



VASCON ENGINEERS LIMITED

Vascon Engineers Limited (the "Company" or "Issuer") was originally incorporated on January 1, 1986 as a private limited company under the provisions of the Companies Act, 1956 in Maharashtra. For details of changes in name and registered office, see "History and Corporate Structure" on page 135.

Registered Office: 15/16, Hazari Baug, L.B.S. Marg, Vikhroli (W), Mumbai 400 083, Maharashtra, India Tel: (91 22) 2578 1143; Fax: (91 22) 2579 6333

Corporate Office: 201, Phoenix, Bund Garden Road, Pune 411 001 Tel: (91 20) 3056 2200/2300; Fax: (91 20) 2613 1071

Company Secretary and Compliance Officer: Mr. M. Krishnamurthi; Tel: (91 20) 3056 2305; Fax: (91 20) 2613 1071

Email: compliance.officer@vascon.com, **Website:** www.vascon.com

PROMOTERS: R. VASUDEVAN, LALITHA VASUDEVAN, THANGAM MOORTHY, GEETA LULLA, VATSALYA ENTERPRISES PRIVATE LIMITED, PREMIRATAN EXPORTS PRIVATE LIMITED AND GOLDEN TEMPLE PHARMA PRIVATE LIMITED

PUBLIC ISSUE OF 10,800,000 EQUITY SHARES OF RS. 10 EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] MILLION (THE "ISSUE") BY THE ISSUER. THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF 10,700,000 SHARES OF RS. 10 EACH (THE "NET ISSUE") AND A RESERVATION OF UP TO 100,000 EQUITY SHARES OF RS. 10 EACH FOR ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE WOULD CONSTITUTE 11.95% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY AND THE NET ISSUE WOULD CONSTITUTE 11.84% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY.

PRICE BAND: RS. [●] TO RS. [●] PER EQUITY SHARE OF FACE VALUE RS. 10.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 AND THE FLOOR PRICE IS [●] TIMES OF THE FACE VALUE AND THE CAP PRICE IS [●] TIMES OF THE FACE VALUE

In case of revision in the Price Band, the Bidding Period will be extended for three additional days after revision of the Price Band subject to the Bidding Period/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 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 the Book Running Lead Managers and at the terminals of the Syndicate.

In terms of Rule 19 (2)(b) of the Securities Contract Regulation Rules, 1957 ("SCRR"), this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price.

IPO GRADING

This Issue has been graded by CRISIL as 3/5, indicating average fundamentals through its letter dated December 8, 2009 and January 11, 2010. For details see section titled "General Information" on page 16 of this Red Herring Prospectus and refer to "Material Contracts and Documents for Inspection" on page 440 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the Equity Shares of the Issuer. The face value of the Equity Shares is Rs. 10 and the Floor Price is [●] times of the Face Value. The Issue Price (has been determined and justified by the lead merchant banker and the Issuer as stated under the paragraph on "Basis for Issue Price") should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of the Issuer nor regarding the price at which the Equity Shares will be traded after listing.

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 the Issuer and the Issue including the risks involved. The Equity Shares offered in the Issue 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 Red Herring Prospectus. Specific attention of the investors is invited to the statement of "Risk Factors" on page xi.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this 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 makes this 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 this Red Herring Prospectus are proposed to be listed on the NSE and the BSE. We have received in-principle approval from NSE and BSE for the listing of our Equity Shares pursuant to letters dated November 3, 2009 and November 5, 2009, respectively. For purposes of this Issue, the Designated Stock Exchange is the NSE.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE ISSUE



Kotak Mahindra Capital Company Limited
1st Floor, Bakthawar
229, Nariman Point
Mumbai 400 021, India
Tel: (91 22) 6634 1100
Fax: (91 22) 2283 7517
Email: vascon.ipo@kotak.com
Investor grievance id:
kmcrcdressal@kotak.com
Website: www.kotak.com
Contact Person: Mr. Chandrakant Bhole
SEBI Registration No.: INM000008704

Enam Securities Private Limited
801, Dalamal Towers
Nariman Point
Mumbai 400 021, India
Tel: (91 22) 6638 1800
Fax: (91 22) 2284 6824
Email: vascon.ipo@enam.com
Investor grievance id:
complaints@enam.com
Website: www.enam.com
Contact Person: Ms. Dipali Dalal
SEBI Registration No.: INM000006856

Karvy Computershare Private Limited
Plot No. 17-24,
Vittal Rao Nagar,
Madhapur,
Hyderabad 500 081, India
Tel: (91 40) 2342 0815
Fax: (91 40) 2343 1551
Email: vasconipo@karvy.com
Website: http://karisma.karvy.com
Contact Person: Mr. M. Murali Krishna
SEBI Registration No.: INR 000000221

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON

January 27, 2010*

BID/ISSUE CLOSING ON

January 29, 2010

* Anchor Investor Bid/Issue Period shall be one day prior to the Bid/Issue Opening Date.

TABLE OF CONTENTS

SECTION I: GENERAL.....	I
DEFINITIONS AND ABBREVIATIONS.....	I
CERTAIN CONVENTIONS;.....	IX
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	IX
FORWARD-LOOKING STATEMENTS.....	X
SECTION II : RISK FACTORS.....	XI
SECTION III : INTRODUCTION	1
SUMMARY OF OUR BUSINESS, STRENGTHS AND STRATEGY	1
SUMMARY FINANCIAL INFORMATION	5
THE ISSUE	15
GENERAL INFORMATION	16
CAPITAL STRUCTURE	25
OBJECTS OF THE ISSUE	38
BASIS FOR ISSUE PRICE.....	43
STATEMENT OF TAX BENEFITS	46
SECTION IV: ABOUT THE COMPANY.....	55
INDUSTRY.....	55
OUR BUSINESS.....	68
REGULATIONS AND POLICIES	127
HISTORY AND CORPORATE STRUCTURE	135
OUR MANAGEMENT	146
OUR PROMOTERS	158
GROUP ENTITIES.....	163
RELATED PARTY TRANSACTIONS.....	168
DIVIDEND POLICY.....	182
SECTION V: FINANCIAL STATEMENTS.....	183
CONSOLIDATED FINANCIAL INFORMATION OF VASCON ENGINEERS LIMITED	183
UNCONSOLIDATED FINANCIAL INFORMATION OF VASCON ENGINEERS LIMITED ...	232
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.....	284
FINANCIAL INDEBTEDNESS	299
SECTION VI: LEGAL AND OTHER INFORMATION	312
OUTSTANDING LITIGATION AND DEFAULTS.....	312
GOVERNMENT APPROVALS	334
OTHER REGULATORY AND STATUTORY DISCLOSURES.....	352
SECTION VII: ISSUE INFORMATION	361
TERMS OF THE ISSUE.....	361
ISSUE STRUCTURE	364
ISSUE PROCEDURE.....	368
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	405
SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION	407
SECTION IX: OTHER INFORMATION	440
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	440
DECLARATION	443
ANNEXURE : GRADING RATIONALE FOR IPO GRADING	444

SECTION I- GENERAL

DEFINITIONS AND ABBREVIATIONS

Term	Description
“We”, “us”, “our”, “Issuer”, “the Company”, “our Company” or “Vascon”	Unless the context otherwise indicates or implies, refers to Vascon Engineers Limited on a consolidated basis

Conventional and General Terms

Term	Description
Act or Companies Act	Companies Act, 1956 and amendments thereto
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996 as amended from time to time
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Easements Act	The Easements Act, 1882
Financial Year/Fiscal/FY	The twelve months period ended March 31 of that particular year
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009
Sec.	Section
Stamp Act	The Indian Stamp Act, 1899
Stock Exchange(s)	BSE and/ or NSE as the context may refer to
T.P. Act	Transfer of Property Act, 1882
Urban Land Ceiling Act	The Urban Land (Ceiling and Regulation) Act, 1976

Issue Related Terms

Term	Description
Allotment/Allot	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Issue
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor category, who has Bid for Equity Shares amounting to at least Rs. 100.00 million
Anchor Investor Margin Amount	An amount representing 25% of the Bid Amount payable by Anchor Investors at the time of submission of their Bid
Anchor Investor Portion	Up to 30% of the QIB Portion which may be allocated by the Company 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 Anchor Investors
Anchor Investor Bid/Issue Period	The date one day prior to the Bid/Issue Opening Date on which bidding by Anchor Investors shall open and shall be completed
Anchor Investor Bidding Date	The date one day prior to the Bid Opening Date, prior to or after which the Syndicate will not accept any Bids from Anchor Investors
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by a Bidder (other than a QIB) to make a Bid authorising a SCSB to block the Bid Amount in their specified bank account maintained with the SCSB
ASBA Bidder	Any Bidder (other than a QIB) who intends to apply through ASBA
ASBA Bid cum Application Form or ASBA BCAF	The 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 quantity of Equity Shares or the Bid Amount in any of their ASBA Bid cum Application Forms or any previous revision form(s)

Term	Description
ASBA Public Issue Account	A bank account of the Company, under Section 73 of the Act where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Bidders
Banker(s) to the Issue/Escrow Collection Bank(s)	The banks registered with SEBI as Banker to the Issue with whom the Escrow Account will be opened, in this case being HDFC Bank, ICICI Bank, Kotak Mahindra Bank and Yes Bank.
Bankers to the Company	State Bank of India and HDFC Bank
Basis of Allotment	The basis on which Equity Shares will be Allotted to Bidders under the Issue and which is described in “Issue Procedure – Basis of Allotment” on page 378
Bid	An indication to make an offer during the Bidding Period by a prospective investor to subscribe to the Equity Shares of the Company at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by any Bidder (other than a QIB) pursuant to the submission of an ASBA Bid cum Application Form to subscribe to the Equity Shares of the Company
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form
Bid /Issue Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate will not accept any Bids for the Issue, which shall be notified in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation
Bid /Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation
Bid cum Application Form	The form in terms of which the Bidder shall make an offer to purchase Equity Shares and which shall be considered as the application for issue of Equity Shares pursuant to the terms of the Red Herring Prospectus and the Prospectus including the ASBA Bid cum Application as may be applicable
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, including an ASBA Bidder and Anchor Investor
Bidding Period	The period between the Bid Opening Date and the Bid Closing Date inclusive of both days and during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof.
Book Building Process/Method	Book building route as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which this Issue is being made
BRLMs/Book Running Lead Managers	Book Running Lead Managers to the Issue, in this case being Kotak Mahindra Capital Company Limited and Enam Securities Private Limited
BRLMs Memorandum of Understanding	The agreement entered into on September 25, 2009 between the Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue
Business Day	Any day on which commercial banks in Mumbai are open for business
CAN/Confirmation of Allocation Note	Except in relation to Anchor Investors, the note or advice or intimation of allocation of Equity Shares sent to the successful Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof. In relation to Anchor Investors, the note or advice or intimation of allocation of Equity Shares sent to the successful Anchor Investors who have been allocated Equity Shares after discovery of 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 above which no Bids will be accepted, including any revisions thereof
Controlling Branches	Such branches of the SCSB which coordinates with the BRLM, 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	Issue Price, finalised by the Company in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders and Eligible Employees whose Bid Amount does not exceed Rs. 100,000 are entitled to Bid at the

Term	Description
	Cut Off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the ASBA Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Bidders
Designated Stock Exchange	NSE
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated September 29, 2009 filed with the SEBI
Employees/Eligible Employees	A permanent and full-time employee or a Director of the Company, who is a person resident in India (as defined under the FEMA) and who continues to be in the employment of the Company. They do not include employees of the Promoters and the Promoter Group
Employee Reservation Portion	The portion of the Issue, being a maximum of 100,000 Equity Shares, available for allocation to the Employees
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares
Enam Securities	Enam Securities Private Limited having its office at 801, Dalamal Towers, Nariman Point, Mumbai 400 021, India
Equity Shares	Equity shares of the Company of Rs. 10 each, unless otherwise specified
Escrow Account	Account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into by the Company, the Registrar to the Issue, the BRLMs, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account will be opened and in this case being HDFC Bank, ICICI Bank, Kotak Mahindra Bank and Yes Bank
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form or the ASBA Bid cum Application 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 including any revisions thereof.
Issue	The issue of 10,800,000 Equity Shares of Rs. 10 each of the Company for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] million. The Issue comprises a Net Issue to the Public of 10,700,000 Equity shares and the Employee Reservation Portion of up to 100,000 Equity Shares
Issue Price	The final price at which Equity Shares will be issued and allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by the Company in consultation with the BRLMs on the Pricing Date
Issue Proceeds	The proceeds of the Issue that are available to the Company
KMCC	Kotak Mahindra Capital Company having its registered office at 1st Floor, Bakthawar, 229 Nariman Point, Mumbai 4000 021, India
Kotak Securities	Kotak Securities Limited having its registered office at 1 st Floor, Bakthawar, 229 Nariman Point, Mumbai 400 021, India
Margin Amount	The amount paid by the Bidder at the time of submission of his/her Bid, being 10% to 100% of the Bid Amount
Mutual Fund Portion	5% of the QIB Portion (excluding Anchor Investor Portion) or 321,000 Equity Shares available for allocation to Mutual Funds only, out of the QIB Portion (excluding Anchor Investor Portion) on a proportionate basis
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations,

Term	Description
	1996
Net Issue	The Issue less the Employee Reservation Portion
Net Proceeds	The Issue Proceeds less the Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses see the section titled “Objects of the Issue” on page 38
Non-Institutional Bidders	All Bidders, including sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals, that are not QIBs (including Anchor Investors) or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000
Non-Institutional Portion	The portion of the Issue being not less than 1,070,000 Equity Shares available for allocation to Non-Institutional Bidders
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian
Pay-in Date	Except with respect to ASBA Bidders, the Bid Closing Date or the last date specified in the CAN sent to Bidders, as applicable and which shall with respect to the Anchor Investors, be a date not later than two days after the Bid Closing Date
Pay-in-Period	Except with respect to ASBA Bidders, those Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid Opening Date and extending until the Bid Closing Date; and With respect to Bidders, except Anchor Investors, whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid Opening Date and extending until the last date specified in the CAN With respect to Anchor Investors, the Anchor Investor Bidding Date and the last specified in the CAN which shall not be later than two days after the Bid Closing Date
Price Band	Price Band of a minimum price of Rs. [●] (Floor Price) and the maximum price of Rs. [●] (Cap Price) and includes revisions thereof. The Price Band and the minimum Bid Lot for the Issue will be decided by the Company in consultation with the Book Running Lead Managers and advertised at least two (2) working days prior to the Bid/Issue Opening Date in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation
Pricing Date	The date on which the Company, in consultation with the BRLMs, finalizes the Issue Price
Prospectus	The Prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, containing, inter alia, 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	Account opened with the Bankers to the Issue to receive monies from the Escrow Account on the Designated Date
QIB Margin Amount	An amount representing at least 10% of the Bid Amount, paid by QIBs (other than the Anchor Investors) at the time of submission of their Bid
QIB Portion	The portion of the Issue being at least 6,420,000 Equity Shares of Rs. [●] each to be Allotted to QIBs
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FIIs and sub-account registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory Development Authority, provident fund with minimum corpus of Rs. 250 million, pension fund with minimum corpus of Rs. 250 million, National Investment Fund set up by Government of India, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral financial institutions are not legible to participate in the Issue and insurance funds set up and managed by army, navy or air force of Union of India
Red Herring Prospectus or RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with

Term	Description
	the RoC at least three (3) days before the Bid Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with Escrow Collection Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding to the ASBA Bidder) if any, shall be made
Refund Banker(s)	HDFC Bank
Refunds through electronic transfer of funds	Refunds through ECS, Direct Credit, NEFT, RTGS or the ASBA process, as applicable
Registrar/Registrar to the Issue	Karvy Computershare Private Limited
Resident Retail Individual Investor or RRII	Retail Individual Bidder who is a person resident in India as defined in the Foreign Exchange Management Act, 1999 and who has not Bid for Equity Shares for an amount more than Rs. 100,000 in any of the bidding options in the Issue
Retail Individual Bidder(s)	Individual Bidders (including HUFs and NRIs) who have not Bid for Equity Shares for an amount more than Rs. 100,000 in any of the bidding options in the Issue
Retail Portion	The portion of the Issue being not less than 3,210,000 Equity Shares 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 Price in any of their Bid cum Application Forms or any previous Revision Form(s)
Self Certified Syndicate Bank or SCSB	The Banks which are registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in
Stock Exchanges	The BSE and the NSE
Syndicate	The BRLMs and their Syndicate Members (if any)
Syndicate Agreement	The agreement to be entered into between the Syndicate and the Company in relation to the collection of Bids in this Issue (excluding Bids from the ASBA Bidders)
Syndicate Member	Kotak Securities Limited
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended
TRS/Transaction Registration Slip	The slip or document issued by a member of the Syndicate or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriters	The BRLMs and the Syndicate Members
Underwriting Agreement	The agreement among the Underwriter and the Company to be entered into on or after the Pricing Date

Issuer and Industry Related Terms

Term	Description
Articles	Articles of Association of our Company
AOP	Association of Persons
Auditors	The statutory auditors of our Company, Anand Mehta & Associates
Board / Board of Directors	Board of Directors of our Company
Corporate Promoters	The corporate promoters of our Company are 1. Vatsalya Enterprises Private Limited 2. Premratan Exports Private Limited 3. Golden Temple Pharma Private Limited
Developable Area / Saleable Area	Total area which is developed in each property, and includes carpet area, common area, service and storage area, as well as other open area
Directors	Directors of Vascon Engineers Limited, unless otherwise specified
EPC Contracts	Construction contracts for third parties and for real estate development projects developed by us, our Subsidiaries and Other Development Entities
ESOP 2007	Adopted for the benefit of employees eligible under the plan. The total options earmarked were 2,000,000. The plan was approved by the shareholders of our Company at the meeting held on October 23, 2007

Term	Description
Ongoing and Forthcoming EPC Contracts	EPC Contracts that are currently under construction and planned for construction
Ongoing and Forthcoming Projects	Real estate development projects that are currently under construction and planned for construction and development
Group Companies/Group Entities	Companies, firms and ventures promoted by the Promoters (irrespective of whether such entities are covered under Section 370 (1)(B) of the Companies Act or not), as disclosed in “Group Entities” on page 163
HI REF	HDFC India Real Estate Fund
HI REF Shareholders Agreement	Shareholder agreement dated June 21, 2006 entered into by our Company with HDFC Ventures Trustee Company Limited acting in its capacity of trustee of HDFC Property Fund investing through its scheme called “HDFC India Real Estate Fund”, R. Vasudevan and the Other Shareholders
Individual Promoters	The individual promoters of our Company are: 1. R. Vasudevan 2. Lalitha Vasudevan 3. Thangam Moorthy 4. Geeta Lulla
Key Management Personnel	Those individuals described in “Our Management – Key Management Personnel” on page 154
Land Reserves	Refers to land where, title of the land or the interest in land, our Company, our Subsidiaries and the Other Development Entities own. They also include lands, in respect of which our Company, our Subsidiaries and the Other Development Entities have entered into an agreement or a memorandum of understanding to purchase or develop lands. It includes the total amount of Saleable Area to be developed through Ongoing and Forthcoming Projects
Memorandum	Memorandum of Association of our Company
Order Backlog	Consists of anticipated EPC Contract revenues from the uncompleted portion of existing EPC Contracts (which are defined as signed contracts for which all pre-conditions to entry into force have been met)
Other Development Entities	Entities in which we have a stake and/or with whom or through whom we are carrying out real estate development activity and which excludes us and our Subsidiaries: 1. Angelica Properties Private Limited 2. Cosmos Premises Private Limited 3. Just Homes (India) Private Limited 4. Marigold Premises Private Limited 5. Mumbai Estates Private Limited 6. Viorica Properties Private Limited 7. Rose Premises Private Limited 8. John Fowler Ophthalmics Private Limited 9. Marathawada Realtors Private Limited 10. Almet Corporation Limited 11. Ascent Hotels Private Limited 12. N.V. Projects Private Limited 13. Vascon Infrastructure Limited 14. Sitalakshmi Mills Limited 15. Just Homes Associates 16. Zircon Ventures 17. Zenith Ventures 18. Phoenix Ventures 19. Weikfield IT-Citi Infopark 20. Ajanta Enterprises
Promoters	The promoters of our Company, namely: 1. R. Vasudevan 2. Lalitha Vasudevan 3. Thangam Moorthy 4. Geeta Lulla 5. Vatsalya Enterprises Private Limited 6. Premratan Exports Private Limited 7. Golden Temple Pharma Private Limited

Term	Description
Promoter Group	Includes such persons and entities constituting our promoter group pursuant to Regulation 2(zb) of the SEBI ICDR Regulations
Registered Office of the Company	15/16, Hazari Baug, L.B.S. Marg, Vikhroli (W), Mumbai 400 083
Subsidiaries or individually known as Subsidiary	1. Calypso Premises Private Limited 2. Floriana Properties Private Limited 3. IT – Citi Infopark Private Limited 4. Marvel Housing Private Limited 5. Vascon Dwellings Private Limited 6. Vascon Pricol Infrastructures Limited 7. Wind Flower Properties Private Limited 8. Greystone Premises Private Limited 9. Caspia Hotels Private Limited

Abbreviations

A/c	Account
AAI	Airport Authority of India
Acre	Equals 43,560 sq. ft
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BHK	Bedroom, Hall and Kitchen
BSE	The Bombay Stock Exchange Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFI	Construction Federation of India
CRIS INFAC	CRIS INFAC Industry Information Service, a brand of CRISIL Research and Information Services Limited
DIPP	Department of Industrial Policy and Promotion
DRHP	Draft Red Herring Prospectus
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPC	Engineering, Procurement and Construction
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder and amendments thereto
FII(s)	Foreign Institutional Investors (as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FMCG	Fast Moving Consumer Goods
FSI	Floor Space Index
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GoI/Government	Government of India
Gunta	Equals 1089 sq. ft
HNI	High Networth Individual
HUF	Hindu Undivided Family
I.T. Act	The Income Tax Act, 1961, as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering

IT	Information Technology
ITES	Information Technology Enabled Services
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of Profit and Loss account, divided by number of issued equity shares
NDP	Net Domestic Product Growth
NOC	No Objection Certificate
NR	Non-resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Transfer or Issue of Foreign Security by a Person resident outside India) Regulations, 2000
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number allotted under the IT Act
PIO	Persons of Indian Origin
PLR	Prime Lending Rate
QIB	Qualified Institutional Buyer
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
RoC	Registrar of Companies
RONW	Return on Net Worth
Rs.	Indian Rupees
SBA	Super Built up Area
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEZ	Special Economic Zone
Sq. ft.	Square Feet
sy. No.	Survey Number
TDR	Transfer of Development Right
US / USA	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
VCF	Venture Capital Fund registered under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996

**CERTAIN CONVENTIONS;
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

In this Red Herring Prospectus, land referred to as “our Land” or “our Land Reserves” are land where, title of the land or the interest in land is owned by our Company, our Subsidiaries or the Other Development Entities. They also include land in respect of which our Company, our Subsidiaries or the Other Development Entities have entered into an agreement or a MOU to purchase or develop land. It includes the total amount of Saleable Area to be developed through Ongoing and Forthcoming Projects. The Land Reserves figures herein may include land in respect of which we have already recognized revenue, due, in part, to the application of unit completion accounting.

All references to “Rupees” or “Rs” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

Unless stated otherwise the financial data in this Red Herring Prospectus is derived from our restated consolidated financial statements prepared in accordance with Indian GAAP and the SEBI ICDR Regulations, which are included in this Red Herring Prospectus. Our fiscal year commences on April 1 and ends on March 31 of the next year. So all references to a particular fiscal year are to the twelve-month period ended on March 31 of that year.

All the numbers in the document, have been presented in million or in whole numbers where the numbers have been too small to present in millions.

There are significant differences between Indian GAAP, IFRS and US GAAP. We have not attempted to explain those differences or quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information 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 Red Herring Prospectus should accordingly be limited.

In this Red Herring Prospectus, any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off.

Market and industry data used in this Red Herring Prospectus has generally been obtained or derived from industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been verified. Similarly, we believe that the internal company reports are reliable however, they have not been verified by any independent sources.

The extent to which the market and industry data used in this 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 real estate industry in India and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ from those contemplated by the relevant statement.

Important factors that could cause actual results and property valuations to differ from our expectations include, but are not limited to, the following:

- general, political, social and economic conditions in India and elsewhere;
- accidents, natural disasters or outbreaks of diseases;
- the performance of the real estate market and the availability of real estate financing in India;
- the extent to which sale proceeds differ from our land valuations;
- our ability to manage our growth effectively;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to replenish our land reserves and identify suitable projects;
- our ability to acquire lands for which we have entered into MoUs;
- the extent to which our projects qualify for percentage of completion revenue recognition;
- impairment of our title to land;
- our ability to compete effectively, particularly in new markets and businesses;
- our ability to anticipate trends in and suitably expand our current business lines;
- raw material costs;
- the continued availability of applicable tax benefits;
- our dependence on key personnel;
- conflicts of interest with affiliated companies, the Group Entities and other related parties;
- our ability to complete development and construction of projects in timely manner;
- the outcome of legal or regulatory proceedings that we are or might become involved in;
- other factors beyond the our control;
- contingent liabilities, environmental problems and uninsured losses;
- government approvals;
- changes in government policies and regulatory actions that apply to or affect our business;
- developments affecting the Indian economy;
- our ability to manage risks that arise from these factors.

For further discussion of factors that could cause our actual results to differ, see “Risk Factors”, “Our Business” and “Management’s Discussion of Financial Condition and Results of Operations” on pages xi, 68 and 284, respectively. Neither we nor any of the Underwriters nor any of their respective affiliates has any obligation 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 SEBI requirements, we and the BRLMs will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II- RISK FACTORS

An investment in equity shares involves a degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. If any one or some combination of the following risks were to occur, our business, results of operations and financial condition could suffer, and the price of the Equity Shares and the value of your investment in the Equity Shares could decline.

Internal Risks and Risks Relating to Our Business and Industry

- 1. We will have broad discretion in how we use the proceeds of this Issue and we may not use the proceeds as per the stated objects. This could affect our profitability and cause the price of our Equity Shares to decline.***

Our management will have considerable discretion in the application of the net proceeds of this offering, and you will not have the opportunity, as part of your investment decision, to assess whether we are using the proceeds in a manner that you believe enhances our market value. See “Object of the Issue” on page 38. Pending utilisation of the proceeds of this Issue for the purposes described in this Red Herring Prospectus, we intend to invest the proceeds of the Issue in interest bearing liquid instruments including money market mutual funds and deposits with banks, for the necessary duration, or for reducing amounts outstanding in our overdraft facilities. Such investments would be made in accordance with investment policies or investment limits approved by our Board from time to time. We may use the net proceeds for corporate purposes that do not improve our profitability or increase our market value, which could cause the price of our Equity Shares to decline.

- 2. The real estate industry is undergoing a significant downturn which has, and could continue to, adversely affect our business, liquidity and results of operations.***

Our business is heavily dependant on the performance of the real estate market in India, particularly in the regions in which we operate or intend to operate, and could be adversely affected if real estate prices or market conditions deteriorate. Economic developments outside India have adversely affected the property market in India and our overall business. Since the second half of 2007, the global credit markets have experienced, and may continue to experience, significant volatility that has originated from adverse developments in the United States, and the European Union’s credit and sub-prime residential mortgage markets. These and other related events, such as the collapse of a number of financial institutions, have had, and continue to have, an adverse effect on the availability of credit and the confidence of the financial markets globally, as well as in India.

In light of such events, the real estate industry in India has been experiencing a significant downturn. An industry-wide softening of demand for property has resulted from a lack of consumer confidence, decreased affordability, decreased availability of mortgage financing, and large supplies of resale and new inventories. As we generate most of our revenues from the lease or sale of our developments, a decrease in rental or selling prices of real estate could adversely affect our financial condition and results of operations.

Though the global credit market and the Indian real estate market are showing 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, decreases in the sales of, or market rates for, our residential development projects; delays in the release of certain of our residential projects in order to take advantage of future periods of more robust real estate demand; inability of our customers to obtain credit to finance the purchase of our properties or obtain working capital. We cannot assure you that Government responses to the disruptions in the financial markets will restore consumer confidence, stabilise the markets or increase liquidity and the availability of credit. Worsening of this downturn or general economic conditions would have an adverse effect on our business, liquidity and results of operations.

- 3. Demand for our EPC services business is dependant on industry and general economic conditions.***

The demand for our EPC services is also dependant on the level of domestic, regional and global economic growth and we are vulnerable to general economic downturns for our EPC services as we are for our real estate

business. Our EPC services business is also directly affected by changes in Government spending and capital expenditures by our customers. The rate of growth of India's economy and of the demand for infrastructure services in India have fluctuated since the global downturn in the latter half of 2007. During periods of strong economic growth, demand for our EPC services may grow at a rate equal to, or even greater than, that of the Indian GDP. Conversely, during periods of slow GDP growth, such demand may exhibit slow or even negative growth. Recent global economic developments have adversely affected the Indian markets. There can be no assurance that future fluctuations in economic or business cycles, or other events that could influence GDP growth, will not have an adverse effect on our EPC services business and as a result our results of operations.

4. *Our business is heavily dependant on the availability of real estate financing and the failure to obtain additional financing may adversely affect our ability to grow and our future profitability.*

Our business and growth strategy is highly capital intensive, requiring substantial capital on acceptable terms to develop and market our projects. The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our projects, unanticipated expenses, regulatory changes and engineering design changes. See "Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Condition, Liquidity and Capital Resources – Capital Expenditures" and "Our Business – Strategy." To the extent our capital expenditure requirements exceed our available resources we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest cost and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per share and your interest in our Company and could adversely affect our share price. In addition, the Indian regulations on foreign investment in townships, housing, built-up infrastructure and construction and development projects impose significant restrictions on us. Further, under current Indian regulations, external commercial borrowings cannot be raised for investment in real estate, which may further restrict our ability to obtain necessary financing.

Our ability to obtain additional financing on favourable commercial terms, if at all, will depend on a number of factors, including:

- our future financial condition, results of operations and cash flows;
- the amount and terms of our existing indebtedness;
- general market conditions for financing activities by real estate companies; and
- economic, political and other conditions in the markets where we operate.

Our attempts to consummate future financings may not be successful at terms acceptable to us and failure to obtain financing on such terms could have an adverse effect on our business, prospects and results of operations. If we are unable to incur sufficient indebtedness or have access to capital, our ability to grow could be limited.

Furthermore, changes in the global and Indian credit and financial markets have recently significantly diminished the availability of credit and led to an increase in the cost of financing. In many cases, the markets have exerted downward pressure on the availability of liquidity and credit capacity. We may need liquidity for future growth and development of our business and may have difficulty accessing the financial markets, which could make it more difficult or expensive to obtain financing in the future. Without sufficient liquidity, we may not be able to purchase additional land or develop additional projects, which would adversely affect our results of operations. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew existing funding or to obtain additional financing on acceptable terms in a timely manner could adversely affect our planned capital expenditure, business and results of operations including our growth prospects.

5. *One of our Promoters (also our Managing Director), R. Vasudevan and one of our directors, Ameet Hariani are involved in certain criminal proceedings.*

One of our Promoters (also our Managing Director), R. Vasudevan is currently involved in a criminal proceeding. A criminal revision case has been filed by Rajesh Bajaj against the order of the JMFC, Pune dismissing the criminal complaint filed by Rajesh Bajaj and Mr. Tiwari against R. Vasudevan alleging R. Vasudevan had authorised excavation of mineral, soil, etc from a site in Kalyaninagar and has not paid adequate royalty/penalty. For details of the said case, please see "Outstanding Litigation and Material Defaults- Cases involving our Promoters – R. Vasudevan" on page 326.

One of our directors, Ameet Hariani is currently involved in two criminal proceedings. A criminal complaint has been filed by Jai Singh against persons who he has claimed to be directors of Alpik Finance Limited. The case has been filed under Sections 420, 406 and 120B of the Indian Penal Code. The complainant has alleged that he had invested in certain debentures of Alpik Finance Limited which were due for repayment in 2001 and that all the directors of Alpik Finance Limited had come to Bareilly in 2001 to meet investors, to assure them that repayment would be made. In response, he has filed a Criminal Writ Petition before the Allahabad High Court in relation to the quashing of the aforementioned criminal case and for staying of the summons and staying of the proceedings in the criminal case. For details of the said case, please see “Outstanding Litigation and Material Defaults- Cases involving our Directors –Ameet Hariani” on page 329.

6. Our Promoters R. Vasudevan and Lalitha Vasudevan are involved in certain legal proceedings.

Following are the details of the legal proceedings against our Promoters

Promoter	Number and nature of case	Monetary claim against the Promoters
R. Vasudevan	11 civil case and 1 criminal revision	9.6 million (along with other parties)
Lalitha Vasudevan	1 civil case	There is no monetary claim

7. Our Company, some of our Promoters, some of the Other Development Entities, certain of our Group Entities and our Directors are party to certain civil and taxation legal proceedings.

We are involved in certain legal proceedings and claims in relation to taxation matters. 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 appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and our current liabilities. We cannot assure you that these legal proceedings will be decided in our favour. Further, we may also not be able to quantify all the claims in which we or any of our Group Entities are involved. Any adverse decision may have a significant effect on our business, prospects, financial condition and results of operations.

There are five civil cases, one company petition against us and one civil case filed by us pertaining to land disputes and one arbitration proceeding where the amount involved is Rs. 2,487.78 million with interest thereon. We also have four taxation cases pending against us where the amount involved is Rs. 16.19 million.

Our Subsidiaries, Calypso Premises Private Limited and Vascon Dwelling Private Limited have civil litigations pending against them though there is no monetary claim.

Our Promoters, R. Vasudevan and Lalitha Vasudevan have 11 civil litigations pending against them though there is no monetary claim.

Litigations against Other Development Entities

Number and nature of case	Amount involved/ particulars of the litigation
<u>Marigold Premises Private Limited</u>	
1 arbitration	Rs. 2,487.78 million, with interest there on
2 taxation cases	Rs. 44.61 million
<u>Just Homes (India) Private Limited</u>	
8 civil cases and one arbitration case	There are 8 consumer cases and the complainants seek specific relief or in the alternative pay the complainants Rs.9.6 million and there is a arbitration case involving Rs. 2,487.78 million with interest there on
<u>Viorica Properties Private Limited</u>	
1 civil case	There is no monetary claim
<u>Just Homes Associates</u>	
1 civil case	Rs. 2,487.78 million with interest there on
<u>Zircon Ventures</u>	
1 civil case	Rs. 1 million

Ajanta Enterprises	
2 civil cases	No monetary claim

Our Directors

Our Directors R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan and R. Kannan are involved in a legal proceeding and there is no monetary claim.

We cannot assure you that further litigation will not be brought against us or our Directors or the above mentioned entities/individuals in the future. Our failure to successfully defend claims could result in our business, prospects, financial condition and results of operations being adversely affected. For more information regarding litigation, please see “Outstanding Litigation and Defaults” on page 312.

8. *Our Director, Mr. Ameet Hariani, was the director of a company which has been declared as a wilful defaulter by the RBI.*

One of our Directors, Mr. Ameet Hariani, was on the board of directors of Steriltex India Private Limited between October 1996 and April 8, 1997. He resigned as the director of this company on April 8, 1997. Steriltex India Private Limited has since been declared a wilful defaulter by the RBI. Although he is currently not a director of Steriltex India Private Limited, we cannot assure you that no action will be initiated against him owing to his past role as a director in the company. In the event that such action is initiated against Mr. Ameet Hariani, this may affect his role as a director in our Company.

9. *Our Company and certain of our Other Development Entities are involved in an arbitration matter currently pending.*

Sansara Hotels (India) Private Limited has initiated an arbitration proceeding against our Company, Marigold Premises Private Limited, Just Homes (India) Private Limited and Just Homes Associates on February 23, 2009 on the basis of a rescindment of a development agreement dated March 21, 2007. Sansara Hotels (India) Private Limited has claimed a sum of Rs. 2,487.78 million along with interest. The arbitration is to be conducted as per the International Chamber of Commerce Rules of Arbitration. We along with other parties are required to pay a sum of US\$ 287,500 as advance cost for the arbitration. Additionally, Sansara Hotels (India) Private Limited had filed an Arbitration Petition No. 215 of 2009 against our Company, Rock Enterprises, Marigold Premises Private Limited, Just Homes (India) Private Limited and Just Homes Associates and obtained an order dated March 6, 2009 restraining the respondents from creating any third party interest in the suit property, subsequent to which Rock Enterprises has filed an Arbitration Appeal No. 24 of 2009 against our Company, Marigold Premises Private Limited, Just Homes (India) Private Limited and Just Homes Associates. We have filed a caveat No 80 of 2010 before the Bombay High Court against Sansara Hotels (India) Private Limited praying that no ex-parte order be granted against the Company without due notice. For more details, please see “Outstanding Litigation and Defaults” on page 312.

10. *Since we implement many of our real estate development projects through project-specific Subsidiaries and the Other Development Entities, we are substantially dependant on the performance of such Subsidiaries and the Other Development Entities.*

We have equity interests in nine Subsidiaries and in 20 Other Development Entities of which 14 are corporate entities, five are association of persons and one is a partnership firm, each of which develops a real estate development project. Some of our Subsidiaries and Other Development Entities not only develop real estate but also continue to own and operate such developments subsequent to their completion. As a result, although we generate revenues from our EPC services business and at times directly develop real estate, our financial condition and results of operations are dependant on the performance of our Subsidiaries and Other Development Entities and the revenues from EPC Contracts, dividends and other distributions we receive from them. As a result, in the event of non-performance of our Subsidiaries and the Other Development Entities, losses incurred by such entities or non-receipt of EPC services revenues, or a lack of dividends or other distributions from them, our results of operations and financial condition may be adversely affected.

11. *The land owned by us in our name is 12.57 acres and is less than 2.0% of our total Land Reserves.*

We own, in our name, a total of 12.57 acres of land aggregating 1.89% of our total Land Reserves. Most of our remaining Land Reserves are held in the project specific companies which will develop our projects. As a result,

such project – specific entities will have significant control over our Land Reserves. Such control may limit our flexibility to make decisions relating to such Land Reserves and may cause delays or losses. For details about the land held in our name, see “Our Business- Land Reserves” on page 99.

12. *Some of the land forming part of our Land Reserves are classified in the "green belt area", and as such require consents or approvals of the regulating authorities prior to any development.*

Land measuring 11.14 acres, representing approximately 1.68% of our Land Reserves are classified as land falling in the "green belt area", i.e., land falling within restricted area, where no commercial or residential development is permissible. Any other form of activity to be carried out within such restricted area will require the prior consent of the relevant regulating authority. We cannot assure you that we will be granted or will obtain permission to develop such land in a timely manner, or at all. If we do not receive permissions from the relevant authorities, in a timely manner or in a manner acceptable to us, we may not be able to develop such land, which could adversely affect our business, prospects, financial condition and results of operations.

13. *Portions of the land forming part of our Land Reserves consists of agricultural land, and as such require consents or approvals of regulating authorities prior to development.*

Approximately 61.50% or 408.55 acres of our Land Reserves consists of agricultural land. We shall commence development on such land upon receiving approvals from the relevant authority for the conversion of its usage to commercial and residential purpose. If such approvals from the relevant authority are not granted, we may not be able to carry on any developments on such land. For more information see “Regulations and Policies” on page 127.

14. *Sustained high raw material or equipment costs or the lack of their availability may adversely affect our business and results of operations.*

Costs of raw materials constitute a significant part of our operating expenses. Our construction operations require a wide range of construction materials including steel, cement, sand and other aggregates, fittings, frames, doors and windows. In addition, we require the use of a range of construction equipment such as excavators, cranes and cement mixers in our construction processes. Furthermore, the increased number of infrastructure projects currently ongoing in India may lead to an increase in prices. Our ability to pass on increases in materials and equipment costs may be limited under contracts with limited or no price variation provisions. Although, historically, we have not faced any significant shortage of raw materials or equipment, we cannot assure you that we would not face any shortage in the future. Unanticipated increases in materials and equipment costs, not taken into account in our EPC Contracts or real estate development projects or the lack of their availability, may adversely affect our business and results of operations.

15. *We depend upon the fulfilment of the obligations of our joint venture partners, as well as the products and services of a number of suppliers and sub-contractors, in the operation of our business.*

Our joint venture projects depend upon the fulfilment of the obligations of our joint venture partners. Although, typically, our joint development agreements and joint venture and other agreements and documents may legally obligate the other parties to provide the relevant services, we cannot assure you that they will in fact provide such services on a timely basis, or at all, which could adversely affect our as well as our joint ventures’ business and results of operations. In some cases, under the terms of the agreements with our partners, we along with our partners are required to provide additional funding into such entities. We cannot assure you that our partners will contribute towards such additional funding at the appropriate time and in the manner specified in such agreements, or at all. In addition, though our joint ventures and joint development agreements confer rights on us to construct, develop, market and sell the developed properties, our joint venture partners have certain decision-making rights which may limit our flexibility to make decisions relating to such projects, and may cause delays or losses.

We rely upon the products and services of a number of third-parties, suppliers and sub-contractors in the construction of our projects, such as architects, engineers, contractors and suppliers of labour and materials. These third parties undertake certain responsibilities for the services they are specialists in. Suppliers and sub-contractors also provide us with raw materials and equipment. We have limited control over the cost, availability or quality of their products or services, and as such the inability or unwillingness of such suppliers and sub-contractors to provide their products and services to us, including on a timely and cost-efficient basis, may adversely affect our business and results of operations. As a result, we may be required to make additional

investments or provide additional services to ensure the adequate performance and delivery of contracted services. Any consequent delay in project execution could adversely affect our profitability and reputation.

16. *As of Decemeber 31, 2009 our Order Backlog was Rs. 32,270.79 million. Projects included in our Order Backlog may be delayed or modified, which could harm our cash flow position, revenues and income.*

Projects included in our Order Backlog may be delayed or cancelled which could adversely harm our cash flow position, revenues and earnings. As of December 31, 2009, our Order Backlog was Rs. 32,270.79 million. Order Backlog does not necessarily indicate future earnings related to the performance of that work but merely refers to expected future revenues under signed contracts or contracts where letters of intent have been received. Order Backlog projects represent only business that is considered firm, although cancellations or scope of adjustments may occur. Due to changes in project scope and schedule, we cannot predict with certainty when or if Order Backlog projects will be performed. In addition, even if a project were to proceed as scheduled, it is possible that contracting parties may default and fail to pay amounts owed. Any delay, cancellation or payment default could adversely harm our cash flow position, revenues or earnings.

For some of the contracts in our Order Backlog, our clients are obliged to perform or take certain actions, such as securing of the right of way, clearance of agricultural land or forest, obtaining required approvals, licenses or permits, timely payments of advances or opening of letters of credit, timely approval of designs and shifting of existing utilities. If a client does not perform all of such actions in a timely manner, or at all, our operations and our results of operations may be adversely affected.

17. *In our EPC services business, we are exposed to significant construction risks that could cause us to incur losses.*

Our projects are generally performed on a fixed-price range basis, except in certain projects where we have price variation or owner-supply provisions for the supply of steel and cement. Under the terms and conditions of such fixed-price contracts, we generally agree to a fixed price for providing engineering, procurement and construction services for the project contracted to us, subject however, in certain cases to project variations pursuant to changes in the client's requirements. Our actual expense for executing a fixed-price contract may vary substantially from the assumptions underlying our bid for several reasons, including unanticipated changes in engineering or design of the project, unanticipated increases in the cost of equipment, materials or manpower, delays associated with the delivery of equipment and materials to the project site, unforeseen construction conditions, including the inability of the client to obtain requisite regulatory, environmental and other approvals, resulting in delays and increased costs, delays caused by local weather conditions, and suppliers' or subcontractors' failure to perform.

Unanticipated costs or delays in performance of a part of the contract can have compounding effects by increasing costs of other parts of the contract. These variations, and the risks generally inherent to the construction industry, may result in our actual profits being different from those originally estimated and may result in our experiencing reduced profitability or losses on projects. Depending on the size of a project, these variations from estimated contract performance could have an adverse effect on our results of operations.

18. *Inadequate project management could affect our results of operations and financial condition as we may have to incur liquidated damages for time overruns.*

Our EPC services and real estate development businesses depends on proper and timely project management of our projects. Although we focus on project management in a number of ways, including by appointing project managers at our sites and project coordinators at our headquarters and by obtaining progress reports periodically, ineffective or inefficient project management could increase our costs and expenses, and thus adversely affect our profitability.

Time is often of the essence in our projects. In our EPC services business, while we may enter into contracts which provide for liquidated damages for time overruns, in our real estate development business, we or the Other Development Entities may have to pay liquidated damages for delays in completion or delivery of the property. Additionally, in some EPC Contracts, in case of delays attributable to us or due to defective work undertaken by us, clients may have the right to appoint a third party to complete such work and also have the right to deduct additional costs or charges incurred for completion from the contract price payable to us. In case

we are unable to meet the performance criteria as prescribed by the clients and if liquidated damages are levied, our results of operations and financial condition could be adversely affected.

19. *Our operations are subject to hazards and other risks and could expose us to liabilities, loss in revenues and increased expenses.*

Our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, 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.

We may also be subject to claims from construction defects in the projects constructed by us within the warranty periods provided by us in our contracts. Actual or claimed defects in construction quality could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations. Our policy of covering these risks through contractual limitations of liability and insurance may not always be effective. Losses may derive from risks not addressed in our insurance policies, or it may no longer be possible to obtain adequate insurance against some risks on commercially reasonable terms. Failure to effectively cover ourselves against engineering and construction industry risks for any of these reasons could expose us to substantial costs and could potentially lead to losses. Additionally, the occurrence of any of these risks may also adversely affect public perception about our operations and the perception of our suppliers, clients and employees, leading to an adverse effect on our business. These liabilities and costs could have an adverse effect on our business, results of operations and financial condition.

20. *We may not be able to replenish our Land Reserves by acquiring suitable sites at suitable prices which may adversely affect our business and prospects.*

As of December 31, 2009, we, together with the Other Development Entities, hold approximately 55.36 million square feet of Saleable Area. Our growth plans require us to develop our Land Reserves at a rapid rate. In order to maintain and grow our business, we will be required to replenish our Land Reserves with suitable sites for future development. Our ability to identify and acquire suitable sites is dependant on a number of factors that may be beyond our control. These factors include the price and availability of suitable land, the willingness of land owners to sell or develop land on terms acceptable to us, the ability to obtain and complete an agreement to sell or develop land from all the land owners, where the land has multiple owners, the availability and cost of financing, encumbrances on targeted land, Government of India directives on land use and the obtaining of permits, consents and approvals for land acquisition and development. The failure to acquire or obtain development rights over 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. If we are unable to compete effectively for acquiring suitable land, our business and prospects will be adversely affected.

21. *Certain information contained herein, including the measurements with respect to the total Saleable Area of our projects and estimated construction costs, are based on management estimates which may change for various reasons. Certain statistical and financial data from third parties contained herein may be incomplete or unreliable.*

Some of the information contained in this Red Herring Prospectus with respect to our projects such as the amount of land or land development rights owned by us and the Other Development Entities, the costs of construction, the location and type of development of such land and the amount of total Saleable Area used for development is based on management estimates. The total area of property that is ultimately developed may differ from the descriptions of the property presented herein depending on various factors such as market conditions, title defects, modification of architect estimates, and any inability to obtain necessary regulatory approvals. Therefore, our management's estimates with respect to our Ongoing and Forthcoming Projects is subject to uncertainty.

We have not independantly verified data from certain government and industry publications and other sources contained herein and therefore cannot assure you that they are complete or reliable. Also, data with respect to

other countries may be produced on a different basis than the data that relates to India. Therefore, certain statements contained herein relating to India, its economy or our industry have not been verified by us and may be incomplete or unreliable.

22. *We may not be successful in identifying suitable projects, which may impede our growth.*

Our ability to identify suitable projects is fundamental to our business and involves certain risks, including identifying and acquiring appropriate land or development rights over appropriate land, appealing to the tastes of residential customers, understanding and responding to the requirements of commercial clients and anticipating the changing trends in India. In identifying new projects, we also need to take into account land use regulations, the land's proximity to resources such as water and electricity and the availability and competence of third parties such as architects, surveyors, engineers and contractors. While we have successfully identified suitable projects in the past, we may not be as successful in identifying suitable projects that meet market demand in the future. The failure to identify suitable projects, build or develop properties that meet customer demand in a timely manner could result in lost or reduced profits. In addition, it could reduce the number of projects we undertake and slow our growth.

23. *A decline in the financial stability of our commercial tenants as well as our prospective tenants may adversely affect our business and financial results.*

We and the Other Development Entities, in some cases, own and lease commercial properties until such properties are sold. General economic conditions and other factors may affect the financial stability of our tenants and prospective tenants and/or the demand for our commercial real estate. In the event of a default or termination of the lease by the tenant prior to its expiry, we will suffer a rental shortfall and incur additional costs, including legal expenses, in maintaining, insuring and re-letting the property. If we are unable to re-let or renew lease contracts promptly, if the rentals upon such renewals or re-leasing are lower than the expected value or if reserves, if any, for these purposes prove inadequate, our results of operations, financial condition and the value of our real estate could be adversely affected.

24. *The success of our residential property business is dependant on our ability to anticipate and respond to consumer requirements.*

The disposable income of India's middle and upper income classes, together with changes in lifestyle, has resulted in a substantial change in the nature of their demands. Increasingly, consumers are seeking better housing and better amenities in new residential developments. Our focus on the development of high quality luxury and comfortable residential accommodation requires us to satisfy these demanding consumer expectations. The range of amenities now demanded by consumers include those that have historically been uncommon in India's residential real estate market such as covered parking, gardens, community space, security systems, playgrounds, swimming pools, fitness centres, tennis courts and golf courses. If we fail to anticipate and respond to consumer requirements, we could lose potential clients to competitors, which in turn could adversely affect our business and prospects.

25. *The estimated total Saleable Area and estimated completion dates with respect to our Ongoing and Forthcoming Projects is based on existing real estate regulations and current development plans, and may differ from the actual total Saleable Area once the project is complete.*

The estimated total Saleable Area data presented in this Red Herring Prospectus has been estimated based on real estate regulations and current development plans with respect to our Ongoing and Forthcoming Projects. Any change in these regulations or plans may lead to changes in the estimated Saleable Area, including a reduction in such area, which could adversely affect our business and results of operations. In addition, our estimates with respect to such Saleable Area necessarily contain assumptions that may not prove to be correct. If our estimated Saleable Area data proves to be greater than our actual Saleable data, our results may fail to meet expectations and our share price and business could suffer.

We are in the process of making the applications to regulatory authorities in connection with the development of some of our projects which are in the initial stages of development. As these property developments are still in initial stages of development, the proposed use and development plans for these projects may be subject to further changes, as may be decided by us keeping in mind various factors including the economic conditions, the prevailing preferences of the consumers and regulations applicable to us. We cannot assure you that we shall

receive any of such approvals in a timely manner, or at all. In the event that we do not receive these approvals, our business, prospects, financial condition and results of operations could be adversely affected.

26. *The expansion of our commercial real estate business is dependant on the willingness and ability of corporate customers to purchase or pay rent at suitable levels.*

Our commercial real estate business has historically targeted, and will continue to target, domestic and multinational pharmaceutical, IT and ITES companies. Our growth and success will therefore depend on the provision of high quality office space to attract and retain clients who are willing and able to purchase or pay rent at suitable levels and on our ability to anticipate the future needs and expansion plans of these clients. We will incur significant costs for the integration of modern fittings, contemporary architecture and landscaping. Further, the security, telecommunications, broadband and wireless systems that our clients require involve additional costs associated with installation and maintenance by third parties. In addition, our commercial customers may choose to acquire or develop their own commercial facilities, which may reduce the demand for our commercial properties from these customers. Companies in the IT and ITES sector, constitute a significant proportion of our commercial tenant base and our commercial business would be adversely affected if these industries were to experience a slowdown or if companies in these industries were to scale down their operations.

27. *The success of our real estate development business also depends on our ability to build hospitality properties, resorts, shopping malls and multiplexes in appropriate locations and attract suitable retailers and customers.*

The success of our real estate development business depends on our ability to recognise and respond to the changing trends in India's hospitality, consumer and retail sectors. Within our real estate development business, we and the Other Development Entities also continue to own hospitality properties, resorts and a service apartment complex. 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 shopping malls, we need to create demand for our shopping malls where customers can take advantage of a variety of consumer and retail options, such as large department stores, designer stores, comprehensive entertainment facilities, multiplexes, restaurants, bars, air conditioning and underground parking.

Further, to help ensure our shopping malls' success, we must secure suitable anchor tenants and other retailers as they play a key role in generating customer traffic. With the likely entry of major international retail companies into India and the establishment of competing retail operations, there will be an increasing need to attract and retain major anchor tenants and other retailers who can successfully compete with the growing presence of large international retailers. 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 harm our ability to continue to attract successful retailers and visitors to our shopping malls and hospitality properties.

28. *Our hospitality properties and shopping mall operations and our plans to develop hospitality properties and shopping malls, are subject to risks inherent to such businesses and other contingencies, and may not be successful.*

As part of our growth strategy, we have developed number of hospitality properties and shopping malls and office complexes and intend to develop several others. We derive revenue from entities involved in owning and operating hospitality properties and service apartment complexes. Currently, we are also constructing a number of hospitality properties, shopping malls and office complexes. The success of our hospitality properties and shopping malls business is subject to the state of the Indian economy and the hospitality and retail industries and our ability to select appropriate locations and to successfully undertake and complete projects with the Other Development Entities.

We have entered into various arrangements with operators for our hospitality properties. Under these arrangements, we are required to develop the hospitality properties while our partners operate and manage the hospitality properties, resorts and serviced residences, in return for a management fee payable to them. The success of this business depends on our ability to identify and develop appropriate locations and to successfully operate these hospitality properties, resorts or serviced residences. In addition, the role of our partners is critical for the uninterrupted operations of these hospitality properties. If our hospitality partners fail to meet their obligations, experience financial or other difficulties or suffer a loss of reputation, the projects may suffer and as a result our business and results of operations may be adversely affected. In addition, in the event that these

arrangements with our partners are not successful, our reputation as a hospitality partner for future projects may be adversely affected. The hospitality business entails additional risks that are distinct from those applicable to our EPC services business or the business of developing residential and commercial real estate, such as the oversupply of rooms, failure to attract and retain clients, and adverse international, national and regional travel or security risks. Any of these developments may have an adverse effect on our business, results of operations and financial condition. Additionally, we have not yet entered into an operating agreement for our hospitality property at Coimbatore, Tamil Nadu. We cannot assure you that such agreement will be entered into in a timely manner, if at all. Failure to enter into an operating agreement may cause delays or disruptions to the project's launch, which may have an adverse effect on our business, results of operations and financial condition.

29. *We will face competition from new SEZ developments and this may adversely affect our growth plans.*

Owing to the relaxation of the regulatory framework and availability of fiscal and other benefits for setting up operations in SEZs, a large number of companies have expressed interest in developing SEZs in anticipation of demand for space in the SEZs. We realise that many approvals have been granted in various locations including in and around Hyderabad, Chennai, Pune, Bangalore and the National Capital Region. We may face competition arising from SEZs being developed in neighbouring areas as well as from our current and potential customers who may set up their own SEZs. The entities in which we have an interest and with whom we carry on joint development activities could also prefer to carry on SEZ development on their own. This increased competition from future SEZ developments could adversely affect our growth plans.

30. *We may not be able to complete the acquisitions or registrations of the land for which we, our Subsidiaries or Other Development Entities, have entered into agreements to purchase.*

We, our Subsidiaries and the Other Development Entities, have entered into, and from time to time will enter into, agreements to purchase land from third parties. These agreements are entered into prior to acquiring the land or entering into a joint venture or joint development arrangements. These acquisition agreements typically stipulate time frames within which title to land or interest in such land must be conveyed and provide that all or a part of the advance monies paid to these third parties may be forfeited in the event that the acquisition process is not completed within the agreed time frames. In certain situations, agreements to purchase land may expire or contain irregularities that may invalidate them. As a result, we cannot assure you that we or our Subsidiaries or the Other Development Entities will be successful in acquiring interest or in registering such land, and consequently, may not be able to develop such properties, which could have an adverse effect on our financial condition and results of operations.

We also cannot assure you that the land identified will be acquired at competitive prices. In the event that the prices are increased by the land owners, we may not be able to acquire additional land or proceed with the developments.

31. *Governmental agencies in India may exercise rights of compulsory purchase or eminent domain in respect of our Land Reserves.*

We are subject to the risk that Governmental agencies in India may exercise rights of eminent domain, or compulsory purchase in respect of our Land Reserves. The Land Acquisition Act, 1894 allows the central and state Governments to exercise rights of compulsory purchase, or eminent domain, which, if used in respect of our land, could require us to relinquish land with minimal compensation. 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 major current or proposed developments could adversely affect our business, prospects and results of operations.

32. *A substantial portion of our business and operations are concentrated in Maharashtra, which exposes us to risks of geographic concentration.*

A substantial portion of our business and operations are concentrated in Maharashtra, especially in and around Pune. As of December 31, 2009, we have 70 ongoing EPC Contracts, with an Order Backlog of Rs. 32,270.79 million out of which 73.51% of our Order Backlog is in Maharashtra. We, together with the Other Development Entities, have 51 Ongoing and Forthcoming real estate projects aggregating to 55.36 million square feet of Saleable Area, out of which 84.58% is being or to be developed in Maharashtra. In the event of a regional slowdown in the business, economic or construction activity in Maharashtra, especially in and around Pune, or

any developments that make projects in Maharashtra less economically beneficial, our business, financial condition and results of operations could be adversely affected.

In addition, we may not be successful in diversifying our business and operations to other cities and states, due to our lack of experience regarding the development and regulations applicable in new geographic areas or because of the differences in scale or style of projects in such areas. In addition, our competitors may be better known in markets other than Maharashtra, enjoy better relationships with land-owners, gain early access to information regarding attractive parcels of land and be better placed to acquire such parcels of land.

33. *We are required to pay security deposits and comply with certain obligations in relation to our joint ventures or joint development agreements.*

We are often required to pay substantial advance payments as security deposits to the land owners in connection with the development of our Ongoing and Forthcoming projects. As of December 31, 2009, we paid an aggregate of Rs. 567.60 million as refundable security deposits in relation to our Land Reserves. Our joint ventures and joint development agreements generally require us to obtain consents and approvals in a timely manner from the regulatory authorities to develop our projects. Further, we are required to complete the construction of our projects within specified periods of time. Under our joint venture and joint development agreements, we also indemnify our joint venture partners or land owners in connection with the development of our projects.

We cannot assure you that we will be able to obtain all necessary consents and approvals or develop our projects in a timely manner and, therefore we may not be able to recover the deposits paid by us or may be required to indemnify the land owners. This could adversely affect our business and business prospects, financial condition and results of operations. In addition, even if we comply with all terms and conditions of our joint ventures or joint development agreements, our joint venture or joint development partners may violate the terms of or terminate our agreements with them, which could adversely affect our business and results of operations.

34. *We face uncertainty of title to land, which could adversely affect our property valuations and prospects.*

The difficulty of obtaining title guarantees in India means that title records provide only for presumptive rather than guaranteed title. The original title to land may often be fragmented and the land may have multiple owners. Some of such land 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. As we also undertake development in collaboration with third parties, in some of these properties, the title to the land may be owned by one or more of such third parties. In such instances, we cannot assure you that the persons with whom we enter into joint ventures or joint development agreements have clear title to such land.

While we and our Other Development Entities conduct due diligence and assessment exercises prior to acquiring land or entering into joint development agreements with land owners or such third parties, we may not be able to assess or identify all risks and liabilities associated with the land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights. As a result, most of such land does not have guaranteed title and title has not been independently verified. 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, adversely affecting our land valuations and our business and financial condition.

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 development agreements or our Other Development Entities which owns the land, are unable to resolve such disputes with these claimants, the interest in the land may be lost. The failure to obtain good title to a particular plot of land may materially 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. In addition, land for which we or entities which have granted us development rights, have entered into agreements to acquire but have not yet acquired form a significant part of our growth strategy and the failure to obtain good title to such land could adversely affect our property valuations and prospects.

35. *Our and the Other Development Entities' inability to procure contiguous parcels of land may affect our future development activities.*

Recent real estate developments have been of larger developments spread over 50 to 100 or more acres. Our Company, our Subsidiaries and Other Development Entities acquire parcels of land or development rights to such land in one or more locations, over a period of time, for future development. Some of these parcels of land may need to be subsequently consolidated to form a contiguous landmass, upon which we may undertake development. However, we may not be able to procure such parcels of land on terms that are acceptable to us, or at all, which may affect our ability to consolidate parcels of land into a contiguous mass. Failure to acquire such contiguous parcels of land may cause delays or force us to abandon or modify the development of the land in such locations in the manner sought by us, which may result in our failing to realise our investment for acquiring such parcels of land. Accordingly, our inability to procure contiguous parcels of land may adversely affect our business prospects, financial conditions and results of operations.

36. *We and the Other Development Entities do not obtain independent purchase price estimates for our land.*

We and the Other Development Entities have not obtained any third party appraisals in connection with the valuation for acquiring land or development rights to such land. The pricing methods used to calculate the price of our land are determined by our senior management. Our purchase price may exceed fair market value or the value that would have been determined by third party appraisals, which may have an adverse effect on our business. In addition, the estimates of the costs of projects for which we propose to use the net proceeds of the Issue have not been appraised by any third party and are based on internal estimates only.

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

We maintain insurance for a variety of risks, which is consistent with industry practice, including for loss or damage to equipment and materials supplied to our sites, fire and certain other eventualities. In addition, we generally carry workers' compensation and accident and medical insurance for certain of our employees. Under many of our EPC Contracts, we are required to obtain insurance for the projects undertaken by us, and as such regularly purchase specific business operations insurance policies for individual projects. However, in some cases, we may not have obtained the required insurance or such insurance policies may have lapsed prior to the completion of the project.

There are various other types of risks and losses for which we are not insured, such as loss of business, environmental liabilities and natural disasters, because they are either uninsurable or not insurable on commercially acceptable terms. We also do not carry any key-man insurance. Should an uninsured loss or a loss in excess of insured limits occur, we could incur liabilities, lose capital invested in that property or lose the anticipated future income derived from that business or property, while remaining obligated for any indebtedness or other financial obligations related to our business. Any such loss could result in an adverse effect to our financial condition.

38. *We may not be able to compete effectively, particularly in regional markets which may adversely affect our profitability.*

We operate our businesses in an intensely competitive and highly fragmented environment, and in industries with low entry barriers. We face significant competition in our business from a large number of international and Indian EPC services, real estate development and hospitality companies. The extent of the competition we face in a potential project depends on a number of factors, such as the sector, the size and type of project, contract value and potential margins, the complexity and location of the project, the reputations of the customer and us, and the risks relating to revenue generation.

In our EPC services business, while technical qualification is an important consideration in client decision, the price of the contract is a primary factor in most tender awards. The contract is usually awarded to the bidder quoting the lowest price. As a result of this competition, we face intense margin pressure from existing competitors and new entrants, which could have an adverse effect on our financial condition and prospects.

We face significant competition in our real estate development business from other developers, many of whom undertake similar projects within the same regional markets as us. Given the fragmented nature of the real estate development industry, we often do not have adequate information about the projects our competitors are developing and accordingly, we run the risk of underestimating supply in the market. Our business plan is to expand across India; however, our operations have historically focused on the Maharashtra state region. As we seek to 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, gain early access to information regarding attractive parcels of land and be better placed to acquire such land.

In our shopping malls business, we and certain of our tenants compete with other retail distribution channels, including department stores and other shopping malls, in attracting customers. In our hospitality properties business, we compete with other hospitality properties, resorts and service apartments operating in the neighbourhoods where our and the Other Development Entities' hospitality properties, resorts and service apartments are located. Increasing competition could result in price and supply volatility, which could cause our business to suffer.

Some of our competitors are larger than us and have greater land banks or financial resources. 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 win fewer tenders. 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 where we are a new entrant to the market, such as SEZs, shopping malls and hospitality properties, we may not be able to compete effectively with our competitors, some of whom may have greater breadth of experience and qualifications.

39. *If we are unable to manage our growth effectively, our business and financial results will be adversely affected.*

We are embarking on a growth strategy, which involves a substantial expansion of our current business lines. We have entered into agreements giving us and the Other Development Entities ownership or development rights over a significant amount of land. As of December 31, 2009, we are engaged in 70 EPC Contracts and we and the Other Development Entities are currently engaged in the development of 51 Ongoing and Forthcoming projects, including hospitality properties and resorts, spread over 11 states.

Our expansion and diversification is on a scale that is unprecedented in our history and places significant demands on our management as well as our financial, accounting and operating systems. We may not be able to sustain such growth in revenues and profits or maintain a similar rate of growth in the future. Further, as we grow and diversify, we may not be able to execute our projects efficiently, which could result in delays, increased costs and diminished quality and may adversely affect our reputation. If we are unable to manage our growth effectively, our business and financial results will be adversely affected.

40. *We may not be successful in implementing our strategies, including our growth strategy.*

The success of our business will depend greatly on our ability to effectively implement our business and strategies. See "Business –Strategies" on page 70. Even if we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within the estimated budget, or that we will meet the expectations of targeted customers. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and strategies could have an adverse effect on our business, financial condition and profitability.

41. *Our revenues and profits are difficult to predict and can vary significantly from period to period, which could cause the price of our Equity Shares to fluctuate.*

Under our business model, our revenues and profits are derived primarily from our EPC services business and from the sale of properties, leasing of commercial properties and income from hospitality properties and mall operations. While rental income can be relatively stable, revenues from EPC services and sale of properties vary and are dependant on various factors such as the current stage and size of our projects and the expected completion dates of such projects, rights of lessors or third parties that could impair our ability to sell properties,

in case of sales, and general market conditions. Our income from hospitality properties could also vary due to various factors such as the state of the economy and the hospitality industry. The anticipated completion dates for our projects, including those set forth in this Red Herring Prospectus, are estimates based on current expectations and could change significantly, thereby affecting our income. Our revenue recognition policy in relation to real estate development projects recognises revenue only when the risks and rewards on the properties are transferred to the buyer. The combination of these factors may result in significant variations in our revenues and profits.

42. *As of September 30, 2009, we had total debt of Rs. 2,129.46 million outstanding. Our indebtedness and the conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.*

As of September 30, 2009, we had total debt of Rs. 2,129.46 million outstanding. We and the Other Development Entities may incur additional indebtedness in the future. Our indebtedness and that of the Other Development Entities could have several important consequences, including but not limited to the following:

- a portion of our and the Other Development Entities cash flow may be used towards repayment of existing debt, which will reduce the availability of cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our and the Other Development Entities' ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our and our Other Development Entities' borrowings, as some of our and the Other Development Entities indebtedness are at variable interest rates;
- there could be an adverse effect on our business, financial condition and results of operations if we or the Other Development Entities are unable to service the indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Most of our and the Other Development Entities' financing arrangements are secured by our or the Other Development Entities movable and immovable assets, as applicable. Many of our and the Other Development Entities financing agreements also include various conditions and covenants that require us or them, as applicable, to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations.

The agreements and instruments governing our and the Other Development Entities' existing indebtedness and the agreements we and the Other Development Entities expect to enter into governing future indebtedness, contain and are likely to contain restrictions and limitations, such as restrictions on issuance of new Equity Shares or other securities, incurring further indebtedness, creating further encumbrances on assets, disposing of assets, effecting any scheme of amalgamation or restructuring, undertaking guarantee obligations, declaring dividends or incurring capital expenditures beyond certain limits. In addition, some of these financing agreements contain and are likely to contain financial covenants, which may require us to maintain, among other things, a specified net worth to assets ratio, debt service coverage ratio, and maintenance of collateral.

43. *We have high working capital and capital expenditure requirements. If we experience insufficient cash flows to meet required payments on our debt and working capital and capital expenditure requirements, there may be an adverse effect on our results of operations.*

Our EPC services and real estate development businesses require a significant amount of working capital and capital expenditure. In many cases, significant amounts of our working capital are required to finance the purchase of materials and the performance of engineering, procurement, construction and other work on projects before payment is received from clients. Capital expenditure is required by us to purchase equipment. Moreover, we may need to incur additional indebtedness in the future to satisfy our working capital and capital expenditure needs.

Our working capital requirements may increase if the payment terms in our contracts include reduced advance payments or payment schedules that specify payment towards the end of a project. These factors may result, or

have resulted, in increases in the amount of our receivables and short-term borrowings. Continued increases in working capital requirements may have an adverse effect on our financial condition and results of operations.

It is customary in our businesses to provide advances, security deposits, bank guarantees or performance bonds in favour of customers to secure obligations under contracts. We may not be able to continue obtaining additional indebtedness, or new bank guarantees and performance bonds, in sufficient amounts to meet our business requirements. If we are unable to incur sufficient additional indebtedness or provide sufficient collateral to secure the bank guarantees or performance bonds, our ability to enter into new contracts could be limited.

44. *If we are unable to retain or recruit key personnel or maintain uninterrupted relationships with our sub-contractors of labour, our business could suffer.*

Our senior management and key managerial personnel, many of whom have decades of experience with us and in the industries in which we operate, are difficult to replace. Any loss or interruption of the services of such key personnel, or our inability to recruit qualified additional or replacement personnel, could adversely affect our business. In addition, certain aspects of our construction processes depend upon highly skilled employees. As a result of economic growth and increased EPC services activity in India, we may be unable to find or retain skilled personnel in sufficient numbers to satisfy our requirements. This risk may be exacerbated by governmental policies and mandates to hire a local force, which may not be as skilled or available at rates commensurate with our operations in other geographical areas.

We also regularly contract with sub-contractors and third parties for the provision of labour for our projects. The number of contract labourers vary from time to time based on the nature and extent of EPC services. We are dependant on these sub-contractors and third parties, and if they experience disruptions related to their work force, including strikes and work stoppages, those disruptions may have an adverse effect on our business and results of operations. We cannot assure you that skilled labour, whether hired through sub-contracts, third parties or directly, will continue to be available at reasonable rates and in the areas in which we execute our projects. As a result, we may be required to mobilise additional resources at a greater cost to us to ensure the adequate performance and delivery of our EPC services. Also, all contract labourers engaged at our facilities are assured minimum wages that are fixed by local government authorities. Any upward revision of wages required by such governments to be paid to such contract labourers or offer of permanent employment or the unavailability of the required number of contract labourers, may increase our labour costs.

45. *We have issued Equity Shares in the 12 months preceding the date of filing our Red Herring Prospectus to our Promoters at a price that may be less than the Issue Price.*

On August 27, 2009 we issued 3,300,677 Equity Shares to some of our existing shareholders upon the conversion of unsecured convertible debentures in to Equity shares in the ratio 1:1 at issue price of Rs. 152.00. For more details, see “Capital Structure” on page 25.

46. *We may continue to enter into transactions with related parties.*

We have entered into certain transactions with related parties including in relation to income, expenditure, purchase and sale of fixed assets and loans and advances. These transactions or any future transactions with our related parties could potentially involve conflicts of interest and may harm our business or reputation. See “Related Party Transactions” on page 168.

47. *Certain of our Subsidiaries and Other Development Entities have incurred losses in the past.*

Certain of our Subsidiaries and Other Development Entities and companies forming a part of our Group Entities have incurred losses for the fiscal years 2009, 2008 and 2007.

The following Subsidiaries and Other Development Entities have incurred losses in the past:

Name of the Company	Profit/Loss after Tax (Rs. in millions)		
	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007
<i>Subsidiaries</i>			

Name of the Company	Profit/Loss after Tax (Rs. in millions)		
	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007
Calypso Premises Private Limited	-	(0.39)	(3.78)
Floriana Properties Private Limited	(0.02)	(0.02)	(0.47)
IT Citi Infopark Private Limited	36.15	37.39	(0.28)
Vascon Pricol Infrastructure Limited	(0.37)	(0.00)*	-
Wind Flower Properties Private Limited	21.80	15.56	(0.04)
Greystone Premises Private Limited	(2.49)	(2.42)	-
Caspia Hotels Private Limited	(0.04)	(0.01)	(0.03)
Other Development Entities			
Angelica Properties Private Limited	43.19	(10.00)	(4.79)
Cosmos Premises Private Limited	1.16	1.46	(1.44)
Mumbai Estates Private Limited	(0.19)	(0.26)	(0.32)
Viorica Properties Private Limited	(0.36)	(0.51)	(1.54)
Rose Premises Private Limited	(1.41)	(0.51)	(1.54)
John Fowler Ophthalmics Private Limited	(5.60)	8.77	(10.68)
Marathwada Realtors Private Limited	(0.02)	(6.33)	(0.87)
Almet Corporation Limited	(3.35)	3.64	(5.18)
N.V. Projects Private Limited	(1.75)	(0.85)	(0.02)
Vascon Infrastructure Limited	11.53	(0.02)	-
Sitalakshmi Mills Limited	(9.08)	18.95	95.97
Zenith Ventures	(0.12)	(0.94)	4.58
Phoenix Ventures	4.25	(1.38)	(0.02)
Ajanta Enterprises	(1.64)	0.143	(0.07)

* Less than 0.01

48. We had negative cash flows in the past, which if occurs in future could adversely affect our financial standing

We have incurred negative cash flow in the past and cannot assure that such negative cash flows will not occur again in the future. Details of cash flows for the preceding three years:

	For the Fiscal		
	2009	2008	2007
	(Rs. in million)	(Rs. in million)	(Rs. in million)
Net cash (used in)/ generated from operating activities	411.12	(684.33)	(633.66)
Net cash generated (used) in/ generated from investing activities	(73.82)	(766.70)	(753.31)
Net cash (used in)/ generated from financing activities	(645.31)	1834.98	1,468.77
Net increase in cash and cash equivalents	(308.00)	383.95	81.80

In case, we have negative cash flows in future, it could adversely impact our operations and financial standing of our Company.

49. Our Promoters will continue to exercise influence over us, and their interests in our business may be different to those of other shareholders.

43.81% of our issued and outstanding Equity Shares are currently owned by our Promoters and Promoter Group. Immediately following this Issue, but assuming no other changes in shareholding, the Promoters and the Promoter Group will own 38.41% of our issued and outstanding Equity Shares. Accordingly, our Promoters and Promoter Group can exercise influence over our business policies and affairs and all matters requiring a shareholders' vote. This concentration of ownership also may delay, defer or even prevent a merger, acquisition or change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. We cannot assure you that the interests of these shareholders may not conflict with the interests of other shareholders.

50. *Our contingent liabilities which have not been provided for in our financial statements could adversely affect our financial condition.*

As of September 30, 2009, we had contingent liabilities not provided for, as disclosed in the notes to our restated consolidated financial statements:

Particulars	(Rs. in million)
For Income Tax	29.70
For Service Tax	9.96
Bank guarantee	-
- for companies	250.09
- for performance	578.71
Corporate guarantees	653.36
Claims against the Company not acknowledged as debt	2,487.78*
Arbitration Fee	13.23
Estimated contracts remaining to be executed on capital account and not provided for (net of advances)	311.82

* With interest thereon

As per the arrangement with a customer, the assets provided by it for the relevant contract will be acquired by the Company at 50% of the cost at the end of the project. The estimated amount of such commitment is Rs. 35.57 million for the six month period ended September 30, 2009.

Contingent liabilities which have not been provided for in our financial statements could adversely affect our financial condition.

51. *We operate in a highly regulated environment, and the government policies, laws and regulations affecting the sectors in which we operate and the related industries, could adversely affect our operations and our profitability.*

We must comply with extensive and complex regulations affecting the construction and land development processes. These regulations impose on us additional costs and delays, which affect our business and results of operations. In particular, we are required to obtain the approval of numerous governmental authorities regulating matters such as permitted land uses, levels of density, the installation of utility services, zoning and building standards. See “Regulations and Policies” on page 127, for a description of laws and regulations applicable to us in India. The regulatory framework in India is evolving and regulatory changes could have an adverse effect on our business, results of operations and financial condition. In addition, the real estate industry in India is also heavily regulated by local governments. Non-compliance with any regulation may also lead to penalties, revocation of our permits or licenses or litigation.

Future government policies and changes in laws and regulations in India may adversely affect our business and operations, and restrict our ability to do business in our existing and target markets. The timing and content of any new law or regulation is not in our control and such new law or regulation could have an adverse effect on our business, results of operations and financial condition.

52. *We require regulatory approvals in the ordinary course of our business, and the failure to obtain them in a timely manner or at all may adversely affect our operations.*

We require regulatory approvals, licenses, registrations and permissions to operate our businesses, particularly to develop and construct our projects. For further details, see “Government Approvals” on page 334. These approvals, licenses, registrations and permissions are required from a range of Central and State Governments and their agencies. In addition, some of the regulatory approvals, licenses, registrations and permissions required for operating our businesses expire from time to time. We generally apply for renewals of such regulatory approvals, licenses, registrations and permissions, prior to or upon their expiry. However, we cannot assure you that we will obtain all regulatory approvals, licenses, registrations and permissions that we may require in the future, or receive renewals of existing or future approvals, licenses, registrations and permissions in the time frames required for our operations or at all, which could adversely affect our business.

53. *Compliance with, and changes in, environmental, health and safety laws and regulations may adversely affect our financial condition and results of operations.*

We are subject to environmental, health and safety regulations. See “Regulations and Policies” on page 127. Governments may take steps towards the adoption of more stringent environmental, health and safety regulations, and we cannot assure you that we will be at all times in full compliance with these regulatory requirements. Due to the possibility of unanticipated regulatory developments, the amount and timing of future expenditures to comply with regulatory requirements may vary substantially from those currently anticipated. If there is any unanticipated change in the environmental, health and safety regulations we are subject to, we may need to incur substantial capital expenditures to comply with such new regulations. Our costs of complying with current and future environmental, health and safety laws and our liabilities arising from failure to comply with applicable regulatory requirements may adversely affect our business, financial condition and results of operations.

54. *Taxes and other levies imposed by the local authorities, Central or State Governments, as well as other financial policies and regulations, may have an adverse effect on our business, financial condition and results of operations.*

We are subject to taxes and other levies imposed by the Central or State Governments in India, including customs duties, excise duties, central sales tax, state sales tax, fringe benefit tax, service tax, income tax, value added tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the Central or State Governments may adversely affect our competitive position and profitability.

55. *We and the Other Development Entities, take advantage of certain tax benefits under the provisions of the Income Tax Act, which if withdrawn, may adversely affect our financial condition and results of operations.*

Our business may be benefited from various tax benefits such as Section 80IA of the Income Tax Act, and is also expected to benefit from SEZ related tax benefits. We may not be able to avail the benefits of these sections should the tax authorities interpret them in a manner inconsistent with our interpretation or if some of these benefits are withdrawn. In addition, certain tax benefits claimed by us in the past may be denied and we may be required to pay the amounts in relation to the claimed tax benefits to the relevant tax authorities. The effective tax rates payable by us may increase and consequently our financial condition and results of operations may be adversely affected.

56. *Other ventures promoted by our Promoters are engaged in a similar line of business as us, and as a result there may be a conflict of interest.*

Some of our Group Entities are engaged in a similar business as us, including development and construction of residential and commercial projects. See “Our Promoters” and “Group Entities” on pages 158 and 163, respectively. We cannot assure you that our Promoters will not favour the interests of this or other Group Entities over our interests.

57. *Our funding requirements and deployment of the net proceeds of the Issue are based on management estimates and have not been independently appraised.*

Our funding requirements and the deployment of the net proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution. The deployment of funds as stated in the section titled “Objects of the Issue” on page 38 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. 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. This may result in the rescheduling of our expenditure programmes and an increase or decrease in our proposed expenditure for a particular matter.

58. *We anticipate that more than 25% of the Net Proceeds of the Issue will be deployed towards general corporate purposes and we may not be able to make adequate disclosures with regard to such utilisation.*

We intend to utilize a portion of the Net Proceeds of the Issue for general corporate purposes. We anticipate that such Net Proceeds which will be used for general corporate purposes will exceed 25% of the Net Proceeds of the Issue. In this regard, we will not be able to make adequate disclosure to inform investors of the utilization of funds for general corporate purposes. Further, our Board has not yet authorised any specific commitments or acts, with respect to utilization of the portion of the Net Proceeds of the Issue which will be used for the general corporate purposes.

59. *We may undertake acquisitions, investments, strategic relationships or divestments in the future, which may pose management and integration challenges.*

We may make acquisitions, investments, strategic relationships and divestments in the future as part of our growth strategy in India. These acquisitions, investments, strategic relationships and divestments may not necessarily contribute to our profitability and may divert the attention of our management or require us to assume high levels of debt or contingent liabilities, as part of such transactions. In addition, we could experience difficulty in combining operations and cultures and may not realize the anticipated synergies or efficiencies from such transactions. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses.

60. *The unsecured loans taken by us, Promoters, Group Entities or associates can be recalled at any time and this may affect our ability to finance our projects and operations.*

We have in the past obtained unsecured loans. Any of the unsecured loans may be recalled by the lenders at any time. We may not be able to repay these loans or any delay in repaying these loans, could result in penalties being imposed or litigations against our Company. Further, we may be required to borrow funds at substantially high cost to repay these loans, which could adversely impact our financial standing. Additionally, if such loans are recalled, it may affect our ability to borrow in the future. Unsecured loans taken by Promoters, Group Entities or associates which are recalled may put financial stress on such entities which in turn could impact our operations, financial standings and market positioning.

61. *Our Promoters, Directors and our Key Management Personnel have received interests in addition to normal remuneration, benefits or reimbursement of expenses.*

Lalitha Vasudevan is an employee of Vastech Consultants Private Limited and receives salary from the company. Some of our Key Management Personnel are on the board of some of our Promoter Companies or Group Entities. Similarly Hariani & Co, in which Ameet Hariani is a partner receives fees for legal services from us. Our Promoters, Directors and our Key Management Personnel may receive additional benefits in addition to normal remuneration and benefits which may conflict with their interest in the Company. which could impact the operations of our Company.

62. *We have in the past acquired lands from entities in which our Promoters hold a stake.*

Pursuant to a MOU dated October 25, 2007 with Venus Ventures, a partnership firm where R. Vasudevan and Lalitha Vasudevan are partners, we have acquired 5.50 acres located in Wagholi from Venus Ventures. We cannot assure you that the terms and conditions under these MOU were negotiated at arm's-length or are in the best interests of our Company.

63. *One of our Other Development Entities, Sitalakshmi Mills Limited has been declared a sick company. We are unable to disclose the litigation in relation to this entity*

Our Company has acquired an 26% interest in Sitalakshmi Mills Limited, which has been declared as a sick company. If the status of Sitalakshmi Mills Limited does not change from being a sick company, we may not be able to recover our investments made into this company. Additionally, we have entered into an MOU with Sitalakshmi for development of a real estate project which may be delayed if the company remains a sick company. Further, details relating to the litigation that the company may be involved in and the land it holds are not available and hence have not been disclosed in this RHP.

- 64. *The PE Ratio of our Company could be higher than the industry average calculated on the lower and the upper end of the price band.***

At the time of filing of the RHP with the RoC, Maharashtra the price band in the proposed Issue shall not be finalised. Therefore it shall not be possible to determine the PE Ratio of our Company at the time of filing it with RoC. The price band shall only be published two working days prior to the opening of the Bid Opening Date. We cannot assure that once the price band is determined, the PE ratio of our Company determined on the basis of the price band will be equal or lower than the industry average. In case the PE ratio of our Company is higher than the industry average, it may mean that the Company is priced higher than the industry average and could lead to lower or negative returns to the investors.

External Risks

- 65. *Our performance and growth are dependant on the performance of the Indian economy and, more generally, the global economy. The downturn in the global economy that accelerated during the second half of 2008 has caused a sharp reduction in demand for our projects, and a protracted global recession would have a material adverse effect on us and on the real estate industry generally.***

Our activities and results are affected by international, national and regional economic conditions. Starting in September 2008, a steep downturn in the global economy, sparked by uncertainty in credit markets and deteriorating consumer confidence, has sharply reduced demand for our projects. This has had, and continues to have, a pronounced negative effect on our business and results of operations.

If global macroeconomic conditions continue to deteriorate, the outlook for real estate developers will get worse. Continued financial weakness among our potential customers may exacerbate the negative trend in market conditions, which could have a material adverse effect on demand for our projects and on our business, financial condition and results of operations.

The economy could also be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, changes in interest rates, commodity and energy prices and various other factors. General economic conditions may affect the financial stability of our customers and prospective customers and/or the demand for our residential, retail and hospitality real estate. Any further slowdown in both the Indian economy or the global economy may materially and adversely affect our business, financial condition, results of operations and the price of our Equity Shares.

- 66. *Restrictions on foreign direct investment in the real estate sector may hamper our ability to raise additional capital.***

While the GoI has permitted FDI of up to 100% without prior regulatory approval in townships, housing, built-up infrastructure and construction and development projects, it has issued a notification titled Press Note No. 2 (2005 series), which subjects such investment to certain restrictions. Our inability to raise additional capital as a result of these and other restrictions could adversely affect our business and prospects. For more information on these restrictions, see “Regulations and Policies” on page 127.

- 67. *Any downgrading of India’s debt rating by an independant agency may harm our ability to raise 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 and the price of our Equity Shares.

- 68. *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 such as the recent Mumbai terror attacks in November 2008 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 effect 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 effect on our business and the price of our Equity Shares.

69. *An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could have an adverse effect on our business and results of operations.*

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concerns in area's where our Ongoing and Forthcoming projects may be located may affect the demand and/or construction schedule and costs for such projects. In addition, these factors may affect our employees' living or working in the affected areas and thus reduce their productivity, resulting in an adverse effect on our business and operations. The outbreak H1N1 Flu in 2009 globally and in 2003 of Severe Acute Respiratory Syndrome in Asia and the outbreak of avian influenza, or bird flu, across Asia and Europe, have adversely affected a number of countries and companies. Although we have not been adversely affected by these recent outbreaks, we can give no assurance that a future outbreak of an infectious disease among humans or animals or any other serious public health concerns will not have an adverse effect on our business.

70. *We are subject to regulatory, economic and political uncertainties in India.*

In the early 1990's, India experienced significant inflation, low growth in gross domestic product and shortages of foreign currency reserves. The Government of India provided significant tax incentives and relaxed certain regulatory restrictions in order to encourage foreign investment in specified industries of the economy. We have benefited from tax holidays provided under these incentives. We cannot assure you that liberalisation policies will continue. Furthermore, the rate of economic liberalization could change, and specific laws and policies affecting technology companies, foreign investment, currency exchange rates and other matters affecting investment in our Equity Shares could also change. Since 1996, the Government of India has changed six times and the current Indian government is a coalition of many parties, some of which do not want to continue India's current economic policies. Various factors, including a collapse of the present coalition government due to the withdrawal of support of coalition members, could trigger significant changes in India's economic liberalisation and deregulation policies, disrupt business and economic conditions in India generally and our business in particular. Our financial performance and the market price of our shares may be adversely affected by changes in inflation, exchange rates and controls, interest rates, Government of India policies, social stability or other political, economic or diplomatic developments affecting India in the future.

71. *Substantial future sales of our Equity Shares in the public market could cause our Equity Share price to fall.*

Upon consummation of this Issue we will have 90,349,550 outstanding equity shares. The Equity Shares offered in this Issue will be freely tradable without restriction in the public market, unless purchased by our affiliates. Upon completion of this Issue, our Promoters and our Promoter Group will directly or beneficially, own 34,701,823 equity shares, which will represent approximately 38.41% of the fully diluted post issue share capital of our Company. The holders of approximately 49,317,733 Equity Shares, will be entitled to dispose of their Equity Shares following the expiration of a one-year 'lock-in' period. Sales of a large number of our equity shares by our shareholders, especially our Promoters, could adversely affect the market price of our equity shares. Additionally, any future equity offerings by us, including issuances of stock options, or any perception by investors that such issuances might occur, may lead to the dilution of investor shareholding in our company or affect the market price of the Equity Shares and could adversely affect our ability to raise capital through an issue of our securities.

72. *There is no existing market for our Equity Shares and we cannot assure that such a market will develop. The stock price may be volatile, and you may be unable to resell your shares at or above the Issue Price or at all.*

Prior to this Issue, there has been no public market for our equity shares, and an active trading market may not develop or be sustained upon the completion of this offering. The initial public offering price of the Equity Shares offered hereby was determined through negotiations with the underwriters and may not be indicative of the market price of the Equity Shares after this offering. The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to, among other factors:

- variations in our operating results and the performance of our business;
- adverse media reports about us or the real estate and EPC services businesses;
- regulatory developments in our target markets affecting us, our clients or our competitors;
- market conditions and perception specific to the real estate and EPC services businesses;
- changes in financial estimates by securities research analysts;
- addition or loss of executive officers or key employees;
- loss of one or more significant clients;
- the performance of the Indian and global economy;
- significant developments in India's economic liberalisation and deregulation policies and the fiscal regime; and
- volatility in the Indian and global securities markets.

Many of these factors are beyond our control. There has been recent volatility in the Indian stock markets and our share price could fluctuate significantly as a result of such volatility in the future.

In addition, there could be a failure or delay in listing the Equity Shares on the BSE and the NSE. In accordance with Section 73 of the Companies Act, in the event that the permission of listing the Equity Shares is denied by the Stock Exchanges, the Company is required to refund all monies collected to investors. Please see "Other Regulatory and Statutory Disclosures - Listing" on page 357 of the Red Herring Prospectus.

73. *There are restrictions on daily movements in the price of 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.*

We are subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of 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 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 do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits 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.

74. *Any future issuance of equity shares may dilute your shareholding and sales of our Equity Shares by our Promoter 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 investors' shareholdings in our Company. Any future equity issuances by us or sale 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 sale might occur could also affect the trading price of our Equity Shares.

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

Our 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 within two working days of the date on which the basis of allotment is approved by NSE and BSE. Thereafter, upon receipt of final approval from the NSE and the BSE, trading in the Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved by the Designated Stock Exchange. 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. Any delay in obtaining the approvals would restrict your ability to dispose of your Equity Shares.

76. *Significant differences exist between Indian GAAP and other accounting principles with which investors may be more familiar.*

Financial statements included in this 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 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 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 Red Herring Prospectus.

Prominent Notes:

- The Investors may contact any of the BRLMs who have submitted the due diligence certificate to SEBI, for any complaint pertaining to the Issue;
- Our net worth, on a consolidated basis, is Rs. 4,635.91 million, as at September 30, 2009, as per our restated consolidated financial statements under Indian GAAP in "Financial Statements" on page 183;
- The average cost of acquisition of the Company's Equity Shares by the Promoters is Rs. 13.69 per Equity Share. The average cost of acquisition of Equity Shares by the Promoters has been calculated by taking the average of the amount paid by them to acquire the Equity Shares issued by us;
- The net asset value/ book value per Equity Share was Rs. 58.52 as at September 30, 2009, as per our restated consolidated financial statements of under Indian GAAP in the section titled "Financial Statement" on page 183;
- Pursuant to a resolution of our shareholders on December 7, 2006, we were converted to a public limited company with effect from December 7, 2006. A fresh certificate of incorporation consequent on the change of our name was granted to us on December 20, 2006 by the ROC;
- See "Group Entities" on page 163 for details of Group Entities having business interest or other interest in the Issuer;
- An aggregate value of transactions and outstanding balances with Related Parties, as per the consolidated and unconsolidated restated accounts as on September 30, 2009 are Rs. 1,331.16 million and Rs. 3,596.47 million respectively. See "Related Party Transactions" on page 168 and "Group Entities" on page 163 for details of transactions by the Issuer with Group Entities or Subsidiaries during the last year, the nature of transactions and the cumulative value of transactions.

SECTION III – INTRODUCTION

SUMMARY OF OUR BUSINESS, STRENGTHS AND STRATEGY

Overview

We are an engineering, procurement and construction services and real estate development company with operations in a number of states and union territories in India. We believe in providing high quality and innovative projects on a timely basis. According to a survey conducted by the Construction World publication in June 2007, we are among the top ten builders in India, based on parameters such as size, brand or image, quality of construction, goodwill, innovative product offerings, social obligations and commitments, use of technology and best business practices. We provide EPC services and develop real estate directly or indirectly through our Subsidiaries and the Other Development Entities. We and the Other Development Entities collectively have equity interest in five hospitality properties and also own and operate a shopping mall and an office complex. Our Subsidiaries and the Other Development Entities engage our Company to provide EPC services for the development of their projects and our Company also provides EPC services independently to third parties.

Our Company commenced operations primarily as an EPC services company in 1986. However, in the past few years our Company has diversified into real estate development, including owning and operating selected projects directly or indirectly through our Subsidiaries and the Other Development Entities. Our operations span across all aspects of real estate development, from identification and acquisition of land to providing EPC services and sales and marketing of our projects to operation of our completed projects.

We have 24 years of experience in providing EPC services, which includes, constructing factories, hospitals, hospitality properties, office and residential complexes, shopping malls, multiplexes, IT parks and other buildings. Our Company provides EPC services for our own projects as well as to third parties. As of December 31, 2009, we had completed an aggregate of 181 EPC Contracts, with a total contract value of Rs. 8,888.70 million, out of which 157 EPC Contracts were for third parties, with a total contract value of Rs. 6,562.81 million and 24 EPC Contracts were for projects developed by us or the Other Development Entities, with a total contract value of Rs. 2,325.89 million. As of December 31, 2009, we were engaged in 70 Ongoing and Forthcoming EPC Contracts, with an estimated total contract value of Rs. 40,141.11 million with an Order Backlog of Rs. 32,270.79 million out of which 47 EPC Contracts were for third parties with an Order Backlog of Rs. 12,147.36 million and 23 EPC Contracts were for projects developed by us or the Other Development Entities with an Order Backlog of Rs. 20,123.43 million. Our third party EPC clients include well-known Indian and multi-national companies such as Cipla Limited, Kirloskar Brothers Limited and Symbiosis.

Our real estate development business comprises the development of residential and office complexes, as well as shopping malls, multiplexes, hospitality properties, IT parks and other buildings directly or indirectly through our Subsidiaries or the Other Development Entities. Our Ongoing and Forthcoming Projects are spread over seven states in India. As of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects, with an aggregate Saleable Area of over 4.99 million square feet. In addition, we have sold land and land development rights aggregating 2.04 million square feet in Saleable Area. We and the Other Development Entities are in the process of developing an additional 51 Ongoing and Forthcoming real estate projects, with an aggregate Saleable Area of over 55.36 million square feet.

In addition to developing and providing EPC services for real estate projects, we also continue to own or operate certain projects subsequent to their completion. For example, we own the Vista do Rio, and through our Subsidiaries or the Other Development Entities, we own an interest in the Galaxy Resorts in Goa, the Golden Suites service apartment complex in Pune, and Marigold Premises Private Limited, which owns and operates the Mariplex mall and office complex.

Additionally we are involved in developing a multi-level car parking for Delhi International Airport Limited and have a 24.00% equity interest in a company that intends to focus on infrastructure development such as roads.

For the six months period ended September 30, 2009, we had consolidated total income of Rs. 3,620.39 million and consolidated net profit, as restated, of Rs. 232.31 million and for the fiscal year 2009, we had consolidated total income of Rs. 5,247.57 million and consolidated net profit, as restated, of Rs. 306.41 million.

Strengths

Significant experience and strong track record

We have significant experience in providing EPC services, and have established a strong track record of designing and constructing a diverse range of projects. With 24 years of experience in the EPC services

business, we have constructed factories, hospitals, hospitality properties, office and residential complexes, shopping malls, multiplexes, IT parks and other buildings. As of December 31, 2009, we have been engaged in 181 EPC Contracts with a total value of Rs. 8,888.70 million. Our EPC clients include well-known Indian and multi-national companies such as Cipla Limited, Kirloskar Brothers Limited and Symbiosis. In addition, as of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects, with an aggregate Saleable Area of over 4.99 million square feet, such as our office complex in Pune, the Marigold residential complex, the Marisoft IT park in Kalyani Nagar, Pune and the Vista do Rio and Galaxy Resorts in Goa. Our real estate development business comprises development of residential and office complexes as well as shopping malls, multiplexes, hospitality properties, IT parks and other buildings, directly or indirectly through our Subsidiaries and the Other Development Entities. We and the Other Development Entities also own and operate a select range of properties, and cater to customers belonging to diverse income groups.

Diversified portfolio of businesses and diverse revenue streams

We are an EPC services and real estate development company with operations in a number of states and union territories in India. Our Company commenced our business as an EPC services company and have since, due to synergies between the two businesses diversified into the real estate business as well. As a result, we currently have two main revenue streams. The benefits of having two revenue streams became especially apparent over the fiscal year 2009, when the real estate business in India witnessed a significant downturn due to the global economic slowdown. While our total income for the fiscal year 2009 decreased by 15.43% as a result of the decrease in our real estate business, our EPC services business, which grew substantially for the fiscal year 2009 as compared to the fiscal year 2008 helped offset the fall in revenue from the real estate business. Our EPC services business grew by 48.22% to Rs. 4,481.38 million for the fiscal year 2009 compared to Rs. 3,023.52 million for the fiscal year 2008.

We believe we have created a diversified and sustainable business model with which we intend to increase shareholder wealth and grow our revenues. We also believe that such a diversified business portfolio diminishes the risks associated with the dynamics of any particular industry while also simultaneously helping us to benefit from the synergies of operating diverse businesses.

Quality and strength of execution

We have a track record of developing and constructing high quality and innovative projects. We have established dedicated teams and processes to bid for, design and engineer, procure materials for and construct our projects in a cost-effective and quality-controlled manner. We have completed the implementation of SAP enterprise resource planning system to streamline operations, improve productivity and reduce costs. We employ pre-stressed concrete technology as it increases the load bearing capacity of concrete columns and reduces total costs because fewer columns are used.

We are currently ISO 9001:2008 certified for our management systems and achieved ISO 14001:2004 certification for environmental procedures in 2006. We are in the process of renewing these certifications. In addition to our commitment to quality, we focus on the timely completion of projects, and have completed a number of projects ahead of schedule. We are often required to build projects on a tight timetable to comply with our customers' obligations to their clients. For example, we built a software park for Mphasis Limited in 95 days to facilitate their business commitments to their clients. The completion date for this project was ahead of schedule, and as a result, we were provided an early completion performance award. We also completed an educational facility for Symbiosis much before the scheduled completion date to enable Symbiosis to comply with their commitments.

Emphasis on innovative and theme-based developments

We believe that innovation is the key to being successful in the real estate development business. As such, not only do we focus on design and quality, but are committed to introducing innovations in our projects. We utilise the experience and skills of our engineering, architecture, management and project execution teams to plan and carry out innovative developments that maximise the use of land and minimise the use of power and other natural resources, including raw materials and water. We have introduced concepts such as dual feeder electricity supply and automated temperature control systems in our projects to reduce the consumption of electricity. Over the last few years, we have also introduced post-tensioned concrete technology in almost all our commercial projects. We have also introduced the usage of tower cranes, concrete placer booms, automated stirrup making machines and system shuttering systems which have enabled us to use advanced technology to enhance construction speed, safety and efficiency.

In addition, we build our projects with themes, such as the Golden Nest residential complex which caters to senior citizens. Our integrated township, Marigold, contains apartment buildings, bungalows, a shopping mall, an entertainment complex, hospitality space and an IT park. Our commitment to quality and innovativeness is exemplified by a number of awards such as “The Best IT Infrastructure Company for 2008” from the Government of Maharashtra, “The Most Trusted Brand in 2008” from Amicus Enrio, New Delhi, Building Industry Leadership Awards 2008, from Builders Information Bureau, New Delhi, Gold Crown Award, 2008 for Vista Do Rio, the merit award for innovative design and development of a new project (with respect to the Nucleus mall in Pune) at the 30th ICSC International Design and Development Awards and six Builders Association of India regional awards for residential and commercial complexes including for our Casaurina project, the Zensar Technologies Limited project and the Symbiosis project.

Qualified and proven project teams and experienced management

We believe that a skilled and motivated employee base is essential for our competitive advantage. Our EPC services and our project development business require us to evaluate new projects, accurately estimate costs, design, construct and deliver projects in a cost effective, quality-controlled and timely manner. To ensure that our employees have the training and tools needed to be successful in today’s competitive environment, we are committed to building teams and invest considerable resources in the development of the expertise and know-how of our employees as well as in employee satisfaction. As a result, we believe that our attrition rate is low. As of December 31, 2009, we had a team of 698 employees, including 464 employees in the engineering department and 19 employees in architecture and design. The diversity of expertise of our employees gives us the flexibility to adapt to the needs of our customers.

Established brand name

In over two decades of operations, we have established a well-recognised brand name in our business. We believe our customers associate our brand name with quality, transparency, reliability, ethics and value. We have developed long-term relationships with our retail and corporate customers as well as investors in the real estate market, joint venture entities parties, sub-contractors and suppliers, and in our EPC services business, enjoy repeat business with many of our EPC customers. Our strong brand presence in the EPC services business has facilitated our entry into joint ventures and assisted us in building our real estate development business. We focus on customer satisfaction, including by having appointed a customer relationship executive for each project to provide a single point of contact for our customers.

Effective development structure to optimise resources

We generally enter into joint development agreements and/or joint ventures with land owners to acquire development rights to their land in exchange for a pre-determined portion of revenues or profits generated from the projects. This business model enables us to have development rights to significant parcels of land without having to invest large amounts of money to purchase such land. Our joint development agreements provide us with significant control over all aspects of the development and sales of our projects. In addition, in case of the Other Development Entities, we either own a majority interest in or control such entities. As a result, we have management control over our projects and can control important business decisions relating to such projects. In addition, our Company provides any and all EPC services to our real estate development projects. As such, we are able to closely monitor the management and operations of our projects, as well as to apply a uniform management philosophy, including standardised processes for accounting, finance, marketing and sales, business and management review, to such businesses. As a result, we believe we are able to optimise revenues and minimise operational, capital and other costs.

Strategy

Diversify geographically into new locations

A large percentage of the population of India is located in non-metropolitan cities and towns, particularly Tier II and Tier III cities in India. In addition, the increase in prices and intense development and competition in most metropolitan cities in the recent past have limited project opportunities and profit margins and increased risks. As a result, we have diversified into high growth but non-metropolitan regions across the country such as Nashik, Coimbatore, Aurangabad, Ahmedabad, Madurai and Belgaum. Although 93.71% of the completed real estate development projects were in Maharashtra, such percentage has now reduced to 84.58% for our Ongoing and Forthcoming Projects, given our diversification strategy. We anticipate that the increase in economic activity in non-metropolitan cities and towns will result in an increase in demand for real estate development in such regions and provide us with an early mover advantage.

Optimise business mix

We intend to take advantage of the significant growth opportunities in the Indian economy by not only diversifying into new locations for our real estate development business but also by optimising our EPC services business and resources and entering into infrastructure development by participating in road developments and other infrastructure related activities. As of December 31, 2009, we and the Other Development Entities currently have 70 Ongoing and Forthcoming EPC Contracts with an Order Backlog of Rs. 32,270.79 million and 51 Ongoing and Forthcoming real estate development projects with a total Saleable Area of 55.36 million square feet.

Our EPC services business has contributed to our total income. We intend to focus on growing such business, particularly as a result of significant infrastructure and other development opportunities in India and the commitment to these sectors by the Indian central and state Governments.

As part of our strategy for future growth and expansion, we intend to build upon our competitive strengths to become a leading real estate, EPC services and infrastructure company in India by evaluating and gauging competitive opportunities in these sectors. We will continually seek to identify and enter into business activities that we consider to be high growth and that will complement our existing business portfolio.

Continue to grow our real estate development projects

Prior to 1998, we were primarily an EPC services company. Within the past 12 years, we have diversified into and have focused on real estate development. We intend to continue to build our real estate development business and are committed to developing a diverse range of projects such as residential and office complexes, shopping malls, multiplexes, hospitality properties, IT parks, community centres and other buildings. As of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects and are in the process of developing 51 Ongoing and Forthcoming Projects. While real estate development, requires significant amounts of capital, the opportunities to grow our revenues and profit in both commercial and residential real estate development business are significant.

We recognise that land reserves are critical to this strategy and we have developed our business model of entering into joint ventures and joint development agreements with land-owners and other financial investors to provide for land and land development rights for our real estate development projects. We intend to continue to selectively enter into joint ventures and joint development agreements to increase the amount of land or land development rights available to us for development. This model also assists in reducing our working capital investment and effectively utilising our EPC services and sales and marketing capabilities.

Maintain and upgrade high standards of quality and reliability

We believe that we have acquired a reputation for undertaking quality construction projects and completing them on a timely basis. We intend to continue to focus on performance and quality and timely project execution in order to seek to maximise customer satisfaction in both our EPC services and real estate development businesses. We intend to continue to use technological tools and processes and strengthen our quality control team. We also intend to continue to further enhance our engineering, architecture, design, construction and development teams to enable us to provide innovative and superior design and engineering in our projects and services.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our restated consolidated financial statements as of and for the six months period ended September 30, 2009 and for the year ended March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and are presented in the section titled “Financial Statements” on page 183. The summary financial information presented below should be read in conjunction with our restated consolidated financial statements, the notes thereto and the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 284. The summary consolidated financial information presented below does not purport to project our results of operation or financial condition. Our financial year ends on March 31 of each year, so all references to a particular financial year are to the twelve months ending March 31 of that year.

SUMMARY STATEMENT OF CONSOLIDATED FINANCIAL INFORMATION

SUMMARY STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS RESTATED					
PARTICULARS	AS AT		AS AT MARCH 31		
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Fixed Assets					
Gross Block	857.78	967.53	835.17	434.96	243.57
Less: Accumulated Depreciation	242.42	225.55	151.67	96.21	69.40
Net Block	615.37	741.98	683.50	338.75	174.17
Less: Revaluation Reserve	-	-	-	-	-
Net Block after adjustment for Revaluation Reserve	615.37	741.98	683.50	338.75	174.17
Capital WIP including Capital Advances	193.16	134.55	53.42	249.23	0.55
Total (a)	808.52	876.53	736.92	587.98	174.72
Goodwill (b)	204.78	205.47	37.09	11.74	-
Investments (c)	836.99	806.79	1,011.12	467.81	57.50
Current Assets, Loans and Advances					
Inventories	3,043.27	2,982.24	2,336.54	1,814.94	1,206.73
Sundry Debtors	1,825.37	1,866.62	1,902.22	1,362.34	551.20
Cash and Bank Balances	373.33	262.85	571.62	188.65	102.28
Other current Assets	361.90	262.17	107.83	109.44	72.63
Loans and Advances	3,770.89	3,391.81	2,998.34	1,561.11	495.94
Deferred Tax Asset	9.53	22.04	2.24	0.02	-
Total (d)	9,384.28	8,787.73	7,918.80	5,036.49	2,428.78
Total Assets [a+b+c+d] (e)	11,234.57	10,676.52	9,703.92	6,104.02	2,661.00
Liabilities & Provisions					
Secured Loans	1,555.99	1,386.70	275.57	301.91	607.44
Unsecured Loans	573.47	1,119.26	2,949.06	972.03	631.45
Current Liabilities	3,437.21	3,224.86	2,455.84	1,913.55	723.78
Provisions	955.58	950.78	859.21	504.52	178.54
Deferred Payments	-	-	-	-	-
Deferred Tax Liability	1.55	19.56	0.93	6.14	10.34
Minority Interest	74.87	74.26	74.14	54.15	-
Total (f)	6,598.66	6,775.42	6,614.76	3,752.30	2,151.56
Net Worth [e-f]	4,635.91	3,901.10	3,089.17	2,351.72	509.45
Net Worth represented by					
Share Capital (g)	792.16	759.15	726.15	354.82	301.60
Reserves and Surplus	3,843.75	3,141.95	2,363.02	1,996.90	207.85
Share Application Money	-	-	-	-	-
Less: Revaluation Reserve	-	-	-	-	-
Reserves and Surplus (Net of Revaluation Reserve)	(h) 3,843.75	3,141.95	2,363.02	1,996.90	207.85
Less: Miscellaneous Expenditure (i)	-	-	-	-	-
<i>(to the extent not written off or adjusted)</i>					
Net Worth (g+h-i)	4,635.91	3,901.10	3,089.17	2,351.72	509.45

SUMMARY STATEMENT OF CONSOLIDATED PROFITS AND LOSSES AS RESTATED					
	For the period ended	For the year ended March 31,			
PARTICULARS	30.09. 2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
<u>Operating Income</u>					
Sales					
Gross Sales (Refer Note V 6)	3,539.99	5,197.36	6,315.07	3,893.03	1,435.53
Less: Work Contract Tax / VAT Collected	(107.25)	(181.88)	(141.90)	(50.66)	(19.07)
Less: Service Tax Collected	(68.57)	(166.53)	(136.58)	(60.76)	(52.00)
Less: Luxury Tax Collected	(3.26)	(11.79)	(7.58)	-	-
Increase/ (Decrease) in Unbilled Revenue	96.55	178.57	(36.21)	44.08	6.58
Turnover (Net)	3,457.45	5,015.74	5,992.80	3,825.69	1,371.04
Other Operating Income					
Rent Earned / Compensation	38.46	87.81	41.06	33.34	11.91
Share of Profit From a Partnership Firm/AOP	3.71	35.28	63.95	70.38	1.59
Share of Profit from Associates	14.97	27.25	-	-	-
Profit on sale of Subsidiary	20.83	-	33.60	-	-
Income From Multiplex	11.46	28.66	37.20	18.75	-
	89.43	179.00	175.81	122.47	13.50
Total Operating Income	3,546.87	5,194.73	6,168.61	3,948.16	1,384.54
Other Income	73.51	52.83	36.73	44.30	46.06
TOTAL INCOME	3,620.39	5,247.57	6,205.34	3,992.46	1,430.60
Cost of Sales	2,782.98	3,716.88	4,274.52	2,984.87	1,017.03
Employee Remuneration & Welfare Expenses	154.63	336.31	310.58	110.69	74.70
Operating and Administrative Cost	148.75	311.55	355.16	150.52	64.16
Share of Loss from Associates	-	-	2.57	-	-
Finance Cost	128.09	284.83	184.29	39.29	30.99
Provision for Contingency	-	200.00	-	-	-
Depreciation	39.11	81.88	66.56	27.68	18.90
TOTAL EXPENDITURE	3,253.56	4,931.45	5,193.68	3,313.05	1,205.78
Profit Before Tax	366.82	316.12	1,011.66	679.41	224.82
Less : Provision For					
Current Tax	137.30	121.93	404.69	206.22	98.78
Deferred Tax	(5.52)	(2.46)	(6.22)	5.56	(2.07)
Fringe benefit Tax	-	4.05	18.13	1.40	1.10
	131.79	123.52	416.60	213.18	97.81
Net Profit After Tax	235.03	192.60	595.06	466.23	127.01
ADJUSTMENTS:					
Adjustments on account of Restatements	(10.98)	174.89	15.32	(188.97)	(10.13)
Current Tax Adjustments	8.29	(61.09)	(11.03)	56.90	4.65
Deferred Tax Adjustments	(0.02)	0.02	-	9.78	-
Total of Adjustments	(2.72)	113.81	4.30	(122.29)	(5.48)
Net Profit As Restated	232.31	306.41	599.36	343.94	121.53
Profit and Loss Amount at the beginning of the year	1,615.52	1,309.44	715.13	363.10	256.73
Balance available for Appropriation, As Restated	1,847.84	1,615.86	1,314.50	707.04	378.27
APPROPRIATIONS					
As per Audited Accounts					
Transfer to General Reserve	-	-	(4.42)	(1.55)	(15.80)
Dividend on Preference - Paid/Provided	(0.67)	(0.33)	-	-	(10.66)

SUMMARY STATEMENT OF CONSOLIDATED PROFITS AND LOSSES AS RESTATED					
	For the period ended		For the year ended March 31,		
PARTICULARS	30.09. 2009	2009	2008	2007	2006
Income /(Loss) from Associates	-	-	-	(1.36)	-
Tax on Dividend	-	-	(1.11)	(0.12)	(1.21)
Minority Interest	(0.63)	(0.02)	1.24	2.11	-
Transfer of Profit on Sale of Subsidiary	-	-	(0.82)	-	-
Transfer to Cost of Control	-	-	0.06	-	-
Pre-Acquisition profit	-	-	-	9.01	-
Adjustment on Restatement					
Dividend on Preference Shares	-	-	-	-	4.00
Tax on Dividend on Preference Shares	-	-	-	-	0.27
Transfer to Investment Account	-	-	-	-	8.23
Total Appropriation As Restated	(1.31)	(0.35)	(5.05)	8.09	(15.17)
BALANCE CARRIED FORWARD AS RESTATED	1,846.53	1,615.51	1,309.44	715.13	363.10

SUMMARY STATEMENT OF CONSOLIDATED CASH FLOW AS RESTATED					
	AS AT		AS AT MARCH 31		
PARTICULARS	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Cash Flow from Operating Activities					
Net Profit Before Tax and Prior Year Adjustments	355.85	491.02	1,027.00	490.44	214.68
Adjustments for :					
Depreciation	39.11	81.88	66.56	27.68	18.90
(Profit) / Loss on Sale of Assets	-	0.46	(0.16)	(21.31)	(3.10)
(Profit) / Loss on Sale of Investments	(2.83)	(0.11)	(5.43)	(0.53)	(28.26)
Share of (Profit) / Loss in Associates	(14.97)	(27.25)	2.57	(1.36)	-
Share of (Profit) / Loss from Firm / Aop	(3.71)	(35.28)	(63.95)	(70.38)	(1.59)
Write off/Other Adjustments	-	0.00	0.60	-	-
Interest Income	(34.23)	(45.85)	(24.04)	(8.62)	(10.69)
Dividend Income	(0.01)	(1.58)	(1.08)	(7.11)	(0.57)
Interest Expense	128.09	284.83	184.29	39.29	30.99
Employee Compensation Expenses (ESOP)	2.08	4.16	65.89	-	-
Provision for Doubtful Debts	13.98	19.42	44.23	-	-
Operating Profit before Working Capital changes	483.35	771.71	1,296.47	448.10	220.36
Movements in Working Capital					
Decrease/ (Increase) in Inventories					(848.74)
	(61.03)	(502.18)	(441.87)	(595.52)	
Decrease/ (Increase) in Sundry Debtors					(150.20)
	27.28	35.60	(584.11)	(811.13)	
Decrease/ (Increase) in Other Current Assets	(99.74)	(154.34)	1.61	(36.81)	0.09
Decrease/ (Increase) in Loans and Advances	(466.39)	(285.34)	(1,005.62)	(1,147.79)	(52.01)
Increase /(Decrease) in Trade Payables	216.27	751.45	549.50	1,662.95	299.55
Cash generated from Operations					(530.93)
	99.74	616.88	(184.01)	(480.20)	

SUMMARY STATEMENT OF CONSOLIDATED CASH FLOW AS RESTATED					
	AS AT		AS AT MARCH 31		
PARTICULARS	30.09.2009	2009	2008	2007	2006
Direct Taxes paid (net of refunds)	(39.06)	(205.76)	(500.31)	(153.46)	(72.19)
Prior Year Expenses	-	-	-	-	-
Cash Flow before Extraordinary Items					(603.13)
	60.68	411.12	(684.33)	(633.66)	)
Less: Extraordinary Item	-	-	-	-	-
Net cash from operating activities (A)					(603.13)
	60.68	411.12	(684.33)	(633.66)	)
Cash flow from investing activities					
Purchase of Fixed Assets	(89.21)	(233.11)	(315.49)	(420.67)	(65.46)
Disposal of Fixed Assets	-	13.36	0.18	-	-
Purchase of Investments	(53.48)	(289.93)	(346.58)	(417.40)	0.12
Disposal of Investments	6.11	437.55	7.46	-	129.85
Conversion from Subsidiary to Joint Venture	118.81				
Consideration paid on acquisition of Joint Venture	-	(111.65)	(198.77)	-	-
Withdrawal /(Investments) in Partnership Firm	-	-	-	-	33.39
Share of profit / Loss from Firm/ AOP	3.71	35.28	63.95	70.38	1.59
Share of Loss (Profit) In Associates	14.97	27.25	(2.57)	(1.36)	-
Interest Received	34.23	45.85	24.04	8.62	10.69
Dividend Received	0.01	1.58	1.08	7.11	0.57
Net Cash from Investing Activities (B)	35.15	(73.82)	(766.70)	(753.31)	110.76
Cash Flow from Financing Activities					
Proceeds from issuances of Share Capital	-	501.70	16.50	1,485.71	100.00
Redemption of Preference Capital					(100.08)
	-	-	-	-	)
Availment (Repayment) of Long Term Borrowings	125.20	(718.67)	1,954.06	35.05	642.77
Proceeds from transfer of stake in subsidiary	20.00	-	128.44	-	-
Interest Paid	(128.09)	(428.34)	(264.03)	(51.98)	(69.50)
Dividends Paid	-	-	-	-	(14.60)
Tax on Dividend Paid	-	-	-	-	(1.97)
Net Cash from Financing Activities (C)	17.11	(645.31)	1,834.98	1,468.77	556.62
Net increase in cash and cash equivalents (A+B+C)	112.94	(308.00)	383.95	81.80	64.24
Cash and Cash Equivalents at the beginning of the year	262.85	571.74	188.65	102.28	27.43
Cash & Cash equivalents acquired pursuant to acquisition of subsidiaries and share in Joint ventures	(2.47)	(0.89)	(0.99)	4.57	10.61
Cash and Cash Equivalents at the end of the year	373.33	262.85	571.62	188.65	102.28
Components of Cash and Cash Equivalents	AS AT MARCH 31,				
	Sep-09	2009	2008	2007	2006
Cash on Hand	14.05	23.22	28.46	9.47	3.47
With Banks - on Current Accounts	244.68	109.13	434.13	168.35	94.01
- on Deposit Accounts	114.60	130.50	109.03	10.83	4.80
Components of cash and cash equivalents at the end of the year	373.33	262.85	571.62	188.65	102.28

Note:

1. Net Block

Net Block of fixed assets has increased from Rs. 338.75 million as at March 31, 2007 to Rs. 683.50 million as at March 31, 2008. Increase in net block is primarily on account of addition to premises, plant & machinery, furniture & fixtures and office equipments and motor vehicle and on account of purchase of fixed assets by Viorica Properties Private Limited, Cosmos Premises Private Limited and Rose Premises Private Limited.

2. Goodwill

The Company has computed and presented the Goodwill in accordance with Accounting Standard AS 21 'Consolidated Financial Statements' and AS 27 'Financial Reporting of Interests in Joint Ventures' as applicable issued by the Institute of Chartered Accountants of India and notified pursuant to the Companies (Accounting Standards) Rules, 2006 and the same is worked out as the excess of the cost to the Company of its investments in the subsidiaries / joint ventures over the Company's portion of equity as on the acquisition date.

Goodwill has increased from Rs. 37.09 million to Rs. 205.47 million. Increase in goodwill is primarily because of acquisition of stake in Almet Corporation Limited, John Fowler Ophthalmics Private Limited and Marathawada Realtors Private Limited

3. Investments

Investments have increased from Rs. 467.81 million as at March 31, 2007 to Rs 1,011.12 million as at March 31, 2008. Increase in investment was on account of additional investment in associate company, acquisition of investments in nature of current investments and for sale in near future and part payment for acquisition of stake in joint ventures.

4. On August 27, 2009, the debenture holders have exercised the option to convert the Unsecured Convertible Debentures to Equity Shares and accordingly the same are converted to Equity Shares in the ratio of 1:1. Accordingly, subsequent to the year ended March 31, 2009, the share capital of the Company has increased from Rs. 759.15 Million divided into 75.91 million equity shares of Rs. 10 each to Rs. 792.16 Million divided into 79.21 equity shares of Rs. 10 each.

SUMMARY STATEMENT OF UNCONSOLIDATED FINANCIAL INFORMATION

SUMMARY STATEMENT OF UNCONSOLIDATED ASSETS AND LIABILITIES - AS RESTATED						
	AS AT		As At March 31,			
PARTICULARS	30.09.09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Fixed Assets						
Gross Block	626.78	615.79	516.01	314.12	243.57	180.96
Less: Accumulated Depreciation	202.83	173.24	124.99	86.24	69.40	57.53
Net Block	423.95	442.55	391.02	227.88	174.17	123.43
Less: Revaluation Reserve	-	-	-	-	-	-
Net Block after adjustment for Revaluation Reserve	423.95	442.55	391.02	227.88	174.17	123.43
Capital WIP including Capital Advances	15.75	6.46	12.45	3.24	0.55	1.34
Total (a)	439.70	449.01	403.47	231.12	174.72	124.77
Goodwill (b)	-	-	-	-	-	-
Investments (c)	1,267.87	1,256.78	1,115.65	534.36	52.77	116.35
Current Assets, Loans and Advances	-	-	-	-	-	-
Inventories	902.85	748.16	496.70	572.61	941.80	239.78
Sundry Debtors	2,297.37	2,195.11	2,300.87	1,557.08	550.98	397.22
Cash and Bank Balances	284.78	200.56	490.40	56.67	92.52	27.43
Other current Assets	440.06	297.18	111.15	113.14	76.75	89.85
Loans and Advances	3,839.24	3,264.07	2,787.03	1,581.52	554.02	414.39
Total (d)	7,764.30	6,705.08	6,186.15	3,881.03	2,216.07	1,168.67
Total Assets [a+b+c+d] (e)	9,471.87	8,410.87	7,705.27	4,646.50	2,443.56	1,409.80
Liabilities and Provisions						
Secured Loans	1,220.54	1,050.11	80.81	131.34	534.02	35.12
Unsecured Loans	290.91	714.59	2,463.30	465.47	632.85	477.42
Current Liabilities	2,625.85	1,965.46	1,371.25	1,296.74	567.22	400.77
Provisions	814.22	852.90	784.96	459.12	170.67	97.33
Deferred Tax Liability / (Asset)	(8.88)	(3.83)	(2.16)	6.12	10.34	12.41
TOTAL (f)	4,942.64	4,579.24	4,698.16	2,358.79	1,915.11	1,023.05
Net Worth [e-f]	4,529.22	3,831.63	3,007.11	2,287.71	528.46	386.74
Net Worth Represented by :						
Share Capital (g)	792.16	759.15	726.15	354.82	301.60	109.68
Reserves and Surplus	3,737.07	3,072.48	2,280.96	1,932.89	226.86	277.06
Share Application Money	-	-	-	-	-	-
Less: Revaluation Reserve	-	-	-	-	-	-
Reserves and Surplus (Net of Revaluation Reserve) (h)	3,737.07	3,072.48	2,280.96	1,932.89	226.86	277.06
Less: Miscellaneous Expenditure (i)	-	-	-	-	-	-
<i>(to the extent not written off or adjusted)</i>						
NET WORTH (g+h-i)	4,529.22	3,831.63	3,007.11	2,287.71	528.46	386.74

SUMMARY STATEMENTS OF UNCONSOLIDATED PROFITS AND LOSSES AS RESTATED						
	For the Period ended	For the year ended as on March 31,				
PARTICULARS	30.09.09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Operating Income						
Sales						
Gross Sales(See Note III 4 of Schedule 1)	3,103.55	5,258.45	6,161.68	3,692.80	1,502.69	1,343.57
Less: Work Contract Tax / VAT Collected	(106.11)	(179.43)	(139.12)	(50.37)	(18.65)	(35.34)
Less: Service Tax Collected	(68.28)	(165.75)	(135.48)	(62.29)	(51.36)	-
Increase/ (Decrease) in Unbilled Revenue	139.69	213.59	(36.21)	44.08	6.58	6.82
Turnover (Net)	3,068.87	5,126.86	5,850.87	3,624.22	1,439.26	1,315.05
Other Operating Income						
Share of Profit From a Partnership Firm/AOP	61.45	25.26	29.61	129.90	(3.25)	-
Rent/Compensation	23.50	39.80	36.72	23.94	11.91	4.53
	84.94	65.06	66.33	153.84	8.66	4.53
Total Operating Income	3,153.81	5,191.92	5,917.20	3,778.06	1,447.92	1,319.58
Other Income	38.79	113.64	114.18	42.70	43.81	9.69
TOTAL INCOME	3,192.60	5,305.56	6,031.38	3,820.76	1,491.73	1,329.27
Cost of Sales	2,531.66	3,919.88	4,255.52	2,845.21	1,064.93	1,071.93
Employees Cost	146.77	318.68	299.61	108.02	74.62	47.15
Operating and Administrative Cost	118.93	247.38	271.15	118.14	61.48	45.36
Finance Cost	105.20	253.50	159.51	39.26	30.67	27.04
Provision for Contingency	-	200.00	-	-	-	-
Depreciation	29.59	57.26	40.48	21.76	18.90	13.04
TOTAL EXPENDITURE	2,932.15	4,996.70	5,026.27	3,132.39	1,250.60	1,204.52
Profit Before Tax	260.45	308.86	1,005.11	688.37	241.13	124.75
Less: Provision For						
Current Tax	80.23	96.32	366.00	192.50	88.59	44.01
Deferred Tax	(5.06)	(1.68)	(8.28)	5.57	(2.07)	1.51
Fringe Benefit Tax	-	3.64	17.96	1.38	1.10	-
	75.17	98.28	375.68	199.45	87.62	45.52
Net Profit After Tax	185.28	210.58	629.43	488.92	153.51	79.23
ADJUSTMENTS:						
Adjustments on account of Restatements	11.59	167.83	17.96	(191.42)	(6.00)	8.35
Current Tax Adjustments	(3.04)	(59.75)	(10.37)	67.49	1.86	(3.03)
Deferred Tax Adjustments	-	-	-	9.78	-	-
Total of Adjustments	8.55	108.08	7.59	(114.15)	(4.14)	5.32
Net Profit As Restated	193.83	318.66	637.02	374.77	149.37	84.55
Profit or (Loss) at the beginning of the year	1,711.72	1,393.06	756.04	381.27	256.41	196.17
Balance Available for Appropriation As Restated	1,905.55	1,711.72	1,393.06	756.04	405.78	280.72

SUMMARY STATEMENTS OF UNCONSOLIDATED PROFITS AND LOSSES AS RESTATED						
	For the Period ended	For the year ended as on March 31,				
PARTICULARS	30.09.09	2009	2008	2007	2006	2005
APPROPRIATIONS						
As per Audited Accounts						
Transfer to General Reserve	-	-	-	-	16.90	8.00
Dividend on Preference - Paid/Provided	-	-	-	-	10.66	6.02
Dividend on Equity Paid/Provided	-	-	-	-	-	4.32
Tax on Dividend on Preference Shares	-	-	-	-	1.21	0.79
Tax on Dividend on Equity Shares	-	-	-	-	-	0.57
Adjustment on Restatement	-	-	-	-	-	-
Dividend on Preference Shares	-	-	-	-	(4.00)	3.99
Tax on Dividend on Preference Shares	-	-	-	-	(0.27)	0.64
Total Appropriation As Restated	-	-	-	-	24.50	24.31
BALANCE CARRIED FORWARDS AS RESTATED	1,905.55	1,711.72	1,393.06	756.04	381.27	256.41

SUMMARY STATEMENT OF UNCONSOLIDATED CASH FLOW AS RESTATED						
	AS AT	As At March 31,				
PARTICULARS	30.09.09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Cash Flow from Operating Activities						
Net Profit Before Tax and Prior Year Adjustments	272.04	476.69	1,023.07	496.94	235.14	133.10
Adjustments for :						
Depreciation	29.59	57.26	39.69	21.62	16.69	12.94
(Profit)/ Loss on Sale of Assets/Investments	(2.83)	0.46	(45.11)	(21.84)	(28.55)	(2.01)
Employee Compensation Expenses (ESOP)	2.08	4.16	65.89	-	-	-
Interest income	(34.40)	(111.67)	(58.91)	(8.85)	(11.59)	(4.52)
Dividend Income	(0.00)	(1.52)	(7.50)	(7.98)	(0.57)	(0.44)
Interest expense	105.20	253.50	137.16	39.26	30.67	27.67
Provision for doubtful debts	12.63	19.42	44.18	-	-	-
Operating Profit before Working Capital changes	384.30	698.30	1,198.46	519.14	241.79	166.74
Movements in Working Capital						
Decrease/ (Increase) in Inventories	(147.49)	(205.42)	102.69	381.80	(672.80)	17.09
Decrease/ (Increase) in Sundry Debtors	(114.89)	86.33	(787.97)	(1,006.10)	(153.76)	(250.61)
Decrease/ (Increase) in Other Current Assets	(142.88)	(186.03)	(407.39)	372.98	23.96	(18.98)
Decrease/ (Increase) in Loans and Advances	(554.13)	(319.35)	(352.64)	(1,329.97)	(79.81)	(56.19)
Increase /(Decrease) in Trade Payables	538.43	512.31	(7.27)	931.97	166.18	78.61
Cash generated from Operations	(36.65)	586.14	(254.11)	(130.17)	(474.45)	(63.34)
Direct Taxes paid (net of refunds)	(21.04)	(167.55)	(461.46)	(144.91)	(71.27)	(39.28)
Cash Flow before Extraordinary Items	(57.69)	418.59	(715.58)	(275.08)	(545.72)	(102.62)
Net Cash from Operating Activities (A)	(57.69)	418.59	(715.58)	(275.08)	(545.72)	(102.62)
Cash Flow from Investing Activities						
Purchase of Fixed Assets	(19.83)	(116.61)	(212.16)	(103.21)	(67.87)	(38.99)
Disposal of Fixed Assets	-	13.36	0.27	44.12	3.96	1.76
Purchase of Investments	(33.75)	(578.67)	(583.30)	(483.78)	(22.53)	(104.72)
Disposal of Investments	25.49	437.55	46.98	2.68	111.60	3.33
Interest received	34.40	111.67	58.91	8.85	11.59	4.52
Dividend received	0.00	1.52	7.50	7.98	0.57	0.44
Net Cash from Investing Activities (B)	6.32	(131.18)	(681.80)	(523.36)	37.32	(133.66)
Cash Flow from Financing Activities						
Proceeds from issuances of Share Capital	-	501.70	16.50	1,384.50	100.00	-
Increase/(Decrease) in Share Application Money	-	-	-	-	-	(75.00)
Redemption of Preference Capital	-	-	-	-	(100.08)	100.00
Availment (Repayment) of Long Term Borrowings	248.45	(779.41)	1,978.55	(570.05)	654.32	240.56
Interest paid	(112.86)	(299.54)	(163.93)	(51.87)	(59.90)	(27.67)
Dividends paid	-	-	-	-	(18.60)	(2.40)
Tax on Dividend paid	-	-	-	-	(2.24)	(0.31)
Net Cash from Financing Activities (C)	135.59	(577.25)	1,831.12	762.58	573.50	235.17

SUMMARY STATEMENT OF UNCONSOLIDATED CASH FLOW AS RESTATED						
	AS AT		As At March 31,			
PARTICULARS	30.09.09	2009	2008	2007	2006	2005
Net increase in Cash and Cash Equivalents (A+B+C)	84.22	(289.84)	433.73	(35.85)	65.10	(1.11)
Cash and Cash Equivalents at the beginning of the year	200.56	490.40	56.67	92.52	27.43	28.53
Cash and Cash Equivalents at the end of the year	284.78	200.56	490.40	56.67	92.52	27.43
Components of Cash and Cash Equivalents	As At March 31,					
	Sep-09	2009	2008	2007	2006	2005
Cash on Hand	8.85	8.12	15.14	6.88	3.39	2.95
With Banks - on Current Accounts	168.46	75.45	368.51	39.73	84.34	15.79
- on Deposit Accounts	107.47	116.99	106.76	10.06	4.80	8.69
	284.78	200.56	490.40	56.67	92.52	27.43

THE ISSUE

Equity Shares offered:	
Issue by the Company	10,800,000 Equity Shares
<i>Of which</i>	
Employee Reservation	100,000 Equity Shares
Net Issue	10,700,000 Equity Shares
<i>Of which</i>	
A) Qualified Institutional Buyers (QIB) portion ⁽¹⁾	At least 6,420,000 Equity Shares
<i>Of which</i>	
Available for allocation to Mutual Funds only	321,000 Equity Shares
Balance for all QIBs including Mutual Funds	6,099,000 Equity Shares
B) Non-Institutional Portion ⁽²⁾	Not less than 1,070,000 Equity Shares
C) Retail Portion ⁽²⁾	Not less than 3,210,000 Equity Shares
Equity Shares outstanding prior to the Issue	79,216,050 Equity Shares
Equity Shares outstanding after the Issue	90,016,050 Equity Shares
Equity Shares outstanding after the Issue (assuming the outstanding vested options are completely exercised)	90,349,550 Equity Shares
Use of Issue Proceeds	See the section titled “Objects of the Issue” on page 38.

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

- (1) Provided that, the Company may, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic mutual fund, subject to valid Bids being received from domestic mutual funds at or above the price at which allocation is being done to Anchor Investors. For details, please see “Issue Procedure” on page 368.
- (2) 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 discretion of the Company, in consultation with the BRLMs and the Designated Stock Exchange. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded.

GENERAL INFORMATION

We were originally incorporated on January 1, 1986 as a private limited company under the provisions of the Companies Act, 1956 as Vascon Engineers Private Limited. We became a deemed public company by virtue of Section 43A of the Companies Act with effect from August 25, 1997 and were renamed as Vascon Engineers Limited.

Consequent to the amendment of Section 43A of the Companies Act, we became a private limited company with effect from January 16, 2001. Pursuant to a resolution of our shareholders on December 7, 2006, we were converted to a public limited company with effect from December 7, 2006. A fresh certificate of incorporation consequent on the change of our name was granted to us on December 20, 2006 by the ROC.

Registered Office

15/16, Hazari Baug
L.B.S. Marg
Vikhroli (W)
Mumbai 400 083
CIN: U70100MH1986PLC038511
Tel: (91 22) 2578 1143
Fax: (91 22) 2579 6333
Email: compliance.officer@vascon.com
Website: www.vascon.com

Corporate Office

201, Phoenix
Bund Garden Road
Pune 411 001
Tel: (91 20) 3056 2100/200
Fax: (91 20) 2613 1071
Email: compliance.officer@vascon.com
Website: www.vascon.com

Company Identification Number: U70100MH1986PLC038511

Our Company is registered with RoC described below:

The Registrar of Companies, Maharashtra
100, Everest
Marine Drive
Mumbai 400 002

Board of Directors of the Issuer

Sr. No.	Name and Designation	Age	Address
1.	R. Vasudevan <i>Managing Director and Non-Independent</i>	57	Flat No. C-10, Ivyglen, Marigold Premises, Wadgoan Sheri, Pune 411 014 Maharashtra
2.	K.G. Krishnamurthy <i>Non-Executive Director and Non-Independent</i> Nominee director of HDFC Ventures Trustee Company Limited acting in its capacity of trustee of HDFC Property Fund	53	Flat No. 403, Meru Heights 268, Telang Road Matunga Mumbai 400019 Maharashtra
3.	V. Mohan	58	Waman

Sr. No.	Name and Designation	Age	Address
	<i>Chairman and Independent Director</i>		46/3, Garodia Nagar Ghatkopar (East) Mumbai 400 077 Maharashtra
4.	Ameet Hariani <i>Non-Executive Director and Non-Independent</i>	48	Chandan, 2nd Floor, 62B, Pedder Road Mumbai 400 026 Maharashtra
5.	R. Kannan <i>Independent Director</i>	50	1202, Ixora, Banyan Drive, Hiranandani Meadows, Gladys Alwares Road, Off. Pokhran Road No. 2, Thane (West) 400 610 Maharashtra

For further details of our Directors, see the section titled “Our Management” on page 146.

Company Secretary and Compliance Officer

M. Krishnamurthi
201, Phoenix
Bund Garden Road
Pune 411 001
Tel: (91 20) 3056 2305
Fax: (91 20) 2613 1071
Email: compliance.officer@vascon.com

Investors may contact the Compliance Officer for any pre-Issue/post-Issue related matter.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the SCSB where the CAF was submitted by the ASBA Investors.

Book Running Lead Managers

Book Running Lead Managers	
<i>Kotak Mahindra Capital Company Limited</i> 1st Floor, Bakhtawar 229, Nariman Point Mumbai 400 021 Tel: (91 22) 6634 1100 Fax: (91 22) 2283 7517 Email: vascon.ipo@kotak.com Investor grievance id: kmccredressal@kotak.com Website: www.kotak.com Contact Person: Mr. Chandrakant Bhole	<i>Enam Securities Private Limited</i> 801, Dalamal Towers Nariman Point Mumbai 400 021, India Tel: (91 22) 6638 1800 Fax: (91 22) 2284 6824 Email: vascon.ipo@enam.com Investor grievance id: complaints@enam.com Website: www.enam.com Contact Person: Ms. Dipali Dalal

Domestic legal advisor to the Issue
<i>Amarchand & Mangaldas & Suresh A. Shroff & Co.</i> 201, Midford House Midford Garden (Off M. G. Road) Bangalore 560 001 Tel: (91 80) 2558 4870 Fax: (91 80) 2558 4266

International legal advisor to the BRLMs
<i>Jones Day</i> 3 Church Street, # 14-02 Samsung Hub

International legal advisor to the BRLMs	
Singapore 049483	
Legal Counsel to the Issue for Land Summarisation	
Hariani & Co, Advocates and Solicitors 1st Floor, 10, Bruce Street, Homi Moody Street, Fort Mumbai 400 001 Tel: (91 22) 22041824 / 22022733 Fax: (91 22) 22046823 Email: mumbai@hariani.co.in Contact Person: Siddharth Kanakia	
Expert Opinion in relation to Saleable Area for Real Estate Development Projects	
Chandrakishor Rahatekar Architects Planners Interior Designers Indraprastha Apartment 3025/9, Senapati Bapat Road Shivajinagar Pune 411 016. Tel: (91 20) 2567 8807 Fax: (91 20) 2567 0952 Email: cb-rahatekar@vsnl.net Contact Person: Chandrakishor Rahatekar	
Registrar to the Issue	
Karvy Computershare Private Limited Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081 Tel: (91 40) 2342 0815 Fax: (91 40) 2343 1551 Email: vasconipo@karvy.com Website: http://karisma.karvy.com Contact Person: Mr. M. Murali Krishna SEBI Registration No.: INR 000000221	
Bankers to the Issue and Escrow Collection Banks	
HDFC Bank I Think Techni Campus, 3 rd Floor, Next to Kanjurmarg Railways Station, Kanjurmarg (East) Mumbai 400 042 Tel: (91 22) 3075 2928 Fax: (91 22) 2579 9801 Email: deepak.rane@hdfcbank.com Website: www.hdfcbank.com Contact Person: Mr. Deepak Rane SEBI Registration Number: INBI 00000063	ICICI Bank Limited Capital Markets Division 30, Mumbai Samachar Marg Mumbai 400 001 Tel: (91 22) 2262 7600 Fax: (91 22) 2261 1138 Email: venkataraghavan.t@icicibank.com Website: www.icicibank.com Contact Person: Mr. Venkataraghavan T A SEBI Registration Number: INBI 00000004
Kotak Mahindra Bank 5 th Floor, Dani Corporate Park, 158, CST Road, Kalina, Santacruz (E) Mumbai Tel: (91 22) 6759 5336 Fax: (91 22) 6759 5374 Email: amit.kr@kotak.com Website: www.kotak.com Contact Person: Mr. Amit Kumar SEBI Registration Number: INBI 00000927	Yes Bank 2 nd Floor, Tiecicon House, Dr. E, Moses Road, Mahalaxmi, Mumbai 400 011 Tel: (91 22) 6622 9031 Fax: (91 22) 2497 4875 Email: dlbtiservices@yesbank.in Website: www.yesbank.in Contact Person: Mr. Mahesh Shirali SEBI Registration: INBI00000935
Refund Banker	

Refund Banker

HDFC Bank

5th, Atur Chambers,
Moledina Road, Campus,
Pune
Tel: (91 20) 4007 0062)
Fax: (91 40) 4007 0060
Email: Mahesh.urney@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Mahesh Urney
SEBI Registration Number: INBI 00000063

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI website.

Bankers to the Company

HDFC Bank Limited

HDFC Bank House,
Senapati Bapat Marg,
Lower Parel,
Mumbai 400 013
Tel: (91 20) 4007 0062
Fax: (91 20) 4007 0060
Email: mahesh.urney@hdfcbank.com
Contact Person: Mahesh Urney
Website: www.hdfcbank.com

State Bank of India

Industrial Finance Br., Pune,
Tara Chambers, Mumbai-Pune Road,
Pune 411 003
Tel: (91 20) 2561 8211
Fax: (91 20) 2561 8207
Email: sbi.08966@sbi.co.in
Contact Person: Mr. V. N. Moholkar
Website: www.sbi.co.in

Auditors

Anand Mehta & Associates

Chartered Accountants
Mulratna, First Floor,
334, Narshi Natha Street,
Masjid (West),
Mumbai 400 009
Tel: (91 22) 4213 3124
Fax: (91 22) 2342 0195
Email: amcon.mumbai@amcount.com
Contact Person: Mr. Jayesh Doshi

B/5 Shardaram Park,
34 Sasson Road,
Next to Jahangir Hospital,
Pune 411 001,
Tel : (91 20) 3058 1010
Fax: (91 20) 3052 1223
Email amcon.pune@amcount.com
Contact Person: Mr. Kusai Goawala

Monitoring Agency

There is no requirement for a monitoring agency for the Issue pursuant to Regulation 16 of the SEBI ICDR Regulations.

IPO Grading Agency

CRISIL Limited

1061, Solitaire Corporate Park,
151 Andheri Kurla Road, Andheri (E),
Mumbai 400093
Tel: (91 22) 6758 8023
Fax: (91 22) 6758 8088
Email: tvishal@crisil.com
Website: www.crisil.com
Contact Person: Mr. Vishal Thakkar

List of Responsibilities between the Book Running Lead Managers

The responsibilities and co-ordination for various activities in this Issue are as under:

Activities	Responsibility	Co-ordinator
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1.	Capital structuring with the relative components and formalities such as type of instruments etc.	KMCC, ENAM	KMCC
2.	Due diligence of the Company's operations/ management/ business plans/ legal etc. Drafting and design of the Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same.	KMCC, ENAM	KMCC
3.	Drafting and approval of statutory advertisement	KMCC, ENAM	KMCC
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (3) above including corporate advertisement, brochure, corporate films etc.	KMCC, ENAM	ENAM
5	Appointment of intermediaries	KMCC, ENAM	ENAM
	Institutional Marketing of the Offer, which will cover, inter alia,		
	– Preparing roadshow presentation and FAQs		
6	– Finalizing the list and division of investors for one to one meetings; and	KMCC, ENAM	ENAM
	– Finalizing road show schedule and investor meeting schedules		
	Non-Institutional and Retail Marketing of the Offer, which will cover, inter alia,		
	– Formulating marketing strategies, preparation of publicity budget;		
7	– Finalizing Media and PR strategy;	KMCC, ENAM	KMCC
	– Finalizing centres for holding conferences for brokers etc.;		
	– Finalizing collection centres; and		
	– Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material.		
8	Co-ordination with Stock Exchanges for book building software, bidding terminals and mock trading	KMCC, ENAM	ENAM
9	Managing the book and finalisation of pricing in consultation with the company	KMCC, ENAM	KMCC
10	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, despatch of certificates or demat credit and refunds and co-ordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks, etc.	KMCC, ENAM	ENAM
	Finalising underwriting arrangement*		

* In case of under-subscription in the Issue, the lead merchant banker responsible for underwriting arrangements shall be responsible for invoking underwriting obligations and ensuring that the notice for devolvement containing the obligations of the underwriters is issued in terms of these regulations and as agreed to in the underwriting agreement

Even if many of these activities will be handled by other intermediaries, the BRLMs shall be responsible for ensuring that these agencies fulfil their functions and enable them to discharge this responsibility through suitable agreements with the Company.

Credit Rating

As this is an Issue of Equity Shares, there is no credit rating for this Issue.

IPO Grading

This Issue has been graded by CRISIL Limited and has been assigned a grade of '3' out of a maximum of '5', indicating average fundamentals. The IPO Grading is assigned on a five point scale from 1 to 5, with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. For details in relation to the rationale furnished by CRISIL Limited, see "Annexure I" on page 444. Attention is drawn to the disclaimer appearing on page 450.

Trustees

As this is an Issue of Equity Shares, the appointment of Trustees is not required.

Project Appraisal

There is no project being appraised.

Book Building Process

Book Building Process refers to the process of collection of Bids, on the basis of the Red Herring Prospectus within the Price Band. The Issue Price is fixed after the Bid Closing Date.

The principal parties involved in the Book Building Process are:

- (a) Our Company;
- (b) Book Running Lead Managers;
- (c) Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as underwriters. Syndicate Members are appointed by the BRLMs;
- (d) Registrar to the Issue; and
- (e) Escrow Collection Banks.

This is an Issue of less than 25% of the post Issue Equity Share capital of our Company and is being made pursuant to Rule 19(2)(b) of the SCRR through the 100% Book Building Process wherein at least 60% of the Net Issue size is required to be allotted to QIBs on a proportionate basis. Provided that, our Company may, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only. If at least 60% of Net the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% and 30% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively subject to valid Bids being received at or above the Issue Price. 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 discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. The allotment of Equity Shares shall be made to Eligible Employees subject to a ceiling of Rs. 100,000 on value of the Equity Shares allotted to them.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the Net QIB Portion are not allowed to withdraw their Bid(s) after the Bid Closing Date. In addition, QIBs bidding in the Net QIB Portion are required to pay at least 10% of the Bid Amount upon submission of the Bid cum Application Form during the Bidding Period and allocation to such QIBs will be on a proportionate basis. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. In addition, Anchor Investors are required to pay at least 25% of the Bid Amount upon submission of the Bid cum Application Form and allocation to the Anchor Investors will be on a discretionary basis. For further details, see "Issue Structure" on page 368.

Our Company shall comply with regulations issued by SEBI for this Issue. In this regard, our Company has appointed Kotak Mahindra Capital Company Limited and Enam Securities Private Limited as the BRLMs to manage the Issue and to procure subscriptions to the Issue.

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

Illustration of Book Building and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

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, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (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 issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, 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 this issue price are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding

1. Check eligibility for making a Bid (For further details see “*Issue Procedure - Who Can Bid*”) on page 368.
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form and the ASBA Bid cum Application Form.
3. Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, for Bids of all values ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum Application Form and the ASBA Bid cum Application Form (see “*Issue Procedure – Permanent Account Number or PAN*” on page 384).
4. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form and the ASBA Bid cum Application Form.
5. Ensure the correctness of your demographic details (as defined in the “*Issue Procedure-Bidders Depository Account Details*” on page 379) given in the Bid cum Application Form and the ASBA Bid cum Application Form, with the details recorded with your Depository Participant.
6. Bids by QIBs (including Anchor Investors) will have to be submitted to the BRLMs.
7. Bids by ASBA Bidders will have to be submitted to the designated branches of the SCSBs. 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

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue. In such an event the 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 BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day from the day of receipt of such notification. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Bid/Issue Period

Bid opens on:	January 27, 2010
Bid closes on:	January 29, 2010

The Company is considering participation by Anchor Investors in terms of the SEBI ICDR Regulations. Anchor Investors shall submit their Bid one day prior to the Bid Opening Date.

Bids and any revision in Bids shall be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) during the Bidding/ Issue Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid / Issue Closing Date, the Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders and Eligible Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. or such

extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion, where the Bid Amount is up to Rs. 100,000. It is clarified that the Bids not uploaded in the book would be rejected. Bids by the ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE. Due to limitation of time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in IPOs, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, the Company, the BRLMs, and the Syndicate Members shall not be responsible. Bids will be accepted only on Business Days, i.e. Monday to Friday (excluding any public holiday).

On the Bid 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 timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges within half an hour of such closure.

Our Company reserves the right to revise the Price Band during the Bidding Period in accordance with SEBI ICDR Regulations. The Cap Price shall not be more than 20% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the floor price originally disclosed in the Red Herring Prospectus and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bidding Period will be extended for three additional Business Days after revision of the Price Band subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the web site of the BRLMs, and at the terminals of the members of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that 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 Agreement is dated [●].

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 filing of the Prospectus with the RoC

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. In million)
Kotak Mahindra Capital Company Limited 1st Floor, Bakhtawar 229, Nariman Point Mumbai 400 021 Tel: (91 22) 6634 1100 Fax: (91 22) 2283 7517	[●]	[●]
Enam Securities Private Limited 801, Dalamal Towers Nariman Point Mumbai 400 021, India Tel: (91 22) 6638 1800 Fax: (91 22) 2284 6824	[●]	[●]
Kotak Securities Limited 1 st Floor, Bakhtawar 229, Nariman Point Mumbai 400 021 Tel: (91 22) 6634 1100 Fax: (91 22) 6630 3927	[●]	[●]

The above mentioned is indicative underwriting and this would be finalized after the pricing and actual allocation.

In the opinion of our Board of Directors (based on a certificate 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 Exchange(s). Our Board of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of the Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, 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/subscribe to equity shares to the extent of the defaulted amount.

CAPITAL STRUCTURE

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

(In Rs.)

	Aggregate Value at nominal value	Aggregate Value at Issue Price
A) Authorised Share Capital		
100,000,000 Equity Shares of Rs. 10 each	1,000,000,000	
B) Issued, subscribed and paid up share capital before the Issue		
79,216,050 Equity Shares of Rs. 10 each	792,160,500	
C) Issue in terms of this Red Herring Prospectus⁽¹⁾		
10,800,000 Equity Shares of Rs. 10 each fully paid up	108,000,000	[●]
D) Equity Capital after the Issue		
90,016,050 Equity Shares of Rs. 10 each fully paid up	900,160,500	[●]
E) Equity Capital after the Issue (assuming all the outstanding vested options are exercised)⁽²⁾		
90,349,550 Equity Shares of Rs. 10 each fully paid up	903,495,500	
F) Share premium account		
Before the Issue	2,268,667,318	
After the Issue		[●]

I. Changes in the Authorised Share Capital of our Company since Incorporation

Date	Authorized Capital	Share	Face Value of equity shares	Number of equity shares	Face value of preference shares-	Number of preference shares-
January 1, 1986	Rs. 100,000		Rs. 100	1,000	-	-
April 28, 1989	Rs. 1,000,000		Rs. 100	10,000	-	-
September 30, 1993	Rs. 5,000,000		Rs. 100	50,000	-	-
November 29, 1996	Rs. 10,000,000		Rs. 100	100,000	-	-
March 25, 2002	Rs. 105,000,000		Rs. 100	100,000	Rs. 100	950,000
March 26, 2004	Rs. 110,100,000		Rs. 100	100,000	Rs. 100	1,001,000
October 14, 2005	Rs. 700,000,000		Rs. 10	50,000,000*	Rs. 100	2,000,000
June 11, 2007	Rs. 1,000,000,000		Rs. 10	100,000,000		-

* The existing 100,000 equity shares of Rs. 100 each were sub-divided into 1,000,000 Equity shares of Rs. 10 each.

- (1) This Issue has been authorized by a resolution of our Board of Directors dated August 27, 2009 and a resolution of our shareholders dated September 22, 2009.
- (2) The Equity Share capital of our Company after the Issue, assuming full exercise of all outstanding options which have been vested and are yet to be exercised i.e. 333,500 options, under the ESOP 2007, will comprise 90,349,550 Equity Shares. For details on the employee stock option plan ("ESOP 2007") see Note 7 of 'Capital Structure – Notes to Capital Structure' on page 26.

The RBI has by a letter dated December 18, 2007 permitted FIIs to subscribe to the present Issue under the portfolio investment scheme in terms of Regulation 1(5) of Schedule 2 to RBI notification no FEMA 20/2000-RB dated May 3, 2000. However it provided that FII investments in any pre-ipo placement would be treated on par with FDI and will have to comply with the guidelines for such FDI such as minimum capitalisation norms and lock in-period and other conditions prescribed vide Press Note 2 (2005) Series.

Notes to Capital Structure:

1. Share capital history of the Company

(a) Equity share capital history

Date of allotment of the Equity Shares	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Reasons for allotment	Cumulative number of Equity Shares	Cumulative Issued Capital (Rs.)	Cumulative Share Premium (Rs.)
January 1, 1986	20	100	100	Cash	Subscribers to Memorandum ⁽¹⁾	20	2,000	Nil
January 10, 1986	20	100	100	Cash	Preferential allotment ⁽²⁾	40	4,000	Nil
March 28, 1989	720	100	100	Cash	Preferential allotment ⁽³⁾	760	76,000	Nil
January 1, 1991	990	100	100	Cash	Preferential allotment ⁽⁴⁾	1,750	175,000	Nil
July 9, 1991	250	100	100	Cash	Preferential allotment ⁽⁵⁾	2,000	200,000	Nil
March 25, 1993	4,000	100	Nil	NA	Bonus in the ratio of 1:2	6,000	600,000	Nil
December 30, 1994	42,000	100	Nil	NA	Bonus in the ratio of 1:7	48,000	4,800,000	Nil
January 31, 1997	48,000	100	Nil	NA	Bonus in the ratio of 1:1	96,000	9,600,000	Nil
October 14, 2005	960,000	10	-	-	Sub-division of 96,000 equity shares of Rs. 100 each to 960,000 Equity Shares of Rs. 10 each	960,000	9,600,000	Nil
October 14, 2005	19,200,000	10	Nil	NA	Bonus in the ratio of 1:20	20,160,000	201,600,000	Nil
November 30, 2005	10,000,000	10	10	Cash	Preferential Allotment ⁽⁶⁾	30,160,000	301,600,000	Nil
June 21, 2006	3,903,059	10	260.13	Cash	Preferential allotment ⁽⁷⁾	34,063,059	340,630,590	976,269,415.50
August 5, 2006	1,419,294	10	260.13	Cash	Preferential allotment ⁽⁸⁾	35,482,353	354,823,530	1,331,276,470
June 11, 2007	35,482,353	10	10	N.A.	Bonus in the ratio of 1:1	70,964,706	709,647,060	1,331,276,470
October 25, 2007	1,650,000	10	10	Cash	Allotments pursuant to exercise of vested options ⁽⁹⁾	72,614,706	726,147,060	1,331,276,470
July 21, 2008	3,300,667	10	152	Cash	Right issue in the ratio 22:1 ⁽¹⁰⁾	75,915,373	759,153,730	1,799,971,184
August 27, 2009	3,300,677	10	152	-	Conversion of Unsecured Convertible Debentures in to Equity shares in the ratio 1:1 ⁽¹¹⁾	79,216,050	792,160,500	2,268,667,318

(1) Allotment of equity shares of Rs. 100 each to R. Vasudevan and Amar Lulla.

(2) Allotment of equity shares of Rs. 100 each to Farida Hamied and Shirin Hamied.

- (3) Allotment of equity shares of Rs. 100 each to R. Vasudevan jointly with Lalitha Vasudevan, Amar Lulla jointly with Geeta Lulla, Shirin Hamied, Lalitha Vasudevan jointly with R. Vasudevan, Late Mr. N.R. Moorthy jointly with R. Vasudevan and Thangam Moorthy jointly with R. Vasudevan.
- (4) Allotment of equity shares of Rs. 100 each to R. Vasudevan jointly with Lalitha Vasudevan, Saga Chemicals Private Limited, Shirin Hamied jointly with L.K. Hameid, Lalitha Vasudevan jointly with R. Vasudevan, Late Mr. N.R. Moorthy jointly with R. Vasudevan and Thangam Moorthy jointly with R. Vasudevan.
- (5) Allotment of equity shares of Rs. 100 each to Shirin Hamied jointly with L.K. Hameid.
- (6) Allotment of Equity Shares to Vatsalya Enterprises Private Limited, Premratan Exports Private Limited, Shreeriddhi Chemicals Private Limited and M N Rajkumar Garments Private Limited
- (7) Allotment of Equity Shares to HDFC Ventures Trustees Company Limited acting through scheme HI REF of the HDFC Property Fund pursuant to the Shareholders Agreement dated June 21, 2006.
- (8) Allotment of Equity Shares to HDFC Ventures Trustees Company Limited acting through scheme HI REF of the HDFC Property Fund pursuant to the Shareholders Agreement dated June 21, 2006.
- (9) Allotment of Equity Shares to R. Vasudevan and Late Mr. N.R. Moorthy pursuant to exercise of vested options under ESOP 2007.
- (10) Allotment of Equity shares of Rs. 10 each at a premium of Rs. 142.00 on a right issue basis to all existing shareholders. The Company has issued 3,300,667 Equity Shares on a right basis to the following shareholders on July 21, 2008 in the ratio 22:1:

Sl. No.	Name of the allottees	Number of shares
1.	Mr. R Vasudevan*	386,564
2.	Mrs. Lalitha Vasudevan (jointly with Mr. R. Vasudevan)	109,964
3.	Vatsalya Enterprises Private Limited	227,273
4.	Premratan Exports Private Limited	277,818
5.	Golden Temple Pharma Private Limited	407,636
6.	Ms. Sowmya Vasudevan (Jointly with Mrs. Lalitha Vasudevan)	18,327
7.	Mr. Siddharth Vasudevan (Jointly with Mrs. Lalitha Vasudevan)	18,327
8.	HDFC Ventures Trustees Company Limited acting through Scheme Hi Ref of the HDFC Property Fund	483,850
9.	Dreamz Impex Private Limited	407,636
10.	DNA Pharma Private Limited	407,636
11.	Medicreams India Private Limited	277,818
12.	Orion Lifescience Private Limited	277,818

* Including 311,564 Equity Shares held jointly with Mrs. Lalitha Vasudevan and 2,273 Equity Shares jointly held with Mrs. Thangam Moorthy.

- (11) Conversion of Unsecured Convertible Debentures of Rs. 152 each in to equity shares of Rs. 10 each at a premium of Rs. 142 each (in the ratio 1:1)

(b) *Preference share capital history*

Date of allotment of the preference shares	No. of preference shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Reasons for allotment	Cumulative number of Preference Shares	Cumulative Issued Capital (Rs.)	Cumulative Share Premium (Rs.)
March 27, 2002	840	100	100	Cash	Allotment ⁽¹⁾	840	84,000	Nil
May 8, 2004	1,000,000	100	100	Cash	Further Allotment ⁽²⁾	1,000,840	100,084,000	Nil
November 25, 2005	1,000,840	100	100	Cash	Redemption	Nil	Nil	Nil

- (1) Allotment of redeemable preference shares to Vatsalya Enterprises Private Limited, Bellflower Premises Private Limited, Hamcon Engineers Private Limited, Saga Chemicals Private Limited, Premratan Exports Private Limited, Alps Remedies Private Limited (formerly called Alpica Pharma Private Limited), M. N. Rajkumar Garments Private Limited, Hamson Laboratories Private Limited and Shreeriddhi Chemicals Private Limited.
- (2) Allotment of redeemable preference shares to Premratan Exports Private Limited, M. N. Rajkumar Garments Private Limited, Shreeriddhi Chemicals Private Limited and Vatsalya Enterprises Private Limited.

2. **Promoters' Contribution and Lock-in**

All Equity Shares, which are being locked-in are not ineligible for computation of promoters' contribution under Regulation 33 of the SEBI ICDR Regulations.

(a) *History of the Share Capital held by the Promoters*

Date of Allotment / Transfer	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition Price (Rs.)	Nature of Consideration	Nature of Transaction
R. Vasudevan					
December 18, 1985	10*	100	100	Cash	Subscription to Memorandum

Date of Allotment / Transfer	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition Price (Rs.)	Nature of Consideration	Nature of Transaction
March 28, 1989	60 ^S	100	100	Cash	Further Allotment
January 1, 1991	70 ^S	100	100	Cash	Further Allotment
March 25, 1993	280 ^S	100	Nil	Bonus	Bonus Issue (1:2)
December 30, 1994	2,940 ^S	100	Nil	Bonus	Bonus Issue (1:7)
January 31, 1997	3,360 ^S	100	Nil	Bonus	Bonus Issue (1:1)
December 10, 1998	(1,920)	100	Nil	Gift	Transfer
October 14, 2005	48,000 ^S	10	-	-	Subdivision
October 14, 2005	960,000 ^S	10	Nil	Bonus	Bonus Issue (1:20)
June 11, 2007	2,419,200 ^S	10	Nil	Gift	Transfer
June 11, 2007	3,427,200 ^S	10	Nil	Bonus	Bonus Issue (1:1)
October 25, 2007	1,600,000	10	10	Cash	Allotment pursuant to exercise of vested Options
June 16, 2008	50,000 ^E	10	Nil	-	Transmission
July 21, 2008	386,564 ^B	10	152	Cash	Rights Issue (22:1)
August 27, 2009	386,565 ^B	10	152	-	Conversion of Unsecured Convertible Debentures in to Equity shares in the ratio 1:1
TOTAL	9,277,529				
* Shares transferred to joint holding of R. Vasudevan and Lalitha Vasudevan by the resolution passed by our Board on January 10, 1986					
^S Jointly held with Lalitha Vasudevan					
^E Jointly held with Thangam Moorthy					
^B Includes 311,564 shares held jointly with Lalitha Vasudevan and 2,273 shares held jointly with Thangam Moorthy					
Lalitha Vasudevan (Jointly with R. Vasudevan)					
March 28, 1989	60	100	100	Cash	Further Allotment
January 1, 1991	60	100	100	Cash	Further Allotment
March 25, 1993	240	100	Nil	Bonus	Bonus Issue (1:2)
December 30, 1994	2,520	100	Nil	Bonus	Bonus Issue (1:7)
January 31, 1997	2,880	100	Nil	Bonus	Bonus Issue (1:1)
October 14, 2005	57,600	10	-	-	Subdivision
October 14, 2005	1,152,000	10	Nil	Bonus	Bonus Issue (1:20)
June 11, 2007	1,209,600	10	Nil	Bonus	Bonus Issue (1:1)
July 21, 2008	109,964	10	152	Cash	Rights Issue (22:1)
August 27, 2009	109,964	10	152	-	Conversion of Unsecured Convertible Debentures in to Equity shares in the ratio 1:1
TOTAL	2,639,128				
Thangam Moorthy (Jointly held with R. Vasudevan)					
March 28, 1989	60	100	100	Cash	Further Allotment
January 1, 1991	60	100	100	Cash	Further Allotment
March 25, 1993	240	100	Nil	Bonus	Bonus Issue (1:2)
December 30, 1994	2,520	100	Nil	Bonus	Bonus Issue (1:7)
January 31, 1997	2,880	100	Nil	Bonus	Bonus Issue (1:1)
October 14, 2005	57,600	10	-	-	Subdivision
October 14, 2005	1,152,000	10	Nil	Bonus	Bonus Issue (1:20)
June 11, 2007	(1,209,600)	10	Nil	Gift	Transfer
TOTAL	NIL				
Vatsalya Enterprises Private Limited					
November 30, 2005	2,500,000	10	10	Cash	Further Allotment
June 11, 2007	2,500,000	10	Nil	Bonus	Bonus Issue (1:1)
July 21, 2008	227,273	10	152	Cash	Right Issue (22:1)
December 9, 2008	(227,273)	10	152	Cash	Transfer
August 27, 2009	227,273	10	152	-	Conversion of Unsecured

Date of Allotment / Transfer	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition Price (Rs.)	Nature of Consideration	Nature of Transaction
					Convertible Debentures in to Equity shares in the ratio 1:1
<u>TOTAL</u>	<u>5,227,273</u>				
Premratan Exports Private Limited					
June 28, 1997	8,600	100	2.08	Cash	Transfer*
October 14, 2005	86,000	10	-	-	Subdivision
October 14, 2005	1,720,000	10	Nil	Bonus	Bonus Issue (1:20)
November 30, 2005	2,500,000	10	10	Cash	Further Allotment
January 5, 2006	(1,250,000)	10	10	Cash	Transfer
June 11, 2007	3,056,000	10	Nil	Bonus	Bonus Issue (1:1)
July 21, 2008	277,818	10	152	Cash	Right Issue(22:1)
August 27, 2009	277,819	10	152	-	Conversion of Unsecured Convertible Debentures in to Equity shares in the ratio 1:1
<u>TOTAL</u>	<u>6,667,637</u>				
* The Equity Shares were acquired from Saga Chemicals Private Limited at a average acquisition cost of Rs. 2.08.					
Golden Temple Pharma Private Limited					
September 19, 2007	8,968,000	10	1.40	Cash	Transfer#
July 21, 2008	407,636	10	152	Cash	Right Issue(22:1)
August 27, 2009	407,637	10	152	-	Conversion of Unsecured Convertible Debentures in to Equity shares in the ratio 1:1
<u>TOTAL</u>	<u>9,783,273</u>				
# The Equity Shares wre acquried from Saga Chemicals Private Limited at an average acquisition cost of Rs. 1.40 and includes 4,484,000 Equivty Shares that were allotted as bonus shares.					

(b) Details of Promoters contribution locked in for three years

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue capital of the Company held by the Promoters shall be locked in for a period of three years from the date of Allotment of Equity Shares in the Issue.

The details of such lock-in are given below:

	Name	Date of allotment/ acquisition and when made fully paid-up	Nature of allotment	Nature of consider ation	No. of shares locked in*	Face value (Rs.)^	Issue Price/ Purch ase Price (Rs.)	Percentage of post-Issue paid-up capital **
A.	R. Vasudevan (jointly held with Lalitha Vasudevan)	October 14, 2005	Bonus (1:20)	Bonus	393,773	10	-	0.43
		June 11, 2007	Bonus Issue (1:1)	Bonus	3,427,200	10	-	3.80
		October 25, 2007	Allotment	Cash	1,600,000	10	10	1.77
<u>Sub Total (A)</u>					<u>5,420,973</u>			<u>6.00</u>
B.	Lalitha Vasudevan (jointly held with R. Vasudevan)	June 11, 2007	Bonus Issue (1:1)	Bonus	654,991	10	-	0.72
		October 14, 2005	Bonus Issue (1:20)	Bonus	1,152,000	10	-	1.28
		<u>Sub Total (B)</u>					<u>1,806,991</u>	
C.	Vatsalya Enterprises Private Limited	November 30, 2005	Further Allotment	Cash	1,914,991	10	10	2.12

	Name	Date of allotment/ acquisition and when made fully paid-up	Nature of allotment	Nature of consider ation	No. of shares locked in*	Face value (Rs.)^	Issue Price/ Purch ase Price (Rs.)	Percentage of post-Issue paid-up capital **
	<u>Sub Total (C)</u>				<u>1,914,991</u>			<u>2.12</u>
D	Premratan Exports Private Limited	October 14, 2005	Bonus Issue (1:20)	Bonus	1,720,000	10	-	1.90
		June 11, 2007	Bonus Issue (1:1)	Bonus	2,797,478	10	-	3.10
	<u>Sub Total (D)</u>				<u>4,517,478</u>			<u>5.00</u>
E	Golden Temple Pharma Private Limited	September 19, 2007	Transfer	Cash	4,484,000	10	1.40	4.96
		July 21, 2008	Rights	Cash	141,477	10	152	0.16
	<u>Sub Total (E)</u>				<u>4,625,477</u>			<u>5.12</u>
	<u>TOTAL (A+B+C+D+E)</u>				<u>18,285,910</u>			<u>20.24</u>

* Commencing from the date of the Allotment of the Equity shares in the Issue.

** The lock in has been calculated in accordance with requirements specified under Schedule VIII - Part A of the SEBI ICDR Regulations with reference to the enlarged capital, i.e, 90,349, 550 Equity Shares which would arise on exercise of all vested options.

^ The equity shares were subdivided from a face value of Rs. 100 to face value of Rs. 10 each by way of a resolution passed by our Board dated October 14, 2005.

The Promoters contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as promoters under the SEBI ICDR Regulations.

Except for the Equity Shares held by HDFC Ventures Trustees Limited through Scheme HI REF of the HDFC Property Fund (registered as a VCF), our entire pre-Issue equity share capital consisting of 49,317,733 Equity Shares will be locked-in for a period of one year from the date of Allotment in this Issue except for the Promoters contribution as specified in regulations 36 above shall be locked in for a period of three years from the date of Allotment in this Issue.

The details of shares to be locked-in for one year are given below:

Sl. No.	Name of the allottees	Number of shares
1.	Mr. R Vasudevan*	3,856,556
2.	Mrs. Lalitha Vasudevan (Jointly with Mr. R. Vasudevan)	832,137
3.	Vatsalya Enterprises Private Limited	3,312,282
4.	Golden Temple Pharma Private Limited	5,157,796
5.	Premratan Exports Private Limited	2,150,159
6.	Ms. Sowmya Vasudevan (Jointly with Mrs. Lalitha Vasudevan)	403,200
7.	Mr. Siddharth Vasudevan (Jointly with Mrs. Lalitha Vasudevan)	403,200
8.	Bellflower Premises Private Limited	300,583
9.	Dreamz Impex Private Limited	9,783,273
10.	DNA Pharma Private Limited	8,968,000
11.	Medicreams India Private Limited	6,667,637
12.	Orion Lifescience Private Limited	6,112,000
13.	Okasa Private Limited	1,370,910

* Out of which 2,056,555 Equity Shares are jointly held with Mrs. Lalitha Vasudevan and 54,546 held jointly with Mrs. Thangam Moorthy.

In terms of Regulation 40 of the SEBI ICDR Regulations:

- the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares of our Company which are locked-in as per Regulation 37, subject to continuation of the lock-in in the hands of the transferees for the remaining period and

compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

- the Equity Shares held by the Promoters may be transferred to and among the Promoter Group or to a new promoter or persons in control of our Company which are locked-in as per Regulation 36, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as applicable.

Locked-in Equity Shares of our Company held by the Promoters can be pledged with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan. Further, the Equity Shares constituting 20% of the fully diluted post-Issue capital of the Company held by the Promoters that are locked in for a period of three years from the date of Allotment of Equity Shares in the Issue, may be pledged only if, in addition to complying with the aforesaid conditions, the loan has been granted by the banks or financial institutions for the purpose of financing one or more objects of the Issue.

3. The shareholding pattern of our Company

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

	Pre-Issue		Post-Issue*	
	Number of Equity Shares	Percentage of Equity Share capital	Number of Equity Shares	Percentage of Equity Share capital
Promoters				
R.Vasudevan ⁽¹⁾	9,277,529	11.71	9,277,529	10.27
Lalitha Vasudevan ⁽²⁾	2,639,128	3.33	2,639,128	2.92
Vatsalya Enterprises Private Limited	5,227,273	6.60	5,227,273	5.79
Premratan Exports Private Limited	6,667,637	8.42	6,667,637	7.38
Golden Temple Pharma Private Limited	9783273	12.35	9,783,273	10.83
Thangam Moorthy	0	0.00	0	0.00
Geeta Lulla	0	0.00	0	0.00
Sub Total (A)	33,594,840	42.41	33,594,840	37.18
Promoter Group				
Sowmya Vasudevan Moorthy ⁽³⁾	403,200	0.51	403,200	0.45
Siddharth Vasudevan Moorthy ⁽³⁾	403,200	0.51	403,200	0.45
Bellflower Premises Private Limited	300,583	0.38	300,583	0.33
Sub Total (B)	1,106,983	1.40	1,106,983	1.23
Promoter & Promote Group (A+B)	34,701,823	43.81	34,701,823	38.41
Non-Promoter Group				
HDFC Ventures Trustees Limited through Scheme HI REF of the HDFC Property Fund	11,612,407	14.66	11,612,407	12.85
Dreamz Impex Private Limited	9,783,273	12.35	9,783,273	10.83
DNA Pharma Private Limited	8,968,000	11.32	8,968,000	9.93
Medicreams India Private Limited	6,667,637	8.42	6,667,637	7.38
Orion Lifesciences Private Limited	6,112,000	7.72	6,112,000	6.76

	Pre-Issue		Post-Issue*	
	Number of Equity Shares	Percentage of Equity Share capital	Number of Equity Shares	Percentage of Equity Share capital
Okasa Private Limited	1,370,910	1.73	1,370,910	1.52
Sub Total (C)	44,514,227	56.19	44,514,227	49.27
Employees (D)	0	0.00	333,500[∞]	0.37
Public (pursuant to the Issue) (E)	0	0.00	10,800,000	11.95
Total share capital (A+B+C+D+E)	79,216,050	100	90,349,550	100.00

* Assuming that the non-promoter group shareholders do not apply for, and are not Allotted Equity Shares in terms of this Issue.

[∞] Assuming exercise of all vested options granted under ESOP 2007.

⁽¹⁾ Includes 7,477,528 Equity Shares jointly held with Mrs. Lalitha Vasudevan and 54,546 shares jointly held with Mrs. Thangam Moorthy.

⁽²⁾ Equity Shares jointly held with Mr. R. Vasudevan.

⁽³⁾ Equity Shares jointly held with Mrs. Lalitha Vasudevan.

For further details of Equity Shares held by our Promoters, see note 1 of “Capital Structure – Notes to Capital Structure” on page 26.

4. Equity Shares held by top ten shareholders

(a) On the date of, and ten days prior to the date of filing this Red Herring Prospectus with SEBI:

Sr. No.	Name	Number of Equity Shares	Percentage of Equity Share capital
1	HDFC Ventures Trustees Limited acting through Scheme HI REF of the HDFC Property Fund	11,612,407	14.66
2	Golden Temple Pharma Private Limited	9,783,273	12.35
3	Dreamz Impex Private Limited	9,783,273	12.35
4	R.Vasudevan*	9,277,529	11.71
5	DNA Pharma Private Limited	8,968,000	11.32
6	Premratan Exports Private Limited	6,667,637	8.42
7	Medicreams India Private Limited	6,667,637	8.42
8	Orion Lifesciences Private Limited	6,112,000	7.72
9	Vatsalya Enterprises Private Limited	5,227,273	6.60
10	Lalitha Vasudevan**	2,639,128	3.33

* Includes 7,477,528 Equity Shares jointly held with Mrs. Lalitha Vasudevan and 54,546 shares jointly held with Mrs. Thangam Moorthy

** Jointly with R. Vasudevan

(b) Two years prior to the date of filing this Red Herring Prospectus with SEBI:

Sr. No.	Name	Number of Equity Shares	Percentage of Equity Share capital
1	HDFC Ventures Trustees Limited acting through Scheme HI REF of the HDFC Property Fund	10,644,706	14.66
2	Golden Temple Pharma Private Limited	8,968,000	12.35
3	Dreamz Impex Private Limited	8,968,000	12.35
4	DNA Pharma Private Limited	8,968,000	12.35
5	R.Vasudevan*	8,454,400	11.64
6	Premratan Exports Private Limited	6,112,000	8.42
7	Medicreams India Private Limited	6,112,000	8.42
8	Orion Lifesciences Private Limited	6,112,000	8.42
9	Vatsalya Enterprises Private Limited	5,000,000	6.89

Sr. No.	Name	Number of Equity Shares	Percentage of Equity Share capital
10	Lalitha Vasudevan**	2,419,200	3.33

* Jointly with Lalitha. Vasudevan

** Jointly with R. Vasudevan

5. **Details of Transactions in Equity Shares by our Promoters, Promoter Group, directors of Corporate Promoters and their immediate relatives**

Except below as disclosed in this RHP, none of our Promoters, Promoter Group, Directors, directors of Corporate Promoters and their immediate relatives have purchased or sold any Equity Shares within the six months preceding the date of filing of this Red Herring Prospectus with SEBI.

6. **Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Corporate Promoters**

The table below sets forth the details of Equity Shares that are held by our Directors, Key Management Personnel and directors of our Corporate Promoters

Sr. No.	Name	Number of Equity Shares	Pre-Issue Equity Share Capital	Post-Issue Equity Share Capital %
1.	R. Vasudevan	9,277,529 ⁽¹⁾	11.71	10.27
2.	Lalitha Vasudevan	2,639,128 ⁽²⁾	3.33	2.92
3.	Siddharth Vasudevan Moorthy	403,200 ⁽³⁾	0.51	0.45

⁽¹⁾ Includes 7,477,528 Equity Shares jointly held with Mrs. Lalitha Vasudevan and 54,546 shares jointly held with Mrs. Thangam Moorthy

⁽²⁾ Equity Shares jointly held with Mr. R. Vasudevan

⁽³⁾ Equity Shares jointly held with Mrs. Lalitha Vasudevan

7. **Employee stock option plan**

ESOP scheme	Outstanding Options	Remarks
ESOP 2007*	333,500	Adopted for the benefit of employees eligible under the plan. The total options earmarked were 2,000,000. The plan was approved by the shareholders of our Company at the meeting held on October 23, 2007.

* There would be no further grant of options under ESOP 2007 with effect from November 5, 2007. Our Promoters do not hold any outstanding options.

Following are the details in relation to options granted under ESOP 2007:

As on March 31, 2008

Particulars	Details			
Options granted	1,983,500			
Exercise price of options	Rs. 10			
Total options vested (includes options exercised)	1,983,500			
Options exercised	1,650,000			
Total number of Equity Shares arising as a result of full exercise of options already granted	1,983,500			
Options forfeited/ lapsed/ cancelled	Nil			
Variations in terms of options	Nil			
Money realised by exercise of options	16,500,000			
Options outstanding (in force)	333,500			
Person wise details of options granted to				
i) Directors, Promoters and Key Management Employees	Name of the option grantee	No. of options granted	No. of options exercised	No. of options outstanding
	R. Vasudevan	1,600,000	1,600,000	-
	Late N. R. Moorthy	50,000	50,000	-
	C. V. Shah	50,000	-	50,000
	S. P. Nair	50,000	-	50,000

Particulars		Details			
		Kumar Krishnan	40,000	-	40,000
		P. S. Padgoankar	25,000	-	25,000
		D. Santhanam	25,000	-	25,000
		Sudhakar Shetty	15,000	-	15,000
		M. T. Badshah	15,000	-	15,000
		T. V. Jagdale	10,000	-	10,000
		J. K. Patoli	10,000	-	10,000
		Santhosh Sundararajan	10,000	-	10,000
		M. Krishnamurthi	10,000	-	10,000
ii)	Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Grant of 1,600,000 options to R. Vasudevan			
iii)	Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Grant of 1,600,000 options to R. Vasudevan			
Fully diluted EPS on a pre-issue basis based on restated unconsolidated financials for the period ended March 31, 2008			8.87		
Vesting schedule		The options granted would vest over a period of three years from the grant of such options and the compensation committee shall have power to determine the terms and conditions of the grant and vesting of the options. Further, the compensation committee shall have the power to determine the vesting period, the vesting schedule and date of vesting of the options. Pursuant to the resolution passed by the compensation committee dated October 23, 2007, all options granted have vested immediately. The options granted to R. Vasudevan and Late Mr. N.R. Moorthy were exercisable with immediate effect. For the remaining vested options, the options can be exercised between October 1, 2010 and October 1, 2013.			
Lock-in		There shall be a three years lock-in period in respect of the shares issued upon exercise of the options			
Impact on profits and EPS of the last three years		There is no impact on the profits and EPS			

As on March 31, 2009

Particulars		Details			
Options granted		1,983,500			
Exercise price of options		Rs. 10			
Total options vested (includes options exercised)		1,983,500			
Options exercised		1,650,000			
Total number of Equity Shares arising as a result of full exercise of options already granted		1,983,500			
Options forfeited/ lapsed/ cancelled		Nil			
Variations in terms of options		Nil			
Money realised by exercise of options		16,500,000			
Options outstanding (in force)		333,500			
Person wise details of options granted to					
i) Directors, Promoters and Key Management Employees	Name of the option grantee	No. of options granted	No. of options exercised	No. of options outstanding	
	R. Vasudevan	1,600,000	1,600,000	-	
	Late N. R. Moorthy	50,000	50,000	-	
	C. V. Shah	50,000	-	50,000	

Particulars		Details			
		S. P. Nair	50,000	-	50,000
		Kumar Krishnan	40,000	-	40,000
		P. S. Padgoankar	25,000	-	25,000
		D. Santhanam	25,000	-	25,000
		Sudhakar Shetty	15,000	-	15,000
		M. T. Badshah	15,000	-	15,000
		T. V. Jagdale	10,000	-	10,000
		J. K. Patoli	10,000	-	10,000
		Santhosh Sundararajan	10,000	-	10,000
		M. Krishnamurthi	10,000	-	10,000
ii)	Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Grant of 1,600,000 options to R. Vasudevan			
iii)	Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Grant of 1,600,000 options to R. Vasudevan			
Fully diluted EPS on a pre-issue basis based on restated unconsolidated financials for the period ended March 31, 2009		4.24			
Vesting schedule		The options granted would vest over a period of three years from the grant of such options and the compensation committee shall have power to determine the terms and conditions of the grant and vesting of the options. Further, the compensation committee shall have the power to determine the vesting period, the vesting schedule and date of vesting of the options. Pursuant to the resolution passed by the compensation committee dated October 23, 2007, all options granted have vested immediately. The options granted to R. Vasudevan and Late Mr. N.R. Moorthy were exercisable with immediate effect. For the remaining vested options, the options can be exercised between October 1, 2010 and October 1, 2013.			
Lock-in		There shall be a three years lock-in period in respect of the shares issued upon exercise of the options			
Impact on profits and EPS of the last three years		There is no impact on the profits and EPS			

As on September 30, 2009

Particulars		Details			
Options granted		1,983,500			
Exercise price of options		Rs. 10			
Total options vested (includes options exercised)		1,983,500			
Options exercised		1,650,000			
Total number of Equity Shares arising as a result of full exercise of options already granted		1,983,500			
Options forfeited/ lapsed/ cancelled		Nil			
Variations in terms of options		Nil			
Money realised by exercise of options		16,500,000			
Options outstanding (in force)		333,500			
Person wise details of options granted to					
i) Directors, Promoters and Key Management Employees		Name of the option grantee	No. of options granted	No. of options exercised	No. of options outstanding
		R. Vasudevan	1,600,000	1,600,000	-
		Late N. R. Moorthy	50,000	50,000	-

Particulars		Details			
		C. V. Shah	50,000	-	50,000
		S. P. Nair	50,000	-	50,000
		Kumar Krishnan	40,000	-	40,000
		P. S. Padgoankar	25,000	-	25,000
		D. Santhanam	25,000	-	25,000
		Sudhakar Shetty	15,000	-	15,000
		M. T. Badshah	15,000	-	15,000
		T. V. Jagdale	10,000	-	10,000
		J. K. Patoli	10,000	-	10,000
		Santhosh Sundararajan	10,000	-	10,000
		M. Krishnamurthi	10,000	-	10,000
ii)	Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Grant of 1,600,000 options to R. Vasudevan			
iii)	Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Grant of 1,600,000 options to R. Vasudevan			
Fully diluted EPS on a pre-issue basis based on restated unconsolidated financials for the period ended September 30, 2009		2.52			
Vesting schedule		The options granted would vest over a period of three years from the grant of such options and the compensation committee shall have power to determine the terms and conditions of the grant and vesting of the options. Further, the compensation committee shall have the power to determine the vesting period, the vesting schedule and date of vesting of the options. Pursuant to the resolution passed by the compensation committee dated October 23, 2007, all options granted have vested immediately. The options granted to R. Vasudevan and Late Mr. N.R. Moorthy were exercisable with immediate effect. For the remaining vested options, the options can be exercised between October 1, 2010 and October 1, 2013.			
Lock-in		There shall be a three years lock-in period in respect of the shares issued upon exercise of the options			
Impact on profits and EPS of the last three years		There is no impact on the profits and EPS			

Our directors and the Key Management Personnel who have been granted options and Equity Shares on the exercise of the options pursuant to the ESOP 2007 have confirmed to us that they do not intend to sell any shares arising from such options for three years after the date of listing of the Equity Shares in this Issue. Other employees holding Equity Shares at the time of listing of Equity Shares and Equity Shares on exercise of vested options cannot sell equity shares within the three years period after the listing of the Equity Shares. This disclosure is made in accordance with Schedule VIII - Part A of the SEBI ICDR Regulations.

8. Neither the Company, the Promoters, the Directors nor the BRLMs have entered into any buy-back and/or standby arrangements for the purchase of Equity Shares from any person.
9. We have not raised any bridge loans against the proceeds of the Issue.
10. Except as disclosed in this Red Herring Prospectus, there will be no further issue of capital 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 Red Herring Prospectus with SEBI until the Equity Shares to be issued pursuant to the Issue have been listed.

11. There are no outstanding warrants, options or other financial instruments or rights that may entitle any person to receive any Equity Shares in our Company except the options vested under ESOP 2007.
12. We have not issued any Equity Shares out of revaluation reserves or for consideration other than cash other than the Equity Shares issued through a bonus issue, which was from the free reserves of our Company.
13. The Equity Shares held by our Promoters are not subject to any pledge
14. In terms of Rule 19(2)(b) of SCRR, this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of Net the Issue shall be Allotted on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation to Mutual Funds only and the remaining QIB Portion shall be available for allocation to all the QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of Net the Issue cannot be Allotted to QIBs, then the entire application money will be refunded. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% 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.
15. Under-subscription, if any, in any category other than the QIB Portion, would be met with spill-over from other categories or combination of categories at the discretion of the Company in consultation with the BRLMs. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. The unsubscribed portion in the Net Issue, except the QIB Portion, shall be allowed to be met from spill over to the extent of under subscription from the Employee Reservation Portion, subject to the Net Issue constituting 10% of the post Issue capital of the Company.
16. Over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalising the basis of Allotment.
17. An investor cannot make a Bid for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
18. Our Promoters and members of our Promoter Group will not participate in the Issue.
19. We presently do not intend or propose to alter our 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 preferential or otherwise. Additionally, if we enter into acquisitions or joint ventures, we may, subject to necessary approvals, consider using our Equity Shares as currency for acquisitions or participation in such joint ventures we may enter into and/or we may raise additional capital to fund accelerated growth.
20. There will be only one denomination of Equity Shares unless otherwise permitted by law and the Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
21. The Equity Shares will be fully paid up at the time of allotment failing which no allotment shall be made.
21. The Company, Directors, Promoters or Promoter Group shall not make any payments direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Red Herring Prospectus.
22. For details of our related party transactions, see “Related Party Transactions” on page 168.
23. We have 16 shareholders as of the date of this Red Herring Prospectus.

OBJECTS OF THE ISSUE

The objects of the Issue are to raise funds for (a) construction of our EPC contracts and real estate development projects (b) repayment of debt (c) general corporate purposes and (d) achieve the benefits of listing on the Stock Exchanges.

Out of the gross proceeds of the Issue of Rs. [●] (“**Gross Proceeds**”), we intend to utilise Rs. [●] (“**Net Proceeds**”), after deducting the Issue related expenses for financing the above mentioned objects.

Requirement and Sources of Funds

The details of the utilization of the Net Proceeds will be as per the table set forth below:

(In Rs. Million)

Sl. No.	Requirement of Funds	Total cost (In Rs. millions)	Amount paid as on Decem ber 31, 2009*	Balance as on Decem ber 31, 2009	Estimated amount to be financed from Net Proceeds of the Issue	Estimated Net Proceeds utilization as on March 31,				
						2010	2011	2012	2013	2014
1	Construction of our EPC contracts and real estate development projects	1,365.00	70.90	1294.10	1,150.00	62.50	457.50	270.00	225.00	135.00
2	Repayment of debt	411.68	0.00	411.68	396.28	396.28	-	-	-	-
3	General corporate purposes	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total		[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

*As per certificate from Anand Mehta & Associates, Chartered Accountants dated January 14, 2010.

Means of finance

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The fund requirement below is based on our current business plan. In view of the highly competitive and dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time. We may also reallocate expenditure to newer projects or those with earlier completion dates in case of delays in our existing projects. Consequently, our fund requirement may also change accordingly. Any 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 at the discretion of the management of our Company.

The objects as mentioned above will be financed from the Net proceeds of the Issue. The remaining balance and in case of any variations in the actual utilization of funds earmarked for the activities set forth below, increased fund deployment for a particular activity will be met from internal accruals of our Company. As per certificate from Anand Mehta & Associates, Chartered Accountants dated January 14, 2010, we have adequate internal accruals to fund the construction costs of the above mentioned EPC contract and real estate development project after deducting the Net Proceeds of the Issue. The balance proceeds of the Issue, if any, will be used for growth opportunities and general corporate purposes.

Amounts	
Requirement of funds	[●]
Financed from:	
- Net Proceeds of the Issue	[●]
- Financing from internal accruals	[●]

Details of the Objects

Construction of our EPC contracts and real estate development projects

We are engaged in construction of our EPC contracts and real estate development projects and intend to deploy Rs. 1,150.00 million:

(In Rs. million)								
Project Name	Saleable Area (in Sq ft)	Start Year	Year of completion	Total Construction Cost	Amount Deployed as on December 31, 2009**	Balance Payable	Amount funded through IPO proceeds	Nature of contract
Zenith	761,751	2011	2014	1035.00	39.90*	995.10	900.00	work order dated August 8, 2009
Nucleus Belgaum	150,000	2008	2011	330.00	31.00	299.00	250.00	Single joint venture agreement
TOTAL				1365.00	70.90	1,294.10	1150.00	

* Expense towards fencing of the plot of land.

**As per certificate from Anand Mehta & Associates, Chartered Accountants dated January 14, 2010.

Construction of our real estate development projects

Zenith Project

We propose to deploy Rs. 900.00 million of the net proceeds of the Issue towards meeting construction costs of Zenith Project at Pune, Maharashtra involving construction of a mall. The total amount we intend to deploy for the construction of the project is Rs. 1035.00 million of which Rs. 39.90 million is already incurred.

Details about the acquisition of land for the project

Our Company has entered into a joint venture agreement dated February 2, 2005 and the addendum agreement dated August 10, 2006 with Sumangal Enterprises, a partnership firm, to form an AOP titled 'Zenith Ventures' to jointly acquire the development rights for development of certain lands located at Kharadi, Pune. Under the terms of the addendum agreement, Sumangal Enterprises is entitled to 42.5% of the gross sale proceeds of the shops in the mall to be sold or leased, upon construction. The amount so arrived at will be assumed to be inclusive of the capital contribution made by Sumangal Enterprises for the purchase of the said land. Our Company will be entitled to the profit arrived after deducting expenses including statutory liabilities, payment relating to the project and fixed share of profit of Sumangal Enterprises.

Subsequently, a development agreement dated February 3, 2005 was entered into between Zenith Ventures, as the developer, Gajarbai Murlidhar Kate and others, as the owners, and Ganaraj Developers, a partnership firm, as the consenting party to whom the development rights were transferred by the owners, for the development of 5.04 acres of land located at Kharadi, Pune. Under the terms of the development agreement, Zenith Ventures has to pay Rs. 24.00 million as consideration to Ganaraj Developers for relinquishing their rights in the said land.

Zenith Ventures has entered into a development agreement dated November 8, 2005 with Dr. Vijay Tatyrao Dangat, the owner of the land, Ganaraj Developers, a partnership firm, and Suyash Realtors Private Limited as the consenting parties to whom development rights were transferred by the owners, for the development of land admeasuring 3.63 acres located at Kharadi, Pune. Under the said agreement, Dr. Vijay Tatyrao Dangat has transferred development rights in the said property to Zenith Ventures for a lump sum consideration payable to the owner and the consenting parties.

As per the work order dated August 8, 2009, Zenith Ventures awarded the contract for construction of the Zenith Project to our Company.

Details of the Cost of the Project

The breakdown of the internal estimated construction cost of the Zenith project is as follows:

(In Rs. Millions)	
Particulars	Amount
Pre-operative expenses	30.00
Consultancy	45.30

Civil works	390.13
Services – electrical, plumbing, HVAC and fire fighting	215.39
Infrastructure	45.00
Finishing and aluminum work	216.68
Mechanical parking	42.50
Contingency	50.00
Total	1035.00

Nucleus Belgaum project

We propose to deploy Rs. 250.00 million of the net proceeds of the Issue towards meeting the development and construction costs of our Nucleus Belgaum project at Belgaum, Karnataka involving construction of a mall. The total amount we intend to deploy towards development and construction of the project is Rs. 330.00 million which is excluding the cost of land, which has already been acquired.

Details about the acquisition of land for the project

Our Company has entered into joint venture agreement dated July 14, 2008 with Mr. Madhukar Madhavrao Athanikar, as the owner of the land, and A&W Promoters & Developers Private Limited, for the development of 1.72 acres of land located at Angol, Belgaum, Karnataka. Previously, Mr. Madhukar Madhavrao Athanikar and A&W Promoters & Developers Private Limited had entered into a lease deed dated March 17, 2008 whereby Mr. Madhukar Madhavrao Athanikar had given the aforesaid property on lease to A&W Promoters & Developers Private Limited for a period of 29 years and under the lease deed, the lessee was entitled to develop the property by constructing commercial complexes and let it out, give on rent or leave and license basis to such parties as the lessee shall deem fit. Further, under the joint venture agreement dated July 14, 2008, A&W Promoters & Developers Private Limited has covenanted to regularly pay the lease rentals to the owner of the land and the owner, Mr. Madhukar Madhavrao Athanikar has agreed not to terminate the lease deed for any reason whatsoever. It has been further agreed that the lessor and the lessee shall only have the right to specific performance of the lease deed so as to ensure that the rights and interest of our Company is safeguarded. Our Company is required to carry out the construction on the property and also provide the entire cost of the construction. Our Company is at liberty to give on leave or licence or lease the units constructed on the said property to prospective clients. However, we cannot convey, sell or transfer the units. Further, it has been agreed that for the initial two years from the date of completion of the project, the Company and A&W Promoters & Developers Private Limited cannot sell, assign, transfer or otherwise dispose of their respective rights and interest in the property. Under the terms of the agreement, the gross receipts received from the gross rent/revenues/licence fees and other receipts from the developed property will be distributed between A&W Promoters & Developers Private Limited and our Company in the ratio of 33:67, respectively. Further, the said property has been given as a collateral security to Punjab National Bank till the first loan installment taken by A&W Promoters & Developers Private Limited is repaid to the Punjab National Bank. Punjab National Bank has provided us with a no objection certificate dated June 15, 2007 regarding the development of the property.

Details of the Cost of the Project

The breakdown of the internal estimated construction and development cost of the Nucleus Belgaum project is as follows:

<i>(In Rs. Millions)</i>	
Particulars	Amount
Site development and infrastructure	7.50
Approvals and pre-operative expenses	30.00
Consultancy	9.00
Civil works	168.50
Services – electrical, plumbing, HVAC and fire fighting	100.00
Contingency	15.00
Total	330.00

Repayment of the loan taken

We have entered into a loan agreement dated November 28, 2008 with Housing Development Finance Corporation Limited under which we are allowed to borrow up to Rs. 500.00 million with an interest payable, at the rate of 14.25% per annum, which is set in accordance with the prevailing HDFC CLPR rate. As on December 31, 2009 the principal outstanding is Rs. 411.68 million. We intend to repay up to Rs. 396.28 million from the Net Proceeds of the Issue during the Fiscal year 2010.

Term loan obtained from Housing Development and Finance Corporation:

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (%) per annum)	Repayment/ Security/Purpose
500	411.68	14.25	- The loan is repayable in 10 installments commencing from the end of 21 months from the date of disbursement. - The loan has been taken for the construction of the residential project Willows at sy. No. 13, Balewadi, Pune. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the following: - Land bearing sy. No. 32/1 Vadgaon Sheri, Pune admeasuring 7019.27 sq. mt. - Office No G-3, on ground floor admeasuring 2810 sft; - Office G-4 & G-5 on ground floor admeasuring 3139 sq. ft; - Office No. 103 on first floor admeasuring 2625 sft - Office No. 201 on second floor admeasuring 2,970 sft; - Office No. 301 on third floor admeasuring 2635 sft; All in building Phoenix, Plot No. 1 & 6A sy. No. 319, CTS No. 14, Bund Garden Road Pune. - Land bearing sy. No 84/1B/2(P) admeasuring 9400 sq mt; - Land bearing sy. No 113/2 (B) admeasuring 12,850 sq mt; - Land bearing sy. No. 82/1/4 (P) admeasuring 3,000 sq.mt - Land bearing Gat No. 78, 79, 80, 132, 133, 134 & 135, village Katvi, Taluka Maval, Pune admeasuring 345,006 sft; - Land bearing sy. No. 82/1/4,82/1/1/1+2+3, 82/1/1/3+4+5+6, 83/1D/2/2 Wadala Nashik. - Interest on the principal amount of the said loan outstanding from time to time monthly on or before the end of every month at the applicable rate (HDFC CPLR plus 100 basis points) plus tax or other statutory levy, if any. This rate shall be reset at each reset date on the outstanding loan amount, based on the then prevailing HDFC CLPR rate.

The outstanding loan amount of Rs. 411.68 million had been utilized towards construction expenses including advances/security deposit paid net of creditors outstanding as per the certificate provided by Anand Metha & Associates dated January 14, 2010.

For more information, see "Financial Indebtedness" on page 299.

General Corporate Purposes

We, in accordance with the policies set up by our Board, will have flexibility in applying the balance Net Proceeds of the Issue, if any, for general corporate purposes, including towards strategic initiatives and

acquisitions, brand building exercises, strengthening of our marketing capabilities and towards repayment and prepayment penalty on loans as maybe applicable.

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 Net Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. In case of a shortfall in the Net Proceeds of the Issue, 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 proceeds earmarked for general corporate purposes.

Issue related expenses

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses, IPO grading expenses and listing fees.

The estimated Issue expenses are as follows:

Activity	Expense* (in Rs. million)	Percentage of the Issue Expenses*	Percentage of the Issue Size*
Lead management, Underwriting and Selling Commission	[•]	[•]	[•]
SCSB Commission	[•]	[•]	[•]
Advertising and marketing expense	[•]	[•]	[•]
Printing and stationery (including courier, transportation charges)	[•]	[•]	[•]
Others (Registrar's fees, legal fees, listing costs etc.)	[•]	[•]	[•]
Fees paid to rating agency	[•]	[•]	[•]
Total	[•]	[•]	[•]

**To be incorporated after finalisation of Issue Price*

Working Capital Requirement

The Net Proceeds of this Issue will not be used to meet our working capital requirements as we expect sufficient internal accruals and availability of working capital facilities to meet our existing working capital requirements. However, in the event that there is surplus of funds after deployment from the Net Proceeds of the Issue, the funds may be utilized towards reducing our reliance on working capital facilities.

Interim use of funds

Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the Net Proceeds of the Issue. 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 and deposits with banks, for the necessary duration or for reducing overdrafts. We would not employ proceeds of the Issue in equity capital markets.

Monitoring utilization of funds

Our Board will monitor the utilization of the Net Proceeds through its audit committee. We will disclose the details of the utilization of the Net Proceeds, including interim use, under a separate head in our financial statements for fiscal 2010, 2011, 2012, 2013 and 2014, specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements of our listing agreements with the Stock Exchanges and in particular Clause 49 of the Listing Agreement. In addition, we shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of the Net Proceeds.

No part of the proceeds from the Issue will be paid by us as consideration to our Promoters, our Directors, Group Entities or Key Management Personnel, except in the normal course of business.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by us in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares through the Book-Building Process. The face value of the Equity Shares is Rs. 10 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

We believe the following business strengths allow us to successfully compete in the construction and real estate sector:

- Significant experience and strong track record;
- Quality and strength of execution;
- Emphasis on innovative and theme-based developments;
- Qualified and proven project teams and experienced management; and
- Effective development structure to optimize resources.

For further details, see “Our Business - Strengths” on page 68 and “Risk Factors” on page xi.

Quantitative Factors

The information presented below relating to the Company is based on the restated unconsolidated financial statements of the Company for the six month period ended September 30, 2009 and Fiscal 2009, 2008, 2007 and restated consolidated financial statements of the Company for the six month period ended September 30, 2009 and Fiscal 2009, 2008 and 2007 prepared in accordance with Indian GAAP.

Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. *Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20*

Earnings per equity share (“EPS”) on an unconsolidated basis

Year ended	Basic		Diluted	
	EPS (Rs.)	Weight	EPS (Rs.)	Weight
March 31, 2009	4.25	3	4.24	3
March 31, 2008	8.89	2	8.87	2
March 31, 2007	5.39	1	5.39	1
Weighted Average	5.99		5.98	

Earnings per equity share (“EPS”) on an consolidated basis

Year ended	Basic		Diluted	
	EPS (Rs.)	Weight	EPS (Rs.)	Weight
March 31, 2009	4.09	3	4.08	3
March 31, 2008	8.36	2	8.35	2
March 31, 2007	4.94	1	4.94	1
Weighted Average	5.66		5.65	

Note:

- a. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split.
- b. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2. **Price Earning Ratio (P/E) in relation to the Issue Price of Rs. [●] per share of Rs. 10 each**

- a. P/E ratio in relation to the Floor Price : [●] times
- b. P/E ratio in relation to the Cap Price : [●] times
- c. P/E based on EPS for the year ended March 31, 2009 : [●] times
- d. P/E based on Weighted average EPS : [●] times
- e. Industry P/E*
 - i. Highest : 391.2
 - ii. Lowest : 2.8
 - iii. Industry Composite : 38.5

* P/E based on trailing twelve month earnings for the entire construction sector

Source: Capital Market, dated Jan 11-24, 2010

3. **Average Return on Networth ("RoNW")**

Return on Net Worth as per restated unconsolidated financial statements

Year ended	RoNW (%)	Weight
March 31, 2009	8.32	3
March 31, 2008	21.18	2
March 31, 2007	16.38	1
Weighted Average	13.95	

Return on Net Worth as per restated consolidated financial statements

Year ended	RoNW (%)	Weight
March 31, 2009	7.85	3
March 31, 2008	19.40	2
March 31, 2007	14.63	1
Weighted Average	12.83	

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year.

4. **Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2009 is [●]**

5. **Net Asset Value**

Particulars	Amt. (Rs.)
Net Asset Value per Equity Share (unconsolidated) as of March 31, 2009	50.47
Net Asset Value per Equity Share (consolidated) as of March 31, 2009	51.39
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per equity share	[●]

NAV per equity share has been calculated as networth as divided by the closing number of shares at the end of fiscal 2009.

6. **Comparison with other listed companies**

	EPS (Rs.)	P/E as on January 4, 2010	RoNW (%)	Face value per share (Rs.)	NAV per share (Rs.)
Vascon Engineers Limited [#]	4.09	[●]	7.85	10	51.39
Ansal Properties and Infrastructure Limited [@]	4.2	15.9	4.8	5	96.2
Mahindra Lifespace	10.6	24.4	5.2	10	217.3

	EPS (Rs.)	P/E as on January 4, 2010	RoNW (%)	Face value per share (Rs.)	NAV per share (Rs.)
Developers Limited@					
Parsvanath Developers Limited @	5.7	27.3	6.1	10	105.1
Sobha Developers Limited@	11.1	44.2	10.3	10	169.7
Brigade Enterprises Limited@	7.2	32.7	8.6	10	88.6

For the period ended March 31, 2009 on the basis of consolidated financial statements

@ For the year ended March 31, 2009

Source: Capital Market, dated Jan 11-24, 2010 (Industry-Construction).

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

The Issue Price of Rs. [●] has been determined by us, in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares through the Book-Building Process. For further details, see “Risk Factors” on page xi and the financials of the Company including important profitability and return ratios, as set out in the auditor’s report stated on pages 183 and 232, to have a more informed view.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Vascon Engineers Limited.
15/16, Hazari Baug,
L.B.S. Marg,
Vikhroli (W),
Mumbai - 400 083

Dear Sirs,

Subject: Statement of Possible Special and General Tax Benefits

We hereby report that the enclosed annexure states the possible Special and General Tax benefits available to Vascon Engineers Limited (the "Company") and to the Shareholders of the Company under the provisions of the Income Tax Act, 1961 ("the Act") and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its Shareholders to derive tax benefits is dependent upon fulfilling such conditions, which; based on business imperatives the Company faces in the future; the Company may or may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive. Our views expressed herein are based on the facts and assumptions indicated to us and information, explanations and representations obtained from the Company. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

We do not assume responsibility to update the views consequent to such changes. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications of an investment in the equity shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

- a) The Company or its shareholders will continue to obtain these benefits in future;
- b) The conditions prescribed for availing the benefits have been / would be met with;
- c) The revenue prescribed for availing the benefits have been/would be met with.

The views are exclusively for the use of Vascon Engineers Limited. We shall not be liable to Vascon Engineers Limited, for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

This report is intended solely for your information and for the inclusion in the offer Document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Anand Mehta & Associates
Chartered Accountants

Kusai Goawala
Partner
Membership No. 039062
Firm Registration No. 127305W
Mumbai Dated: January 14, 2010

ANNEXURE: POSSIBLE BENEFITS AVAILABLE: REFERRED TO IN OUR LETTER DATED

I. SPECIAL TAX BENEFITS FOR ISSUER COMPANY AND ITS SHAREHOLDERS

A. UNDER INCOME TAX ACT, 1961 ('THE ACT')

a) Special 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 100 percent deduction of the profits derived from development and building of housing projects approved before 31 March, 2008, by a local authority.
- Under section 80-IA of the Act, 100 percent of profits is deductible for 10 years commencing from the initial assessment year in case of an undertaking which develops, develops and operates or maintains and operates an industrial park or special economic zone (from assessment year 2002-03) notified for this purpose in accordance with any scheme framed and notified by the Central Government for the period from April 1, 1997 and March 31, 2011 in case of an industrial park and March 31, 2006 for special economic zones. Subsequent to March 31, 2006, 100 percent of the profits is deductible for the balance number of years (out of 10 years) under section 80-IAB of the Act.

b) Special Benefits available to the Shareholders

- There are no special tax benefits available to the shareholders of the company

II. GENERAL TAX BENEFITS FOR THE ISSUER COMPANY AND ITS SHAREHOLDERS

A UNDER INCOME TAX ACT, 1961 ('THE ACT')

a) General Benefits available to the Company

- Under section 10(34) of the Act, income by way of dividends referred to in Section 115-O received by the Company from domestic companies is exempt from income tax.
- Under section 10(35) of the Act, the following income shall be exempt in the hands of the company:-
 - (a) income received in respect of the units of a Mutual Fund specified under section 10(23D); or
 - (b) income received in respect of units from the Administrator of the specified undertaking; or
 - (c) income received in respect of units from the specified company.

Provided that 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-

- (a) "Administrator" means the Administrator as referred to in clause (a) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002.
- (b) "specified company" means a company as referred to in clause (h) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002;
- By virtue of section 10(38) of the Income Tax Act, 1961, any long term capital gain arising from the transfer of a long term capital asset being an equity share in a company or unit of an equity oriented fund [where the transaction of sale of such equity share or unit is entered into on or after 01.10.2004 and such transaction is chargeable to securities transaction tax] would not be liable to tax in the hands of the Company.

Provided that the income by way of long term capital gain of a company shall be taken into account in computing the book profit and income tax payable under section 115JB.

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 per cent of the total proceeds of such fund; and
- (ii) which has been set up under a scheme of Mutual Fund specified under clause (23D);

Provided that the percentage of equity shareholding of the fund shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

- Under section 32 of the Act, the Company is entitled to claim depreciation subject to the conditions specified therein, at the prescribed rates on its specified assets used for its business
- Under Section 35, the Company is entitled to deduction in respect of expenditure laid out or expended on Scientific Research related to the business.
- Under section 35AC, the company is entitled to deduction in respect of amounts paid to a public sector company, local authority, or to an approved association or institution, for carrying out any eligible project or scheme.
- Under section 35DDA, the company is entitled to deduction of expenditure incurred by way of payment to an employee at the time of his voluntary retirement in five equal annual instalments beginning from the year in which the expenditure is incurred.
- Under section 36(1)(xv), where the income arising from taxable securities transactions entered into in the course of business and such taxable securities transactions are included in the income computed under the head “Profits and gains of business or profession” then securities transaction tax paid on such transactions will be allowed as deduction from income under the head “Profits and gains of business or profession”.
- Under section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, as per second proviso to section 48 of the Act, in respect of long term capital gains (i.e. shares held for a period exceeding 12 months) from transfer of shares of Indian Company, it permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index, as prescribed from time to time.
- Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains [other than those exempt 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 6 months from the date of such transfer in the bonds (long term specified assets) issued by:
 - (a) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
 - (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the Act for any assessment year beginning on or after April 1, 2006.

- Under section 111A of the Act and other relevant provisions of the Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.
- Under section 112 of the Act and other relevant provisions of the Act, long term capital gains, [other than those exempt under section 10(38) of the Act] arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation.

The amount of such tax should however be limited to 10 percent (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares on any recognised stock exchange.

- Under section 115JAA (2A) of the Act tax credit shall be allowed in respect of any tax paid (MAT) under section 115JB of the Act for any Assessment Year commencing on or after 1st April 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. Such MAT credit shall not be available for set-off beyond 10 years immediately succeeding the year in which the MAT credit becomes allowable.
- As per the provisions of the Act, where the Tax Treaty has been signed between India and another country for the purposes of avoiding double taxation, then the taxpayer has option to be governed by the provisions of the Tax Treaty to the extent they are more beneficial. Thus, the taxpayer can avoid double taxation of the same income by using the tax treaty.
- Where the income is taxed by a country with which India does not have a tax treaty, then the taxpayer is entitled to get a deduction from the Indian income tax payable of the taxes paid in the other country. However, if the tax rate is higher in the other country, the credit will be restricted to the tax payable as per the Indian tax rate (section 90, 91 of the Act).

b) Benefits available to resident shareholders, approved infrastructure capital companies, infrastructure capital funds and co-operative banks

- Under section 10 (34) of the Income Tax Act, 1961, dividend income referred to in section 115-O of the Act, is exempt from tax in the hands of the shareholders.
- Under section 10(38) of the Income Tax Act, 1961, any long term capital gain arising from the transfer of a long term capital asset being an equity share in a company or unit of an equity oriented fund [where the transaction of sale of such equity share or unit is entered into on or after 01.10.2004 and such transaction is chargeable to securities transaction tax] would not be liable to tax in the hands of the shareholders.

Provided that the income by way of long term capital gain of a company shall be taken into account in computing the book profit and income tax payable under section 115JB.

- Under section 36(1)(xv), where the income arising from taxable securities transactions entered into in the course of business and such taxable securities transactions are included in the income computed under the head “Profits and gains of business or profession” then securities transaction tax paid on such transactions will be allowed as deduction from income under the head “Profits and gains of business or profession”.
- Under section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, as per second proviso to section 48 of the Act, in respect of long term capital gains (i.e. shares held for a period exceeding 12 months) from transfer of shares of Indian Company, it permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index, as prescribed from time to time.
- Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains [other than those exempt under section 10(38) of the Act] arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months from the date of such transfer in the bonds (long term specified assets) issued by:
 - (a) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
 - (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the Act for any assessment year beginning on or after April 1, 2006.

- Under section 54F of the Act and subject to the conditions specified therein, long-term capital gains [other than those exempt from tax under Section 10(38) of the Act] arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.
 - Under section 111A of the Act and other relevant provisions of the Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.
 - Under section 112 of the Act and other relevant provisions of the Act, long term capital gains, (other than those exempt under section 10(38) of the Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10 percent (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares on any recognised stock exchange.
- c) Benefits available to mutual funds
- Under section 10(23D) of the Act all Mutual Funds set up by Public Sector Banks or Public Financial Institutions or Mutual Funds registered under the Securities and Exchange Board of India or authorized by the Reserve Bank of India, subject to the conditions specified therein are eligible for exemption from income tax on all their income, including income from investment in the shares of the company.
- d) Benefits available to non-residents/ non-resident Indian shareholders (other than mutual funds, FIIs and foreign venture capital investors)
- Under section 10(34) of the Act, income by way of dividends referred to in Section 115-O received by the Company from domestic companies is exempt from income tax.
 - Under section 10(38) of the Income Tax Act, 1961, any long term capital gain arising from the transfer of a long term capital asset being an equity share in a company or unit of an equity oriented fund [where the transaction of sale of such equity share or unit is entered into on or after 01.10.2004 and such transaction is chargeable to securities transaction tax] would not be liable to tax in the hands of the shareholders.

Provided that the income by way of long term capital gain of a company shall be taken into account in computing the book profit and income tax payable under section 115JB.

- Under section 36(1)(xv), where the income arising from taxable securities transactions entered into in the course of business and such taxable securities transactions are included in the income computed under the head "Profits and gains of business or profession" then securities transaction tax paid on such transactions will be allowed as deduction from income under the head "Profits and gains of business or profession".

- Under the first proviso to section 48 of the Act, in case of a non-resident shareholder, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by section 115E of the Act-discussed hereunder), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/ loss in such a case is 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 utilized in the purchase of the shares.
- Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gains (other than those exempt under section 10(38) of the Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
 - (a) National Highway Authority of India constituted under section 3 of The National Highway Act, 1988;
 - (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion.

- Under section 54F of the Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.
- Under section 90(2) of the Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the investor would prevail over the provisions of the Act to the extent they are more beneficial to the tax payer/investor.
- Under section 111A of the Act and other relevant provisions of the Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.
- Under section 112 of the Act and other relevant provisions of the Act, long term capital gains, (other than those exempt under section 10(38) of the Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10 percent (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares on any recognised stock exchange.
- Where shares of the Company have been subscribed in convertible foreign exchange, Non-Resident Indians (i.e. an individual being a citizen of India or person of Indian origin who is not a resident) have the option of being governed by the provisions of Chapter XII-A of the Act, which inter alia entitles them to the following benefits:
 - ❖ Under section 115E, where the total income of a non-resident Indian includes any income from investment or income from long term capital gains of an asset other than a specified asset, such income shall be taxed at a concessional rate of 20 per cent (plus applicable surcharge and education cess). Also, where shares in the company are subscribed for in convertible foreign

exchange by a Non-Resident India, long term capital gains arising to the non-resident Indian shall be taxed at a concessional rate of 10 percent (plus applicable surcharge and education cess). The benefit of indexation of cost and the protection against risk of foreign exchange fluctuation would not be available.

- ❖ Under provisions of section 115F of the Act, long term capital gains (in cases not covered under section 10(38) of the Act) arising to a non-resident Indian from the transfer of shares of the Company subscribed to in convertible Foreign Exchange (in cases not covered under section 115E of the Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in section 10(4B), within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.
- ❖ Under section 115G of the Act, it shall not be necessary for a Non-Resident Indian to furnish his return of income under section 139(1) if his income chargeable under the Act consists of only investment income or long term capital gains or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the Act.
- ❖ Under section 115H of the Act, where a 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 such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
- ❖ Under section 115-I 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 Return of Income under section 139 of the Act declaring therein that the provisions of the chapter shall not apply to him for that assessment year and if he does so the provisions of this chapter shall not apply to him instead the other provisions of the Act shall apply.

d) Benefits available to foreign institutional investors ('FIIs')

- Under section 10(34) of the Act, income by way of dividends referred to in Section 115-O received by the Company from domestic companies is exempt from income tax.
- Under section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.
- Under section 36(1)(xv), where the income arising from taxable securities transactions entered into in the course of business and such taxable securities transactions are included in the income computed under the head "Profits and gains of business or profession" then securities transaction tax paid on such transactions will be allowed as deduction from income under the head "Profits and gains of business or profession".
- Under section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under section 10(38) of the Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
 - (a) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
 - (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the

long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion.

- Under section 90(2) of the Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the investor would prevail over the provisions of the Act to the extent they are more beneficial to the tax payer/investor.
- Under section 111A of the Act and other relevant provisions of the Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.
- Under section 112 of the Act and other relevant provisions of the Act, long term capital gains, (other than those exempt under section 10(38) of the Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10 percent (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares on any recognised stock exchange.
- Under section 115AD (1)(ii) of the Act short term capital gains on transfer of securities shall be chargeable at the rate of 30 per cent [and 15 per cent where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax]. The above rates are to be increased by applicable surcharge and education cess.
- Under section 115AD(1)(iii) of the Act income by way of long term capital gain arising from the transfer of shares [in cases not covered under section 10(38) of the Act] held in the company will be taxable at the rate of 10 per cent (plus applicable surcharge and education cess). It is to be noted that the benefits of indexation and foreign currency fluctuations are not available to FIIs.
- Under 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.

e) Benefits available to venture capital companies/ funds

- Under section 10(23FB) of the Act, any income of Venture Capital companies/ Funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per section 115U of the Act, any income derived by a person from his investment in venture capital companies/ funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

B. 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 of the Company held by the shareholders would not be liable to wealth tax.

Notes:

- The above 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 of the purchase, ownership and disposal of equity shares;
- The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;

- 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, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile;
- The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.
- The statement of possible tax benefits enumerated above is as per Income Tax Act, 1961 as amended by the Finance Act, (No.2) 2009.

SECTION IV: ABOUT THE COMPANY

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). 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.

CRISIL has used due care and caution in preparing the report that was used as a basis for the preparation of this section. 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 CRISIL's report used as a basis for the information in this section 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 the said 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

With a estimated GDP of approximately US\$3,304.00 billion in 2008, on a purchasing power parity basis, India is the fifth largest economy in the world after the European Union, United States, China and Japan (Source: *CIA World Factbook*). In 1991, the Government initiated a series of comprehensive macroeconomic and structural reforms to promote the stability and growth of the Indian economy. As a result, the Indian economy experienced significant growth with an average real GDP growth rate of approximately 8.50% between the fiscal years 2006 and 2008, although the growth rate declined to 6.70% in the fiscal year 2009 due to the global recessionary environment (Source: *Central Statistical Organisation*). Specifically, the services and manufacturing sectors grew by 9.70% and 3.70%, respectively, in the fiscal year 2009 (Source: *Central Statistical Organisation*). India's services share, which accounted for 53.70% of India's GDP in 2008 is relatively high for an emerging market (Source: *CIA World Factbook*).

The Real Estate Sector in India

The real estate sector in India is highly unorganised and characterised by various factors that impeded organised dealing, such as the absence of a centralised title registry providing title guarantee, a lack of uniformity in local laws and their application, non-availability of bank financing, high interest rates and transfer taxes and the lack of transparency in transaction values. In recent years however, the real estate sector in India has exhibited a trend towards greater organisation and transparency by various regulatory reforms. These reforms include:

- The support of the Government of India for the repeal of the Urban Land Ceiling Act, with nine state governments having already repealed the Act;
- 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 towards greater organisation and transparency has contributed to the development of reliable indicators of value and organised investment in the real estate sector by domestic and international financial institutions which has resulted in greater availability of financing for real estate developments. Regulatory changes permitting foreign investment are expected to further increase investment in the Indian real estate sector. The nature of demand is also changing, with heightened consumer expectations that are influenced by higher disposable incomes, increased globalisation and the introduction of new real estate products and services.

In addition, tax and other benefits applicable to special economic zones are expected to result in a new source of demand.

Residential Real Estate Development

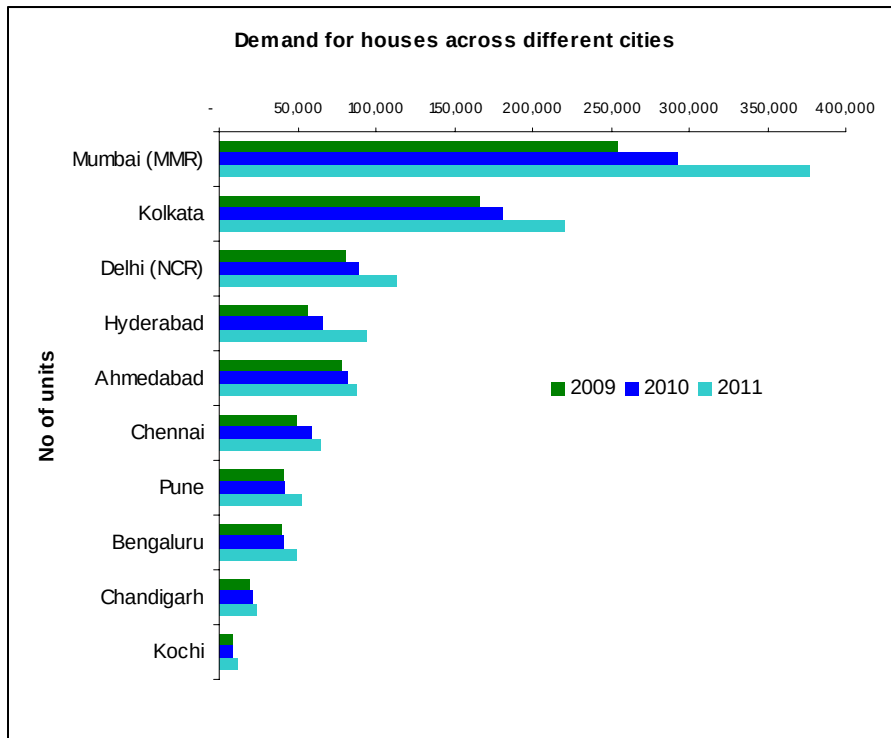
According to CRISIL Research's Annual Review on Housing, July 2009, the growth in the residential real estate market in India has been largely driven by rising population growth, urbanisation, nuclearisation of families, higher affordability, income growth, penetration of housing finance and tax incentives.

CRISIL Research's Annual Review on Housing, July 2009 estimates the total stock of housing units at the end of 2008 was at 70 million units. This is expected to grow at a CAGR of 2.5%, reaching 81 million units by 2014.



(Source: CRISIL Research Annual Review on Housing, July 2009)

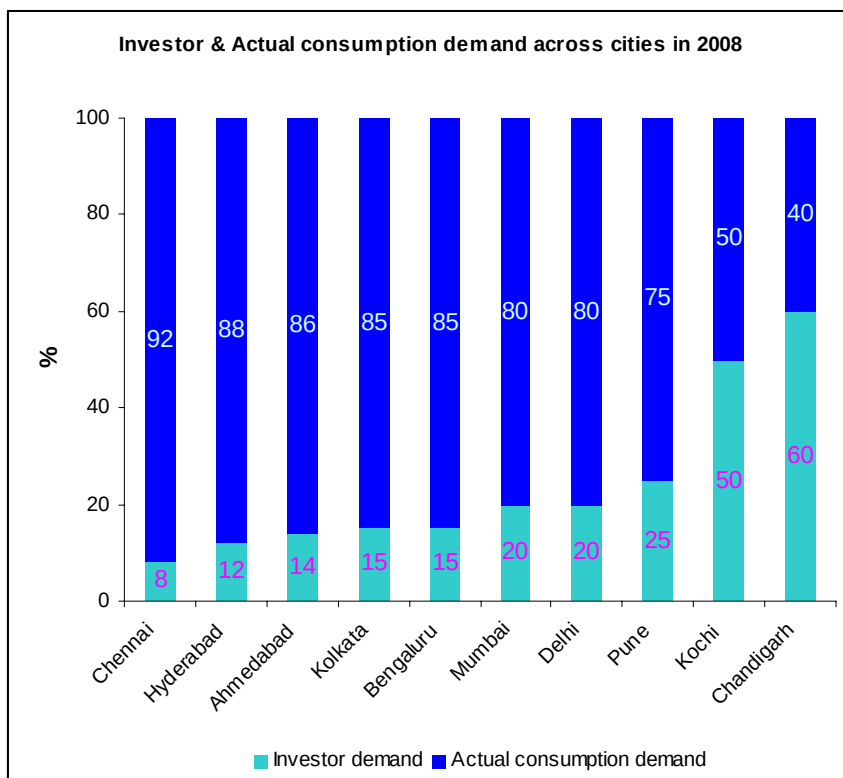
The housing demand across ten major cities is expected to increase from 0.8 million units in 2009 to 1.1 million units in 2011. The demand for houses is highest for Mumbai region followed by Kolkata.



(Source: CRISIL Research – City Real(i)ty, 2009)

Investor Demand Across Different Cities In 2008

Residential real estate has emerged as a preferred investment option. High net worth and non-resident Indians are major drivers of investor demand across cities in India. The investment demand for the city of Pune and Mumbai are 25% and 20%, respectively, in 2008.

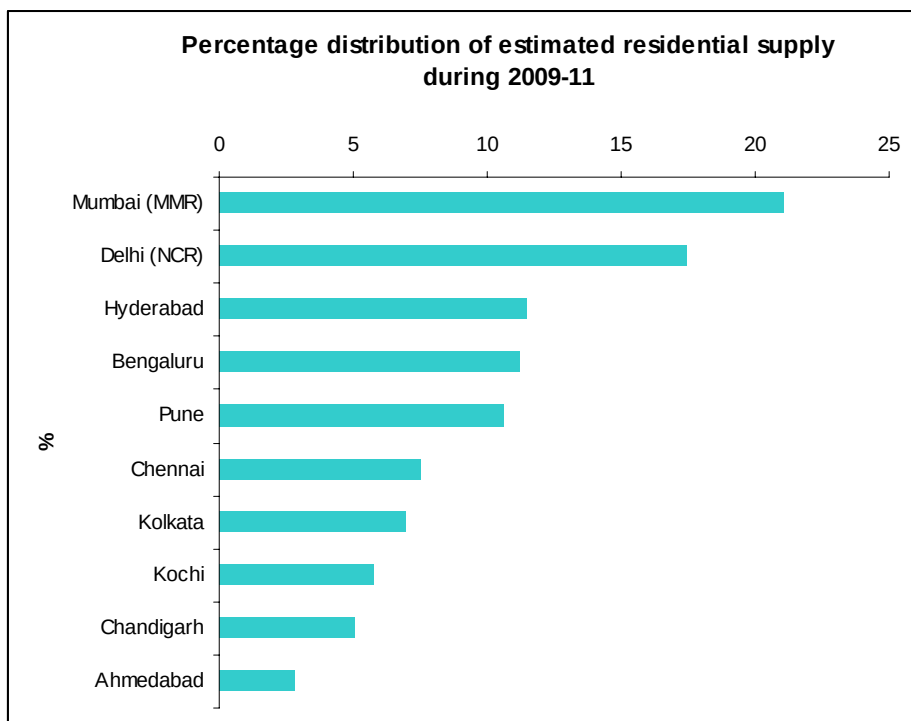


(Source: CRISIL Research – City Real(i)ty, 2009)

According to CRISIL Research – City Real(i)ty, 2009, the investor demand is highest in the city of Chandigarh followed by Kochi and Pune. The investor demand in the city of Pune and Mumbai are 25% and 20%, respectively, in 2008.

Percentage Distribution of Estimated Residential Supply During 2009-11

According to CRISIL Research – City Real(i)ty, 2009, a total of 688 million square feet of residential supply is expected during 2009-11. The highest supply is expected in the Mumbai region. A total of 144.7 million square feet of residential supply is expected during 2009-11.



(Source: CRISIL Research – City Real(i)ty – 2009)

High Development of Residential Activities on Outskirts Of Cities

City	Growing areas
Mumbai	Thane, New Mumbai, Mulund, Borivali, Kandivali, Andheri
Delhi	Rohini, Pitampura, Janakpuri, Dwarka, Sohna Road, Manesar, Indirapuram
Kochi	Kakkanad, Maradu
Kolkata	North 24 Parganas, Rajarhat, EM Bypass, Salt lake
Chandigarh	Mohali, Zirakpur, Panchkula
Pune	Hinjewadi, Hadapsar, Pimpri - Chinchwad
Bengaluru	Hebbal, Whitefield
Chennai	OMR, GST Road
Hyderabad	Hi-tech City, Shamshabad, Shameerpet
Ahmedabad	S.G. Highway, Prahlad Nagar, Chandkheda

(Source: CRISIL Research – City Real(i)ty – 2009)

High development of residential activities is concentrated on outskirts of ten major cities as prime areas in every city are becoming saturated.

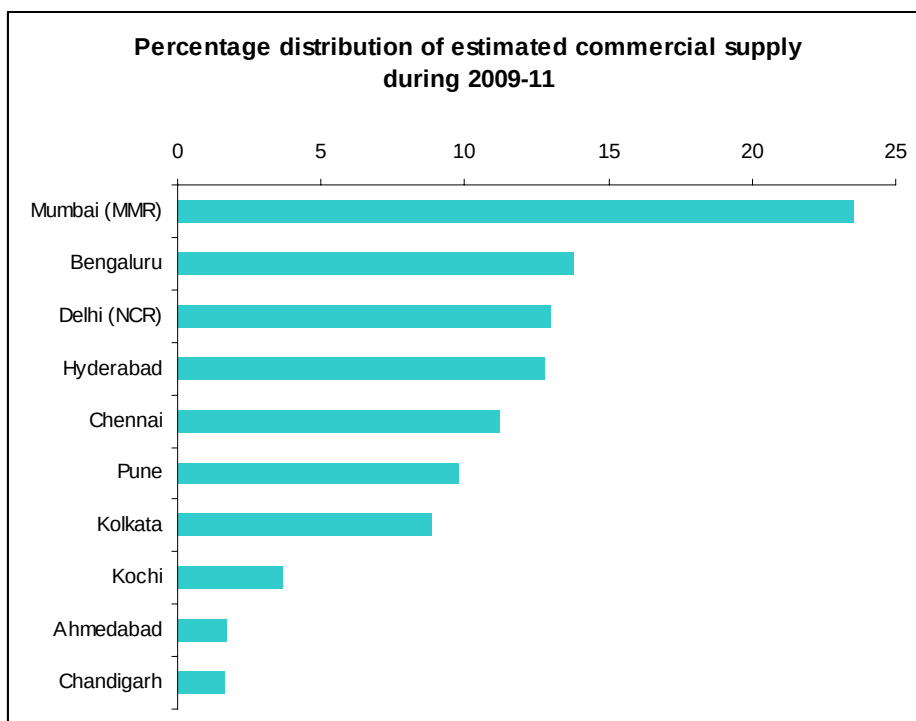
According to CRISIL Research's Annual Review on Housing, July 2009, the housing shortage is expected to grow in urban areas. The housing shortage in India is estimated at 78.7 million units by the end of 2008. The economic slowdown has resulted in lower growth in the residential sector over the past two years, but is expected to improve in early 2010. The growth in the sector is expected to be assisted by the rising penetration of housing finance and favourable tax incentives.

Trend Towards High-Rise Residences In Urban Locales

A large proportion of the demand for residential developments, especially in urban centres such as Mumbai, Bengaluru, Delhi (Gurgaon and Noida) and Pune, is likely to be for high-rise residential buildings. Since this is a fairly new segment, the growth of the high-rise segment is expected to be faster than the growth of more traditional urban housing segments. The reasons for anticipated demand are the lack of space in cities such as Mumbai and proximity to offices and IT parks in places such as Gurgaon, Bengaluru and Pune. The high-rise culture is gradually seeping into other cities such as Kolkata, Hyderabad and Chennai due to increasing affordability, nearness to IT/ITeS parks and the popularity township concept close to such IT/ITeS parks.

Commercial Real Estate Development

According to CRISIL Research's City Real(i)ty – 2009, a total of 203 million square feet of commercial office space is expected during 2009-11. The commercial office space includes SEZ and IT parks. The growth of the commercial real estate sector in India has been fuelled by the increased revenues of companies in the services business, particularly in the IT and ITeS and financial services industries.



(Source: CRISIL Research – City Real(i)ty – 2009)

Commercial office space addition in the Mumbai region is expected to be 47.8 million square feet during 2009-11, followed by Bengaluru to be 27.9 million square feet.

Office space: Driven by IT/ITeS, Financial services

City	Demand drivers	High growth areas
Mumbai (MMR)	Financial services, SMEs, IT/ITeS, Corporate offices	Lower Parel, Vikhroli, Malad, Bhandup
Delhi (NCR)	IT/ITeS, SMEs, Corporate offices	Gurgaon, Noida, Greater Noida
Kochi	IT/ITeS	Kakkanad, Maradu, Neelumbasserry
Kolkata	IT/ITeS	Rajarhart, Saltlake
Chandigarh	IT/ITeS	Rajiv Gandhi Chandigarh Technology Park, Quark City
Pune	IT/ITeS	Pimpri-Chinchwad, Hinjewadi, Kalyani Nagar
Bengaluru	IT/ITeS	Whitefield
Chennai	IT/ITeS	OMR, GST Road
Hyderabad	IT/ITeS, Pharma	Hitech City
Ahmedabad	SMEs, Pharma	S.G. Highway

(Source: CRISIL Research – City Real(i)ty – 2009)

The demand for office space is driven by high IT/ITeS activity. Also financial services, SMEs, pharmaceutical and corporate offices in Mumbai and Delhi are demand drivers.

Retail Real Estate Development

According to CRISIL Research's City Real(i)ty – 2009, a total of 55 million square feet of retail supply is expected during 2009-11 in ten major cities. The growth of the organised retail segment is expected to be driven by demographic factors, increasing disposable incomes, changes in perception of branded products, the entry of

international retailers into the market and the availability of cheap finance among others. Organised retail includes high street retail, departmental stores, supermarkets and hypermarkets in addition to malls.



(Source: CRISIL Research – City Real(i)ty – 2009)

The major organised retailers in India currently include Tata-Trent, Pantaloon, Reliance, Shopper's Stop, and the RPG Group. While the organised retail segment has so far been limited to larger cities in India, retailers have also announced major expansion plans in smaller cities and towns. The growth of organised retail in India is expected to increase with the entry of Walmart, Carefour and other global players. International players such as Metro, Shoprite, Lifestyle and Dairy Farm International have already commenced operations in India.

Organised retail penetration (%) across 10 major cities

City	2007-08	2012-13
Bengaluru	36	42
Delhi (NCR)	23	32
Mumbai (MMR)	21	32
Pune	20	28
Chennai	20	30
Ahmedabad	18	25
Kolkata	15	23
Chandigarh	12	18
Hyderabad	12	23
Kochi	5	12

(Source: CRISIL Research – City Real(i)ty – 2009)

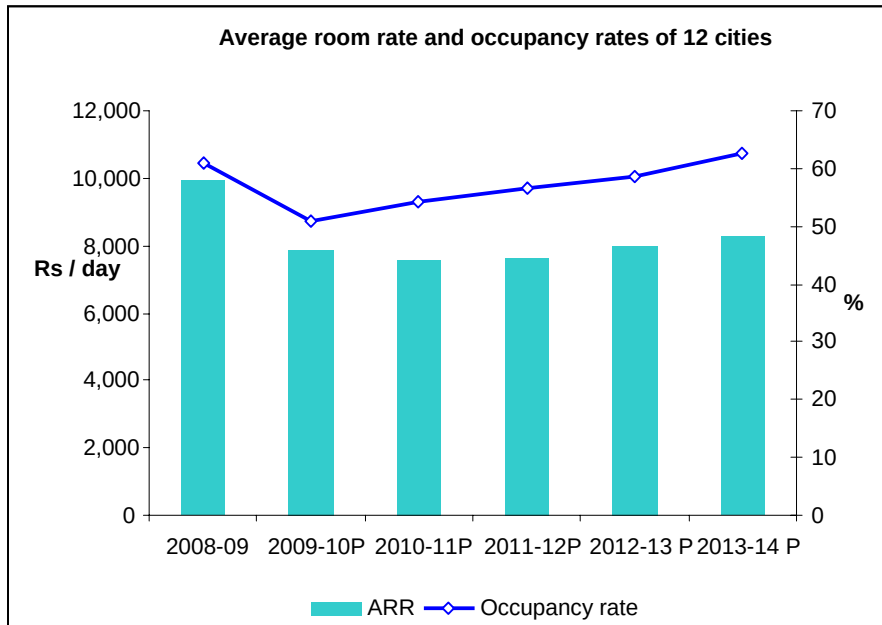
Organised retail penetration across ten major cities is expected to increase from 2007-08 to 2012-13 driven by higher disposable income, demographic factors and change in perception of branded products.

Hospitality

The growth in the hospitality sector in India has primarily been caused by the growing economy, increased business travel and tourism. With the economy expected to grow and the continuing growth of foreign travellers, CRISIL Research expects the demand for premium segment hotel rooms to grow at a CAGR of 10% over the next five years.

According to CRISIL, supply additions of premium segment hotel rooms are expected to grow at 9%. In 2008-09, average occupancy rates, average room rates and the revenue per available room were at 61%, Rs. 9,955.00 and Rs. 6,072.00, respectively.

The following chart shows the estimated average room rates and occupancy rates for 12 cities for premium segment hotels.



(Source: CRISIL Research)

As per CRISIL Research average room rates is estimated to remain between Rs. 7,500.00 and 8,500.00 during the period from 2009-10 to 2013-14, while occupancy rates is estimated in the range of 50% to 63% in the same period.

Special Economic Zones

SEZs are specifically delineated duty free enclaves deemed to be foreign territories for the purposes of Indian custom controls, duties and tariffs. There are three main types of SEZs: integrated SEZs, which may consist of a number of industries; services SEZs, which may operate across a range of defined services; and sector specific SEZs, which focus on one particular industry line. SEZs, by virtue of their size, are expected to be a significant new source of real estate demand.

Competitive Positioning of Growth Centres in India

Based on the current and expected growth potential, various locations in India can be classified as (i) mature destinations (ii) destinations in transition (iii) emerging destinations and (iv) tier III cities. The cities that fall under each of these classifications are discussed as under:

Mature Destinations: Locations like Mumbai and Delhi with their metropolitan character have been traditional business destinations and have a favourable track record in attracting investments. However, factors such as increasing operating costs, real estate supply constraints and socio-political risks are the potential impediments in sustaining a high rate of growth. Commercial real estate growth in these locations is expected to be range-bound and focused mostly around the suburbs and peripheral locations in the coming years.

Destinations in Transition: Locations falling under this category are those that offer a large captive human resource potential, availability of quality real estate and operating cost advantages. These are the locations that are best positioned to attract investment in the coming years. Accordingly, the locations of Bengaluru and Chennai fall under this category. However, infrastructure bottlenecks form the main hurdles in their growth path.

Emerging Destinations: Pune, Hyderabad and Kolkata constitute the “emerging destinations” group. Cost advantages, well-developed infrastructure, limited real estate supply constraints and city governance are their key offerings. Though the number of large occupiers in these locations is yet to reach optimum, these locations feature predominantly on the investment map. Growth of these locations is predominantly led by expansion and consolidation plans of corporates in the IT and ITeS industries.

Tier III Cities: The locations that would fall under this category include Ahmedabad and Kochi. With the availability of the requisite talent pool coupled with low cost real estate, there is growing interest in these Tier III cities from the technology sector players, who seek to expand their operations into these previously untapped locations. Over the next three to five years, these markets are likely to see significant real estate growth.

The City of Pune

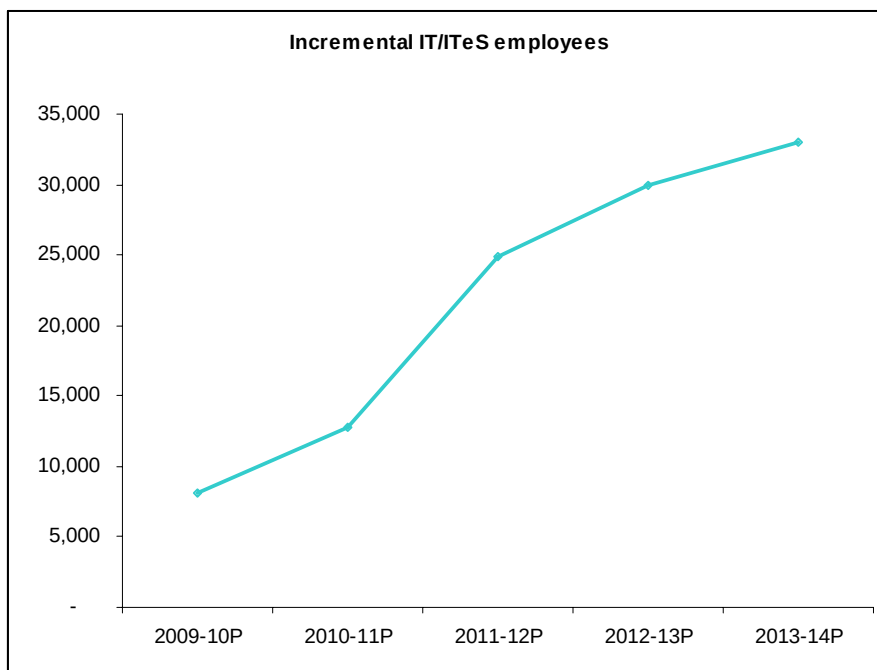
Pune includes its twin city, Pimpri-Chinchwad and is the eighth largest city in India and second largest in the State of Maharashtra. Pune is located 160 kilometers from Mumbai. The Mumbai-Pune expressway has contributed to Pune’s development as an IT destination, and the city has rapidly growing software, automobile components and other engineering industries. Traditionally, Pune has been a highly regarded educational centre. It has a large number of educational institutions, including engineering, medical and management institutes and colleges and the National Defense Academy.

Pune has become a preferred location for offshore businesses, largely because of its abundance of highly educated manpower and its pro-business government initiatives.

Demographic profile of Pune City	
GDP (Rs. in billion)	657
Per capita income (Rs.)	68,155
Population (million)	7.2
Literacy rate (%)	80
Sex ratio	919
Density per sq km	262

(Source: Economic survey of Maharashtra, 2008-09)

The Government of Maharashtra has plans to develop the Mumbai-Pune area as an IT corridor where facilities required by software exporters will be made widely available. In an effort to further attract investment and promote development, the Government of Maharashtra has provided certain concessions on stamp duty and exemptions from sales tax, electricity duty, octroi tax and property taxes, in both public and private IT parks. Similarly, the benefits available to 100% Export Oriented Units, such as exemptions from service tax, excise duty and import duty, are also available to these IT parks.



(Source: CRISIL Research's City Real(i)ty – 2009)

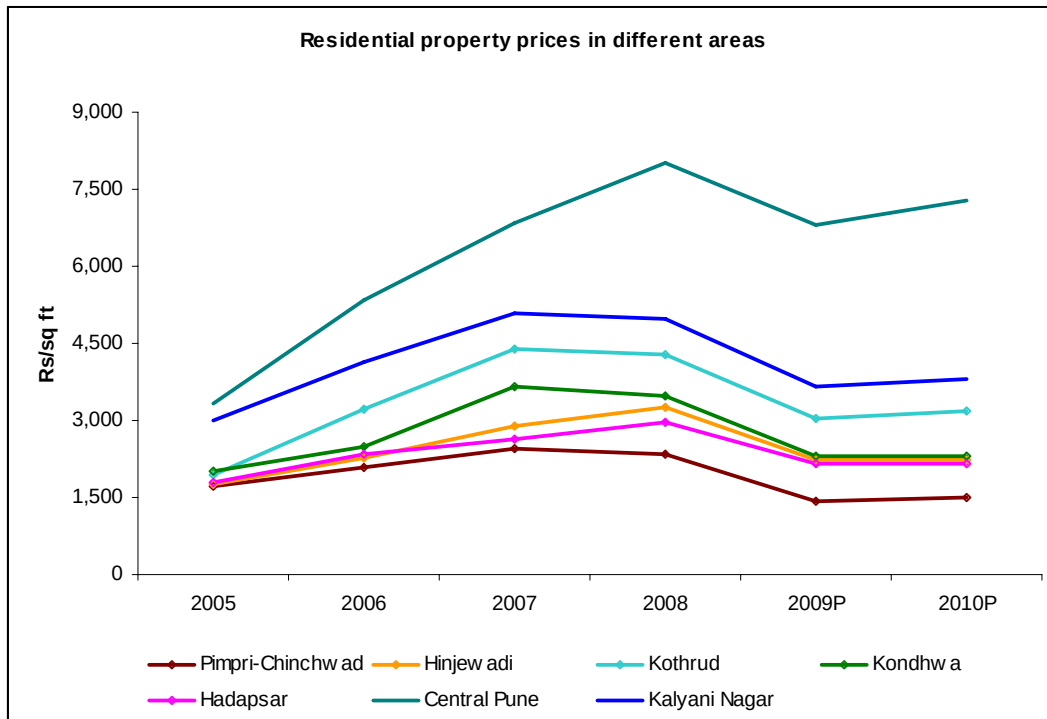
As per CRISIL Research's City Real(i)ty – 2009, incremental IT/ITeS employees added in the city of Pune is expected to increase from 8,115 in 2009-10 to 32,941 in 2013-14.

Pune's population has grown rapidly in the past ten years and currently has many emerging residential areas, including Aundh, Baner, Kharadi, Kalyani Nagar, Wagholi, Kondhwa, Bavdhan, Viman Nagar and Wakad. The real estate sector in Pune has experienced rapid growth in recent years. The demand for residential units and commercial space has been largely driven by growth in the services, IT, ITeS and automobile sectors.

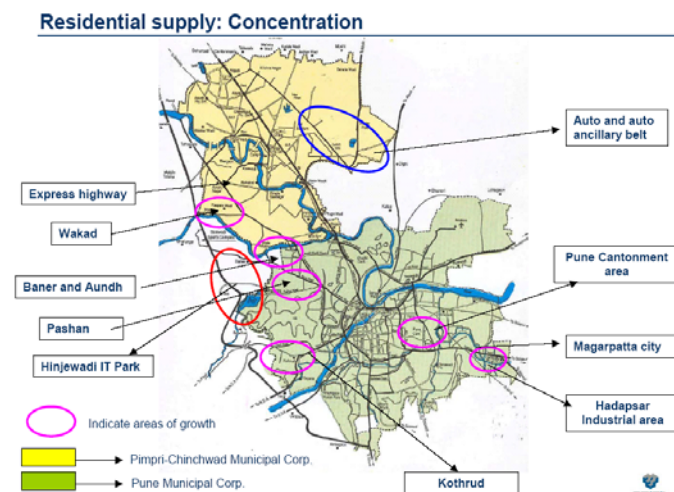
Residential Sector in Pune

Once known as a "pensioner's paradise", the residential sector in Pune has transformed as the city has emerged as an IT and auto sector centre. There has been an increase in the area per person, with a shift from one bedroom-hall-kitchen apartments to two-three bedroom-hall-kitchen apartments. Bungalows and villas have developed in the outskirts of the city. The city has also seen a spurt in high rise buildings and township projects.

According to CRISIL Research's City Real(i)ty – 2009 report, 73.1 million square feet of residential real estate will be added in Pune during 2009-11. Premium properties are being developed in areas like Koregaon Park, Kalyani Nagar, Cantonment and Boat Club Road. Growth in the outskirts is driven by IT and ITeS industries and the Bombay-Pune expressway.



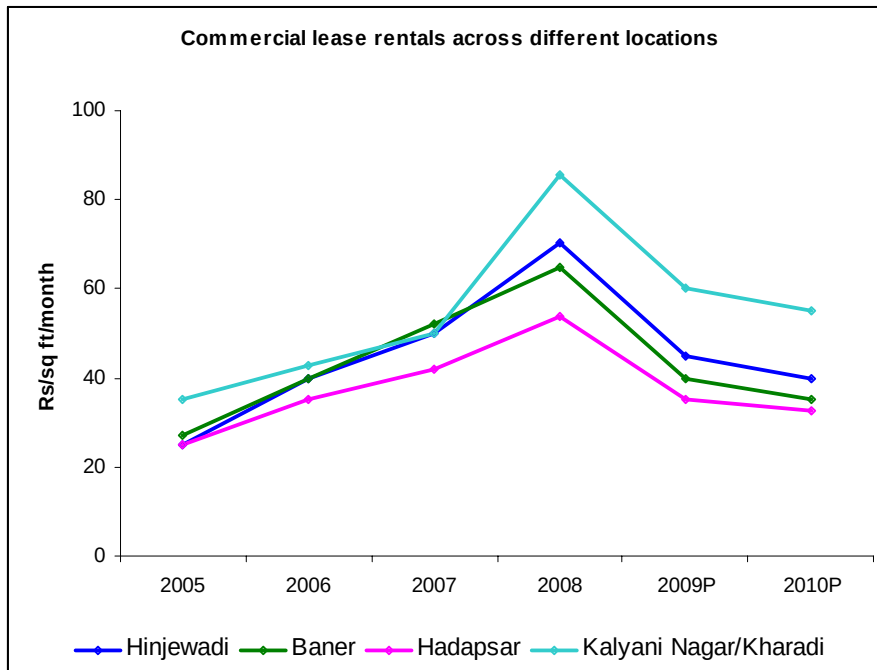
(Source: CRISIL Research's City Real(i)ty – 2009)



(Source: CRISIL Research's City Real(i)ty – 2009)

Commercial Sector in Pune

Industrial and commercial activity in Pune is expected to continue to be driven by the IT and ITes industry, auto and auto ancillaries sector, and small scale industries. As per CRISIL Research's City Real(i)ty – 2009, 19.8 million square feet of commercial office space are expected to be added during 2009-11.



(Source: CRISIL Research's City Real(i)ty – 2009)

Malls in Pune

The key retail markets in Pune are in Laxmi Road, Deccan Gymkhana, Cantonment, Budhwar Peth and M.G. Road areas. The growth in IT professionals has led to greater demand in retail in Pune. 12 malls were operational in Pune till 2008, occupying 3.1 million square feet. As per CRISIL Research's City Real(i)ty -2009, 6.2 million square feet of mall space are expected to be added during 2009-11. Mall growth is expected to be concentrated close to the up-market residential areas like Laxmi Road, Bund Garden Road, Kalyani Nagar, Kharadi, and Senapati Bapat Marg, while the other growth area are the townships, like Kakade City and Magarpatta City. New malls are also coming up in the new residential areas of Aundh, Baner, Hinjewadi, Kharadi, and Kalyaninagar.

Challenges Facing the Indian Real Estate Sector

Lack of National Reach of Existing Participants

There are currently very few participants in India who can claim to have operations throughout the country. Most real estate developers in India are regionally based and active in areas where the conditions are most familiar to them. This is due to such factors as:

- The differing tastes of customers in different regions;
- Difficulties with respect to large scale land acquisition in unfamiliar locations;
- An absence of business infrastructure to market projects in new locations;
- The large number of approvals which must be obtained from different authorities at various stages of construction under local laws; and
- The long gestation period of projects.

Majority of Market Belonging to Unorganised Segment

The Indian real estate sector is highly fragmented with many small builders and contractors, who account for a majority of the housing units constructed. As a result, there is less transparency in dealings or sharing of data between players.

Demand Dependent on Many Factors

Real estate developers face challenges in generating demand for projects. The factors that influence a customer's choice in property is not restricted to quality alone, but is dependent on a number of other external factors, including proximity to urban areas, amenities such as schools, roads and water supply, each of which is often beyond the developer's control. Demand for housing units is also influenced by policy decisions relating to housing incentives.

Increasing Raw Material Prices

Construction activities are often funded by the client, who makes cash advances at different stages of construction. In other words, the final amount of revenue from a project is pre-determined and the realisation of this revenue is scattered across the period of construction. A significant challenge that real estate developers face is dealing with adverse movements in costs. The real estate sector is dependent on a number of components such as cement, steel, bricks, wood, sand, gravel and paints. As the revenues from sale of units are predetermined, adverse changes in the price of any raw material directly affect the bottom line of the developers.

Interest Rates

One of the main drivers of the growth in demand for housing units is the availability of finance at low rates of interest. Interest rates, however, have recently shown signs of increase and most leading financial institutions have recently raised the rates which they charge on housing loans. This trend of rising interest rates may dampen the growth of demand for residential units.

Tax Incentives

The existing tax incentives available for housing loans are one of the major factors influencing demand. These tax incentives, however, based on recommendations of various committees and panels, are likely to be withdrawn.

OUR BUSINESS

Overview

We are an engineering, procurement and construction services and real estate development company with operations in a number of states and union territories in India. We believe in providing high quality and innovative projects on a timely basis. According to a survey conducted by the Construction World publication in June 2007, we are among the top ten builders in India, based on parameters such as size, brand or image, quality of construction, goodwill, innovative product offerings, social obligations and commitments, use of technology and best business practices. We provide EPC services and develop real estate directly or indirectly through our Subsidiaries and the Other Development Entities. We and the Other Development Entities collectively have equity interest in five hospitality properties and also own and operate a shopping mall and an office complex. Our Subsidiaries and the Other Development Entities engage our Company to provide EPC services for the development of their projects and our Company also provides EPC services independently to third parties.

Our Company commenced operations primarily as an EPC services company in 1986. However, in the past few years our Company has diversified into real estate development, including owning and operating selected projects directly or indirectly through our Subsidiaries and the Other Development Entities. Our operations span across all aspects of real estate development, from identification and acquisition of land to providing EPC services and sales and marketing of our projects to operation of our completed projects.

We have 24 years of experience in providing EPC services, which includes, constructing factories, hospitals, hospitality properties, office and residential complexes, shopping malls, multiplexes, IT parks and other buildings. Our Company provides EPC services for our own projects as well as to third parties. As of December 31, 2009, we had completed an aggregate of 181 EPC Contracts, with a total contract value of Rs. 8,888.70 million, out of which 157 EPC Contracts were for third parties, with a total contract value of Rs. 6,562.81 million and 24 EPC Contracts were for projects developed by us or the Other Development Entities, with a total contract value of Rs. 2,325.89 million. As of December 31, 2009, we were engaged in 70 Ongoing and Forthcoming EPC Contracts, with an estimated total contract value of Rs. 40,141.11 million with an Order Backlog of Rs. 32,270.79 million out of which 47 EPC Contracts were for third parties with an Order Backlog of Rs. 12,147.36 million and 23 EPC Contracts were for projects developed by us or the Other Development Entities with an Order Backlog of Rs. 20,123.43 million. Our third party EPC clients include well-known Indian and multi-national companies such as Cipla Limited, Kirloskar Brothers Limited, and Symbiosis.

Our real estate development business comprises the development of residential and office complexes, as well as shopping malls, multiplexes, hospitality properties, IT parks and other buildings directly or indirectly through our Subsidiaries or the Other Development Entities. Our Ongoing and Forthcoming Projects are spread over seven states in India. As of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects, with an aggregate Saleable Area of over 4.99 million square feet. In addition, we have sold land and land development rights aggregating 2.04 million square feet in Saleable Area. We and the Other Development Entities are in the process of developing an additional 51 Ongoing and Forthcoming real estate projects, with an aggregate Saleable Area of over 55.36 million square feet.

In addition to developing and providing EPC services for real estate projects, we also continue to own or operate certain projects subsequent to their completion. For example, we own the Vista do Rio, and through our Subsidiaries or the Other Development Entities, we own an interest in the Galaxy Resorts in Goa, the Golden Suites service apartment complex in Pune, and Marigold Premises Private Limited, which owns and operates the Mariplex mall and office complex.

Additionally we are involved in developing a multi-level car parking for Delhi International Airport Limited and have a 24.00% equity interest in a company that intends to focus on infrastructure development such as roads.

For the six months period ended September 30, 2009, we had consolidated total income of Rs. 3,620.39 million and consolidated net profit, as restated, of Rs. 232.31 million and for the fiscal year 2009, we had consolidated total income of Rs. 5,247.57 million and consolidated net profit, as restated, of Rs. 306.41 million..

Strengths

Significant experience and strong track record

We have significant experience in providing EPC services, and have established a strong track record of designing and constructing a diverse range of projects. With 24 years of experience in the EPC services business, we have constructed factories, hospitals, hospitality properties, office and residential complexes,

shopping malls, multiplexes, IT parks and other buildings. As of December 31, 2009, we have been engaged in 181 EPC Contracts with a total value of Rs. 8,888.70 million. Our EPC clients include well-known Indian and multi-national companies such as Cipla Limited, Kirloskar Brothers Limited and Symbiosis. In addition, as of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects, with an aggregate Saleable Area of over 4.99 million square feet, such as our office complex in Pune, the Marigold residential complex, the Marisoft IT park in Kalyani Nagar, Pune and the Vista do Rio and Galaxy Resorts in Goa. Our real estate development business comprises development of residential and office complexes as well as shopping malls, multiplexes, hospitality properties, IT parks and other buildings, directly or indirectly through our Subsidiaries and the Other Development Entities. We and the Other Development Entities also own and operate a select range of properties, and cater to customers belonging to diverse income groups.

Diversified portfolio of businesses and diverse revenue streams

We are an EPC services and real estate development company with operations in a number of states and union territories in India. Our Company commenced our business as an EPC services company and have since, due to synergies between the two businesses diversified into the real estate business as well. As a result, we currently have two main revenue streams. The benefits of having two revenue streams became especially apparent over the fiscal year 2009, when the real estate business in India witnessed a significant downturn due to the global economic slowdown. While our total income for the fiscal year 2009 decreased by 15.43% as a result of the decrease in our real estate business, our EPC services business, which grew substantially for the fiscal year 2009 as compared to the fiscal year 2008 helped offset the fall in revenue from the real estate business. Our EPC services business grew by 48.22% to Rs. 4,481.38 million for the fiscal year 2009 compared to Rs. 3,023.52 million for the fiscal year 2008.

We believe we have created a diversified and sustainable business model with which we intend to increase shareholder wealth and grow our revenues. We also believe that such a diversified business portfolio diminishes the risks associated with the dynamics of any particular industry while also simultaneously helping us to benefit from the synergies of operating diverse businesses.

Quality and strength of execution

We have a track record of developing and constructing high quality and innovative projects. We have established dedicated teams and processes to bid for, design and engineer, procure materials for and construct our projects in a cost-effective and quality-controlled manner. We have completed the implementation of SAP enterprise resource planning system to streamline operations, improve productivity and reduce costs. We employ pre-stressed concrete technology as it increases the load bearing capacity of concrete columns and reduces total costs because fewer columns are used.

We are currently ISO 9001:2008 certified for our management systems and achieved ISO 14001:2004 certification for environmental procedures in 2006. We are in the process of renewing these certifications. In addition to our commitment to quality, we focus on the timely completion of projects, and have completed a number of projects ahead of schedule. We are often required to build projects on a tight timetable to comply with our customers' obligations to their clients. For example, we built a software park for Mphasis Limited in 95 days to facilitate their business commitments to their clients. The completion date for this project was ahead of schedule, and as a result, we were provided an early completion performance award. We also completed an educational facility for Symbiosis much before the scheduled completion date to enable Symbiosis to comply with their commitments.

Emphasis on innovative and theme-based developments

We believe that innovation is the key to being successful in the real estate development business. As such, not only do we focus on design and quality, but are committed to introducing innovations in our projects. We utilise the experience and skills of our engineering, architecture, management and project execution teams to plan and carry out innovative developments that maximise the use of land and minimise the use of power and other natural resources, including raw materials and water. We have introduced concepts such as dual feeder electricity supply and automated temperature control systems in our projects to reduce the consumption of electricity. Over the last few years, we have also introduced post-tensioned concrete technology in almost all our commercial projects. We have also introduced the usage of tower cranes, concrete placer booms, automated stirrup making machines and system shuttering systems which have enabled us to use advanced technology to enhance construction speed, safety and efficiency.

In addition, we build our projects with themes, such as the Golden Nest residential complex which caters to senior citizens. Our integrated township, Marigold, contains apartment buildings, bungalows, a shopping mall, an entertainment complex, hospitality space and an IT park. Our commitment to quality and innovativeness is exemplified by a number of awards such as “The Best IT Infrastructure Company for 2008” from the Government of Maharashtra, “The Most Trusted Brand in 2008” from Amicus Enrio, New Delhi, Building Industry Leadership Awards 2008, from Builders Information Bureau, New Delhi, Gold Crown Award, 2008 for Vista Do Rio, the merit award for innovative design and development of a new project (with respect to the Nucleus mall in Pune) at the 30th ICSC International Design and Development Awards and six Builders Association of India regional awards for residential and commercial complexes including for our Casaurina project, the Zensar Technologies Limited project and the Symbiosis project.

Qualified and proven project teams and experienced management

We believe that a skilled and motivated employee base is essential for our competitive advantage. Our EPC services and our project development business require us to evaluate new projects, accurately estimate costs, design, construct and deliver projects in a cost effective, quality-controlled and timely manner. To ensure that our employees have the training and tools needed to be successful in today’s competitive environment, we are committed to building teams and invest considerable resources in the development of the expertise and know-how of our employees as well as in employee satisfaction. As a result, we believe that our attrition rate is low. As of December 31, 2009, we had a team of 698 employees, including 464 employees in the engineering department and 19 employees in architecture and design. The diversity of expertise of our employees gives us the flexibility to adapt to the needs of our customers.

Established brand name

In over two decades of operations, we have established a well-recognised brand name in our business. We believe our customers associate our brand name with quality, transparency, reliability, ethics and value. We have developed long-term relationships with our retail and corporate customers as well as investors in the real estate market, joint venture entities parties, sub-contractors and suppliers, and in our EPC services business, enjoy repeat business with many of our EPC customers. Our strong brand presence in the EPC services business has facilitated our entry into joint ventures and assisted us in building our real estate development business. We focus on customer satisfaction, including by having appointed a customer relationship executive for each project to provide a single point of contact for our customers.

Effective development structure to optimise resources

We generally enter into joint development agreements and/or joint ventures with land owners to acquire development rights to their land in exchange for a pre-determined portion of revenues or profits generated from the projects. This business model enables us to have development rights to significant parcels of land without having to invest large amounts of money to purchase such land. Our joint development agreements provide us with significant control over all aspects of the development and sales of our projects. In addition, in case of the Other Development Entities, we either own a majority interest in or control such entities. As a result, we have management control over our projects and can control important business decisions relating to such projects. In addition, our Company provides any and all EPC services to our real estate development projects. As such, we are able to closely monitor the management and operations of our projects, as well as to apply a uniform management philosophy, including standardised processes for accounting, finance, marketing and sales, business and management review, to such businesses. As a result, we believe we are able to optimise revenues and minimise operational, capital and other costs.

Strategy

Diversify geographically into new locations

A large percentage of the population of India is located in non-metropolitan cities and towns, particularly Tier II and Tier III cities in India. In addition, the increase in prices and intense development and competition in most metropolitan cities in the recent past have limited project opportunities and profit margins and increased risks. As a result, we have diversified into high growth but non-metropolitan regions across the country such as Nashik, Coimbatore, Aurangabad, Ahmedabad, Madurai and Belgaum. Although 93.71% of the completed real estate development projects were in Maharashtra, such percentage has now reduced to 84.58% for our Ongoing and Forthcoming Projects, given our diversification strategy. We anticipate that the increase in economic activity in non-metropolitan cities and towns will result in an increase in demand for real estate development in such regions and provide us with an early mover advantage.

Optimise business mix

We intend to take advantage of the significant growth opportunities in the Indian economy by not only diversifying into new locations for our real estate development business but also by optimising our EPC services business and resources and entering into infrastructure development by participating in road developments and other infrastructure related activities. As of December 31, 2009, we and the Other Development Entities currently have 70 Ongoing and Forthcoming EPC Contracts with an Order Backlog of Rs. 32,270.79 million and 51 Ongoing and Forthcoming real estate development projects with a total Saleable Area of 55.36 million square feet.

Our EPC services business has contributed to our total income. We intend to focus on growing such business, particularly as a result of significant infrastructure and other development opportunities in India and the commitment to these sectors by the Indian central and state Governments.

As part of our strategy for future growth and expansion, we intend to build upon our competitive strengths to become a leading real estate, EPC services and infrastructure company in India by evaluating and gauging competitive opportunities in these sectors. We will continually seek to identify and enter into business activities that we consider to be high growth and that will complement our existing business portfolio.

Continue to grow our real estate development projects

Prior to 1998, we were primarily an EPC services company. Within the past 12 years, we have diversified into and have focused on real estate development. We intend to continue to build our real estate development business and are committed to developing a diverse range of projects such as residential and office complexes, shopping malls, multiplexes, hospitality properties, IT parks, community centres and other buildings. As of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects and are in the process of developing 51 Ongoing and Forthcoming Projects. While real estate development, requires significant amounts of capital, the opportunities to grow our revenues and profit in both commercial and residential real estate development business are significant.

We recognise that land reserves are critical to this strategy and we have developed our business model of entering into joint ventures and joint development agreements with land-owners and other financial investors to provide for land and land development rights for our real estate development projects. We intend to continue to selectively enter into joint ventures and joint development agreements to increase the amount of land or land development rights available to us for development. This model also assists in reducing our working capital investment and effectively utilising our EPC services and sales and marketing capabilities.

Maintain and upgrade high standards of quality and reliability

We believe that we have acquired a reputation for undertaking quality construction projects and completing them on a timely basis. We intend to continue to focus on performance and quality and timely project execution in order to seek to maximise customer satisfaction in both our EPC services and real estate development businesses. We intend to continue to use technological tools and processes and strengthen our quality control team. We also intend to continue to further enhance our engineering, architecture, design, construction and development teams to enable us to provide innovative and superior design and engineering in our projects and services.

Our Business and Operations

We are an EPC services and real estate development company providing EPC services to third parties as well as for our own real estate development projects.

A summary of our completed and Ongoing and Forthcoming EPC Contracts and our Other Development Entities' completed and Ongoing and Forthcoming real estate development projects are as follows:

	Completed	Ongoing and Forthcoming
EPC Contracts:		
No. of Projects	181	70
Contract Value (Rs. in million)	8,888.70	40,141.11
Order Backlog (Rs. in million)	-	32,270.79
Real Estate Development Projects:		
No. of Projects	42	51
Saleable Area (square feet in million)	4.99	55.36

* Note: In addition to the figures above, we and the Other Development Entities have in the past, sold land and land development rights aggregating to over 2.04 million square feet in Saleable Area.

As of December 31, 2009, the geographical distribution of our EPC services and that of our and the Other Development Entities' real estate development projects are shown in the table below:

State / Union Territory	EPC (Rs. in million)			Real Estate Development (square feet in million)	
	Completed	Ongoing and Forthcoming (Contract Value)	Ongoing and Forthcoming (Order Backlog)	Completed	Ongoing and Forthcoming
Maharashtra	6,193.03	28,288.05	23,722.31	4.68	46.82
Punjab	77.16	-	-	-	0.25
Karnataka	36.75	60.80	1.72	-	0.15
Goa	2,055.36	355.94	351.05	0.31	0.46
Himachal Pradesh	459.60	65.28	26.49	-	-
Daman	66.81	-	-	-	-
Haryana	-	738.50	13.72	-	-
Madhya Pradesh	-	1,101.29	83.98	-	-
Tamil Nadu	-	2,970.44	2,831.99	-	4.42
Gujarat	-	3,180.00	3,180.00	-	2.65
Delhi	-	2,480.82	1,159.54	-	-
Andra Pradesh	-	900.00	900.00	-	0.60
Total	8,888.70	40,141.11	32,270.79	4.99	55.36

Our EPC Services Business

Over the course of the past two decades, we have provided EPC services for a diverse range of property developments, such as factories, hospitals, hospitality properties, residential and office complexes, IT parks and shopping malls. As of December 31, 2009, we had completed an aggregate of 181 EPC Contracts with a total contract value of Rs. 8,888.70 million. As of December 31, 2009, we were engaged in 70 EPC Contracts with an estimated total contract value of Rs. 40,141.11million with an Order Backlog of Rs. 32,270.79 million. The Company has received additional EPC contracts post December 31, 2009 in its normal course of business. We provide our EPC services for third parties as well as for real estate development projects developed by us and the Other Development Entities.

Completed EPC Contracts– Third Party

As of December 31, 2009, we had completed 157 EPC Contracts with a total contract value of Rs. 6,562.81 million for third parties. The following table sets forth our significant completed EPC Contracts (with a value of more than Rs.100.00 million) for third parties as of December 31, 2009:

Name of Contracting Entity	Location	Project Details	Year of Completion	Contract Value (Rs. in million)
Pawansut Infotech Limited	Kharadi, Pune, Maharashtra	Commercial	2009	168.96
Suzlon Energy Limited	Hadapsar, Pune, Maharashtra	Industrial	2010*	935.78
Cipla Limited	Kurkumbh, Maharashtra	Industrial	2008	121.80
Cipla Limited	Patalganga, Maharashtra	Industrial	2007	596.96
Symbiosis	Vimannagar, Pune, Maharashtra	Educational	2007	195.94
Dr. Reddy's Laboratories Limited	Baddi, Himachal Pradesh	Industrial	2007	106.62
Cipla Limited	Malpur Village, Baddi, Himachal Pradesh	Industrial	2006	148.81
Cipla Limited	Goa	Industrial	2006	268.07
One Stop Shop India Private Limited	Pune, Maharashtra	Commercial	2005	173.48
Nebumed Pharma Private Limited	Goa	Industrial	2003	143.33
Medex Spe Private Limited	Goa	Industrial	2003	152.70
Inhaled Technologies Private Limited (formerly known as Okasa Specialities Private Limited)	Goa	Industrial	2003	117.33
Orion Remedies Private Limited (formerly known as Okasa Chemicals Private Limited)	Maharashtra	Industrial	2002	140.93

Name of Contracting Entity	Location	Project Details	Year of Completion	Contract Value (Rs. in million)
Lancet Pharma Private Limited	Goa	Industrial	2001	139.18

**The project was completed in May 2009*

Symbiosis

This project was a Rs. 195.94 million project consisting of a college building and an international business management building and is located at Vimannagar, Pune, Maharashtra. We completed the construction of the complex within the timeline in March 2007, that assisted the contracting party in commencing their operations in time for the new academic year.

Cipla Limited, Patalganga, Maharashtra

This project was a Rs. 596.96 million project which includes certain buildings located at MIDC, Industrial Area, Patalganga, Maharashtra. The project was completed in fiscal year 2007.

Suzlon Energy Limited, Hadapsar, Pune, Maharashtra

This project was a Rs. 935.78 million project for a corporate campus which is the global management headquarters for Suzlon Energy Limited, located at Hadapsar, Pune, Maharashtra. The project was ergonomically designed to allow maximum use of natural light and ventilation. The project was completed in fiscal year 2010.

Pawansut Infotech

This project was for Pawansut Infotech Limited and had a contract value of Rs. 168.96 million. We completed this commercial project in the fiscal year 2009. This project is located in Kharadi, Pune, Maharashtra.

Cipla Limited, Kurkumbh, Maharashtra

This project was for Cipla Limited and had a contract value of Rs. 121.80 million. We completed this industrial project in the fiscal year 2008. This project is located in Kurkumbh, Maharashtra.

Dr. Reddy's Laboratories Limited

This project was for Dr. Reddy's Laboratories Limited and had a contract value of Rs. 106.62 million. We completed this industrial project consisting of a factory building located at Baddi, Himachal Pradesh in the fiscal year 2007.

Cipla Limited, Malpur Village, Baddi, Himachal Pradesh

This project was for Cipla Limited and had a contract value of Rs. 148.81 million. We completed this industrial project in the fiscal year 2006. This project is located in Malpur Village, Baddi, Himachal Pradesh.

Cipla Limited, Goa

This project was for Cipla Limited and had a contract value of Rs. 268.07 million. We completed this industrial project in the fiscal year 2006. This project is located in Goa.

One Stop Shop India Private Limited

This project was for One Stop Shop India Private Limited and had a contract value of Rs. 173.48 million. We completed this commercial project in the fiscal year 2005. This project is located in Pune, Maharashtra.

Nebumed Pharma Private Limited

This project was for Nebumed Pharma Private Limited and had a contract value of Rs. 143.33 million. We completed this industrial project in the fiscal year 2003. This project is located in Goa.

Medex Spe Private Limited

This project was for Medex Spe Private Limited and had a contract value of Rs. 152.70 million. We completed this industrial project consisting of a factory building located in Goa in the fiscal year 2003.

Inhaled Technologies Private Limited (formerly known as Okasa Specialities Private Limited)

This project was for Inhaled Technologies Private Limited (formerly known as Okasa Specialities Private Limited) and had a contract value of Rs. 117.33 million. We completed this industrial project in the fiscal year 2003. This project is located in Goa.

Orion Remedies Private Limited

This project was for Orion Remedies Private Limited (formerly known as Okasa Chemicals Private Limited) and had a contract value of Rs. 140.93 million. We completed this industrial project consisting of a factory building located in Maharashtra in the fiscal year 2002.

Lancent Pharma Private Limited

This project was for Lancent Pharma Private Limited and had a contract value of Rs. 139.18 million. We completed this industrial project in the fiscal year 2001. This project is located in Goa.

Completed EPC Contracts – Our Real Estate Developments

As of December 31, 2009, we had completed 24 EPC Contracts with a total contract value of Rs. 2,325.89 million for real estate development projects developed by us or our Other Development Entities. The following table sets forth our significant completed EPC Contracts (with a value of more than Rs.100.00 million) for real estate development projects developed by us or our Other Developed Entities as of December 31, 2009:

Name of Contracting Entity	Location	Project Details	Year of Completion	Contract Value (Rs. in million)
Weikfield IT City Info Park	Nagar Road, Pune, Maharashtra	IT Park	2010	506.61
Angelica Properties Private Limited	Shivajinagar, Pune, Maharashtra	IT Park	2010	403.58
Viorica Properties Private Limited	Pune, Maharashtra	Hospitality	2009	145.68
Zircon Ventures	Nagar Road, Pune, Maharashtra	Residential	2008	147.78
Marigold Premises Private Limited	Kalyani Nagar, Pune, Maharashtra	Residential	2008	182.90
Weikfield IT City Info Park	Nagar Road, Pune, Maharashtra	IT Park	2007	149.11
Marigold Premises Private Limited	Kalyani Nagar, Pune Maharashtra	IT Park	2005	185.35

Angelica Properties Private Limited

This project was a Rs. 403.58 million IT park development. It is located at Shivajinagar, Pune, Maharashtra. We hold a 26.00% equity interest in Angelica Properties Private Limited, which is the project specific company that developed the project. The project was completed in fiscal year 2010.

Marigold Premises Private Limited

This is a Rs. 182.90 million premium residential apartment development. It is located at Kalyani Nagar, Pune, Maharashtra. We hold a 50.00% equity interest in Marigold Premises Private Limited which is the company that developed the project. The project was completed in fiscal year 2008.

Viorica Properties Private Limited

This project of is a Rs. 145.68 million project located at Balewadi, Pune, Maharashtra. We hold a 32.68% equity interest in Viorica Properties Private Limited which is the company that developed the project. The project is a four star hotel and is equipped with a number of facilities. The project was completed in fiscal year 2009.

Weikfield IT City Info Park

This project was for Weikfield IT City Info Park and had a contract value of Rs. 506.61 million. We, through our joint venture partner completed this IT park project in the fiscal year 2010. This project is located on Nagar Road, Pune, Maharashtra.

Zircon Ventures

This project was for Zircon Ventures and had a contract value of Rs. 147.78 million. We, through our joint venture partner completed this residential project in the fiscal year 2008. This project is located on Nagar Road, Pune, Maharashtra.

Weikfield IT City Info Park

This project was for Weikfield IT City Info Park and had a contract value of Rs. 149.11 million. We completed this IT park project in the fiscal year 2007. This project is located on Nagar Road, Pune, Maharashtra.

Marigold Premises Private Limited

This project was for Marigold Premises Private Limited and had a contract value of Rs. 185.35 million. We completed this IT Park project in the fiscal year 2005. This project is located in Kalyani Nagar, Pune, Maharashtra.

Ongoing EPC Contracts – Third Party

As of December 31, 2009, we were engaged in 47 EPC Contracts with an estimated total contract value of Rs. 18,912.66 million and have an Order Backlog of Rs. 12,147.36 million. The following table sets forth our significant ongoing EPC Contracts (with an estimated contract value of more than Rs.100.00 million) for third parties as of December 31, 2009:

Name of Contracting Entity	Location	Project Details	Estimated Date of Completion	Estimated Contract Value (Rs. in million)	Order Backlog (Rs. in million)
Neelkanth Urban Developers Private Limited	Vidyavihar (West), Mumbai, Maharashtra	Commercial	2011	1,333.31	825.61
Ruby Mills Limited	Dadar (West), Mumbai, Maharashtra	Commercial	2011	2,073.50	685.766
Kirloskar Brothers Limited	Kirloskarwadi, Pune, Maharashtra	Residential	2010	313.69	177.36
Cipla Limited	Phitampura, Indore, Madhya Pradesh	Industrial	2010	1,101.29	83.98
Vital Construction Private Limited	Udyog Vihar, Gurgaon, Haryana	Commercial	2010	738.50	13.72
Neelkanth Urban Developers Private Limited	Vidyavihar (West), Mumbai, Maharashtra	Commercial	2011	759.16	440.54
Symbiosis including extension	Pune, Maharashtra	Educational	2010	195.94	23.20
Symbiosis	Pune, Maharashtra	Educational (Hostel)	2010	167.42	36.09
Victor Reinz (I) Private Limited	Pune, Maharashtra	Industrial	2010	145.00	63.48
Savitribai Phule Shikshan Prasarak Mandal	Pandharpur, Maharashtra	Educational	2011	820.14	564.40
Ascent Hotels Private Limited	Nagar Road, Pune, Maharashtra	Commercial	2010	208.90	7.85
Escapade Real Estate Private Limited	Chennai, Tamil Nadu	Residential	2012	562.23	537.34
National Building Construction Corporation Limited	Chennai, Tamil Nadu	Hospital	2010	180.62	95.51
Delhi International Airport Limited	Delhi	Commercial	2010	2,480.82	1,159.54
Kirloskar Institute of Advance Management Study	Pune, Maharashtra	Educational	2010	195.00	171.74
Singhad Technical Education Society	Pune, Maharashtra	Educational	2010	125.33	121.96
Goa Institute of Management	Goa	Educational	2011	325.77	325.77
Indian Oil Petronas Private Limited	Chennai, Tamil Nadu	Industrial	2011	118.16	89.71
Sunflower Premises Private Limited	Pune, Maharashtra	Hospital	2013	238.00	238.00
Singhad Technical Education Society	Pune, Maharashtra	Educational	2011	536.35	536.35
MAP (Kirkee)	Pune, Maharashtra	Commercial	2011	399.67	399.67
Housing Development and Infrastructure Limited	Mumbai, Maharashtra	Commercial	2013	1,791.38	1,747.67
Silver Arch Builders and Promoters	Mumbai, Maharashtra	Commercial	2012	100.29	100.29
Peccadilly Estate Private Limited	Mumbai, Maharashtra	Commercial	2013	256.02	256.02
Sahara School Holding Limited	Lonavala, Maharashtra	Educational	2011	315.00	315.00
PWD, Tamil Nadu	Chennai, Tamil Nadu	Commercial	2013	2,109.43	2,109.43
Navnitri Nandlal Mehta Foundation Trust	Mumbai, Maharashtra	Commercial	2012	564.00	564.00

Ruby Mills

This project is a Rs. 2,073.50 million EPC Contract for a commercial office building located at Dadar (West), Mumbai, Maharashtra. The project is a high rise building and on completion is expected to have 24 levels. The project is estimated to be completed by the fiscal year 2011.

Kirloskar Brothers Limited

This project is a Rs. 313.69 million EPC Contract for residential units for Kirloskar Brothers Limited and a hostel building for the employees of Kirloskar Brothers Limited located at Kirloskarwadi in Sangli district, Maharashtra. The project is estimated to be completed by the fiscal year 2010.

Neelkanth Urban Developers Private Limited (formerly known as Asim Reality Private Limited), Vidyavihar (West), Mumbai, Maharashtra

This EPC project is for Neelkanth Urban Developers Private Limited (formerly known as Asim Reality Private Limited) and has an estimated contract value of Rs. 1,333.31 million, though our order backlog for this project is Rs. 825.61 million. We expect to complete this commercial project, which involves the construction of a mall at Vidyavihar (West), Mumbai, Maharashtra.

Cipla Limited, Phitampura, Indore, Madhya Pradesh

This EPC project is for Cipla Limited and has an estimated contract value of Rs.1,101.29 million, though our order backlog for this project is Rs. 83.98 million. We expect to complete this industrial project in the fiscal year 2010. This project is located in Phitampura, Indore, Madhya Pradesh.

Vital Construction Private Limited

This EPC project is for Vital Construction Private Limited and has an estimated contract value of Rs. 738.50 million, though our order backlog for this project is Rs. 13.72 million. We expect to complete this commercial project in the fiscal year 2010. This project is located in Udyog Vihar, Gurgaon, Haryana.

Neelkanth Urban Developers Private Limited, Vidyavihar (West), Mumbai, Maharashtra

This EPC project is for Neelkanth Urban Developers Private Limited (formerly known as Asim Reality Private Limited) and has an estimated contract value of Rs. 759.16 million, though our order backlog for this project is Rs. 440.54 million. We expect to complete this commercial project in the fiscal year 2011. This project is located in Vidyavihar (West), Mumbai, Maharashtra.

Symbiosis

We are executing two EPC projects for Symbiosis with an aggregate estimate contact value of Rs. 363.36 million, though our order backlog for these projects is Rs. 60.10 million. We expect to complete the construction of these hostel projects in the fiscal year 2010. These projects are located in Pune, Maharashtra.

Victor Reinz (I) Private Limited

This EPC project is for Victor Reinz (I) Private Limited and has an estimated contract value of Rs. 145.00 million, though our order backlog for this project is Rs. 63.48 million. We expect to complete this industrial project in the fiscal year 2010. This project is located in Pune, Maharashtra.

Savitribai Phule Shikshan Prasarak Mandal

This EPC project is for Savitribai Phule Shikshan Prasarak Mandal and has an estimated contract value of Rs. 820.14 million, though our order backlog for this project is Rs. 564.40 million. We expect to complete the construction of educational institutional buildings, hostel and a mess building and a staff quarter in the fiscal year 2011. This project is located in Pandharpur, Maharashtra.

Ascent Hotels Private Limited

This EPC project is for Ascent Hotels Private Limited and has an estimated contract value of Rs. 208.90 million, though our order backlog for this project is Rs. 7.85 million. We expect to complete this commercial project in the fiscal year 2010. This project is located on Nagar Road, Pune, Maharashtra.

Escapade Real Estate Private Limited

This EPC project is for Escapade Real Estate Private Limited and has an estimated contract value of Rs. 562.23 million, though our order backlog for this project is Rs. 537.34 million. We expect to complete this residential project in the fiscal year 2012. This project is located at Chennai, Tamil Nadu.

National Building Construction Corporation Limited

This EPC project is for National Building Construction Corporation Limited and has an estimated contract value of Rs. 180.62 million, though our order backlog for this project is Rs. 95.51 million. We expect to complete this hospital project in the fiscal year 2010. This project is located in Chennai, Tamil Nadu.

Delhi International Airport Limited

This EPC project is for Delhi International Airport Limited and has an estimated contract value of Rs. 2,480.82 million, though our order backlog for this project is Rs. 1,159.54 million. We expect to complete this commercial project which involves the construction of a multi-level car park in the fiscal year 2010. This project is located in Delhi.

Kirloskar Institute of Advance Management Study

This EPC project is for Kirloskar Institute of Advance Management Study and has an estimated contract value of Rs. 195.00 million, though our order backlog for this project is Rs. 171.73 million. We expect to complete this educational institution building project in the fiscal year 2010. This project is located in Pune, Maharashtra.

Singhad Technical Education Society

This EPC project is for Singhad Technical Education Society and has an estimated contract value of Rs. 125.33 million, though our order backlog for this project is Rs. 121.96 million. We expect to complete this educational project in the fiscal year 2010. This project is located in Pune, Maharashtra.

Goa Institute of Management

This EPC project is for Goa Institute of Management and has an estimated contract value of Rs. 325.77 million, though our order backlog for this project is Rs. 325.77 million. We expect to complete this educational institution building project in the fiscal year 2011. This project is located in Goa.

Indian Oil Petronas Private Limited

This EPC project is for Indian Oil Petronas Private Limited and has an estimated contract value of Rs. 118.16 million, though our order backlog for this project is Rs. 89.71 million. We expect to complete this industrial project in the fiscal year 2011. This project is located in Chennai, Tamil Nadu.

Sunflower Premises Private Limited

This EPC project is for Sunflower Premises Private Limited and has an estimated contract value of Rs. 238.00 million. We expect to complete this hospital project in the fiscal year 2013. This project is located in Pune, Maharashtra.

Singhad Technical Education Society

This EPC project is for Singhad Technical Education Society and has an estimated contract value of Rs. 536.35 million. We expect to complete this educational project in the fiscal year 2011. This project is located in Pune, Maharashtra.

MAP (Kirkee)

This EPC project is for MAP (Kirkee) and has an estimated contract value of Rs. 399.67 million. We expect to complete this commercial project in the fiscal year 2011. This project is located in Pune, Maharashtra.

Housing Development and Infrastructure Limited

This EPC project is for Housing Development and Infrastructure Limited and has an estimated contract value of Rs. 1,791.38 million, though our order backlog for this project is Rs. 1,747.67 million. We expect to complete construction of this commercial building project in the fiscal year 2013. This project is located in Mumbai, Maharashtra.

Silver Arch Builders and Promoters

This EPC project is for Silver Arch Builders and Promoters and has an estimated contract value of Rs. 100.29 million. We expect to complete this commercial project in the fiscal year 2012. This project is located in Mumbai, Maharashtra.

Peccadily Estate Private Limited

This EPC project is for Peccadily Estate Private Limited and has an estimated contract value of Rs. 256.02 million. We expect to complete this commercial project in the fiscal year 2013. This project is located at Mumbai, Maharashtra.

Sahara School Holding Limited

This EPC project is for Sahara School Holding Limited and has an estimated contract value of Rs. 315.00 million. We expect to complete this school building project in the fiscal year 2011. This project is located in Lonavala, Maharashtra.

PWD, Tamil Nadu

This EPC project is for the Public Works Department, Tamil Nadu and has an estimated contract value of Rs. 2,109.43 million. We expect to complete this commercial project which involves the construction of Block B of Tamil Nadu's New Legislative Assembly Complex in Omandurar Government Estate, Chennai, Tamil Nadu in the fiscal year 2013

Navnitri Nandlal Mehta Foundation Trust

This EPC project is for Navnitri Nandlal Mehta Foundation Trust and has an estimated contract value of Rs. 564.00 million. We expect to complete this commercial project in the fiscal year 2012. This project is located in Mumbai, Maharashtra.

Ongoing EPC Contracts – Our Real Estate Developments

As of December 31, 2009, we are engaged in 23 EPC Contracts with an estimated total contract value of Rs. 21,228.45 million and an Order Backlog of Rs. 20,123.43 million. The following table sets forth significant ongoing EPC Contracts (with an estimated contract value of more than Rs.100.00 million) for real estate development projects being developed by us and our Other Developed Entities as of December 31, 2009:

Name of Contracting Entity	Location	Project Details	Estimated Year of Completion	Contract Value (Rs. in million)	Order Backlog (Rs. in million)
Zircon Ventures	Nagar Road, Pune, Maharashtra	Hospitality	2010	234.47	109.10
Just Homes India Private Limited	Kalyani Nagar, Pune, Maharashtra	Commercial	2012	150.00	150.00
Phoenix Ventures	Hinjewadi, Pune, Maharashtra	Commercial	2012	825.00	779.44

Name of Contracting Entity	Location	Project Details	Estimated Year of Completion	Contract Value (Rs. in million)	Order Backlog (Rs. in million)
Weikfield IT Citi Infopark	Vadgaon Sheri, Pune, Maharashtra	Commercial / Hospitality	2011	990.00	807.94
Vascon Dwellings Private Limited	Wadala, Nashik, Maharashtra	Commercial	2011	840.00	483.85
Vascon Dwellings Private Limited	Wadala, Nashik, Maharashtra	Residential	2013	678.48	571.41
Just Homes Associates	Kalyani Nagar, Pune, Maharashtra	Commercial	2013	450.00	450.00
Vascon Dwellings Private Limited	Wadala, Nashik, Maharashtra	Commercial / Hospitality	2015	360.00	360.00
Vascon Dwellings Private Limited	Wadala, Nashik, Maharashtra	Residential	2015	240.91	240.91
Zenith Ventures	Kharadi, Pune, Maharashtra	Commercial	2014	1,218.80	1,164.41
Marigold Premises Private Limited	Kalyani Nagar, Pune, Maharashtra	Residential	2015	1,932.73	1,932.73
Angelica Properties Private Limited	Shivajinagar, Pune, Maharashtra	Hospitality	2011	451.00	277.99
John Fowler Ophthalmics Private Limited	Birajwadi, Aurangabad, Maharashtra	Commercial / Hospitality	2015	825.00	825.00
Marathawada Realtors Private Limited	Birajwadi, Aurangabad, Maharashtra	Commercial / Hospitality	2015	795.00	795.00
Almet Corporation Limited	Birajwadi, Aurangabad, Maharashtra	Commercial / Hospitality	2015	495.00	495.00
Greystone Premises Private Limited	Sanand, Ahmedabad, Gujarat	Commercial	2015	3,180.00	3,180.00
Floriana Properties Private Limited	Hyderabad, Andhra Pradesh	Commercial / Residential	2015	900.00	900.00
Ajanta Enterprises	Kharadi, Pune, Maharashtra	Residential / Commercial	2016	5,922.29	5,922.29
Vascon Dwellings Private Limited	Pune, Maharashtra	Residential	2016	551.33	551.33

Zircon Ventures

This EPC project is for Zircon Ventures and has an estimated contract value of Rs. 234.47 million, though our order backlog for this project is Rs. 109.10 million. We have entered into a joint venture with the entity that is developing this project. We expect to complete this hospitality project in the fiscal year 2010. This project is located on Nagar Road, Pune, Maharashtra.

Just Homes India Private Limited

This EPC project is for Just Homes India Private Limited and has an estimated contract value of Rs. 150.00 million. We expect to complete this commercial project in the fiscal year 2012. This project is located in Kalyani Nagar, Pune, Maharashtra.

Phoenix Ventures

This EPC project is for Phoenix Ventures and has an estimated contract value of Rs. 825.00 million, though our order backlog for this project is Rs. 779.44 million. We expect to complete this commercial project in the fiscal year 2012. This project is located in Hinjewadi, Pune, Maharashtra.

Weikfield IT Citi Infopark

This EPC project is for Weikfield IT Citi Infopark and has an estimated contract value of Rs. 990.00 million, though our order backlog for this project is Rs. 807.94 million. We have entered into a joint venture with the

entity that is developing this project. We expect to complete the construction of an IT park and hotel building by the fiscal year 2011. This project is located in Vadgaon Sheri, Pune, Maharashtra.

Vascon Dwellings Private Limited

- We are executing four projects for Vascon Dwellings Private Limited with an aggregate estimated contract value of Rs. 2,119.39 million, though our order backlog for these projects are Rs. 1,656.18 million. We expect to complete these commercial, residential or hotel projects in the fiscal year 2011 through 2015. These projects are located in Wadala, Nashik, Maharashtra. We hold a 100.00% equity interest in Vascon Dwellings Private Limited, which is the company developing these projects.
- We expect to complete the construction of a commercial and hotel by the fiscal year 2015. This project is located at Wadala, Nashik, Maharashtra.

Just Homes Associates

This EPC project is for Just Homes Associates and has an estimated contract value of Rs. 450.00 million. We expect to complete this commercial project in the fiscal year 2013. This project is located in Kalyani Nagar, Pune, Maharashtra.

Zenith Ventures

This EPC project is for Zenith Ventures and has an estimated contract value of Rs. 1,218.80 million, though our order backlog for this project is Rs. 1,164.41 million. We expect to complete this commercial project in the fiscal year 2014. This project is located in Kharadi, Pune, Maharashtra.

Marigold Premises Private Limited

This EPC project is for Marigold Premises Private Limited and has an estimated contract value of Rs. 1,932.73 million. We expect to complete this residential project in the fiscal year 2015. This project is located in Kalyani Nagar, Pune, Maharashtra.

Angelica Properties Private Limited

This EPC project is for Angelica Properties Private Limited and has an estimated contract value of Rs. 451.00 million, though our order backlog for this project is Rs. 277.99 million. We hold a 100.00% equity interest in Angelica Properties Private Limited, which is the company developing the project. We expect to complete the construction of the project comprising of a hotel building by the fiscal year 2011. This project is located at Shivajinagar, Pune, Maharashtra.

John Fowler Ophthalmics Private Limited

This EPC project is for John Fowler Ophthalmics Private Limited and has an estimated contract value of Rs. 825.00 million. We expect to complete this commercial/hospitality project in the fiscal year 2015. This project is located in Birajwadi, Aurangabad, Maharashtra.

Marathawada Realtors Private Limited

This EPC project is for Marathawada Realtors Private Limited and has an estimated contract value of Rs. 795.00 million. We expect to complete this commercial/hospitality project in the fiscal year 2015. This project is located in Birajwadi, Aurangabad, Maharashtra.

Almet Corporation Limited

This EPC project is for Almet Corporation Limited and has an estimated contract value of Rs. 495.00 million. We expect to complete this commercial and hospitality project in the fiscal year 2015. This project is located in Birajwadi, Aurangabad, Maharashtra.

Greystone Premises Private Limited

This EPC project is for Greystone Premises Private Limited and has an estimated contract value of Rs. 3,180.00 million. We expect to complete this commercial project in the fiscal year 2015. This project is located in Sanand, Ahmedabad, Gujarat.

Floriana Properties Private Limited

This EPC project is for Floriana Properties Private Limited and has an estimated contract value of Rs. 900.00 million. We expect to complete this commercial and residential project in the fiscal year 2015. This project is located in Hyderabad, Andhra Pradesh.

Ajanta Enterprises

This EPC project is for Ajanta Enterprises and has an estimated contract value of Rs. 5,922.29 million. We expect to complete this residential and commercial project in the fiscal year 2016. This project is located in Kharadi, Pune, Maharashtra.

Vascon Dwellings Private Limited

This EPC project is for Vascon Dwellings Private Limited and has an estimated contract value of Rs. 551.33 million. We expect to complete this residential project in the fiscal year 2016. This project is located in Pune, Maharashtra.

Project Execution

EPC services involve various activities, depending on the scope of our engagement on a specific project, for instance we act as a turnkey contractor for the entire project or as a contractor responsible for a specific portion of a project. These activities may include project management, engineering and design of the entire proposed project or specific parts of a project, procurement of equipment and materials from third party manufacturers, construction activities, and commissioning or start-up services. Initial expenses incurred on the project, such as for pre-qualification and in connection with biddings are borne by us and are considered when calculating the contract's value.

Pre-qualification and the Bidding Process

In selecting contractors for major projects, clients generally limit the tender to contractors they have pre-qualified based on several criteria, including experience, technical capability and performance, reputation for quality, safety record, financial strength and size of previous contracts in similar projects. Pre-qualification is key to our winning projects and we continue to focus on achieving pre-qualification. We endeavour to become directly qualified for projects that we propose to procure.

We enter into EPC Contracts (other than with the Other Development Entities), through a competitive bidding process. Due to the high cost and management resources required in preparing a bid on a large contract, we only bid on selected projects. Each project is carefully analysed and, prior to bidding, we estimate the costs and analyse the financial and legal aspects of the project. In evaluating bid opportunities, we consider factors such as the client's reputation and financial strength, the geographic location and the difficulty of the work, our current and projected workload, the likelihood of additional work, the project's working capital requirement, cost and profitability estimates, and our competitive advantage relative to other likely bidders. For example, in a project that entails design and engineering, our engineers and architects are engaged during the cost estimation and bidding processes to prepare preliminary designs and blueprints and assist us in better estimating our costs and expenses and preparing effective bids. The bid estimate forms the basis of a project budget against which performance is tracked through a project cost system, enabling management to monitor projects continuously. Price competitiveness of the bid, among qualified parties, is generally the most important and determinative selection criterion.

We cannot predict with any degree of certainty the frequency, timing or location of new contract awards. Until the final selection, negotiations continue with the client on matters such as design and engineering, guaranteed performance parameters, the construction schedule, financial and other contractual terms and conditions.

Engineering and Design

As of December 31, 2009, our engineering department comprised 464 employees and our architecture and design team comprised 19 employees. We provide detailed engineering and design services, if required by the customer, for the projects that we undertake. Typically, for such projects, the customer supplies conceptual information pertaining to the project, including project requirements and specifications. We are required to prepare detailed architectural and/or structural designs based on the conceptual requirements of the customer and also conform to various statutory requirements. Depending upon the type of a project and its EPC schedule, we may also outsource design services from experienced and specialised international firms. Prior to bidding for the project, our bidding department and senior management review the preliminary design prepared by our engineers and architects. Once the project is awarded to us, our engineers and architects prepare detailed designs pursuant to the project requirements.

Procurement

Since material procurement plays such a critical part in the success of any project, we maintain experienced staff to carry out material procurement activities. In our EPC Contracts, material procurement is especially critical to the timely completion of construction. Procurement is a centralised function performed at our headquarters under a separate procurement department. Depending upon the location of the project and the kind of raw material, we may procure raw material centrally or locally. For example, we may decide to purchase cement and

other bulky raw materials locally for projects that are located in cities and towns distant from Pune, our headquarters. We procure labour through sub-contractors, generally locally, under project-specific long-term contracts.

We maintain sophisticated material procurement, tracking and control systems which enable effective monitoring for our purchases. We typically order the materials required for a project, such as steel, cement, bitumen, sand and aggregates, doors and windows, frames and other materials to be used in the project, as and when required, but at wholesale prices and quantities. We have developed relationships with, and database of, a number of suppliers of raw materials, labour and equipment over the years. Neither do we rely upon any single supplier of raw materials, labour or equipment, nor does any such supplier provide us with more than 10.00% of our total requirements of material, labour or equipment. Procurement of material, labour and equipment from suppliers typically comprises a significant part of a project's costs. The ability to procure material, labour and equipment in a cost-effective manner, while meeting quality specifications for our projects is essential for the successful execution of such projects. We continually evaluate our existing vendors and also attempt to develop additional sources of supply for most of the materials, services and equipment needed for our projects.

Construction

In our EPC Contracts, construction typically commences once the basic engineering and design aspects of the project are finalised. The key construction activities involved in a project depend on the nature and scope of the project. The project team identifies and works with the procurement team to purchase raw materials and procure labour and equipment to commence construction. Based on the EPC Contract and the project, a detailed schedule of construction activities is prepared. Such schedule would set forth interim milestones as well as achievement dates for such milestones.

We have a project management system that monitors the physical and financial progress of the work as compared to the project schedule. Periodic progress reports are prepared at sites by project managers and are reviewed at our headquarters by our project coordinators. These form the basis of monthly invoices which we submit to our customers and the Other Development Entities for their approval and payment. See "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Accounting Policies" on page 287, for a discussion of the revenue recognition policy relating to our EPC services business.

Pricing

Our EPC Contracts expose us to significant construction and cash flow risks. To mitigate these risks, we have developed risk controls that include selective bidding on projects, efficient project management and disciplined cash flow management. We believe that our past ability to manage these risks has been a key factor in our ability to provide solutions for our clients.

The EPC services we provide to our clients vary in a number of aspects, including, among others, in price, quantity and scope. As a result, our EPC Contracts generally provide for one or more of the following provisions:

- *Variable-price provisions:* Contracts which entail supply of certain materials with price escalation clauses, where a variation in the price of raw materials, such as steel or cement, is reimbursed, fully or to a limited degree, based on the purchase price of such product paid by our Company;
- *Owner-supply provisions:* Contracts which entail supply of certain materials, such as steel or cement, by our customer, the owner of the project;
- *Fixed-price provisions:* Contracts which entail our supply of certain materials, such as sand and aggregates, doors and windows, and frames, without price escalation clauses, where management of raw materials is critical to maintaining our material costs;
- *Lump-sum provisions:* Contracts which entail a single or lump sum price for the entire project, subject to variations pursuant to changes in the customer's project requirements; the customer provides all material information relating to the project to enable us to estimate quantities of materials and labour to be used to execute the project, and consequently to determine our bid price; we generally construct residential and office buildings and complexes pursuant to lump-sum provisions;
- *Unit-price provisions:* Contracts which require us to quote prices for each individual item listed on the bill of quantities prepared by the customer at the time of the bid; any variation in the actual bill of quantities items against the amount tendered is compensated at the price provided for at the time of the bid in the bill of quantities; we generally construct industrial buildings and complexes pursuant to unit-price provisions;
- *Turnkey provisions:* Contracts which entail our providing a wide range of EPC services, from designing and engineering through providing finished projects; and

- **Specified scope provisions:** Contracts which require us to provide a limited range of services, such as a contract relating to just maintenance of property; such projects may or may not entail other parties providing other construction services, if any.

Price Variation of Materials and its Effects

Even with respect to variable-price contracts, we may not always be able to recoup the full cost of the raw materials used. For example, the price variation mechanism, if provided for, is generally limited to steel and cement only, and even these raw materials may contain upper thresholds outside of which we may not be reimbursed for any price variation. Any of these may impact upon our final EPC Contract cost and may reduce our margins.

Order Backlog

Our Order Backlog comprises of anticipated EPC Contract revenues from the uncompleted portion of existing EPC Contracts (which are defined as signed contracts for which all pre-conditions to entry into force have been met). The amount of Order Backlog does not necessarily indicate future income related to performance of that work. Owing to changes in project scope and schedule, we cannot predict with certainty when or if the Order Backlog will be performed and will generate revenues. In addition, even when a project proceeds on schedule, it is possible that contracting parties may default and fail to pay amounts owed. There may also be delays associated with collection of receivables from our clients.

Performance Guarantees

In most of our EPC Contracts with new customers (and other than those contracts with the Other Development Entities or pursuant to joint development agreements), we provide performance guarantees to our customers of between 5.00% and 10.00% of the value of the contract. These guarantees are provided in form of bank guarantees prior to the commencement of work. When the work on the contract has been virtually completed (i.e., the customer has occupied the premises but the certificate of completion is yet to be issued) and the customer acknowledges its virtual completion, the performance guarantee is returned. These performance guarantees are project-specific rather than customer-specific, and are therefore returned within three months after the virtual completion of each project, irrespective of how many other projects we continue to undertake for such customer. We generally retain insurance coverage until the repayment of the performance guarantee.

Project Warranties

In most of our EPC Contracts we provide warranties to indemnify for construction defects and faults for a period of 12 months from the date of virtual completion of the project by us. To provide for these warranties, we deliver to our customers bank guarantees or enable them to retain between 2.50% to 5.00% of the total cost of the contract, until the termination of the warranty period. We do not make provisions in our reserves for expenses that could be incurred for the provision of such warranties. We also enter into a back to back warranty arrangement in many cases.

Our Real Estate Development Business

In our real estate development business, we develop a diverse range of projects such as residential and office complexes, shopping malls, multiplexes, hospitality properties, IT parks, community centres and other buildings. As of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects aggregating 4.99 million square feet of Saleable Area. In addition, we have sold land and land development rights aggregating 2.04 million square feet of Saleable Area. The Ongoing and Forthcoming projects developed by us and the Other Development Entities include 51 projects of an aggregate Saleable Area of 55.36 million square feet. Post December 31, 2009, the Company has entered into additional agreements for real estate development projects in the normal course of business.

The following table sets forth our and the Other Development Entities' significant completed real estate development projects (with Saleable Area of more than 0.10 million square feet) as of December 31, 2009:

Project Name	Location	Name of Developer	Relation with developer	Our Interest in the Developer	Project Type	Date of Completion of Construction	Saleable Area (square feet)
Bungalows	Kalyani, Nagar, Pune, Maharashtra	Marigold Premises Private Limited	Associate	50%	Residential	May 2004	200,477

Project Name	Location	Name of Developer	Relation with developer	Our Interest in the Developer	Project Type	Date of Completion of Construction	Saleable Area (square feet)
Ivy Glen	Kalyani, Nagar, Pune, Maharashtra	Marigold Premises Private Limited	Associate	50%	Residential	September 2007	159,979
Marisoft - I	Kalyani, Nagar, Pune, Maharashtra	Marigold Premises Private Limited	Associate	50%	Commercial	March 2003	114,009
Marisoft - III	Kalyani, Nagar, Pune, Maharashtra	Marigold Premises Private Limited	Associate	50%	Commercial	February 2005	265,935
Galaxy Resorts	Goa	Cosmos Premises Private Limited	Subsidiary	90%*	Hospitality	May 2006	244,610
Weikfield – D	Nagar Road, Pune, Maharashtra	Weikfield IT Citi Infopark	AOP	99% in profit and 100% in losses through Vascon and its 100% held Subsidiary, IT Citi Infopark Private Limited after deducting the revenue share of the other member	Commercial	June 2006	450,000
Marisoft - A Lifestyle	Kalyani, Nagar, Pune, Maharashtra	Just Homes Associates	AOP	50% holding in Just Home (I) Private Limited, which is entitled to 100% profit in the AOP after deducting the revenue share of the other member	Commercial / Hospitality	March 2007	144,511
Marisoft - C Ventura	Kalyani, Nagar, Pune, Maharashtra	Just Homes Associates	AOP	50% holding in Just Home (I) Private Limited, which is entitled to 100% profit in the AOP after deducting the revenue share of the other member	Commercial	May 2005	130,440
Al Monte	Kharadi, Pune, Maharashtra	Vascon Engineers Limited	-	-	IT Park	September 2007	332,543

Project Name	Location	Name of Developer	Relation with developer	Our Interest in the Developer	Project Type	Date of Completion of Construction	Saleable Area (square feet)
Hotel	Nagar Road, Pune, Maharashtra	Vascon Engineers Limited	-	-	Hospitality	December 2007	480,000
Zircon	Lohagaon, Pune, Maharashtra	Zircon Ventures	AOP	67% of the revenue	Residential	March 2008	399,996
Weikfield - C	Vadgaon Sheri, Pune, Maharashtra	Weikfield IT Citi Infopark	AOP	99% in profit and 100% in losses through Vascon and its 100% held Subsidiary, IT Citi Infopark Private Limited after deducting the revenue share of the other member	IT Park	October 2008	253,647
Matrix	Shivajinagar, Pune, Maharashtra	Angelica Properties Private Limited	Associate	26%	IT Park	December 2009	413,055

* Represents the equity interest we held in Cosmos Premises Private Limited as on date of completing the project. We currently hold a 43.83% equity interest in Cosmos Premises Private Limited.

Marisoft - III

This is a commercial development and is located at Kalyani Nagar, Pune, Maharashtra. We hold a 50.00% equity interest in Marigold Premises Private Limited, the project specific development company. The project consists of 0.27 million square feet of Saleable Area and houses various IT, software and business process outsourcing business. The project was completed in the fiscal year 2005.

Weikfield

Phase 1 “D” Block

This is a commercial development and is located at Nagar Road, Pune, Maharashtra. The project consists of 0.45 million square feet of Saleable Area and houses software and business process outsourcing businesses. The project was completed in the fiscal year 2007.

Phase 2 “C” Block

This is a commercial development and is located at Nagar Road, Pune, Maharashtra. The project consists of 0.25 million square feet of Saleable Area and houses one tenant for which the building was specifically designed. The project was completed in the fiscal year 2009. Through our 100% owned subsidiary Weikfield IT CITI Info Park Private Limited, we have a combination of revenue and profit share in the developer, Weikfield IT CITI Info Park.

Zircon - Residential

This is a residential development located at Lohagaon, Nagar Road, Pune, Maharashtra. We hold a revenue share of 67.00% in Zircon Ventures that has developed the project. The project consists of 0.40 million square feet of Saleable Area and consists of nine residential buildings. The project was completed in the fiscal year 2008 and we received the Loksatta Artists in the Concrete Award (residential – space planning), the Loksatta Artists in Concrete Award (residential – natural resource utilisation) and the Cityscape India Real Estate Award-Best Developers (Residential Built) for this development.

Bungalows

This was a residential development and was located in Kalyani, Nagar, Pune, Maharashtra. We hold a 50% equity interest in Marigold Premises Private Limited, the project specific development company. The project consisted of 200,477 square feet of Saleable Area. The project was completed in May 2004.

Ivy Glen

This was a residential development and was located in Kalyani, Nagar, Pune, Maharashtra. We hold a 50% equity interest in Marigold Premises Private Limited, the project specific development company. The project consisted of 159,979 square feet of Saleable Area. The project was completed in September 2007.

Marisoft-I

This was a commercial development and was located in Kalyani, Nagar, Pune, Maharashtra. We hold a 50% equity interest in Marigold Premises Private Limited, the project specific development company. The project consisted of 114,009 square feet of Saleable Area. The project was completed in March 2003.

Galaxy Resorts

This was a hospitality development and was located in Goa. We held a 90% equity interest in Cosmos Premises Private Limited, the project specific development company, as on the date of completing the project. The project consisted of 244,610 square feet of Saleable Area. The project was completed in May 2006.

Marisoft – A Lifestyle

This was a commercial and hospitality development and was located in Kalyani, Nagar, Pune, Maharashtra. Our equity interest in the project specific development company, Just Homes Associates, amounted to 50% holding in Just Homes (I) Private Limited, which is entitled to 100.00% profit in the AOP after deducting the revenue share of the other member. The project consisted of 144,511 square feet of Saleable Area. The project was completed in March 2007.

Marisoft – C Ventura

This was a commercial development and was located in Kalyani, Nagar, Pune Maharashtra. Our equity interest in the project specific development company, Just Homes Associates, amounted to 50% holding in Just Homes (I) Private Limited, which is entitled to 100% profit in the AOP after deducting the revenue share of the other member. The project consisted of 130,440 square feet of Saleable Area. The project was completed in May 2005.

Al Monte

This was a IT Park development and was located in Kharadi, Pune, Maharashtra. We were the developers of this project. The project consisted of 332,543 square feet of Saleable Area. The project was completed in September 2007.

Hotel

This was a hospitality development and was located in Nagar Road, Pune, Maharashtra. We were the developers of this project. The project consisted of 480,000 square feet of Saleable Area. The project was completed in December 2007.

Matrix

This was a IT Park development and was located in Shivajinagar, Pune, Maharashtra. We hold a 26% equity interest in Angelica Properties Private Limited, the project specific development company. The project consisted of 413,055 square feet of Saleable Area. The project was completed in December 2009.

The following table sets forth our and the Other Development Entities' Ongoing and Forthcoming Projects as of December 31, 2009:

Project Name	Location	Name of Developer	Relation with Developer	Our Interest in the Developer	Economic Model	Project Type	Expected Date of Completion of Construction	Saleable Area (square feet)
Forest Hills	Kharadi, Pune, Maharashtra	Ajanta Enterprises	Partnership Firm	30%	Profit	Residential Phase I	September 2013	1,496,000
Forest Hills	Kharadi, Pune,	Ajanta Enterprises	Partnership Firm	30%	Profit	Residential Phase II	December 2014	1,507,869

Project Name	Location	Name of Developer	Relation with Developer	Our Interest in the Developer	Economic Model	Project Type	Expected Date of Completion of Construction	Saleable Area (square feet)
Forest Hills	Maharashtra Kharadi, Pune, Maharashtra	Ajanta Enterprises	Partnership Firm	30%	Profit	Commercial Phase I	December 2014	694,000
Forest Hills	Kharadi, Pune, Maharashtra	Ajanta Enterprises	Partnership Firm	30%	Profit	Commercial Phase II	June 2015	650,000
Willows	Balewadi, Pune, Maharashtra	Vascon Engineers Limited			Revenue	Residential	September 2012	1,337,686
Weikfield IT Citi Infopark	Vadgaon Sheri, Pune, Maharashtra	Weikfield IT Citi Infopark	AOP	99% in profit and 100% in losses through Vascon and its 100% subsidiary, IT Citi Infopark Private Limited, after deducting the revenue share of the other member	Revenue	IT Park	March 2011	296,353
Weikfield IT Citi Infopark	Vadgaon Sheri, Pune, Maharashtra	Weikfield IT Citi Infopark	AOP	99% in profit and 100% in losses through Vascon and its 100% subsidiary, IT Citi Infopark Private Limited after deducting the revenue share of the other member	Revenue	Hospitality	March 2011	200,000
Windmere	Sangamwadi, Pune, Maharashtra	Vascon Engineers Limited			Revenue	Apartments	September 2014	300,000
Windmere	Sangamwadi, Pune, Maharashtra	Vascon Engineers Limited			Revenue	Commercial	September 2014	122,973
Matrix	Shivajinagar, Pune, Maharashtra	Angelica Properties Private Limited	Associate	26%	Profit	Hospitality / Commercial	March 2011	250,000
Zenith	Kharadi, Pune,	Zenith Ventures	AOP	100%	Revenue	Commercial	September 2013	761,751

Project Name	Location	Name of Developer	Relation with Developer	Our Interest in the Developer	Economic Model	Project Type	Expected Date of Completion of Construction	Saleable Area (square feet)
Phoenix Ventures	Maharashtra Hinjewadi, Pune, Maharashtra	Phoenix Ventures	AOP	50%	Profit	IT/ Commercial	December 2011	500,000
Spring Field	Mhalunge, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Residential	September 2015	656,602
Spring Field	Mhalunge, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Commercial	June 2016	400,000
Spring Field	Mhalunge, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Commercial	December 2016	220,000
Marisoft Annex	Vadgaon Sheri, Pune, Maharashtra	Just Homes Associates	AOP	50% holding in Just Home (I) Private Limited which is entitled to 100% profit in the AOP after deducting the revenue share of other member	Revenue	Commercial	September 2012	300,000
Zircon	Lohagoan, Pune, Maharashtra	Zircon Ventures	AOP	100%	Revenue	Residential	April 2011	50,000
Marigold	Vadgaon Sheri, Pune, Maharashtra	Marigold Premises Private Limited	Associate	50%	Profit	Residential	December 2014	1,207,956
Excel - Hadapsar	Hadapsar, Pune, Maharashtra	Vascon Engineers Limited			Profit	Commercial	August 2011	150,000
Holiday Inn	Mhalunge, Pune Maharashtra	Viorica Properties Private Limited	Associate	32.68%	Profit	Hospitality / Commercial	April 2010	250,000
Calypso	Kharadi, Pune, Maharashtra	Calypso Premises Private Limited	Subsidiary	63.01%	Profit	Apartments	October 2015	1,629,496
Calypso	Kharadi, Pune, Maharashtra	Calypso Premises Private Limited	Subsidiary	63.01%	Profit	Commercial	February 2016	1,000,000
Tulips Dwellings	Undri, Pune, Maharashtra	Vascon Dwellings Private Limited	Subsidiary	100%	Revenue	Residential	December 2015	459,411
V Tech IT Park	Wadala, Nashik, Maharashtra	Vascon Dwellings Private Limited	Subsidiary	100%	Revenue	IT / Commercial	April 2012	700,000
Silver Spring	Wadala,	Vascon	Subsidiary	100%	Profit	Hospitality	October	300,000

Project Name	Location	Name of Developer	Relation with Developer	Our Interest in the Developer	Economic Model	Project Type	Expected Date of Completion of Construction	Saleable Area (square feet)
	Nashik, Maharashtra	Dwellings Private Limited				/ Commercial	2014	
Vista	Wadala, Nashik, Maharashtra	Vascon Dwellings Private Limited	Subsidiary	100%	Profit	Residential	September 2012	565,401
Vista Annex	Wadala, Nashik, Maharashtra	Vascon Dwellings Private Limited	Subsidiary	100%	Profit	Residential / Service Apartment	June 2014	172,079
Caladium - Bavdhan	Bavdhan, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Villas	December 2017	1,073,000
Caladium - Bavdhan	Bavdhan, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Residential	December 2017	1,788,000
Caladium - Bavdhan	Bavdhan, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	IT	December 2016	1,430,000
Caladium - Bavdhan	Bavdhan, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Commercial	December 2017	1,073,000
Caladium - Bavdhan	Bavdhan, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Hospitality	December 2017	429,000
Golden Nest Annex	Vadgaon Sheri, Pune, Maharashtra	Just Home (I) Private Limited	Associate	50%	Profit	Commercial	December 2011	60,000
Venus	Wagholi, Pune, Maharashtra	Vascon Engineers Limited			Profit	Township	March 2015	350,000
Symphony, Thane	Thane, Maharashtra	Mumbai Estates Private Limited	Associate	44.44%	Profit	Township (Residential)	December 2027	18,964,281
Bizarre Village	Neelambur, Coimbatore, Tamil Nadu	Vascon Pricol Infrastructure Limited	Subsidiary	70%	Revenue	Residential / Commercial	December 2015	2,200,000
Nucleus - Belgaum	Belgaum, Karnataka	Vascon Engineers Limited	-	-	Revenue	Commercial (Mall)	February 2011	150,000
Hotel Project - Airport Road - Coimbatore	Kalapatti, Coimbatore, Tamil Nadu	Vascon Pricol Infrastructure Limited	Subsidiary	70%	Profit	Hospitality	September 2013	150,000
Nucleus - Zirakpur	Bhishanpura, Zirakpur, Punjab	Vascon Engineers Limited	-	-	Revenue	Commercial / Hospitality	January 2014	250,000
Greystone - Aurangabad	Birajwadi, Aurangabad, Maharashtra	Marathwada Realtors Private Limited, John Fowler Ophthalmics Private Limited, Almet Corporation	Associate	49%	Profit	IT Park / Commercial / Hospitality	December 2014	1,400,000

Project Name	Location	Name of Developer	Relation with Developer	Our Interest in the Developer	Economic Model	Project Type	Expected Date of Completion of Construction	Saleable Area (square feet)
Vascon City Gold Ahmedabad	Sanand, Ahmedabad, Gujarat	Limited Greystones Premises Private Limited	Subsidiary	65%	Revenue	IT Park (SEZ)	December 2014	2,650,000
Nucleus, Coimbatore	Sowripalayam, Coimbatore, Tamil Nadu	Vascon Pricol Infrastructure Limited	Subsidiary	70%	Revenue	Hospitality / Commercial (Mall)	December 2014	450,000
Daffodil	Village Raia, Salcete, Goa	Vascon Engineers Limited	-	-	Profit	Residential	September 2015	461,649
Green Park	Village Varale, Pune, Maharashtra	Vascon Engineers Limited	-	-	Revenue	Residential / Commercial	December 2017	3,500,000
Katvi	Maval, Pune, Maharashtra	Vascon Engineers Limited	-	-	Profit	Residential	September 2013	300,000
Katvi	Maval, Pune, Maharashtra	Vascon Engineers Limited	-	-	Profit	Commercial	September 2013	170,000
Madurai	Madurai, Tamilnadu	Vascon Engineers Limited	-	-	Revenue	Hospitality	December 2016	270,000
Madurai	Madurai, Tamilnadu	Vascon Engineers Limited	-	-	Revenue	Residential	July 2016	952,000
Madurai	Madurai, Tamilnadu	Vascon Engineers Limited	-	-	Revenue	Commercial	December 2016	400,000
Hyderabad	Hyderabad, Andhra Pradesh	Floriana Properties Private Limited	Subsidiary	100%	Revenue	Commercial/Residential	December 2014	600,000
Sayali	Daund, Pune, Maharashtra	Vascon Engineers Limited	-	-	Profit	Residential	March 2013	110,008

V Tech IT Park

This is a commercial development project located at Wadala, Nashik, Maharashtra, with approximately 0.70 million square feet of Saleable Area. On completion, the project will house IT and ITES clients. The project is developed by Vascon Dwellings Private Limited a 100.00% subsidiary of ours, under a joint venture arrangement with the land owner and Vascon Dwellings Private Limited. The project will be completed in phases and the entire project is expected to be completed by April 2012.

Forest Hills – Residential (Phase I and II) and Commercial (Phase I and II)

This is a residential and commercial project located at Kharadi, Pune, Maharashtra with a planned Saleable Area of approximately 4.35 million square feet to be constructed on approximately 51.29 acres. The project is being developed in phases over a period of six years and is expected to cater for approximately 3.00 million square feet of residential apartments. This development is being undertaken through a partnership firm in which we hold an equity interest of 30.00%.

Willows

This is a residential development project located at Balewadi, Pune, Maharashtra, with a planned total Saleable Area of approximately 1.34 million square feet to be constructed on approximately 15.77 acres. The project will be developed in phases. Construction of Phase I commenced during October 2007. On completion, the project

will house luxurious apartments and penthouses with terrace gardens. The project is expected to be completed by the fiscal year 2012.

Weikfield IT Citi Infopark

This is a IT Park development and is located in Vadgaon Sheri, Pune, Maharashtra. Our interest in the project specific development company, Weikfield IT Citi Infopark, amounts to 99% in profit and 100% in losses through us and our 100% subsidiary, IT Citi Infopark Private Limited, after deducting the revenue share of the other member. We have a revenue-based economic model for the project. The project consists of 296,353 square feet of Saleable Area. The project is expected to be completed by March 2011.

Weikfield IT Citi Infopark

This is a hospitality development and is located at Vadgaon Sheri, Pune, Maharashtra. Our interest in the project specific development company, Weikfield IT Citi Infopark, amounts to 99% in profit and 100% in losses through us and our 100% subsidiary, IT Citi Infopark Private Limited, after deducting the revenue share of the other member. We have a revenue-based economic model for the project. The project consists of 200,000 square feet of Saleable Area. The project is expected to be completed by March 2011.

Windmere

This is a residential development and is located in Sangamwadi, Pune, Maharashtra. We are the developers for this project. We have a revenue-based economic model for the project. The project consists of 300,000 square feet of Saleable Area. The project is expected to be completed by September 2014.

Windmere

This is a commercial development and is located in Sangamwadi, Pune, Maharashtra. We are the developers for this project. We have a revenue-based economic model for the project. The project consists of 122,973 square feet of Saleable Area. The project is expected to be completed by September 2014.

Matrix

This is a hospitality/commercial development and is located in Shivajinagar, Pune, Maharashtra. We hold a 26% equity interest in Angelica Properties Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 250,000 square feet of Saleable Area. The project is expected to be completed by March 2011.

Zenith

This is a commercial development and is located in Kharadi, Pune, Maharashtra. Our interest in the project specific development company, Zenith Ventures, amounts to 100.00%. We have a revenue-based economic model for the project. The project consists of 761,751 square feet of Saleable Area. The project is expected to be completed by September 2013.

Phoenix Ventures

This is a IT/commercial development and is located in Hinjewadi, Pune, Maharashtra. We hold a 50% equity interest in Phoenix Ventures, the project specific development company. We have a profit-based economic model for the project. The project consists of 500,000 square feet of Saleable Area. The project is expected to be completed by December 2011.

Spring Field

We are developing the following projects in Caladium, Mhalunge, Pune, Maharashtra:

- A residential development which has a revenue-based economic model for the project. The project consists of 656,602 square feet of Saleable Area. The project is expected to be completed by September 2015.
- A commercial development which has a revenue-based economic model for the project. The project consists of 400,000 square feet of Saleable Area. The project is expected to be completed by June 2016.
- A commercial development which has a revenue-based economic model for the project. The project consists of 220,000 square feet of Saleable Area. The project is expected to be completed by December 2016.

Marisoft Annex

This is a commercial development and is located in Vadgaon Sheri, Pune, Maharashtra. Our interest in the project specific development company, Just Homes Associates, amounts to 50% holding in Just Homes

Associates (I) Private Limited which is entitled to 100% profit in the AOP after deducting the revenue share of other member. We have a revenue-based economic model for the project. The project consists of 300,000 square feet of Saleable Area. The project is expected to be completed by September 2012.

Zircon

This is a residential development and is located in Lohagoan, Pune, Maharashtra. We hold a 100.00% equity interest in Zircon Ventures, the project specific development company. We have a revenue-based economic model for the project. The project consists of 50,000 square feet of Saleable Area. The project is expected to be completed by April 2011.

Marigold

This is a residential development and is located in Vadgaon Sheri, Pune, Maharashtra. We hold a 50% equity interest in Marigold Premises Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 1,207,956 square feet of Saleable Area. The project is expected to be completed by December 2014.

Excel - Hadapsar

This is a commercial development and is located in Hadapsar, Pune, Maharashtra. We are the developers for this project. We have a profit-based economic model for the project. The project consists of 150,000 square feet of Saleable Area. The project is expected to be completed by August 2011.

Holiday Inn

This is a hospitality and commercial development and is located in Mhalunge, Pune, Maharashtra. We hold a 32.68%% equity interest in Viorica Properties Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 250,000 square feet of Saleable Area. The project is expected to be completed by April 2010.

Calypso

- This is a residential development and is located in Kharadi, Pune, Maharashtra. We hold a 63.01% equity interest in Calypso Premises Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 1,629,496 square feet of Saleable Area. The project is expected to be completed by October 2015.
- This is a commercial development and is located in Kharadi, Pune, Maharashtra. We hold a 63.01% equity interest in Calypso Premises Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 1,000,000 square feet of Saleable Area. The project is expected to be completed by February 2016.

Tulips Dwellings

This is a residential development and is located in Undri, Pune, Maharashtra. We hold a 100.00% equity interest in Vascon Dwellings Private Limited, the project specific development company. We have a revenue-based economic model for the project. The project consists of 459,411 square feet of Saleable Area. The project is expected to be completed by December 2015.

Silver Spring

This is a hospitality and commercial development and is located in Wadala, Nashik, Maharashtra. We hold a 100.00% equity interest in Vascon Dwellings Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 300,000 square feet of Saleable Area. The project is expected to be completed by October 2014.

Vista

This is a residential development and is located in Wadala, Nashik, Maharashtra. We hold a 100.00% equity interest in Vascon Dwellings Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 565,401 square feet of Saleable Area. The project is expected to be completed by September 2012.

Vista Annex

This is a residential and serviced apartments development and is located in Wadala, Nashik, Maharashtra. We hold a 100.00% equity interest in Vascon Dwellings Private Limited, the project specific development company.

We have a profit-based economic model for the project. The project consists of 172,079 square feet of Saleable Area. The project is expected to be completed by June 2014.

Caladium - Bavdhan

We are developing the following projects at Caladium, Bavdhan, Pune, Maharashtra:

- An IT development which has a revenue-based economic model for the project. The project consists of 1,430,000 square feet of Saleable Area. The project is expected to be completed by December 2016.
- A residential (villas) development which has a revenue-based economic model for the project. The project consists of 1,073,000 square feet of Saleable Area. The project is expected to be completed by December 2017.
- A residential development which has a revenue-based economic model for the project. The project consists of 1,788,000 square feet of Saleable Area. The project is expected to be completed by December 2017.
- A commercial development which has a revenue-based economic model for the project. The project consists of 1,073,000 square feet of Saleable Area. The project is expected to be completed by December 2017.
- A hospitality development which has a revenue-based economic model for the project. The project consists of 429,000 square feet of Saleable Area. The project is expected to be completed by December 2017.

Golden Nest Annex

This is a commercial development and is located in Vadgaon Sheri, Pune, Maharashtra. We hold a 50% equity interest in Just Home (I) Private Limited, the project specific development company. We have a revenue-based economic model for the project. The project consists of 60,000 square feet of Saleable Area. The project is expected to be completed by December 2011.

Venus

This is a township development and is located in Wagholi, Pune, Maharashtra. We are the developers for this project and have a profit-based economic model for the project. The project consists of 350,000 square feet of Saleable Area. The project is expected to be completed by March 2015.

Symphony, Thane

This is a township (residential) development and is located in Thane, Maharashtra. We hold a 44.44% equity interest in Mumbai Estates Private Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 18,964,281 square feet of Saleable Area. The project is expected to be completed by December 2027.

Bizarre Village

This is a residential and commercial development and is located in Neelambur, Coimbatore, Tamil Nadu. We have a 70% equity interest in Vascon Pricol Infrastructure Limited, the project specific development company. We have a revenue-based economic model for the project. The project consists of 2,200,000 square feet of Saleable Area. The project is expected to be completed by December 2015.

Nucleus - Belgaum

This is a commercial (mall) development and is located in Belgaum, Karnataka. We are the developers for this project and have a revenue-based economic model for the project. The project consists of 150,000 square feet of Saleable Area. The project is expected to be completed by February 2011.

Hotel Project – Airport Road - Coimbatore

This is a hospitality development and is located in Kalapatti, Coimbatore, Tamil Nadu. We hold a 70% equity interest in Vascon Pricol Infrastructure Limited, the project specific development company. We have a profit-based economic model for the project. The project consists of 150,000 square feet of Saleable Area. The project is expected to be completed by September 2013.

Nucleus - Zirakpur

This is a commercial/hospitality development and is located in Bhishanpura, Zirakpur, Punjab. We are the developers for this project. We have a revenue-based economic model for the project. The project consists of 250,000 square feet of Saleable Area. The project is expected to be completed by January 2014.

Greystone Aurangabad

This is a IT park, commercial and hospitality development and is located in Birajwadi, Aurangabad, Maharashtra. We own a 49% equity interest in the project which is developed by Marathwada Realtors Private Limited, John Fowler Ophthalmics Private Limited and Almet Corporation Limited. We have a profit-based economic model for the project. The project consists of 1,400,000 square feet of Saleable Area. The project is expected to be completed by December 2014.

Vascon City Gold Ahmedabad

This is a IT Park (SEZ) development and is located in Sanand, Ahmedabad, Gujarat. We hold a 65% equity interest in Greystone Premises Private Limited, the project specific development company. We have a revenue-based economic model for the project. The project consists of 2,650,000 square feet of Saleable Area. The project is expected to be completed by December 2014.

Nucleus Coimbatore

This is a hospitality and commercial (mall) development and is located in Sowripalayam, Coimbatore, Tamil Nadu. We hold a 70% equity interest in Vascon Pricol Infrastructure Limited, the project specific development company. We have a revenue-based economic model for the project. The project consists of 450,000 square feet of Saleable Area. The project is expected to be completed by December 2014.

Daffodil

This is a residential development and is located in the village Raia, Salcete, Goa. We are the developers for this project. We have a profit-based economic model for the project. The project consists of 461,649 square feet of Saleable Area. The project is expected to be completed by September 2015.

Green Park

This is a residential and commercial development and is located in the village Varale, Pune, Maharashtra. We are the developers for this project. We have a revenue-based economic model for the project. The project consists of 3,500,000 square feet of Saleable Area. The project is expected to be completed by December 2017.

Katvi

- This is a residential development and is located in Maval, Pune, Maharashtra. We are the developers for this project and have a profit-based economic model for the project. The project consists of 300,000 square feet of Saleable Area. The project is expected to be completed by September 2013.
- This is a commercial development and is located in Maval, Pune, Maharashtra. We are the developers for this project and have a profit-based economic model for the project. The project consists of 170,000 square feet of Saleable Area. The project is expected to be completed by September 2013.

Madurai

We are developing the following projects in Madurai, Tamil Nadu:

- A hospitality development which has a revenue-based economic model for the project. The project consists of 270,000 square feet of Saleable Area. The project is expected to be completed by December 2016.
- A residential development which has a revenue-based economic model for the project. The project consists of 952,000 square feet of Saleable Area. The project is expected to be completed by July 2016.
- A commercial development which has a revenue-based economic model for the project. The project consists of 400,000 square feet of Saleable Area. The project is expected to be completed by December 2016.

Hyderabad

This is a commercial and residential development and is located in Hyderabad, Andhra Pradesh. We hold a 100.00% equity interest in Floriana Properties Private Limited, the project specific development company. We have a revenue-based economic model for the project. The project consists of 600,000 square feet of Saleable Area. The project is expected to be completed by December 2014.

Sayali

This is a residential development and is located in Daund, Pune, Maharashtra. We are the developers for this project and have a profit-based economic model for the project. The project consists of 110,008 square feet of Saleable Area. The project is expected to be completed by March 2013.

Development Structures and Revenue and Profit Sharing

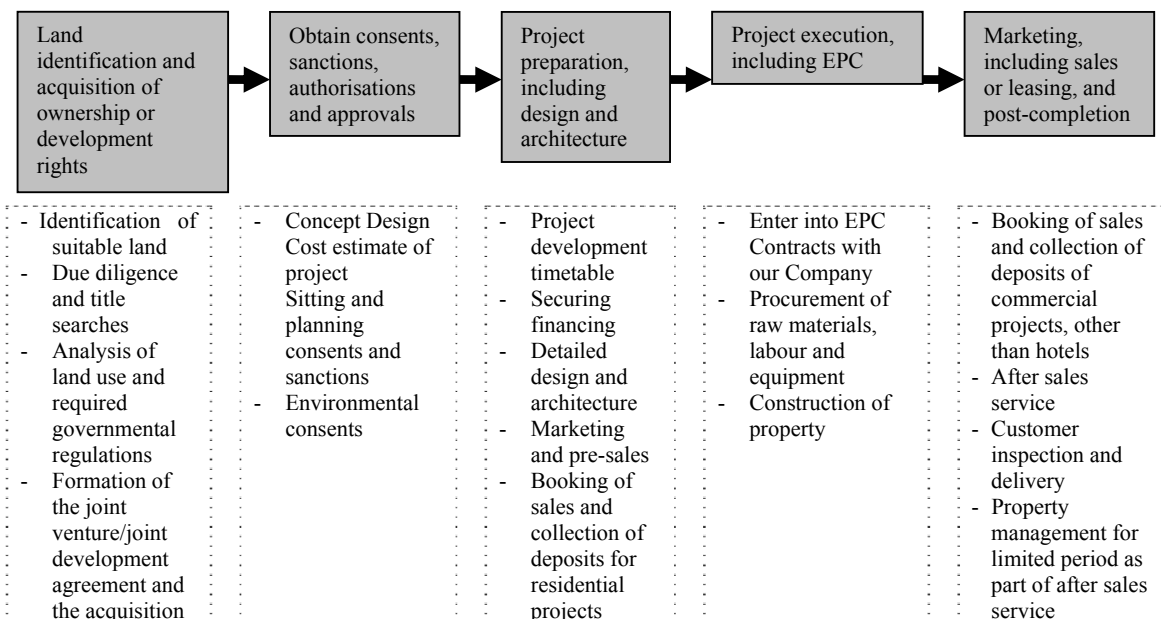
We conduct our real estate development business directly, through Subsidiaries or Other Development Entities in which we hold equity interest. We and these entities, in turn, enter into joint development or other agreements to develop the properties.

In most of our development projects, we or the Other Development Entities, obtain the right to construct and develop on the selected portion of land from the owner of such land in exchange for the land-owner either sharing a pre-determined portion of the revenues or profits generated from such development. In revenue sharing joint development projects, instead of sharing revenues, the owner may acquire the pre-determined portion of the eventually built-up properties constructed on such land. A majority of our developments are based on the revenue sharing model. The split between us and the Other Development Entities and the other parties in a revenue sharing model is determined on basis of a number of factors such as the cost of land, the EPC services costs, the provision and need for our sales, marketing and other services and the type and location of the project. The split between us and the Other Development Entities and the other parties in a profit sharing model is also determined on basis of a number of factors as such as the cost of land and the type and location of the project.

The joint development mechanism is evidenced by a registered joint development or other agreement which provides for the apportionment of the revenues (or planned built up area) between the parties to the agreement, who are usually the owner of the lands on which the constructions are being erected and us the Other Development Entities. The joint development agreement outlines the mutual responsibilities of the parties in the development and usually includes a description of the manner in which the consideration to be paid under the terms of the agreement is to be shared, provisions requiring delivery of original title documentation and the execution of one or more general powers of attorney enabling us to carry out the joint development, provisions relating to the grant of licenses to gain access to the property for the purposes of development and, at times, the provision of advances, in form of security deposits to the land-owners. Typically, we or the Other Development Entities, do not acquire any title to the land in respect of which a joint development agreement is being executed pending the completion of construction thereon. However, the terms of our joint development agreements with the land-owners incorporate mechanisms intended to protect our investments in the development of the said properties.

Project Execution

We utilise a five-stage execution methodology for our development projects, consisting of land identification and acquisition, obtaining consents, authorisations and approvals required for development, project preparation, project management and execution and marketing and post-completion. A summary of the activities involved in these five stages of project development phases is set out in the following chart.



of the land

Land Identification and Acquisition of Ownership Interests or Development Rights

We have a dedicated team that analyses and monitors existing and future customer profiles and requirements, industry economics, property market trends and government policies. This team identifies areas which have future development potential. We also use the feedback we receive from customers, along with our relationships with property consultants, constructors, sub-contractors and suppliers, to assess future market demand and industry outlook. After we have identified a potential development site, we evaluate and estimate the costs which will be incurred for the development project. This process is jointly undertaken by our engineering department and our team which identified the land.

Prior to undertaking each project, we conduct due diligence and assessment exercises in relation to immovable properties and financial viability of the project. Once we have identified a plot which may be suitable for development, our local lawyers, conduct due diligence investigations in respect of land we desire to develop, including a review of land records, planning records and ownership records, and publish a notice in newspapers soliciting objections from persons claiming ownership of the land. Assuming that our investigations show no significant problems with the identified land, we will enter into negotiations to seek to reach a preliminary agreement with the landowners, either to acquire the underlying land ourselves or to enter into a joint development agreement with them. Formal conveyance of land by the seller (at which time stamp duty becomes payable), for acquisitions of land, is completed only shortly before construction is due to start and after all requisite governmental consents and approvals have been obtained.

Obtaining Consents, Authorisations and Approvals

Once we have identified and reached an agreement to acquire title or development rights to the land, we seek requisite governmental and regulatory consents, sanctions, authorisations and approvals, including sitting, development plan and environmental approvals. We have considerable experience in working with governmental and regulatory authorities to obtain such approvals. This experience has given us a good understanding of the regulatory regime in which we operate, thereby enabling us to obtain requisite approvals on a timely basis and to obtain approval for the development of the maximum permitted square footage given the size of each plot.

Project Preparation, including Design and Architecture

At this stage, we obtain financing for the project. We fund all of our projects through project-specific bank borrowings, which are repayable at the end of each project. We work with several different Indian banks to satisfy our working capital needs in respect of our projects.

We employ a large, experienced team of architects and engineers and, after a detailed review of the site parameters, project cost estimate and project development timetable, we formalise an architectural brief which is subsequently finalised either internally or with selected external architects and consultants, depending on the size and complexity of the project.

A significant number of our residential development units are pre-sold prior to completion of the development. In connection with our pre-sales of residential units, we require that customers pay advances on the purchase price, which advances our residential customers are required to pay in phases as we progress through various milestones or stages of construction of their residential unit. Our sales and marketing department is responsible for the booking of sales once customers are identified and collects all customer deposits.

Project Execution, including EPC Services

The Other Development Entities enter into an EPC Contract or work order with our Company for the providing EPC services for the project. See also “Our Business– Our EPC Services Business” on page 72.

We have also mechanised many of the processes involved in our businesses. Mechanisation of construction work is standard practice in highly industrialised or developed economies. Presently, in India, mechanisation is only used for large scale construction projects. Mechanisation helps us improve discipline, efficiency, safety and quality of construction work. We have adopted mechanisation through the following systems listed below. The advantages offered by each system have helped us control cost and improve quality and efficiency of construction work at our construction sites.

Tower Cranes: Tower cranes are useful in transferring large volumes of material to a point of use on a construction site safely. Tower cranes allow us to transfer material from the point of unloading to the point of use, thus reducing repetitive handling. For construction work where we construct highrise buildings on small parcels of land, we use internal climbing tower cranes.

Concrete Placer Boom: A concrete placer boom is a remote controlled robotic arm with a reach of up to 34 metres used to deliver concrete within a radius of 30 metres directly from a concrete pump. It can be used to deliver concrete accurately for a substantial portion of the floor plate. Concrete placer booms have helped us to substantially reduce the manpower used in concrete placement. In addition, they increase the speed of concreting which in turn reduces the cycle time between slabs. Such speed and efficiency is particularly important in the construction of the structural foundation in highrise buildings.

Automated Stirrup Making Machine: Automated stirrup making machines allow us to produce different types of dimensionally accurate stirrups in a very short period of time, which in turn helps us to minimise the wastage of steel and reduce the use of manpower, inventories and storage space on site.

System Shuttering: System shuttering allows us to reduce our dependency on skilled carpenters and minimizes damage to shuttering material, while maintaining uniformity in the size, shape and dimensional accuracy in the work process. System shuttering also increases site safety standards and enables the use of integrated work platforms in the construction of highrise buildings.

Marketing, including Sales or Leasing, and Post-completion

Our sales and marketing department is responsible for procuring customers, both sales and rental, for the units in our developments and for conducting pre-sales. Most of our units are sold or leased through word of mouth, we also market our units through marketing techniques such as newspapers, internet and billboard advertising, launch events, exhibitions and corporate presentations. We also engage on an exclusive basis the services of real estate brokers and selling agents in connection with the sale and lease of our developments. We seek to foster good relations with our customers. In each of our developments, we provide our customers with a pre-occupancy inspection accompanied by our site engineers.

Units in our commercial developments (not including hotels, which we operate directly or through the Other Development Entities), are sold or leased around the time of completion of the development. In connection with our sales of commercial units, we may require that customers pay advances on the purchase price at the time of entering into the sale and purchase agreement. Our sales and marketing department is responsible for the booking of sales once customers are identified and collects all customer deposits.

For our hotels, we make on-site reservations and also work with travel and tour agents for reservations. We have also entered into an agreement with Resort Condominiums International for the use of our resort, Vista Do Rio in Goa.

For some of our commercial and retail properties, depending on the nature of the project and if required by our customers, we provide maintenance services of such property. In relation to our residential developments, we provide property management services for a limited time, until the formation of a residents association for each of our residential projects.

Project Warranties

In most of our real estate development projects, we and the Other Development Entities provide warranties for periods ranging from 12 to 36 months after the date of completion of the development. We do not make provisions in our reserves for expenses expected to be incurred for the provision of such warranties.

Hospitality

For some of our projects, we not only provide EPC services and real estate development services, but also continue to own or operate such projects subsequent to their completion.

As part of our real estate development business, we and the Other Development Entities have equity interests in five hospitality properties, out of which three are completed and two are under construction. For example, we own the Vista do Rio, and through our Subsidiaries or the Other Development Entities, we currently own an interest in the Galaxy Resorts in Goa and the Golden Suites service apartment complex in Pune. The two hospitality properties we are developing are located in Pune, Maharashtra, one of which will be operated under the Holiday Inn brand and the other through an entity in which we hold a 26.00% equity interest. Such business is expected to provide us with a steady source of revenues from leasing and hospitality operations.

Vista do Rio

The Vista Do Rio is a Resort Condominiums International affiliated resort which was developed by us and is wholly-owned by us. The project is located at Panaji, Goa. Vista Do Rio consists of 47 furnished rooms that provide a range of amenities. It has a total Saleable Area of 69,360 square feet and was completed in 1997. It is operated by Conamore Resorts Private Limited. Vista Do Rio Resort is a Gold Crown Award winner for the

year 2009-2010 and won the Resort of International Distinction Award - 2005 from Resort Condominiums International USA.

Royal Orchid - Galaxy Resorts

The Royal Orchid - Galaxy Resorts was developed by us through our affiliate Cosmos Premises Private Limited in which we currently hold a 43.83% equity interest. The resort is located on the Uttorda Beach, Goa and consists of 65 rooms. The project was constructed on a total saleable area of 244,610 sq. ft. and construction was completed in fiscal year 2007. The resort is managed and operated by Royal Orchids under a management contract.

Royal Orchids -Golden Suites

Royal Orchids Golden Suites are serviced apartments which was developed by us through Just Homes (India) Private Limited in which we currently hold a 50.00% equity interest. The project is located at Kalyani Nagar, Pune, Maharashtra and consists of 71 studio and one bedroom apartments. The project was completed in fiscal year 2007 and has a total Saleable Area of 56,004 square feet. The serviced apartments provide a number of facilities and amenities to tenants. The project is operated and managed by Royal Orchids under a management contract.

Infrastructure Development

We currently hold a 24.00% equity interest in Vascon Infrastructure Limited, a company that intends to focus on infrastructure development such, as roads in India.

Competition

We operate our EPC services business in an intensely competitive environment. We face significant competition in our business from other Indian EPC services and infrastructure development companies. The extent of the competition we face in a potential project depends on a number of factors, such as the sector, the size and type of project, contract value and potential margins, the complexity and location of the project, the reputation of the client and the risks relating to revenue generation. While technical qualification is an important consideration in client decision, the price of the contract is the determinative factor in most tender awards. The contract is usually awarded to the bidder quoting the lowest price. As a result of this competition, we face intense margin pressure from existing competitors and new entrants, which could have an adverse effect on our financial condition and prospects. Our competitors include, amongst others, the Shapoorji Pallonji Group, Ahluwalia Contracts (India) Limited, BL Kashyap & Sons Limited, Larsen & Toubro Limited and Consolidated Construction Consortium Limited.

We also face significant competition in our real estate development business from other developers, many of whom undertake similar projects within the same regional markets as us. Given the fragmented nature of the real estate development industry, we often do not have adequate information about the projects our competitors are developing and accordingly, we run the risk of underestimating supply in the market. Our business plan is to expand across India; however, our operations have historically focused on the Maharashtra state region. As we seek to 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 landowners and international or domestic joint venture partners, gain early access to information regarding attractive parcels of land and be better placed to acquire such land. We and certain of our tenants compete with other retail distribution channels, including department stores and malls, in attracting customers. Moreover, we compete with an increasing number of commercial real estate developers. In our hospitality properties joint ventures, we compete with other hotels and service apartments operating in the neighbourhoods where our joint ventures' hotels are located. Increasing competition could result in price and supply volatility, which could cause our business to suffer. Our competitors in the real estate development sector include, in addition to our competitors in our EPC services business, Sobha Developers Limited, DLF Limited, Akruti Nirman Limited, and K Raheja Universal.

Environment, Health and Safety

We believe that we are generally in compliance with applicable environmental laws and regulations. We are not currently a party to any environmental proceedings which, if adversely determined, would reasonably be expected to have a material adverse effect on our financial condition or results of operations.

We comply with applicable health, safety and environmental legislations and other requirements in our operations. To ensure the effective implementation of our practices, we seek to identify at every project all hazards at the beginning of our work on a project, evaluate the associated risks and institute and monitor appropriate controls and methods.

We believe that all accidents and occupational health hazards can be prevented through systematic analysis and control of risks and by providing appropriate training to employees, subcontractors and communities. We encourage our employees to work constantly and proactively towards eliminating or minimising the impact of hazards to people and the environment. We encourage the adoption of occupational health and safety procedures as an integral part of our operations.

Information Technology

We use a number of standard and commercially available software in our operations. Moreover, we have implemented SAP enterprise resource planning system to streamline operations, improve productivity and reduce costs. The SAP programme allows us to consolidate operating and financial information and financial results and eliminates inefficiencies, thereby reducing operating costs and improving our competitive advantage.

Intellectual Property

We are the registered holders of the Vascon logo. In addition, we are also the registered holders of the logo “Nucleus” for our shopping malls.

Quality Certifications

We are currently ISO 9001:2008 certified for our management systems and achieved ISO 14001:2004 certification for environmental procedures in 2006. We are in the process of renewing the certificates.

Employees

As of December 31, 2009, we had 698 employees. Out of our 698 employees, we had 464 employees in engineering, 91 in accounts, finance and secretarial, 35 in human resources and administration, 19 in architecture and design, and 13 in sales and marketing and 17 in legal and information systems. None of our employees are represented by any labour or workers’ unions. We believe that we have good relations with our employees. In the operation of our EPC services business, we also procure the services of individuals on daily wages. As of December 31, 2009, we had procured the services of over 8,000 such individuals. In our history, we have never experienced any work stoppages or strikes due to labour problems.

We believe that a skilled and motivated employee base is essential for our competitive advantage. As such and also to ensure that our employees have the training and tools needed to be successful in today’s competitive environment, we are committed to building teams and invest considerable resources in the development of the expertise and know-how of our employees as well as in employee satisfaction.

Insurance

Our operations are subject to hazards inherent to the construction 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 construction risks and third party liabilities for the duration of the property development. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate. We also ensure that contractors obtain insurance while carrying out any activities on our behalf. Our employees are covered under group personnel accident policies.

Offices

Our corporate office is located at 201, Phoenix, Bund Garden Road, Pune, Maharashtra – 411001 and is owned by us. Our registered office is located at 15/16, Hazari Bagh, LBS Marg, Vikhroli (West), Mumbai – 400083 and is owned by us.

Our Land Reserves

Our Land Reserves are land where, title of the land or the interest in land is owned by our Company, our Subsidiaries or the Other Development Entities. They also include land in respect of which our Company, our Subsidiaries or the Other Development Entities have entered into an agreement or a memorandum of understanding to purchase or develop land. It includes the total amount of Saleable Area to be developed through Ongoing and Forthcoming Projects.

Following are the details of agricultural and non-agricultural lands out of our total Land Reserves:

Particulars	Area (Acres)	%
Agricultural Land (A)	408.55	61.50%

Non Agricultural Land (B)	255.80	38.50%
Total Land Reserves (A+B)	664.35	100

As of December 31, 2009, our Land Reserves aggregate approximately 664.35 acres, for which we have made payments aggregating approximately Rs. 3. 515.32 million and are further required to make aggregate additional payment of approximately Rs. 72.17 million.

Our Land Reserves are located in and around Pune, Coimbatore, Belgaum, Aurangabad, Ahmedabad, Thane, Hyderabad, Chandigarh, Goa and Madurai. The following is a summary of our Land Reserves as on December 31, 2009:

S. No	Land Reserves (Category wise)	Acreage	% of total acreage	Estimated Developable Area (Sq.ft in millions)	% of Developable Area
(i)	Land Owned by the Company				
	1. By itself	12.57*	1.89	0.60	1.03
	2. Through its Subsidiaries	0.07	0.01	0.01	0.01
	3. Through entities other than (1) and (2) above	-	-	-	-
(ii)	Land over which the Company has sole development rights				
	1. Directly by the Company	12.12	1.82	0.62	1.07
	2. Through its Subsidiaries	11.80	1.78	1.03	1.77
	3. Through entities other than (1) and (2) above	-	-	-	-
(iii)	Memorandum of Understanding/ Agreements to acquire/ letters of acceptance and/ or its group companies are parties, of which:				
	1. Land subject to government allocation	-	-	-	-
	2. Land subject to private acquisition	49.93	7.52	3.40	5.85
(A)	Sub-total (i)+(ii)+(iii):	86.49	13.02	5.66	9.73
	Joint developments with partners				
(iv)	Land for which joint development agreements have been entered into by:				
	1. By the Company directly	177.24	26.68	11.45	19.71
	2. Through the Subsidiaries	106.22	15.99	9.69	16.67
	3. Through entities other than (1) and (2) above	243.11*	36.59	26.97	46.41
(v)	Proportionate interest in lands owned indirectly by the Company through joint ventures	51.29	7.72	4.35	7.48
(B)	Sub-total (iv)+(v):	577.86	86.98	52.46	90.27
(C)	Total (i)+(ii)+(iii)+(iv)+(v):	664.35	100.00	58.12	100.00
(D)	Land for which conveyance is pending but possession has been handed over to customers or property leased			2.76*	
(E)	Net Saleable Area (C)-(D)		-	55.36	

*Note: Category i(i) includes land having saleable area of 0.02 million sq. ft for which conveyance is pending but possession has been handed over to customers. Category (iv) 3 includes land having saleable area of 2.58 million sq. ft. for which conveyance is pending but possession has been handed over to customers and land having saleable area of 0.15 million sq. ft. which has been leased.

(i) *Lands owned by the Company*

(i).1 By Itself:

Approximately 12.57 acres located Goa and Pune constituting 1.89% of the total Land Reserves, is registered in our name two sale deeds and we hold the valid title to these lands. Of the said land, we estimate to develop approximately 0.60 million sq. ft. As on December 31, 2009, we have paid a sum of Rs. 30.28 million towards the purchase of these lands. See “Risk Factors- Internal Risks and Risks Relating to Our Business and Industry-The land owned by us in our name is 12.57 acres and is less than 2.00% of our total Land Reserves” on page xiv.

The following land form part of this category:

S.No.	Location of Land	Date of Agreement	Parties to the Agreement	Agreement Value (Rupees in Million)	Amount Paid as on December 31, 2009 (Rupees in Million)	Area (in Acres)
1.	Village Raia, Salcete, Goa	November 6, 2007	Mr. Domingos Gaunkar and Smt. Fatima Niassao Gaunkar and our Company	00.80	00.80	0.27
2.	Village Raia, Salcete, Goa	November 6, 2007	Mrs. Maria Aurelia de Piedada and others	28.20	28.20	7.30
3	Daund, Pune	November 21, 1994	Krishnarao Bajirao Jagdale, and four others and our Company	1.28	1.28	5.00
Total				30.28	30.28	12.57

(i).2 Through its Subsidiaries:

Pursuant to sale deed dated October 4, 2008, our Subsidiary, Vascon Dwellings Private Limited has purchased 0.07 acres of land situated at village Wadala, Taluka and District Nashik from Ms. Payal Dilip Sankelcha with Sankelcha Construction as the consenting party for a consideration of Rs. 1.36 million.

S.No.	Location of Land	Date of Agreement	Parties to the Agreement	Agreement Value (Rupees in Million)	Amount Paid as on December 31, 2009 (Rupees in Million)	Area (in Acres)
1.	Village Wadala, Nashik	October 4, 2008	Ms. Payal Dilip Sanklecha, Vascon Dwellings Private Limited and Sanklecha Construction	1.36	1.36	0.07
Total				1.36	1.36	0.07

(i).3 Through entities other than (i).1 and (i).2 above:

We do not own any land through any other entity other than (i).1 and (i).2 above.

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. Following are the details in relation to the material agreements in this category:

S.No.	Location of Land	Date of Agreement/ Validity Period	Parties to the Agreement	Agreement Value (Rupees in Million)	Amount Paid as on December 31, 2009 (Rupees in Million)
1.	Village Raia, Salcete, Goa	November 6, 2007	Mrs. Maria Aurelia de Piedada and others	28.20	28.20
Total				28.20	28.20

(ii) Lands over which the Company has the sole development rights:

(ii).1 Directly by the Company:

We directly hold the sole development rights to approximately 12.12 acres of land located in Hadapsar, and Katvi constituting 1.82% of the total Land Reserves. Of the said land, we estimate to develop approximately 0.62 million sq. ft. As on December 31, 2009, we have paid a sum of Rs. 839.20 million towards the development rights to these lands.

The following lands form part of this category. An explanation to each of the categories is provided below:

S.No	Development Rights arising pursuant to	Parties to the Agreement	Location	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
1 a.	Joint Venture Agreement	Syndicate Realtors and our Company	Hadapsar, Pune	650.00	-	2.92
1 b.	Development Agreement	Ramdas Tukaram Tupe and Others and our Company	Hadapsar, Pune	65.00	-	1.28
2	Development agreement	Gabaji Chavan, our Company and Zambad Textile Limited	Katvi, Maval	5.43	-	0.35
3.	Development agreement	Nita Ashok Khalokhe, our Company and Zambad Textile Limited	Katvi, Maval	7.75	-	0.49
4.	Development agreement	Baban Savaleram Chavan and others, our Company and Zambad Textile Limited	Katvi, Maval	7.75	-	0.49
5.	Deed of assignment	Eknath S. Rahut and others, our Company, Ms. Pushpa K. Hegde and Zambad Textile Limited	Katvi, Maval	29.95	-	1.92
6.	Deed of assignment	Soham Motors Private Limited, our Company, Yamunabai H Ghule and others through their power of attorney holder, Mr. Subash M. Zambad and Ms. Pushpa Kushal Hegde	Katvi, Maval	23.25	-	1.48
7.	Deed of assignment	Mr. Ravindra Nanasaheb Hundare and others, our Company, Mr. Babu Bimsha Tonge and Zambad Textile Limited	Katvi, Maval	3.10	-	0.20
8.	Deed of Assignment	Zambad Construction House Private Limited, our Company, Sushila V. ghanti and others	Katvi, Maval	43.87	-	2.79
9.	Deed of assignment	Aastha Properties Limited, our Company, Ms.	Katvi, Maval	3.10	-	0.20

S.No	Development Rights arising pursuant to	Parties to the Agreement	Location	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
		Radhabai Kisan Takur and Zambad Textile Limited				
Total				839.20	-	12.12

As on December 31, 2009, we have paid no refundable or non-refundable deposits in relation to these lands.

Single Joint Venture Agreement with Syndicate Realtors

Vascon Hadapsar Ventures, a former partnership firm, in which our Company was a partner, entered into a single joint venture agreement dated June 5, 2006 and a supplementary agreement dated April 28, 2007 with Syndicate Realtors, a partnership firm, for the development of 13.44 acres of land located at Hadapsar, Pune. Out of the said 13.44 acres, 0.34 acres is required to be allotted to the original owners of the land and the Developable Area shall stand reduced to that extent. According to the terms of the agreement, Syndicate Realtors, which has the exclusive development rights for the said land, has transferred all its rights to Vascon Hadapsar Ventures for a lump sum consideration payable to Syndicate Realtors. Pursuant to the deed of retirement cum dissolution dated May 29, 2007, Vascon Hadapsar Ventures was dissolved and the business of the partnership is to be carried out by our Company. As per the agreement, if our Company gets any additional FSI, resulting in an increase in the Saleable Area exceeding 580,000 sq. ft., then Syndicate Realtors shall be entitled to 40% of the gross sale proceeds of the sale value realized on such additional area over and above 580,000 sq. ft. Vide a deed of conveyance dated April 22, 2008, between the land owners, Vascon Hadapsar Ventures, Syndicate Realtors and Suzlon Energy Limited, 10.18 acres of land has been conveyed to Suzlon Energy Limited.

Development Agreement with Ramdas Tukaram Tupe and Others

Vascon Hadapsar Ventures, a former partnership firm in which our Company was a partner entered into a development agreement dated June 19, 2007 with Ramdas Tukaram Tupe and others for the development of 1.28 acres of land located at Hadapsar, Pune. Under the said agreement, the development rights for the said land were transferred to Vascon Hadapsar Ventures for a lump sum consideration payable to Ramdas Tukaram Tupe and others. Pursuant to the deed of dissolution dated May 29, 2007, Vascon Hadapsar Ventures was dissolved and the business of the partnership is carried out by our Company.

Development agreements/assignment deeds with respect to lands in Katvi

Our Company has development rights in land admeasuring 7.92 acres in village Katvi, Maval Taluka, Pune District. The Company has vide three development agreements and 5 deeds of assignment acquired exclusive development rights in these lands. The details of these transactions are as follows:

Our Company has entered into a development agreement dated September 25, 2008 with Gabaji Nathu Chavan who is the land owner and Zambad Textile Limited who is the consenting party for the for the exclusive development right in land admeasuring 0.34 acres situated at Katvi village, Taluka Maval, Pune District. Our Company has paid Rs. 5.43 million as consideration to the consenting party. The owners have also executed a power of attorney of even date in favour of our Company. Zambad Textile Limited has executed a deed of declaration cum indemnity dated June 19, 2009 in favour of the Company agreeing to keep the Company indemnified from losses caused due to claims, actions, disputes etc. with respect to the property.

Our Company has entered into a development agreement dated August 14, 2008 with Nita Ashok Khalokhe who is the owner of the land and Zambad Textile Limited as the consenting party for exclusive development rights in land admeasuring 0.49 acres situated at Katvi village, Taluka Maval, Pune District. Our Company has paid Rs. 7.75 million as consideration to the consenting party. The owners have also executed a power of attorney of even date in favour of our Company.

Our Company has entered into a development agreement dated September 25, 2008 with Baban Savaleram Chavan and others who are the land owners and Zambad Textile Limited consenting party for the exclusive development rights in land admeasuring 0.49 acres situated at Katvi village, Taluka Maval, Pune District. Our Company has paid Rs. 7.75 million as consideration to the consenting party. The owners have also executed a power of attorney of even date in favour of our Company.

Our Company has entered into a deed of assignment of development rights dated April 29, 2008 with Zambad Textile Limited who is the assignor and Mr. Eknath S. Rahut and others who are the owners and Ms. Pushpa K. Hegde as the Consenting party. Vide this agreement, Zambad Textile Limited has assigned its development right in land admeasuring 1.91 acres situated at Katvi village, Taluka Maval, Pune District in favour of our Company with the owners as the consenting party. Our Company has paid Rs. 29.95 million to Zambad Textile Limited and Zambad Textile Limited has also executed a power of attorney of even date in favour of our Company.

Our Company has entered into a deed of assignment of development rights dated April 29, 2008 between Soham Motors Private Limited, the assignor and our Company who is the assignee, the owners through their power of attorney holder, Mr. Subash M. Zambad and Ms. Pushpa Kushal Hegde as the consenting party. The assignor has assigned the exclusive development rights in land admeasuring 1.48 acres situated at Katvi village, Taluka Maval, Pune District in consideration for Rs. 23.25 million. The owners through their power of attorney holder and Soham Motors Private Limited together have executed a power of attorney of even date in favour of the Company to sell, lease, mortgage or part with the property and also the buildings or units constructed on it to third party purchasers.

Our Company has entered into a deed of assignment of development rights dated January 2, 2009 with Mr. Ravindra Nanasaheb Hundare and others who are the assignors, Babu Bimsha Tonge who is the owner and Zambad Textile Limited which is the consenting party by which the development rights in land admeasuring 0.20 acre situated at Katvi village, Taluka Maval, Pune District has been assigned to our Company. The owner had granted the development rights to the assignor herein and the assignor in turn entered into another agreement to assign the development rights in favour of Zambad Textile Limited. Now, Zambad Textile Limited has requested the assignor to enter into the deed of assignment with its nominee, our Company. Our Company has paid Rs. 3.10 million as consideration to Zambad Textile Limited. Zambad Textile Limited has also executed a declaration cum indemnity dated June 19, 2009 in favour of our Company.

Our Company has entered into a deed of assignment dated April 29, 2008 with Zambad Construction House Private Limited as the assignor, Sushila V. Ghanti and the others as the consenting party by which the assignor has assigned the exclusive development rights in land admeasuring 2.79 acres situated at Katvi village, Taluka Maval, Pune District in favour of our Company for a consideration of Rs. 43.87 million. Zambad Construction Private Limited has also executed a power of attorney of even date in favour of our Company.

Our Company has entered into a deed of assignment dated August 14, 2008 with Aastha Properties Limited who is the assignor, Ms. Rabhabai Kisan Thakur, the owner and Zambad Textile Limited who is the consenting party by which the assignor has assigned the exclusive development rights in land admeasuring 0.20 acres situated at Katvi village, Taluka Maval, Pune District in favour of our Company. The owner had granted the assignment rights to Aastha Properties Limited who in turn agreed to assign the development rights in favour of Zambad Textile Limited which has now requested the assignors to enter into this deed of assignment with our Company as a nominee of Zambad Textile Limited. Our Company has paid Rs. 3.10 million to Zambad Textile Limited in consideration for the development rights.

(ii).2 Through its Subsidiaries:

Our Company holds sole development rights of land through our Subsidiary, Vascon Dwellings Private Limited to approximately 11.80 acres of land located in Nashik constituting 1.78% of the total Land Reserves. Of the said land we estimate to develop approximately 1.03 million square feet. As on December 31, 2009, we have paid a sum of Rs. 115.00 million towards the development rights to these lands. See "Risks Factors- Internal Risks and Risks Relating to Our Business and Industry-Since we implement many of our real estate development projects through project-specific Subsidiaries and the

Other Development Entities, we are substantially dependent on the performance of such Subsidiaries and the Other Development Entities” on page xiv.

The following lands form part of this category. An explanation to each of the categories is provided below the table:

S. No	Development Rights arising pursuant to	Parties to the Agreement	Location	Amount paid as on December 31, 2009(Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
a	Development Agreement	Legal heirs of Nivrutti and Others, Sanklecha Constructions and Vascon Dwellings Private Limited	Wadala, Nashik	23.00	-	3.17
b.	Development Agreement	Navin Manilal Shah and Others, Sanklecha Constructions and Vascon Dwellings Private Limited	Wadala, Nashik	15.00	-	1.97
c.	Development Agreement	Ms. Aparna Ajit Sanklecha and Others, Sanklecha Constructions and Vascon Dwellings Private Limited	Wadala, Nashik	9.00	-	0.74
d	Development Agreement	Smt. Sushilabai K. Sanklecha and Others, Sanklecha Constructions and Vascon Dwellings Private Limited	Wadala, Nashik	15.00	-	1.48
e.	Development Agreement	Lingansai N. Kalyanprasad and Others, Sanklecha Constructions and Vascon Dwellings Private Limited	Wadala, Nashik	24.00	-	1.87
f.	Development Agreement	Devidas Koshti and Others, Sanklecha Constructions and Vascon Dwellings Private Limited	Wadala, Nashik	9.00	-	0.61
g.	Development Agreement	Murlidhar Mahadu Khode and Others, Sanklecha Constructions and Vascon	Wadala, Nashik	20.00	-	1.96

S. No	Development Rights arising pursuant to	Parties to the Agreement	Location	Amount paid as on December 31, 2009(Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
		Dwellings Private Limited				
	Total			115.00	-	11.80

As on December 31, 2009, we have paid no refundable or non-refundable deposits in relation to these lands.

Land located at Nashik

- a) Vascon Dwellings Private Limited has entered into a development agreement dated December 6, 2006 with the legal heirs of Late Nivrutti Sawaliram Kashmire and others, as the owners of the land, and Sanklecha Constructions, a partnership firm to whom the developments rights were originally transferred by the owners, for the development of 3.17 acres of land located at Wadala, Nashik. Under the said agreement, Sanklecha Constructions with the consent of the owners of the said land transferred the development rights of the said land to our Subsidiary for a lump sum consideration payable to Sanklecha Constructions.
- b) Vascon Dwellings Private Limited has entered into a development agreement dated January 25, 2007 with Navin Shah and others, as the owners of the land, and Sanklecha Constructions, a partnership firm to whom the developments rights were transferred originally by the owners, for the development of 1.97 acres of land located at situated at Wadala, Nashik. Under the said agreement, Sanklecha Constructions with the consent of the owners of the said land transferred the development rights of the said land to our Subsidiary for a lump sum consideration payable to Sanklecha Constructions.
- c) Vascon Dwellings Private Limited has entered into a development agreement dated June 6, 2007 with Ms. Aparna Ajit Sanklecha, Ms. Payal Dilip Sanklecha as the owners of the land, and Sanklecha Constructions, a partnership firm to whom the developments rights were originally transferred by the owners, for the development of 0.74 acres of land located at Wadala, Nashik. Under the said agreement, Sanklecha Constructions with the consent of the owners of the said land transferred the development rights of the said land to our Subsidiary for a lump sum consideration payable to Sanklecha Constructions.
- d) Vascon Dwellings Private Limited has entered into a development agreement dated June 6, 2007 with Smt. Sushilabai K. Sanklecha and others, as the owners of the land, and Sanklecha Constructions, a partnership firm to whom the developments rights were originally transferred by the owners, for the development of 1.48 acres of land located at Wadala, Nashik. Under the said agreement, Sanklecha Constructions with the consent of the owners of the said land transferred the development rights of the said land to our Subsidiary for a lump sum consideration payable to Sanklecha Constructions.
- e) Vascon Dwellings Private Limited has entered into a development agreement dated June 6, 2007 with Shri Lingansai N. Kalyan Prasad and others, as the owners of the land, and Sanklecha Constructions, a partnership firm to whom the developments rights were originally transferred by the owners, for the development of 1.87 acres of land located at Wadala, Nashik. Under the said agreement, Sanklecha Constructions with the consent of the owners of the said land transferred the development rights of the said land to our Subsidiary for a lump sum consideration payable to Sanklecha Constructions.
- f) Vascon Dwellings Private Limited has entered into a development agreement dated June 8, 2007 with Shri Devidas D. Koshti and another, as the owners of the land, and Sanklecha Constructions, a partnership firm to whom the developments rights were originally transferred by the owners, for the development of 0.61 acres of land located at Wadala, Nashik. Under the said agreement, Sanklecha Constructions with the consent of the owners of the said land transferred the development rights of the said land to our Subsidiary for a lump sum consideration payable to Sanklecha Constructions.
- g) Vascon Dwellings Private Limited has entered into a development agreement dated October 6, 2007 with Shri Murlidhar Mahadu Khode and others, as the owners of the land, and Sanklecha

Constructions, a partnership firm to whom the developments rights were transferred by the owners, for the development of 1.96 acres of land located at Wadala, Nashik. Under the said agreement, Sanklecha Constructions with the consent of the owners of the said land transferred the development rights of the said land to our Subsidiary for a lump sum consideration payable to Sanklecha Constructions. See “History and Corporate Structure- our Subsidiaries- Vascon Dwellings Private Limited” on page 139.

(ii).3 Through entities other than (ii).1 and (ii).2 above:

We do not own any land through any other entity other than (ii).1 and (ii).2 above

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, i.e., ‘Lands over which the Company has the sole development rights directly by the Company and through its Subsidiaries’ are as follows:

S.No.	Location of Land	Date of Agreement	Parties to the Agreement	Agreement Value(Rupees in Million)	Amount Paid as on December 31, 2009 (Rupees in Million)	Deposit Paid as on December 31, 2009 (as a % of Agreement Value)
1.	Hadapsar, Pune	April 28, 2007	Syndicate Realtors and our Company	650.00	650.00	-
Total				650.00	650.00	-

The aggregate agreement value of the non-material agreements in this category is Rs. 304.20 million and the aggregate amount paid is Rs. 304.20 million.

(iii) *Memorandum of Understanding/ Agreements to Acquire/ Letters of Acceptance to which our Company and/or its Subsidiaries and/or its Group Entities are parties, of which:*

(iii).1 Land subject to government allocation:

None of our lands are subject to government allocation.

(iii).2 Land subject to private acquisition:

Approximately 49.93 acres, located in Pune, Coimbatore, Ahmadabad, Madurai constituting 7.52 % of the total Land Reserves, are held under this category. Of the said lands, our Company directly and through its Subsidiary, Vascon Pricol Infrastructures Limited, expects to develop approximately 3.40 million square feet constituting 5.85% of the total Developable Area. As on December 31, 2009, we have paid a sum of Rs. 92.28 million towards the purchase of these lands. See “Risk Factors-Internal Risks and Risks Relating to Our Business and Industry- We may not be able to complete the acquisitions or registrations of the land for which we, our Subsidiaries or Other Development Entities, have entered into agreements to purchase” on page xx.

The following lands form part of this category. An explanation to each of the categories is provided below the table:

S.No	Agreement	Location	Parties to the Agreement	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
1.	Memorandum of Understanding	Mhalunge, Pune	Subhash Tippanna Nelge and Shivkumar Tippanna Nelge and our Company	-	-	15.06
2.	Memorandum of Understanding	Wagholi, Pune	Venus Ventures and our	22.28	-	5.50

S.No	Agreement	Location	Parties to the Agreement	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
Company						
3.	Agreement for sale	Kalapatti, Coimbatore	Vascon Pricol Infrastructures Limited and Vijay Mohan	70.00	-	1.17
4.	Memorandum of understanding	Madakkulam Village, Madurai	Sitalakshmi Mills Limited, our Company, Sanmukha Synthetics and Mr. S. K. Kanodia	-	-	28.20
Total				92.28	-	49.93

As on December 31, 2009, we have paid a sum of Rs. 30.00 million towards refundable deposits in relation to these lands.

Land subject to private acquisition:

i. By itself

- a) Our Company has entered into a MOU dated July 23, 2005 with Subhash Tippanna Nelge and Shivkumar Tippanna Nelge, as the owners of the land, for the development of 15.06 acres of land located at Mhalunge, Pune. Pursuant to the MoU, the parties will execute definitive documents in the nature of a development agreement or a partnership deed or form an AOP or a joint venture. The owners of the land shall transfer the development rights of the said land to our Company. Further, the gross sale proceeds of the saleable premises constructed on the property or the built up area shall be apportioned between our Company and the owners in the ratio of 72:28 respectively.
- b) Our Company has entered into a MOU dated October 25, 2007 with Venus Ventures, a partnership firm comprising of our Promoters, R. Vasudevan and Lalita Vasudevan, for the purchase and development of 260.00 acres of land located at, Wagholi, Pune. As stated in the MoU, out of the said land, Venus Ventures has acquired 5.50 acres of land and is in the process of acquiring the remaining land. Although the said land is in the agricultural zone, the same has been acquired for the purpose of developing a special township as per the Special Township Notification. For further details on the Special Township Notification, see "Regulations and Policies" at page 127. Under the terms of the MoU, our Company has paid a consideration of Rs. 22.28 million directly to the land owners. In the event that Venus Ventures is able to acquire more than 130 acres of land as is required under the Special Township Project, within 60 days, then the total consideration would stand increased from Rs. 4.05 million per acre to Rs. 4.50 million per acre. In the event of the transaction not being completed, Venus Ventures shall be liable to refund the total amount received by to our Company.
- c) Our Company has entered into a MOU dated April 4, 2008 with Sitalakshmi Mills Limited, to jointly develop 28.2 acres of land situated at Pasumalai hamlet, Madakkulam Village, Madurai sub-registration district, Madurai District, owned by the said Sitalakshmi Mills Limited. The Company has invested Rs. 23.40 million into Sitalakshmi Mills Limited by way of subscription to and acquisition of shares of Sitalakshmi Mills Limited by virtue of which our Company holds 26% percent stake in Sitalakshmi Mills Limited. Further, Sitalakshmi Mills Limited has also deposited the original title deeds to a part of the property being land admeasuring 4.4 acres with the Company. Sitalakshmi Mills Limited is required to fulfil certain condition precedents in accordance with the MOU and in the event that it fails to fulfil the same within six months from the date of the MoU, the Company shall be entitled to enforce the security provided to it in consideration for investing in Sitalakshmi Mills Limited.

ii. By its Subsidiaries

A. *Agreements entered into by Vascon Pricol Infrastructures Limited*

Vascon Pricol Infrastructures Limited has entered into an agreement for sale dated April 27, 2007 with Vijay Mohan for 1.17 acres of land located at Kalapatti, Coimbatore. See “History and Corporate Structure - our Subsidiaries- Vascon Pricol Infrastructures Limited” on page 139.

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, i.e., ‘Memorandum of Understanding/ Agreements to Acquire/ Letters of Acceptance to which Company and/or its Subsidiaries and/or its Group Entities are parties’ are as follows:

S.No.	Location of Land	Date of Agreement	Parties to the Agreement	Agreement Value (Rupees in Million)	Amount Paid as on December 31, 2009 (Rupees in Million)	Deposit Paid as on December 31, 2009 (as a % of Agreement Value)
1.	Airport Road, Coimbatore	April 27, 2007	Mr. Vijay Mohan and Vascon Pricol Infrastructures Limited	70.00	70.00	-
2.	Wagholi, Pune	October 25, 2007	M/s. Venus Ventures and our Company	22.28	22.28	-
Total				92.28	92.28	-

The aggregate agreement value of the non-material agreements in this category is zero and there are no amounts paid with respect to these agreements.

(iv). *Land under which joint development agreements have been entered into by:*

(iv).1 The Company directly:

Has acquired developments rights in approximately 177.24 acres, located in and around Pune, Punjab and Belgaum constituting 26.68% of the total Land Reserves, are held under this category. Of the said lands, we estimate to develop approximately 11.45 million sq. ft. constituting 19.71% of the total Developable Area.

The details of the joint development agreements, the name of the landowner, the percentage accruing to us under these agreements and the amounts paid and payable under these agreements, are specified in the table below.

S.No	City	Location	Date of the Agreement	Parties to the Agreement	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
1.	Pune	Ghorpadi	February 6, 2003	Rajesh Builders and our Company	-	-	4.75
2.	Punjab	Mohali	March 27, 2007	ABC Sites Limited and our Company	25.00	-	1.94
3.	Pune	Balewadi	June 19, 2007	Garood Developers Private Limited, Phoenix Habitats Private Limited and our Company	-	-	15.77
4.	Belgaum	Angol	October 21, 2007	Madhukar Madhavrao Athanikar, A&W	-	-	1.72

S.No	City	Location	Date of the Agreement	Parties to the Agreement	Amount paid as on December 31, 2009(Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
				Promoters & Developers Private Limited and our Company			
5.	Pune	Varale	January 15, 2008	Mr. Satpal Sitaram Malhotra and others and our Company	-	-	58.06
6.	Pune	Bavdhan	January 21, 2008	EPlus Green and our Company	-	-	95.00
Total					25.00	-	177.24

** Paid as non-refundable security deposit*

As on December 31, 2009, we have paid a sum of Rs. 350.10 million towards refundable deposits in relation to these lands.

Our Company has entered into a single joint venture agreement dated February 6, 2003 with Rajesh Builders, a partnership firm, who has acquired the development rights over the land from the owners of the land, to jointly develop 4.75 acres of land located at Ghorpadi, Pune. Under the terms of the agreement, the gross sale proceeds are to be distributed between our Company and Rajesh Builders as 56.25% and 43.75% respectively. In addition, Rajesh Builders are entitled to 2,250 to 2,500 sq feet of built up area on the first floor of the building constructed on the land. The additional collector under the Urban Land Ceiling Act issued a letter dated August 23, 2004 stating that the owner should not effect any transfer of the land. The said authority further issued a show cause notice dated December 18, 2004, whereby it held that in violation of the previous order construction activity on the said land was still being carried out, and the owners were asked to submit an explanation as to why no action should be taken against them. Thereafter, vide order dated June 18, 2008 passed by the Section Officer, Government of Maharashtra, the aforesaid order dated August 23, 2004 staying the transfer of the land and the subsequent show cause notice dated December 18, 2004 have been vacated.

Our Company has entered into a single joint venture agreement dated March 27, 2007 and a supplementary agreement dated May 5, 2007 with ABC Sites Limited, as the owners of the land, for the joint development of 1.94 acres of land located at village Bhishanpura Dera, Mohali, Punjab. Under the said agreement, ABC Sites Limited has transferred the development rights in the said land to our Company. Further, it has been agreed that our Company is entitled to 1% of the total gross sales proceeds or of 2% of the total cost of construction whichever is higher, as management fees. It has further agreed that as consideration for jointly developing the property, the balance gross sale proceeds (that is, after deduction of the aforesaid management fees) received from the gross rent or revenue or other deposits as consideration for development will be shared between our Company and ABC Sites Limited equally. Further, an addendum to supplementary agreement was entered into between the parties on May 5, 2007 whereby it was agreed that our Company shall take prior permission of ABC Sites Limited before disposing off or leasing, giving on leave and license basis or letting out or otherwise dealing with the units constructed on the said land.

Our Company has entered into a Development Agreement dated June 19, 2007 with Garood Developers Private Limited who had originally acquired the development rights over the land from the owners of the land, and Phoenix Habitats Private Limited, as co-developers, for the development of 15.88 acres of land located at Balewadi, Pune. Under the said agreement, Garood Developers Private Limited has transferred the development rights in the said land to our Company and Phoenix Habitats Private Limited. Under the terms of agreement, the gross sale proceeds received from the sale of the units will be distributed between our Company, Garood Developers Private Limited and Phoenix Habitats Private Limited as 56%, 30% and 14%, respectively.

We have acquired easementary rights of way through in Sy. No. 13/2, Balewadi, Pune measuring 12 meters through a agreement for easementary rights of way dated December 1, 2009 between our Company, Vasudha Shelters, Garood Developers Private Limited, Phonix Habitat Private Limited, Prakash Laxman and Dharmanand Shripad. We have acquired easementary rights of way through in Sy. No. 13/2, Balewadi, Pune

measuring 12 meters through a agreement for easementary rights of way dated December 1, 2009 between our Company, Vasudha Shelters, Garood Developers Private Limited, Phonix Habitat Private Limited, Prakash Laxman and Dharmanand Shripad.

Our Company has entered into a Deed of Sale dated December 1, 2009 with Shrikant Raghunath, Ravindra Garudkar, Garood Developers Private Limited and Phoneix Private Limited and Vasudha Enterprises and have consented to the sale of 0.11 Acres in Sy. No. 13/1 in Balewadi, Haveli, Pune to Vasudha Enterprises,

Our Company has entered into single joint venture agreement dated July 14, 2008 with Mr. Madhukar Madhavrao Athanikar, as the owner of the land, and A&W Promoters & Developers Private Limited, for the development of 1.72 acres of land located at village Angol, Belgaum, Karnataka. Previously, Mr. Madhukar Madhavrao Athanikar and A & W Promoters & Developers Private Limited had entered into a lease deed dated March 17, 2008 whereby Mr. Madhukar Madhavrao Athanikar had given the aforesaid property on lease to A & W Promoters & Developers Private Limited for a period of 29 years and under the lease deed, the lessee is entitled to develop the property by constructing commercial complexes and let it out, give on rent or leave and license basis to such parties as the lessee shall deem fit. Further, under the single joint venture agreement dated July 14, 2008, A & W Promoters & Developers Private Limited has covenanted to regularly pay the lease rentals to the owner of the land and the owner, Mr. Madhukar Madhavrao Athanikar has agreed not to terminate the lease deed for any reason whatsoever. It has been further agreed that the lessor and the lessee shall only have the right to specific performance of the lease deed so as to ensure that the rights and interest of our Company is safeguarded. Our Company is required to carry out the construction on the property and also provide the entire cost of the construction. Our Company is at liberty to give on leave or licence or lease the units constructed on the said property to prospective clients. However, we cannot convey, sell or transfer the units. Further, it has been agreed that for the initial two years from the date of completion of the project, the Company and A & W Promoters & Developers Private Limited cannot sell, assign, transfer or otherwise dispose of their respective rights and interests in the property. Under the terms of the agreement, the gross receipts received from the gross rent/revenues/licence fees and other receipts from the developed property will be distributed between A&W Promoters & Developers Private Limited and our Company in the ratio of 33: 67, respectively. Further, the said property has been given as a collateral security to Punjab National Bank till the first loan instalment taken by A&W Promoters & Developers Private Limited is repaid to the bank has given. The bank has given a no objection certificate dated June 15, 2007 regarding the development of the property.

Our Company entered into a single joint venture agreement dated January 15, 2008 with Mr. Satpal Sitaram Malhotra and others, the owners of the land, for the joint development of 58.06 acres of land located at village Varale, Taluka Maval, Pune. Further, under the terms of the agreement, the gross sale proceeds will be distributed between Mr. Satpal Sitaram and others and our Company as 35% and 65%, respectively.

Our Company has entered into a single joint venture agreement dated January 21, 2008 with M/s E Plus Greens, a partnership firm, for the development of 110 acres of land located at village Bavdhan, Pune. Out of the said land, the owners have already acquired 95.00 acres. Although the said land is falling in the agricultural zone, the same has been acquired for the purpose of developing a special township as per the Special Township Notification. For further details on the Special Township Notification, see "Regulations and Policies" at page 127. Under the terms of the agreement it is stated that our Company cannot commence any developmental activities till M/s E Plus Greens acquire the total land admeasuring 110 acres. Under the terms of the agreement, the gross sale proceeds will be distributed between the parties in the following ratio:

Selling Rate	Share of our Company (%)	Share of EPlus Greens (%)
1-2,000	72	28
2,001-2,700	67	33
2,701-3,500	62	38
3,501-4,000	57	43
4,001-5,000	52	48

(iv).2 Through the Subsidiaries:

We have acquired development rights in approximately 106.22 acres, located in Pune, Coimbatore and Ahmadabad constituting 15.99% of the total Land Reserves. Of the said lands, our Company through our Subsidiaries Vascon Dwellings Private Limited, Vascon Pricol Infrastructures Limited Calypso Premises Private Limited, Floriania Properties Private Limited and Greystone Premises Private Limited expect to develop approximately 9.69 million sq. ft constituting 16.67% of the total Developable Area.

As on December 31, 2009, we have paid Rs. 621.62 million towards the purchase of these lands. See “Risk Factor-Internal Risks and Risks Relating to Our Business and Industry- Since we implement many of our real estate development projects through project-specific Subsidiaries and the Other Development Entities, we are substantially dependent on the performance of such Subsidiaries and the - Other Development Entities” on page xiv.

The details of the joint development agreements, the name of the landowner, the percentage accruing to us under these agreements and the amounts paid and payable under these agreements, are specified in the table below.

S.No	City	Location	Date of the Agreement	Parties to the Agreement	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
1.	Pune	Undri	August 3, 2006	Anil Ganpatrao Indulkar and Vascon Dwellings Private Limited	-	-	5.42
2.	Pune	Kharadi	December 26, 2007	Tushad Behram Dubash Trust and Ria Behram Dubash Trust and Calypso Premises Private Limited and our Company as confirming party	485.00	-	26.76
5	Pune	Kharadi	October 31, 2007	Calypso Enterprises Private Limited and Pentagon Shrimangal Ramdev Developers	35.50*	-	1.00
6	Pune	Kharadi	October 5, 2007	Samrat Builders and Developers, Mr. Sitaram Bhikoba Chaudhari and others Mr. Nitin Vilas Chaudhari and Calypso Premises Private Limited	91.07	-	2.94
7	Pune	Kharadi	October 3, 2007	Mr. Dagadu Ganpat Thite and others, Mr. Darshansingh Ramsingh Dhillon and Mr. Ramesh D. Adhav and Calypso Premises Private Limited	0.70	-	0.02

S.No	City	Location	Date of the Agreement	Parties to the Agreement	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
8	Pune	Kharadi	October 3, 2007	Mr. Nagesh Mahadev Nade, Mr. Darshansingh Ramsingh Dhillon and Mr. Ramesh D. Adhav and Calypso Premises Private Limited	0.53	-	0.02
9	Pune	Kharadi	October 3, 2007	Mr. Darshansingh Ramsingh Dhillon and another, Mr. Baban Kisan Memane, Mr. Ramesh D. Adhav and Calypso Premises Private Limited	2.26	-	0.07
10	Pune	Kharadi	October 3, 2007	Mr. Darshansingh Ramsingh Dhillon and another, Mr. Dagadu Ganpat Thite and others, Ms. Jayashree Subhash Yewale, Mr. Bharti Ashok Tingare, Mr. Dagadu Ganpat Thite, Mr. Anant Shankar Patole, Mr. Dagadu Ganpat Tithe, Mr. Ramesh D. Adhav and Calypso Premises Private Limited	6.56	-	0.21
11.	Wadala	Nashik	October 19, 2006	Sanklecha Constructions and Vascon Dwellings Private Limited	-	-	7.10
12.	Coimbatore	Neelambur	August 30, 2007	Pricol Group and Vascon Pricol Infrastructures Limited	-	-	28.70
13.	Coimbatore	Sowripalayam	November 29, 2007	Jayalakshmi Jayaram, J. Srivardhanramm	-	-	4.50

S.No	City	Location	Date of the Agreement	Parties to the Agreement	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
				and J. Adityavardhan and Vascon Pricol Infrastructures Limited			
14	Ahmedabad	Santhal	January 17, 2008	City Gold Realities Private Limited, Greystone Premises Private Limited and our Company	-	-	25.98
15	Hyderabad	Nanakramguda	December 25, 2008	Paradigm Holdings Private Limited and Floriana Properties Private Limited	-	-	3.50
Total					621.62	-	106.22

**This includes a consideration of Rs. 33.00 million paid by us to Mr. Sohil Dinkoo Chenoy for purchase of 1.82 acres and the development rights of which has been given to Pentagon Shrimangal Ramdev Developers. In addition, we have paid certain consideration to Pentagon Shirmangal Ramdev Developers for the said exchange transaction.*

As on December 31, 2009, we have paid a sum of Rs. 102.50 million towards refundable deposits in relation to these lands.

Vascon Dwellings Private Limited

Vascon Dwellings Private Limited has entered into a single joint venture agreement dated August 3, 2006 with Anil Ganpatrao Indulkar, as the owner of the land, to jointly develop 5.42 acres of land located at Undri, Pune. It is further agreed that the gross sale proceeds received from the sale of the units will be distributed between our Subsidiary and Anil Ganpatrao Indulkar in the ratio of 72:28.

Vascon Dwellings Private Limited has entered into a development agreement dated October 19, 2006 with Sanklecha Constructions, a partnership firm, to whom originally the developments rights were transferred by the owners of the land, to jointly develop 7.10 acres of land located at Wadala, Nashik and the consent of the owners have been obtained in this regard. Under the terms of the agreement, the gross sale proceeds received from the sale of the units will be distributed between Sanklecha Constructions and our Subsidiary as 76.25% and 23.75%, respectively. The parties have subsequently entered into a memorandum of understanding dated October 14, 2009 pursuant to which the parties have decided to share the floors only of building A instead of sharing the gross sales proceeds, as mentioned above. See "History and Corporate Structure - our Subsidiaries- Vascon Dwellings Private Limited" on page 139.

Vascon Pricol Infrastructures Limited

Vascon Pricol Infrastructures Limited has entered into a development agreement dated August 30, 2007 with the Pricol group, as the owners of the land, for the development of 28.7 acres of land located at Neelambur, Coimbatore through Vascon Pricol Infrastructures Limited. Under the terms of the agreement, the total constructed area shall be shared by the Pricol group and Vascon Pricol Infrastructures Limited in the ratio 22:78 respectively. Further, the parties upon finalization of the development plans, will demarcate the area in the aforesaid ratio. In the event of such demarcation not being practically possible to arrive at the said ratio, the parties receiving additional area shall compensate to the other party for such additional area by a proportionate amount at market value. It has been further agreed that in the alternate if the parties are not able to demarcate the area or do not desire to do so, then the gross sale proceeds received from the sale, rent, revenue or other deposits from the developed property will be distributed between the Pricol group and our Subsidiary in the ratio of 22:78 respectively. Further, in the event the completion of the project is 75% or less of the total development,

the Pricol group shall have a right to receive an additional 5% of the area in the balanced developed property or an additional 5% of the balance gross sale proceeds.

Vascon Pricol Infrastructures Limited has entered into a joint development agreement dated November 29, 2007 with Jayalakshmi Jayaram, J. Srivardhanramm and J. Adityavardhan, the owners for development of 4.50 acres of land located at Sowripalayam village, Peelamedu, Coimbatore. Under the said agreement, the development will be carried out by Vascon Pricol Infrastructures Limited at its own cost. The agreement further provides that Vascon Pricol Infrastructures Limited will pay Rs. 15 million as interest free security deposits the owners. This payment shall be considered as part of the gross sale proceeds to be made to the owners. The agreement provides that initial amounts from sale/lease/license in the said project to the extent of Rs. 15 million shall be made exclusively to Vascon Pricol Infrastructures Limited. In case the amount exceeds Rs. 15 million, the gross sale proceeds generated from the lease of the units for upto Rs. 30 per square feet, shall be distributed between the owners and Vascon Pricol Infrastructures Limited in the ratio of 30:70. Over and above the price of Rs. 30 per square feet, amounts will be distributed between Vascon Pricol Infrastructures Limited and the owners equally. In case of gross sale proceeds generated from sale of the property of upto Rs. 3,000 per square feet, it will be distributed between the owners and Vascon Pricol Infrastructures Limited in the ratio of 30:70. Any amount over and above Rs. 3,000 per square feet will be distributed Vascon Pricol Infrastructures Limited and the owners equally. The agreement further stipulates that in case Vascon Pricol Infrastructures Limited desires to sell the property, a valuation of the said property will be done and on upon receipt of the valuation report, the owners shall have the option to purchase Vascon Pricol Infrastructures Limited's rights within 60 days by paying 70% of the project valuation. In the event, that the owners decide not to purchase the property, then the parties shall ear mark proportionate units that would admeasