K. Kabbur Private Limited and our Company have filed an appeal (no.610 of 2005) before the Court of Small Causes at Bombay. The matter is currently pending before the Small Causes Court at Bombay.

3. M/s. Arun Atul Printing Press *v*. S. K. Kabbur Private Limited, our Company and Others
   R.A.D. Suit No. 231 of 2003 before the Small Causes Court at Bombay

M/s. Arun Atul Printing Press, a partnership firm (the "**Plaintiff**") has filed a declaratory suit on January 8, 2002 in the Small Causes Court at Bombay against S. K. Kabbur Private limited, our Company and others (collectively referred to as the "**Defendants**"), seeking, amongst others, a declaration that the Plaintiff is the lawful tenant of a portion of premises bearing no.109-A situated at industrial area, S. K. Kabbur Premises, opposite Nehru Garden, Sion (East), Mumbai (the "**Suit Premises**") and also seeking court orders not to evict and dispossess the Plaintiff from the Suit Premises. Further, the Plaintiff has prayed for an injunction against dispossessing it from the Suit Premises and for maintenance of *status-quo*. Kalpataru Constructions Overseas

Private Limited (now known as Kalpataru Properties Private Limited) has filed an affidavit in this Small Causes Court on the ground that it has been wrongly made a party to this suit. By way of an order dated August 8, 2005, an injunction has been passed against S. K. Kabbur Private Limited and Kalpataru Constructions Overseas Private Limited from dispossessing the Plaintiff from the Suit Premises. Against this order, S. K. Kabbur Private Limited and our Company have filed an appeal (no. 611 of 2005) before the Small Causes Court at Bombay. The matter is currently pending before the Small Causes Court at Bombay.

4. Prabha Narayan Kabbur and Others *v*. Ramesh Siddhanti and Others
   Suit No. 2270 of 2008 before the Bombay High Court

Prabha Narayan Kabbur and others (collectively referred to as the "**Plaintiffs**") have filed a suit on July 10, 2008 in the Bombay High Court against Ramesh Siddhanti and others (collectively referred to as the "**Defendants**"), seeking, amongst others, a declaration that the Plaintiffs are the legal heirs of late Radhabai H. Kabbur and that a memorandum of understanding and power of attorney, each dated June 28, 2001, signed between Radhabai H. Kabbur, as the first holder, S. K. Kabbur Private Limited, as the second holder and our Company, as the developer, in respect of Plot No. 110(E) bearing new survey nos. 607, 610, 611 and 612 and C.S. No. 410/6 at Sion – Matunga is null and void. Further, the Plaintiffs have filed a notice of motion bearing no. 2583 of 2008 for an injunction and for maintenance of *status-quo*. A mediator has been appointed by the Bombay High Court to ascertain the possibility of a settlement of this dispute, pursuant to which the mediator Ms Rajni Iyer, Counsel has held meetings with the parties as directed by the Bombay High Court. The matter is currently pending and the report of the mediator has to be submitted to the Bombay High Court.

5. Runwal Developers Private Limited *v.* BOC India Limited and our Company
   Suit No. 2713 of 2003 before the Bombay High Court

Runwal Developers Private Limited (the "**Plaintiff**") filed this suit on August 18, 2003 before the Bombay High Court against BOC India Limited ("**Defendant 1**") and our Company ("**Defendant 2**", and collectively with Defendant 1, referred to as the "**Defendants**"). The Plaintiff has prayed for, amongst others, an order declaring that there is a concluded agreement dated August 10, 2003, between Defendant 1 and the Plaintiff relating to sale of the property admeasuring approximately 0.554 million sq. ft. bearing CTS Nos. 168, 168/1 to 76 of Village Ghatkopar, LBS Marg, Ghatkopar West, Mumbai ("**Suit Property**"), and that Defendant 1 be directed to execute the conveyance of the Suit Property in favour of the Plaintiff or their nominee. The Defendants have, by way of written statements dated July 7, 2004, denied the allegations made by the Plaintiff and have sought dismissal of the suit on the grounds of it being false and vexatious. The matter is currently pending before the Bombay High Court.

6. Suraj Estate Developers Private Limited *v.* M/s. Maharashtra Grass Merchant, our Company and Others
   Suit No. 421 of 1996 before the Bombay High Court

Suraj Estate Developers Private Limited (the "**Plaintiff**") had filed this suit no. 421 of 1996 on January 29, 1996 before the Bombay High Court, against M/s. Maharashtra Grass Merchant and five others (collectively referred to as "**Defendants 1 to 6**"), Ila Shah ("**Defendant 7**"), Vinod Shah ("**Defendant 8**"), the husband of Defendant 7 and our Company ("**Defendant 9**", collectively with Defendants 1 to 8 referred to as the "**Defendants**") in relation to land bearing C.T.S. Nos. 4106 and 4108 admeasuring 1,212.6 sq. mtrs. and 1,491.1 sq. mtrs. respectively situated at Kole Kalyan, Taluka Andheri, Bombay (the "**Property**"). Pursuant to an agreement for sale dated September 11, 1989 (the "**Agreement**"), Defendants 1 to 6 agreed to sell and transfer the Property to Defendant 7 and handed over possession of the Property to Defendant 7 for a price of Rs. 1,500 per sq. yards payable in the manner as provided under the Agreement. Defendants 1 to 6 also executed a power of attorney dated September 12, 1989 pursuant to which Defendant 8 was nominated as a constituted attorney of Defendants 1 to 6 with respect to the Property. Thereafter, by way of a letter dated October 11, 1990 addressed to Defendant 7, Defendants 1 to 6 alleged, amongst other things, that the Agreement was subject to their further approval and was therefore not concluded. Defendant 7 responded to this letter on November 30, 1990 stating that Defendants 1 to 6 had accepted a sum of Rs.0.14 million paid under the Agreement and put Defendant 7 in possession of the Property and thus the Agreement was valid, binding and concluded. Subsequently, by way of an agreement dated February 26, 1994, Defendant 7 agreed to assign and transfer all right, title and interest in the Property and benefit of the Agreement to the Plaintiff. Pursuant to the agreement dated February 26, 1994, the Plaintiff paid a sum of Rs.0.5 million to Defendant 7. Further, Defendant 7 and Defendant 8, by way of a letter dated February 26, 1994, informed Defendants 1 to 6 of the assignment by way of an agreement dated February 26, 1994. In the meantime, Defendants 1 to 6 executed an agreement dated April 15, 1994 with Defendant 9 in relation to the Property. Pursuant to subsequent correspondence between Defendants 1 to 6, Defendant 7 and Defendant 8, each of Defendants 1 to 8 have each reiterated their stands with respect to the Property, pursuant to which the Plaintiff has filed this suit for specific performance of the Agreement and other related relief and also claimed that Defendants 1 to 6 jointly and severally be liable to pay Rs. 215,600 as per the particulars of the claim as well as interest on Rs. 0.14 million at the rate of 18 per cent per annum from the date of filing of this suit, and further, Rs. 96,25,000 together with interest at the rate of 18 per cent by way of damages for breach of contarct. Our Company was impleaded in this suit on account of the aforesaid agreement dated April 15, 1994. By way of a notice of motion bearing no. 1816 of 1996, the Plaintiff prayed, amongst other things, for appointment of a court receiver in respect of the Property, which was dismissed pursuant to an order dated January 21, 1998 passed by the Bombay High Court. On January 25, 2007, the appeal against this order was dismissed by the Bombay High Court. No adverse orders have been passed in this suit. The matter is currently pending before the Bombay High Court.

Labour proceedings

7. Sayyed Asgar Ali Sayyed and Sayyed Sitarabegum Asgar Ali *v.* our Company
   W. C. Application No. 484/B-98/2008 before the Court of Commissioner for Workmen's Compensation for Greater Mumbai

Sayyed Asgar Ali Sayyed and Sayyed Sitarabegum Asgar Ali (collectively referred to as the "**Applicants**"), the alleged dependants and legal heirs of Dilshad Asgar Ali Sayeed, filed an application (no. 484/B-98/2008) on May 3, 2008 before the Court of Commissioner for Workmen's Compensation for Greater Mumbai against our Company (the "**Defendant**") seeking compensation of Rs.0.44 million under the Workmen's Compensation Act, 1923 together with interest at the rate of 12% per annum and an additional 50% of the claim amount as a penalty in relation to the accidental death of Dilshad Asgar Ali Sayeed. The Applicants have alleged that Dilshad Asgar Ali Sayeed died while working at the construction site of the Defendant at Worli. The Defendant has filed a written statement denying the claims made by the Applicants alleging, amongst other things, that the deceased was not employed by the Defendant and that under the contract, the liability for the safety and security of the workmen was on the contractor. No orders have been passed against the Defendant. The matter is currently pending before the Court of Commissioner for Workmen's Compensation for Greater Mumbai.

Litigation by our Company

Criminal proceedings

1. Our Company *v.* Dennis Nunes and Others
   Case No. 294 of 2008 before the Metropolitan Magistrate Court at Andheri, Mumbai

By way of a deed of conveyance dated July 20, 2006, Robert Mathew Pereira and Shama Yusuf Sheikh *nee* May Mathew Pereira transferred their aggregate two-thirds interest in property bearing CTS No.197 situated at Village Kondivita, Kolekalyan to our Company (the "**Suit Property**"). Subsequently, our Company issued a letter dated September 15, 2006, to Genny Mathew Gracious expressing its interest to purchase her remaining one-third interest in the Suit Property. Pursuant to searches conducted in the office of the sub-registrar of Assurances, it came to our Company's notice that by way of a deed of conveyance dated September 2, 2006, Dennis Nunes, Louisa Coutto and Genny Mathew Gracious had conveyed 75% undivided share in the Suit Property to Iqbal Abdul Khaliq Ahmad, sole proprietor of M/s. Sansif Investments. Consequently, in December, 2008, our Company filed this case before the Metropolitan Magistrate Court at Andheri, Mumbai, against Dennis Nunes, Louisa Coutto and Felicitaz Vaz as attorney of Genny Mathew Gracious (the "**Accused**") for cheating under section 420 read with section 34 of the Indian Penal Code. The Metropolitan Magistrate has passed directions on July 27, 2010 to issue summons to the Accused in the matter. The matter is currently pending before the Metropolitan Magistrate Court at Andheri, Mumbai.

2. Our Company *v.* Dennis Nunes and Louisa Coutto
   Case No.295/[M] of 2008 before the Metropolitan Magistrate Court at Andheri, Mumbai

A third party entered into an agreement dated June 25, 2006 (the "**Agreement**"), with Dennis Nunes (the "**Accused 1**") and Louisa Coutto (the "**Accused 2**", and collectively with Accused 1 referred to as the "**Accused**") for buying property admeasuring 328.3 sq. mtrs. with structures thereon bearing CTS No. 198 at Village Kondivita, Andheri (the "**Suit Property**") and paid part consideration towards sale of the Suit Property to the Accused. The third party, by way of a letter dated July 3, 2006, assigned the benefits of the Agreement in favour of our Company. Accused 2 executed an agreement for sale dated July 17, 2006, in relation to her share in the Suit Property in favour of our Company. However, Accused 1 did not execute an agreement for sale in relation to his share in the Suit Property in favour of our Company. Pursuant to searches conducted in the office of the sub-registrar of Assurances, it came to our Company's notice that the Accused along with others had conveyed the Suit Property by executing a deed of conveyance dated September 2, 2006, in favour of Iqbal Abdul Khaliq Ahmad, sole proprietor of M/s. Sansif Investments. Consequently, in December, 2008, our Company filed this case before the Metropolitan Magistrate Court at Andheri, Mumbai, against the Accused for cheating under section 420 read with section 34 of the Indian Penal Code. The Metropolitan Magistrate has passed directions on July 27, 2010 to issue summons to the Accused in the matter. The matter is currently pending before the Metropolitan Magistrate Court at Andheri, Mumbai.

Civil proceedings

3. Our Company *v*. S. K. Kabbur Private limited and Others
   Suit No. 1735 of 2008 before the Bombay High Court

Pursuant to an agreement for development dated May 8, 2002, made between S. K. Kabbur Private Limited as the holder, Rameshrao Siddhanti and another as confirming parties and our Company as the developers, our Company has obtained development rights in respect of Plot No. 110(E) bearing New S. Nos. 607, 610, 611 and 612 and C.S. No.410/6 at Sion – Matunga. Our Company has filed this suit on April 16, 2008 before the Bombay High Court against S. K. Kabbur Private Limited and others (collectively referred to as the "**Defendants**") in relation to recovery of Rs.5.45 million from the date of formation of Kalpataru Royale Co-operative Housing Society Limited till March 30, 2008, and a further sum of Rs.0.11 million per month towards municipal taxes and monthly payment of outgoings in terms of the agreement for development dated May 8, 2002. Ms Rajni Iyer has been appointed as mediator by consent of all the parties for resolving the dispute. Hearings have taken place and order is awaited. The matter is currently pending before the Bombay High Court.

4. Our Company *v.* S. K. Kabbur Private Limited and Others
   Suit No. 1916 of 2008 before the Bombay High Court

Our Company has filed this suit before the Bombay High Court against S. K. Kabbur Private Limited and others (collectively referred to as the "**Defendants**") for seeking a declaration that the memorandum of understanding and power of attorney, each dated June 28, 2001, signed between Radhabai H. Kabbur, as the first holder, S. K. Kabbur Private limited, as the second holder and our Company, as developer, in respect of Plot No.109A bearing C.S. No.109A/6 at Sion – Matunga, is valid and subsisting and for seeking specific performance of the memorandum of understanding and also for restraining the Defendants from selling or creating third party rights in relation to the said plot. The matter is currently pending before the Bombay High Court.

5. Our Company and another *v.* the MCGM and others
   Writ Petition No. 2471 of 2004 before the Bombay High Court

Our Company had entered into a development agreement dated July 4, 1991 with Shirinbai N. Irani (the "**Owner**") in respect of land bearing Survey No. 165(p), CTS No. 595 admeasuring 12,144.02 sq. mtrs. situated at villages Anik and Mahul, Taluka Kurla near Chembur, Greater Mumbai. Subsequently, the Owner and our Company were informed by the MCGM that out of the said land, 6,491.74 sq. mtrs. was reserved for public purposes of green belt and comes under a special economic zone as per the revised development plans and therefore, cannot be developed. Our Company's application for development of this land was refused by the commissioner and appeal therefrom was refused by the State Government of Maharshtra primarily on the ground that green belt is not a reservation under the development plan. Accordingly, our Company's prayer for grant of TDR in lieu of surrendering the land was also refused. Aggrieved by the said orders, our Company and the Owner filed this writ petition on August 26, 2004 in the Bombay High Court against MCGM and others in relation to grant of TDR in lieu of surrender of this land to MCGM and also contended that land reserved/ designated as green belt in the development plan has to be acquired by the Planning Authority or such appropriate authority either by mutual agreement or by grant of TDR, failing which by making application to the State Government to acquire such land under the provisions of the Land Acquisition Act, 1894. The matter has been transferred from a single Judge to the division bench of the Bombay High Court. The writ petition is currently pending final hearing at the Bombay High Court.

6. Our Company *v*. Robert Mathew Pereira and Others
   Suit No. 3429 of 2006 before the Bombay High Court

By way of a deed of conveyance dated July 20, 2006, Robert Mathew Pereira and Shama Yusuf Sheikh *nee* May Mathew Pereira transferred their aggregate 2/3rd interest in property bearing CTS No. 197 situated at Village Kondivita, Kolekalyan (the "**Suit Property**") to our Company (the "**Plaintiff**"). The Plaintiff issued a letter dated September 15, 2006 to Genny Mathew Gracious expressing its interest to purchase her remaining one-third interest in the Suit Property. Subsequently, the Plaintiff conducted searches in relation to the Suit Property pursuant to which it came to the notice of our Company that under a deed of conveyance dated September 2, 2006, Dennis Nunes, Louisa Coutto and Genny Mathew Gracious conveyed 75% undivided share in the Suit Property to Iqbal Abdul Khaliq Ahmad, sole proprietor of M/s. Sansif Investments. The Plaintiff filed this suit on December 6, 2006, in the Bombay High Court against Robert Mathew Pereira and others (collectively referred to as the "**Defendants**") for, amongst others, a declaration that the Plaintiff is the owner of 66.67% undivided share in the Suit Property, that is, two-thirds interest in the Suit Property. The Plaintiff by way of a notice of motion (no. 4328 of 2006) prayed for interim relief including appointment of a court receiver for the Suit Property and restraining Iqbal Abdul Khaliq Ahmad, one of the Defendants, from carrying out any construction on the Suit Property. Pursuant to this notice of motion, the Bombay High Court passed an order dated June 27, 2007 to maintain status quo. Iqbal Abdul Khaliq Ahmad has filed an affidavit in reply dated January 7, 2010, for dismissing the notice of motion. The matter is currently pending before the Bombay High Court.

7. Our Company against Robert Mathew Pereira, Shama Yusuf Sheikh, Dennis Nunes, Louisa Coutto, Felicitaz Vaz, Nelly D'Mello, Catherine Fernandez, Iqbal Abdul Khaliq Ahmed and Executive Engineer, Contempt Petition No. 18 of 2010 in Suit No 3429 of 2006 before the Bombay High Court

Our Company has filed a contempt petition against Robert Mathew Pereira, Shama Yusuf Sheikh, Dennis Nunes, Louisa Coutto, Felicitaz Vaz, Nelly D'Mello, Catherine Fernandez, Iqbal Abdul Khaliq Ahmed and Executive Engineer, alleging willful breach of the orders dated December 13, 2006 and August 22, 2006 passed by the Bombay High Court in Suit No, 3429 of 2006. No orders have been passed in the said suit. The matter is currently pending before the Bombay High Court.

8. Our Company and another *v.* Dennis Nunes and Others
Suit No. 2618 of 2006 before the Bombay High Court

A third party entered into an agreement dated June 25, 2006 ("**Agreement 1**"), with Dennis Nunes and Louisa Coutto for buying property admeasuring 328.3 sq. mtrs. with structures thereon bearing CTS No. 198 at Village Kondivita, Andheri (the "**Suit Property**") and paid part consideration towards sale of the Suit Property. Dennis Nunes and Louisa Coutto agreed to accept the balance consideration from the third party's' nominee, and to execute and register the Deed of Sale and Poweer of Attorney in favour of the nominee under Agreement 1. The third party, by way of a letter dated July 3, 2006, assigned the benefits of the Agreement in favour of our Company. Louisa Coutto executed an agreement for sale dated July 17, 2006 ("**Agreement 2**", and collectively with Agreement 1 referred to as the "**Agreements**"), in relation to her share in the Suit Property in favour of our Company. However, Dennis Nunes did not execute an agreement for sale in relation to his share in the Suit Property in favour of our Company. Subsequently, our Company conducted searches in relation to the Suit Property pursuant to which it came to our Company's knowledge that Dennis Nunes and Louisa Coutto along with others conveyed the Suit Property by executing a deed of conveyance dated September 2, 2006, in favour of Iqbal Abdul Khaliq Ahmad, sole proprietor of M/s. Sansif Investments. Our Company and the third party (collectively referred to as the "**Plaintiffs**") have filed the suit on September 4, 2006, before the Bombay High Court praying for amongst other things (i) specific performance of the Agreements, and alternatively refund of Rs.0.21 million being the consideration paid together with interest at the rate of 18% per annum from the date of the suit till payment and (ii) the difference between market price of the Suit Property on the date of the decree and the agreed price of Rs.0.4 million as damages. Subsequently, a notice of motion bearing no. 3101 of 2006 was taken out by the Plaintiffs for interim relief, which was dismissed pursuant to an order passed by the Bombay High Court on April 15, 2008. The Plaintiffs appealed the order dated April 15, 2008, before the Bombay High Court, which was dismissed pursuant to an order dated September 23, 2008 passed by the Bombay High Court. The Plaintiffs filed a petition bearing no. 27375 of 2008 before the Supreme Court for special leave to appeal ("**SLP**") from the Bombay High Court's order dated September 23, 2008. The Supreme Court, by way of its order dated January 27, 2009, disposed of the SLP and directed Iqbal Abdul Khaliq Ahmad to file an undertaking stating that in the event of redevelopment of the Suit Property, he will intimate the Plaintiffs the price at which he intends to sell the premises/flats in the redeveloped project and that he will also retain 25% of the entire property in the re-development project. Accordingly, Iqbal Abdul Khaliq Ahmad has filed this undertaking on March 23, 2009 before the Supreme Court. Subsequently, by way of a second notice of motion no. 1 of 2009, the Plaintiffs have sought interim relief, including an order to restrain Iqbal Abdul Khaliq Ahmad from carrying out any construction on the Suit Property and an order to restrain the MCGM from sanctioning any plans relating to the Suit Property. The matter is currently pending before the Bombay High Court.

9. Schrader Duncan Limited and Others *v.* State of Maharashtra and Others
   Writ Petition No. 2418 of 2006 before the Supreme Court of India

Schrader Duncan Limited ("**Petitioner 1**") and others (collectively referred to as the "**Petitioners**") had filed this writ petition on September 4, 2006 before the Bombay High Court against the State of Maharashtra and others (collectively referred to as the "**Respondents**") for amongst other things challenging the communication dated January 24, 2006 and mutation entry no. 993 made in 7/12 extracts to the effect that the property of Schrader Duncan Limited bearing CTS no. 151A(p) of village Nahur is private forest land. This writ petition was dismissed by way of an order dated March 24, 2008. The Petitioners have filed a special leave petition bearing no. 11622 of 2008 before the Supreme Court challenging this order of the Bombay High Court. The Petitioners had sought interim relief including the passing an order staying the order dated March 24, 2008, an order staying the operation of the mutation entries made and an order directing the relevant authorities of the State of Maharashtra to sanction all building plans, layouts and issue IOD and CC provided Petitioner 1 complies with the requisite formalities with respect to building plans and layout approvals, and the issuance of IOD and CC. By way of an order dated May 5, 2008 the Supreme Court directed that *status-quo* be maintained till the next hearing. Pursuant to an order dated July 13, 2009, the matter was referred to the central empowered committee which submitted its report to the Supreme Court. The State of Maharashtra has filed an intervention application on December 8, 2009 seeking a direction to Petitioner 1 to pay the net present value as per the categorisation made by the State Government. By way of an order dated January 25, 2010, the Supreme Court held that the interim stay ordered by the Supreme Court on May 5, 2008 is vacated and that the Petitioner No.1 is at liberty to go on with construction subject to the decision of the MoEF. By way of a demand notice dated January 16, 2010, the Conservator of Forest quantified the net present value payable by Petitioner 1 at Rs.19.4 million. Petitioner 1 issued a pay order on January 18, 2010 for an amount of Rs.19.4 million pursuant to such quantification by the Conservator of Forest. By way of a letter dated February 16, 2010, Petitioner 1 has intimated to the Conservator of Forest that the aforementioned payment has been made by Petitioner 1 and that the land bearing S.No.151A(p) ought to be de-reserved and the permission for development for non-forestry use that is for industrial/residential/commercial and/or any other permitted use as per DCR be granted. The matter is currently pending before the Supreme Court of India.

10. Our Company *v.* The Charity Commissioner, Greater Mumbai Region, the State of Maharashtra and A. H. Wadia Trust and Others
    Writ Petition No.1399 of 2009 before the Bombay High Court

Our Company (the "**Petitioner**") filed this writ petition on June 25, 2009 before the Bombay High Court against the Charity Commissioner, Greater Mumbai Region, the State of Maharashtra and A. H. Wadia Trust and others (collectively referred to as the "**Respondents**") challenging certain orders passed by the Charity Commissioner while sanctioning an application filed by some of the other Respondents in this matter and for release of a deposit of Rs.15 million along with interest, paid by our Company in relation to a bid of Rs.19.5 million to the Charity Commissioner for purchase of a plot of land bearing S. No. 354. Hissa No. 4(p), S. No. 378 Hissa No. 1(p) and corresponding CTS Nos. 4110, 4110/1-115, admeasuring around 5,122 sq. mtrs. at Village Kole-Kalyan, Taluka Andheri, which belongs to the Respondents and to restrain the other Respondents from utilizing the Rs. 15 million paid by the Petitioner together with the interest thereon for the purposes of the trust. In terms of the tender document, on March 12, 2005, the Petitioner deposited Rs.15 million towards earnest money deposit. In the meantime, various other persons also participated in the bid by depositing Rs.15 million towards earnest money deposit. On account of rejection of bids, certain writ petitions were filed in the Bombay High Court. In one of the writ petitions, the Bombay High Court directed the Charity Commissioner to record the bids but not to accept any bid finally until further orders of the Court. Accordingly, an open bidding took place and the Petitioner's offer of Rs.514.6 million was found to be the highest. Subsequently, the Court directed the Charity Commissioner to invite fresh bids to discover the market price of the property. In a writ petition (no.1481 of 2008), filed by Dattaram Sakharam Patil, the Court observed that certain Dattaram Sakharam Patil was ready to purchase the property at a price which was greater than Rs.514.6 million. The Petitioner, by way of a notice of motion (no.322 of 2008) in the writ petition, amongst other things, sought permission to withdraw its bid of Rs.514.6 million and to withdraw the earnest money deposit of Rs.15 million with interest lying with the said trust. By an order dated September 9, 2008, the said writ petition was disposed and the matter was remanded to the Charity Commissioner. Subsequently on November 4, 2008, at the hearing before the Charity

Commissioner, the Petitioner informed the Charity Commissioner that the original bid of Rs.19.5 million made by the Petitioner continued to be valid and the revised bid of Rs.514.6 million was withdrawn by the Petitioner. Subsequently, the Charity Commissioner, by its order dated November 18, 2008, directed the said trust to sell the property to the Petitioner for a total consideration of Rs.514.6 million and to take 25% of the amount as earnest money deposit. On the same day, the Petitioner applied to the Charity Commissioner reiterating that the offer of Rs.514.6 million was withdrawn by the Petitioner. Aggrieved by this order, a certain Pandurang Patil filed a writ petition (no.62 of 2009) in the Bombay High Court praying that the order dated November 18, 2008 passed by the Charity Commissioner be set aside and that the trust be directed to sell the property to him for Rs.50 million. By an order dated August 21, 2009 passed in the said writ petition No.62 of 2009, the Bombay High Court disposed of the writ petition amongst other things on the ground that the said trust had decided to cancel the bid process in favour of other private respondents. Aggrieved by this order, the said trust has filed a review petition (no.65 of 2009). The said review petition is currently pending. The writ petition filed by our Company is currently pending before the Bombay High Court.

11. Our Company *v.* Mr. Penmetsa Srinivasa Varma
    Case No. 211/SS/2010 before the Magistrate Court at Bandra

Our Company ("**Complainant**") has filed this suit against Mr. Penmetsa Srinivasa Varma ("**Opposite Party**") under section 138 of the Negotiable Instruments Act in connection with the dishonour of a cheque. The Opposite Party had agreed to purchase a piece of land admeasuring 10 acres 55 Gunthas at Hyderabad from the Complainant and had issued a cheque of Rs.12.5 million towards payment for the said land. The learned Magistrate has issued summons against the opposite party and which have been served on the opposite party. The matter is pending before the Magistrate's court.

12. Our Company *v.* Kalpataru Royale Co-operative Housing Society Limited
    SC Suit No. 1500 of 2010 before the City Civil Court at Bombay

Our Company ("**Plaintiff**") has filed this suit on June 21, 2010 before the City Civil Court at Bombay against Kalpataru Royale Co-operative Housing Society Limited and others ("**Defendants**") for, amongst other things, seeking that the transfer of certain flats in the name of the Plaintiff in the building constructed by the Plaintiff be declared illegal, unlawful, null and void and injunctive reliefs restraining the Defendants from recovering any amount of maintenance in respect of these flats. In this regard, our Company has filed a suit on April 16, 2008 in the Bombay High Court against S. K. Kabbur Private Limited and others in relation to recovery of Rs.5.45 million from the date of formation of Kalpataru Royale Co-operative Housing Society Limited till March 30, 2008, and a further sum of Rs.0.11 million per month towards municipal taxes and monthly payment of outgoing in terms of the agreement for development dated May 8, 2002 made between S. K. Kabbur Private Limited, as the holder, Rameshrao Siddhanti & another, as confirming parties and our Company, as the developers, pursuant to which our Company has obtained development rights in respect of Plot No.110(E) bearing New S.Nos.607, 610, 611 and 612 and C.S. No.410/6 at Sion - Matunga. The matter is currently pending at the City Civil Court at Bombay.

13. Our Company *v.* MCGM

Our Company was served with a special notice dated March 22, 2010 under Section 167 of the Mumbai Municipal Corporation Act in relation to revision of the rateable value of Hindustan Platinumi.e. who are the predecessors in title to the land from Rs. 57,135 to Rs. 1,593,350 with effect from December 1, 2009. Our Company has filed its objections on March 26, 2010 and the case is currently pending before the investigation officer.

Litigation involving our Directors

Litigation against Mofatraj P. Munot

Criminal proceedings

1. Haroon Ibrahim Patel *v.* Haresh Khiyamal, Mofatraj P. Munot and Others
   Criminal Report No. 268 of 2009 filed with D.N. Nagar Police Station, Andheri (West)

Haroon Patel has filed a First Incident Report ("**FIR**") bearing number 66/09 with D. N. Nagar Police Station, Andheri West. The FIR has been filed in relation to alleged forgery of property related documentation at the

Tehsildar's office at Andheri. The documentation pertains to Kalpataru Estate, a property located at Andheri East, which is owned and was developed by M/s. Habitat, a firm in which Mofatraj P. Munot is a partner. A criminal report bearing number 268 of 2009 has been filed before the D. N. Nagar Police Station, Andheri West and investigation is currently ongoing.

Civil proceedings

2. Uniflex Cables Limited *v.* Mansingh Hanutmal Baid, Mofatraj P. Munot and Others
   Suit No. 3531 of 1997 before the Bombay High Court

A suit has been filed by Uniflex Cables Limited challenging an award passed by Mofatraj P. Munot, in his capacity as an arbitrator, in relation to a dispute between two families. A written statement has been filed on behalf of Mofatraj P. Munot as there was a claim raised against Mofatraj P. Munot for Rs.30 million in this regard. This matter is currently pending before the Bombay High Court.

3. (i) Champalal H. Kothari and Others *v.* Ramniklal C. Kothari, Mofatraj P. Munot and Others
   Suit No. 3513 of 1987 before the Bombay High Court

   (ii) Larsen & Toubro Limited *v.* Kantilal C. Kothari, Mofatraj P. Munot and Others
   Suit No.2467 of 2002 before the Bombay High Court

   (iii) Larsen & Toubro Limited *v.* Kantilal C. Kothari, Mofatraj P. Munot and Others
   C.R.A No. 312 of 2010 before the Bombay High Court

Larsen & Toubro Limited ("**Plaintiff**") has filed this suit before the Bombay High Court against Kantilal C. Kothari, Mofatraj P. Munot and others ("**Defendants**") in respect of a bungalow known as "High Tree" situated at 54, Pali Hill, Mumbai, which is jointly owned by the Plaintiff and the Defendants. The Plaintiff was initially occupying these premises as a tenant and subsequently purchased $1/7^{th}$ share in the property from Amar Munot, one of the Defendants to this suit. This suit has been filed by the Plaintiff for partition and determination of its share in the suit property. The Defendants have also filed a counter claim bearing No. 850 of 2008, *inter alia*, for sale of the $1/7^{th}$ share of the Plaintiff in the suit property to the Defendants. This matter is currently pending before the Bombay High Court.

Litigation by Mofatraj P. Munot

Civil proceedings

1. Mofatraj P. Munot *v.* Ashfaque Ahmed Mohamed Hanif
   R. A. E. Suit No. 118/346 of 2005 before the Small Causes Court at Bombay

Mofatraj P. Munot, as the owner has filed this suit before the Small Cause Court at Bombay against Ashfaque Ahmed Mohamed Hanif, for eviction of certain premises at Cosymore Bungalow, Bandra, Mumbai, in order to redevelop the property. The defendant has filed evidence. The cross-examination of the defendant's witness has been completed. Report in that behalf has to be submitted. This matter is currently pending before the Small Causes Court at Bombay.

2. Mofatraj P. Munot and Others *v.* Ashfaque Ahmed Mohamed Hanif and Another
   Appeal No. 198 of 2004 in RAD 4512/87 before the Small Causes Court at Bombay

In RAD Suit No. 4512 of 1987 filed by Ashfaque Ahmed Mohamed Hanif and another, the Small Causes Court at Bombay passed a decree dated July 23, 2004 declaring Ashfaque Ahmed Mohamed Hanif and another as tenant of certain premises at Cosymore Bungalow, Bandra, Mumbai and permanent injunction was granted against Mofatraj P. Munot and others restraining them from obstructing possession of Ashfaque Ahmed Mohamed Hanif and another without following due process of law. Mofatraj P. Munot has appealed this decree and the appeal is currently pending before the Small Causes Court at Bombay.

Litigation against Parag M. Munot

Criminal proceedings

1. Uday Bhivaji Kathe *v.* Parag M. Munot and Others
   C.C. No.241/SW/09/02/IAR/10 before the Metropolitan Magistrate 32nd Court, Bandra

Uday Kathe has filed a criminal case under sections 406 and 420 of the Indian Penal Code, 1860 against Parag M. Munot and certain directors of Ascent Orchards Private Limited before the Court of the Metropolitan Magistrate at Bandra. The complaint is on account of alleged criminal breach of trust and inducement to enter into a memorandum of understanding in relation to purchase of certain 200 acres of agricultural land and a cheque of Rs.1.2 million which was issued as security by Uday Kathe in favor of Parag M. Munot for the performance of certain obligations as agreed to between the parties under the said memorandum of understanding. However, on account of non-performance of certain of these obligations, the cheque was deposited with the bank for encashment pursuant to which, this complaint was filed by Uday Kathe before the Court of the Metropolitan Magistrate at Bandra. The local police station has submitted a report under Section 202 of CrPC, before the Magistrate. The investigation in relation to this complaint is currently pending before the Metropolitan Magistrate Court.

Litigation involving our Subsidiaries

Litigation against Kalpataru Properties (Thane) Private limited

Criminal proceedings

1. Municipal Corporation of Thane *v.* Shyam Agarwal, in his capacity as a director of Kalpataru Properties (Thane) Private limited ("**KPTPL**")
   Criminal Case No. 2503 of 2004 before the Judicial Magistrate (First Class), Thane

The Municipal Corporation of Thane has filed a criminal complaint against KPTPL on August 7, 2004 in the Magistrate's Court at Thane on the ground that KPTPL has brought into Thane city four ready mix trucks without paying octroi duty of Rs. 8.27 million. The matter is currently pending before the Magistrate's Court at Thane.

Civil proceedings

2. Chelakara Ramaswamy and Cherussery Ananthakrishnan Lakshmi *v.* Kalpataru Properties (Thane) Private Limited
   Special Suit No. 82 of 2001 in the Court of Civil Judge (Senior Division), Thane.

Chelakara Ramaswamy and Cherussery Ananthakrishnan Lakshmi (collectively referred to as the "**Plaintiffs**") have filed a suit on February 16, 2001, in the Court of Civil Judge (Senior Division), Thane, against Kalpataru Properties (Thane) Private Limited ("**Defendant**") in relation to flat no.23, on the 2nd floor in building No.1 and a closed garage in the complex known as 'Tarangan-I' at Pokharan Road No.1, near Cadbury, Thane (West) ("**Suit Premises**"). The Plaintiffs have, amongst other things, alleged that they have entered into a sale agreement dated January 29, 1998 ("**Sale Agreement**") with the Defendant and had paid part consideration for purchasing the Suit Premises and further that the Defendant has failed to handover possession of the Suit Premises. It is also alleged that the Defendants failed to issue receipt in respect of Rs. 13 lakhs that was collected from the plaintiffs by way of cash on June 19, 1996. On February 16, 2001, the Plaintiffs filed an application before the Court of Civil Judge (Senior Division), Thane praying for an order directing the Defendant to hand over possession of the Suit Premises to the Plaintiffs and restraining the Defendant from parting with or creating any third party interest or using the Suit Premises during the pendency of the suit. The Plaintiffs are also claiming interest and compensation of Rs. 1.70 million. It has been contended by the Defendant that besides an amount of Rs. 0.85 million, the Plaintiffs have failed to make payments as per the terms and conditions of the Sale Agreement. By an order dated October 12, 2001, the Court of Civil Judge (Senior Division), Thane has granted relief of temporary injunction which has: (i) restrained the Defendant from parting with or creating third party interest or transferring the Suit Premises till final decision of the suit; (ii) restrained the Defendant from using flat no.23 for their personal use; and (iii) directed the Defendant to provide necessary amenities as per the Sale Agreement for the purpose of delivery of possession to the Plaintiffs; and (iv) directed both the parties to observe the terms and conditions of the Sale Agreement. The Plaintiffs have moved an application for contempt of the order of this court. The defendant has filed their reply. The matter is currently pending before the Court of Civil Judge (Senior Division), Thane.

3. Natvar T. Patel and Others *v.* the State of Maharashtra, the Commissioner, Thane Municipal Corporation

and Kalpataru Properties (Thane) Private Limited
Writ Petition No. 3351 of 2005 before the Bombay High Court

Mr. Natvar Patel and others (collectively referred to as the "**Petitioners**") had filed this writ petition against the State of Maharashtra ("**Respondent 1**"), the Commissioner, Thane Municipal Corporation ("**Respondent 2**") and Kalpataru Properties (Thane) Private Limited ("**Respondent 3**" and collectively with Respondent 1 and Respondent 2 referred to as the "**Respondents**") before the Bombay High Court on April 29, 2005 challenging an order dated February 2, 2005 (the "**Order**") passed by the Executive Engineer, Thane Municipal Corporation pursuant to which an allegedly unauthorized construction of an RCC slab over a public *nallah* admeasuring about 90 x 30 feet carried out by Respondent 3 has been regularized by the Thane Municipal Corporation. The Petitioners had allegedly been objecting to the unauthorized laying of the slab and its possible use as an access to Tarangan Housing Complex since May 2004 inspite of which the Executive Engineer, Thane Municipal Corporation passed the Order dated February 2, 2005 without granting a hearing to the Petitioners. The Petitioners have prayed for, amongst other things, that the Order be quashed and that the execution, operation and implementation of the Order be stayed. The matter is currently pending hearing and final disposal.

4. Natvar T. Patel and Others *v.* the State of Maharashtra, the Secretary, Urban Development Department, Mantralaya, the Commissioner, Thane Municipal Corporation and Kalpataru Properties (Thane) Private Limited
   Writ Petition No. 1217 of 2005 before the Bombay High Court

Mr. Natvar Patel and others (collectively referred to as the "**Petitioners**") had filed this writ petition against the State of Maharashtra ("**Respondent 1**"), the Secretary, Urban Development Department ("**Respondent 2**"), the Commissioner, Thane Municipal Corporation ("**Respondent 3**") and Kalpataru Properties (Thane) Private Limited ("**Respondent 4**" and collectively with Respondent 1, Respondent 2 and Respondent 3 referred to as the "**Respondents**") before the Bombay High Court on February 17, 2005 challenging an order dated August 13, 2004 passed by the Desk Officer, Urban Development Department, State of Maharashtra under notification No.TPS.1204/791/CR-209/04/UD-12 (the "**Order**") pursuant to which Respondent 4 was permitted to have a multi-purpose basement up to two levels and use the lower ground basement area at Tarangan Housing Complex for commercial purposes, that is, hyper market and shops. The Petitioners have prayed, amongst other things, that the Order be quashed and that the execution, operation and implementation of the Order be stayed. The Petitioners further contended that by issuing certain clarifications, the state Government introduced new regulations in the Development Control Regulations of the Thane Municipal Corporation without following the prescribed procedure under the MRTP Act. Respondent 4, by way of an affidavit dated March 29, 2005, denied the allegations set out in the writ petition and sought dismissal of the same. The matter is currently pending hearing and final disposal.

5. Neeta Shetty and Others *v.* Kalpataru Properties (Thane) Private Limited, Cadbury India Limited, United Wire Industry Limited, the Thane Municipal Corporation, the District Collector Thane, the Commissioner of Police, Thane, Executive Engineer, Public Works Department, Thane and the State of Maharashtra
   Regular Civil Suit No. 649 of 2004 before the Court of Civil Judge at Thane

Neeta Shetty and others (collectively referred to as the "**Plaintiffs**") filed this civil suit against Kalpataru Properties (Thane) Private Limited ("**Defendant 1**"), Cadbury India Limited ("**Defendant 2**"), United Wire Industry Limited ("**Defendant 3**"), the Thane Municipal Corporation ("**Defendant 4**"), the District Collector Thane ("**Defendant 5**"), the Commissioner of Police, Thane ("**Defendant 6**"), Executive Engineer, Public Works Department, Thane ("**Defendant 7**") and the State of Maharashtra ("**Defendant 8**" and collectively with Defendant 1, Defendant 2, Defendant 3, Defendant 4, Defendant 5, Defendant 6 and Defendant 7, referred to as the "**Defendants**") in February 2004. The cause of action in this suit arose pursuant to the Plaintiffs noticing that Defendant 1 had commenced digging activity in April 2004 in and around Tarangan Housing Complex and Defendant 1 continuing to carry on the construction of a basement car parking of the proposed shopping complex and four multiplex theatres in the vicinity of Tarangan Housing Complex. The Plaintiffs have prayed for amongst other things restraining construction of the proposed shopping complex and four multiplex theatres, as also certain other built space and from selling, transferring, alienating in any manner the premises therein and/ or parting possession thereof to any third party in any manner. The suit is at trial stage and is currently pending before the Court of Civil Judge at Thane.

Taxation proceedings

1. Notice No. MH/18493-A/PF/Enf.Zone/I/OID/269 dated March 31, 2008 issued by Assistant Commissioner

of Provident Fund Organization

Assistant Commissioner of Provident Fund has issued this notice on March 31, 2008 against. Kalpataru Properties (Thane) Private Limited under section 7a of the Provident Funds Enquiry Act, 1952.The enforcement officers have taken inspections of the books of accounts of Kalpataru Properties (Thane) Private Limited. No orders have been passed. The matter is currently pending before the Regional Commisioner.

Litigation by Kalpataru Properties (Thane) Private limited

Civil proceedings

1. Kalpataru Properties (Thane) Private Limited *v*. Aessen Private Limited and Bombay Ring Travelers Company Limited.
   Writ Petition No. 2226 of 2010 before the Bombay High Court, Civil appellate Jurisdiction

Kalpataru Properties (Thane) Private Limited (the "**Petitioner**") has filed this writ petition on March 11, 2010 before the Bombay High Court, against Aessen Private Limited ("**Respondent 1**") and Bombay Ring Travelers Company Limited ("**Respondent 2**") in relation to the right of way and passage over an internal road in relation to land bearing S. Nos. 297/1(p), 290(p), 356, 396(p) and 299/2(p) in Thane ("**Property**"). Respondent 1 had by way of a Conveyance Deed dated April 20, 1965 conveyed a piece of land admeasuring about 39, 941 square yards in favour of Respondent 2 along with the right of way over a road mentioned therein ("**Suit Road**"). Pursuant to a Development Agreement dated March 29, 2001, Respondent 2 granted the development rights over the Property to the Petitioner (then known as Kalpataru Soham Property Private Limited) along with the benefit of right of way over the Suit Road which was enjoyed by Respondent 2 without any objection or obstruction from Respondent 1. On September 25, 2002, Respondent 1 filed a civil suit (no.604 of 2002) before the Civil Judge, Thane, amongst other things, seeking a declaration that the Suit Road is a private road and injunctive relief restraining the Petitioner from entering into or using the Suit Road. The Petitioner filed a counter-suit (no.792 of 2003) before the Civil Judge, Thane for a declaration that the Petitioner was entitled to a right of way over the Suit Road and also preferred an interim application for injunctive reliefs restraining Respondent No. 1 from interfering with the use by the Petitioners of the Suit Road. By a common order dated December 15, 2003, the interim application of the Petitioner was dismissed while the interim application of Respondent 1 was allowed. Pursuant to an order dated December 15, 2003 passed by Civil Judge, our Company is restrained from using the Suit Road. Further to the said order being passed, the Petitioners filed Miscellaneous Civil Appeal (no. 207 of 2003 and no. 208 of 2003) against the order dated December 15, 2003. By a common judgment and order dated March 5, 2004, the civil appeal (nos. 207 of 2003 and 208 of 2003) filed by the Petitioner were dismissed. The writ petition (nos.3510 of 2004 and 3514 of 2004) filed by the Petitioner against the aforesaid order also were rejected on April 13, 2005 and March 16, 2006, respectively. On April 24, 2007, Respondent 1 filed an application under section 10 of Civil Procedure Code seeking a stay of further proceedings in civil suit (no.792 of 2003) filed by the Petitioner on the ground that the cause of action in the said Suit is the same as that of suit (no.604 of 2002) filed by Respondent 1. By an order dated November 18, 2009, the said application was allowed and suit (no.792 of 2003) filed by the Petitioner was stayed. Aggrieved by this order, the Petitioner has filed the writ petition (no.2226 of 2010) on March 11, 2010, amongst other things, to set aside and quash the said order dated November 18, 2009. Pursuant to an order dated September 7, 2010 by the Bombay High Court in writ petition 2226 of 2010, hearing of both the suits before the Civil Judge, Thane has been stayed. The writ petition is currently pending before the Bombay High Court.

Criminal proceedings

2. Kalpataru Properties (Thane) Private Limited, Mofatraj P. Munot, Parag M. Munot, Imtiaz Kanga and Suhas Merchant *v.* Tarangan Towers Co-operative Housing Society Limited and the State of Maharashtra
   Revision Petition No. 167/2008 before the Court of District and Sessions Judge, Thane

Kalpataru Properties (Thane) Private Limited, Mofatraj P. Munot, Parag M. Munot, Imtiaz Kanga and Suhas Merchant (collectively referred to as the "**Petitioners**") had filed this revision petition under section 397 of the Criminal Procedure Code before the Court of District and Sessions Judge, Thane on August 6, 2008 for quashing the proceedings before the Second Judicial Magistrate First Class, Thane and granting stay of an order dated May 2, 2008 passed by the Second Judicial Magistrate First Class, Thane in Criminal Complaint No. 192/2008. The criminal complaint was instituted by Tarangan Towers Co-operative Housing Society Limited against the present Petitioners before the Second Judicial Magistrate First Class alleging that the present Petitioners had (i) induced the members of the housing society to purchase flats on false promises, which included amongst others, a recreational area, direct access from the service road and building a temple inside the complex; (ii) for using the land meant for recreational area for developing a shopping complex and multiplex; (iii) delayed conveyance of the land comprising the housing society to the present Petitioners; and (iv) violated the Development Control Regulations of the city of Thane. By way of an order dated August 7, 2008, the Court of District and Sessions Judge, Thane has granted a stay of the order of the Second Judicial Magistrate First Class and the matter is pending final hearing.

Tax proceedings

3. Assessment year: 2005-2006

Kalpataru Properties (Thane) Private Limited has filed an appeal with the Commissioner of Income Tax (Appeal) on July 26, 2010 against an order dated December 24, 2009 passed by the Assessing Officer, Mumbai disallowing an amount of Rs. 1,385,276 in relation to expenses on Project Siddachal II. The appeal is currently pending.

Litigation against Kalpataru Retail Ventures Private Limited

Civil proceedings

1. Adidas India Marketing Private Limited *v*. Kalpataru Retail Ventures Private Limited
   Suit No. 737 of 2009 before the Civil Judge (Senior Division) Thane

Adidas India Marketing Private Limited (the "**Plaintiff**") has filed this suit on September 24, 2009 before the Civil Judge (Senior Division) Thane, against Kalpataru Retail Ventures Private Limited (the "**Defendant**") in relation to Unit Nos. UG-7 and 8 on the upper ground floor admeasuring about 1509 sq. ft. at Megapolis (now known as Korum Mall) Thane (West) (the "**Premises**"). Pursuant to a letter of intent dated April 6, 2005 (the "**LOI**"), the Defendant agreed to grant the Premises on leave and license basis to the Plaintiff. The parties agreed to execute a formal leave and license agreement in the month of June 2005, which was allegedly not done on account of delay in completing the construction of the mall. Subsequently, the Defendant received the occupation certificate for the Premises in June 2009. The Plaintiff has alleged that the Defendant failed to handover possession of the Premises to the Plaintiff for fit-outs as per the LOI. Subsequently, the Defendant has given the Premises on leave and license basis to Klassic Vinyl Products Private limited. Aggrieved by this, the Plaintiff has filed the present suit before the Civil Judge (Senior Division) Thane for, amongst other things, restraining the Defendant from creating any third party rights in the Premises. The Defendant's contention is that the LOI has terminated since the Plaintiff was in breach of the terms of the LOI and the LOI had become time-barred as the leave and license agreement was not signed in the month of June, 2005 and that the third party rights were created well before notice of the suit to the Defendants. Subsequently, the Plaintiff filed an interim application for for restraining the Defendant from terminating the LOI and from creating any third party rights in the Premises. By way of an order dated November 19, 2009, the Joint Civil Judge, Thane dismissed the said application. The matter is currently pending.

2. Timezone Entertainment Private Limited *v* Union of India, Kalpataru Retail Ventures Private Limited and others
   Writ Petition No. 1475 of 2010 before the Bombay High Court

Timezone Entertainment Private Limited ("**Petitioner**") has filed this writ petition in 2010 against the Union of India, Kalpataru Retail Ventures Private Limited and others ("**Respondants**") for challenging the constitutional validity of the provisions of Section 65(105) (zzzz) of the Finance Act, 1994 as amended by the Finance Act of 2007 and 2008 in relation to the imposition of service tax on renting-leasing of immovable property. The Petitioner has rented premises in Korum Mall, Thane which has been developed by Kalpataru Retail Ventures Private Limited. The Petition has been admitted and by an order dated July 23, 2010, the Bombay High Court granted a stay to the effect that the tax authorities will not take any coercive steps for the recovery of service tax from the Petitioner. Further, in the event the said writ petition is dismissed, the Petitioner alone shall be liable to pay the service tax.

3. AND Design India Limited *v* Union of India, Kalpataru Retail Ventures Private Limited and others
   Writ Petition No. 1424 of 2010 before the Bombay High Court

AND Design India Limited ("**Petitioner**") has filed this writ petition on July 9, 2010 against Union of India, Kalpataru Retail Ventures Private Limited and others ("**Respondants**"), challenging the constitutional validity of the provisions of Section 65(105) (zzzz) of the Finance Act, 1994 as amended by the Finance Act of 2007 and 2008 and with regard to the imposition of Service Tax on renting-leasing of immovable property. The Petitioner rented premises in Korum Mall, Thane which has been developed by Kalpataru Retail Ventures Private Limited. The Petition has been admitted and by an order dated August 3, 2010, the Bombay High Court granted a stay to the effect that the tax authorities will not take any coercive steps for the recovery of service tax from the Petitioner. Further, in the event the said writ petition is dismissed, the Petitioner aloneshall be liable to pay the service tax.

4. Metro Shoes Limited *v* Union of India, Kalpataru Retail Ventures Private Limited and others
   Writ Petition No. 1454 of 2010 before the Bombay High Court

Metro Shoes Limited ("**Petitioner**") has filed this writ petition on July 16, 2010 against Union of India, Kalpataru Retail Ventures Private Limited and others ("**Respondants**") challenging the constitutional validity of the provisions of Section 65(105) (zzzz) as amended by the Finance Act, 2007 and 2008 and with regard to the imposition of Service Tax on renting-leasing of immovable property. The Petitioner has rented a premises in Korum Mall, Thane which has been developed by Kalpataru Retail Ventures Private Limited. The Petition has been admitted and by an Order dated July 30, 2010, the Bombay High Court has granted a stay to the effect that the Tax Authorities will not take any coercive steps for the recovery of Service Tax from the Petitioner. Further that in the event the said writ petition is dismissed, the Petitioner alone shall be liable to pay the service tax.

Litigation against Shravasti Property Private Limited

Civil proceedings

1. Shankarlal Udairam Tibrewala *v.* Shravasti Property Private Limited (formerly known as M/s. Rajshree Builders) and Others
   Suit No. 2432 of 1995 before the Bombay High Court

Shankarlal Udairam Tibrewala (the "**Plaintiff**") had filed this suit no. 2432 of 1995 on June 23, 1995 before the Bombay High Court, against M/s. Rajshree Builders ("**Defendant 1**") and Vasudev Kini, Chandrakant Kini, Balaram Kini, Jagannath Jini, Ramrao Kini and Hareshwar Kini (collectively referred to as "**Defendants 2 to 7**" and collectively with Defendant 1 referred to as the "**Defendants**") in relation to land situated in the village of Malad in Borivli Taluka bearing survey no. 416, hissa no. 2 and survey no. 417, hissa no. 1 bearing CTS No. 1200 and 1206 of Malad totally admeasuring 16,085.73 sq. mtrs. ("**Property**"). By way of an agreement for sale dated December 24, 1981 ("**Agreement**"), the Plaintiff had agreed to sell all his rights in the Property to Defendant 1 for a consideration of Rs. 87 million. The Agreement specifically provided that the Property was in the possession of Defendants 2 to 7 and that Defendant 1 was at liberty to negotiate and deal with Defendants 2 to 7 directly for taking over their rights with respect to the Property. Further, pursuant to a letter of arrangement dated October 22, 1984 ("**Arrangement Letter**"), it was agreed that (i) the sale of the Property shall be completed by March 31, 1986; (ii) the balance amount of Rs.0.73 million shall be paid by the Defendant 1 to the Plaintiff by paying Rs.0.23 million on or before March 31, 1985 and the balance amount of Rs.0.5 million in three quarterly installments of Rs.0.15 each, payable on or before June 30, 1985, September 30, 1985 and December 31, 1985 and the last installment of Rs.0.05 million was agreed to be paid on or before March 31, 1986. The Plaintiff has alleged that Defendant 1 had not paid the aforesaid installments as contemplated by the Arrangement Letter and had not paid the last installment of Rs.0.05 million. The Plaintiff had filed this suit before the Bombay High Court praying amongst other things (i) for a declaration that the Plaintiff is the owner of the Property; (ii) for a declaration that the Defendants have no right, title or interest in the Property and that they are trespassers thereon; (iii) that an enquiry be held under the provisions of Order 20 Rule 1 of the Code of Civil Procedure for ascertaining the mesne profits payable by the Defendants to the Plaintiff for wrongful and illegal occupation of the Property; (iv) that the Defendants be restrained by an order and injunction from selling, transferring, mortgaging, alienating, or encumbering or creating any third party rights in respect of the Property. Defendant 1 has, by way of a reply dated November 5, 1997 denied the allegations made by the Plaintiff and has sought dismissal of the suit. The matter is currently pending before the Bombay High Court.

Litigation by Shravasti Property Private Limited

1. Shravasti Property Private Limited (formerly known as M/s. Rajshree Builders) *v.* Shankarlal Udairam Tibrewala

Suit No. 2433 of 1993 before the Bombay High Court

M/s. Rajshree Builders (the "**Plaintiff**") had filed this suit no. 2433 of 1993 on June 4, 1993 before the Bombay High Court, against Shankarlal Udairam Tibrewala (the "**Defendant**") in relation to land situated in the village of Malad in Borivli Taluka bearing survey no. 416, hissa no. 2 and survey no. 417, hissa no. 1 bearing CTS No. 1200 and 1206 totally admeasuring 16,085.73 sq. mtrs. (the "**Property**") in aggregate. By way of an agreement for sale dated December 24, 1981 ("**Agreement**"), the Defendant had agreed to sell all his rights in the Property to the Plaintiff for a consideration of Rs.0.87 million. In this regard, on December 24, 1981, the Plaintiff paid a sum of Rs.0.09 million to the Defendant as earnest money. Further, pursuant to a letter of arrangement dated October 22, 1984 ("**Arrangement Letter**"), it was agreed that (i) the sale of the Property shall be completed by March 31, 1986; (ii) the balance amount of Rs.0.73 million shall be paid by the Plaintiff to the Defendant by paying Rs.0.23 million on or before March 31, 1985 and the balance amount of Rs.0.5 million in three quarterly installments of Rs.0.15 million each, payable on or before June 30, 1985, September 30, 1985 and December 31, 1985 and the last installment of Rs.0.05 million was agreed to be paid on or before March 31, 1986, subject to the condition that this last installment of Rs.0.05 million was to be retained by the Defendant's solicitors pending the Defendant obtaining a certificate under section 230A of the Income Tax Act; and (iii) in the event of delay in the payment of any of the aforesaid amounts, the Plaintiff shall be liable to pay interest at the rate of 18% p.a. on the defaulted installment. It has been alleged by the Plaintiff that the aforesaid installments have been paid in accordance with the terms of the Arrangement Letter; however, the final installment of Rs.0.05 million was not paid as the Defendant had not obtained the requisite certificate under section 230A of the Income Tax Act. Further, pursuant to correspondence between the Plaintiff and the Defendant, by way of a letter dated April 7, 1993, it was alleged by the Defendant that the Agreement stood terminated more than five years ago and that the Plaintiff had no right or interest in the Property. As a result, the Plaintiff had filed this suit before the Bombay High Court praying, amongst other things, for specific performance of the Agreement and the Arrangement Letter. Alternatively, the Plaintiff has claimed (i) damages amounting to Rs.52.5 million with interest thereon at the rate of 18% p.a. for breach of the Agreement; (ii) repayment of the sum of Rs.0.81 million towards the purchase price of the Property with interest thereon at the rate of 18% p.a. to be computed from the date of payment thereof till repayment to the Plaintiff and that an aggregate sum of Rs. 54.41 million is now due and payable by the Defendant with interest thereon at the rate of 18% p.a. from the date of the suit till decree and at the rate of 6% p.a. from the date of decree till payment or realization. The Plaintiff has stated that the suit Property stands duly and validly charged in their favor for payment of these amounts and interest thereon. Further, the Plaintiff has prayed for an injunction preventing the Defendant from dealing with, disposing of, encumbering, transferring or distributing the Plaintiff's possession of/or creating any third party rights in respect of the Property, or in any manner acting pursuant to the Defendant's letter dated April 7, 1993 or cancelling or terminating the Agreement or acting in any manner with any departments or officers concerned which would adversely affect the Plaintiff's rights in the suit Property and under the Agreement. The Defendant has, by way of a written statement dated November 5, 1998, denied the allegations made by the Plaintiff and has sought dismissal of the suit on the grounds of it being false and vexatious. The matter is currently pending before the Bombay High Court.

2. Shravasti Property Private Limited (formerly known as M/s. Rajshree Builders) and Others *v.* Shankarlal Udairam Tibrewala
   Suit No. 3140 of 1993 before the Bombay High Court

M/s. Rajshree Builders ("**Plaintiff 1**") and Vasudev Kini, Chandrakant Kini, Balaram Kini, Jagannath Kini, Ramrao Kini and Hareshwar Kini (collectively referred to as "**Plaintiffs 2 to 7**" and collectively with Plaintiff 1 referred to as the "**Plaintiffs**") had filed this suit no. 3140 of 1993 on August 18, 1993 before the Bombay High Court, against Shankarlal Udairam Tibrewala (the "**Defendant**") in relation to land situated in the village of Malad in Borivli Taluka bearing survey no. 416, hissa no. 2 and survey no. 417, hissa no. 1 admeasuring 16,085.73 sq. mtrs. in aggregate ("**Property**"). By way of an agreement for sale dated December 24, 1981 ("**Agreement**"), the Defendant had agreed to sell all his rights in the Property to Plaintiff 1 for a consideration of Rs.0.86 million. The Agreement specifically provided that the Property was in the possession of Plaintiffs 2 to 7 and that Plaintiff 1 was at liberty to negotiate and deal with Plaintiffs 2 to 7, directly for taking over their rights with respect to the Property. In this regard, Plaintiff 1 had entered into a separate agreement dated December 24, 1981 and a conveyance deed dated December 4, 1992 with Plaintiffs 2 to 7, pursuant to which all their rights, title and interests in the Property were transferred in favour of Plaintiff 1. The Plaintiffs have filed this suit before the Bombay High Court praying amongst other things for (i) a declaration that Plaintiffs 2 to 7 have been in exclusive, uninterrupted continuous use, occupation, possession and enjoyment of the Property in their own rights and have therefore become the owners of the Property; (ii) a declaration that Plaintiff 1, as an assignee/transferee of Plaintiffs 2 to 7, is the owner of the Property and that the Defendant has no right, title or interest therein; and (iii) that the Defendant be restrained by a permanent order and injunction from disturbing the possession of Plaintiff 1, claiming to be the owner of the Property and from alienating, encumbering or creating any third party rights in respect of the Property.

Litigation against Kalpataru Land Private Limited

Civil proceedings

1. Shivaji Satav *v.* Kalpataru Land Private Limited
   RCS 1289/2007 before the Court of Civil Judge Senior Division, Pune

Kalpataru Land Private Limited has entered into an agreement for development dated April 13, 2007, (the **"Agreement"**) with Deelip Parvati Harpale (**"Owner"**) in respect of land at Fursungi, Pune. In response to the public notice issued by the developers of the property, Shivaji Satav and certain others claimed that they are the legal heirs of Shevantabhai Mamtaji Satav, who was the legitimate daughter of deceased Parvati Patlu Harpale and that Janabai Parvati Harpale (second wife) was not entitled to any share in the said property. However, they have claimed a 50% share and sought certain injunctive reliefs. No orders have been passed till date. The matter is currently pending before the Court of Civil Judge Senior Division, Pune.

2. Balasaheb Chimaji Kokare *v.* Kalpataru Land Private Limited
   Special Civil Suit 1269/09 before the Court of Civil Judge Senior Division, Pune

Kalpataru Land Private Limited has entered into an agreement for development dated March 30, 2007 (the **"Agreement"**) with Balasaheb Chimaji Kokare (**"Owner"**) in respect of land at Fursungi, Pune. In response to the public notice issued by the developers, Ganesh Suresh Bhadal and others have claimed the property was an ancesteral property and was sold by Suresh Baban Bhadale, while Ganesh Suresh Bhadale, an allgeged heir to the property, was a minor. Accordingly it was contended that the sale is void. The Owner has filed Special Civil Suit No. 1269/2009 before the Court of Civil Judge Senior Division, amongst other things seeking cancellation of the Agreement and power of attorney. Kalpataru Land Private Limited has filed its written statement. No injunction order restraining Kalpataru Land Private Limited has been passed by the Court. The matter is currently pending before the Court of Civil Judge Senior Division, Pune.

3. Vatsala Garud & others *v.* Kalpataru Land Private Limited
   RCS 805/2007 before the Court of Civil Judge Senior Division, Pune

Kalpataru Land Private Limited has entered into an agreement for development dated April 12, 2007 (the **"Agreement"**) with Kisan Dinkar Shitole Deshmukh (**"Owner"**) in respect of land at Fursungi, Pune. In response to the public notice issued by the Developers, Vatsala Ramrao Garud and others have claimed that the property was ancesteral property of Late Dinkarrao Vitthalrao Shitola and after his death his legal heirs Kisanrao, Ramchandra and 3 daughters, Vatsala Ramrao Garud and others have become the owners of the property. Vatsala Garud and others have filed this suit against Kisan Dinkar Shitole Deshmukh for claiming an undivided share of the property. No injunction order restraining Kalpataru Land Private Limited has been passed by the Court. The matter is currently pending before the Court of Civil Judge Senior Division, Pune.

Litigation against Azure Tree Orchards Private Limited

Civil proceedings

1. Sitabai Vasantrao Hedau & another *v.* Shewantabai Khushabrao Ninave & others
   RCS 316/2008 (earlier No. 386/2007) before the Court of Civil Judge Junior Division, Hingna, Nagpur

Sitabai Vasantrao Hedau and another ("**Plaintiffs**") have filed this suit against Shewantabai Khushabrao Ninave & others ("**Defendants**") for partition of joint family property at Village Khadka, Nagpur on the ground that the Plaintiffs are the daughters of Late Mr Govind Ninave and the Defendants are the children of Late Mr. Ramji Ninave and that the suit properties were purchased out of the joint family income. However, they have claimed their 25% share and have sought an injunction against the Defendants for dispossessing them of the suit property. Azure Tree Orchards Private Limited has purchased a part of the suit property, being Gut No. 24 of Village Khadka. No orders have been passed till date. The matter is currently pending before the Court of Civil Judge Junior Division, Hingna, Nagpur.

Litigation against Arena Orchards Private Limited

Civil proceedings

1. Datta Moriram More *v.* Pandurang Krishna More and others
RCS 117/2009 before the Court of Civil Judge Junior Division, Karjat

Datta Moriram More ("**Plaintiff**") has filed this suit against Pandurang Krishna More and others ("**Defendants**") for seeking a declaration that the sale deeds executed by the Defendants with respect to a plot of land at Village Nangurle, Karjat are null and void and that the Defendants should be restrained from creating third party rights with respect to the suit property. Arena Orchards Private has purchased a part of the suit property bearing S. No. 55/17. No final orders have been passed till date. The matter is currently pending before the Court of Civil Judge Junior Division, Karjat.

Litigation by Abhiruchi Orchards Private Limited

Revenue proceedings

1. Abhiruchi Orchards Private Limited *v.* Goma Janu Vhala and another
RTS 11/2009 before the Tahsildar and Agriculture Land Tribunal, Shahpur

Abhiruchi Orchards Private Limited has filed this application against Goma Janu Vhala and another praying for removal of pencil entry of the name of Goma Janu Vhala as the tenant from the land records. No orders have been passed till date. The matter is currently pending before the Tahsildar and Agriculture Land Tribunal, Shahpur.

Litigation against Sona Properties Private Limited

Tax proceedings

1. Assessment years: 1990-91 and 1992-93

Pursuant to Wealth Tax Assessment orders from A. Y. 1990-91 to 1992-93 the Assessing officer, Mumbai has passed the order dated 26th March 1998 u/s 17 of the wealth tax act revalued the land located at Akurli Road, Kandivali (East), Mumbai as under:

Assessment Year	Revaluation of Land
1990-91	Rs.88,58,220/-
1991-92	Rs.1,15,15,686/-
1992-93	Rs1,53,10,540/-

Sona Properties Private Limited (the "**Assessee Company**") filed an appeal dated April 23, 1998 with the Commissioner of Income Tax (Appeal) pursuant to which an order dated August 13, 1998 was passed in favour of the Assessee Company, against which Income Tax department filed an appeal dated October 16, 1998 with the ITAT which was dismissed on June 1, 2001. The Income Tax Department filed another appeal dated April 8, 2002 before the Bombay High Court. Bombay High Court has pursuant to its order dated April 7, 2008 remanded the matter to ITAT to decide afresh on the basis that the proceeding for reassessment were legally initiated. For assessment year 1988-89 and assessment year 1989-90 Bombay High Court has passed the order dated April 7, 2008 in favour of Assessee Company.

Litigation against Kalpataru Land (Surat) Private Limited

Civil proceedings

1. Rashedakhatun Sayed *v.* legal heirs of Vishnubhai Patel, legal heirs of Manibhai Poonambhai Patel, Maganbhai B. Patel, legal heirs of Chhotabhai Prabhubhai Yadav, Rambhai C. Patel, legal heirs of Bapurao B.Sawant, Ashwin & brothers, Kalpataru Land (Surat) Private Limited and others
Special Civil Suit 388/06 before the Principal Civil Judge, Surat

Rashedakhatun Sayed ("**Plaintiff**") has filed this suit against legal heirs of Vishnubhai Patel, Kalpataru Land (Surat) Private Limited and others ("**Defendants**") on the ground that the Plaintiff is the sole owner of the plot of land bearing R.S. No.506 admeasuring about 764 acres 28 Gunthas ("**Suit Land**"). The Plaintiff has prayed that: the registered sale deed no. 3600 of 1969 executed in favour of Maganbhai Patel and some of the other defendants and compromise decree passed in suit no. 1262/69 renumbered as CS No. 25/1972 was abinitio void and be set aside and that the said sale deed be declared as null and void and be set aside. Plaintiff has also sought injunction against Defendants from disposing of or creating any third party rights in respect of the Suit Land. By its order dated December 15, 2006, the Principal Civil Judge granted temporary injunction against the Defendants for maintaining status quo, however pursuant to a subsequent order dated February 23, 2007, the said status quo order was cancelled. Aggrieved by this order, the Plaintiff preferred an appeal no. 86/2007 before Gujarat High Court. Gujarat High Court by its order dated March 12, 2008 has directed the Civil Court to decide the case expeditiously and in the meanwhile parties are required to maintain status quo. The suit is currently pending before the Principal Civil Judge, Surat.

2. Nawab Zakiyuddin Mir Aasimuddin Syed, Nawab Mir Jiauddin Mir Aasimuddin Syed, Parveenbanu, Umar Mir Aasimuddin Syed, Nahidbanu, Gyasuddin Aasimuddin Syed, Sarabanu ("**Applicants**") *v.* Zaved Mazharuddin, Parvez Mazharuddin, Kamaluddin Mazharuddin, Sariknawab Mazharuddin, Aamir Mazharuddin, Nasrin Mazharuddin ("**Respondents**") and Kalpataru Land (Surat) Private Limited, as Intervener
   Succession Application No.113 of 2008 before the Principal Civil Judge, Surat

The Applicants and the Respondents claim to be the heirs of Late Nawab Mir Nuruddin Huseinkhan Syed (Rajvallabh 3rd) (collectively, "**Legal Heirs**") have filed this succession application before the Principal Civil Judge, Surat for being declared as the legal heirs of Nurulhasan Latifuddin Kazi, pursuant to which, amongst other things, the Legal Heirs claim to have become absolute owners of the plot of land bearing R.S. No. 501, 505 and 506 situated at village Abhava ("**said Lands**"). The said Lands include the holding of 1603 acres by Kalpataru Land (Surat) Private Limited under R. S. 506, Kalpataru Land (Surat) Private Limited has filed an intervention application on the ground that Kalpataru Land (Surat) Private Limited is the bonafide purchaser for value in respect of the 1603 acres of land. The application is currently pending before the Principal Civil Judge, Surat.

3. Dilip B. Sawant & others *v.* The State of Gujarat, City Surveyor, Talati, City Survey Superintendent, Sub-Registrar (Surat), Kalpataru Land (Surat) Private Limited and others
   Special Civil Suit No. 78 of 2010 before City Civil Court, Surat

Dilip B. Sawant & others ("**Plaintiffs**") have filed this suit against the State of Gujarat, City Surveyor, Talati, City Survey Superintendent, Sub-Registrar (Surat), Kalpataru Land (Surat) Private Limited and others ("**Defendants**") with respect to 2814 acres of land bearing old R.S. No 400 ("**Suit Land**"). Old R.S. No 400 was converted to R.S. Nos 501, 505, 506 & 507. The Plaintiffs have, interalia, avered that they have executed registered sale deeds nos 3268, 3269, 3270 & 3271 for transfer of the suit land to Balvant Pranlal Vyas. Plaintiffs have have prayed among other things for declaration by the court that: they are owners/occupants of the Suit Land; that Defendants be restrained from any adverse act disturbing their use and occupation of the suit land; and that Defendants (1) to Defendant (5) be restrained from registering any document or passing any revenue entries which can adversely affect Plaintiff's lawful occupation of the Suit Land and restore peaceful possession of the suit lands to the Plaintiffs which are in possession of the Defendants. The matter is currently pending before Principal Civil Judge, Surat.

4. Proceedings under the Agricultural Land Ceiling Act
   Ceiling Case No/1/2000

Mamlatdar and Agricultural Land Tribunal, Surat had earlier held that the plot of land bearing R.S. No.506 admeasuring about 1603 acres being a *pot kharaba (khar)* land land, the provisions of the Agricultural Land Ceilings Act ("**Act**") do not apply to the said plot. Thereafter Deputy Collector, Choryasi Division *suo moto* reversed that findings and held that the Act was applicable to the plot. Aggrieved by this order, Kalpataru Land (Surat) Private Limited has filed an appeal before the Gujarat Revenue Tribunal. Gujarat Revenue Tribunal dismissed the appeal and has remanded the matter to Mamlatdar and Agricultural Land Tribunal, Surat for fresh proceedings. The matter is currently pending before Gujarat Revenue Tribunal.

Litigation by Kalpataru Land (Surat) Private Limited

Civil proceedings

1. Kalpataru Land (Surat) Private Limited v. Ahmedsaheb S. Saleri, Legal Representatives of deceased Mohamadali A. Syed, Manjurali M. Syed, Intekamali Abbasali, Legal Representative of deceased Abedali Abbasali:Manjurali Mohemmadali Syed, Hazratbibi widow of Imamali Abbasali, Legal Representatives of deceased Nurulhasan Latifuddin Kazi, & Rashedakhatun Syed
Special Civil Suit No. 143 of 2007 before the Principal Civil Judge, Surat

Kalpataru Land (Surat) Private Limited ("**Plaintiff**") has filed this suit against Ahmedsaheb S. Saleri & 6 others ("**Defendants**"). Plaintiff had, prior to 1995, purchased 1603 acres of land bearing R. S. No. 506 of Village Abhva from the holders of the land under various registered sale deeds and has since been in vacant and peaceful possession of the land since 1995. In the year 2004, the Defendants 1 to 6 filed a Special Civil Suit No. 336/01 against each other before the Civil Court, Surat and obtained a compromise decree under which the land under R.S.No 506 admeasuring764 acres 28 Gunthas ("**Suit Land**") was exclusively agreed to be given to one Nurulhasan Latifuddin Kazi (since deceased). Defendants 2 to 6 are the legal heirs of Nurulhasan Latifuddin Kazi and thus claimed to have become owners of the Suit Land. Thereafter Defendants 1 to 6 executed a sale deed dated July 19, 2006 in favour of Defendant 7 for sale of the Suit Land to Defendant 7. Subsequently the Defendant 7 filed a Special Civil Suit No. 388/06 against Defendants 1 to 8 as defined in that suit, including Kalpataru Land (Surat) Private Limited (for asserting her ownership and possession of the Suit Land. The Plaintiff has challenged the said decree on the grounds, amongst other things, (i) that the Plaintiff was not made a party to the suit No. 336/01 and the suit is a collusive suit and therefore the said decree and consequently the said conveyance is not binding on the Plaintiff and (ii) the survey numbers of the land mentioned in the said suit no. 336/01 and also the conveyance dated July 19, 2006 are different from the survey number and hissa number of the Suit Land. On Plaintiff's application, the Civil Court passed an ad-interim order dated September 27, 2007 injuncting the Defendants from creating third part rights. Defendant no. 8 preferred appeal (AO 375/2007) before Gujarat High Court against the above order which was disposed of by High Court by order dated March 12, 2008 thereby directing the Civil Court to decide the case expeditiously. No orders have been passed in the suit. The suit is currently pending before the Principal Civil Judge, Surat.

Litigation against Aura Real Estate Private Limited

Civil proceedings

1. Gopal Vithoba Kaspate & others *v.* Balkrishna R. Waghere, Aura Real Estate Private Limited & others
Civil Suit No. 58/2010 before the Civil Judge, Junior Division, Pimpri at Pune

Gopal Vithoba Kaspate & others ("**Plaintiffs**") have filed this suit against Balkrishna R. Waghere, Aura Real Estate Private Limited & others ("**Defendants**") on July 22, 2010 on the ground that the Defendants have encroached five feet of their land at Village Wakad and have included it in the area under development by the Defendants for their project. The Defendants have filed their written submissions denying such allegations. No orders have been passed under the said suit. Matter is currently pending before the Civil Judge, Junior Division, Pimpri at Pune.

Litigation against Axiom Orchards Private Limited

Civil proceedings

1. Sub Divisional Officer and Divisional Magistrate, Mangaon, Raigad has issued notices dated December 23, 2009 and December 14, 2009 Axiom Orchards Private Limited with respect to certain parcels of land situated at Village Kudli, Raigad on the ground that the area held by Axiom Orchards Private Limited is in excess of ceiling limit as per the provisions of Agricultural Land (ceiling on holding) Act, 1961. Axiom Orchards Private Limited has filed its reply denying that it is holding any excess land. The matter is currently pending before the Sub Divisional Officer and Divisional Magistrate, Mangaon, Raigad.

Litigation involving our Joint Ventures

Litigation against Azure Tree Township Private Limited

Civil proceedings

1. Srishti Sector III Co-operative Housing Societies Federation Limited *v.* Eversmile Properties Private Limited, Azure Tree Township Private Limited and Others

Special Civil Suit No.460 of 2008 in the Court of Civil Judge (Senior Division), Thane.

Srishti Sector III Co-operative Housing Societies Federation Limited (the "**Plaintiff**") has filed this special civil suit on May 12, 2008 in the Court of Civil Judge (Senior Division), Thane, against Eversmile Properties Private Limited ("**Defendant 1**"), Mira Bhayandar Municipal Corporation ("**Defendant 2**") and our joint venture, Azure Tree Township Private Limited ("**Defendant 3**", and collectively with Defendant 1 and Defendant 2 referred to as the "**Defendants**") in relation to the residential complex known as Srishti (the "**Complex**") consisting of sectors I to VI in the layout of the land comprising S. No. 207, 217, 218, 220, 228 to 235, 240 to 251 and 255 to 258 at village Mira (Penkarpada), taluka and district Thana (the "**Properties**"). The Plaintiff has, *inter alia,* alleged that: (i) without the consent of the purchasers of the flat in the Complex, Defendant 1, in collusion with the officers of Defendant 2, has amended the sanctioned layout plan dated December 3, 1996, in relation to the Properties ("**Layout**"); (ii) Defendant 3 has claimed to have acquired development rights in respect of the Complex from Defendant 1; (iii) on May 8, 2008, Defendant 1 and Defendant 3 commenced with developing a compound in the area reserved for garden (falling partly in S. No. 219 and partly in S. No.231) in the Layout. The Plaintiff has filed this suit before the Court of Civil Judge (Senior Division), Thane, praying, *inter alia* (i) that Defendant 1 and Defendant 3 have no right and/or authority to construct any buildings on any part of the Properties or on open space or on the recreation ground as shown in the Layout; (ii) that Defendant 1 and Defendant 3 have no right and/or authority to consume/utilize balance FSI available in the Layout or to load additional FSI by availing TDR; (iii) that the Plaintiff be granted absolute right, title and interest in the Properties; (iv) temporary injunction restraining Defendant 1 and Defendant 3 from constructing buildings or any structure on the Properties in violation of the Layout. Subsequently, the Plaintiff filed an application for temporary injunction on June 16, 2008, which application has been dismissed by an order dated October 14, 2008 passed by the Court of Civil Judge (Senior Division), Thane. Defendant 3 has filed a written statement dated November 21, 2008 denying the claims made by the Plaintiff. The matter is currently pending before the Court of Civil Judge (Senior Division), Thane.

Litigation against M/s. Habitat

Civil proceedings

1. Abid Bahadur Choudhary *v.* Tyabji Estates Private Limited, M/s. Habitat and Others
   Revision Application.TRS/2605/No.71/L-6 of 2004 before the Revenue Ministry, Mantralaya, Mumbai

Abid Bahadur Choudhary, who claimed to be the lessee of the land situated in Sy. No. 55 which is being developed by M/s. Habitat at Village at Majas, Mumbai, applied for the incorporation of his name in the 7/12 extracts as a lessee of property, which was rejected by an order dated April 15, 2004, passed by the Additional Commissioner, Konkan Division. Against this order, Abid Bahadur Choudhary has filed an appeal No. Appeal/Desk/RD/22/2003. No restraint orders have been passed. This matter is currently pending before the Revenue Ministry, Mantralaya, Mumbai.

Litigation by M/s. Habitat

Civil proceedings

1. Tyabji Estates Private Limited and M/s. Habitat *v.* Abid Bahadur Choudhary
   Suit No. 1558 of 2004 before the Bombay High Court

Tyabji Estates Private Limited and M/s. Habitat has filed a suit against Abid Behadur Choudhary for removal of certain encroachments on the property bearing CTS no 166A situated at Village Majas, Andheri Mumbai. An interim order was passed to remove all encroachments from the suit property. However, in an appeal filed by Abid Bahadur Choudhary, a Court Receiver was appointed. Out of the several occupants of the unauthorized structures, nineteen occupants are paying royalties to the Court Receiver and by an order dated March 25, 2010 of the Bombay High Court, the Court Receiver with the help of MCGM removed all the authorized structures of those occupants, who have not paid the royalties. This matter is currently pending in the Bombay High Court.

2. M/s. Habitat and another *v.* Sub-Divisional Officer – Mumbai Suburban District and Others
   Review Petition No. TNC/362/D of 2009 in Revision Application No. TNC/REV/223/B/2008 before the Maharashtra Revenue Tribunal, Mumbai

M/s. Habitat has filed a review petition against the order dated July 21, 2009 passed by the Maharashtra

Revenue Tribunal in revision application No.223 of 2008, wherein the Maharashtra Revenue Tribunal remanded the matter to Tahsildar, Andheri, to decide whether a certain Raj Mohammed Ibrahim Patel was a protected tenant and whether his heirs are entitled to the disputed property at Village Majas, Mumbai and whether the suit lands are exempted from the operation of tenancy lands as per the relevbant notifications issued under the provisions of the Bombay Tenancy & Agricultural Lands Act, 1948. M/s. Habitat filed the review petition against this order on the ground that the disputed property was not covered under the Bombay Tenancy & Agricultural Lands Act, 1948 and therefore, claims of the protected tenant should not be considered and that the Tribunal should review the judgment and order dated July 21, 2009. This matter is currently pending before the Maharashtra Revenue Tribunal, Mumbai.

3. Legal heirs of Ibrahim Patel, Usman I. Patel and Others *v.* Sub-Divisional Officer, M/s. Habitat and Others
Review Application No. TNC/26/2008/PK526/L9 before the Ministry of Revenue, State of Maharashtra

The legal heirs of Ibrahim Patel, Usman I. Patel and others have filed this review application under the Maharashtra Land Revenue Code, 1966, alleging, amongst other things, that pursuant to a mutation entry bearing No. 125 in the revenue records, the names of Ibrahim Patel, Usman I. Patel and others have been added as owners in respect of the property bearing Sy. No. 33, 34/2, 42/2, 52/2, 55/4, 46/2, 51/4, 58/1 and 59/4 at Village Majas, Mumbai, which is being developed by M/s. Habitat. Under this review application, they have challenged the cancellation of the mutation entry by the revenue authorities. This matter is pending before the Ministry of Revenue, State of Maharashtra.

Litigation involving our Consolidated Partnership Firms

Litigation against M/s. Kalpataru Constructions (Pune)

Civil proceedings

1. Caprihans India Limited *v.* The Hindustan Spinning and Weaving Mills Limited
Arbitration before Justice M.H. Kania, Justice S.K. Desai and Justice Ashok Modi

An agreement dated October 29, 1993 was executed between Caprihans India Limited and Hindoostan Spinning and Weaving Mills Limited wherein the Respondent granted development rights to the Claimant for redevelopment of the subject land. The Claimant allotted total of 12 flats to the Respondent, of an aggregrate built up area of 23,365 sq. ft in fulfillment of its obligation of non-monetary consideration in terms of the agreement. Under the agreement, the Claimant is entitled to recover from the Respondent, reimbursement of actual pro-rata cost of construction incurred and attributable to the said 12 flats amounting to Rs. 72.6 million approx. and interest due thereon, which amounts the Respondent has failed to pay the Claimant. Additionally, the Claimant is liable to pay to the Respondent the balance monetary consideration towards the land payment of Rs. 14.80 million. Arbitration proceedings have commenced in relation to recovery of the cost of contruction against handing over of flats equivalent to 23,365 square feet in “Kalptarau Heights”, Parel Mumbai. Hindustan Spinning and Weaving Mills has also made a counter-claim against Caprihans India Limited. This matter is currently pending before the arbitration panel.

2. Kalpataru Constructions (Pune) *v.* Ankush Javalkar and others
Special Summary Suit No. 93/09 before the Court of Civil Judge Senior Division, Pune.

Kalpataru Constructions (Pune) (“**Plaintiff**”) had taken a small portion of adjoining land on leave and license basis from Ankush Javalkar and others (“**Defendants**”) for housing the labour during construction period for their project at Kalpataru Estate, Pimple Gurav, Pune and had paid a sum of Rs.10,00,000 towards the security deposit for such leased premium. The leave and license period has expired and Kalpataru Constructions (Pune) has handedover vacant and peaceful possession of the said plot to the Owners, however, the Owners have failed to return the security deposit. Kalpataru Constructions (Pune) has filed this suit against the Defendants for recovery of the security deposit. The suit is currently pending before the Court of Civil Judge Senior Division, Pune.

Litigation involving our Group Companies

Litigation against Caprihans India Limited

Civil proceedings

1. M. A. Sheth *v.* Caprihans India Limited
   Case No. 315/374 of 2001 before the Small Causes Court, Mumbai.

   and

2. Estate Officer, Life Insurance Corporation of India *v.* Caprihans India Limited
   Case No. 703-703A/1994 before the City Civil Court, Mumbai.

M. A. Sheth and Estate Officer, Life Insurance Corporation of India have filed two eviction suits against Caprihans India Limited in respect of premises in Janambhoomi Chambers, Fountain, Mumbai and Jeevan Jyot building, Napean Sea Road, Mumbai, respectively. These suits have been filed against Caprihans India Limited on the ground that Caprihans India Limited has created third party rights without consent of the landlords and that Caprihans India Limited should be evicted from these tenanted premises. No orders have been passed in these suits. These cases are currently pending before the Small Causes Court, Mumbai.

Tax proceedings

1. Excise Department, Thana unit *v.* Caprihans India Limited
   SLP No. 2901-2902 of 2005 before the Supreme Court

The Excise Department has filed seven appeals before the Supreme Court against the orders passed in favour of Caprihans India Limited by the Excise Commissioner (Appeals) and the Excise Tribunal in a dispute in relation to duty payable on printed PVC film on account of printing on plain PVC film being categorized as 'manufacture' and 'value addition'. Caprihans India Limited has contended that the requisite duty has been paid with respect to the plain PVC film and the activity of printing does not attract additional excise duty. These cases are currently pending before the Supreme Court and the total amount involved is Rs. 25.12 million.

2. The Excise Department has issued 6 show cause notices to Caprihans India Limited in relation to duty payable on printed PVC film on account of printing on plain PVC film being categorized as 'manufacture' and 'value addition'. These show cause notices are currently pending and the total amount involved is Rs. 15.47 million.

Labour proceedings

1. D. D. Gawde *v.* Caprihand India Limited
   Suit No. 6314 of 2002 before the City Civil Court, Mumbai

   D. D. Gawde has filed a suit before the City Civil Court, Mumbai against Caprihans India Limited alleging wrongful dismissal from employment and prayed for re-instatement in the employment of Caprihans India Limited. The matter is currently pending before the City Civil Court, Mumbai.

2. The Regional Director, ESIC, Thane has issued three show cause notices against Caprihans India Limited dated July 23, 1999, December 2, 2002 and June 6, 2002 for an aggregate claim of Rs. 0.03 million.

Litigation by Caprihans India Limited

Civil proceedings

1. Caprihans India Limited *v.* The Hindoostan Spinning and Weaving Mills Limited
   Arbitration before Justice M. H. Kania, Justice S. K. Desai and Justice Ashok Modi

An agreement dated October 29, 1993 was executed between Caprihans India Limited and Hindoostan Spinning and Weaving Mills Limited. Arbitration proceedings have commenced in relation to recovery of the cost of construction against handing over of flats equivalent to 23,000 square feet in "Kalpataru Heights", Parel Mumbai. Hindoostan Spinning and Weaving Mills Limited has also made a counter-claim against Caprihans India Limited. This matter is currently pending before the arbitration panel.

Tax proceedings

3. Caprihans India Limited *v.* Excise Department, Nashik unit
   SLP No. 563 of 2006 before the Supreme Court

Caprihans India Limited has filed four appeals before the Supreme Court against the orders passed by the Excise Tribunal in a dispute in relation to duty payable on printed PVC film on account of printing on plain PVC film being categorized as 'manufacture' and 'value addition'. Caprihans India Limited has contended that the requisite duty has been paid with respect to the plain PVC film and the activity of printing does not attract additional excise duty. The Supreme Court has by its order stayed the order of the Excise Tribunal. The total amount involved is Rs. 25.28 million.

4. Caprihans India Limited *v.* Excise Department, Daman unit
   SLP No. 5239 of 2006 before the Supreme Court

Caprihans India Limited has filed an appeal before the Supreme Court against the order passed by the Excise Tribunal in a dispute in relation to duty payable on printed PVC film on account of printing on plain PVC film being categorized as 'manufacture' and 'value addition'. Caprihans India Limited has contended that the requisite duty has been paid with respect to the plain PVC film and the activity of printing does not attract additional excise duty. The Supreme Court has by its order stayed the order of the Excise Tribunal. The total amount involved is Rs. 24.21 million.

5. Caprihans India Limited *v.* Excise Department, Daman unit
   CESTAT Appeal No. E/198/06 before the Excise Tribunal

Caprihans India Limited has filed three appeals before the Excise Tribunal against the orders passed by the Excise Commissioner (Appeals) in a dispute in relation to duty payable on printed PVC film on account of printing on plain PVC film being categorized as 'manufacture' and 'value addition'. Caprihans India Limited has contended that the requisite duty has been paid with respect to the plain PVC film and the activity of printing does not attract additional excise duty. The total amount involved is Rs. 18.51million.

6. Caprihans India Limited *v.* Excise Department, Powai unit
   CESTAT Appeal No. E/71/08 before the Excise Tribunal

Caprihans India Limited has filed an appeal with CESTAT against the order of the Commissioner which held that the cost of secondary packing should be included in the assessable value. CESTAT has granted a stay on a condition to pre-deposit duty amount of Rs.0.040 million. Matter is currently pending before the CESTAT.

7. Caprihans India Limited *v.* Income Tax Department
Appeals in relation to assessment years 2001-02 to 2007-08 before the Commissioner of Income Tax

Caprihans Limited has filed seven appeals before the Commissioner of Income Tax in relation to reassessed demands raised by the Income Tax Department for assessment years 2001-02 to 2007-08. These appeals are currently pending before the Commissioner of Income Tax and the total amount involved is Rs. 232.67 mio.

Cases filed against the sundry creditors

Sl No	Name of the party	Case No	Amount	Pending before
			Rs	
1	Siachen India	2156 of 1999	234414	High court, Mumbai
2	Cavalery Leather	2273 of 1999	92250	High court, Mumbai
3	S S Enterprises	497 of 2001	715049	High court, Mumbai
4	Esskay Pharmaceuticals Ltd	1504 of 2003	530823	High court, Mumbai
5	Shree Traders	2822 of 2003	138068	High court, Mumbai
6	S M Traders	2823 of 2003	200039	High court, Mumbai
7	Mac Laboratories	3211 of 2003	2144755	High court, Mumbai
7	Bombay Electroluminares Pvt Ltd	1383 of 2005	182307	High court, Mumbai
8	H K Printers Pvt Ltd	2090 of 2010	512758	High court, Mumbai
9	Karan Printers	225 of 2003	47003	Tis Hazari Court, Delhi
10	R T Packaging Ltd	1977 of 2003	2679720	Faridabad Court
11	Victoria Packaging Co	5000/1/9 of 2005	119372	Patiala House, New Delhi
12	Rohini Chemicals	of 2009	3483636	High Court, delhi
13	Eden Cosmetics Ltd	920 of 2005	1157517	Chief Judicial Magistrate, Alipore
14	Carews Pharmaceuticals	645 of 2000	456081	City Civil Court, Kollkata
15	Bharat Margarine Ltd	517 of 2001	240274	City Civil Court, Kollkata
16	B Mukerjee & Co	13 of 1989	431705	Sub divisional Judicial Magistrate, Alipore

Sl No	Name of the party	Case No	Amount	Pending before
			Rs	
17	Sri Krishna Associates	1092 of 2010	368000	City civil court, Chennai
18	Adarsh Corporation (Civil case)	962 of 2009	1015000	High Court, Chennai
19	Novel Drugs	9075 of 2010	214000	City civil court, Chennai
20	ABL Bio Tech	10362 of 2010	906000	High Court, Chennai
21	Samudra Bio Pharma	of 2010	915000	High Court, Chennai
22	Morgan Industries	of 2010	561000	High Court, Chennai
23	Allied Tech System Automotive	of 2010	193000	VII Mertroploitan Magistrate Court, Chennai
24	Biomed Hitech Industries Ltd	3918 of 2004	163016	City Civil Court, Chennai
25	Phoebe Enterprises	1144 of 2003	300000	District Court, Ernakulam
26	Thermoforma	1031 of 2003	149918	JFCM Court, Kochi
27	Cybele Herbal Laboratories	566 of 2003	77358	Sub court, Ernakulam
28	K Thomas & Co	1045 of 2008	3897341	Sub Court 1, Ernakulam
29	Brolga Advertisers	878 & 1195 of 2009	93516	JFCM 1, Ernakulam
30	Greesha Labs Pvt Ltd	492 of 2007	739461	1st Addl. Chief Metroplitan Magistrate, Hyderabad
31	Legend Drugs & Pharmaceuticals Pvt Ltd	938-940 of 2010	1248936	11th Addl. Chief Metroplitan Magistrate, Secundrabad
32	Raj Biotech Pharma	762 of 2010	55000	XVIth Addl Chief Metroplitan Magistrate, Hyderabad
33	Hezen Pharmaceuticals	1230 / 2010	79065	11th Addl. Chief Metroplitan Magistrate, Secundrabad
	TOTAL		**24341382**	

Litigation by Karmayog Builders Private Limited

Civil proceedings

1. Karmayog Builders Private Limited *v*. M. S. Qureshi & others

Special Summary Suit No. 5/2005

Karmayog Builders Private Limited ("**Plaintiff**") had constructed some shops on a plot of land at M.G. Road Pune and sold it to M. S. Qureshi and others ("**Defendants**"). Karmayog Builders Private Limited has filed this suit for recovery of maintenance charges in respect of the said shops from the Defendants. The matter is currently pending before the Court of Civil Judge Senior Division, Pune.

Litigation by Rainbow Prints Private Limited

Civil proceedings

1. Rainbow Prints Private Limited *v.* Kerala Roadways Limited
   Summary Suit No.1163 of 2004 before Bombay High Court

Rainbow Prints Private Limited has filed this suit against Kerala Roadways Limited on the grounds that Kerala Roadways Limited had wrongly handed over the goods to the consignee without verifying whether the payment has been made by the consignee to our Company. The suit is pending before the Bombay High Court.

2. Rainbow Prints Private Limited v. Dharamchand Polyfab Private Limited
   Suit No.3606 of 2006 before Bombay High Court

Rainbow Prints Private Limited has filed this suit for specific performance of an oral agreement between parties wherein the shareholders of Dharamchand Polyfab Private Limited agreed to sell the company and its rights, assets and liabilities. During the pendency of this suit, Dharamchand Polyfab Private Limited has merged into Recon Oil Industries Private Limited, and an additional affidavit has been filed for interim reliefs against newly merged entity. The notice of motion filed by Rainbow Prints Private Limited is due for hearing. The suit is pending before the Bombay High Court.

Litigation by Ascent Orchards Private Limited

Civil proceedings

1. Ascent Orchards Private Limted *v.* Uday Bhivaji Kathe
   Summary Suit No. 1350 of 2010 before the Bombay High Court

Ascent Orchards Private Limited has filed this suit against Uday Kathe under section 138 of Negotiable Instruments Act, 1881 for dis-honouring a cheque of Rs.12 lakhs. An MOU dated June 20, 2007 was entered between Parag M. Munot and Uday Kathe for purchase of certain agricultural land admeasuring 200 acres at Village Shekhadi, Taluka Shrivardhan, Dist. Raigad and this was later assigned by Parag M. Munot to Ascent Orchards Private Limited vide letter dated October 9, 2007. Pursuant to the above, the plaintiff paid the defendant from their account an amount of Rs. 12 lacs for distributing advances to the concerned land owners vide two demand drafts. As surety and security towards performance, the defendant Uday Kathe issued a cheque dated February 27, 2008 for an amount of Rs. 12 lacs in favor of the plaintiff. Since the defendant, Uday Kathe failed to perform his part of the obligations under the said MOU the cheque was presented for encashment. However the said cheque was dishonored. The plaintiff had filed a complaint before the Metropolitan Magistrate 21st Court, Bandra being Compliant No. 42 of 2008 and the defendant filed a revision application before the Sessions Court challenging the legality and propriety of the order passed and the revision application was allowed. The plaintiff has claimed Rs. 1,506,555 with interest at the rate of 18% per annum and the present summary suit has been filed for the recovery of the said amount with interest thereon.The matter is currently pending before the Bombay High Court.

Litigation against Punarvasu Constructions Private Limited

Civil proceedings

1. ICICI Limited through Assignee Kotak Mahindra Bank Limited *v.* Dynacraft, Darshan Developers, Punarvasu Constructions Private Limited
   Recovery Proceedings No.485 of 2002 before the Debt Recovery Tribunal – I

In a Decree obtained by ICICI Bank Limited, now assigned to Kotak Mahindra Bank Limited, wherein Punarvasu Constructions Private Limited, as a secured creditor of Dynacraft Machine Co. Limited, has intervened in the recovery proceeding to protect its right. Kotak Mahindra Bank has adopted recovery proceedings against Dynacraft Machine Co. Limited Punarvasu Constructions Private Limited being one of the Secured Creditors has also moved application in the DRT to avoid any orders being passed without taking into consideration the interest of Punarvasu. Furthermore, BMC is trying to construct a public toilet on a portion of Dynacraft's land which is also being opposed by Punarvasu Constructions Private Limited.

2. M/s. Fibrolite Auxiliaries *v.* Dynacraft Machine Comapany Limited & others & Punarvasu Constructions Private Limited as Intervener
NM No.362 of 2010 in Suit No.1565 of 2009 before the Bombay High Court

The suit is filed by Fibrolite Auxiliaries claiming share in the property bearing CTS No 33(P) and CTS No 62 situated at Village Majas, Andheri (E), Mumbai ("**Suit Property**") in possession of Dynacraft Machine Co. Limited. Punarvasu Constructions Private Limited is a secured creditor of Dynacraft Machine Co. Limited and has taken out a notice of motion for intervening in the matter. Under a conveyance deed dated July 15, 2010, Punarvasu Constructions Private Limited has purchased all the undivided right, title and interest in the Suit Property. Punarvasu Constructions Private Limited is in the process of making application before the Bombay High Court to substitute itself as the plaintiff in the said suit. No adverse orders have been passed in relation to the said notice of motion which is pending before the Bombay High Court. The suit is pending hearing before the Bombay High Court.

Litigation by Punarvasu Constructions Private Limited

Civil proceedings

1. Bank of India & Punarvasu Constructions Private Limited v. NRN Futtehally
Misc Appln No.132 of 2007 OA57/2004 before the Debt Recovery Tribunal – III

The Bank of India had filed a suit against the Directors on the basis of the guarantees, which Suit the Bank of India wrongfully withdrew after the Assignment of the debt to Punarvasu Constructions Private Limited. On realizing the mistake and on insistence by Punarvasu Constructions Private Limited, Bank of India has filed the Miscellaneous Application for restoration of the Suit. The suit has been restored and is currently pending before the Debt Recovery Tribunal-III.

2. M/s. Kay Kay Trading Company, Punarvasu Constructions Private Limited & Others v. The Official Liquidator
Comp. Apln. No. 43 of 2010 in Company Petition No.613 of 1984 before Bombay High Court

One Yasmeen Lukmani & Ors., have taken out a Company Application to seek Order and direction of the High Court, Bombay, to auction and sell the immovable properties of Dynacraft Machine Co. Limited Being a secured creditor, Punarvasu Constructions have opposed the Application on the ground that our Company is fit for revival.

3. Jessica Lukmani *v.* Dynacraft Machine Company Private Limited
Company Application No.197 of 2010 in Company Petition No.613 of 1984 before Bombay High Court

Mrs. Jessica Lukmani, Ex-Director and Guarantor of Dynacraft Machine Company Limited has filed a Company Application before the Bombay High Court for revival of Dynacraft Machine Company Limited. All secured creditors, labour unions have been made parties to the said application. The application is currently pending before the Bombay High Court.

Litigation against JMC (Projects) India Limited ("JMC")

Civil proceedings

1. BASF India Limited *v.* JMC
Civil Misc. Application No. 336 of 2007 before the City Civil Court, Ahmedabad

JMC was awarded a contract for civil and structural work by ACCO Industries Private Limited in October 1998.

The stipulated period for completion of this contract was six months from the date of award of the contract. However, the scope of work provided for under the contract was not completed within the stipulated period, as a result of which JMC incurred additional expenditure towards execution of the contract. Consequently, on April 18, 2000 JMC invoked the arbitration clause under the contract and initiated arbitral proceedings claiming payment of dues amounting to Rs.8.46 million. Subsequently, ACCO Industries Private Limited merged with BASF India Limited ("**BASF**"), which is currently pursuing the proceedings. On October 15, 2004, BASF filed a counter claim for alleged damages amounting to Rs.67.02 million. The arbitrator, by way of its award dated January 27, 2007 rejected the claims of JMC and BASF. Subsequently on April 27, 2007, BASF filed an application before the 19th City Civil Court, Mirzapur, Ahmedabad under Section 34 of the Arbitration and Conciliation Act, 1996 for setting aside the aforesaid award. JMC has filed its reply before the 19th City Civil Court, Mirzapur, Ahmedabad on January 1, 2008. The matter is pending further hearing.

2. Hemant H. Sajnani *v.* JMC and another
   Special Civil Suit No. 5 of 2005 before the Court of Civil Judge (SD) at Anjar, Kutch
   and
3. Hemant H. Sajnani *v.* JMC and another
   Special Civil Suit Nos. 6 of 2005 before the Court of Civil Judge (SD) at Gandhidham

M/s. Victor India ("**VI**") through its proprietor Mr. Sanjani (the "**Plaintiff**"), was awarded contracts for fabrication and erection work at different sites. The Plaintiff filed the present suits, contending amongst others, that the Plaintiff's machineries have been illegally detained and for outstanding payments by JMC. Subsequently, pursis dated February 10, 2005 for a compromise regarding the detention of machineries were filed in the said suits by the respective parties whereon the Court passed an order dated February 10, 2005 granting the said pursis in both the suits. The Plaintiff, under the said orders, had been permitted to take away the machineries.

The Plaintiff had filed applications in each of the said suits under Order 38 Rule 5 of Civil Procedure Code, 1908 praying for the deposit of the claim amount or attachment of properties lying at the site described in the said applications. Pursuant to the filing of the applications, JMC filed an application for rejecting the plaint under Order 7 Rule 11 of Civil Procedure Code, 1908 in both the suits. VI filed its reply to the said applications in both suits whereby it contended that the said applications filed by JMC were solely to delay the proceedings and denied all the averments in the said applications and prayed for the dismissal of the said applications. During the pendency of this application, Special Civil Suit No. 5 of 2005 was transferred to the Court of Civil Judge (S.D.) at Gandhidham. In Civil Suit No. 5 of 2005 the application under Order 7, Rule 11 was rejected on May 10, 2007. With respect to the application under Order 38 Rule 5 filed for attachment of the property in the Civil Suit No. 5 of 2005, the Court had passed an order directing JMC to furnish bank guarantee of Rs.0.6 million. JMC has accordingly furnished the bank guarantee of Rs.0.6 million. The matter is currently pending for framing of issues. In Civil Suit No. 6 of 2005, the Court passed an order to hear both the applications and the matter is currently pending for framing the issue.

4. M/s. Avatar Singh Contractors ("**ASC**") *v.* JMC
   Suit No. 29/2006 pending before the Court of Additional District Judge, Delhi

ASC was awarded a subcontract by JMC at M/s. Power Welfare Organization Site at Gurgaon, Haryana. It was alleged by ASC that in order to avoid a delay in execution of the project, a 5% incentive was promised (quantified at Rs.0.12 million approximately), provided that the work was completed on time. ASC alleged that the work was finished before time but JMC did not pay the promised incentive. Furthermore, of the amount alleged to be due after completion of the work, *i.e.*, Rs.0.58 million, the outstanding amount of Rs.0.28 million was allegedly due and payable and thus, a total amount of Rs. 0.40 million was due and payable. Thereafter, it was alleged that on September 15, 2004, ASC was handed over a cheque for an amount of Rs.0.17 million, as full and final amount payable. ASC had deposited the cheque and the cheque was cleared.

ASC has denied that the matter was settled for the said amount of Rs. 0.17 million citing certain notices exchanged between the parties. The suit has been filed for recovery of the alleged balance outstanding of Rs. 0.26 million along with an interest of Rs. 0.06 million (at the rate of 18% from the period of September 15, 2004 to March 31, 2006) and further interest *pendente lite*. The court by way of an order dated December 1, 2006 directed JMC to pay a sum of Rs.0.11 million.

5. Vasudev *v.* Delhi Metro Rail Corporation, JMC and AMI Construction Company
   Civil Suit No. 337/2007 pending before the Senior Civil Judge, Tis Hazari Court, Delhi

Vasudev was the labour contractor of AMI Construction Company ("**AMI**"), sub-contractor of JMC, for the Delhi Metro Rail Corporation project. Vasudev had preferred this civil suit against the Delhi Metro Rail Corporation, JMC and AMI for recovery of an amount Rs. 0.13 million. JMC has alleged that since Vasudev was employed by AMI, JMC was not responsible for any of the outstanding claim. JMC had filed a reply on January 24, 2008 and the matter is currently pending before the Senior Civil Judge, Tis Hazari Court, Delhi.

6. Wonderproof ("**WP**") *v.* JMC
   Civil Suit No. 339/2007 before the Civil Judge (SD), Gurgaon

WP was the subcontractor for the waterproofing works at a Gurgaon site. After the work-order was issued to WP by JMC, WP asked for a rate revision, which was not approved by JMC. After the completion of work, WP issued a notice to JMC for extra compensation as per the revised rates and for the balance outstanding on May 3, 2004. Thereafter another notice dated June 28, 2004 was issued by WP to JMC intimating that it was not required by WP to furnish a performance bank guarantee to JMC for warranty. JMC replied to both the notices on July 28, 2004, contending amongst others that a warranty was necessary as per the work order placed by JMC on WP and also that payments were withheld by JMC for not submitting the performance bank guarantee. Thereafter, JMC addressed a legal notice dated December 24, 2005 reminding WP, in terms of the subcontract, to provide a bank guarantee for 10% of the costs of works valid up to 180 days. As a result, WP has preferred this civil suit, claiming an amount of Rs. 1.9 million with interest at the rate of 18% per annum. JMC has filed a reply and the matter is now fixed for evidence.

7. Protex Engineering Private Limited ("**Protex**") *v.* JMC
   Special Summary Suit No. 45/2008 pending before the Civil Judge (SD), Pune

Bajaj Auto Limited ("**Bajaj**") had awarded a contract to JMC for the construction of its Product Engineering Test House ("**PE Test House**") at Akurdi, PCMC, Pune. JMC had entered into a contract with Protex and had allotted the work of heating ventilating and air conditioning and mechanical services at the PE Test House to Protex. According to JMC, on account of a delay on the part of Protex, the overall completion of the project was delayed and Bajaj had imposed a penalty on JMC. As per JMC, the contract was on a back to back basis with Protex and therefore JMC has recovered some amount from Protex as penalty, as per the terms of the contract.

Protex issued a legal notice to JMC on February 23, 2007 and the same was replied to by JMC. Thereafter, Protex preferred a summary suit under Order 37 of the Civil Procedure Code claiming an amount of Rs. 4.28 million, in response to which JMC had filed for leave to defend an application against a summons for judgment. Thereafter, on December 12, 2008, Protex filed a reply to the leave to defend application filed by JMC. The matter was argued at length on January 20, 2009 pursuant to which the Court has allowed the application of leave to defend filed by JMC and has granted unconditional leave to defend. Thereafter JMC has filed its written statement in the suit. The matter is currently pending for framing of issues.

8. Bharat Heavy Plate and Vessels ("**BHPV**") *v.* JMC
   AOP 1118/2008 pending before the Principal District Judge, Vishakhapatnam

JMC was awarded a contract for certain civil and structural work ("**Work**") for BHPV in Mumbai in February 2000 with a stipulated completion period of 11 and a half months. According to JMC, the Work was delayed on account of a delay in providing drawings and materials by BHPV. Consequently, JMC had to incur extra expenditure. During the pendency of JMC's representation for consideration of its claims for delay in payment and overheads incurred during the extended period, BHPV unilaterally decided to levy liquidated damages on JMC for the delay in completion of work, which it subsequently levied. JMC thereafter invoked the arbitration clause leading to the present proceedings.

BHPV filed a reference to the Board for Industrial and Financial Reconstruction ("**BIFR**") under the Sick Industrial Companies (Special Provisions) Act, 1985. BHPV also preferred an application for staying the arbitration proceedings in view of the said reference. However, the Arbitral Tribunal rejected the same on February 4, 2005. BHPV had approached the High Court of Andhra Pradesh at Hyderabad by way of a writ petition no. 2783 of 2005, challenging the order passed on February 4, 2005. The High Court by its order dated March 11, 2005 had suspended the operation of the impugned order. Subsequently, JMC had filed a counter affidavit in the said writ petition to vacate the stay granted and to dismiss the writ petition with costs. JMC had also filed a vacate stay petition to vacate the stay granted in the writ petition. By way of an order dated September 21, 2005, the High Court dismissed the writ petition no. 2783 of 2005. Subsequently, the Arbitral

Tribunal passed an award dated July 18, 2008 directing BHPV to pay to JMC an amount of Rs. 6.47 million plus interest at the rate of 9% per annum from February 21, 2002 till payment thereof along with arbitration cost of Rs. 0.15 million. The remainder of JMC's claim was dismissed without cost. BHPV had filed this application for setting aside the said award passed by the Arbitral Tribunal. JMC had filed a reply to the application on July 24, 2009. The matter is pending for hearing.

9. Larsen and Toubro ("**L&T**") *v.* JMC
   Civil Miscellaneous Application No. 80/2009 pending before the City Civil Court at Ahmedabad

The work for construction of Ahmedabad-Mehsana Road was awarded to JMC by L&T in July 2000 with a stipulated completion period of 24 months. Apparently, during the period of execution, JMC was instructed to execute certain tasks that were beyond the items specified in Bill of Quantities and the project was delayed due to the reasons not attributable to JMC. JMC claimed reimbursement of escalation as per the escalation formulae given in the contract.

The claim of JMC was not honoured and hence JMC, after appointing an arbitrator of its own, preferred arbitration petition No. 5 of 2004 before the High Court of Gujarat for appointment of the second arbitrator. However, the High Court by its order dated June 30, 2005 appointed Retd. High Court Judge, Justice N. G. Nandi, as the sole arbitrator. The sole arbitrator fixed the date of first hearing as January 8, 2006. However, the retired Justice N. G. Nandi expressed his inability to conduct the arbitration in view of his appointment as the President of Gujarat State Consumer Dispute Redressal Commission.

JMC thereafter filed an application dated March 27, 2006 for the appointment of a sole arbitrator before the High Court of Gujarat. The Court by way of its order dated August 24, 2006 appointed Justice M. S. Parikh (Retd.) to act as the sole arbitrator. The Arbitral Tribunal passed an award on November 14, 2008 directing L&T to pay a sum of Rs. 44.55 million including interest at the rate of 15% from the date of reference till the date of award, within three months, failing which further interest would be charged at the rate of 18% from the date of award till payment. L&T has filed this application for setting aside the award passed by the Arbitral Tribunal. JMC has filed a reply to this application on September 9, 2009. L&T has filed Rejoinder on August 23, 2010 to the reply filed by JMC and the matter is currently pending.

10. K. Varun Veera Reddy *v.* JMC
    OS No. 527/2009 pending before the Additional Junior Civil Judge, Kukatpally, R.R District at Miyapur, Hyderabad, Andhra Pradesh.

Mr. Reddy has filed this suit before the Additional Junior Civil Judge, Kukatpally, R.R District at Miyapur, Hyderabad, Andhra Pradesh alleging that a project being executed by JMC in front of his gated community houses is creating a nuisance on account of dumping of construction materials and use of construction machinery and vehicles by JMC. JMC has filed an appearance in the matter and the suit is currently pending for filing of written statements by the parties.

11. M/s. R. V. Technocrats *v.* Alstom Projects India Limited and JMC Smt. Manju Godha, Proprietor RV Technocrats has filed Civil Suit against Alstom Projects India Limited and JMC.
    Suit No. 90 of 2010 pending before Upper District and Sessions Court, Kota, Rajasthan

Mrs. Manju Godha, wife of Mr. Arun Godha, proprietor of M/s. R.V Technocrats, has filed this suit before the Upper District and Sessions Court, Kota, Rajasthan in relation to an allegedly due payment of Rs. 346,950, which includes interest amounting to Rs. 37,173. JMC has filed an appearance in the matter and the suit is currently pending for filing of written statements by the parties.

12. MechTech Engineers *v.* JMC
    Civil Miscellaneous Application No. 29/2010 pending before the City Civil Court at Ahmedabad

JMC had placed an order for a stone crushing plant from MechTech Engineers, Vadodara. This plant was to be commissioned and utilised at JMC's Badanawar to Thandla road project in Madhya Pradesh. Consequently, pursuant to several delays, the plant was erected but failed to perform as expected. As a result, JMC claimed damages from MechTech Engineers which was subsequently referred to a sole arbitrator. This application pertains to the arbitral award published by the sole arbitrator, A. B. Desai, directing JMC to pay MechTech Engineers an amount of Rs. 3,915,916. MechTech Engineers have filed this civil miscellaneous application no. 29/2010 before the City Civil Court of Ahmedabad to consider their overall claims. JMC is yet to file a reply to this application.

Tax proceedings

13. JMC is currently involved in certain disputes in relation to VAT liability for the assessment years 2005-06, 2006-07, 2007-08 and 2008-09.

For assessment year 2005-06, JMC has been re-assessed by the Joint Commissioner of Commercial Taxes – Administration of Rs.2.64 million, thereby disallowing a deduction of composition of tax ("**COT**") purchases from the total turnover of JMC on February 28, 2009.

For assessment years 2006-07 and 2007-08, JMC has been re-assessed, pursuant to an order passed by the Joint Commissioner of Commercial Taxes – Appeals on September 30, 2009, with a VAT liability of Rs. 104.74 million. JMC has filed an appeal before the Karnataka Appellate Tribunal on December 10, 2009 in relation to the order passed by the Joint Commissioner of Commercial Taxes – Appeals and the dispute is currently pending before the Karnataka Appellate Tribunal. The Karnataka Appellate Tribunal, by way of its order dated March 15, 2010 has granted a stay in favor of JMC.

For assessment year 2008-09, the Commercial Tax Officer (Enforcement X) had assessed and issued a demand notice dated November 7, 2009 for a total liability of Rs.89.27 million. JMC has admitted liability for Rs.2.7 million. The disputed liability of Rs. 86.57 million included interest and penalty, on account of a difference of VAT at 8.50% on iron and steel and a disallowance of deduction of COT purchases. Subsequently, JMC approached the Joint Commissioner of Commercial Taxes – Appeals and on re-assessment the Joint Commissioner of Commercial Taxes – Appeals by way of an order dated March 25, 2010, dismissed the appeal and upheld the order passed the Commercial Tax Officer (Enforcement X). JMC has filed an appeal on January 23, 2010 before the Karnataka Appellate Tribunal, in relation to this order of the Joint Commissioner of Commercial Taxes – Appeals. The Karnataka Appellate Tribunal, by way of its order dated April 6, 2010 has granted a stay in favor of JMC.

Labour proceedings

14. Satyarayan Ozha ("**SO**") *v.* JMC
    Workmen's Compensation Non Fatal Case No.32/2004 pending before the Court of Commissioner of Workmen's Compensation, Bhavnagar.

SO has alleged that he met with an accident on July 13, 1999. SO, in his application, alleges that he, being a project engineer, is a workman in terms of the Workmen's Compensation Act, 1923. He claimed that he had sustained multiple fractures on his body due to the accident which he claims to have met with while on official duty. He alleges that as a result of the said accident, he has suffered 100% permanent disability and has therefore claimed an amount of Rs. 0.69 million along with interest at the rate of 18% per annum. He has alleged that the compensation, allegedly payable by JMC, has not been deposited by JMC within 30 days with the Commissioner and for the said reason, he has prayed that JMC may be called upon to pay a penalty equivalent to 50% of the compensation amount. The matter is currently pending.

15. Sukhabhai Rambhai ("**SR**") *v.* JMC
    Recovery Application No. 11/2006 pending before the Labour Court, Godhra

SR has filed this recovery application claiming to be a labourer. Whilst giving the breakup of his claim against JMC, he has alleged that out of his alleged aggregate dues of Rs. 0.55 million, an amount of Rs.0.38 million has been paid and a balance of Rs. 0.11 million is allegedly outstanding. To the said alleged outstanding, he has made further claims of Rs. 0.04 million, Rs. 0.03 million and Rs. 0.01 million towards plastering and attendance which aggregates to a sum of Rs. 0.27 million. SR has claimed an amount of Rs. 2.70 million being 10 times the amount of the claim calculated as aforesaid and interest thereon plus Rs.500 towards costs. The matter is pending.

16. JMC is one of the defendants/opponents in 10 motor accident claim petitions pending before various Motor Accident Claims Tribunals. In each of the matters, the vehicle involved, which is owned by JMC, is insured. The total claim of these petitions is Rs. 7.74 million. The insurance company has certified that each of these vehicles is covered and that the amount awarded by the Motor Accident Claims Tribunals, if any, shall be paid.

Notices received by JMC

17. Show Cause Notice No. F.NO:DGCEI/AZU/12 (4) 124/2008-09 dated October 22, 2008 issued by the office of the Directorate General of Central Excise Intelligence (DGCEI) and SCN No. STC/457/O&A/DIV-II/ 2009 dated October 23, 2009

The Additional Director General (DGCEI), Ahmedabad ("ADG") had issued a show cause cum demand notice dated October 22, 2008 ("**SCN**") to JMC in relation to (i) a demand and recovery of service tax amounting to Rs.70.73 million under section 73 of the Finance Act, 1994; (ii) a demand and recovery of interest at the appropriate rate for delay in payment of such service tax in accordance with section 75 of the Finance Act, 1994; and (iii) imposition of penalty under sections 76 and 78 of Finance Act, 1994.

By way of the SCN, the ADG has alleged that JMC had opted for the composition scheme of works contract for payment of service tax at a concessional rate of 2% (4% from February 28, 2008) from the date of enactment of the Works Contract (Composition Scheme for Payment of Service Tax) Rules, 2007 (June 1, 2007) on ongoing projects. However, prior to June 1, 2007, JMC was paying service tax by categorizing such services either under 'commercial or industrial construction service' or under 'construction of complex service' at the effective rate specified in section 66 of the Finance Act, 1994. However, the ADG concluded that a service which was already provided for which service tax was already paid under any category of taxable service prior to June 1, 2007 was not eligible to exercise the option of the composition scheme of works contract for payment of service tax. As per sub-Rule (3) of Rule 3 of the Works Contract (Composition Scheme for Payment of Service Tax) Rules, 2007, the benefit of payment of service tax at a concessional rate of 2% was not available on such contracts and JMC was required to pay service tax at the nominal rate specified in section 66 of the Finance Act on the value of taxable service determined as per the provisions of Rule 2A of the Valuation Rules read with section 67 of the Finance Act on the consideration received during the period of June 1, 2007 to July 31, 2008 on the services provided under the aforesaid 34 contracts and has quantified the alleged short payment of service tax at Rs.70.73 million. JMC replied to the SCN on May 18, 2009 after which, on December 14, 2009, the ADG issued an addendum to the SCN on the ground that the change of categorization of service from 'commercial or industrial construction services' to works contract services was not permitted and accordingly, the demand was revised to Rs. 205.39 million. On May 17, 2010, a corrigendum to SCN was issued revising the demand to Rs.217.92 million.

For the subsequent period i.e. August 1, 2008 to July 31, 2009, Commissioner of Service Tax issued SCN demanding additional service tax of Rs. 42.20 million on the same ground as mentioned in the addendum to SCN issued by ADG. During the personal hearing September 13, 2010 before the Commissioner of Service Tax, JMC has filed the reply to both the above SCNs.

18. Notice dated June 2, 2004 issued by Shiva Buildtech Private Limited ("**SBPL**")

JMC had received a notice from SBPL for non-payment of outstanding dues, claiming an amount of Rs. 0.6 million alongwith interest at the rate of 18% per annum since December 2002. SBPL was the contractor for constructing internal roads at a site at Gurgaon. SBPL raised bills against the work done by it. SBPL issued a notice dated June 2, 2004 for release of its dues. JMC replied to the said notice on July 29, 2004 disputing, amongst others, the amount so claimed and called upon SBPL for reconciliation of accounts. There has been no further development thereafter.

19. Notice dated April 21, 2003 issued by M/s AOS Systems ("**AOS**")

JMC has received a notice from AOS for wrongful termination of a contract and recovery of outstanding dues amounting to Rs. 0.58 million along with interest at the rate of 18% per annum till payment. JMC had issued a purchase order to AOS for supply of certain goods/materials. However, on account of defects in the goods/materials installed by AOS, AOS was asked to rectify the same by JMC. Due to non-compliance by AOS, JMC cancelled the order by way of a letter dated February 20, 2003. In response, AOS gave a notice dated April 21, 2003 calling upon JMC to pay alleged outstanding bill amounts. JMC replied to the said notice by way of a letter dated May 14, 2003 denying the contents and allegations of the notice. AOS, by way of a letter dated May 21, 2003, replied reiterating its demand. By way of a subsequent letter dated July 19, 2003, JMC denied its liability. JMC has thereafter, by way of its letters dated February 19, 2004 and May 3, 2004, asked AOS to remove the defective goods/materials supplied at the site, failing which, JMC would be constrained to dispose of the same at the risk and cost of AOS. Subsequently, JMC has returned the said goods to AOS.

20. Notice dated September 24, 2004 issued by T. Arjun Singh ("**Mr. Singh**")

JMC had received a notice from Mr. Singh for non-release of outstanding dues, wrongful debit of amounts by JMC without clarifications, and non-reimbursement of the compensation by JMC paid for the death of labourer at site by Mr. Singh amounting to Rs. 0.33 million. Mr. Singh had performed works at certain sites. As per Mr. Singh, the payments under different heads were not made to him by JMC. As a consequence, Mr. Singh issued this notice dated September 24, 2004 for payment of the alleged outstanding amounts.

21. Notice dated October 12, 2004 was issued by M/s Ganapathy Electrical Engineering Company ("**Ganapathy**")

JMC has received a notice from Ganapthy for non-payment of an outstanding amount of Rs. 0.13 million along with interest at the rate of 18% per annum from the due date. Ganapathy carried out electrical works at one of the sites. Ganapathy had issued a notice to JMC for release of the outstanding amounts. However, JMC by way of a letter dated March 15, 2005, replied to the said notice, pointing out that as per discussions held between JMC and Ganapathy, the latter was to identify and mark the quantity and material described in their bill, to enable JMC to process their claim. By way of a letter dated May 16, 2005, to JMC, Ganapathy has stated that Rs. 0.13 million is the outstanding amount and has further requested for payment of the same.

22. Notice dated July 16, 2005 issued by Bharti Cellular Limited ("**BCL**")

JMC has received a notice from BCL for conciliation under the provisions of Arbitration and Conciliation Act, 1996, for dispute regarding non-payment of outstanding amount of Rs.0.025 million. BCL has alleged that an amount of Rs.0.024 million (after adjusting deposit, if any) is due and payable by JMC to BCL and that BCL had issued several reminders on this behalf. By way of the said letter, BCL sought conciliation in this regard on August 8, 2005, failing which BCL has threatened to initiate legal action. JMC has replied, by way of its letter dated August 13, 2005 denying, amongst others, any balance due to BCL as also the alleged correspondence.

23. Notice dated July 15, 2005 issued by Bharti Cellular Limited ("**BCL**")

JMC has received a notice from BCL claiming an amount of Rs. 0.014 million and alleging offences contemplated under sections 405, 406 and 420 of the Indian Penal Code relating to non-payment of outstanding amounts. BCL has alleged that an amount of Rs. 0.013 million (after adjusting deposit, if any) is due and payable by JMC to BCL. By way of the said letter, BCL has called upon JMC to pay the said amount within seven days from the date of receipt of the notice, failing which, it shall initiate civil and criminal proceedings including orders for attaching the income of JMC. JMC has, by way of a letter dated August 13, 2005, replied to this letter, denying the allegations and has further contended that no balance is due as alleged.

24. Notice dated September 24, 2005 issued by New S. Kumar Roadlines ("**SK**")

JMC has received a notice from SK for recovery of outstanding dues of Rs. 0.021 million along with running interest at the rate of 18% from July 7, 2005. SK claims to have been awarded a work order, whereunder, it had carried out transportation of certain goods consignments and claims that an amount of Rs. 0.021 million is outstanding since July 2005. By way of the said notice, SK has called upon JMC to pay the said amount alongwith running interest at the rate of 18% from July 2005 within seven days of the receipt of the notice. JMC had sent a reply dated December 22, 2005 to SK's advocate denying the contents of the said notice as well as the alleged dues. However, the said letter has been returned unserved. Therefore, JMC, by way of its advocate's letter dated December 31, 2005, forwarded a copy of the earlier reply, along with the copy of the registered A. D. Slip, evidencing dispatch of the earlier reply to P. Sureshkumar Sharma, the Proprietor of SK.

25. Notice dated October 14, 2005 issued by Mr. P. L. Nachiappan ("**PLN**")

JMC received a notice from PLN for non-release of salary and claimed a total amount of Rs. 0.033 million. PLN has stated that on account of his resignation due to family reasons, he has not received salary for the entire month of March 2002 as well as salary for 14 days of April 2002, local conveyance reimbursement from January 2002 to April 2002 at the rate of Rs. 1,250 per month, leave travel allowance for 2000-01 and 2001-02, statutory bonus for 2001-2002, and Rs. 1,000 towards notice cost. JMC has by way of its letter dated November 25, 2005 replied to the said notice whereby it has pointed out that by way of a cheque dated February 27, 2003, JMC has already paid the outstanding amount to the tune of Rs. 13,179 and that there are no dues outstanding.

26. Notice dated November 11, 2005 issued by Nrusingh Charan Swain ("**NCS**")

JMC has received a notice from NCS claiming an amount of Rs. 0.048 million towards outstanding labour payment. NCS was a sub-contractor of JMC at M/s. Pushpgiri Institute of Medical Science, Thiruvalla, Kerala and claims to have worked from April 22, 2005 to May 22, 2005 with 23 labourers. NCS claims that he was allegedly entitled to Rs. 0.053 million towards the payment of labour wages but was paid an aggregate amount of Rs. 5,556 on different occasions.

27. Notice dated April 7, 2005 issued by M/s Natcoms Hiring Services ("**NHS**")

JMC received a notice from NHS claiming Rs. 19,000 towards outstanding charges for hiring a de-watering pump. NHS alleged that JMC has hired dewatering pumps for work undertaken at Bandra, Mumbai, Mhape, Navi Mumbai, BSM Site and D.Y. Patil College, Nerul, Navi Mumbai. Bills certified by JMC to the extent of Rs. 0.07 million have been part paid by JMC to the extent of Rs. 0.05 million leaving a balance of Rs. 18,599 as outstanding.

28. Notice dated March 21, 2006 issued by Asian Heart Institute and Research Center ("**AHI**")

JMC has received a notice from AHI calling on JMC, amongst others, to rectify/repair water proofing and leakage problems, due to alleged poor workmanship and use of alleged sub-standard construction material by JMC and threatening of initiating criminal action and approaching media, including the print, television and such other agencies with the aforesaid issue. AHI had retained the services of JMC for execution of Structural and Civil Works for the sub structure and super structure for Hospital Block, at Bandra (E), Mumbai. However, after completion of the work, AHI, alleging poor quality of work, has called on JMC to, amongst others, rectify/repair the alleged water proofing and leaking problems at various floors. It has alleged that JMC is liable for breach of contract, supposedly on account of poor workmanship and sub-standard construction material allegedly used by JMC. AHI has also alleged that JMC has committed criminal breach of trust and fraud/cheating under sections 405, 406, 415, 417, 499 and 500 of the Indian Penal Code, 1908 and has threatened criminal action against JMC. JMC, by way of its reply dated April 12, 2006 has denied its alleged liability and has contended that the works sought from JMC were not covered under the guarantee as they had occurred solely on account of decisions taken by AHI and for factors beyond purview and control of JMC. JMC has also stated that the waterproofing treatment has been damaged and tampered with by actions taken by AHI after completion of activity and hence the guarantee referred to by AHI has been rendered void. JMC has denied that it has committed breach of contract. JMC has stated that it had gone out of the way, though not bound contractually/legally, and had suggested remedial measures to address the problems faced by AHI. JMC has stated that the main cause for non commencement of the repair was the lack of taking a decision on the part of AHI. Furthermore, JMC has also cautioned AHI against false criminal litigation, and that such action shall be met with strong and appropriate resistance, entirely at the risk and cost of AHI. It has further cautioned AHI against the threatened false public maligning of JMC and that in such eventuality, JMC has stated that it shall be constrained to take appropriate and fitting action against AHI, including action for defamation. AHI, by way of its letter dated June 26, 2006, has denied the contents of the reply by JMC and alleged that it had informed JMC of the leakages within reasonable time. AHI has also denied that it has done tampering of any kind on main terrace or on any of the floors. It has also denied that guarantee has become inoperative. It has called upon JMC to rectify/repair the water proofing, failing which it has threatened to commence repair works by itself, as also initiate legal proceedings, both civil and criminal, at the risks and costs/liability of JMC. JMC thereafter on June 4, 2007 sent a reply to the counter reply of AHI and denied the contents thereof.

29. Notice dated March 16, 2006 issued by Office of the Regional Labour Commissioner I, New Delhi ("**LC**")

JMC has received a notice from LC claiming Rs.0.132 million towards non payment to Dilip Yadav and 13 others from October 08, 2005 to February 6, 2006. The subject notice has been issued by LC on receipt of complaint from one Mr. Dilip Yadav and others. In the said complaint, it has been alleged that Mr. Dilip Yadav and 13 others had not been paid a sum of Rs.0.132 million, being the balance outstanding of their alleged dues for work done from October 8, 2005 to February 6, 2006 for work done by them towards the digging, etc. of Sewer lines for DMRC project from Moti Nagar to Tilak Nagar. LC, by way of the subject notice, has called upon JMC to offer its comments and attend its office with records and registers related to the complaint. JMC, in this connection, has addressed a letter to M/s. AIM Construction (the Labour Contractor), with a copy marked to the Asst. Labour Commissioner, seeking the details of the dispute regarding the payment to the workers.

30. Notice dated December 10, 2005 issued by S. K. Nayak

JMC has received a notice from S. K. Nayak claiming an amount of Rs.0.09 million towards non payment of alleged security deposits. S. K. Nayak got certain work orders as PRW (Piece Rate Worker) on various site of JMC. By way of the notice, Mr. Nayak has contended that security deposit deducted from his bills has not been remitted to him and on this count he has claimed an aggregate amount of Rs.0.09 million. JMC, by way of its reply dated January 5, 2006, has contended that a sum of Rs. 308 is outstanding in his account, which shall be released after Mr. Nayak's acceptance of the same with no claim declaration as per the format.

31. Notice dated October 3, 2007 issued by M/s Quality Intex ("**QI**")

JMC has received a notice from QI for recovery of outstanding dues of Rs.0.609 million along with interest at the rate of 18% per annum and threat of initiating criminal and civil action including filing of winding up proceedings. QI was awarded certain work order as per the letter of intent dated September 7, 2001 and work order dated September 23, 2001 of Aluminum and Fabrication Work for M/s. Sekhsaria Chemicals Limited ("**Sekhsaria**") by JMC on back to back basis. By way of the notice, QI has contended that invoices no. 84 dated April 2, 2002 and no.98 dated May 28, 2008 raised are not fully paid and an amount of Rs.0.609 million is unpaid. JMC, by way of its reply dated March 21, 2008, amongst others, denied the liability and has contended that due to poor workmanship and due to leakage through the aluminum windows in the monsoon Sekhsaria has suffered damages which made Sekhsaria to carry out rectification work. Sekhsaria has imposed upon JMC penalty due to the said loss and that since the work was awarded to QI on back to back basis, the penalty as been passed on to QI.

32. Notice dated September 22, 2008 issued by Avtar Singh Construction Company Private Limited ("**Avtar Singh**")

JMC has received a notice from ASCC for recovery of outstanding amount Rs.5.02 million along with interest at the rate of 24%. ASCC was allotted work for Trichy, Madurai NH-45 B Road Project by JMC. In the said notice ASCC has alleged that inspite of several reminders as well as assurance from various officers of JMC including Vice President and Managing Director, an amount of Rs.0.67 million, which was allegedly wrongly debited, was not released to it. ASCC has further claimed that inspite of its request to return Bank Guarantee of Rs.2 million, refund security deposit amounting to Rs.4.35 million JMC has not returned/refunded the same. ASCC has therefore claimed an amount of Rs.5.02 million alongwith interest at the rate of 24% p.a. and also asked JMC to return Bank Guarantee of Rs.2 million within 15 days. JMC, by way of its reply dated December 26, 2008, amongst others, denied the contentions/liability raised in the notice and stated that the work referred in the notice were duly completed as per the terms and conditions. It is further stated that ASCC has neither submitted the final bill of his claim nor obtain the desired store clearance. It was further stated in the reply that ASCC has committed the breach of the terms of the agreement and therefore is liable for liquidated damages as provided under the terms of the agreement. By way of a letter dated February 12, 2009, ASCC responded to the reply of JMC dated December 26, 2008. In the said reply while denying the contentions raised in JMC's reply, forwarded the final bill Nos. 1 and 2 and stated that it is willing to settle the disputes and differences amicably with mutual negotiation and called upon JMC to release the total amount demanded by way of a notice dated September 22, 2008 and settle the bill within a period of 20 days in case of denial. It is further stated in the said reply that in case if JMC is not ready to make payment and settle the dispute amicably then it shall appoint Arbitrator within a period of 30 days from the date of receipt of this request as per the terms of arbitration clause.

33. Show case notice dated September 28, 2004 issued by The Regional Director, Employee State Insurance Corporation Ahmedabad ("**ESIC**")

JMC has received a show cause notice from ESIC for Non submission of declaration forms under Regulation No. 11, 12 and 14 of the ESI (General) Regulations, 1950, Non submission of particulars in Form–01 as required under section 2A of the ESI Act, 1948 read with the ESI (General) Regulations, 1950, Non submission of return of contribution under Regulation No. 31 of ESI (General) Regulations, 1950, stating the names of Mr. I. K. Modi, Mr. Hemant Modi, Mr. Suhas Joshi, Mr. Arun Gandhi, Mr. N. K. Patel and Mr. Ajay Mehta as principal employers of the factory/establishment of JMC requiring JMC to show cause as to why they should not be prosecuted for the charges, under sections 85/85-A/85-C of the ESI Act, 1948. It is also stated that under section 85-B of the ESI Act, the Corporation is entitled to recover the amounts payable under the ESI Act from the Employers. JMC replied on October 8, 2004, amongst others giving detailed reasons for not providing the information to the Area Inspector. JMC requested that an officer be deputed for inspection. Pursuant thereto, ESIC officials conducted inspection on 4th, 5th and 13th April 2005 and called upon JMC for certain compliances which JMC abided by way of deposit of Rs.0.11 million and Rs.4,817 on April 20, 2005 and April 30, 2005 respectively. Subsequently, JMC, by way of its letter dated May 6, 2005, has brought to the notice of ESIC, the aforesaid compliances and has requested that the show cause notice dated September 28, 2004 be withdrawn.

34. Notice dated January 12, 2006 issued by Office of the Assistant Labour Officer Balugaon, Dist, Khurda, Orissa ("**LC**")

JMC has received a notice from LC for a claim of Rs.0.55 million towards non payment to 60 workers. The letter has been addressed to the Managing Director of JMC. The letter states that two groups of workers had filed separate complaints before the LC alleging that the Labour Contractor, one Mr. Dhrub Guru, had not paid their wages to the tune of Rs.0.29 million and Rs.0.26 million in respect to the work done by them at Surya Park Site and the Digital Site of JMC, respectively. The notice further records that in course of inquiry/discussion, the Labour Contractor alleged that it had not received payment to the tune of Rs.0.65 million from JMC. The notice records that letters issued to Project Manager of JMC, forwarding details of alleged claims of the workers and the alleged dues of the Labour Contractor, remained unattended, and hence the subject letter. The letter calls upon JMC to look into the matter and send authorized representative, conversant with the facts accompanied by supportive documents to the office of the District Labour Office for finalizing the claim of the workers. It further records that in case such representative does not appear at the office of the Asst. Labour Officer, then it would be presumed that JMC has nothing to say in the matter and in that eventually, appropriate further action shall be taken. JMC has thereafter addressed a letter to Mr. Dhruva Guru (the Labour Contractor), with a copy thereof marked to the LC, informing that JMC has settled all its payments and that a certain difference of payments to the tune of Rs.10,322 has also been deposited JMC has thereafter requested Mr. Guru to settle his labour dues. Thereafter JMC has written a letter dated January 21, 2006 to the Assistant Labour Officer (Khurda) Bhubaneshwar, mentioning amongst others, that Rs.10,322 apart from the earlier payment, have been forwarded to the Labour Officer and that no further amount remains outstanding towards the said contractor. The said letter also states that the matter be dropped accordingly.

35. Notice dated April 11, 2005 issued by Office of the Senior Labour Inspector, 18th Circle, Bangalore ("**SLI**")

JMC has received a notice from SLI for non-compliance of provisions relating to inter state migrant labour and that copies of forms etc are required to be filed in compliance of regulatory requirements concerning labour sought, on the assumption that such compliance has not been made SLI, 14th Circle and 18th Circle and Labour Inspector, 18th Circle carried out an inspection of the records pertaining to the labour, who were working with the JMC at its site at Bangalore namely, M/s. RGA Software Systems (P) Ltd., Surya Sapphire, Surya Park-III, Bangalore. The inspection report of the even date pointed out certain lapses by JMC under the Inter State Migrant Workmen Act, 1979, including but not limited to non availability of full wages and return journey fare to the (Inter State) Migrant Workmen as also the non availability of facilities such as drinking water, rest room etc. The report mentions of certain applications concerning Mr. Druva Guru. Certain other records too were sought but apparently not produced. In pursuance of the said report dated April 11, 2005, a notice of even date came to be issued whereby JMC was called on to produce records, mostly forms prescribed under legislations pertaining to contract labour and records pertaining to contract labour within 7 days of the date of the notice. JMC, by way of its reply dated May 05, 2005 has stated that the principle employer has obtained certificate of registration from concerned Assistant Labour Commissioner and that JMC has obtained the contract labour license from the concerned Assistant Labour Commissioner. It has contended that it does not employ any Migrant Worker and therefore the issue of compliances of the requirement of Interstate Migrant Workmen Act does not arise. Furthermore, the letter states that various facilities, such as drinking water, rest rooms etc. are being provided to the labour. By way of a further letter dated July 1, 2005, JMC has clarified that the claim of Dhruva Guru is exaggerated and that the mode of payment to Labour Contractor is on 'piece rated' basis and hence the question of overtime does not arise. JMC has reiterated that it does not employ any interstate migrant worker. Furthermore, a Demand Draft of Rs.10,322 being the amount of the difference of the minimum wages of the workers working at the site and amount actually paid was also forwarded to the Labour Officer with a request to distribute the same amongst the labour.

36. Notice dated November 24, 2009 issued by Amrutlal Dhanjibhai Patel

JMC received this notice in relation to non-payment of outstanding dues amounting to Rs. 217,470. Amrutlal Dhanjibhai Patel was a sub-contractor of JMC at Ahmedabad in favour of whom, JMC had issued a work order dated March 15, 2009. JMC has replied to this notice on January 7, 2010 refuting all the contentions set out in the notice.

Litigation by JMC

Criminal proceedings

1. JMC *v.* D.R. Garments (India) Private Limited ("**DRG**") and Others
   Criminal Case No. 6443/2009 pending before Chief Judicial Magistrate, Ahmedabad (Rural)

JMC has undertaken construction work for DRG. DRG had issued a cheque for an amount of Rs.15 million in favour of JMC as the part payment of the construction work carried out by JMC. The said cheque was deposited by JMC. However, the same was returned dishonoured. JMC has therefore filed the present complaint against DRG and its four directors. The process has been issued in the matter and summons issued to all the accused have been served.

2. JMC *v.* Mr. V.T. Srinivasan, Proprietor of Sri. Laxmi Venkateshwara Traders & Transport
   C.C. No. 33177/2008 pending before the XIV Additional Chief Metropolitan Magistrate, Bangalore

JMC has filed this case before the XIV Additional Chief Metropolitan Magistrate, Bangalore in relation to alleged dishonour of three cheques issued by Mr. V.T. Srinivasan, Proprietor of Sri. Laxmi Venkateshwara Traders & Transport. The summons has been served on the accused and the matter is currently pending.

2a. JMC v Prakruthi Infrastructure & Development Company Ltd. and Others
   Criminal Case No. 60933/09 pending before the Court of xiv Addl. Chief Metropolitan Magistrate, Bangalore

JMC was awarded construction work of Visualsoft IT building by Bhagyanagar Infrastructure Ltd. (BIL) vide Letter of Intent dated May 30, 2007. Visualsoft Technologies Ltd. has also confirmed award of the contract of construction work by Letter of Intent dated June 25, 2007. Initially payments for the work executed were released by BIL. BIL vide letter dated March 3, 2008 informed JMC that it has involved Prakruthi Infrastructure & Development Company Ltd. (PIDC) as their partner in the venture and that on BIL's request PIDC will release payments to JMC in the terms of Letter of Intent and commensurate with the progress of construction and submission of the bills. PIDC had accepted the terms of Letter of Intent and issued a cheque for an amount of Rs. 3,42,06,900/- in favour of JMC towards payment for the execution of further works. The said cheque was deposited by JMC. However, the same was returned dishonoured for insufficient funds. JMC has therefore filed the present complaint against PIDC and its three directors.

Civil proceedings

3. JMC *v.* Videocon Industries Limited
   Arbitration before Justice Sujata Manohar (Retd). Justice G. T. Nanavati (Retd) and Justice S. P. Kurdukar (Retd)

The work for construction of a plant for manufacturing color television glass shells at village Chhavaj, near Bharuch, Gujarat (the "**Project**") was awarded to JMC by Videocon Industries Limited ("**VIL**") pursuant to a letter of intent dated September 1, 2004. However, the completion of the Project was delayed by 12 months. Subsequently, the consultants to the Project, M. N. Dastur & Co. Private Limited, certified JMC's final bill amounting to Rs.15.5 million, in addition to the extra items executed by JMC, amounting to Rs.2.05 million. However, VIL refused to pay this bill and raised claims against JMC relating to financial losses on account of loss of business opportunities due to the alleged delay on the part of JMC in completion of the Project. By way of a notice dated December 22, 2006, VIL raised various claims aggregating to approximately Rs.50 million. JMC, by way of its reply dated February 2, 2007 amongst others, alleged that the delay was on account of various lapses and acts of omission on the part of VIL and called upon VIL to pay damages amounting to Rs.64.27 million within 15 days from the receipt thereof and stated that failing which dispute and references would be referred to M. N. Dastur & Co. Private Limited in accordance with the terms of the contract. However, as M. N. Dastur & Co. Private Limited failed to render an award within the prescribed period, the dispute was referred for arbitration before Mr. Justice G. T. Nanavati, Mr. Justice S. P. Kurdukar and Mrs. Justice Sujata Manohar (Retd.) on July 10, 2007. The proceedings have been ongoing since September 2007 and the matter is currently pending. The amount claimed by our Company pursuant to these proceedings is Rs.55.8 million with interest at 18% p.a. from the date when this amount became due and payable while the amount of the counter claim by VIL is Rs.74 million.

4. JMC *v.* Tata Communications Limited
   Arbitration before Justice Mr. H. Suresh (Retd.), Mr. N. V. Merani, Principal Secretary (Retd.) Govt of Maharashtra and Mr. Kirti Dave, Technolegal Consultant

The work of construction of commercial buildings at Plot Nos. C21 and C36 at Bandra Kurla Complex, Mumbai was awarded to JMC by Videsh Sanchar Nigam Limited (now known as Tata Communication Limited) ("**TCom**") on January 30, 2007. The contract value was Rs.409.7 million and the stipulated period of completion was 13 months. The contract was terminated by TCom on July 6, 2007 due to the alleged non-compliance of the terms of the contract by JMC. JMC has alleged that the termination was illegal and unlawful and in violation of the terms of the contract and by way of a notice dated August 2, 2007 raised various claims aggregating to Rs.93.8 million plus interest at 9% from September 17, 2007. TCom, by way of a letter dated September 24, 2007 (the "**Letter**") disputed the claims of JMC and raised a claim of Rs.39.8 million against JMC for liquidated damages, expenses incurred/to be incurred by TCom on account of termination of contract and recovery from the final bill submitted by JMC. In the Letter TCom also advised JMC to make the payment of Rs.39.8 million, failing which TCom would encash the bank guarantees submitted by JMC, which was a greater amount than what was claimed by TCom. Thereafter, JMC, by way of a letter dated September 27, 2007 expressed its desire to refer the dispute to arbitration and on October 1, 2007 made the payment of Rs.39.8 million to TCom. A technical report was submitted by a technical commissioner so as to verify the status of the work as on the date of termination. The matter is currently pending before the arbitral tribunal consisting of Mr. Kirti Dave (techno legal consultant), Mr. N. V. Merani (Principal Secretary (Retired) Government of Maharashtra) and Mr. Justice Mr. H. Suresh (Retd.). JMC & TCom has arrived at an amicable settlement on July 16, 2010 and all the disputes and differences and claims and counter claims arising therefrom have been resolved. TCom has paid Rs.26.0 million as full and final settlement to JMC. Joint Pursis of reaching an amicable settlement has been submitted to the Arbitral Tribunal to terminate the arbitral proceedings by passing and order accordingly.

5. JMC *v.* State of Tamil Nadu and Others
   Writ Petition No. 43652 pending before the High Court of Judicature at Madras
   and
6. JMC *v.* State of Tamil Nadu and Others
   Writ Petition No. 43714 of 2002 pending before the High Court of Judicature at Madras

JMC was awarded a contract by the Chennai Metropolitan Development Authority ("**CMDA**"), amongst others, for supply and filling (with approved quality gravel transported to site and spread evenly in layers) for the construction of Chennai Mofussil Bus Terminal. However, as the gravel being mined by JMC for the site was inadequate, additional quantity of gravel was purchased from other suppliers with the concurrence of CMDA. The authorities required JMC to pay the Seigniorage fee for the said additional quantities. As per the Tamil Nadu Minor Mineral Concession Rules 1959, Seigniorage fee for mining is to be paid by the person who mines. Hence the subject petition.

JMC has thereby challenged communications dated April 2, 2002 and May 9, 2002, imposing Seigniorage fee of Rs.42.69 million being 15 times of Rs.2.85 million, amongst others, on the ground that no fee is payable at all by JMC, apart from the same being unreasonable. The interim orders prayed for by JMC were declined by the High Court and the writ petitions are pending for final hearing.

7. JMC and another *v.* State of Gujarat Industries and Mines Department and Another
   Special Civil Application No. 3331/2001 pending before the High Court of Gujarat, Ahmedabad

By the special civil application, JMC has challenged the action of District Assistant Geologist, Mehsana in seeking to compel JMC to pay royalty in respect of Ordinary Earth being excavated for the execution of the project of widening and strengthening of Ahmedabad-Mehsana Highway in spite of the fact that Government Resolution dated January 25, 1991 exempts Ordinary Earth being used for such projects, from payment of royalty. The petition was admitted on November 26, 2001 and is currently pending for final hearing.

8. JMC *v.* M/s. Victor India ("**Victor**")
   Regular Long Cause Suit No. 1024/2005 pending before City Civil Court, Ahmedabad

JMC claiming to have made certain excess payments to Victor, has filed a summary suit dated April 28, 2005 for recovery of such excess amount (Rs.0.5 million) paid against the works done by Victor at Indian Steel Corporation Limited site. Summons for Judgment dated July 30, 2005 was filed by JMC. Victor filed Leave to Defend and the City Civil Court granted Unconditional Leave to Defend by way of its order dated February 24, 2006. Subsequently, the Suit has been treated as Regular Long Cause Suit. Victor has also filed its pursis dated March 31, 2006 stating that it's Leave to Defend may be considered as its Written Statement to the Suit. Now the matter shall come up for final hearing in due course.

9. JMC *v.* M/s. Victor India ("**Victor**")
   Regular Long Cause Suit No. 1010/2005 pending before City Civil Court, Ahmedabad

JMC claiming to have made certain excess payments to Victor has filed Summary Suit dated April 28, 2005 for recovery of such excess amounts (Rs.0.304 million)) paid against the works done by Victor at Welspun India Limited site. Summons for Judgment dated July 30, 2005 was filed by JMC. Victor filed Leave to Defend and the City Civil Court granted Unconditional Leave to Defend by way of its order dated February 24, 2006. Subsequently, the Suit has been treated as Regular Long Cause Suit. Victor has also filed its purshis dated March 31, 2006 stating that it's Leave to Defend may be considered as its Written Statement to the Suit.

10. JMC *v.* Rites Ltd. ("**RITES**")
    Civil Suit No. 1632/2006 pending before High Court of Delhi, Delhi

Rites had invited a tender for construction of its office complex, which ultimately came to be awarded to JMC for a price of Rs.151.6 million. The completion of the project got delayed due to various factors not attributable to JMC. Hence work could not be completed in the time stipulated under the contract. JMC asked for extension of time on various occasions, however, the said requests were not responded to within the time frame provided under the contract. Rites claimed compensation for delay without adequate justification, On the other hand, JMC has claimed that an aggregate amount of Rs.3537.4 million is payable by Rites to JMC towards various claims of JMC. JMC further stated that there exists a narrow and limited Arbitration Agreement between the parties. JMC had initiated arbitration but as claims falling under 'excepted matters' are not arbitrable and because, according to JMC, bulk of the claims of JMC constitute excepted matters, JMC has also resorted to filing of the subject suit.

In the said suit, JMC has amongst others prayed for termination of arbitral proceedings and for decree of Rs.3537.4 million with 18% interest from the date of filing of the suit till the date of decree and payment and also for the termination of the arbitral proceedings pending between the parties. Thereafter Rites had preferred an application under section 8 of Arbitration and Conciliation Act, 1996. The said application was rejected by the Court. Rites preferred FAO (OS) No. 173 of 2007 against the said order of rejection and also prayed for stay in the suit proceedings. JMC has filed reply in the said proceedings. The said appeal was argued at length on February 10, 2009 and the court has dismissed the said FAO (OS) No. 173 of 2007. Rites have filed the Written Statement in the matter. JMC has filed reply to the Written Statement on August 6, 2009. The matter is currently pending for framing issues.

11. JMC *v.* BASF India Ltd. ("**BIL**")
    Civil Suit No. 331/2007 pending before the City Civil Court, Ahmedabad

JMC was awarded the contract for some civil and structural work by ACCO at Mumbai in October 1998 with a stipulated completion period of six months. According to JMC the work was delayed due to delay in providing drawings and other details and in handling over of site by ACCO. As a consequence, JMC had to incur extra expenditure. JMC invoked arbitration clause. BIL thereafter filed its counter claim on October 15, 2004 for alleged damages of Rs.6702.1 million. On January 27, 2007, the Arbitrator has passed an award and rejected the claim of JMC as well as the counter claim of BIL. JMC has filed a section 34 application challenging the award. BIL has filed its reply. The matter is pending for further hearing.

12. JMC *v.* Delhi Metro Rail Corporation ("**DMRC**")
    Arbitration Petition 392/2008 pending before High Court of Delhi

DMRC had awarded the work for the construction of six elevated Stations of Delhi MRTS Project. Disputes have arisen between DMRC and JMC pertaining to the payment of claims raised by JMC. DMRC and JMC have nominated their respective arbitrators. However, JMC has preferred the arbitration application before the Delhi High Court challenging the appointment of Mr. S. M. Mittal, Arbitrator nominated by the Delhi Metro Rail Corporation and Mr. Kanwarjit Singh, Presiding Arbitrator under sections 11(6), (8), 14, 15 and 27 of

Arbitration and Conciliation Act, 1996. By way of an order dated October 22, 2008, the Court granted stay of the arbitral proceedings. On February 19, 2010, JMC and DMRC have agreed to adjourn the petition to await the judgment of the Division Bench of the Delhi High Court on the same issue raised by JMC and DMRC. Accordingly, the present petition has been adjourned with liberty to both parties to seek revival of the matter as and when the Division Bench of the Delhi High Court disposes of the reference as aforesaid.

13. JMC *v*. MechTech Engineers
    Civil Miscellaneous Application No. 31/2010 pending before the City Civil Court at Ahmedabad

JMC had placed an order for a stone crushing plant from MechTech Engineers, Vadodara. This plant was to be commissioned and utilised at JMC's Badanawar to Thandla road project in Madhya Pradesh. Consequently, pursuant to several delays, the plant was erected but failed to perform as expected. As a result, JMC claimed damages from MechTech Engineers which was subsequently referred to a sole arbitrator. This application pertains to the arbitral award published by the sole arbitrator, A. B. Desai, directing JMC to pay MechTech Engineers an amount of Rs. 3,915,916. JMC has filed this civil miscellaneous application no. 31/2010 before the City Civil Court of Ahmedabad challenging the arbitral award and contesting the same. Mechtech Engineers are yet to file a reply to this application.

14. JMC *v*. Centre for DNA and Finger Printing Diagnostic ("**CDFD**")
    Arbitration before Dr. Ghanshyam Singh.

The work of construction of a proposed building for CDFD at Gandipet, Hyderabad, Andhra Pradesh was awarded to JMC by way of a letter dated May 13, 2000. The contract value of the project was Rs.115.01 million and the stipulated period of completion was 24 months. According to JMC, the completion of the project was however delayed by 16 months due to various reasons not attributable to JMC. During the currency of the contract, CDFD had withdrawn the powers which were given to M/s. Beri Architects, project management consultant and entrusted the powers to M/s. RITES Ltd. The R.A. bills of JMC certified by M/s. Beri Architects were reopened by M/s. RITES and arbitrary and unwarranted recoveries were made therefrom. Unauthorised recoveries were also made from the final bill submitted by JMC. Non-payment of the dues by CDFD against the final bill and financial losses incurred by JMC due to delay in completing the project led to the present disputes which were referred to the Sole Arbitrator, Dr. Ghanshyam Singh.

Pleadings, such as statement of claim, counter statements and counter claims, rejoinder-cum-reply to the counter statement and affidavits of the claimant have already been filed before the arbitral tribunal and the cross examination of claimant's witnesses has been completed. Arguments of the Claimant's counsel were concluded on November 05, 2008 and the arguments of Respondent's counsel have begun on November 6, 2008, but remained inconclusive. After conclusion of oral arguments, written arguments of both the parties were filed and an award was to be declared in due course. However, on account of the demise of the sole arbitrator, Ghanshyam Singh, on April 1, 2010. CDFD has appointed Dr. R. Venkata Rao as a Sole Arbitrator on June 29, 2010. The amount involved in the dispute is Rs. 27.1 million with interest at the rate of 18% p. a.

15. JMC *v*. Delhi Metro Rail Corporation ("**DMRC**")
    Arbitration before Kanwarjit Singh, S. P. Mehta and S. M. Mittal

DMRC had awarded the work for the construction of six elevated Stations of Delhi MRTS Project with stipulated completion period of 18 months. The total contract value of the project was Rs.623.7 million. According to JMC, the completion of the project was delayed by 13 months due to various lapses on the part of DMRC such as late release of drawings, late handing over of possession of site and delay in awarding contracts to other agencies related to this work. In view of the delay in completing the projects and the losses incurred by JMC on account of the same, claims amounting to Rs.124.8 million were raised by JMC on DMRC and unsettled extra items executed during the currency of the contract. Since DMRC refused to entertain the claims and release the payment thereof and in view of the disputes so arisen, JMC invoked arbitration clause. DMRC and JMC have nominated their respective arbitrators. However, since Mr. S. M. Mittal was associated with DMRC, JMC has preferred the arbitration application before the Delhi High Court challenging the appointment of Mr. S. M. Mittal, arbitrator nominated by the Delhi Metro Rail Corporation and Mr. Kanwarjit Singh, Presiding Arbitrator under sections 11(6), (8), 14, 15 and 27 of the Arbitration and Conciliation Act, 1996. The application is pending before Delhi High Court. By way of an order dated October 22, 2008 the Court has granted stay of the arbitral proceedings.

16. JMC *v*. D R Garments (India) Private Limited ("**DRGL**")

Arbitration before J. C. Shah

JMC was awarded a lump sum contract for construction of a garment factory and an office for DRGL on Plot No. 283, Survey No. 66, 67 and 68 at G.ID.C, Vanana, National Highway, Taluka Ranavav, District Porbandar with a stipulated completion period of 12 months. The total contract value of the project was Rs. 1.78 million excluding service tax. However, the work could not be completed as planned due to various factors including amongst others, late handing over of the site, late release of basic construction drawings, late approval of construction drawings and delays in release of change orders. JMC completed the work and handed over the same to DRGL, however, payment against certain monthly bills remained overdue. Upon JMC's insisting on payment of such overdue amounts, DRGL disputed the quality of work. By way of a letter dated October 25, 2008, JMC submitted reasons for the delay in relation to the project and requested the overdue payment amounting to Rs. 110,473,958 within 30 days of receipt of the letter. However, DRGL failed to make the payment, on account of which, JMC by way of a letter dated March 16, 2009 invoked the arbitration clause and requested for a single arbitrator. On account of failure by DRGL to respond to this letter as well as subsequent letter in this regard, JMC filed an arbitration application before the Gujarat High Court for appointment of an arbitrator. The said application was rejected on the grounds that JMC needed to exhaust other remedies under the terms of the contract. By way of a letter dated April 9, 2010, JMC requested The Institution of Engineers (India) to appoint an arbitrator. The Institutions of Engineers (India) nominated Mr. J. C. Shah as the sole arbitrator. The first arbitration meeting was held on May 29, 2010 JMC has filed Statement of Claims on August 12, 2010 and the matter is currently pending for submission of the reply to the Statement of Claims and Counter Claim, if any, by DRGL.

17. JMC *v.* Indure Private Limited ("**Indure**")

JMC was awarded a contract for the construction of a coal handling plant for HPGCL, Panipat with the stipulated completion period of 10 months. The total contract value of the project was Rs. 55.5 million. However, the work could not be completed within the stipulated time limit on account of various reasons like late handing over of the site, delay in supply of power, delay in relation to design approval and design changes, under ground inflows of water *etc.* By way of a letter dated January 28, 2004, JMC claimed an amount of Rs. 7.97 million against extra expenses incurred during execution of the contract which was denied by Indure. JMC had written several letters for release of the outstanding amount of Rs. 16.22 million, including an amount of extra expenses incurred by JMC during execution of work, however, Indure did not respond to these letters. Subsequently, on March 28, 2008, JMC served a legal notice on Indure with regard to release of payment and invocation of the arbitration clause. JMC nominated G. T. Nanawati as JMC's arbitrator and called upon Indure to nominate its arbitrator. By way of a letter dated April 22, 2008, Indure replied to JMC's letter appointing Ajay Shrivastava as the sole arbitrator. Consequently, JMC issued a legal notice to Indure, contending that the appointment of Ajay Shrivastava as the sole arbitrator was contrary to the terms of the arbitration clause as the consent of JMC had not been obtained. Subsequently, JMC filed an arbitration petition no. 49/2010 before the Delhi High Court for appointment of an arbitrator. The Delhi High Court by way of an order dated May 25, 2010 appointed Justice (Retd.) R. C. Chopra as the sole arbitrator. The first meeting of the arbitral tribunal was held on May 29, 2010 and the matter is currently pending for submission of the claim statement by JMC.

Labour proceedings

18. JMC *v.* Ramjibhai Gangaram Gohil
    Ref. LC No. 261/2002 pending before the Labour Court, Ahmedabad

Ramjibhai Gohil claims that he was working as civil supervisor and his services were illegally terminated. He has amongst others, sought reinstatement with back wages and benefits. JMC has filed Written Statement on October 11, 2005 denying the allegations and has contended amongst others that the workman had gone on leave from April 7, 2001 and has since abstained from reporting back on duty. The matter is pending for recording evidence.

The amount involved is Rs.0.27 million (amount is calculated from the date of termination up to March 31, 2006) along with reinstatement with back wages and incidental benefits and costs of Rs.0.01 million.

Taxation proceedings

19. Appeal No. 2385 filed on December 16, 1999 pending before the Income Tax Appellate Tribunal, Ahmedabad

Assessing Officer arrived at amount eligible under section 35D of the Income Tax Act, 1961 (IT Act) at 2.5% of the cost of the Project for the Assessment year 1995 - 1996. Amount eligible as per the Assessing Officer is Rs.1.22 million while the amount eligible as per JMC is Rs.2.36 million. Against the order of the Assessing Officer, JMC preferred an appeal before Commissioner of Income Tax (Appeals), Ahmedabad (CIT). CIT confirmed the order passed by the Assessing Officer. Against the order of CIT, JMC has preferred the present appeal, which is pending. According to JMC no tax is payable by JMC for the Assessment Year 1995-1996 as JMC has incurred loss in the said Assessment Year. For all subsequent years, amount claimed under section 35D of the IT Act is as per Assessing Officer.

20. Tax Appeal No. 1180/2007 pending before the High Court of Gujarat

The Assessing Officer has disallowed delayed payment of Provident Fund aggregating to Rs.2.55 million (Employer's Contribution of Rs.1.16 million and Employee's Contribution of Rs.1.39 million) and Gratuity for Rs.0.77 million in the order for the Assessment Year 2002- 2003. JMC has preferred appeal before Commissioner of Income Tax (Appeals) against the said order. The Commissioner of Income Tax (Appeals) by an order dated September 26, 2006 allowed the employer's contribution to provident fund but disallowed the employee's contribution to provident fund and gratuity. Against the said order dated September 26, 2006, cross appeals were filed by both, JMC as well as the Addl. Commissioner of Income Tax, before the Income Tax Appellate Tribunal (ITAT). ITAT by its order dated January 12, 2007 rejected the appeal filed by JMC. JMC has challenged the said order of ITAT dated January 12, 2007 before the High Court of Gujarat and the said appeal is pending for hearing. According to JMC, no tax is payable by JMC as there was a loss during the said year. The Department has also filed an appeal before Hon'ble High Court against ITAT Order allowing the deduction of Employer's Contribution of Rs.1.16 million.

21. Tax Appeal No. 451/2007 pending before the High Court of Gujarat

The Deputy Commissioner of Income Tax, Ahmedabad in Assessment Order for financial year 2002-03, disallowed, (i) Employer's contribution to P.F. – Rs. 5.11 million, (ii) Software Development expenses Rs. 0.16 million and (iii) Gift, Boni & chandla expenses of Rs. 0.30 million. Against the said order, JMC has preferred an appeal to CIT (Appeal). The CIT (Appeal) has passed an order allowing (i) Software development expenses of Rs. 0.16 million and (ii) Gift, Boni & chandla expenses of Rs. 0.15 million and disallowed (i) Employer's Contribution to Provident Fund of Rs.5.11 million and (ii) Gift, Boni & chandla expenses of Rs.0.15 million.

Against the order of CIT (Appeal), JMC preferred a further appeal to Income Tax Appellate Tribunal (ITAT) for the disallowance made by CIT (Appeal). The ITAT has, by its order dated July 31, 2006, allowed the claim of Employer's contribution to Provident Fund of Rs. 5.11 million and disallowed Gift, Boni & chandla expenses of Rs. 0.15 million.

Against the order of ITAT, the Income Tax Department has filed the present appeal before the Hon'ble High Court of Gujarat. The same is pending for hearing.

22. Appeal No. 2471/Ahd/2007 filed on May 22, 2007 for Financial Year 2003-04 pending before Income Tax Appellate Tribunal ("**ITAT**")

The Deputy Commissioner of Income Tax, Ahmedabad in the assessment order for year 2003-04 disallowed; (i) contribution to the Provident Fund of Rs.4.19 million and contribution to Employees State Insurance of Rs.0.001 million, (ii) Gift, Boni and Chandla expenses of Rs.0.35 million. Against the said order JMC preferred an appeal before the Commissioner of Income Tax (Appeal). The Commissioner of Income Tax (Appeal) by way of an order dated April 16, 2007 allowed ESI and the employees' contribution to provident fund, which is equivalent to 50% of total contribution as well as out of total disallowed gift, boni and chandla expenses of Rs.0.35 million, allowed Rs.0.17 million. Against the said order both, JMC as well as Dy. Commissioner of Income Tax, preferred appeals. The Appeal filed by DCIT has been dismissed by ITAT by an order dated August 17, 2007. The appeal filed by JMC is pending for hearing.

23. Appeal No. 712/2009 filed by the Income Tax department pending before the Gujarat High Court

The Assessing Officer has disallowed the in the order for the year 2004-2005, (i) Contribution to Provident Fund Rs 5.46 million (ii) Employees State Insurance Rs 0.02 million (iii) Gift, Boni Chandla Exp Rs 0.22 million and (iv) Provision for the Defect Liability Expenses Rs 23.80 million. JMC preferred appeal before the

CIT (Appeal). The CIT (Appeal) has allowed the Provision for the Defect Liability in toto and allowed 50% of the rest disallowance made by the Assessing Office. JMC had again filed the appeal before the ITAT against the order of the CIT (Appeal). Ho'ble ITAT has allowed the 50% claim, which was disallowed by the CIT (Appeal). However the Department had filed appeal before the Ho'ble High Court of Gujarat against the order of the ITAT amounting to Rs 2.74 million.

24. Appeal No. 2119/Ahd/2009 filed on July 03, 2009 pending before the Income Tax Appellate Tribunal ("**ITAT**"), Ahmedabad

The Dy. Commissioner of Income Tax in the assessment order for Financial Year 2005-06 disallowed; (i) contribution to the Provident Fund and ESIC aggregating to Rs.0.39 million (ii) Gift, Boni and Chandla expenses of Rs.0.35 million and (iii) provision for expected losses/defect liability of Rs.11.23 million. JMC has filed an appeal against the said order before the Commissioner of Income Tax (Appeals). The CIT (Appeals) passed an order allowing all the expenses except Gift Expense of Rs.0.15 million. Against the order of CIT (Appeals), JMC has preferred this present appeal before ITAT, Ahmedabad. The Department has also filed appeal before ITAT, vide appeal no. 2566/Ahd of 2009, against the CIT(Appeals) order allowing the provision for Defect Liability amounting to Rs.11.23 million.

25. Appeal No. __/2010 pending before the High Court of Gujarat

Assessing Officer in Assessment Order dated December 21, 2009, disallowed (i) deduction u/s. 80IA of Rs. 4.34 million, (ii) Provision for defect liability of Rs. 35.65 million, (iii) Prov. For leave encashment Rs. 7.27 million, (iv) Bad debts w/o Rs. 4.91 million, (v) Gift expenses Rs. 0.82 million, (vi) Non deduction of TDS Rs. 0.03 million and (vii) Lesser deduction of TDS Rs. 0.01 million.

Against the order of Assessing Officer, JMC has preferred the present appeal before Hon'ble CIT (Appeal) on January 6, 2010.

26. F. No.: SD 02/104/CER/J/MC/07-08/362 pending before the Deputy Commissioner of Service Tax, Div. – II, Ambawadi, Ahmedabad

The Dy. Commissioner of Service Tax issued the present show cause notice requiring the JMC to show cause as to why (i) service tax on freight for the period of November 16, 1997 to May 31, 1998 should not be recovered by way of invocation of extended period of 5 years under section 73 (1) of the Finance Act, 1994; (ii) the interest at prescribed rate should not be charged under the provisions of section 75 on the amount of service tax; (iii) penalty should not be imposed at the rate of Rs.200 for every day during which such failure continue or at the rate of 2% of such tax per month whichever is higher starting with the first day after the due date till the date of actual payment of the outstanding amount of service tax, under section 76; and (iv) penalty should not be imposed under section 78 for concealing the value of taxable services. JMC, by way of its letter dated February 25, 2008, replied to the said notice and sought for an opportunity of being heard before the case is decided. The Deputy Commissioner thereafter issue a notice dated February 03, 2009 giving the opportunity of hearing on February 19, 2009. On February 19, 2009 JMC has filed further reply during the personal hearing, amongst others, requesting withdrawal of the said notice. The final decision of the said hearing is awaited.

Litigation against Kalpataru Power Transmission Limited ("KPTL")

Civil proceedings

1. Mackro Enerji Tele-Koinunikasyan Insaat Taahhut Ve Tic Limited Sti *v.* a consortium consisting of KPTL and Barmek Insaat ve Tesisat A.S.
   Case No. 2003/569 before the Ankara Eighth Principal Court of Law's Commercial Bench

Mackro Enerji Tele-Koinunikasyan Insaat Taahhut Ve Tic Limited Sti ("**Mackro**") filed a case bearing number 2003/569 in Ankara, Turkey at the Ankara Eighth Principal Court of Law's Commercial Bench seeking an injunction on payments being made by the Turkish Electricity Generation Transmission A-S, Turkey ("**TEIAS**") to a consortium (the "Consortium") consisting of KPTL and Barmek Insaat ve Tesisat A.S ("**Barmek**") for the recovery of various outstanding amounts allegedly due to Mackro from Barmek. The court granted the injunction restraining payments by TEIAS to the Consortium. A reply on merit was filed on behalf of KPTL in October 2003, contending amongst other things that KPTL, though a member of the Consortium, is not liable to make payment of dues of the other member, that is, Barmek, since its role is restricted to supply of the transmission line and parts thereof. Pursuant to an out of court settlement between Mackro and Barmek, the injunction was lifted on November 7, 2003 and Mackro issued a 'No Dues'/'No Claims' certificate to KPTL. Subsequently, Barmek failed to discharge its payment obligation in terms of the settlement and as a result, Mackro obtained an order of injunction on January 21, 2004 against the payments that were due from TEIAS to the Consortium subject to Mackro depositing 70 billion Turkish Lira, being 15% of the claim amount of 469 billion Turkish Lira, with the court. As on date, Mackro has not yet deposited 70 billion Turkish Lira with the court and the case is currently pending.

2. Groupment Sioudan Impac *v*. KPTL
   Case No. 648/2008 before the Tribunal of Cheraga, Algiers, Algeria

KPTL had entered into a subcontract with Groupment Sioudan Impac ("**GSI**") for construction of a 400 KV transmission line from El Khemis to Berrouaghia for Sonelgaz, Algeria. On account of an alleged unforeseen delay in execution of the project, GSI incurred idling cost on men and machineries. Upon completion of the construction, GSI claimed that the extra cost incurred on account of idling of workmen and resources and stoppage of works was attributable to KPTL. KPTL alleged that it was not liable for the extra cost as the claim was not covered by the contract. Pursuant to meetings between KPTL and GSI on December 28, 2007 and December 29, 2007, a memorandum of understanding was signed between the parties whereby it was agreed that the extra claim of GSI would be reviewed by KPTL and would be further deliberated in the next meeting. At this meeting on January 22, 2008, it was agreed that although the claim of GSI was not tenable in terms of the contract, KPTL, as a goodwill gesture, would offer a lump sum payment of DA 10 million as full and final settlement to GSI. GSI thereafter filed a petition before EL Cheraga Court, Algeria against KPTL. The EL Cheraga Court by way of an order dated April 7, 2008 froze KPTL's bank accounts with BNP Paribas Bank to the extent of GSI's claim. KPTL has filed an appeal before the Cherega Tribunal and, as requested by KPTL, the Tribunal rejected the submitted expert report on the grounds that it was superficial, and appointed a new expert, by way of an order dated April 13, 2009. The expert has submitted his report before the Cherega Tribunal stating that KPTL need not pay any amount to GSI except for DA 10 million offered by KPTL as a gesture of goodwill. The matter is currently pending before the Cherega Tribunal.

Tax proceedings

3. Asst. Commercial Taxes Officer, Rajgarh *v.* KPTL
   Revision No. 285 of 2007 before the High Court of Rajasthan

Nexo Industries, Ludhiana had supplied goods to KPTL which were transported by way of a vehicle. The vehicle was intercepted and checked by the Asst. Commercial Taxes Officer, Rajgarh (the "Officer") on August 13, 2003, pursuant to which, the Officer formed an opinion that there was a wrong declaration on documents and that the Form No.ST/18A was not found from the vehicle. The Office issued a show cause notice and an opportunity of hearing was given to KPTL. Thereafter, the Officer, by way of an order dated August 20, 2003, imposed a penalty of Rs.0.07 million and a tax of Rs.0.02 million upon KPTL. KPTL made the payment of the said amount and filed an appeal before the Deputy Commissioner (Appeal), Commercial Tax, Bhilwara, which was allowed by the Deputy Commissioner by way of an order dated October 10, 2005 and further set aside the Officer's order. The Officer thereafter filed an appeal before the Rajasthan Tax Board, Ajmer against the Deputy Commissioner's order dated October 10, 2005. The Rajasthan Tax Board by way of its order dated May 28, 2007 rejected the Officer's appeal. The Officer has appealed the Rajasthan Tax Board's order before the Rajasthan High Court. The matter is currently pending for hearing.

Notices received by KPTL

4. Show cause notice bearing no. V.73/15-58/OA/2003-04 dated October 4, 2004 issued by the Additional Commissioner of Central Excise Division - III, Ahmedabad

KPTL had received a show cause notice dated October 4, 2004 from the Additional Commissioner of Central Excise Division - III, Ahmedabad in relation to denial of Modvat Credit of Rs.4.30 million availed on materials supplied by M/s. Sunrise Structurals & Engineer Works, Nagpur ("Sunrise") on behalf of Maharashtra Steel Re-rolling Mills Private Limited. The contention of the Additional Commissioner of Central Excise Division - III, Ahmedabad is that though Sunrise had discontinued manufacturing activities from June 1999, KPTL had availed Modvat credit on the basis of invoices issued by Sunrise from January 2000 to March 2000 and had wrongly paid the excise duty to the Government. The said show cause notice, is also issued to Mr. Kamal Jain, of KPTL asking him to show cause as to why penalty should not be imposed against him under Rule 209 of the Central

Excise Rules, 1944. On March 14, 2005, KPTL filed a detailed reply praying that the show cause notice be dropped. The matter is currently pending.

5. Show cause notice bearing no. V.ST/15-13/OFF/OA/2009 dated April 2,2009 issued by the Additional Commissioner of Central Excise Division - III, Ahmedabad

KPTL had received a show cause notice dated April 2,2009 from the Additional Commissioner of Central Excise Division - III, Ahmedabad in relation to denial of Input service tax Credit of Rs. 3.10 million availed on Custom House Agents/ Shipping Agent/ port services for the period from April,2006 to December 2007 on the ground that the said services are not within the meaning of input services directly or indirectly up to the place of removal of manufactured goods. The credit was denied on the basis that such services are received by the company in relation to services beyond the place of removal hence not eligible for credit. KPTL filed a detailed reply stating the in case of export of goods the place of removal is place of export i.e. port hence the services are in relation to manufacturing and removal of goods and are eligible for cenvat credit. KPTL praying that the show cause notice be dropped. The matter is currently pending.

6. Show cause notice bearing no. I/19-27/AR83/09-10 dated August 31,2010 issued by the Assistant Commissioner of Central Excise & Custom Division - III, Ahmedabad

KPTL had received a show cause notice dated 31st August, 2010 from the Assistant Commissioner of Central Excise & Custom Division - III, Ahmedabad in relation to demanding the service tax Rs.0.05 million on the Payment made to M/S MC Donald Hopkins, Chicago on account of service provided by them as a legal consultancy from based at Chicago and since company is having registered office in India, the company is liable to pay service tax under import of services. KPTL explained that the said payment is deposit which is adjusted at later date and on the same the service tax has already been paid hence, this would be double tax. Further, the payment as deposit was made prior to introduction of levy of service tax hence not liable to tax. KPTL further submitted that without admitting the liability even if the service tax is payable the same is available as Cenvat credit rules hence there is no revenue leakage. The matter is currently pending.

7. Show cause notice bearing no.V.73/15-68/OFF/A/2010/1072 dated August 25,2010 issued by the Additional Commissioner of Central Excise & Custom Division - III, Ahmedabad

KPTL had received a show cause notice dated April 2, 2009 from the Additional Commissioner of Central Excise & Custom Division - III, Ahmedabad in relation to recovery of Input service credit of Rs.0.52 million with interest and penalty which was availed on the basis of invoice raised by the input service provider for construction of factory building. KPTL filed a detailed reply that input service tax credit is allowable in case input service tax credit is related to construction of factory building and praying that the show cause notice be dropped. The matter is currently pending.

8. Show cause notice bearing no.V.73/15-269/DEM/OA/2010 dated June 17,2010 issued by the Additional Commissioner of Central Excise & Custom Division - III, Ahmedabad

KPTL had received a show cause notice dated June 17, 2010 from the Additional Commissioner of Central Excise & Custom Division - III, Ahmedabad in relation to recovery of Input service credit of Rs.0.79 million which was availed on various input services of vehicle insurance, agency commission, Gardening services, maintenance & repair services, Bank commission charges etc. The show cause notice also demanded interest and penalty. The show cause notice alleges that these services are neither used for any output services or for manufacture of final product directly or indirectly and KPTL has violated the conditions prescribed at Rule 2(1) (i) and (ii) of Cenvat Credit Rules, 2004. KPTL filed a detailed reply praying that the show cause notice be dropped as all the input services are in or in relation to either for manufacture of final product or for providing output taxable services and hence eligible for cenvat credit. The matter is currently pending.

9. Show cause notice bearing no.V.73/15-138/D/OA/2009 dated June 16,2010 issued by the Additional Commissioner of Central Excise & Custom Division - III, Ahmedabad

KPTL had received a show cause notice dated June 16, 2010 from the Additional Commissioner of Central Excise & Custom Division - III, Ahmedabad in relation to demanding the service tax of Rs.0.96 million as service tax for installation and commissioning charges under Import of service Rules, calculated at 33% of Rs.2.36 million cost of machinery imported duly assessed by custom authority. The show cause notice also asked to levy interest and penalty. KPTL filed reply asking that since no installation or commissioning charges were paid separately to supplier of machinery no service tax liability arises. KPTL further contended that similar point was taken in its other manufacturing Unit which was dropped. KPTL requested that without accepting the liability of service tax even if it is demanded then the value accepted by custom is required to be revalued which is not possible as the matter is also time barred and if revalued then there would be refund of custom duty demanded at the time of import of machinery. The matter is currently pending.

10. KPTL *v*. Commercial Tax Officer, Works and Leasing Tax, Bhilwara before Dy. Commissioner, Commercial Tax (Appeals), Udaipur
Appeal No.: 118/RST/09-10 dated July 3, 2010

By way of order No. 0865/10/921 dated April 30, 2009 Commercial Tax Officer, Works and Leasing Tax Bhilwara raising the demand of Rs. 0.84 million for the year 2005-06 which includes interest of Rs. 2.10 million and penalty of Rs. 1800.The demand was raised on account of imposing additional tax on tax paid purchases, levy of tax by enhancing the purchases from unregistered dealer and value of branch transfer amount, levy the tax at higher rate on sale of scrap and by not allowing the Works contract Tax certificate of Rs. 5.41 million. KPTL filed appeal against the said order before Dy. Commissioner, Commercial Tax (Appeal), Udaipur for deleting the additional tax charged on tax paid purchases and on sale of scrap, deleting the enhancement of URD purchases & value of branch transfer and tax thereon. KPTL also submitted to allow the credit of works contract tax certificate. The appeal is fixed for hearing on September 30, 2010.

11. Notice dated 17.06.2010 from Commercial Tax Officer, Works and Leasing Tax, Bhilwara
By way of order dated 08.09.2010 Commercial Tax Officer, Works and Leasing Tax Bhilwara raising the demand of Rs. 0.60 million for the year 2006-07 which includes interest of Rs. 2.46 million and penalty of Rs. 6500.The demand was raised on account of imposing additional tax by enhancing URD purchases of Rs. 15 million and by not allowing the works contract tax credit of 3.11 million. KPTL has filed the application for rectification of the order which is pending for adjudicating.

12. Notice dated September 3, 2010 from Commercial Tax Officer, Works and Leasing Tax, Bhilwara
KPTL received notice for payment of demand on September 3, 2010 for the year 2007-08 from Asst. Commissinoer, Commercial Tax Department, Chittorgarh of Rs.2.50 million under the Central Sales Tax Act for not submitting the F-Form and C- form which includes interest of Rs. 0.6 million and penalty of Rs. 5800. On being receipt of the demand, KPTL submitted the rectification of the order asking to grant the extension of time for submitting the F-Form and to adjust the demand thereafter from works contract tax certificate which is pending for allowing the credit by the department. The application is pending for adjudicating.

13. Notice No. 529 dated March 30, 2010 from Asst. Commissioner, Commercial Tax Office, Works and Leasing Tax, Bhilwara

By way of order No. 529 dated March 30, 2010 Asst. Commissioner, Commercial Tax Office, Works and Leasing Tax Bhilwara raised the demand of Rs. 11.3 million for the year 2007-08 which includes interest of Rs. 2.53 million and penalty of Rs. 3500.The demand was raised on account of imposing additional tax by enhancing URD purchases of Rs. 11 million, by not allowing the works contract tax credit of 27.5 million and not giving the credit of tax payment made of Rs. 018 miilinon. KPTL has filed the application for rectification of the order which is pending for adjudicating.

14. KPTL *v*. Commercial Tax Officer, Siliguri before Dy. Commissioner of Commercial Taxes, Siliguri.
Appeal No. 26591 dated 18.09.2007

KPTL received notice of demand of tax No. 362 dated June 29, 2007 of Rs. 4.40 million from the Commercial Tax Officer, Siliguri for the year 2004-05. The demand was raised by levy the tax on 40 million by determining turnover of 50 million and penalty of Rs. 2000. On receipt of order, KPTL filed appeal before Dy. Commissioner of Commercial Taxes against the order mainly to determine the taxable turnover of Rs. 36 million, allowing tax paid purchases of Rs 65 million and allowing the works contract certificate of 43.52 million. The appeal was admitted and pending for hearing.

15. KPTL *v*. Dy. Excise and Taxation Commissioner cum Assessing Authority, Kaithal before Jt. Excise and Taxation Commissioner (Appeals) Haryana.

KPTL received notice of demand of tax dated March 27, 2009 for Rs. 0.31 million from Dy. Excise and Taxation Commissioner cum Assessing Authority, Kaithal for the year 2005-06. The demand was raised due to levy of tax on freight charges, disallowing input credit on tax paid cement purchases, non submission of C-form. On receipt of the order, KPTL filed the appeal before Jt. Excise and Taxation Commissioner (Appeals) Haryana. The reason for filing the appeal against the order is not to charge tax on freight charges, allow the input tax credit of tax paid cement purchase. The appeal was admitted by appeallete authority and pending for hearing.

16. KPTL *v*. Dy. Excise and Taxation Commissioner cum Assessing Authority, Kaithal before Jt. Excise and Taxation Commissioner (Appeals) Haryana.

KPTL received notice of demand of tax dated March 18, 2010 for Rs. 1.61 million from Dy. Excise and Taxation Commissioner cum Assessing Authority, Kaithal for the year 2006-07 along with assessment order. The demand was raised for levy of tax on labour charges, levy of tax at higher rate and not giving credit of works contract tax certificate. On receipt of the order, KPTL filed the appeal before Jt. Excise and Taxation Commissioner (Appeals) Haryana. The reason for filing the appeal against the order is not to charge tax on labour charges, tax at 4% instead of 12% on BPCL and PGCIL job and accepting the works contract tax certificates. The appeal was admitted by appeallete authority and pending for hearing.

17. Demand Notice 1393/15.02.2009 issued by Asst Commissioner, Commercial Tax, Bilaspur

By way of order No. 1393 dated February 15, 2009 Asst. Commissioner-I, Commercial Tax, Satna has raised the demand under Entry Tax of Rs. 0.14 million by not considering the payment of Rs. 66,639. On receipt of the order, KPTL made rectification application along with proof of challan paid into Govt. Treasury. The matter is pending for rectification of the order raising fresh demand notice.

18. Show Cause Notice – F. No. V.Misc/30-1/GNR/Ref/07-08 Pt. I dated December 30, 2008 issued by the Assistant Commissioner of Central Excise, Gandhinagar

By way of a letter dated October 6, 2008 to the Assistant Commissioner of Central Excise, Gandhinagar, KPTL had applied for refund of central excise duty of Rs.1.42 million paid for supplies under notification no. 108/95-CE dated August 28, 1995. Pursuant to the said application, this present show cause notice has been issued by the Assistant Commissioner, Central Excise called upon KPTL to show cause as to why the refund claimed by KPTL should not be rejected for violation of notification no. 108/95- CE dated August 28, 1995 and that the refund claimed should not be credited to Consumer Welfare Fund under section 12C of Central Excise Act, 1944 as KPTL had failed to establish that the amount in relation to which such refund is claimed has not been passed on to any other person as required under section 11B of the Central Excise Act, 1944. KPTL has by way of a letter dated February 2, 2009 replied to the notice and requested for a personal hearing.

19. KPTL is one of the Defendants/Opponents in Motor Accident Claim Petition pending before the Court of Motor Accidents Claim Tribunal (Subordinate Judge), Tirupattur, Vellore District under case no. MCOP 582/08. We are informed that the vehicle involved in the said matter was not owned by KPTL. The compensation sought in the said matter is Rs.1.5 million. The matter is pending for witness of opposite party and next hearing is due on 19.10.2010

Arbitration proceedings

20. KPTL was awarded a contract by National Thermal Power Corporation Limited ("NTPC") for the supply and erection of a 400 KV Indore-Asoj transmission line on June 30, 1986. NTPC's division was subsequently transferred to PGCIL which obtained all the rights pertaining to the contract. The terms of the contract provided that the prices for supply were to be exclusive of sales tax, excise tax and other levies. Additionally, the contract provided that all advantages under modified value added tax would be passed on to PGCIL and if such advantages cannot be passed on to PGCIL, excise tax at 12% would be payable by PGCIL even though KPTL would have to pay higher excise duty. KPTL supplied tower parts and paid excise duty thereon and PGCIL paid KPTL excise duty at the rate of 12%. PGCIL subsequently claimed a refund of the excise duty from KPTL on the grounds that KPTL had obtained a refund from the excise authorities and invoked arbitration proceedings by way of a notice dated October 6, 1999, seeking a balance of excise duty to be refunded with interest due thereon on account of non payment/delayed payment of Rs.23.60 million and further interest thereon on the grounds of wrongful withholding of the excise duty amount. KPTL disputed these allegations on the basis that the claim is allegedly barred by limitation and the excise duty refunded to KPTL is not further refundable to PGCIL as the same was paid by KPTL at a fixed rate of 12%. On March 6, 2005, the arbitral tribunal recommended that the parties resolve the matter amicably, preferably in terms of the formula suggested by the arbitral tribunal with KPTL paying the principal amount of excise duty actually received by it with simple interest from the date of filing the claim,

November 28, 2001. The parties have not yet reached a settlement and the arbitration proceedings are currently pending.

Litigation by Kalpataru Power Transmission Limited ("KPTL")

Civil proceedings

1. Meghji Manubai, Zaverbai and Charandas Meghji Trust v. Brihanmubhai Mahanagar Palika and the Municipal Commissioner of Greater Mumbai
   Municipal Appeal No. 289/2002 before the Small Causes Court at Mumbai

This appeal has been filed by Meghji Manubai and certain others against an order of the investigating officer dated January 8, 1999 in relation to determination of ratable value of certain properties of KPTL being assessed by the Brihanmumbai Mahanagar Palika under the provisions of the Bombay Municipal Corporation Act. Under the impugned orders the ratable value has been assessed for an aggregate value of Rs.3.89 million which is under challenge. The matter is currently pending.

2. KPTL v. Sub-Registrar and Tehsildar (Assessing Authority), Uniara, Tonk
   RLT No. 909/2008/Tonk

KPTL had received an attachment order dated November 21, 2007 from the Collectorate (Revenue Office) Ajmer through the Tehsildar and Deputy Registrar, Uniara on November 20, 2007 for non-payment of land tax amounting to Rs.0.31 million for the years 2006-07 and 2007-08. KPTL was allegedly never informed nor in receipt of any kind of demand notice from Rajasthan Revenue Authority towards land tax liability for its Uniara Biomass Power Plant. In view of the same, KPTL took up the matter with the Collectors Office, Revenue Department, and Tahsildar pursuant to a letter dated December 4, 2007. In view of the same, KPTL deposited 50% of the demand amount under protest. Thereafter the present application for revision in Form No. 12 under section 51 of Rajasthan Finance Act, 2006 has been preferred. The matter is pending for hearing.

Tax proceedings

3. KPTL v. Commissioner of Central Excise, Ahmedabad
   Application No. ST/S/962/06 and Appeal No. ST/70/06

By way of an order dated December 20, 2005, the Commissioner, Central Excise, Ahmedabad-III (the "**Order**") had disposed of a show cause notice dated June 2, 2005 and held that KPTL is liable to pay Rs.11.36 million of service tax. KPTL had already paid, under protest, service tax of Rs.11.62 million. Therefore, an amount of Rs.0.26 million had been paid by KPTL over and above what was due. The Order specifically provided that the service tax already paid by KPTL should be adjusted against the amount of Rs.11.36 million. However, the Commissioner had imposed a penalty of Rs.12 million under section 78 of the Finance Act, 1994 holding that the amounts were paid belatedly, and a further sum of Rs.0.03 million has been imposed as penalty under section 76 of the Finance Act, 1994. KPTL has appealed the Order before the Customs, Excise and Service Tax Appellate Tribunal. The Customs, Excise and Service Tax Appellate Tribunal, by its order dated April 20, 2006, has dispensed with the condition of pre-deposit of penalty amount and allowed the stay petition.

4. KPTL v. Deputy Commissioner of Commercial Tax, Patliputra circle
   Case no. STPR-106/2008-09] before the Joint Commissioner of Commercial Taxes (Appeal), Central Division, Patna; and Writ Petition No. CWJ 4075/2010 before the Bihar High Court at Patna

By way of an order dated October 20, 2008, the Deputy Commissioner of Commercial Tax, Patliputra circle, Patna had amongst other things, raised a demand of tax against KPTL for the year 2006-07 amounting to Rs.6.03 million and a penalty of Rs. 0.3 million under the provisions of the Bihar Value Added Tax Act, 2005 on account of disallowing the works contract tax certificate for Rs.1.30 million and tax charged of Rs.17.16 million on freight and insurance income. KPTL appealed the aforesaid order, specifically against the tax of Rs.4.42 million charged on freight and insurance income, before the Joint Commissioner of Commercial Taxes (Appeal), Central Division, Patna. The Joint Commissioner of Commercial Taxes (Appeal), Central Division, Patna communicate the direction to give relief by way of order No. 842 dated 30.03.10. Accordingly, KPTL received the revised order reducing the demand of tax 3.10 million without demand notice which is pending in order to give the credit of works contract tax certificate for Rs. 1.30 million in view of Notification No. BIKRIKAR/VAPASI-01/2009-2623, Patna dated 11.06.2010. KPTL has also filed a writ petition before the Bihar High Court at Patna to give direction to the Sales Tax Authority, Patna to grant the credit of works contract tax deducted at source on the basis of the works contract tax certificate submitted to the Assessing Officer, Deputy Commissioner of Commercial Taxes, Patliputra, Patna. While accepting the petition, the Bihar High Court has directed the Sales Tax Authority, Patna to remedy the failure to grant the credit of works contract tax and file a counter affidavit by March 23, 2010. The Sales Tax Authority, Patna has asked for an extension of time to allow the credit on the basis of the works contract tax certificate and file the counter affidavit. Thereafter, Sales Tax Authority Patna had issued Notification bearing No. BIKRIKAR/VAPASI-01/2009-2623, Patna dated June 11, 2010 to allow the credit and accordingly the matter is pending for granting the refund.

5. KPTL v. Deputy Commissioner of Commercial Tax, Patliputra circle
   Case no. STPR-81/2008-09 before the Joint Commissioner of Commercial Taxes (Appeal), Central Division, Patna; and Writ Petition No. CWJ 6033/2010 before the Bihar High Court at Patna

By way of an order dated October 20, 2008, the Deputy Commissioner of Commercial Tax, Patliputra circle, Patna had amongst other things, raised a demand of tax against KPTL for the year 2007-08 amounting to Rs.12.99 million and a penalty of Rs.5,600 under the provisions of the Bihar Value Added Tax Act, 2005 on account of disallowing the works contract tax certificate for Rs.2.22 million and tax charged of Rs.4.42 million on freight and insurance income. KPTL appealed the aforesaid order, specifically against the tax of Rs.4.42 million charged on freight and insurance income, before the Joint Commissioner of Commercial Taxes (Appeal), Central Division, Patna. The Joint Commissioner of Commercial Taxes (Appeal), Central Division, Patna communicate the direction to give relief by way of order No. 844 dated March 30, 2010. Accordingly, KPTL received the revised order reducing the demand of tax 5.0 without demand notice which is pending in order to give the credit of works contract tax certificate for Rs. 2.22 million in view of Notification No. BIKRIKAR/VAPASI-01/2009-2623, Patna dated June 11, 2010. KPTL has also filed a writ petition before the Bihar High Court at Patna to give direction to the Sales Tax Authority, Patna to grant the credit of works contract tax deducted at source on the basis of the works contract tax certificate submitted to the Assessing Officer, Deputy Commissioner of Commercial Taxes, Patliputra, Patna. While accepting the petition, the Bihar High Court has directed the Sales Tax Authority, Patna to remedy the failure to grant the credit of works contract tax and file a counter affidavit by March 23, 2010. The Sales Tax Authority, Patna has asked for an extension of time to allow the credit on the basis of the works contract tax certificate and file the counter affidavit. Thereafter, Sales Tax Authority Patna had issued Notification bearing No. BIKRIKAR/VAPASI-01/2009-2623, Patna dated June 11, 2010 to allow the credit and accordingly the matter is pending for granting the refund.

6. KPTL v. The State of Gujarat
   Case no. 528 & 529 before The Gujarat Sales Tax Tribunal at Ahmedabad

KPTL had received an assessment order dated March 31, 2009 for assessment year 2005-06 from the Deputy Commissioner of Commercial Tax (Corporate-2) Ahmedabad, amongst other things raising a demand of tax amounting to Rs.105.60 million, interest thereon amounting to Rs.57.02 million and a penalty amounting to Rs.10.56 million under the Central Sales Tax Act, 1956 (the “Demand”). The Demand was raised on account of non-submission of C-forms/E-1 Form to charge a concessional rate of tax at the time of assessment. KPTL has appealed the order dated May 13, 2009 before the Joint Commissioner of Commercial Taxes (Appeal), Ahmedabad Unit-I, Gujarat praying for an extension of time for submission of C-forms/E-1 forms. Subsequently, KPTL submitted the C-form/E-1 forms before the Commissioner of Commercial Taxes (Appeal), Ahmedabad Unit-I, Gujarat and deposited Rs. 25 million. The Commissioner of Commercial Taxes (Appeal) Ahmedabad Unit-I allowed the appeal and revised tax demand was raised for Rs. 13.84 million including interest and penalty. KPTL preferred an appeal before Tribunal against the said appeal order for disallowing D-form of Rs. 152 million, C form 16.18 million bearing different dates of different financial year and seeking time to collect the pending C-form of Rs. 81.52 million and asking for stay to recover the demand as per appeal order. GVAT-Tribunal granted the unconditional stay to recover the said demand and fixed the regular hearing on September 28, 2010.

7. KPTL *v.* The State of Gujarat
   Case no. 528 & 529 before The Gujarat Sales Tax Tribunal at Ahmedabad

KPTL had received an assessment order dated March 31, 2009 for assessment year 2005-06 from the Deputy Commissioner of Commercial Tax (Corporate-2) Ahmedabad, amongst other things, raising a demand of tax amounting to Rs.19.66 million interest thereon amounting to Rs.6.80 million and a penalty amounting to Rs.7.56 million under the Gujarat Sales Tax Act, 1969 (the “Gujarat Demand”). The Gujarat Demand was raised due to disallowing the tax purchase from Gujarat Energy Transmission Corporation Limited. KPTL has appealed the order on May 13, 2009 before the Commissioner of Commercial Taxes (Appeal), Ahmedabad Unit-I, Gujarat, along with proof of tax paid purchases, praying for grant of the credit of tax paid purchases. The Commissioner of Commercial Taxes (Appeal), Ahmedabad Unit-I, Gujarat accepted the proof of tax paid purchases and passed the order appeal order granting refund of Rs.0.3 million to KPTL but disallowed the set off on LDO, works contract tax certificate and charging the tax at higher rate than the charged in assessment order. KPTL preferred the appeal against the appeal order before The Gujarat Sales Tax Tribunal at Ahmedabad and date of hearing is fixed on September 30, 2010.

8. KPTL *v*. Commissioner of Customs, Mumbai Custom, Excise and Service Tax, Appellate Tribunal, Mumbai
   Appeal filed on November 16, 2005 and appeal filed on February 17, 2009

By final assessment order of Bill of Entry No. 569052 dated February 19, 2003, full exemption from countervailing duty was granted to KPTL. The Department appealed against the same by filing Appeal No. 96/2005 (JNCH) before the Commissioner of Customs (Appeals) JNCH, Nawa Shiva. By order dated August 5, 2005, the Commissioner of Customs (Appeal) JNCH, Nava Shiva has set aside the order of the lower authority and allowed the appeal of the Department. KPTL has challenged the order before the Customs, Excise and Service Tax Appellate Tribunal by filing appeal on November 16, 2005. The said matter is pending for hearing. During the pendency of the said appeal, the Dy. Commissioner of Customs wrote a letter dated June 26,2007 to KPTL and requested KPTL to pay the differential amount of duty under the head CVD Rs.57,11,429.00 along with applicable interest for the period starting from the date of assessment, as per the order dated August 5, 2005. KPTL thereafter filed an application under section 129E of the Customs Act, 1962 before the Custom, Excise and Service Tax Appellate Tribunal for stay of the operation of order dated August 5, 2005 and letter dated June 26,2007. The Custom, Excise and Service Tax Tribunal by way of an order dated November 19, 2007 dismissed the said stay application with a liberty to apply afresh if and when the notice dated June 26,2007 is adjudicated. Thereafter, the Commissioner of Customs by way of an order dated May 9, 2008 adjudicated the claim raised in notice dated June 26,2007 and accordingly directed KPTL to pay differential duty of Rs. Rs.5.71 million and interest thereon. The said order was challenged before the Commissioner of Customs (Appeals) and by way of an order dated December 29, 2008, the Commissioner of Customs (Appeals) upheld the earlier order dated May 9, 2008. Against the said order dated December 29, 2008 KPTL has filed an appeal before the Custom, Excise and Service Tax Appellate Tribunal on February 17, 2009 along with a stay application. The stay application came up for hearing on June 24, 2009 and during this hearing, the Tribunal allowed the appeal. The authority has started recovery proceedings in absence of any stay from KPTL as well as from our Company. Due to the same KPTL and our Company have filed a writ petition before High Court of Judicature at Bombay being writ petition No.2780 of 2009. In the said petition the High Court of Bombay by way of an order dated March 5, 2009 has directed the authority not to take any coercive steps to recover the demand pursuant to the order-in-original dated May 9, 2008 till disposal of the stay application and for a period of four weeks thereafter and disposed of the writ petition. The matter was heard by the Tribunal on June 24, 2009 and impugned order of recovery was set aside as no appropriate order was passed by the commissioner to take the appropriate step In accordance of law.

9. KPTL *v*. Deputy Commissioner of Customs
   Appeal filed on February 27, 2009 before the Commissioner (Appeal)

KPTL has imported an ‘old and used frame for 3 Sheave Aerial Roller as a sample’ (the “Goods”) from its overseas project office in Abu Dhabi UAE and declared Rs.9,959.37 as assessable value. The Deputy Commissioner of Customs by way of an order dated December 12, 2008 held that KPTL had violated para 2.17 of the Foreign Trade Policy 2004-2009 as both, the buyer and seller are related parties and the declared value cannot be considered as a transaction value in terms of section 14 of the Customs Act, 1962 read with the Valuation Rules, 1988 and the Valuation Rules, 2007. In view of the same the Deputy Commissioner had ordered confiscation of the Goods under section 111(d) and 111(m) of the Customs Act and allowed its redemption under Section 125 of Customs Act, 1962 on payment of a fine of Rs.5,000 and also imposed a penalty of Rs.1000 on KPTL. KPTL thereafter paid an amount of Rs.6000 on December 12, 2008. The present appeal has been filed by KPTL challenging the order dated December 12, 2008.

10. KPTL *v*. State of Rajasthan and Others
    D.B. Civil Writ Petition No. 1446 of 2007 before the High Court of Rajasthan

KPTL had received an assessment order dated February 2, 2007 from the Commercial Taxes Officer, Tonk, raising a tax demand to the tune of Rs.0.95 million and interest thereon amounting to Rs.0.09 million under the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999 (the "Act"). Upon receipt of the said assessment order, KPTL filed the present petition praying that the Act be declared ultra vires and that the said assessment order dated February 2, 2007 be quashed and set aside. The High Court of Rajasthan, by way of an order dated March 21, 2007 has admitted the petition and directed that no coercive process be issued against the petitioner by the State for enforcing demand created under the Act.

Litigation against Kalpataru Properties Private Limited

Civil proceedings

1. Tristar Consults *v.* Kalpataru Properties Private Limited
   Summary Suit No. 3373 of 2001 before the Bombay High Court

Tristar Consults has filed a summary suit in relation to an agreement dated May 20, 1998, executed between Kalpataru Properties Private Limited and M/s. Boyden International, pertaining to recruitment of employees. Tristar Consults has claimed an amount of Rs.0.34 million with interest at the rate of 18% per annum till payment and/realization on the principal sum of Rs. 0.24 million, alleging that Kalpataru Properties Private Limited was bound by the aforesaid agreement. Kalpataru Properties Private Limited has filed written statements contending, amongst other things, that the suit is not maintainable as M/s. Boyden International had also filed a summary suit bearing No. 3212 of 2000 on similar grounds, which was withdrawn without liberty to file a fresh suit. The matter is currently pending before the Bombay High Court.

2. Mrs. Shabeena Rafique Ahmed Shaikh *v.* Shaikh R. Ahmed, Kalpataru Properties Private Limited and Others
   Complaint No. 37/m/2008 before the Metropolitan Magistrate Court, Bandra, Mumbai

A complaint has been filed by Mrs. Shabeena Rafique Ahmed Shaikh against Shaikh R. Ahmed and others wherein Kalpataru Properties Private Limited, being the proposed developer of a property at MIG Colony, Bandra, is a party. The suit has been filed by the complainant alleging domestic violence against her husband Shaikh R. Ahmed. Further, it has also been prayed that a Residence Order as contemplated under Section 19 of the Domestic Violance act be passed against her husband and Kalpataru Properties Limited]. Kalpataru Properties Private Limited has filed an application for discharge on the ground that it is not a necessary party and no reliefs have been sought against Kalpataru Properties Private Limited. The matter is currently pending before the Metropolitan Magistrate Court, Bandra, Mumbai.

3. Dr. Prabhakar Prahlad Jamkhedkar *v.* The Middle Income Group Co-operative Housing Society, Bandra (E), Group V Limited, Kalpataru Properties Private Limited and Others
   Complaint No. 231 of 2007 before the Consumer Disputes Redressal Forum, Mumbai Suburban District.

Dr. Prabhakar Prahlad Jamkhedkar ("**Complainant**") has filed a complaint before the Consumer Disputes Redressal Forum, Mumbai Suburban District, against the Middle Income Group Co-operative Housing Society, Bandra (E), Group V Limited ("**Opposite Party No.1**"), its Secretary ("**Opposite Party No.2**"), Kalpataru Properties Private Limited ("**Opposite Party No.3**"), Estate Manager II of Mumbai Housing & Area Development Board ("**Opposite Party No.4**") and the Executive Engineer of Brihanmumbai Mahanagarpalika Corporation ("**Opposite Party No.5**" and collectively with Opposite Parties Nos. 1 to 4 referred to as the "**Opposite Parties**"), alleging, amongst other things, that in spite of the good condition of the buildings, the managing committee of Opposite Party No.1, in collusion with the private builders, are trying to demolish the existing buildings and converting the residential premises on the ground floor into commercial shops. Further, the Complainant has challenged the process adopted by Opposite Party No. 1 for the redevelopment of its property by filing this complaint praying, amongst other things (i) that the Opposite Parties are guilty of deficiency in service and unfair trade practice; (ii) that the Opposite Parties be directed to stop all activities in respect of the redevelopment process till the final hearing of the complaint; (iii) to direct Opposite Party Nos. 4 and 5 not to issue NOC and IOD to Opposite Party Nos. 1, 2 and 3 for demolition of the existing buildings and construction thereon; and (iv) to direct the Opposite Parties to jointly and severally pay Rs.0.1 million to the Complainant towards compensation for hardships. The Consumer Dispute Redressal Forum, Bandra, by its order dated September 29, 2007, rejected the application for interim injunction. Opposite Party No. 3 has filed a written statement dated July 3, 2007 denying the claims made by the Complainant and seeking dismissal of the complaint. No adverse orders have been passed in this suit. The matter is currently pending before the Consumer Dispute Redressal Forum, Bandra.

4. Ezra Brothers *v.* S. J. Ezra Associates, Kalpataru Properties Private Limited and Others
   Appeal No. 156 of 2005 in R.A.D. Suit No. 650 of 1994 before the Small Causes Court at Bombay

Ezra Brothers, a partnership firm, has filed this suit against S.J. Ezra Associates and others before the Small Causes Court, Mumbai, aggrieved by an order dated September 23, 2004 passed by the Trial Court and prayed that they be declared as lawful tenants in respect of the suit premises admeasuring 1050 sq. ft. situated on the 4th floor of the suit building known as Mustafa Building now known as "Jash Chambers", Mumbai and that the transfer of tenancy in favour of S. J. Ezra Associates and the second defendant S. Mohanty in respect of the suit premises is illegal, unlawful and not binding on the appellants. This suit was dismissed by the Trial Court on the grounds of limitation, against which an appeal has been filed. The matter is currently pending before the Small Causes Court at Bombay.

5. Mr. Manoharsingh Murdia and Others *v*. MIG V Co-operative Housing Society Limited and Kalpataru Properties Private Limited
   Application before the Deputy Registrar, Co-operative Societies MHADA, Bandra (East) Mumbai.

Manoharsingh Murdia and others ("**Applicants**") have filed an application before the Deputy Registrar, Co-operative Societies MHADA, Bandra (East) Mumbai against the MIG V Co-operative Housing Society Limited ("**Respondent 1**") and Kalpataru Properties Private Limited ("**Respondent 2**") for division/bifurcation of the buildings bearing numbers 1 to 6 alleging that the members of these buildings are in the minority and are being oppressed by the majority members of buildings bearing nos. 7 to 11. Respondent 2 has filed its reply seeking dismissal of the application on the grounds that Respondent 2 has already entered into a letter of intent dated February 26, 2007 with Respondent 1 for redevelopment of its land and buildings. The matter is currently pending before the Deputy Registrar, Co-operative Societies MHADA, Bandra (East) Mumbai. The Deputy Registrar has proposed bifurcation of the Society. This proposal has been appealed before the Div. Joint Registrar, Cooperative Societies.

6. MIG Co-operative Housing Society Group II Limited *v* Shaikh Nazeer Ahmed, Mrs. Sabina Raffiq Ahmed Shaikh and M/s.Kalpataru Properties Private Limited
   Case No.CC-II/459 of 2010 before the Second Cooperative Court at Mumbai

MIG-II Society filed Dispute against one of the Members, Shaikh Nazeer Ahmed, for handing over vacant possession of his Flat to the Society for re-development of the Society. Kalpataru Properties Private Limited being the Developer, is a formal party in the above Dispute. The matter is currently pending before the Second Cooperative Court at Mumbai.

7. Shekhar Kirti Modi *v.* Majithia Nagar Co-operative Housing Society Limited, & others
   Dispute No.CC/IV/175 of 2010before the Co-operative Court, Mumbai

A dispute has been filed by Shekhar Kirti Modi in Co-operative Court, Mumbai, against Majithia Nagar Society and Ex-Committee Members of the said Society, challenging the Resolution passed in the Special General Body meeting held on 23rd January 2005 pertaining to the re-development of the Society and accepting the offer of Kalpataru as Developer and for seeking a declaration that the said Resolution illegal and not binding on the Society. Kalpataru Properties Private Limited has intervened in the matter as they are directly affected. The matter is currently pending before the Co-operative Court, Mumbai.

8. Notice No. MH/18493/PF/Enf.Zone/I/OID/272 dated March 31, 2008 issued by Assistant Commissioner of Provident Fund Organization

Assistant Commissioner of Provident Fund has issued this notice on March 31, 2008 against Kalpataru Properties Private Limited under section 7a of the Provident Funds Enquiry Act, 1952.The enforcement officers have taken inspections of the books of accounts of Kalpataru Properties Private Limited. No orders have been passed The matter is currently pending before the Regional Commisioner.

Labour proceedings

1. Kamgar Aghadi Union *v.* Kalpataru Properties Private Limited
   Complaint (ULP) No.130 of 2010 before the Industrial Court, Mumbai

A complaint has been filed by the Kamgar Aghadi Union (the "**Complainant**") alleging unfair trade practices by Kalpataru Properties Private Limited (the "**Respondent**") regarding payment of dues amounting to Rs.0.26 million. Kalpataru Properties Private Limited has filed a written statement contending that there was nor there exists any employer employee relationship between the members of the Complainant and the Respondent and the Respondent is not a proper nor necessary party to the suit. The matter is currently pending before the Industrial Court, Mumbai.

2. Maharashtra Kamgar Ekjut Union *v.* Kalpataru Properties Private Limited
   Complaint (ULP) No.330 of 2010In the Industrial Court, Maharashtra at Mumbai, Before Shri R.B. Malik, President

A complaint for unfair labor practices for recovery of dues and various other reliefs has been filed by the Maharashtra Kamgar Ekjut Union in Srishti –Sector 3 alleging the contractor has not paid the dues to the laborers. As one of the site is of Kalpataru Properties Private Limited and some of these workers are working on the site, Kalpataru Properties Private Limited has been made a party. The matter is currently pending before the Industrial Court, Maharashtra at Mumbai.

3. Kundan Singh Mehra v. Kalpataru Properties Private Limited
   Complaint before the Deputy Labour Commissioner, Thane

Kundan Singh Mehra claims that he was wrongfully asked to work with Property Solutions Private Limited and he has therefore failed to report at the transferred place. He has amongst others, demanded to be work with Kalpataru Properties Private Limited or sought to paid Rs. 0.01 million alongwith back wages and benefits. Kalpataru Properties Private Limited has offered to pay him Rs.50,000 alongwith the provident fund, gratuity, bonus etc. The reconciliation proceedings failed and the matter has been referred to the Labour Court.

Litigation by Kalpataru Properties Private Limited

Civil proceedings

1. Kalpataru Properties Private Limited *v.* Majithia Nagar Co-operative Housing Society Limited
   Notice of Motion No. 2879 of 2009 in Suit No. 2408 of 2006 before the Bombay High Court

A tender was granted in favour of Kalpataru Properties Private Limited for the re-development of certain property measuring approximately 10, 872.60 sq. mts bearing C.T.S No. 444-A at Majithia Nagar, Kandivili, Mumbai together with 6 old buildings constructed in the year 1971. Subsequently, disputes arose between Majithia Nagar Co-operative Housing Society Limited ("**Majithi Society**") and Kalpataru Properties Private Limited due to certain demands made by Majithia Society. Kalpataru Properties Private Limited issued a notice under the provisions of the Maharashtra Co-operative Societies Act, 1960 giving an opportunity to Majithia Society to resolve the disputes. The new managing committee of Majithia Society, appointed through the administrator in an annual general meeting held in November 2006, refused to confirm the minutes of the prior annual general meeting of Majithia Society by which the members confirmed the allotment of the aforesaid tender in favour of Kalpataru Properties Private Limited. Kalpataru Properties Private Limited has filed this suit for specific performance against Majithia Society for not honouring its commitments. The matter is currently pending before the Bombay High Court.

2. Kalpataru Properties Private Limited *v.* Mohasinbhai Rassiwalla and Others
   Suit No. 852 of 1991 before the Bombay High Court

Kalpataru Properties Private Limited has filed this suit against Mohsinbhai Rassiwala and others, the owners of the property at Kurla, Mumbai, praying, amongst other things, for a declaration that there is a valid, binding and subsisting agreement for sale and supplemental agreement for specific performance thereof and other incidental reliefs including appointment of receiver. The matter is currently pending in the Bombay High Court.

3. Kalpataru Properties Private Limited *v.* M. Dhananjay and another
   Suit No. 2866 of 1995 before the Bombay High Court

Kalpataru Properties Private Limited has filed a suit against M. Dhananjay and Shravanti Minerals Private Limited alleging breach of a supply agreement dated July 23, 1992, and claiming refund of an amount of Rs. 1.05 million together with interest at the rate of 24% per annum on Rs. 0.85 million from the date of payment till realization. The matter is currently pending before the Bombay High Court.

4. Kalpataru Properties Private Limited *v*. Shree Ram Mills Limited & another
   Before the Learned Arbitral Tribunal comprising of Mr. Justice S.N. Variava (Retd.), Mr. Justice V.N. Khare (Retd.) and Mr. Rafique Dada (Senior Advocate)

Kalpataru Properties Private Limited (then known as Kalpataru Construction Overseas Private Limited has initiated this arbitration proceeding against Shree Ram Mills Ltd. (now known as Shree Ram Urban Infrastructure Ltd.) ("SRM"), Vijay Infrastructure Technologies Private Limited ("VIT") for specific performance of the MOU dated June 28, 2004 entered between Kalpataru Properties Private Limited, SRM and VIT. Pursuant to the MOU, SRM with the consent and concurrence of VIT, had agreed to grant, assign and convey to KPPL partly freehold and partly leasehold lands admeasuring in aggregate 20,955.40 square meters out of their larger property situate at G.M. Bhonsale Marg, Worli, Mumbai along with the exclusive right to utilize the FSI of the said property on the basis of the existing ratio of 1:1.33 i.e. net FSI of 3,00,000 square meters on the said property. Kalpataru Properties Private Limited is seeking specific performance of the MOU by SRM and VIT or in the alternative prayed for compensation in lieu of specific performance of the MOU. SRM has also made counterclaim against Kalpataru Properties Private Limited. The matter is currently pending before the Arbitral Tribunal.

Tax proceedings

1. Kalpataru Properties Private Limited *v.* MCGM

Kalpataru Properties Private Limited has been served special notices under Section 167 of the Mumbai Municipal Corporation Act revising the rateable value of Jash Chambers from Rs. 698,390 to Rs. 15,384,640 with effect from April 1, 2000, to Rs. 16,413,255 with effect from April 1, 2004 and to Rs. 16,987,860 with effect from April 1, 2008. Kalpataru Properties Private Limited has filed its objections against these notices which are pending for hearingand has been paying property tax in relation to Jash Chambers as per the old rateable value of Rs. 698,390. The disputed amount as on March 31, 2010 is Rs. 173,456,466.

2. Assessment Year 1999-2000

In the order dated December 31, 2007 giving effect to the ITAT order dated October 31, 2006 for AY 1999-2000 under Income Tax Act, 1961, the Assessing Officer, Mumbai did not accept the valuation of certain shares sold by Kalpataru Properties Private Limited and increased this amount by Rs. 2,500,000. The matter has been remanded back to the Commissioner of Income Tax (Appeals).

Litigation by Argos International Marketing Private Limited

Criminal proceedings

1. Argos International Marketing Private Limited *v.* Shrikant Wadegaonkar, Proprietor of Libra Biomol
   Case No.122/SS/2007 before the Metropolitan Magistrate Court, Ballard Pier, Mumbai

Argos International Marketing Private Limited (the "**Complainant**") has filed this case under section 138 of the Negotiable Instruments Act against Shrikant Wadegaonkar in relation to the dishonor of a cheque of Rs. 0.28 million issued by the accused as payment for goods supplied by the Complainant.This matter is currently pending before the Metropolitan Magistrate Court at Mumbai.

Civil proceedings

2. Argos International Marketing Private Limited *v.* Gateway Multichannel Retail (India) Limited
   Suit No. 2961 of 2008 before the Bombay High Court

Argos International Marketing Private Limited has filed this suit against Gateway Multichannel Retail (India) Limited (the "**Defendant**") before the Bombay High Court in relation to the trade mark 'Argos International' and 'Argos' against infringement of registered trademarks and passing off by the Defendant. Gateway Multichannel Retail (India) Limited was using the word 'ARGOS' in conjunction with Hypercity mall to sell their products. The suit is currently pending before the Bombay High Court.

Litigation by Hedavkar Mechanical Works Private Limited

Civil proceedings

1. Hedavkar Mechanical Works Private Limited *v.* UCO Bank
   Application No.4 of 2008 T. E. and R. Suit No. 85/95 of 2001 before the Small Causes Court at Bombay

A suit for eviction was filed by Hedavkar Mechanical Works Private Limited against UCO Bank for recovery of possession of the premises in the ground floor, admeasuring 3045 sq. ft of Kalaptaru Vatika (the "**Suit Premises**") which was decreed on November 12, 2003. Accordingly, UCO Bank has handed over possession of the suit premises to Hedavkar Mechanical Works Private Limited on August 5, 2005. Hedavkar Mechanical Works Private Limited has filed an application claiming *mesne* profits from UCO Bank. The matter is currently pending in the Small Causes Court at Bombay.

Litigation against Kalpataru Constructions Private Limited

Civil proceedings

1. Tej Pradip Dalal, Rikeen Pradip Dalal and Mandira Pradip Dalal *v.* Kalpataru Constructions Private Limited and Mukul Harkisondass
   R. A. and D. Suit No. 4238 of 1985 before the Small Causes Court at Bombay

Kalpataru Constructions Private Limited is the owner of the building known as 'Sohrab Minar' situated at 5 Charmichael Road, Mumbai. Tej Pradip Dalal, Rikeen Pradip Dalal and Mandira Pradip Dalal ("**Plaintiffs**") have filed this suit, amongst other things, for seeking a declaration that the Plaintiffs, along with Mukul Harkisondass are entitled to the tenancy rights for the premises on the ground floor of 'Sohrab Minar' and for a permanent injunction against Mukul Harkisondass from surrendering its tenancy rights to Kalpataru Constructions Private Limited. The suit was decreed in favour of the Plaintiffs by an ex-parte decree dated September 30, 2000. Mukul Harkisondass preferred a miscellaneous notice, praying for permission to defend the suit. Pursuant to a miscellaneous notice filed by Kalpataru Constructions Private Limited, the decree was set aside by an order dated September 30, 2000 passed by the Small Causes Court at Bombay. Kalpataru Constructions Private Limited has filed a written statement, stating amongst other things that the suit is barred by limitation. Mukul Harkisondass has filed an application seeking a stay of the proceedings. The matter is currently pending in the Small Causes Court at Bombay.

2. Ladharam Ahuja *v.* Seva Samiti Co-operative Society, Kalpataru Constructions Private Limited and Others
   Contempt Petition No. 164 of 2004 before the Bombay High Court

A contempt petition has been filed by Ladharam Ahuja against the Seva Samiti Co-operative Society and Kalpataru Constructions Private Limited. A contempt notice has been issued only against the Seva Samiti Co-operative Society. The heirs of Ladharam Ahuja have alleged that in spite of the directions of the Court, 3 shops each admeasuring 300 sq. ft. at Karmakshetra, Sion, Mumbai, have not been provided and reserved and hence there is a breach of the order dated May 9, 2003 passed by the Bombay City Civil Court. Kalpataru Constructions Private Limited has appealed the order dated May 9, 2003, passed by the Bombay City Civil Court on the ground that the Bombay City Civil Court has not taken into account the legal issues such as limitation period and pecuniary jurisdiction and that as per the terms of the Agreement dated May 15, 1983, executed between the Seva Samiti Co-operative Housing Society Limited and Kalpataru (Indo Saigaon) Construction Private Limited (now known as Kalpataru Constructions Private Limited), Seva Samiti Co-operative Housing Society Limited is liable to provide the 3 shops. The matter is currently pending in the Bombay High Court.

3. Prakash Anand Bhutani *v.* Sindhi Nagar Consumer Co-operative Society and Kalpataru Constructions Private Limited
   R.A.D. Suit No. 1647 of 2002 before the Small Causes Court at Bombay

Prakash Bhutani, who is in the business of running a Milk Centre, has filed a suit in the Small Causes Court for declaring himself as a tenant of the Sindhi Nagar Consumer Co-operative Society wherein Kalpataru Constructions Private Limited is also a party. The Milk Centre is owned by Sindhi Nagar Consumer Co-operative Society, who is the tenant of the Seva Samiti Co-operative Housing Society Limited. The dispute is between the members inter-se and the Seva Samiti Co-operative Housing Society Limited. Kalpataru

Constructions Private Limited has been made a party in its capacity as the developer. The matter is currently pending in the Small Causes Court at Bombay.

4. Kalpataru Habitat Co-operative Housing Society Limited *v.* Kalpataru Constructions Private Limited
RCS. 701/2005 before the Court of Civil Judge Senior Division, Pune

Kalpataru Habitat Co-operative Housing Society Limited ("**Plaintiff**") has filed this suit against Kalpataru Constructions Private Limited ("**Defendant**") on the ground that the Defendant must execute a separate conveyance of the portion of the land on which comprises the building for the society. The facts of this case were that a portion of the plot of land on which the Defendant was constructing the building was held to be in excess of limits prescribed under the Urban Land Ceiling Act. Subsequently, the Defendant paid premiums to the appropriate authority and purchased the excess portion and constructed 2 bungalows thereon. The Defendant offered to convey the building alongwith the bungalows to the Plaintiff which has been disputed by the Plaintiff. The matter is currently pending before the Court of Civil Judge Senior Division, Pune.

5. Notice No. MH/39151/PF/Enf.Zone/I/OID/271 dated March 31, 2008 issued by Assistant Commissioner of Provident Fund Organization

Assistant Commissioner of Provident Fund has issued this notice on March 31, 2008 against Kalpataru Constructions Private Limited under section 7a of the Provident Funds Enquiry Act, 1952.The enforcement officers have taken inspections of the books of accounts of Kalpataru Constructions Private Limited. No orders have been passed. The matter is currently pending before the Regional Commisioner.

Litigation by Kalpataru Constructions Private Limited

Tax proceedings

1. Assessment year: 1997-98

Pursuant to an order dated March 24, 2000 the Assessing Officer, Mumbai has disallowed the capitalization of interest income to work in progress of an amount of Rs. 13,363,209 for AY 1997-98. The ITAT has set aside the matter for reassessment with income tax officer by way of its order dated December 17, 2002. The Income Tax Department filed an appeal dated September 15, 2008 in the Bombay High Court in relation to the order of the ITAT. The matter is currently pending.

Civil proceedings

1. Kalpataru Constructions Private Limited *v.* Bhagwan Ladharam Ahuja and Others
First Appeal No. 2185/05 in L.C. Suit No.7318 of 1986 before the Bombay High Court

The Bombay City Civil Court has passed a decree dated May 9, 2003, against Kalpataru Constructions Private Limited directing them to provide shops and/or residential flats to the plaintiffs at Karmakshetra, Sion, Mumbai, against which an appeal has been preferred by Kalpataru Constructions Private Limited in the Bombay High Court. The appeal is on the ground that the Bombay City Civil Court has not taken into account the legal issues such as limitation period and pecuniary jurisdiction and that it is the liability vested with the society as per the terms of the Agreement dated May 15, 1983 executed between the Seva Samiti Co-operative Housing Society Limited ("**Seva Society**") and Kalpataru (Indo Saigaon) Construction Private Limited (now known as Kalpataru Constructions Private Limited). Kalpataru Constructions Private Limited preferred first appeal No. 2185 of 2005 along with civil application No. 4719 of 2003 for a stay against the decree dated May 9, 2003, passed by the Bombay City Civil Court directing Ladharam Ahuja and others to deposit an amount of Rs.0.24 million with the Seva Society pursuant to which the Seva Society and Kalpataru Constructions Private Limited were to give possession of the suit property to Ladharam Ahuja and others, amongst other things. The Bombay High Court has, by its order dated August 26, 2008, stayed the execution of the decree dated May 9, 2003. A civil application No. CA No 4871/2008 filed by the legal heirs of Ladharam Ahuja has been allowed by the Bombay High Court by its order dated January 25, 2010 for providing 3 shops, in aggregate admeasuring approximately 933 sq. ft. of carpet area at Karmakshetra, Sion, Mumbai, which are reserved under the order dated August 26, 2008, passed by the Bombay High Court. The Bombay High Court has directed to issue contempt against the Respondent.

2. Kalpataru Constructions Private Limited *v.* The Seva Samiti Co- operative Housing Society Limited

Arbitration before the Sole Arbitrator Shri Jai Chinai, Mumbai and Arbitration Petition No. 36 of 2002 before the High Court of Bombay

Kalpataru Constructions Private Limited has entered into a development agreement and a supplementary agreement both dated May 15, 1983 with the Seva Samiti Co-operative Housing Society ("**Seva Society**") whereby Kalpataru Constructions Private Limited was granted the right to developcertain leasehold lands at Sion, Mumbai granted by the Bombay Municipal Corporation (as the lessor) to the Seva Society (as the lessee). Disputes arose between the members of the Seva Society and Kalpataru Constructions Private Limited and it was alleged by Kalpataru Constructions Private Limited that the members of Seva Society are hindering/obstructing the construction activity in the property and that they are not co-operating in respect of procuring permissions and sanctions required from Municipal Authorities for the proposed development. Kalpataru Constructions Private Limited preferred arbitration petition No. 36 of 2002 before the Bombay High Court seeking interim relief's against the Respondent pending culmination of the arbitration proceedings. In the said arbitration petition No. 36 of 2002, the Claimant and Respondent entered into a memorandum of understanding dated August 20, 2002 and based on the same, minutes of order was drawn wherein it was stated that if the issues are not amicably settled within 30 days the same shall be referred to arbitration of Shri Jai Chinai. However, as the Respondent failed to comply with its obligations under the memorandum of understanding, the dispute was reffered to the arbitrator on March 20, 2003. On request of the Respondent and on the assurance that they would amicably resolve the issues, the proceedings were kept in abeyance and the Claimant continued to perform its obligations under the Agreement. However, due to the failure of the Respondent to adhere to the Agreement, the arbitration was restarted. Mr Jai Chinai has withdrawn as an arbitrator in the matter. Kalpataru Constructions Private Limited shall be making an application under Section 15 of the Arbitration Act before the Bombay High Court in due course. The arbitration proceedings are currently pending.

Litigation against Kalpataru Estates Private Limited

Civil proceedings

1. S. Khanna and Others *v.* Kalpataru Estate Private Limited and Others
   Revision Applications Nos. 3 and 4 of 2006 before the Small Causes Court at Bombay

Kalpataru Estates Private Limited has filed eviction proceedings against certain Gourdon & Co. before the Small Causes Court at Bombay. Two revision applications have been filed by certain S. Khanna and others challenging the common order dated September 20, 2005 passed by the Small Causes Court at Bombay rejecting their application for joining as necessary parties in the suits filed by Kalpataru Estates Private Limited against Gourdon & Co. The revision application has been dismissed. A writ petition is proposed to be filed in the Bombay High Court.

2. (i) V. N. Golwala & Co. *v.* Kalpataru Estate Private Limited and Others
   Appeal No.280 of 2007 in R.A.D No.1633 of 1997 before the Small Causes Court at Bombay

   (ii) Arunkumar Saboo & Co. *v.* Kalpataru Estates Private Limited and Others
   Appeal No.337 of 2007 in Suit No.1634 of 1997 before the Small Causes Court at Bombay

   (iii) Nagnar Traders *v.* Kalpataru Estates Private Limited and Others
   Appeal No.328 of 2007 in Suit No.1635 of 1997 before the Small Causes Court at Bombay

   (iv) M.H. Purandare and Others *v.* Kalpataru Estates Private Limited and Others
   Appeal No.329 in Suit No.1636 of 1997 before the Small Causes Court at Bombay

   M/s. Futnani & Co., was the tenant in respect of the premises on the ground floor situated at Kalpataru Chambers, Mumbai owned by Kalpataru Estates Private Limited, who sub-let the premises to V. N. Golwala & Co., Arunkumar Saboo & Co., Nagnar Traders, M.H. Purandare and others (the "**Entities**"). In an eviction suit filed before the Small Causes Court at Bombay, Kalpataru Estates Private Limited obtained a decree of eviction dated February 3, 1996 against M/s. Futnani & Co. The Entities inducted by M/s. Futnani & Co., filed suits claiming that they were deemed tenants, obstructing the execution of the decree dated February 3, 1996 and obtained injunction restraining Kalpataru Estates Private Limited from executing the decree dated February 3, 1996. All the suits were dismissed in the year 2007. The Entities have filed the appeals before the Small Causes Court at Bombay. These matters are currently pending before the Small Causes Court at Bombay.

Litigation by Kalpataru Estates Private Limited

Civil proceedings

1. Kalpataru Estates Private Limited *v.* Gourdon & Co.
R. A. E. and R. Suit No. 714/2236 of 1981, R. A. E. and R. Suit No. 715/2237 of 1981, R. A. E. and R. Suit No. 833/2242 of 1991 and R. A. E. and R. Suit No. 834/2243 of 1991 before the Small Causes Court at Bombay

Kalpataru Estates Private Limited has filed four suits for eviction from the premises on the ground floor situated at Kalpataru Chambers, Mumbai, against its original tenant, M/s. Gourdon & Co. and its partners. The first two suits have been filed for eviction on the grounds of non-payment of rent and non-user. The other two suits have been filed for eviction on the grounds of illegal sub-letting. These matters are currently pending before the Small Causes Court at Bombay.

2. (i) Kalpataru Estates Private Limited *v.* Phroze Framroze & Co. & others
R.A.E. Suit No. 563/849 of 2010 before the Small Causes Court at Bombay

(ii) Kalpataru Estates Private Limited *v.* Lakhia & Co. & others
R.A.E. Suit No. 564/850 of 2010 before the Small Causes Court at Bombay

(iii) Kalpataru Estates Private Limited *v.* Gourdon & Co. & others
R.A.E. Suit No. 851 of 2010 before the Small Causes Court at Bombay

(iv) Kalpataru Estates Private Limited *v.* Gourdon & Co. & others
R.A.E. Suit No. 565/852of 2010 before the Small Causes Court at Bombay

(v) Kalpataru Estates Private Limited *v.* Pankaj Agencies & others
R. A. E. and R. Suit No. 566/853 of 2010 before the Small Causes Court at Bombay

(vi) Kalpataru Estates Private Limited *v.* Somji & Co. & others
R. A. E. and R. Suit No. 567/854 before the Small Causes Court at Bombay

A notice has been issued by the Mumbai Municipal Corporation on November 6, 2009 for demolition of the structure Kalpataru Chambers, Mumbai under section 354 of the Mumbai Municipal Corporation Act. As the onus is on the landlord to vacate the premises and demolish the building and as the tenants are refusing to vacate, Kalpataru Estates Private Limited has filed these suits against the occupants seeking eviction from the premises. These matters are currently pending before the Small Causes Court at Bombay.

Litigation against Neo-Pharma Private Limited ("NPPL")

Civil proceedings

1. Kasturi & Sons Limited *v.* NPPL
R.A.E. Suit No.415/692 of 2000 before the Small Causes Court at Bombay

   Kasturi & Sons Limited, the owners have filed a suit for eviction in respect of three units of Kasturi Building, J. Tata Road, Mumbai, of which NPPL is a tenant. An injunction has been passed against NPPL restraining them from carving out any permanent construction on the suit premises.This matter is currently pending in the Small Causes Court at Bombay.

2. B. M. Sreenivasaiah and Lakshmidevamma Charities Trust *v.* Ragini Narayan and NPPL
R.A.D. Suit No.500 of 2005 before the Small Causes Court at Bombay

A suit has been filed by B. M. Sreenivasaiah and Lakshmidevamma Charities Trust, who has claimed rights in the property at Sion wherein NPPL is a tenant. The suit has been filed on the ground that NPPL is trying to create third party rights in the premises. The matter is being contested by NPPL alleging that B. M. Sreenivasaiah and Lakshmidevamma Charities Trust has no *locus standi*. This matter is currently pending before the Small Causes Court at Bombay.

3. Ragini Businayaninarayan *v.* NPPL and Kalpataru Builders
   R.A.E. Suit No.916/1595 of 2008 before the Small Causes Court at Bombay

A suit has been filed Ragini Businayaninarayan on the grounds of, amongst other things, sub-letting of a premises by NPPL to Kalpataru Builders. It is also alleged that Kalpataru Builders has undertaken unauthorized structural changes to the suit premises. It is being avered by Kalpataru Builders that they have been been wrongly impleaded as a defendant to the suit and they are not in any way concerned with the suit property This matter is currently pending in the Small Causes Court at Bombay.

4. Kamgar Utkarsha Sabha *v.* NPPL and other
   Writ Petition No. 3100 of 2002 before the Bombay High Court

A writ petition has been filed by Kamgar Utkarsha Sabha against NPPL, challenging the settlement award between the workers and the management by order dated October 21, 2002 passed by the Industrial Court in Complaint (ULP) No. 969 of 1999. This matter is currently pending before the Bombay High Court.

Tax proceedings

5. Appeal No. 2431/2007 for Assessment Year 1997-98 by the Income Tax Department against NPPL before the Bombay High Court

   and

6. Appeal No. 2432/2007 for Assessment Year 1997-98 by the Income Tax Department against NPPL before the Bombay High Court

The Assessing Officer, Mumbai by its order dated March 29, 2000 and March 28, 2001 disallowed the interest expenses being an amount of Rs.66,52,109/- for A. Y. 1997-98 Rs.56,25,000/- for A. Y. 1998-99 under the Income Tax Act respectively. NPPL filed an appeal on April 28, 2000 for A. Y. 1997-98 and May 3, 2001 for A. Y. 1998-99 with the Commissioner of Income Tax (Appeal). Pursuant to which an order dated March 12, 2003 for A. Y. 1997-98 and March 21, 2003 for A. Y. 1998-99 was issued in favour of the Assessee Company. In response to this order, the Income Tax Department filed an appeal dated June 13, 2003 with the ITAT. The ITAT passed the order dated June 4, 2007 in favour of the Assessee Company. The Income Tax Department has filed two appeals with the Bombay High Court (No.2432/2007 for the AY 1997-98 and No. 2431/2007 for AY 1998-99) both dated October 16, 2007. The matters are currently pending.

Notices received by NPPL

7. National Pharmaceutical Pricing Authority *v.* NPPL
   F. No. 17(189) 2009/Div.IV/NPPA before the National Pharmaceutical Pricing Authority at New Delhi

A show-cause notice has been issued to NPPL for alleged overcharging for Salbutamol based formulations relating to the period April 1998 to November 1998. Subsequently, a hearing took place on October 6, 2009 before the National Pharmaceutical Pricing Authority at New Delhi. The matter has currently been reserved for orders.

Litigation by NPPL

Civil proceedings

1. NPPL v. MCGM
   Writ Petition No. 1709 of 2010 before the Bombay High Court

and

2. NPPL v. MCGM
   Municipal Appeal No. M82/2010 before the Small Causes Court, Mumbai

NPPL received a special notice dated January 28, 2009 under Section 167 of the Mumbai Municipal Corporation Act issued by the MCGM revising the rateable value of Kalpataru Synergy from Rs. 8,419,555 to Rs. 64,021,405 with effect from April 1, 2008. NPPL filed its objection dated February 10, 2009, pursuant to which the Assessor & Collector, MCGM passed an order dated March 15, 2010 determining the rateable value as Rs 42,481,715 with effect from April 1, 2008 to October 15, 2008, Rs. 36,888,860 with effect from October 16, 2008 to April 16, 2009 and Rs. 3,27,63,310 with effect from April 17, 2009. An Appeal dated March 26, 2010 has been filed in the Court of Small Causes at Mumbai in relation to the order passed by the Assessor & Collector, MCGM. Further, a Writ Petition No. 1709 of 2010 has been also filed by NPPL before the Bombay High Court. The appeal and writ petition are currently pending. The disputed amount as on March 31, 2010 is Rs. 64,764,208.

Tax Proceedings

3. Assessment Years: 1993-94 to 1998-99

During the assessment proceeding for AY 1993-94 to 1998-99 under the Wealth Tax Act, 1957, the Assessing Officer, Mumbai valued the land at Kandivali (East) as detailed below. NPPL had filed an appeal with the Commissioner of Income Tax (Appeals) pursuant to which an order dated March 21, 2003 was passed by the Commissioner of Income Tax (Appeals) valuing the land as detailed below:

AY	Valued by Assessing Officer, Mumbai	Valued by CIT (A)
1993-94	83,953,440/-	36,523,500/-
1994-95	91,956,440/-	27,932,600/-
1995-96	116,927,700/-	27,932,600/-
1996-97	118,462,700/-	32,871,000/-
1997-98	121,318,000/-	32,871,100/-
1998-99	122,161,700/-	32,871,100/-

The Assessee Company has paid the amounts in relation to the aforesaid assessment years on the basis of the revised valuation of land by the Commissioner of Income Tax (Appeals). The Income Tax Department filed an appeal against the order given by the Commissioner of Income Tax (Appeals) with the Income Tax Appellate Tribunal (**"ITAT")** pursuant to which the Assessee Company filed a cross objection, dated October 29, 2003 with the ITAT. By way of an order dated March 3, 2004, the matter has been set aside by the ITAT with the Commissioner of Income Tax (Appeals).

Litigation involving Shree Shubham Logistics Limited ("SSLL")

Litigation by SSSL

Civil proceedings

1. SSLL *v.* the Board of Revenue and others
   S.B. Civil Writ Petition No. 5613 of 2009 before the High Court of Rajasthan

Shree Shubham Logistics Limited ("**SSLL**") had purchased industrial land from Jagdev Singh, Satyadev Singh, Sukhvir Singh and Lalita Devi (collectively referred to as the "**Sellers**"). On September 17, 2007, an application under section 42 read with sections 175 and 177 of the Rajasthan Tenancy Act, 1955 was submitted by the Tehsildar, Alwar before the Sub-Divisional Officer, Ramgarh, alleging that the land purchased by SSLL belonged to a scheduled cast and that the land was acquired with the intention of sale to a non-reserved category. It was therefore prayed that the land in question revert back as 'government land'. The Sub-Divisional Officer by way of its order dated February 5, 2008 declared the land to be government land without giving notice to SSLL or the Sellers. SSLL appealed to the Revenue Appellate Authority, Alwar, in relation to the aforesaid order of the Sub-Divisional Officer. The Revenue Appellate Authority, Alwar by way of its order dated August 20, 2008 upheld the order of the Sub-Divisional Officer. Subsequently, SSLL filed an appeal on March 19, 2009, in relation to the order of the Revenue Appellate Authority before the Division Bench, Revenue Board, Ajmer, pursuant to which the Division Bench, Revenue Board, Ajmer by way of its order dated April 1, 2009 upheld the order of the Revenue Appellate Authority. SSLL has filed an appeal before the High Court of Rajasthan. The High Court of Rajasthan, by way of an interim order dated May 11, 2009 has ordered maintenance of a status quo on the land.

Litigation against SSSL

Civil proceedings

1. M/s Ganpat Singh and Company and Another v. State of Rajasthan and Others
S.B. Civil Writ Petition No. 6029/2010 before the Rajasthan High Court

This writ petition was filed by M/s Ganpat Singh and Company and another (the "**Petitioner**") against Shree Shubham Logistics Limited ("**SSLL**") amongst others praying for a writ of mandamus on the ground that the cancellation of the bid of the Petitioners in relation to the tenders invited by the Rajasthan State Agricultural Marketing Board for the operation and management of cold storage facility at Jodhpur was violative of the principles of natural justice as no notice of such cancellation was served on them. The High Court, vide an ex parte order dated April 28, 2010 stayed the grant of the work order by Rajasthan State Agricultural Marketing Board to SSLL. A reply to the writ petition has been filed by SSLL as well as Rajasthan State Agricultural Marketing Board. The matter is currently pending in the Rajasthan High Court.

2. Rajmata Vijyaraje Sindhiya Krishi Upaj Mandi Samiti, Jodhpur v. State of Rajasthan and Others
S.B. Civil Writ Petition No. 5363/2010 before the Rajasthan High Court

This writ petition has been filed by Rajmata Vijyaraje Sindhiya Krishi Upaj Mandi Samiti, Jodhpur (the "**Petitioner**") against the Rajasthan State Agriculture Marketing Board ("**RSAMB**") challenging the title of the land where a cold storage facility was being built as per a tender awarded to Shree Shubham Logistics Limited ("**SSLL**") by RSAMB. The petitioners contented that as per the Land Allotment Policy of 2005, the Petitioner's alone have the right to allot the land via lottery system. The High Court of Rajasthan, vide an ex parte order dated June 4, 2010 stayed the construction of the cold storage. Subsequently, the stay order was vacated and the construction of the cold storage has been resumed by SSLL. SSLL has filed a caveat with the High Court and the petition is currently pending.

3. Shree Shubham Logistics Limited v. the Board of Revenue and others
S.B. Civil Writ Petition No. 5613/2009 before the High Court of Jaipur

This writ petition has been filed by Shree Shubham Logistics Limited ("**SSLL**") in the High Court, Jaipur alleging violation of the natural justice principle of audi alteram partem when the purchase of land by SSLL from the then owners was questioned by the Board of Revenue. The High Court passed an interim order for maintaining status quo with respect to the land. The writ petition is currently pending and the next date for hearing is in October, 2010.

4. Bhandari Brothers v. Kailash Agarwal and Others
DV No. 10/2010 before the Additional Judge, Kota

Bhandari Brothers (the "**Plaintiffs**") have filed this civil suit seeking an interim injunction and the payment of a sum of money due allegedly as payment for purchase of goods from the mandi by B.R. Industries and Kailash Agarwal (the "**Defendants**"). Shree Shubham Logistics Limited ("**SSLL**") has been made a party to the suit as the purchased goods were stored in their warehouse. Pursuant to an interim order passed by the Additional Judge, Kota, SSLL furnished details of the goods stored to the court. Subsequently, the injunction application filed by the Plaintiff was rejected by the court but the claim for payment of alleged dues is pending.

Litigation by M/s. Hillcrest Constructions

Civil proceedings

1. M/s. Hill Crest Constructions *v.* Zenith Birla (India) Limited
Mesne Profit for Misc Application No. 3 of 2008in T. E. and R. Suit No. 24/25 of 2001 before the Small Causes Court at Bombay

An eviction suit has been filed against Zenith Limited for certain premises at Hill Crest Building, Gopalrao Deshmukh Marg, Mumbai, wherein a decree has been passed on August 14, 2007 against Zenith Limited and Zenith Limited was directed to hand over vacant possession of the premises to the Plaintiffs. The court also ordered and directed inquiry in respect of mesne profits under October 20, Rule 12 of C.P.C from the date of termination of tenancy till the realization of vacant possession. Zenith Limited has handed over possession of the premises to the plaintiffs. Zenith Limited is liable to pay mesne profits from December 1, 2000. This matter is currently pending before the Small Causes Court at Bombay.

Litigation against M/s. Kalpataru Builders (Pune)

Civil proceedings

1. Shridhar Kadam *v.* Jehangir Patel, Zenobia Jahangir Patel and Kalpataru Builders
   Appeal No.64 of 2005 in R.A.D. Suit No. 318 of 1993

The Trial Court has passed an order dated October 25, 2004 in favour of M/s. Kalpataru Builders and has dismissed the suit filed by Shridhar Kadam for declaration as a tenant of certain premises at Hill Crest Building, Gopalrao Deshmukh Marg, Mumbai. Shridhar Kadam has preferred this appeal against the order dated October 25, 2004. This matter is currently pending in the Small Causes Court, Mumbai.

2. Notice No. MH/39155/PF/Enf.Zone/I/OID/268 dated March 31, 2008 issued by Assistant Commissioner of Provident Fund Organization

Assistant Commissioner of Provident Fund has issued this notice on March 31, 2008 against Kalpataru Builders under section 7a of the Provident Funds Enquiry Act, 1952.The enforcement officers have taken inspections of the books of accounts of Kalpataru Builders. No orders have been passed. The matter is currently pending before the Regional Commisioner.

Litigation by M/s. Kalpataru Builders (Pune)

Civil proceedings

1. Ibrahim H.M. Haji Jana Mohammed Chotani and Others *v.* The Official Assignee of Bombay
   Suit No. 208/50 (Ch. Sms. 627/06)

Kalpataru Builders (Pune) has 25% share in the property at Yerawada, Pune. A chamber summons has been taken out by a certain Bishop Education Society alleging, amongst other things, that they have a right in part of the property and that the Court Receiver be restrained from putting up a fence in respect of part of the property. This matter is currently pending before the Bombay High Court.

Litigation in respect of WRM Land – Kalpataru Alura

Civil proceedings

1. WRM Private Limited v. Hindustan Petroleum Corporation Limited
   T.E.&R. Suit No.20 / 20 of 2003 before the Court of Small Causes

This suit has been filed by WRM Private Limited ("**Plaintiff**") against Hindustan Petroleum Corporation Limited ("**Defendant**") in respect of the land admeasuring 1830.29 sq. mtrs at Bhandup on the ground that the Defendant company has a paid up capital of Rs. 10 million and therefore, not protected under the Rent Control Act and liable to be evicted, and from the date of termination of tenancy, liable to pay mesne profit. The Plaintiff has granted development rights to Kiyana Properties Private Limited under development-cum-sale agreement dated August 5, 2010. The suit has been filed by the Examination-in-chief of the Plaintiffs. This matter is currently pending in the Court of Small Causes.

Litigation in respect of Kalpataru Riverside

Civil proceedings

1. Namdeo Maruti Mhatre *v.* Adamji Y. Jasdanwalla and Ors
   Special Civil Suit No. 37 of 2003 before the Civil Judge (Senior Division) Panvel

Namdeo Maruti Mhatre ("**Plaintiff**") has filed this suit against Adamji Y. Jasdanwalla and others who are predecessors in title to the land purchased by M/s. Kalpataru + Shrayans ("**Defendants**") on the ground that his father (since deceased) was a protected tenant of the land bearing S. No. 429A, which has been purchased by M/s. Kalpataru + Shrayans by a conveyance deed from the Defendants in the year 1995. Further, the Plaintiff has prayed for an injunction against dispossessing the land and for injunction. No restraining orders have been passed in the said Suit. This matter is currently pending before the Civil Judge (Senior Division) Panvel.

2. Namdeo Maruti Mhatre *v.* Adamji Y. Jasdanwalla and Ors
   Tenancy Revision Application No. 2 of 1999 before the Court of Tehsildar at Panvel

Namdeo Maruti Mhatre and another have filed this application against Adamji Y. Jasdanwalla and others who are predecessors in title to the land purchased by M/s. Kalpataru + Shrayans in respect of land bearing S. No. 429A amongst other things, claiming that they have been illegally dis-possessed from the said agricultural land and that part of the said land has been transferred to a non-agriculturist. Tehsildar by his order dated September 30, 2003 rejected the said application against which Namdeo Mhatre has filed an appeal (no. 5 of 2004) before the Sub-Divisional Officer, Panvel, which was dismissed on April 22, 2010. Namdeo Mhatre has filed a revision application before Additional Collector Alibaug. No orders have been passed. The said revision application is currently pending before Additional Collector Alibaug.

3. Namdeo Maruti Mhatre *v.* Adamji Y. Jasdanwalla and Ors
   RTS Revision Application No. 16 of 2005 in the Court of Sub-Divisional Officer at Panvel

Namdeo Maruti Mhatre has filed this appeal against Adamji Y. Jasdanwalla and others in respect to S.No. 429A, amongst other things, claiming that an agricultural land cannot be sold to a non-agriculturist without the permission of the Collector and since the said land has been sold without such permission, the mutation entry in respect thereof may be cancelled. The said appeal has been dismissed on April 22, 2010. Namdeo Mhatre has filed a revision application before Additional Collector Alibaug. No orders have been passed. The said revision application is currently pending before Additional Collector Alibaug.

4. Namdeo Maruti Mhatre *v.* Adamji Y. Jasdanwalla and Ors
   Tenancy Application No. TMC/SR/326 of 2007 before the Agricultural Land Tribunal at Panvel

Mr. Namdeo Maruti Mhatre has filed a tenancy application under section 32G of Bombay Tenancy & Agricultural Lands Act 1948 against Adamji Y. Jasdanwalla and others in respect of land bearing S. No. 429A, amongst other things stating that he is a protected tenant and a deemed purchaser of the said land and that purchase price may be determined by the Tribunal. No orders have been passed. The said application is pending before the Agricultural Land Tribunal at Panvel.

5. Shankar Rama Shellar & others *v.* Adamji Y. Jasdanwalla and Kalpataru + Shryans
   Regular Civil Suit No. RCS 207/2007 before the Court of Civil Judge (Senior Division), Panvel

Shankar Rama Shellar & others have filed a suit against Adamji Y. Jasdanwalla and Kalpataru + Shryans, claiming agricultural tenancy rights amongst other things relating to land bearing S. No. 441/1, 441/2, 441/3, 771/2B. Further, the Plaintiff has prayed for an injunction against dispossessing the land and for injunction. No restraining orders have been passed in the said Suit. This matter is currently pending before the Court of Civil Judge (Senior Division), Panvel.

Criminal proceedings

1. Shankar Rama Shellar & others *v.* Adamji Y. Jasdanwalla and others
   Criminal Complaint No. 238/2008 before the Judicial Magistrate, Panvel

Shankar Rama Shellar has filed a criminal complaint against Adamji Y. Jasdanwalla and others who are predecessors in title to the land purchased by M/s. Kalpataru + Shrayans under Indian Penal Code and The Scheduled Caste and The Scheduled Tribe (Prevention of Atrocities) Act, 1989 alleging that he has been illegally deprived use of the land bearing No. 441/1, 441/2, 441/3, 771/2B etc. The Magistrate has issued a process against Adamji Y. Jasdanwalla and others. The land involved in the said criminal complaint is relating to a part of the conveyance deed between Adamji Y. Jasdanwalla and others and Kalpataru + Shryans. No orders have been passed. The complaint is pending before the Judicial Magistrate, Panvel.

GOVERNMENT APPROVALS

In view of the approvals listed below, our Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. For further details in connection with the regulatory and legal framework within which we operate, please see "Regulations and Policies" on page 181.

APPROVALS FOR PROJECTS

We require various approvals to carry on our construction and development activities. We have undertaken and/or are in the process of developing various projects, which can be divided into the following segments:

A. Residential;
B. Commercial;
C. Retail; and
D. Hospitality

The projects are being developed on freehold land owned by us or on leasehold land in respect of which leasehold rights are held by us. Also, some of our projects are being developed under development and/or joint development agreements.

In relation to the projects undertaken, we have obtained and in some cases are in the process of obtaining the following government approvals:

- Layout plan approval: This is required for projects having more than one building and for all plots under development having plot area more than 1000 sq.mtrs. This gives approval to layout of design and zoning of various areas on plot *i.e.*, roads, recreation areas, buildings etc.

- IOD - This is given for each individual proposed building on any plot. This gives approval to a detailed plan for that building thereby finalizing all the detail parameters of that particular building, along with conditions to be complied.

- CC - This gives permission to commence the work on site.

- Further CC - This is issued after completion of the plinth of any building or stilt slab where the building comprises stilt and upper floors or to the extent as may be mentioned therein. This permits commencement of work on the upper floors to the terrace of the building unless specified otherwise.

- NOC granted by the Chief Fire Officer ("**Fire NOC**") - This NOC is granted in respect of buildings which would exceed 24 metres of height. It is also granted for special buildings of any height.

- OC - This is issued after the entire construction work on site is completed and the structure is fit for occupancy by complying with all the conditions.

- NA Order/change of land use permission/conversion order/NOC for residential/commercial use (nomenclature changes in accordance with the city in which the project is based).

- Environmental clearance from the MoEF, Government of India is required as per current norms for projects with built-up area of 20,000 sq. mtrs. or more (but less than 1,50,000 sq. mtrs.).

- In addition, we may require certain project specific approvals on the basis of location and specific parameters of the project in respect of development of buildings.

Typically, an IOD is granted in the initial stages of a project and is valid for a period of one year. This IOD may be revalidated on a yearly basis. If during this period, a CC is obtained and the same is duly revalidated, the IOD is deemed to be valid. Although some of the approvals disclosed in the Draft Red Herring Prospectus are shown to have been expired, these approvals have been superseded by fresh / amended approvals disclosed in the same section. In respect of some of the buildings, OCs have also been issued. In such an event, the expiry of validity of IODs / CCs is of no relevance.

1. Kalpataru Square (Commercial project)

This project has been developed by our Company and is a Completed Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
Commercial Building					
1.	OC	CE/8807/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	December 11, 2008	Not applicable.
Amenity Building					
2.	OC	CE/9085/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	August 4, 2008	Not applicable.
Club House					
3.	OC	CE/9200/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	November 28, 2008	Not applicable.

2. Korum (Retail project)

This project has been developed by Kalpataru Retail Ventures Private Limited and is a Completed Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	OC	V.P.No.93150 TMC/TDD/838	TMC, Thane	March 26, 2010	Not applicable.

3. Kalpataru Aura (Residential project)

This project is being developed by our Company and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NOC for commercial/ residential use	CHE/1837/DPES	Executive Engineer, Development Plan, MCGM	March 16, 2004	Not applicable.
2.	NOC for commercial/ residential use	CHE/920/DPES	Executive Engineer, Development Plan, MCGM	September 22, 2005	Not applicable.
3.	Environmental clearance for residential complex	21-40/2008-IA III	GOM, MoEF	August 18, 2009	August 17, 2014
4.	Approval for layout	CE/396/BPES/LON	Executive Engineer, Building Proposals(ES), MCGM	June 4, 2004	Not applicable.
5.	Amended approval for layout	CE/396/BPES/LON	Executive Engineer, Building Proposals(ES), MCGM	December 7, 2005	Not applicable.
6.	Environmental Clearance	J.12011/20/2005-IA(CIE)	GOI, MOEF	October 27, 2005	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
7.	Amended approval for layout	CE/396/BPES/LON	Executive Engineer, Building Proposals(ES), MCGM	December 15, 2004	Not applicable.
8.	NA Order	C/Desk-IID/LND/NAP/SRK-993	Collector, Mumbai Suburban District	March 13, 2006	Valid until cancelled
9.	Amended approval for layout	CE/396/BPES/LON	Executive Engineer, Building Proposals(ES), MCGM	October 18, 2006	Not applicable.
10.	Amended approval for layout	CE/396/BPES/LON	Executive Engineer, Building Proposals(ES), MCGM	March 20, 2010	Not applicable.
Building No. 1					
1.	Part Occupation Certificate for wings A to E.	CE/6382/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	June 1, 2010	Not applicable.
2.	Full OC	CE/6382/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	July 2, 2010	Not applicable.
Building No. 2					
1.	OC	CE/6288/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	December 8, 2009	Not applicable.
Building No. 3					
1.	IOD	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	December 22, 2006	Not applicable.
2.	CC	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	January 15, 2007	Valid for a period of one year from the date of issue and renewable every year. Last CC valid up to January 14 2011.
3.	Fire NOC	FBM/S/507/351	Chief Fire Officer, Mumbai Fire Brigade	August 22, 2007	Not applicable.
4.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	August 23, 2007	Not applicable.
5.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	November 30, 2007	Not applicable.
6.	Approval for the	CE/6383/BPES/AN	Executive Engineer, Building	April 3, 2008	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
	amended plan for construction		Proposals(ES), MCGM		
7.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	May 14, 2008	Not applicable.
8.	Fire NOC	FBM/S/508/787	Chief Fire Officer, Mumbai Fire Brigade	September 22, 2008	Not applicable.
9.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	May 5, 2009	Not applicable.
10.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	June 12, 2009	Not applicable.
11.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	September 2, 2009	Not applicable.
12.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	December 17, 2009	Not applicable.
13.	Fire NOC	FB/HR/ES/310	Chief Fire Officer, Mumbai Fire Brigade	December 23, 2009	Not applicable.
14.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	February 18, 2010	Not applicable.
15.	Approval for the amended plan for construction	CE/6383/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	April 22, 2010	Not applicable.
16.	Fire NOC	FB/HR/ES/173	Chief Fire Officer, Mumbai Fire Brigade	July 15, 2010	Not applicable.
Amenity Building					
1.	OC	CE/6406/BPES/AN	Executive Engineer, Building Proposals(ES), MCGM	February 27, 2009	Not applicable.
Club House No. 1					
1.	OC	CE/2700/Misc./AN	Executive Engineer, Building Proposals(ES), MCGM	December 8, 2009	Not applicable.
Club House No. 2					
1.	IOD	DyCE/2837/BPES/Misc./AN	Executive Engineer, Building Proposals(ES), MCGM	February 18, 2008	Not applicable.
2.	CC	CE/2837/BPES/Misc./AN	Executive Engineer, Building Proposals(ES), MCGM	March 24, 2008	Valid for a period of one year from the date of issue

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
					and renewable every year. Last CC valid up to March 23, 2011.
3.	Approval for the amended plan for construction	CE/2837/BPES/Misc./AN	Executive Engineer, Building Proposals, MCGM	February 4, 2010	Not applicable.
4.	Approval for the amended plan for construction	DyCE/2837/BPES/Misc./AN	Executive Engineer, Building Proposals, MCGM	June 9, 2010	Not applicable.
Temple					
1.	IOD	CE/6493/BPES/AN	Executive Engineer, Building Proposals, MCGM	March 17, 2009	Not applicable.
2.	Fire NOC	FBL/S/409/2692	Chief Fire Officer, Mumbai Fire Brigade	April 8, 2009	Not applicable.
3.	CC	CE/6493/BPES/AN	Executive Engineer, Building Proposals, MCGM	May 11, 2009	Valid for a period of one year from the date of issue and renewable every year. Last CC valid up to 10 May, 2011.

4. Kalpataru Edge (Commercial project)

This project is to be developed by our Company and is a Forthcoming Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NA Order (Part plot)	ADC/LND/E-1932	Addl. Dist. Dy.Collector, Mumbai Suburban District	January 13, 1995	Not applicable.
2.	Approval for layout cum amalgamation cum subdivision of plots	CE/761/BSII/LOHEN	Executive Engineer, Building Proposals(WS), MCGM	March 20, 2007	Not applicable.
3.	Amended approval for	CE/761/BSII/LOHEN	Executive Engineer, Building Proposals(WS),	June, 26, 2008	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
	layout cum amalgamation cum subdivision of plots		MCGM		
4.	IOD for IT building on plot 'A'	CE/2597/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	August 7, 2008	August 6, 2011
5.	IOD for IT building on plot 'B'	CE/2598/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	August 7, 2008	August 6, 2011
6.	Amended approval for layout cum amalgamation cum subdivision of plots	CE/761/BSII/LOHEN	Executive Engineer, Building Proposals(WS), MCGM	September 15, 2008	Not applicable.

5. Kalpataru Elan (Residential project)

This project is being developed by Ardour Real Estate Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Environmental clearance	J-12011/33/2006-IA.III	GoI, MoEF	October 4, 2006	Not applicable.
2.	Approval for layout cum amalgamation cum subdivision of plots approval	EB/8149/FS/AL	Executive Engineer, Building Proposals(City), MCGM	September 2, 2005	Not applicable.
3.	Amended approval for layout cum amalgamation cum subdivision of plots	EB/8149/FS/AL	Executive Engineer, Building Proposals(City), MCGM	December 12, 2005	Not applicable.
4.	Amended approval for layout cum amalgamation cum subdivision of plots	EB/8149/FS/AL	Executive Engineer, Building Proposals(City), MCGM	February 28, 2006	Not applicable.
5.	Amended approval for layout cum amalgamation cum subdivision of plots	EB/8149/FS/AL	Executive Engineer, Building Proposals(City), MCGM	May 21, 2008	Not applicable.
6.	Amended approval for layout cum amalgamation cum subdivision of plots	EB/8149/FS/AL	Executive Engineer, Building Proposals(City), MCGM	December 16, 2009	Not applicable.
Building No. 1					
1.	Fire NOC	FBM/509/250-City	Chief Fire Officer, Mumbai Fire Brigade	October 12, 2009	Not applicable.
2.	IOD	EB/1328/FS/A	Executive Engineer, Building	November 23, 2009	Not Applicable

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Proposals(City), MCGM		
3.	CC	EEBPC/1328/FS/A	Executive Engineer, Building Proposals(City), MCGM	March 5, 2010	March 4, 2011
Building No. 2					
1.	IOD	EB/1626/FS/A	Executive Engineer, Building Proposals(City), MCGM	December 17, 2008	Not applicable.
2.	CC	EEBPC/1626/FS/A	Assistant Engineer, Building Proposals(City), MCGM	July 17, 2010	July 16, 2011
Government Building					
1.	OC	EEBPC/1161/FS/A	Executive Engineer, Building Proposals(City), MCGM	February 23, 2007	Not applicable.

6. Kalpataru Pristine (Residential project)

This project is to be developed by our Company and is a Forthcoming Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NA Order	DLN/LND/A8594	Collector, Mumbai Suburban District	June 19, 1962	Valid until cancelled.
2.	N.A. Order	ADCLNDC 8594	Add. Dist. Dy. Collector, Mumbai Suburban District.	January 18, 1972	Not applicable.
3.	NOC for commercial/ residential use	CHE/2207/DPES	Chief Engineer, Development Plan, MCGM	November 22, 2005	Not applicable.
4.	Amended approval for layout cum amalgamation cum subdivision of plots	CE/584/BPES/LOT	Executive Engineer, Building Proposals(ES), MCGM	April 1, 2006	Not applicable.
5.	Amended I to C permission	CHE/225/DPES	Chief Engineer, Development Plan, MCGM	August 16, 2007	Not applicable.
6.	Amended approval for layout cum amalgamation cum subdivision of plots	CE/584/BPES/LOT	Executive Engineer, Building Proposals(ES), MCGM	October 9, 2007	Not applicable.
Building No. 1					
7.	IOD	CE/4901/BPES/AT	Executive Engineer, Building Proposals(ES), MCGM	September 8, 2006	Not applicable.
8.	CC	CE/4901/BPES/AT	Executive Engineer,	June 14,	Valid for

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Building Proposals(ES), MCGM	2007	a period of one year from the date of issue and renewable every year. Last CC valid up to June 13, 2011.
9.	Amended building plans.	CE/4901/BPES/AT	Executive Engineer, Building Proposals(ES), MCGM	November 26, 2007	Not applicable.
10.	Fire NOC	FBM/S/507/214	Chief Fire Officer, Mumbai Fire Brigade	December 24, 2007	Not applicable.

7. Kalpataru Sparkle (Redevelopment project)

This project is to be developed by Kalpataru Enterprises and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Environmental clearance for residential/commercial complex	J-12011/78/2006-IA.III	GOI, MoEF	November 6, 2006	Not applicable.
2.	Fire NOC	FBM/S/505/980	Chief Fire Officer, Mumbai Fire Brigade	January 25, 2006	Not applicable.
3.	IOD	CE/2341/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	February 15, 2008	Not applicable.
4.	CC	CE/2341/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	October 1, 2008	September 30, 2010
5.	Fire NOC	FBM/508/1087	Chief Fire Officer, Mumbai Fire Brigade	November 20, 2008	Not applicable.
6.	Fire NOC	FB/HR/WS/802	Chief Fire Officer, Mumbai Fire Brigade	December 9, 2009	Not applicable.
7.	Amended plans	CE/2341/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	December 17, 2009	Not applicable.

8. Nandalaya (Redevelopment project)

This project is being developed by our Company and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	IOD	CE/9408/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	August 26, 2008	Not applicable.
2.	Fire NOC	FBM/S/508/992	Chief Fire Officer, Mumbai Fire Brigade	October 17, 2008	Not applicable.
3.	CC	CE/9408/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	November 3, 2008	November 2, 2010
4.	Fire NOC	FBM/S/508/1375	Chief Fire Officer, Mumbai Fire Brigade	January 22, 2009	Not applicable.
5.	Amended plan	CE/9408/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	April 8, 2009	Not applicable.
6.	Amended plan	CE/9408/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	September 19, 2009	Not applicable.
7.	Amended plan	CE/9408/WS/AK	Executive Engineer, Building Proposals(WS), MCGM	March 6, 2010	Not applicable.

9. Siddhachal Phase VI, Building 3A and 3B (Residential project)

This project is being developed by Kalpataru Properties (Thane) Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
		Building 3A			
1.	OC	V. P. No. 2001/121/TMC/TDD/697	Town Development Department, Thane Municipal Corporation, Thane.	January 29, 2009	Not applicable.
		Building 3B			
1.	Fire NOC	Ref./T.M.C./C.F.O./M-1757	Chief Fire Officer, Fire Brigade, Thane	March 19, 2002	Not applicable.
2.	NA Order	NO.MAHASUL/K-1/T-1/NAP/SR/102/2002	Collector Office, Thane	October 17, 2002	Valid until cancelled.
3.	Amended permission/CC	V. P. No. 2001/121/TMC/TDD/667	Town Development Department, Thane Municipal Corporation, Thane.	May 28, 2003	May 27, 2004
4.	Amended permission/CC	V. P. No. 2001/121/TMC/ TDD/4138	Town Development Department, Thane Municipal Corporation, Thane.	January 21, 2004	January 20, 2005
5.	Amended permission/CC	V. P. No. 2001/121/TMC /TDD/5221	Town Development Department, Thane Municipal	February 18, 2005	February 17, 2006

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Corporation, Thane.		
6.	Amended permission/CC	V. P. No. 2001/121/TMC/TDD/191	Town Development Department, Thane Municipal Corporation, Thane.	March 17, 2006	March 16, 2007
7.	Fire NOC	Ref./T.M.C./C.F.O./M-595	Chief Fire Officer, Fire Brigade, Thane	July 4, 2006	Not applicable.
8.	Amended permission/CC	V. P. No. 2001/121/TMC/TDD/483	Town Development Department, Thane Municipal Corporation, Thane.	November 1, 2006	October 31, 2007
9.	Plinth certificate	V. P. No. 2001/121/TMC/TDD/626	Town Development Department, Thane Municipal Corporation, Thane.	December 20, 2006	Not applicable.
10.	Amended permission/CC	V. P. No. 2001/121/TMC/TDD/718	Town Development Department, Thane Municipal Corporation, Thane.	January 11, 2008	January 10, 2009
11.	Amended permission/CC	V. P. No. 2001/121/TMC/TDD/695	Town Development Department, Thane Municipal Corporation, Thane.	January 29, 2009	January 28, 2010
12.	Fire NOC	Ref./T.M.C./C.F.O./M-61	Chief Fire Officer, Fire Brigade, Thane	April 18, 2009	Not applicable.
13.	Amended permission/CC	V. P. No. 2001/121/TMC/TDD/315	Town Development Department, Thane Municipal Corporation, Thane.	August 18, 2009	August 17, 2010

10. Kalpataru Hills (Residential project)

This project is being developed by Kalpataru Properties (Thane) Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Environmental clearance	21-104/2006-IA-III	GoI, MoEF	December 5, 2006	Not applicable.
		Tower 1			
2.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/160	Town Development Department, Thane Municipal Corporation, Thane.	June 16, 2008	June 15, 2009
3.	NA Order	NO.MAHASUL/K-1/T-1/NAP/SR/348/08	Collector Office, Thane	October 13, 2008	Valid until cancelled.
4.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/756	Town Development Department, Thane Municipal Corporation, Thane.	February 16, 2009	February 15, 2010
5.	Fire NOC	T.M.C./C.F.O./M-208	Chief Fire Officer,	May 30,	Not

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Fire Brigade, Thane	2009	applicable.
6.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/547	Town Development Department, Thane Municipal Corporation, Thane.	November 30, 2009	November 29, 2010
7.	Fire NOC	T.M.C./C.F.O./M-1866/193	Chief Fire Officer, Fire Brigade, Thane	March 12 2010	Not applicable.
8.	Plinth Certificate for 1A	V.P. No. 2005/106/TMC/TDD/266	Town Development Department, Thane Municipal Corporation, Thane.	August 21, 2010	Not applicable
9.	Plinth Certificate for 1B and 1C	V.P. No. 2005/106/TMC/TDD 53	Town Development Department, Thane Municipal Corporation, Thane.	April 27, 2010	Not applicable
Tower 2					
10.	NA Order	NO.MAHASUL/K-1/T-1/NAP/SR/348/08	Collector Office, Thane	October 13, 2008	Valid until cancelled.
11.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/160	Town Development Department, Thane Municipal Corporation, Thane.	June 16, 2008	June 15, 2009
12.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/386	Town Development Department, Thane Municipal Corporation, Thane.	September 23, 2008	September 22, 2009
13.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/756	Town Development Department, Thane Municipal Corporation, Thane.	February 16, 2009	February 15, 2010
14.	Fire NOC	Ref./T.M.C./C.F.O./M-1043/95	Chief Fire Officer, Fire Brigade, Thane	November 9, 2009	Not applicable.
15.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/394	Town Development Department, Thane Municipal Corporation, Thane.	September 15, 2009	September 14, 2010
16.	Amended permission/CC	V. P. No. 2005/106/TMC/ TDD/547	Town Development Department, Thane Municipal	November 30, 2009	November 29, 2010

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Corporation, Thane.		
17.	Fire NOC	T.M.C./C.F.O./M-1866/193	Chief Fire Officer, Fire Brigade, Thane	March 12, 2010	Not applicable.

11. Kalpataru Marvel (Residential project)

This project is to be developed by Kalpataru Construction (Poona) Private Limited and is a Planned Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NA Order	PRH/NA/SR /473/2007	Collector, Pune	August 4, 2007	Valid until cancelled.
2.	CC	BP/Pimple Nilakh/23/2007	City Engineer, PCMC, Pune	March 30, 2007	March 29, 2008
3.	Amended permission/CC	BP/Pimple Nilakh/T-18/08	City Engineer, PCMC, Pune	April 9, 2008	March 29, 2009
4.	Amended permission/CC	BP/Pimple Nilakh/40/2008	City Engineer, PCMC, Pune	June 27, 2008	June 26, 2009
5.	1st Extension order	BP/Pimple Nilakh/T-423/09	City Engineer, PCMC, Pune	June 27, 2009	June 26, 2010
6.	2nd extension order	BP/Pimple Nilakh/T-110028931/2010	City Engineer, PCMC, Pune	June 27, 2010	June 26, 2011

Approvals applied for:

(i) Application for environment clearance dated April 12, 2008.

12. Kalpataru Iconic, Pune (Residential project)

This project is to be developed by Azure Tree Land Private Limited and is a Forthcoming Project.

Approvals applied for:

(i) Application bearing Ref No. ADCR/1766/10 dated July 12, 2010 for commencement certificate applied for.

13. Kalpataru Estate, Hyderabad (Residential project) and Korum (Retail project), Hyderabad

The following common approval is in relation to Kalpataru Estate, Hyderabad and Korum, Hyderabad. These projects are to be developed by Abacus Real Estate Private Limited and are Forthcoming Projects.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NOC for commercial/ residential use	28/1/09/MA&UD/7515/I-1/2009	Chief Engineer, Development Plan	December 17, 2009	Not applicable.

14. Srishti Integrated (Township project)

This project is being developed by Azure Tree Township Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of	Date of expiry

				issue	
1.	NA Order	REV-DESK-I-NAP-VII-SR-221	Collector, Thane	March 20, 1985	Not applicable
2.	Environmental clearance for residential project	21-508/2006-IA-III	GOI, MoEF	February 12, 2007	Not applicable.
3.	Amended permission / CC	MNP/NR/3424/09-10	Mira Bhayander Mahanagarpalika	December 22, 2009	December 21, 2010

15. Siddhachal Phase VII (Residential project)

This project is to be developed by Kalpataru Properties (Thane) Private Limited and is a Forthcoming Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NA Order	No.MAHASUL/K-1/T-7/NAP/403 DT	Collector Office, Thane	June 8, 1988	Not applicable

16. Kalpataru Gardens II (Residential project)

This project is being developed by Kalpataru Gardens Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NOC for commercial use	CHE/970/DPWS/P&R	Executive Engineer, Development Plan, MCGM	August 14, 1996	Not applicable.
2.	NOC for commercial use	CHE/47/DPWS/P&R	Executive Engineer,Development Plan, MCGM	July 27, 2004	Not applicable.
3.	NA Order	C/Desk-VII-A/LND/NAP/SR-7110	Collector, Mumbai Suburban District	November 7, 2003	Valid until cancelled
4.	Environmental clearance for residential project	21-499/2007-IA.III	GoI, MoEF	January 27, 2008	Not applicable.
5.	Approval for layout	CHE/1705/BP(WS)/LOR	Deputy Chief Engineer, Building Proposals(WS), MCGM	September 20, 1995	Not applicable.
6.	Amended approval for layout	CE/1705/LOR	Deputy Chief Engineer, Building Proposals(WS), MCGM	December 7, 2000	Not applicable.
7.	Amended approval for layout	CHE/1705/LOR	Deputy Chief Engineer, Building Proposals(WS), MCGM	August 30, 2004	Not applicable.
8.	Amended layout	CHE/1705/LOR	Deputy Chief Engineer, Building Proposals(WS), MCGM	February 17, 2005	Not applicable.
Building No. 1					
9.	IOD	CE/A-4054/BS/AR	Executive Engineer, Building	November 21, 2006	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Proposals(WS), MCGM		
10.	CC	CHE/A-4054/BP(WS)/AP/AR	Executive Engineer, Building Proposals(WS), MCGM	December 14, 2006	Valid for one year from the date of issue and renewable every year. Last CC valid up to December 13, 2010.
11.	Fire NOC	FBM/S/506/1055	Chief Fire Officer, Mumbai Fire Brigade	December 26, 2006	Not applicable.
12.	Approval for the amended plan for construction	CHE/A-4054/BP(WS)/AR	Executive Engineer, Building Proposals(WS), MCGM	April 17, 2007	Not applicable.
13.	Approval for the amended plan for construction	CHE/4054/BP(WS)/AR	Executive Engineer, Building Proposals(WS), MCGM	August 31, 2007	Not applicable.
14.	Fire NOC	FBM/S/507/551	Chief Fire Officer, Mumbai Fire Brigade	November 16, 2007	Not applicable.
15.	Approval for the amended plan for construction	CHE/A-4054/BP(WS)/AR	Executive Engineer, Building Proposals(WS), MCGM	November 28, 2007	Not applicable.
16.	Approval for the amended plan for construction	CHE/A-4054/BP(WS)/AR	Executive Engineer, Building Proposals(WS), MCGM	January 29, 2008	Not applicable.
17.	Fire NOC	FBM/S/507/1002	Chief Fire Officer, Mumbai Fire Brigade	March 3, 2008	Not applicable.
18.	Approval for the amended plan for construction	CHE/A-4054/BP(WS)/AR	Executive Engineer, Building Proposals(WS), MCGM	April 22, 2008	Not applicable.
19.	Approval for the amended plan for construction	CE/A-4054/BP(WS)/AR	Executive Engineer, Building Proposals(WS), MCGM	May 21, 2008	Not applicable.
20.	Fire NOC	FBM/S/508/367	Chief Fire Officer, Mumbai Fire Brigade	June 4, 2008	Not applicable.
21.	OC (part) for 1st to 3rd floors.	CHE/A-4054/BP(WS)/AR	Executive Engineer, Building Proposals(WS), MCGM	June 25, 2008	Not applicable.
Amenity Building					
22.	IOD	CHE/A-3795/BP(WS)/AR	Executive Engineer, Building	August 19,2006	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Proposals(WS), MCGM		
23.	CC	CHE/A-3795/BP(WS)/AP/AR	Executive Engineer, Building Proposals(WS), MCGM	August 1, 2007	Valid for one year from the date of issue and renewable every year. Last CC valid up to July 31, 2011.
24.	Approval for the amended plan for construction	CHE/A-3795/BP(WS)/AP/AR	Executive Engineer, Building Proposals(WS), MCGM	August 26, 2010	Not applicable

17. Kalpataru Pinnacle (Residential project)

This project is being developed by Shravasti Properties Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NA Order	ADC/LND/E-2050	Collector, Mumbai Suburban District	February 19, 1997	Valid until cancelled.
2.	Approval for layout	CHE/915/LOP	Executive Engineer, Building Proposals(WS), MCGM	May 4, 1993	Not applicable.
3.	Amended approval for layout	CHE/915/LOP	Deputy Chief Engineer, Building Proposals(WS), MCGM	January 4, 1996	Not applicable.
4.	Amended approval for layout	CHE/915/LOP	Deputy Chief Engineer, Building Proposals(WS), MCGM	December 8, 1997	Not applicable.
5.	Amended approval for layout	CE/915/LOP/BP(WS)/LOP	Deputy Chief Engineer, Building Proposals(WS), MCGM	August 27, 2002	Not applicable.
6.	Amended approval for layout	CHE/915/LOP	Deputy Chief Engineer, Building Proposals(WS), MCGM	February 17, 2004	Not applicable.
7.	N.A. Order	C/Desk-VII-A/LND/NAP/SR-8037	Collector, Mumbai Suburban District.	January 19, 2006	Not applicable.
8.	Amended approval for layout	CHE/915/BP(WS)/LOP	Deputy Chief Engineer, Building Proposals(WS), MCGM	September 5, 2008	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
Building No. 2					
9.	IOD	CHE/5764/BP(WS)/AP	Executive Engineer, Building Proposals(WS), MCGM	October 13, 2005	Not applicable.
10.	CC	CHE/5764/BP(WS)/AP	Executive Engineer, Building Proposals(WS), MCGM	September 21, 2006	Valid for one year from the date of issue and renewable every year. Last CC valid up to September 20, 2011.
11.	Fire NOC	FBM/S/506/825	Chief Fire Officer, Mumbai Fire Brigade	December 11, 2006	Not applicable.
12.	Approval for the amended plan for construction	CHE/5764/BP(WS)/AP	Executive Engineer(WS), Building Proposals, MCGM	August 14, 2007	Not applicable.
13.	Fire NOC	FBM/S/507/1048	Chief Fire Officer, Mumbai Fire Brigade	March 3, 2008	Not applicable.
14.	Approval for the amended plan for construction	CHE/5764/BP(WS)/AP	Executive Engineer, Building Proposals(WS), MCGM	May 21, 2008	Not applicable.
15.	Approval for the amended plan for construction	CHE/5764/BP(WS)/AP	Executive Engineer, Building Proposals(WS), MCGM	July 17, 2009	Not applicable.
16.	Approval for the amended plan for construction	CHE/5764/BP(WS)/AP	Executive Engineer, Building Proposals(WS), MCGM	April 30, 2010	Not applicable.
Club house					
17.	IOD	E.B./CE/9656/BS/AP	Executive Engineer, Building Proposals(WS), MCGM	September 6, 2008	Not applicable.
18.	C.C	CHE/9656/BP(WS)/AP	Executive Engineer, Building Proposals(WS), MCGM	February 25, 2010	February 24, 2011

Approval applied for:

(i) Application for approval of Amended Layout (ref. CE/915/BP(WS)/LOP) dated January 13, 2010.
(ii) Application for approval of Amended Plans (ref. CHE/5764/BP(WS)/AP) dated August 25, 2010 for Building No. 2.

(iii) Application for approval of Amended Plans (ref. CHE/9656/BS/AP) dated August 25, 2010 for Club House.

18. Kalpataru Meadows (Residential project)

This project is to be developed by Sona Properties Private Limited and is a Forthcoming Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Approval for amended layout	CHE/1914/LOR	Deputy Chief Engineer, Building Proposals(WS), MCGM	February 11, 2004	Not applicable.
2.	NA Order	C/Desk-VII-A/LND/NAP/SR-7614	Collector, Mumbai Suburban District	July 23, 2004	Valid until cancelled.
3.	Approval for amended layout	CHE/1914/BP(WS)/LOR	Deputy Chief Engineer, Building Proposals(WS), MCGM	July 30, 2010	Not applicable.
Building No.1					
4.	IOD	CHE/A-4112/BP(WS)/AR	Executive Engineer, Building Proposals, MCGM	January 17, 2007	Not applicable.
5.	CC	CHE/A-4112/BP(WS)/AR	Executive Engineer, Building Proposals, MCGM	February 14, 2007	Valid for one year from the date of issue and renewable every year. Last CC valid up to February 13, 2011.
6.	Approval for the amended plan for construction	CHE/A-4112/BP(WS)/AR	Executive Engineer, Building Proposals, MCGM	May 21, 2008	Not applicable.

19. Kalpataru Synergy II (Commercial project)

This project is being developed by our Company and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Permission to allow commercial development	CHE/1963/H&K (Only for H.P. plot)	Executive Engineer, Development Plan, MCGM	November 2, 2004	Not applicable
2.	Permission to allow commercial development	CHE/2222/H&K (full plot H.P. + Dimexion)	Executive Engineer, Development Plan, MCGM	November 10, 2006	November 9, 2008
3.	Permission to allow commercial development	CHE/941/DP(WS)/H&K	Executive Engineer, Development Plan, MCGM	July 15, 2008	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
4.	Permission to allow commercial development (except residential and shopping)	CHE/180/DPWS/H&K	Executive Engineer, Development Plan, MCGM	April 23, 2008	April 22, 2010
5.	Revalidation of permission to allow commercial development (except residential and shopping)	CHE/367/DPWS/H&K	Executive Engineer, Development Plan, MCGM	June 21, 2010	April 23, 2012
6.	Approval for layout	CE/777/BSII/LOHN	Executive Engineer, Building Proposals(WS), MCGM	October 9, 2007	Not applicable.
7.	Amended approval for layout	CE/777/BSII/LOHN	Executive Engineer, Building Proposals(WS), MCGM	July 15, 2008	Not applicable.
8.	Amended approval for layout	CE/777/BSII/LOHN	Executive Engineer, Building Proposals(WS), MCGM	September 15, 2008	Not applicable.
Commercial Building					
9.	Fire NOC	FBM/S/506/1355	Chief Fire Officer, Mumbai Fire Brigade	March 9, 2007	Not applicable.
10.	IOD	CE/306/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	October 18, 2007	Not applicable.
11.	Fire NOC	FBM/S/507/946	Chief Fire Officer, Mumbai Fire Brigade	January 29, 2008	Not applicable.
12.	Approval for the amended plan for construction	CE/306/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	April 25, 2008	Not applicable.
13.	CC	CE/306/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	May 8, 2008	Valid for one year from the date of issue and renewable every year. Last CC valid up to May 7, 2011.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
14.	Approval for the amended plan for construction	CE/306/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	May 21, 2008	Not applicable.
15.	Fire NOC	FB/HR/WS/145	Chief Fire Officer, Mumbai Fire Brigade	June 3, 2010	Not applicable.
16.	Approval for the amended plan for construction	CE/306/WS/AH	Executive Engineer, Building Proposals(WS), MCGM	August 12, 2010	Not applicable.

20. Kalpataru Serenity (Residential project)

This project is being developed by Ashoka Properties Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Building permission with CC and NA Order	PMH/NA/SR/556/2007	Collector, Pune	April 9, 2008	Not applicable
2.	Revised NA	PMH/NA/SR/218/2009	Collector, Pune	October 26, 2009	Not applicable

Approvals applied for:

(i) Application for environment clearance (ref. APPL/PROJ/010/2007) dated October 26, 2007.

21. Kalpataru Estate (Residential project) Phase 2 and 3, Pune

This project is being developed by Kalpataru Constructions – Pune and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NA Order	PRH/NA/SR/222/2005	Collector, Pune	November 11, 2005	Valid until cancelled.
2.	Environmental clearance	21-500/2006-IA. III	GoI, MoEF	January 2, 2007	Not applicable.
3.	Fire NOC	Fire/1/KaVi/404/05	Fire officer, PCMC, Pune	June 28, 2005	Not applicable.
4.	Approval for layout	BP/LAYOUT/P`GURAV/ 14/99	City Engineer, PCMC, Pune	September 27, 1999	Not applicable.
5.	CC	BP/LAYOUT/P`GURAV/ 03/06	City Engineer, PCMC, Pune	January 23, 2006	January 22, 2007
6.	Fire NOC	Fire/4/KaVi/14/2006	Fire officer, PCMC,	July 3,	Not applicable.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
			Pune	2006	
7.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 30/06	City Engineer, PCMC, Pune	September 28, 2006	Not applicable
8.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 31/07	City Engineer, PCMC, Pune	March 30, 2007	Not applicable
9.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 48/08	City Engineer, PCMC, Pune	July 14, 2008	Not applicable
Phase 2					
10.	Building permission with CC	BP/LAYOUT/P`GURAV/ 32/07	City Engineer, PCMC, Pune	March 30, 2007	Not applicable
11.	Fire NOC	Fire/6/WS/565/2007	Fire officer, PCMC, Pune	August 13, 2007	Not applicable.
12.	Amended permission/CC	BP/P`GURAV/55/07	City Engineer, PCMC, Pune	September 3, 2007	September 2, 2008
13.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 63/07	City Engineer, PCMC, Pune	September 26, 2007	September 25, 2008
14.	Fire NOC	Fire/6/WS/726/2008	Fire officer, PCMC, Pune	March 10, 2008	Not applicable.
15.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 14/08	City Engineer, PCMC, Pune	March 14, 2008	Not applicable.
16.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 49/08	City Engineer, PCMC, Pune	July 14, 2008	Not applicable.
17.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 76/08	City Engineer, PCMC, Pune	December 12, 2008	Not applicable.
Phase 3					
18.	Building permission with CC	BP/P`GURAV/34/07	City Engineer, PCMC, Pune	March 30, 2007	Not applicable
19.	Fire NOC	fire/6/KaVi/575/2007	Fire officer, PCMC, Pune	August 23, 2007	Not applicable.
20.	Amended permission/CC	BP/P`GURAV/78/07	City Engineer, PCMC, Pune	December 1, 2007	Not applicable
21.	Fire NOC	Fire/6/WS/727/2008	Fire officer, PCMC, Pune	March 10, 2008	Not applicable.
22.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 61/08	City Engineer, PCMC, Pune	September 15, 2008	Not applicable
23.	Amended permission/CC	BP/LAYOUT/P`GURAV/ 19/09	City Engineer, PCMC, Pune	May 25, 2009	Not applicable
24.	1st Extension CC	BP/P`GURAV/T-109026223	City Engineer, PCMC, Pune	November 15, 2009	November 14, 2010

22. Siddhachal Phase VIII, Building 3 and 4 (Residential project)

This project is being developed by Kalpataru Properties (Thane) Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
Building No.3					
1.	O.C	V. P. No. 2003/129/TMC/TDD/ 248	Town Development Department, Thane Municipal Corporation, Thane.	August 7, 2010	Not applicable
Building No.4					
1.	NA Order	NO.MAHASUL/K-1/T-1/NAP/SR/167/04	Collector Office, Thane	December 9, 2004	Not applicable.
2.	Environmental clearance	J-12011/84/2005-IA (CIE)	GoI, MoEF	September 11, 2006	Not applicable.
3.	Amended permission / CC	V. P. No. 2003/129/TMC/TDD/ 52	Town Development Department, Thane Municipal Corporation, Thane.	April 28, 2009	April 27, 2010
4.	Fire NOC	Ref./T.M.C./C.F.O./M-950/91	Chief Fire Officer, Fire Brigade, Thane.	October 15, 2009	Not applicable.
5.	Amended permission / CC	V. P. No. 2003/129/TMC/TDD/ 513	Town Development Department, Thane Municipal Corporation, Thane.	November 16, 2009	November 15, 2010
6.	Amended permission / CC	V. P. No. 2003/129/TMC/TDD/ 80	Town Development Department, Thane Municipal Corporation, Thane.	May 10, 2010	May 9, 2011

23. Kalpataru Arena Integrated (Township project)

This project is to be developed by Ananta Landmarks Private Limited and is a Forthcoming Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	NA Order	NO.NA752-56	Prant Office-Thane	November 12, 1957	Valid until cancelled.
2.	NA Order	NDSR 80	Prant Office-Thane	December 20, 1958	Valid until cancelled.
3.	NA Order	NO.RB.V.LBP.688	Collector Office, Thane	April 15, 1972	Valid until cancelled.
4.	NA Order	NO.RB.IV.NAP-CR-26/74	Collector Office, Thane	October 29, 1974	Valid until cancelled.
5.	NA Order	NO.REV/DESK/2/NAP/IV 315	Collector Office, Thane	November 15, 1979	Valid until cancelled.

24. Kalpataru Sparkle II (Redevelopment project)

This project is to be developed by Kalpataru Limited and is a Planned Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Environmental clearance	21.-823/2007-IA.III	GoI, MoEF	February 27, 2008	Not applicable.

25. Kalpataru Riverside (Residential project)

This project is being developed by M/s. Kalpataru + Sharyans and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1.	Environmental clearance	21.-662/2006 - IA.III	GoI, MoEF	March 13, 2007	Not applicable.
2	NA Order	MA.SHAA/L.N.A.1/S.R.214 .2007	Collector, Raigad	November 1, 2007	October 31, 2008
3	Fire NOC	CIDCO/FIRE/KLM/2008/43 5	Chief Fire Officer	June 21, 2008	Not applicable.
4	Development Permission	PNP/S.B/A.B.N458 (part), 459, 495, 497, 498/21/4780	Panvel Nagar Parishad	November 4, 2008	November 3, 2009
5	Fire NOC	CIDCO/FIRE/KLM/2008/65 3	Chief Fire Officer	November 18, 2008	Not applicable.
6	Development Permission	PNP/S.B/A.B.N458 (part), 459, 495, 497, 498/52/164	Panvel Nagar Parishad	January 8, 2010	January 7, 2011
7	Development Permission	PNP/S.B/A.B.N458 (part), 459, 495, 497, 498/55/331	Panvel Nagar Parishad	January 16, 2010	January 15, 2011

26. Kalpataru Rejuve (Lifestyle gated community project)

This project is to be developed by Ardour Developers Private Limited and is a Forthcoming Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1	NA Order	PMA/NA/SR/167/2008	Collector, Pune	October 27, 2008	Not applicable
2	NA Order	PMA/NA/SR/264/2009	Collector, Pune	December 31, 2009	Not applicable
3	NA Order	PMA/NA/SR/67/2010	Collector, Pune	May 11, 2010	Not applicable

27. Kalpataru Crest (Commercial project)

This project is to be developed by Ardour Properties Private Limited and is a Planned Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1	Fire NOC	Agni/6/KV/514/2007	Chief Fire Officer	June 16, 2007	Not applicable

Approvals applied for:

(i) Application for development permission (ref. 029/001/10017/2007-2008/00101 dated April 30, 2007.

28. Kalpataru Harmony (Residential project)

This project is being developed by Aura Real Estate Private Limited and is an Ongoing Project.

Sr. No.	Description	Reference	Issuing authority	Date of issue	Date of expiry
1	NA Order	PRA/NA/SR/202/07	Collector, Pune	September 15, 2009	Not applicable.
2	CC	B.P./Layout/waked/45/2010	City Engineer, PCMC, Pune	March 31, 2010	March 30, 2011

Approvals applied for:

(i) Application for environment clearance (ref. 029/001/10017/2008-2009-00418) dated May 6, 2010.

29. Kalpataru Storey (Retail project)

This project is to be developed by Ardour Properties Private Limited and is a Planned Project.

Approvals applied for:

(i) Application for development permission (ref. 029/001/10017/2008-2009-00418) dated June 27, 2008.

Approvals to be applied for at various stages of the projects

We will be required to obtain requisite approvals such as further commencement certificates, coastal regulation zone clearance, fire safety clearances from the concerned fire station officer, structural safety clearance and completion and occupancy certificates from the competent government authority including as per National Building Code at appropriate stages of the aforementioned projects.

Miscellaneous approvals for projects

We also apply for renewal of various operational permissions, approvals and licenses from time to time for our completed projects from statutory and government authorities.

Taxation related approvals

Sr. No.	Description	Details	Date of Issue
1	Permanent Account Number under the Income Tax Act, 1961	AAACK2108G	December 22, 1988
2	Tax Deduction Account Number under the Income Tax Act, 1961	MUMK11371D	July 27, 2006
3	Value Added Tax – Tax Identification Number	27560387349V	April 1, 2006
4	Central Sales Tax - Tax Identification Number	27560387349C	April 1, 2006
5	Professional Tax under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	PT/E/1/1/21/18/007161	January 1 , 1988
6	Service Tax	AAACK2108GST002	May 29, 2009

Labour related approvals

Sr. No.	Description	Issuing Authority	Reference	Date of Issue
1	Registration of the Company under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and allotment of code MH/BAN/39153/26	Assistant Provident Fund Commissioner	MH/BAN/39153/26/GR-53/671	March 4, 2010
2	Registration of the Company under ESI Act, 1948 and registration of employees of the factories and establishments and allotment of code 35-01751-101	Regional office, Employees' State Insurance Corporation	B/Cov./RM-5744 (35-01751-101)	November 30, 2006

Certificate of Registration under the Bombay Shops and Establishments Act, 1948

S. No.	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1	Inspector	HE005398 / Commercial II	December 13, 2006	December 31, 2010

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on September 20, 2010, subject to the approval of the Equity Shareholders by way of a special resolution to be passed pursuant to Section 81 (1A) of the Companies Act.

The Equity Shareholders have authorised the Issue by way a special resolution in accordance with Section 81(1A) of the Companies Act, passed at the Extra-Ordinary General Meeting of our Company held on September 21, 2010.

This Draft Red Herring Prospectus has been approved pursuant to a resolution passed by the IPO Committee on September 23, 2010.

Prohibition by SEBI

The Company, Promoters, Directors, Promoter Group entities and Group Companies have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

The companies, with which the Promoters, Directors or persons in control of our Company are associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

Our Directors, Dhananjay Mungale and Om Prakash Gahrotra are associated with J P Morgan Asset Management India Private Limited and Shinsei Trustee Company (India) Private Limited, respectively, each of which are engaged in securities market related business and are registered with SEBI. SEBI has not initiated any action against the aforesaid entities.

Prohibition by RBI

Neither our Company, nor Promoters, nor the relatives of the Promoters (as defined under the Companies Act) nor Group Companies have been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI Regulations as explained under the eligibility criteria calculated in accordance with financial statements under Indian GAAP:

- Our Company has net tangible assets of at least Rs. 30 million in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

- Our Company has a track record of distributable profits in accordance with Section 205 of the Companies Act, for at least three out of the immediately preceding five years;

- Our Company has a net worth of at least Rs. 10 million in each of the three preceding full years (of 12 months each);

- The aggregate of the proposed Issue and all previous issues made in the same financial years in terms of the Issue size is not expected to exceed five times the pre-Issue net worth of our Company; and

- Our Company has not changed its name in the last one year. For details of changes in the name and registered office of our Company, please see "History and Certain Corporate Matters" on page 192.

Our Company's distributable profits, dividend, net worth, net tangible assets and monetary assets derived from the audited restated financial statements included in this Draft Red Herring Prospectus, as at and for the last five years ended Fiscal 2010 are set forth below:

(In Rs. million)

Particulars	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Distributable Profits(1)	3,060.43	2,332.35	2,095.68	43.62	31.09
Net Worth(2)	4,056.43	3,328.35	2,163.68	99.12	86.59
Net Tangible assets(3)	4,053.14	3,322.64	2,163.68	99.12	86.59
Monetary assets(4)	115.56	32.80	65.13	1.38	1.28
Monetary assets as a percentage of the net tangible assets (In %)	2.86%	0.99%	3.01%	1.40%	1.47%

(1) *'Distributable profits' have been defined in terms of Section 205 of the Companies Act.*

(2) *'Net worth' has been defined as the aggregate of equity share capital and reserves, excluding preference share redemption reserve and miscellaneous expenditures, if any.*

(3) *'Net tangible assets' means the sum of all net assets of our Company excluding intangible assets as defined in Accounting Standard 26 issued by Institute of Chartered Accountants of India.*

(4) *Monetary assets comprise of cash and bank balances and public deposit accounts with the Government, including investments in mutual funds.*

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, COLLINS STEWART INGA PRIVATE LIMITED, ICICI SECURITIES LIMITED, IDFC CAPITAL LIMITED AND NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED, THE BOOK RUNNING LEAD MANAGERS, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 23, 2010 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER(S) TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

(A) **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

(B) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

(C) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. <u>NOTED FOR COMPLIANCE</u>.

5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS/DRAFT PROSPECTUS.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SECURITIES AND EXCHANGE BOARD OF INDIA. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. <u>NOT APPLICABLE.</u>

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN

CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE.**

AS THE OFFER SIZE IS MORE THAN RS. 10 CRORES, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

(A) **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

(B) **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 63 or Section 68 of the Companies Act or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Managers, any irregularities or lapses in the Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring

Prospectus with the RoC in terms of Section 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 56, 60 and 60B of the Companies Act.

Caution - Disclaimer from our Company and the BRLMs

Our Company, the Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's web site www.kalpataru.com, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLMs and our Company and the Underwriting Agreement to be entered into between the Underwriter and our Company.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company nor the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares of our Company and will not Issue, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and the Group Companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and its Group Companies, affiliates or associates or third parties, for which they have received, and may in future receive, compensation.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds) and to FIIs and eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate courts in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are being offered and sold in the United States only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to the registration requirements of the Securities Act and outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act.

Disclaimer Clause of the BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The Disclaimer Clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. The Disclaimer Clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC at the Office of the Registrar of Companies, Everest 5th Floor, 100, Marine Drive, Mumbai 400 002.

Listing

Applications will be made to the BSE and NSE for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by either of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it, *i.e.* from the date of refusal or within 70 days from the Bid/Issue Closing Date, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of 15% p.a. on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within twelve Working Days from the Bid/Issue Claosing Date.

Consents

Consents in writing of: (a) each of Sanju H. Ahooja and Vineet Agarwal to be named as an expert to our Company for the Issue; (b) the Directors, the Company Secretary and Compliance Officer, the Auditors, the legal advisors, the Escrow Collection Banks, the Refund Banks, the Public Issue Account Banks, the Bankers to our Company; and (c) the Book Running Lead Manager, the Syndicate Members and the Registrar to the Issue to act in their respective capacities, have been obtained and would be filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI Regulations, our Company's Statutory Auditors M/s. MGB & Co., Chartered Accountants, have given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the RoC.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has obtained a master title certificate dated September 21, 2010 from Sanju H. Ahooja in relation to land held by us. Sanju H. Ahooja has given his written consent to be named as an expert to our Company for the Issue in relation to the lands that we own and/or rights in respect thereof, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has obtained an architect's certificate dated September 8, 2010 from Vineet Agarwal in relation to projects developed/to be developed by us. Vineet Agarwal has given his written consent to be named as an expert to our Company for the Issue in relation to the lands that we own and/or rights or measurement in respect thereof, and such consent has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus.

The Issue has been graded by [●]. The report of [●] in respect of the IPO Grading of the Issue has been annexed with the Draft Red Herring Prospectus.

In accordance with the Companies Act and the SEBI Regulations, M/s. MGB & Co., Chartered Accountants, has agreed to provide their written consent for the inclusion of the report on the restated consolidated and unconsolidated financial statements and the statement of possible tax benefits in the form and context in which it will appear in the Draft Red Herring Prospectus and such consent has not been and will not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus to SEBI.

Issue Related Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For further details of Issue related expenses, please see the section titled "Objects of the Issue" on page 86.

The listing fee and all expenses with respect to the Issue will be borne by our Company.

Fees Payable to the Book Running Lead Managers, and Syndicate Members

The total fees payable to the BRLMs (including underwriting commission and selling commission) will be as stated in the Engagement Letter with the BRLMs, a copy of which is available for inspection at the Registered Office of our Company.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of application, data entry, printing of Anchor Investor Confirmation of Allocation Note/CAN/refund order, preparation of refund data on magnetic tape and printing of bulk mailing register will be in line with the terms of the agreement signed with our Company, a copy of which is available for inspection at the Registered Office of our Company.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or allotment advice by registered post/speed post/under certificate of posting.

Particulars regarding Public or Rights Issues by our Company during the last Five Years

Our Company has not made any public or rights issues during the last five years.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the section "Capital Structure" on page 75, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Previous capital issues during the previous three years by listed Group Companies, Subsidiaries and associates of our Company

Our Group Company, JMC undertook a rights issue of equity shares in 2009. The particulars of which have been set forth below.

Name of the company: JMC Projects (India) Limited
Year of issue: 2009
Type of issue: Rights issue
Amount of issue: Rights issue of 3,628,058 equity shares of Rs. 10 each at a premium of Rs. 100 per equity share aggregating to Rs. 399.09 million.
Date of closure of the issue: September 23, 2009
Date of completion of delivery of share certificates: October 5, 2009
Date of completion of the project, where object of the issue was financing the project: N.A.
Rate of dividend paid: 20%

Promise *vis-à-vis* objects – Public/Rights Issue of our Company and/or listed Group Companies, Subsidiaries and associates of our Company

Our Company has not undertaken any previous public or rights issue.

Our Group Companies, Kalpataru Power Transmission Limited and JMC Projects (India) Limited are each listed on the BSE and the NSE. Caprihans (India) Limited is listed on the BSE.

JMC Projects (India) Limited offered equity shares in 2009 on a rights basis. The objects of the rights issue were (i) redemption of preference shares; (ii) meeting working capital requirements; and (iii) meeting expenses of the rights issue. The objects of this rights issue have been duly met with.

Outstanding Debentures or Bonds

Our Company does not have any outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares other than those mentioned in the section "Capital Structure" on page 75.

Stock Market Data of Equity Shares

This being an initial public issue of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue, and our Company will provide for retention of records with the Registrar to the Issue for a period of at least six months from the last date of dispatch of letters of allotment, demat credit, refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the ASBA Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Manoj Thakar, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

Kalpataru Limited
91, Kalpataru Synergy, opposite Grand Hyatt,
Santacruz (East),
Mumbai – 400055,
Maharashtra,
India.
Tel: +91 22 3064 5000
Fax: +91 22 3064 3131
Email: manoj.thakar@kalpataru.com

Changes in Auditors

There has been no change to the statutory auditors of our Company during the last three years.

Capitalisation of Reserves or Profits

Except as disclosed in 'Capital Structure' on page 75, we have not capitalised our reserves or profits at any time during the last five years.

Revaluation of Assets

Our Company has not re-valued its assets in the last five years.

TERMS OF THE ISSUE

The Issue shall be subject to the provisions of the Companies Act, the SCRR, the Memorandum and the Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, the Anchor Investor Confirmation of Allocation Note, the CAN and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, Stock Exchanges, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Memorandum and the Articles and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allotees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please see the section titled "Main Provisions of the Articles of Association" on page 564.

Mode of Payment of Dividend

Our Company shall pay dividends to the Equity Shareholders in accordance with the provisions of the Companies Act, the Articles and the provision of the Listing Agreements.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. [•] per Equity Share. The Anchor Investor Issue Price is Rs. [●] per Equity Share.

At any given point of time, there shall exist only one denomination for the Equity Shares.

Compliance with SEBI Regulations

We shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, the Equity Shareholders shall *inter alia* have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement executed with the Stock Exchanges, and our Company's Memorandum and Articles.

For a detailed description of the main provisions of the Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please see the section titled "Main Provisions of the Articles of Association" on page 564.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLMs and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the Marathi language at least two days prior to the Bid/Issue Opening Date.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person to whom the Equity Shares are Allotted, if any, shall vest, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 109B of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act shall upon the production of such evidence as may be required by the Board elect either:

- To register himself or herself as the holder of the Equity Shares; or

- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Issue in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require to change their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Net Issue, including devolvement to Underwriters within 60 days from the Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amounts received. If there is a delay beyond eight days after our Company becomes liable to pay the amounts, our Company shall pay interest in the manner prescribed under Section 73 of the Companies Act.

Further, we shall ensure that the number of prospective Allotees to whom Equity Shares will be Allotted is not less than 1,000.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any

such jurisdiction.

Arrangement for disposal of odd lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

Except for lock-in of the pre-Issue Equity Shares, Promoters' minimum contribution and Anchor Investor lock-in the Issue as detailed in the section titled "Capital Structure" on page 75, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfers of debentures except as provided in the Articles. There are no restrictions on transmission of shares/debentures and on their consolidation/splitting except as provided in the Articles. For further details please refer to the section "Main Provisions of the Articles of Association" on page 564.

ISSUE STRUCTURE

Issue of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share (including share premium of Rs. [●] per Equity Share) aggregating to Rs. 10,080 million. The Issue comprises a Net Issue to the public of [●] Equity Shares aggregating to Rs. [●] and an Employee Reservation Portion of [●] Equity Shares aggregating to Rs. 35.10 million for subscription by Eligible Employees. The Issue and the Net Issue will constitute [●]% and [●]% of the post-Issue paid-up capital of our Company, respectively.

The Company is considering a Pre-IPO Placement of up to 3,100,000 Equity Shares and/or aggregating to Rs. 2,000 million with various investors. The Pre-IPO Placement will be undertaken at the discretion of our Company and at a price to be decided by our Company. The Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 10% of the post-Issue paid-up capital being offered to the public.

The Issue is being made through the 100% Book Building Process.

	QIBs(1)	**Non-Institutional Bidders**	**Retail Individual Bidders**	**Employee Reservation Portion**
Number of Equity Shares(2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Up to [●] Equity Shares.
Percentage of Issue Size available for allocation	Not more than 50% of the Net Issue being allocated. However, up to 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only.	Not less than 15% of the Net Issue or the Issue less allocation to QIBs and Retail Individual Bidders.	Not less than 35% of the Net Issue or the Issue less allocation to QIBs and Non-Institutional Bidders.	Up to [●]% of the Issue.
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows: (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate.	Proportionate.	Proportionate.
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares.	[●] Equity Shares.
Maximum Bid	Such number of	Such number of	Such number of	Such number of

	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	Equity Shares not exceeding the Issue, subject to applicable limits.	Equity Shares not exceeding the Issue subject to applicable limits.	Equity Shares such that the Bid Amount does not exceed Rs. 100,000.	Equity Shares not exceeding the Issue subject to applicable limits.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Issue Share thereafter.
Trading Lot	One Equity Share.	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply[3]	QIBs.	Resident Indian individuals, Eligible NRIs, HUF (in the name of *Karta*), companies, corporate bodies, scientific institutions societies and trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.	Retail Individual Bidders.	Eligible Employees.
Terms of Payment[4]	Bid Amount shall be payable at the time of submission of Bid cum Application Form.	Bid Amount shall be payable at the time of submission of Bid cum Application Form.	Bid Amount shall be payable at the time of submission of Bid cum Application Form.	Bid Amount shall be payable at the time of submission of Bid cum Application Form.[5]

(1) *Our Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. For further details, please see the section titled "Issue Procedure" on page 530.*

(2) *In case of ASBA Bidders, the SCSBs shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.*

(3) *Our Company is undertaking this Issue under Rule 19(2)(b)(ii) of the SCRR and shall comply with the requirements thereunder. This being an issue for less than 25% of the post-Issue paid-up equity share capital, the Issue is being made through the 100% Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further [●] Equity Shares shall be available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received from them at or above the Issue Price. Under subscription, if any, in the Employee Reservation Portion, shall be added to the Net Issue. In the event of under subscription in the Net Issue, spill over to the extent of under subscription shall be allowed from the Employee Reservation Portion. The Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed the BRLMs to manage the Issue and to* *procure subscriptions to the Issue.*

(4) *In case the Bid cum Application Form is submitted in joint names, the Bidders should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.*

(5) *Our Company in consultation with the BRLMs may decide to offer a discount of up to [●]% of the Issue Price to Eligible Employees and Retail Individual Bidders. The excess amount paid at the time of Bidding shall be refunded to the Eligible Employees and Retail Individual Bidders. Pursuant to the Employee and Retail Discount, the Retail Portion shall be reduced in such proportion that the number of Equity Shares allocated to Retail Individual Bidders is not less than 35% of the total number of Equity Shares issued pursuant to this Net Issue.*

Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue at anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the decision for withdrawal of the Issue, providing reasons for not proceeding with the Issue. Our Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws.

Bid/Issue Programme

BID/ISSUE OPENS ON	**[●]***
BID/ISSUE FOR QIB BIDDERS CLOSES ON	**[●]**
BID/ISSUE FOR RETAIL AND NON INSTITUTIONAL (INCLUDING ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION) INVESTORS CLOSES ON	**[●]**

* *Our Company may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*

Bids including any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m**. **IST** during the Bidding/Issue Period as mentioned above at the Bidding centres mentioned on the Bid cum Application Form. On the QIB Bid/Issue Closing Date, Bids by QIBs (excluding by way of ASBA) shall be accepted only between **10.00 p.m. and 3.00 p.m. IST** and uploaded until 4.00 p.m. IST. On the Bid/Issue Closing Date, Bids (excluding by ASBA Bidders) shall be accepted only between **10.00 p.m. and 3.00 p.m. IST** and uploaded until (i) 4.00 p.m. IST in case of Bids by Non-Institutional Bidders and under the Employee Reservation Portion; and (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders. It is clarified that the Bids not uploaded in the book would be rejected. Bids by the ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any event, no later than 3.00 p.m. (IST) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Working Days, *i.e.*, Monday to Friday (excluding public holidays). Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the NSE and the BSE.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchange within half an hour of such closure.

Our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the

Bidding/Issue Period provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side *i.e.* the floor price can move up or down to the extent of 20% of the floor price disclosed at least two days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Issue Period will be extended for three additional Working Days after revision of Price Band subject to the Bidding/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release and also by indicating the changes on the websites of the BRLMs and at the terminals of the Syndicate.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that all Bidders can participate in the Issue through the ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all the Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Book Building Procedure

Our Company is undertaking this Issue under Rule 19(2)(b)(ii) of the SCRR and shall comply with the requirements thereunder. This being an issue for less than 25% of the post-Issue paid-up equity share capital, the Issue is being made through the 100% Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, [●] Equity Shares aggregating to Rs. 35.10 million shall be available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received from them at or above the Issue Price. Under subscription, if any, in the Employee Reservation Portion, shall be added to the Net Issue. In the event of under subscription in the Net Issue, spill over to the extent of under subscription shall be allowed from the Employee Reservation Portion. The Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed the BRLMs to manage the Issue and to procure subscriptions to the Issue.

All Bidders, other than the ASBA Bidders, are required to submit their Bids through the Syndicate. ASBA Bidders are required to submit their Bids to the SCSBs.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not contain details of the Bidders' depository account shall be treated as incomplete and rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Sr. No.	Category	Colour of Bid cum Application Form
1.	Resident Indians and Eligible NRIs applying on a non-repatriation basis	[●]
2.	Eligible NRIs and FIIs applying on a repatriation basis	[●]
3.	Eligible employees in the Employee Reservation Portion	[●]
4.	ASBA Bidders	
	Resident ASBA Bidders	[●]
	Non-Resident ASBA Bidders	[●]
	Eligible Employees applying under ASBA	[●]
5.	Anchor Investors*	[●]

**Bid cum Application forms for Anchor Investors have been made available at the offices of the BRLMs.*

Bidders (other than ASBA Bidders) are required to submit their Bids through the Syndicate. Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this Draft Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids.

ASBA Bidders shall submit an ASBA Bid cum Application Form either in physical or electronic form to the SCSBs authorising blocking of funds that are available in the bank account specified in the ASBA Bid cum Application Form. Only QIBs can participate in the Anchor Investor Portion.

Upon dispatch of the CAN and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the application form. Upon completion and submission of the Bid cum Application Form to a member of the Syndicate or the SCSB, the Bidder or the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder or the ASBA Bidder.

Who can Bid?

- Indian nationals resident in India who are not minors in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than eligible NRIs are not eligible to participate in this issue;
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI other than a sub-account which is a foreign corporate or a foreign individual;
- Sub-accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals only under the Non-Institutional Bidders category.
- Venture Capital Funds registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund; and
- Insurance funds set up and managed by army, navy or air force of the Union of India.
- Eligible Employees (as defined in the section titled "Definitions and Abbreviations" beginning on page i).

As per the existing regulations, OCBs, FVCIs and multilateral and bilateral development institutions cannot participate in this Issue.

Participation by Associates of BRLMs and Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the Syndicate Members may subscribe to or purchase Equity Shares, either in the Net QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis.

The BRLMs and any persons related to the BRLMs, the Promoters and the Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand is greater than [•] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion.

One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Price payable by the Eligible Employee does not exceed Rs.100,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion may Bid at Cut off Price. Bids under the Employee Reservation Portion shall be subject to the following:

- Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.
- The sole/ First Bidder shall be an Eligible Employee.
- Bid shall be made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour Form).
- Only those Bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form.
- Eligible Employees may Bid in any of the bidding options at Cut-Off Price.
- The maximum Bid amount by any Eligible Employee cannot exceed Rs. 100,000.
- The value of Allotment to any Eligible Employee shall not exceed Rs. 100,000.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.
- Bid by an Eligible Employee can be made also in the "Net Issue" portion and such Bids shall not be treated as multiple bids.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Under-subscription, if any, in the Employee Reservation Portion will be added to the Net Issue.

- Undersubscription, if any, in any category shall be met with spill-over from other categories, at the sole discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange. In case of under- subscription in the Net Issue, spill-over to the extent of under-subscription shall be permitted from the Employee Reservation Portion.

- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see the section titled "Basis of Allotment" on page 553.

- Bids can be made only in the prescribed Bid-cum-Application form or Revision Form (i.e [●] colour form)

- An Employee and Retail Discount of upto [●]% to the Issue Price may be offered to Eligible Employees and Retail Individual Bidders.

Bids by Eligible NRIs

1. Bid cum Application Forms have been made available for Eligible NRIs at the Registered Office of our Company and with the members of the Syndicate.

2. Eligible NRI applicants should note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts should use the form meant for Resident Indians.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue issued capital (*i.e.* 10% of [●] Equity Shares). In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. As of now, the aggregate FII holding in us cannot exceed 24% of our total issued capital.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended (the "SEBI FII Regulations"), an FII, as defined in the SEBI FII Regulations, or its sub-account may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by an FII against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI Regulations. Associates and affiliates of the underwriters including the BRLMs and the Syndicate Members that are FIIs may issue offshore derivative instruments against the Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation of, claim on or an interest in, our Company.

Bids by SEBI registered Venture Capital Funds

The SEBI (Venture Capital) Regulations, 1996 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, the holding by any individual Venture Capital fund registered with SEBI in one company should not exceed 25% of the corpus of the Venture Capital Fund. Further, Venture Capital Funds can invest only up to 33.33% of the investible funds by way of subscription to an IPO.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur

after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the Issue Price as determined pursuant to the Book Building Process.

(b) **For Employee Reservation Portion:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount by the Eligible Employees does not exceed Rs. 100,000. In case of revision of Bids, the Eligible Employees have to ensure that the Bid Amount does not exceed Rs. 100,000. Any Bids in the Employee Reservation Portion exceeding Rs. 100,000 would be rejected. In the case that the Bid Amount is over Rs. 100,000 due to revision of the Price Band or on exercise of the Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders Portion. The Cut-off option is an option given only to the Retail Individual Bidders and Eligible Employees indicating their agreement to Bid and purchase at the Issue Price as determined at the end of the Book Building Process. Eligible Employees bidding under the Employee Reservation Portion may also Bid under the Retail Portion and Non- Institutional Portion and such Bids shall not be treated as multiple Bids.Bidders may note that the total Bid Amount will be used to determine whether the Bid exceeds Rs. 100,000 or not. The Allotment in the Employee Reservation Portion will be on a proportionate basis in case of over-subscription in this category.

(c) **For Other Bidders (Non-Institutional Bidders and QIBs excluding Anchor Investors):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [•] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB Bidder cannot withdraw its Bid after the QIB Bid/Issue Closing Date.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'.

(d) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100 million and in multiples of [•] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids. A Bid cannot be submitted for more than 30% of the QIB Portion. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in date mentioned in the revised Anchor Investor Confirmation of Allocation Note which shall not be later than two Working Days from the Bid/Issue Closing Date**.

Information for the Bidders:

(a) The Company and the BRLMs shall declare the Bid/Issue Opening Date, the QIB Bid/Issue Closing Date and the Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English national daily and Hindi national daily) and in one Marathi newspaper with wide circulation. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date. This advertisement shall be in the prescribed format.

(b) The Company will file the Red Herring Prospectus with the RoC at least three days before the Bid/Issue Opening Date.

(c) Copies of the Bid cum Application Form and copies of the Red Herring Prospectus will be available with the Syndicate. The ASBA Form shall be available on the websites of the Stock Exchanges. The SCSBs shall ensure that the abridged prospectus is made available on their websites.

(d) Any Bidder (who is eligible to invest in the Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form can obtain the same from the Registered Office.

(e) Eligible Bidders who are interested in subscribing for the Equity Shares should approach any of the BRLMs or Syndicate Members or their authorised agent(s) to register their Bids. Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids.

(f) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms (other than the ASBA Bid cum Application Forms) should bear the stamp of the members of the Syndicate, otherwise they will be rejected. Bids by ASBA Bidders shall be accepted by the Designated Branches of the SCSBs in accordance with the SEBI Regulations and any circulars issued by SEBI in this regard.

(g) The Syndicate and the Designated Branches of the SCSBs shall accept Bids from the Bidders during the Bid/Issue Period in accordance with the terms of the Syndicate Agreement, provided that the BRLMs shall accept the Bids from Anchor Investors only during the Anchor Investor Bid/Issue Period.

The applicants may note that in case the DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate do not match with the DP ID, Client ID and PAN available in the Settlement Depository database, the application is liable to be rejected.

Method and Process of Bidding

(a) The Company, in consultation with the BRLMs, will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national daily, [•], the [•] and [•] at least two Working Days prior to the Bid/Issue Opening Date. The Syndicate and the SCSBs shall accept Bids from the Bidders during the Issue Period.

(b) The Bid/Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be published in two national newspapers (one each in English national daily and Hindi national daily) and one Marathi newspaper with wide circulation and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

(c) During the Bid/Issue Period, Bidders, other than QIBs, who are interested in subscribing for the Equity Shares should approach the Syndicate or their authorised agents to register their Bids. The Syndicate shall accept Bids from all Bidders and have the right to vet the Bids during the Bid/Issue Period in accordance with the terms of the Red Herring Prospectus. All Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids.

(d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels” below) within the Price Band and specify the demand (*i.e.*, the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

(e) The Bidder cannot Bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate or SCBS will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph entitled "Build up of the Book and Revision of Bids". However, an Eligible Employee Bidding under the Employee Reservation Portion may also Bid in the Net Issue and such Bids will not be treated as multiple Bids.

(f) Except in relation to Bids received from the Anchor Investors, the members of the Syndicate/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

(g) The BRLMs shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/Issue Period *i.e.* one Working Day prior to the Bid/Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the Net QIB Portion shall not be considered as multiple Bids.

(h) Along with the Bid cum Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described in the section entitled "Issue Procedure – Escrow Mechanism, Terms of payment and payment into the Escrow Accounts" on page 538.

(i) Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

(j) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

(k) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

(l) The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue

Bids at Different Price Levels and Revision of Bids

(a) The Bidders can bid at any price within the Price Band, in multiples of Re. 1. The Price Band and the minmum Bid Lot Size for the Issue shall be decided by our Company in consultation with the BRLM and shall be published in two national newspapers (one each in English national daily and Hindi national daily) and in one Marathi newspaper with wide circulation at least two Working Days prior to the Bid/Issue Opening Date.

(b) The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side *i.e.* the floor price can move up or down to the extent of 20% of the floor price disclosed at least two days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.

(c) The Company, in consultation with the BRLMs will finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders.

(d) The Company, in consultation with the BRLMs, can finalise the Anchor Investor Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Anchor Investors.

(d) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders and Eligible Employees may Bid at the Cut-off Price. However, Bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

(e) Retail Individual Bidders and Eligible Employees, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and Bidders in the Employee Reservation Portion shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the members of the Syndicate. In case of ASBA Bidders (excluding the Non-institutional and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block the amount based on the Cap Price.

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, please see "Issue Procedure – Payment Instructions" on page 545.

Electronic Registration of Bids

(a) The members of the Syndicate and the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate and the SCSBs will undertake modification of selected fields in the Bid details already uploaded within one Working Day from the Bid/Issue Closing Date. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Bids are being accepted. The BRLMs, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the Syndicate Members and the SCSBs, (ii) the Bids uploaded by the Syndicate Members and the SCSBs, (iii) the Bids accepted but not uploaded by the Syndicate Members and the SCSBs or (iv) with respect to ASBA Bids, Bids accepted and uploaded without blocking funds in the ASBA Accounts. However, the members of the Syndicate and/or the SCSBs shall be responsible for any error in the Bid details uploaded by them. It shall be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

(b) The Stock Exchanges will offer an electronic facility for registering Bids for the Issue. This facility will be available with the Syndicate and their authorised agents and the SCSBs during the Bidding/Issue Period. The Syndicate Members and the Designated Branches can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis. On the Bid/Issue Closing Date, the members of the Syndicate and the Designated Branches shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLMs on a regular basis.

(c) Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand and price, as available on the websites of the BSE and the NSE, would be made available at the Bidding centres during the Bidding/Issue Period.

(d) At the time of registering each Bid, the Syndicate shall enter the following details of each Bidder in the on-line system:

- IPO Name;
- Name of the Bidder: Bidders should ensure that the name given in the Bid cum Application Form

is exactly the same as the name in which the Depositary Account is held. In case the Bid cum Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form;

- Application Number;
- Investor Category;
- Number of Equity Shares Bid for;
- Bid Amount;
- First Applicant PAN;
- Demat ID;
- Beneficiary Account Number or Client ID;
- Quantity Option;
- Cheque Amount;
- Cheque Number.

With respect to ASBA Bids, at the time of registering each Bid, the Designated Branches of the SCSBs shall enter the following information pertaining to the Bidder into the on-line system:

- Name of the ASBA Bidder;
- Application Number;
- PAN (of First Bidder if more than one Bidder);
- Investor Category and Sub-Category:

Retail Portion	**Employee Reservation Portion**	**Non-Institutional Portion**	**QIB Portion**
(No sub category)	Employees of our: • Subsidiaries • Joint Ventutes • Associates	• Individual • Corporate • Others	• Mutual Funds • Financial Institutions • Insurance companies • Foreign Institutional Investors other than corporate and individual sub-accounts • Others

- DP ID;
- Beneficiary Account Number or client ID;
- No. of Equity Shares Bid for;
- Bid Amount;
- Bank Account Number.

(e) A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate or the Designated Branches of the SCSBs. The registration of the Bid by the member of the Syndicate or the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be allocated/Allotted either by the members of the Syndicate or our Company.

(f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(g) In case of QIB Bidders, bidding in the Net QIB Portion, only the BRLMs and their Affiliates have the right to accept the Bid or reject it. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders, Retail Individual Bidders and Eligible Employees, Bids will be rejected on technical grounds listed on page 549. The Members of the Syndicate may also reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect. The SCSBs shall have no right to reject Bids except on technical grounds.

(h) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the Promoters, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

(i) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. Members of the Syndicate will be given up to one day after the Bid/Issue Closing Date to verify DP ID and Client ID uploaded in the online IPO system during the Bidding/Issue Period after which the data will be sent to the Registrar for reconciliation and Allotment of Equity Shares. In case of any discrepancy of data between the BSE or the NSE and the members of the Syndicate or the Designated Branches of the SCSBs, the decision of our Company, in consultation with the BRLMs and the Registrar shall be final and binding on all concerned. If the Syndicate Member finds any discrepancy in the DP name, DP ID and the client ID, the Syndicate Member will correct the same and the send the data to the Registrar for reconciliation and Allotment of Equity Shares.

(j) Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of electronic facilities of the Stock Exchanges.

Build up of the book and revision of Bids

(a) Bids received from various Bidders through the members of the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLMs at the end of the Bidding/Issue Period.

(c) During the Bidding/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being revised in the Revision Form. The members of the Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms.

(e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or the SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(f) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Eligible Employees who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount *i.e.*, original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to Bid at Cut-off Price), with the members of the Syndicate to whom the original Bid was submitted. In case the total amount (*i.e.*, original Bid Amount plus additional payment) exceeds Rs. 100,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Draft Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

(g) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders and Eligible Employees, who have bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account.

(h) The Company, in consultation with the BRLMs, shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 5,000 to Rs. 7,000.

(i) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the ASBA Bids, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid amount. In case of Bids other than ASBA Bids, the members of the Syndicate shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases, the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment.

(j) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and may get a revised TRS from the members of the Syndicate or the SCSB, as applicable. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

Price Discovery and Allocation

(a) Based on the demand generated at various price levels, our Company, in consultation with the BRLMs, shall finalise the Issue Price.

(b) Under-subscription, if any, in the Employee Reservation Portion will be added to the Net Issue. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the sole discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. In case of under-subscription in the Net Issue, spill-over to the extent of under-subscription shall be permitted from the Employee Reservation Portion.

(c) Allocation to Non-Residents, including Eligible NRIs and FIIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

(d) QIB Bidders shall not be allowed to withdraw their Bid after the QIB Bid/Issue Closing Date.

(e) The Basis of Allotment shall be put up on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

(a) The Company, the BRLMs and the Syndicate Members shall enter into an Underwriting Agreement on or immediately after finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, our Company will update and file the updated Red Herring Prospectus with the RoC in accordance with the applicable law, which then would be termed the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, underwriting arrangements and will be complete in all material respects.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one Marathi language daily newspaper, each with wide circulation.

Advertisement regarding Issue Price and Prospectus

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price and the Anchor Investor Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Notice to Anchor Investors: Anchor Investor Confirmation of Allocation Notice, Allotment Reconciliation and CAN

A physical book will be prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book, our Company in consultation with the BRLMs will decide the Anchor Investor Issue Price and allocation to the Anchor Investors on a discretionary basis. Selected Anchor Investors may be sent an Anchor Investor Confirmation of Allocation Notice indicating the number of Equity Shares that may be allocated to them. This provisional Anchor Investor Confirmation of Allocation Notice and the final allocation is subject to the physical application being valid in all respect along with receipt of stipulated documents, the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price and Allotment by the Board of Directors. In the event that the Issue Price is higher than the Anchor Investor Issue Price, a revised Anchor Investor Confirmation of Allocation Notice will be sent to the Anchor Investors. The price of Equity Shares in such revised Anchor Investor Confirmation of Allocation Notice shall be different from that specified in the Anchor Investor Confirmation of Allocation Notice. Anchor Investors should note that they shall be required to pay additional amounts, being the difference between the Issue Price and the price at which such Anchor Investors made their original Bid, as indicated in the CAN within 12 Working Days after the Bid/Issue Closing Date. Any CAN, if issued, will supersede in entirety the Anchor Investor Confirmation of Allocation Notice including any revisions thereof. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in date mentioned in the CAN which shall not be later than two Working Days from the Bid/Issue Closing Date.

Designated Date and Allotment of Equity Shares

(a). The Company will ensure that the Allotment of Equity Shares is done within 12 Working Days of the Bid/Issue Closing Date. After the funds are transferred to the Public Issue Account on the Designated Date, our Company would ensure the credit to the successful Bidders depository account within 12 Working Days of the Bid/Issue Closing Date.

(b). In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c). Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/Allotted to them pursuant to this Issue.

Issuance of Confirmation of Allotment Notice

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange and Allotment of the Equity Shares, the Registrar shall send to the Bidders who have been Allotted Equity Shares a confirmation of allotment notice.

(b) The Registrar will then dispatch a CAN to the Bidders who have been Allotted Equity Shares. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares Allotted to such Bidder. Bidders who have been allocated Equity Shares and who have already paid the Bid Amount into the Escrow Account(s) at the time of Bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realization of his or her cheque or demand draft paid into the Escrow Account (s). The dispatch of a CAN shall be deemed to be a valid, binding and irrevocable contract for the Allotment of Equity Shares to a Bidder.

GENERAL INSTRUCTIONS

Do's:

(a). Check if you are eligible to apply;

(b). Ensure that you have Bid within the Price Band;

(c). Read all the instructions carefully and complete the Bid cum Application Form;

(d). Ensure that the details about the PAN, Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in dematerialised form only;

(e). Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a member of the Syndicate or with respect to ASBA Bidders ensure that your Bid is submitted at a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for Bidding has a bank account;

(f). With respect to ASBA Bids, ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Bid cum Application Form;

(g). Ensure that you have been given a TRS for all your Bid options;

(h). Ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB;

(i). Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;

(j). Except for Bids submitted on behalf of the Central Government or the State Government and officials appointed by a court, all Bidders should mention their Permanent Account Number (PAN) allotted under the IT Act;

(k). Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

(l). Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don’ts:

(a). Do not Bid for lower than the minimum Bid size;

(b). Do not Bid/revise Bid Amount to less than the lower end of the Price Band or higher than the higher end of the Price Band;

(c). Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate or the SCSB;

(d). Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;

(e). Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate or the SCSBs only;

(f). Do not Bid at Cut-off Price (for QIB Bidders and Non-Institutional Bidders);

(g). Do not Bid for a Bid Amount exceeding Rs. 100,000 (for Bids by Retail Individual Bidders and Eligible Employees bidding under the Employee Reservation Portion);

(h). Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations; and (i). Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground alone.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders can obtain Bid cum Application Forms and / or Revision Forms from the any of the member of the Syndicate or from our Registered Office or our Corporate Office. **ASBA Bid cum Application Forms can be obtained from the Designated Branches of the SCSBs. ASBA Bid cum Application Forms shall also be available at the website of the respective stock exchanges at www.bseindia.com and www.nseindia.com.**

Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.

(b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.

(c) Information provided by the Bidders will be uploaded in the online IPO system by the Syndicate and the SCSBs, as the case may be, and the electronic data will be used for the purposes of allocation/ Allotment. Bidders should ensure that the details are correct and legible

(d) For Retail Individual Bidders and Eligible Employees, the Bid must be for a minimum of [•] Equity Shares and in multiples of [•] thereafter subject to a maximum Bid Amount of Rs. 100,000.

(e) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100,000 and in multiples of [•] Equity Shares thereafter. Bids cannot be made for more than the Issue. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations.

(f) For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or is equal to Rs. 100 million and in multiples of [•] Equity Shares thereafter.

(g) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(h) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of the Depository Participant's identification number, client identification number and PAN provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as "Demographic Details"). The Registrar will not use the details cotained in the physical Bid-cum-Application Form for the purpose of Allotments. These details would be used for giving refunds (including through physical refund warrants, direct credit, NECS, NEFT and RTGS) to the Bidders. Hence, Bidders may note that in case the Depository Participant's identification number, client identification number and PAN mentioned in the Bid-cum-Application Form and entered into the electronic Bidding system of the Stock Exchanges by the Syndicate do not match with the Depository Participant's identification number, client identification number and PAN available in the Depository's database, the Bid is liable to be rejected. Please note that failure to do so could result in delays in despatch/credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs or the Registrar to the Issue or the Escrow Collection Banks or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the Anchor Investor Conformation of Allocation Notes, CANs and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund Orders/Anchor Investor Confirmation of Allocation Note/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/Anchor Investor Confirmation of Allocation Notes/CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither our Company, Escrow Collection Banks nor the BRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Bidders may note that in case the DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate do not match with the DP ID, Client ID and PAN available in the Depository's database, the application is liable to be rejected.

Bids by Non Residents including NRIs and FIIs registered with SEBI on a repatriation basis

Bids and revision to Bids must be made in the following manner:

1. On the Bid cum Application Form or the Revision Form, as applicable ([●] in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.

2. In a single name or joint names (not more than three and in the same order as their Depositary Participant Details).

3. Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Bids by Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. The Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

As per the existing policy of the Government of India, OCBs are not permitted to participate in the Issue.

There is no reservation for Eligible NRIs and FIIs and all applicants will be treated on the same basis

with other categories for the purpose of allocation.

Bids under Power of Attorney

In case of Bids (including ASBA Bids) made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with a minimum corpus of Rs. 250 million a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a). With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.

(b). With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.

(c). With respect to Bids made by provident funds with a minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with a minimum corpus of Rs. 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

The Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLMs may deem fit.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Bidders other than ASBA Bidders

The Company and the Syndicate shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Draft Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Banks for and on behalf of the Bidders shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account are per the terms of the Escrow Agreement and the Draft Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Banks and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for ASBA Bidders

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the Bid Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to unblock the Bid Amount.

In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar shall give instructions to the SCSB to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Payment into Escrow Account for Bidders other than ASBA Bidders

Each Bidder, shall pay the Bid Amount with the submission of the Bid cum Application Form, draw a cheque or demand draft in favour of the Escrow Accounts of the Escrow Collection Bank(s) and submit such cheque or demand draft to the member of the Syndicate to whom the Bid is being submitted. QIBs may also provide the Bid Amount by way of an electronic transfer of funds through the RTGS mechanism. Each QIB shall provide their Bid Amount only to a BRLM. Bid cum Application Forms accompanied by cash/stockinvest/money order shall not be accepted. The Bid Amount has to be paid at the time of submission of the Bid cum Application Form. The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Banks, which will hold the monies for the benefit of the Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Accounts, as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus into the Public Issue Account. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account on the Designated Date.

Where the Bidder has been allocated a lesser number of Equity Shares than he or she had Bid for, the excess amount paid on Bidding, if any, after adjustment for Allotment, will be refunded to such Bidder within 12 Working Days from the Bid/Issue Closing Date. Our Company shall pay interest according to the provisions of the Companies Act for any delay beyond the period of 15 days from the Bid/Issue Closing Date.

The payment shall be done as per the following terms:

1) The payment instruments for payment into the Escrow Account should be drawn in favour of:

   (a) In case of Resident QIB Bidders: "Escrow A/c Kalpataru IPO – QIB – R"

   (b) In case of Non Resident QIB Bidders: "Escrow A/c Kalpataru IPO – QIB – NR"

   (c) In case of Resident Retail and Non-Institutional Bidders: "Escrow A/c Kalpataru IPO – R"

   (d) In case of Non-Resident Retail and Non-Institutional Bidders: "Escrow A/c Kalpataru IPO – NR"

   (e) In case of Eligible Employees: "Escrow A/c Kalpataru IPO – Eligible Employees"

2) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

   (a) In case of resident Anchor Investors: "Escrow A/c Kalpataru IPO – Anchor – R"

   (b) In case of non-resident Anchor Investors: "Escrow A/c Kalpataru IPO – Anchor – NR"

3) In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

4) In case of Bids by NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application

remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a Non-Resident Ordinary (NRO) Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

5) In case of Bids by FIIs, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.

6) The monies deposited in the Escrow Account will be held for the benefit of the Bidders (other than the ASBA Bidders) till the Designated Date.

7) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Public Issue Account Banks.

8) On the Designated Date and no later than 12 days from the Bid/Issue Closing Date, the Refund Bank shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.

9) Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts/non-MICR cheques drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Payment by cash/stockinvest/money order/postal orders

Payment through cash/stockinvest/money order/postal order shall not be accepted in this Issue.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid. With respect to ASBA Bidders, the ASBA Bid cum Application Form or the ASBA Revision Form shall be submitted to the Designated Branches.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. Bids by QIBs under the Anchor Investor Portion and QIB Portion (excluding Anchor Investor Portion) will not be considered as multiple Bids.
Bids made by Eligible Employees both under the Employee Reservation Portion as well as in the Net Issue shall not be treated as multiple Bids.

The Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All Bids will be checked for common PAN and will be accumulated and taken to a separate process file which would serve as a multiple master.

2. In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.

3. The Registrar to the Issue will obtain, from the depositories, details of the applicant's address based on the DP ID and Beneficiary Account Number provided in the Bid cum Application Form and create an address master.

4. The addresses of all the applications in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters *i.e.* commas, full stops, hash, *etc.* Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names. Applications with the same name and same address will be treated as multiple applications.

5. The applications will be scrutinised for DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.

Permanent Account Number or PAN

The Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/her Permanent Account Number (PAN) allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. **Any Bid cum Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground**.

With effect from August 16, 2010, the demat accounts of the Bidders for which PAN details have not been verified shall be designated "suspended credit" and no credit of Equity Shares pursuant to the Issue shall be made into accounts of such Bidders.

REJECTION OF BIDS

In case of QIB Bidders, our Company in consultation with the BRLMs may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made by cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk. With respect to ASBA Bids, the Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount paid/blocked pursuant to an ASBA Bid does not tally with the amount payable for the highest value of Equity Shares Bid for.
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, persons of unsound mind;
- PAN not mentioned in the Bid cum Application Form;
- GIR number furnished instead of PAN;
- Bids by Bidders whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids by persons who are not Eligible Employees and have submitted their Bids under the Employee Reservation Portion;
- Bids at a price less than the lower end of the Price Band;
- Bids at a price more than the higher end of the Price Band;
- Submission of more than five ASBA Bid cum Application Forms per bank account;
- Bids at Cut-off Price by Non-Institutional and QIB Bidders.
- Bids for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Bids as defined in this Draft Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by Stockinvest/money order/postal order/cash;
- Signature of sole and/or joint Bidders missing. With respect to ASBA Bids, the Bid cum Application form not being signed by the account holders, if the account holder is different from the Bidder;
- Bid cum Application Forms does not have the stamp of the BRLMs or Syndicate Members or the SCSB;
- Bid cum Application Forms which do not have Bidder's depository account details;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, the Depositary Participant's identity, the Client ID and the PAN;
- With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- Bids by persons in the United States excluding U.S. QIBs as defined in Rule 144A of the Securities Act;
- Bids by FVCIs;
- Bids by multilateral and bilateral development institutions;
- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Bids under the Employee Reservation Portion exceeding Rs. 100,000;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority.

The applicants may note that in case the DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate do not match with the DP ID, Client ID and PAN available in the Settlement Depository database, the application is liable to be rejected.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a de-materialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated March 17, 2008 between NSDL, our Company and the Registrar to the Issue;
- Agreement dated **[●]**, 2010 between CDSL, our Company and the Registrar to the Issue.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

(a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

(b) The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

(c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder

(d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

(e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

(f) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

(g) The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of bid form, name and address of the member of the Syndicate or the Designated Branch where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, bank account number in which the amount equivalent to the Bid Amount was blocked.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted shares in the respective beneficiary accounts, refund orders etc.

PAYMENT OF REFUND

Bidders other than ASBA Bidders must note that on the basis of Depository Participant's identification number, client identification number and PAN provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("**MICR**") code as appearing on a cheque leaf and IFSC code. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Refund Banks, Public Issue Account Banks nor the BRLMs shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay. Bidders may note that in case the Depository Participant's identification number, client identification number and PAN mentioned in the Bid-cum-Application Form and entered into the electronic Bidding system of the Stock Exchanges by the Syndicate do not match with the Depository Participant's identification number, client identification number and PAN available in the Depository's database, the Bid is liable to be rejected.

Mode of making refunds

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes in the following order of preference:

1. NECS – Payment of refund would be done through NECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the abovementioned centres, except where the applicant, being eligible, opts to receive refund through direct credit or RTGS.

2. Direct Credit – Applicants having bank accounts with the Refund Bank (s), as mentioned in the Bid cum Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.

3. RTGS – Applicants having a bank account at any of the abovementioned centres and whose refund amount exceeds Rs. 5 million, have the option to receive refund through RTGS. The mode of payment of refunds would be subject availability of bank account details including IFSC code from the Depositories. In the event the IFSC code is not available, refunds shall be made through other modes. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. NEFT – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from

the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. The process flow in respect of refunds by way of NEFT is at an evolving stage, hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be despatched under certificate of posting for value up to Rs. 1,500 and through Speed Post/Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

6. In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within twelve days of the Bid/Issue Closing Date.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account, to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids, within 12 Working Days of the Bid/Issue Closing Date.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

With respect to Bidders other than ASBA Bidders, our Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within 12 Working Days from the Bid/Issue Closing Date.

In case of applicants who receive refunds through NECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 Working Days from the Bid/Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 12 Working Days of the Bid/Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 12 Working Days from the Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, our Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 12 Working Days of the Bid/Issue Closing Date;

- With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 Working Days of the Bid/Issue Closing Date would be ensured. With respect to the ASBA Bidders' instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid/Issue Closing Date; and

- The Company shall pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue

Closing Date as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within 12 Working Days from the Bid/Issue Closing Date. If such money is not repaid within eight days from the day our Company becomes liable to repay, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under the applicable law.

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IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

(a) ***makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or***

(b) ***otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,***

shall be punishable with imprisonment for a term which may extend to five years."

BASIS OF ALLOTMENT

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

- The Net Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [•]Equity Shares. For the method of proportionate basis of Allotment, refer below.

- Our Company in consultation with the BRLMs may decide to offer a discount of up to [●]% of the Issue Price to Retail Individual Bidders. The excess amount paid at the time of Bidding shall be refunded to the Retail Individual Bidders. Pursuant to the Employee and Retail Discount, the Retail Portion shall be reduced in such proportion that the number of Equity Shares allocated to Retail Individual Bidders is not less than 35% of the total number of Equity Shares issued pursuant to this Net Issue.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

- The Net Issue size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

- In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [•]Equity Shares. For the method of proportionate basis of Allotment refer below.

C. For QIBs (other than Anchor Investors)

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the QIB Bidders will be made at the Issue Price.

- The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- Allotment shall be undertaken in the following manner:

  (a) In the first instance, allocation to Mutual Funds for up to 5% of the Net QIB Portion shall be determined as follows:

    (i) In the event that Mutual Fund Bids exceeds 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the Net QIB Portion.

    (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

    (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

  (b) In the second instance Allotment to all QIBs shall be determined as follows:

    (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.

    (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.

    (iii) Under-subscription below 5% of the net QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

D. For Employee Reservation Portion

- The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employees does not ceed Rs. 100,000. The allotment in the Employee Reservation Portion will be on a proportionate basis.

- The value of Allotment to any Eligible Employee shall not exceed Rs. 100,000.

- Bids received from the Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Eligible Employees and Retail Individual Bidders will be made at a discount of up to [●]% of the Issue Price.

- If the aggregate demand in this category is less than or equal to Rs. 35.10 million at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

- If the aggregate demand in this category is greater than [•] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of [•] Equity Shares and in multiple of [•] Equity Share thereafter. For the method of proportionate Basis of Allotment, refer below.

- Only Eligible Employees are eligible to apply under the Employee Reservation Portion.

E. For Anchor Investor Portion

- Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of our Company, in consultation with the BRLMs, subject to compliance with the following requirements:

  (a). not more than 30% of the QIB Portion will be allocated to Anchor Investors;
  (b). one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors;
  (c). allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation up to Rs. 2,500 million and minimum number of five Anchor Investors for allocation more than Rs. 2,500 million.

- The number of Equity Shares Allotted to Anchor Investors and the Anchor Investor Issue Price shall be made available in the public domain by the BRLMs before the Bid/Issue Opening Date by intimating the Stock Exchanges.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, our Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

a) Bidders will be categorised according to the number of Equity Shares applied for.

b) The total number of Equity Shares to be Allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.

c) Number of Equity Shares to be Allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

d) In all Bids where the proportionate Allotment is less than [•] Equity Shares per Bidder, the Allotment shall be made as follows:

   - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and

   - Each successful Bidder shall be Allotted a minimum of [•] Equity Shares.

e) If the proportionate Allotment to a Bidder is a number that is more than [•] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.

f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category where the Allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

g) Subject to valid Bids being received, allocation of Equity Shares to Anchor Investors shall be at the sole discretion of our Company in consultation with the BRLMs.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue Details

Sr. No.	Particulars	Issue details
1.	Issue size	202 million equity shares
2.	Employee Reservation Portion	2 million equity shares
3.	Allocation to QIB (50% of the Net Issue)	100 million equity shares
4.	Anchor Investor Portion	30 million equity shares
5.	Portion available to QIBs other than Anchor Investors [(2) minus (3)]	70 million equity shares
	Of which:	
	a. Allocation to MF (5%)	3.50 million equity shares
	b. Balance for all QIBs including MFs	66.50 million equity shares
6.	No. of QIB applicants	10
7.	No. of shares applied for	500 million equity shares

B. Details of QIB Bids

Sr. No.	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	**500**

A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/Applicants

(Number of equity shares in million)

Type of QIB bidders	Shares bid for	Allocation of 4.20 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 79.80 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
A1	50	0	8.05	0
A2	20	0	3.22	0
A3	130	0	20.92	0
A4	50	0	8.05	0
A5	50	0	8.05	0
MF1	40	0.84	6.30	7.14
MF2	40	0.84	6.30	7.14
MF3	80	1.68	12.61	14.29
MF4	20	0.42	3.15	3.57
MF5	20	0.42	3.15	3.57
	500	**4.20**	**79.80**	**35.71**

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the section titled "Issue Structure" on page 526.

2. Out of 84 million equity shares allocated to QIBs, 4.2 million (*i.e.* 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 million equity shares in QIB category.

3. The balance 79.80 million equity shares (*i.e.* 84 - 4.2 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 million equity shares (including five MF applicants who applied for 200 million equity shares).

4. The figures in the fourth column titled "Allocation of balance 79.80 million Equity Shares to QIBs proportionately" in the above illustration are arrived as under:

   - For QIBs other than Mutual Funds (A1 to A5) = No. of shares bid for (*i.e.* in column II) X 79.80/495.80.

   - For Mutual Funds (MF1 to MF5) = [(No. of shares bid for (*i.e.* in column II of the table above) less Equity Shares allotted (*i.e.*, column III of the table above)] X 79.80/495.80.

   - The numerator and denominator for arriving at allocation of 84 million shares to the 10 QIBs are reduced by 4.2 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Letters of Allotment or Refund Orders or instructions to the SCSBs

The Company shall give credit to the beneficiary account with depository participants within 12 Working Days from the Bid/Issue Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through NECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS. The Company shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500, by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder's sole risk within 12 Working Days of the Bid/Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 Working Days of closure of Bid/Issue. In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 12 Working Days of the Bid/Issue Closing Date.

Interest in case of delay in despatch of Allotment Letters or Refund Orders/instruction to SCSB by the Registrar

The Company agrees that the Allotment of Equity Shares shall be made not later than 12 Working Days of the Bid/Issue Closing Date. The Company further agrees that it shall pay interest at the rate of 15% p.a. if the Allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within 15 Working Days from the Bid/Issue Closing Date.

The Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

UNDERTAKINGS BY THE COMPANY

The Company undertakes the following:

- That the complaints received in respect of this Issue shall be attended to by the Company expeditiously and satisfactorily;

- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 12 Working Days from the Bid/Issue Closing Date;

- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;

- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 10 days of the Bid/Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- That the certificates of the securities/refund orders to the non-resident Indians shall be despatched within specified time;

- That no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and

- That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment.

The Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published within two days of the Bid/Issue Closing Date providing reasons for not proceeding with the Issue. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws.

Utilisation of Issue proceeds

The Board of Directors certify that:

- All monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;

- Details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised;

- Details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;

- the utilisation of monies received under Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

- the details of all unutilised monies out of the funds received under Promoters' contribution shall be disclosed under a separate head in the balance sheet of the Issuer indicating the form in which such unutilised monies have been invested;

- the utilisation of monies received under the Employee Reservation Portion shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- the details of all unutilised monies out of the funds received under the Employee Reservation Portion shall be disclosed under a separate head in the balance sheet of the issuer indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment limit is allowed up to 100% under automatic route in our Company.

FIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Foreign Investment in the Real Estate Sector

Foreign investment in the real estate sector is regulated by the relevant provisions of the FDI Manual dated November 2005, FEMA Regulations**,** and Consolidated FDI Policy issued by the Secretariat for Industrial Assistance, GoI.

Investments by NRIs

FDI Manual

Item No. 9 of Annexure II to the said FDI Manual outlines the sectoral caps in relation to 'Housing and Real Estate'. Annexure II specifies the following as activities under the automatic route in which investment is permitted only by NRIs:

(a). Development of serviced plots and construction of built up residential premises;
(b). Investment in real estate covering construction of residential and commercial premises including business centres and offices;
(c). Development of townships;
(d). City and regional level urban infrastructure facilities, including both roads and bridges;
(e). Investment in manufacture of building materials, which is also open to FDI;
(f). Investment in participatory ventures in (a) to (e) above;
(g). Investment in housing finance institutions, which is also open to FDI as an NBFC.

FEMA Regulations

The FEMA Regulations, state that the investment cap in the real estate on the activities in the 'Housing and Real Estate' is permit investment to the extent of 100% only by NRIs in the following specified areas:

I. Development of serviced plots and construction of built up residential premises;
II. Investment in real estate covering construction of residential and commercial premises including business centres and offices;
III. Development of townships;
IV. City and regional level urban infrastructure facilities, including both roads and bridges;
V. Investment in manufacture of building materials, which is also open to FDI;
VI. Investment in participatory ventures in (a) to (c) above;
VII. Investment in housing finance institutions, which is also open to FDI as an NBFC.

However, all other forms of FDI are prohibited in relation to Housing and Real Estate Business.

Consolidated FDI Policy

The law in relation to investment in the real estate sector has further been modified by way of the Consolidated FDI Policy. The Consolidated FDI Policy has also rescinded all press notes which have been issued earlier, in the same field.

Under the Consolidated FDI Policy, FDI up to 100% under the automatic route is allowed in 'townships, housing, built-up infrastructure and construction-development projects (which would include, but not be restricted to, housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure)', subject to the compliance with the following requirements.

(a). Minimum area to be developed under each project is as under:

  (i). In case of development of serviced housing plots, a minimum land area of 10 hectares;
  (ii). In case of construction-development projects, a minimum built up area of 50,000 square metres;
  (iii). In case of a combination project, anyone of the above two conditions would suffice.

(b). Minimum capitalisation of US$ 10 million for wholly owned subsidiaries and US$ 5 million for joint ventures with Indian partners. The funds are to be brought in within six months of commencement of business of our Company.

(c). Original investment is not to be repatriated before a period of three years from completion of minimum capitalization. The investor is to be permitted to exit earlier with prior approval of the Government through the FIPB.

(d). At least 50% of the project must be developed within a period of five years from the date of obtaining all statutory clearances. The investor would not be permitted to sell undeveloped plots. "Undeveloped plots" will mean where roads, water supply, street lighting, drainage, sewerage and other conveniences as applicable under prescribed regulations have not been made available. The investor is required to provide this infrastructure and obtain the completion certificate from the concerned local body/service agency before being allowed to dispose of serviced housing plots.

(e). The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules, and other regulations of the State Government/Municipal/Local Body concerned.

(f). The investor/investee company shall be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/Municipal/Local Body concerned.

(g). The State Government/Municipal Local Body concerned, which approves the building/development plans, would monitor compliance of the above conditions by the developer.

(h). The conditions as at paras (a) to (d) above are not applicable to investment by NRIs or to Hotels & Tourism, Hospitals and Special Economic Zones (SEZ)'s.

(i). 100% FDI is allowed under the automatic route in development of SEZ without the conditionalities at paras (a) to (d) above. This will be subject to the provisions of Special Economic Zones Act 2005 and the SEZ Policy of the Department of Commerce.

(j). Save as stated above, FDI is not allowed in Real Estate Business.

Therefore applicable law only permits investment by an NRI under the automatic route in the 'Housing and Real Estate' sector up to 100% in relation to townships, housing, built-up infrastructure and construction-development projects (which would include, but not be restricted to, housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure) and additionally permits up to 100% FDI in the 'Housing and Real Estate' subject to compliance with the terms provided Consolidated FDI Policy.

Investments by FIIs

FIIs including institutions such as pension funds, investment trusts, asset management companies, nominee companies and incorporated, institutional portfolio managers can invest in all the securities traded on the primary and secondary markets in India. FIIs are required to obtain an initial registration from SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended. The initial registration and the RBI's general permission together enable the registered FII to buy (subject to the ownership restrictions discussed below) and sell freely securities issued by Indian companies, to realise capital gains or investments made through the initial amount invested in India, to subscribe or renounce rights issues for shares, to appoint a domestic custodian for custody of investments held and to repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards sale or renunciation of rights issues of shares.

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

Transfers of equity shares previously required the prior approval of the FIPB. However, by way of an RBI circular dated October 4, 2004 issued by the RBI, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (FDI) Policy and transfer does not attract the provisions of the Takeover Code (ii) the non-resident shareholding is within the sectoral limits under the FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Clause 5.23 of the Consolidated FDI Policy is not applicable to foreign investment under the portfolio investment scheme by FIIs under Schedule II of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended. The Company is eligible to issue Shares to FIIs under the portfolio investment scheme, covered under notification FEMA No. 20/2000-RB dated May 3, 2000 and subsequent amendments thereto.

Pursuant to the said portfolio investment scheme, FII registered with the SEBI may buy or sell securities of Indian companies on stock exchanges in India through registered stock brokers. FIIs are also permitted to purchase shares and convertible debentures of an Indian company, subject to the specified percentage limits.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are being offered and sold in the United States only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs do not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transaction exempt from, or not subject to, the registration requirements of the Securities Act and outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Amount of Capital

Article 3 provides that "the authorised share capital of the Company is 500,00,00,000/- (Rupees Five Hundred Crore Only) divided into 49,90,00,000 (Forty-Nine Crores Ninety Lac) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 10,00,000 (Ten Lac) Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each.

Article 5 states "Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission voting and otherwise."

Preference Shares

Article 6 provides that "Subject to the provisions of Section 80 of the Act any such new shares may be issued as preference shares, and the resolution authorising such preference shares shall prescribe the manner, terms and conditions of the redemption subject however to the following conditions:

(a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption.

(b) no such shares shall be redeemed unless they are fully paid up.

(c) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or the Company's share premium account before the shares are redeemed.

(d) where any such shares redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend be transferred to reserve fund, to be called "the Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

(e) subject to the provisions of Section 80 and 80A of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of the issue and in the absence of any specific terms and conditions in that behalf in such manner as the Directors determine.

(f) whenever the Company shall redeem any redeemable preference shares, the Company shall, within one month thereafter, give notice thereof to the Registrar of Companies as required by Section 95 of the Act."

Buy Back of Shares

Article 66 provides that: "Notwithstanding anything contained in these Articles, the Board of Directors may, as and when and if thought fit, buy-back such of the Company's own shares or securities, whether or not they are redeemable, as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be prescribed under section 77A, 77AA and 77B as may be amended from time to time and in accordance with such other regulations and guidelines as may be issued in this regard by the relevant authorities including the Securities and Exchange Board of India."

Increase of Capital by the Company and how carried into effect

Article 4 provides that: "The Capital of the Company shall be increased or decreased or its shares being consolidated or sub-divided in accordance with the regulations of the Company and legislative provisions for the time being in force subject to Section 80 of the Companies Act, 1956 and the preference shares may be issued on the terms and conditions as may be decided by the General Meeting."

Reduction of Capital

Article 7 provides that: "Subject to the provisions of Sections 78, 80 and 100 to 105 of the Act, the Company may from time to time, by special resolution, reduce its capital in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted."

Sub-division consolidation and cancellation of Shares

Article 8 provides that: "Subject to the provisions of Section 94 of the Act the Company in General Meeting may from time to time:

(i) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares.

(ii) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination.

(iii) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.

(iv) cancel shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the shares so cancelled."

Further Issue of Capital

Article 4 provides that "The Company in general meeting may, from time to time increase the capital by the creation of new shares, such increase to be of such aggregate amount and of such classes and to be divided into shares of such respective amounts as the resolution shall prescribe." Article 5 further provides that: "Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions with such rights and privileges annexed thereto as the Company in general meeting shall prescribe, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company, and with a right of voting at general meeting of the Company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Company shall comply with the provision of Section 97 of the Act." Furthermore, in the event that it is permitted by law to issue shares with non-voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law."

Commission and brokerage may be paid

Article 25 provides that:

(a) "Subject to the provisions of Section 76 of the Act the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debenture in the Company, or procuring, or agreeing to procure subscription (whether absolute or conditionally) for any shares or debenture in the Company, or procuring, or agreeing to procure subscription (whether absolutely or conditionally) for any shares or debentures in the company, such commission shall not exceed the prescribed percentage on the nominal value of the share or the prescribed percentage on the nominal value of the debentures in each case subscribed or agreed in writing to subscribe.

(b) The Company may also, on any issue of shares or debentures pay such brokerage as may be lawful."

Board may make calls

Article 26 provides that: "The Board of Directors may, from time to time by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board. A call may be made payable by instalments. Where after the commencement of the Act, any calls for future share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class."

Call may be revoked or extended

Article 27 provides that: "Provided that before the time for payment of such call the Board of Directors may by notice in writing to the members, revoke the same or extend the time for payment thereof."

Amount payable at fixed time or by instalments as calls

Article 28 provides that: "If by the terms of issue of any shares or otherwise any amount is made payable at any fixed time of installment at fixed time (whether on account of the amount of the share capital or by way of premium) every such amount of installment shall be payable as if it were a call duly made by the Board of Directors and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or premium or installment accordingly."

When interest on call or instalment payable

Article 30 provides that: "If the sum payment in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the shares in respect of which the call shall have been made or the instalments shall be due, shall pay interest for the same at such rate of interest as may be determined by the Board from time to time from the date appointed for the payment thereof to the time of the actual payment, or at such other rate as the Board of Directors may from time to time determine. The Board of Directors may however in their absolute discretion forego payment of any interest where in their opinion the circumstances so justify."

Payment in anticipation of calls may carry interest

Article 33 provides that: "The Board of Directors may, if it thinks fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the amount so paid in advance or upon so much thereof as from time to time exceeds the amount of the call then made upon the shares in respect of which such advance has been made, the Company may pay or allow interest at such rate as the member paying such sum in advance and the Board of Directors agree upon. The Board of Directors may at their absolute discretion re-pay at any time any amount so advanced or may at any time repay the same up to giving to the member notice in writing of not less than three months. Provided that moneys paid in advance of calls for any shares may carry interest but shall not confer a right to dividend or to participate in profits."

Article 33 also provides that: "Such a member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable."

Board to have right to forfeit shares

Article 34 provides that: "If any member fails to pay any call or instalments of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter while the call or instalments remain unpaid, give notice to him requiring him to pay the same together with any interest that may have been incurred by the Company by reason of such non-payment."

Article 35 provides that: "The notice shall name the day (not being earlier than one month from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time being not less than fourteen days and at the place appointed, the share in respect of which the call was made or instalments is payable, will be liable to be forfeited."

Forfeited shares to be property of the Company and may be sold etc.

Article 38 provides that: "Any share so forfeited shall be deemed to be the property of the company, and may be sold, reallotted or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board of Directors may think fit."

Board may cancel forfeiture

Article 39 provides that: "The Board of Directors may, at any time annul the forfeiture upon such condition as it think fit before the forfeited shares are sold, reallotted or otherwise disposed off."

Company's lien on Shares / Debentures

Article 42 provides that: "The Company shall have a first and paramount lien upon every share / debenture (other than fully paid-up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all money (whether presently payable or not) called or payable at a fixed time in respect of such shares / debentures and no equitable interest in any shares / debentures shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien if any on such shares/debentures. PROVIDED THAT the Board of Directors may at any time declare any shares / debentures to be wholly or in part exempt from the provisions of these Articles."

Enforcement of lien by sale

Article 43 provides that: "For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they think fit; but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served as provided for service of documents in these Articles, on such member, his heirs, executors or administrators and default shall have been made by him or them in the payment, fulfillment, or discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale, the Board may authorise some person to execute an instrument of transfer in respect of the shares sold and to purchaser thereof and the purchaser shall be registered as the holders of the shares comprised in any such transfer. Upon any such sale as aforesaid the certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchaser concerned."

Instrument of Transfer

Article 48 provides that: "No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company in the prescribed form and in accordance with the provisions of Section 108 of the Act. Every such instrument of transfer shall be duly stamped and executed both by the transferor and the transferee and witnessed. The transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register in respect thereof."

Directors May Refuse to Register Transfer

Article 49(a) provides that: "Subject to the provisions of Section 111 of the Act, the Board of Directors may at any time in their absolute and uncontrolled discretion by giving reasons decline to register any proposed transfer of shares. This clause shall apply notwithstanding that the proposed transferee may be already a member. However, registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of shares in whatever lot shall not be refused."

Power to Borrow

Article 70(a) provides that: "Subject to the provisions of 58A, 58B, 292 and 293 of the Act and these Articles, the Board of Directors may from time to time at its discretion by a resolution passed by a Meeting of the Board, accept deposits from members, either in advance of calls or otherwise or accept deposits from the public and may generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company. Provided, however where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of the business) exceed the aggregate of the paid up capital of the Company and its free reserve (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such moneys without the consent of the Company in general meeting."

Article 70(b) provides that "The Company may invite or renew either from the public or from its members deposit up to the limit and in the manner and subject to the rules and conditions prescribed by the Central Government as contemplated under the Act and the rules framed thereunder."

Article 71 provides that "Subject to the provisions of the Act and these Articles the payment or repayment of moneys borrowed aforesaid may be secured in such manner and upon such terms and conditions in all respect as the Board of Directors may think fit, and, in particular, pursuant to resolution passed at a meeting of the Board and not passed by a circular resolution by the issue of bonds perpetual or redeemable debenture or debenture stock of the Company, or any mortgage or charge or other security upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being."

Shares may be converted into stock

Article 60 provides that: "The Company may, by ordinary resolution of the Company in general meeting:

(a) convert any paid- up shares into stock; and

(b) convert any stock into paid-up shares of any denomination. "

Annual General Meeting

Article 75 provides that: "The Annual General Meeting shall be held in accordance with Section 166 of the Act and shall be called for a time during business hours, on a day that is not public holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town where the Registered Office of the Company is situated as the Board of Director may determine and the notice calling the meeting shall specify it as the Annual General Meeting."

Calling of Extraordinary General Meeting on requisition

Article 79 provides that: "The Board may, whenever it thinks fit, call an Extraordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, any Director may call an Extra Ordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board at such time and place as he may determine."

Presence of Quorum

Article 88 provides that: "Five members personally present shall be a quorum for a General Meeting. No business shall be transacted at any general meeting unless requisite quorum shall be present at the commencement of the business."

Voting to be by show of hands

Article 105 provides that: "Subject to the provisions of the Act and these Articles upon a show of hands every member entitled to vote and present in person (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 of the Act and Article 99) or by Attorney shall have one vote."

Article 106 provides that: "No members not personally present shall be entitled to vote on a show of hands unless such member is present by Attorney or unless such member is a body corporate present by a representative duly authorised under Section 187 of the Act in which case such Attorney or representative may vote on a show of hands as if he were a member of the Company."

Casting vote of Chairman

Article 99(c) provides that: "In the case of any equality of votes, whether on a show of hands or on a poll, the

Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as member."

Instrument of proxy to be in Writing

Article 109(a) provides that: "Any member entitled to attend and vote at meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote on a poll instead of himself, but a proxy so appointed shall not have any right to speak at the meeting"

Article 109(b) provides that: "The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorised in writing or, if such appointer is a corporation, under its common seal or the hand of an officer or any attorney duly authorised by it."

Article 111 provides that: "The instrument appointing a proxy and the Power of Attorney or other authority (if any) under its signature or a notarially certified copy thereof shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in instrument proposes to vote."

Number of Directors

Article 116(a) provides that: "Until otherwise determined by a General Meeting, and approved by the Central Government and subject to Section 252 of the Act the number of Directors shall not be less than 3 (three) nor more than 12 (twelve). The Company shall appoint such number of independent directors as may be required under applicable Law including any listing agreement entered into by the Company with any recognised stock exchange."

Appointment of Nominee Director

Article 118 provides that: "Notwithstanding anything to the contrary contained in these Articles, so long as any moneys, remain owing by the Company to a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or by Government or by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Articles referred to as "the Corporation") out of any loans / debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures / Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of their Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors is/are hereinafter, referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s."

Appointment of Alternate Director

Article 120 provides that: "Subject to the provisions of Section 313 of the Act the Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of the not less than three months from the State in which meetings of the Board are ordinarily held, and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Director and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall vacate office if and when the Original Director returns to the said State. If the term of office of the Original Director is determined before he so returns to the said State, any provision in the Act or in these Article for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Provided always that no person shall be appointed by the Board as an Alternate Director who shall not have been previously selected and approved in writing by the Original Director or by the part which had appointed the Original Director as Special Director under Article 110."

Directors' Power to add to the Board

Article 121 provides that: "Subject to the provisions of Sections 260, 262 and 284(6) of the Act, the Board of Directors shall have power, at any time and from time to time, to appoint any person to be a Director either as an addition to the Board or to fill a casual vacancy occurring on account of the office of any Director appointed by the Company in general meeting being vacated before his term of office would expire in the normal course, but so that the total number of Directors shall not to any time exceed the maximum fixed in Article 109 (a) above."

Remuneration of Directors

Article 123 provides that: "Subject to the provisions of Section 198, 309, 310 and 311 of the Act, the remuneration, travelling and other expenses payable to the Directors of the Company may be as hereinafter provided :

(a) Unless otherwise determined by the Company in General Meeting or by the terms and conditions of remuneration of the Managing Director or Director, each Director shall be entitled to receive out of the funds of the Company for each meeting of the Board or a Committee thereof attended by him such fee as has been determined or as may from time to time be determined by the Board but not exceeding such sum as may from time to time be prescribed by or under the Act and applicable to the Company.

(b) In addition to the remuneration payable as above, the Directors may allow and pay to any Director who is not a bonafide resident of the place where a meeting is held and who shall come to such place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for travelling, hotel and other expenses incurred by him, in attending and returning from meeting of the Board of Directors or any Committee thereof or general meetings of the Company.

(c) If any Director be called upon to perform extra services or special exertions or efforts, the Board may arrange with such Director for such special remuneration for such extra service or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board subject to the provisions of the Act, and such remuneration may be in addition to his remuneration above provided.

(d) In addition to the remuneration payable under sub-clause (c) above, the Directors may allow and pay to any Director such sum as the Board may consider fair compensation for travelling, hotel and other expenses incurred by him in connection with the business of the Company."

Managing Director

Article 157 provides that: "Subject to the provisions of the Act, the Directors may from time to time appoint one or more person to be a Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director or Whole-Time Director or Whole-Time Directors or Executive Director/s) of the Company for a fixed term not exceeding five years upon such terms and conditions as the Board may think fit, and (subject to the provisions of the Act and subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. Provided however that such appointment is made in accordance with the terms and conditions specified in schedule 'XIII' of the Companies Act, 1956 and approval of the shareholders in the General Meeting is obtained."

Article 158 provides that: "Subject to the provisions of Act and of these articles, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation under the Act or Article 125 Clause (1) but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to be a director. Provided that if at any time the number of Directors (including the Managing Director or Wholetime Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such Managing Director or Managing Directors or Whole-time Director or Whole-time Directors, as the Directors may from time to time select, director who shall be liable to retirement by rotation in accordance with Article to the extent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being. Provided that Managing Director(s) so appointed shall be vested with the substantial powers of the management subject to the superintendent and control of the Board of directors."

Article 159 provides that "Subject to the provisions of the Act and Article 151, the remuneration of a Managing Director or Whole-time Director shall from time to time be fixed by the Directors, and may be by way of fixed by the Directors, and may be by way of fixed salary, or commission on profits of the Company or by participation in any such profits or by any or all of these modes."

Article 160 provides that "Notwithstanding anything contained in these Articles the Managing director is expressly allowed generally to work for and contract with the Company and specially to do the work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Board of Directors of the Company."

Directors contract with the Company

Article 127 provides that that:

"(1) Except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or directors, shall not enter into any contract with the Company.

(a) for the purchase or supply of any goods, materials or services or

(b) for underwriting the subscription of any share or in debentures of the Company.

(2) Nothing contained in the foregoing Clause (1) shall affect:

(a) the purchase of goods and materials from the Company or the sale of goods and materials to the company, by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market price; or

(b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company as the case may be regularly trade or does business.

Provided that such contract or contracts do not relate to goods and materials the value or which, or services the costs of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

(3) Notwithstanding anything contained in the foregoing clauses (1) and (2), a Director, relative, firm partner or private company as aforesaid may, in circumstances or urgent necessity, enter, without obtaining the consent of the Board, into any contract with the company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract, but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board and not otherwise; and the consent of the Board required under clause (1) above shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date of which it was entered into.

(5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board."

Quorum

Article 141 provides that: "Subject to Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time."

Article 142 provides that: "If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix."

Powers of Board Meeting

Article 154 provides that: "The management and control of the business of the Company shall be vested in the Directors who may exercise all such powers and do all such acts and things as the Company is authorised to exercise and shall not do all such acts and things as are not authorized by the Act or any statutory modification thereof for the time being in force or by any other Act or by the Memorandum or by these Articles, required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles or to the provisions of the Act or any statutory modifications thereof for the time being in force or to any other Act or to such regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board of Directors shall not except with the consent of the Company in General Meeting:

(a) Sell, lease or otherwise dispose off the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking.

(b) Remit or give time for the repayment of any debt due by a Director.

(c) Invest, otherwise than in trust securities, (the amount of compensation received by the Company in respect of the compulsory acquisition after the commencement of the Companies Amendment Act 1960), of any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.

(d) Borrow moneys in excess of the limits provided in Article 63.

(e) Contribute to charitable and other funds not directly relating to the business of the Company or welfare of its employees, any amount and aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater."

Resolution by circulation

Article 148 provides that: "No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft together with the necessary papers if any, to all the Directors or to all the members of the Committee, then in India (not being less in number than the quorum for a meeting of the Board or Committee, as the case may be) and to all other Directors or members of the Committee, at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution."

The Company in General Meeting may declare a dividend

Article 165 provides that "The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and subject to the provisions of any law for the time being in force and shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

Provided always that (subject as aforesaid) any capital paid up on a share during the period in respect of which dividend is declared shall, unless the Directors otherwise determine, only entitle and shall be deemed always to have only entitled, the holder of such share to an appointed amount of such dividend as from the date of payment."

Article 166 provides that: "The Company in general meeting may subject to section 205 of the Act declare dividends, to be paid to members according to their respective rights and interests in the profits but subject to any law for the time being in force and may fix the time for payment but no dividend shall exceed the amount recommended by the Board of Directors. However the Company in general meeting may declare a smaller dividend then recommended."

Dividends out of profits only

Article 167 provides that: "No dividend shall be paid otherwise than out of the profits of the year or any other undistributed profits of the year or otherwise than in accordance with the provisions of Section 205, 206 and 207 of the Act or any other law for the time being in force. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive."

Ad-interim dividend

Article 168 provides that: "Subject to the provisions of the Act or of any law for the time being in force the Board of Directors may, from time to time, pay to the Members interim dividends as, in their judgements, the position of the Company justifies."

Capitalisation

Article 181 provides that: "The Company in general meeting may, upon the recommendation of the directors, at any time and from time to time pass a resolution to the effect that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserves or reserve funds, or to the credit of the profit and loss account, or otherwise available for distribution and not required for the payment of the fixed dividends on any preference shares of the company and accordingly that such sum be set free for distribution among the holders of equity shares of the company, who would be entitled to such profits if distributed by way of dividend, and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying the amounts for the time being unpaid on any equity shares, in the company held by such members respectively, or in payment in full of unissued equity shares, debentures or other securities of the company, to be allotted, distributed, credited as fully paid among such members or partly in one way and partly in the other, and the directors shall give effect to such resolution provided that a share premium account and a capital redemption reserve fund may for the purposes of these article, only be applied in payment of unissued equity shares to be issued to members of the company as fully paid bonus shares.

Where any difficulty arises in regard to any distribution under this article, the directors may settle the same as they think expedient and in particular may issue fractional certificates, or may ignore fractions altogether and may determine that the cash payments shall be made to any member in order to adjust the rights of all members as may seem expedient to the directors. The directors may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the members."

Article 182 provides that: "A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for Income-tax be distributed among the members on the footing that they receive the same as capital."

Article 183 provides that "For the purpose of giving effect to any resolution under the two last preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient, and in particular may issue fractional certificate, and may (fix the value for distribution of any specific assets, and may) determine that cash payments shall be made to any members upon the footing that fractions of less value than Re. 1/- may be disregarded in order to adjust the rights of old parties, and may svest any such cash or specific assets in trustees upon such trusts for the purposes entitled to the dividend or capitalised funds as may seem expedient to the Directors and generally may make such arrangement for the acceptance allotment and shall of such shares or other specific assets and fractional certificates or otherwise as they may think fit. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Companies Act, 1956 and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund and such appointment shall be effective"

Liquidator may divide assets in specie

Article 207(1) provides that: "If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, or any of them as the liquidators, with the like sanction shall think fit."

Indemnity and Responsibility

Article 209 provides that: "Subject to the provisions of Section 201 of the Act, every Director, Manager and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of Directors out of the funds of the Company to pay, all losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done by him as such officer or servant or in any way in the discharge of his duties including expenses, and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Manager, Secretary,Officer or servant in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or he is acquitted or in connection with any application under Section 633 of the Act in which relief as granted by the Court, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company."

Secrecy

Article 211 provides that: "No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to required discovery of any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company, and which in the opinion of the Directors would be inexpedient in the interest of the Company to disclose."

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been attached to the copy of this Draft Red Herring Prospectus delivered to the Registrar of Companies, Maharashtra at Mumbai for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company between 10 a.m. and 5 p.m. on all Working Days.

A. Material Contracts for the Issue

1. Letter dated September 22, 2010 from the Book Running Lead Managers to the Company offering their services to act as Book Running Lead Managers and the Company's acceptance thereto.

2. Issue Agreement dated September 22, 2010 between the Company and the BRLMs.

3. Agreement dated September 21, 2010 between the Company and the Registrar to the Issue.

4. Escrow Agreement dated [●] between the Company, the BRLMs, Escrow Collection Bank and the Registrar to the Issue.

5. Underwriting Agreement dated [●] between the Company, the BRLMs and the Syndicate Members.

6. Syndicate Agreement dated [●] between the Company, BRLMs and the Syndicate Members.

7. Letter dated [●] appointing the Monitoring Agency.

B. Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of the Company, as amended.

2. Certificate of Incorporation dated December 22, 1988. Fresh Certificate of Incorporation consequent upon change of status from private limited to public limited dated May 16, 1995. Fresh Certificate of Incorporation consequent upon change of name dated February 1, 2008.

3. Resolutions of the Board of Directors of the Company dated September 20, 2010 in relation to this Issue and other related matters.

4. Shareholders' resolution dated September 21, 2010 in relation to this Issue and other related matters.

5. Agreement dated August 2, 2010 between our Company and Mofatraj P. Munot.

6. Agreement dated August 2, 2010 between our Company and Parag M. Munot.

7. The report of MGB & Co., Chartered Accountants, and statutory auditors, dated September 16, 2010 prepared as per Indian GAAP and mentioned in this Draft Red Herring Prospectus together with copies of balance sheet and profit and loss account of the Company referred to therein.

8. Copies of annual reports of the Company for the last five financial years.

9. Consent from the Auditors for inclusion of their names as the statutory auditors and of their reports on accounts in the form and context in which they appear in this Draft Red Herring Prospectus.

10. The Statement of Tax Benefits dated September 13, 2010 from our Company's statutory auditors.

11. Consent of Directors, BRLMs, the Syndicate Members, Domestic Legal Advisors to the Company, Domestic Legal Advisors to the Underwriters, International Legal Advisors to the Underwriters, Registrars to the Issue, Escrow Collection Banker, Banker to the Issue, Bankers to the Company,

Company Secretary and Compliance Officer as referred to in their specific capacities.

12. Consent of Vineet Agarwal, Sanju H. Ahooja and MGB & Co. to be named as experts to the Company.

13. Architect's certificate from Vineet Agarwal dated September 8, 2010.

14. Master Title certificate dated September 21, 2010 from Sanju H. Ahooja.

15. Due Diligence Certificate dated September 23, 2010 addressed to SEBI from the BRLMs.

16. In principle listing approvals dated [●] and [●] issued by NSE and BSE respectively.

17. Tripartite Agreement dated March 14, 2008 between the Company, NSDL and the Registrar to the Issue.

18. Tripartite Agreement dated [●] between the Company, CDSL and the Registrar to the Issue.

19. IPO Grading Report dated [●] by [●].

20. Non-compete agreement dated September 20, 2010, between our Company, the Promoters and Kalpataru Properties Private Limited.

21. Trademarks licensing agreement dated September 20, 2010, between our Company and Kalpataru Properties Private Limited.

22. Resolution dated September 20, 2010 passed by Ananta Landmarks Private Limited in relation to the objects of the Issue.

23. Equity and preference share subscription agreement dated January 14, 2009 between HDFC Asset Management Company Limited (acting in its capacity as portfolio manager of its product HDFC Asset Management Company Limited Portfolio Management Services Real Estate Portfolio-I and on behalf of clients in such product), Ananta Landmarks Private Limited, Mofatraj P. Munot, Parag M. Munot and our Company.

24. Shareholders' agreement dated January 14, 2009 between HDFC Asset Management Company Limited (acting in its capacity as portfolio manager of its product HDFC Asset Management Company Limited Portfolio Management Services Real Estate Portfolio-I and on behalf of clients in such product), Mofatraj P. Munot, Parag M. Munot, our Company, Ananta Landmarks Private Limited and Mr. Imtiaz Kanga.

25. Preference share subscription agreement cum shareholders' agreement dated January 14, 2009 between HDFC Asset Management Company Limited (acting in its capacity as portfolio manager of its product HDFC Asset Management Company Limited Portfolio Management Services Real Estate Portfolio-I and on behalf of clients in such product), K. C. Holdings Private Limited, Kalpataru Properties Private Limited, Kalpataru Constructions Private Limited, Yugdharm Investment & Trading Company Private Limited, Mofatraj P. Munot, Parag M. Munot, Parag M. Munot as Trustee of Shardchandrika Munot Family Trust, our Company and Neo-Pharma Private Limited.

26. Certificates dated September 21, 2010 from Dhiren T. Shah & Co. certifying the amount incurred towards the use of issue proceeds.

27. Credit arrangement letter dated October 29, 2009 between Kalpataru Properties (Thane) Private Limited and ICICI Home Finance Company Limited.

28. Sanction letter dated May 25, 2010 issued by Standard Chartered Bank.

29. Memorandum of understanding dated August 25, 2010 between Clariant Chemicals (India) Limited and Ananta Landmarks Private Limited.

30. Demand notice dated August 21, 2010 received from the Tehsildar's office relating to *Nazrana*.

payments.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, hereby declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act or the Securities and Exchange Board of India Act, 1992 or Rules or regulations made there under or guidelines issued, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

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Mofatraj P. Munot
(*Chairman*)

____

Parag M. Munot
(*Managing Director*)

____

Imtiaz Kanga
(*Non-Executive Director*)

____

Dhananjay Narendra Mungale
(*Independent Director*)

____

Omprakash Kewalkrishan Gahrotra
(*Independent Director*)

____

Sajjanraj Heeralal Mehta
(*Independent Director*)

____

Chandrashekar Joglekar
(*Vice-President, Finance*)

Date:
Place: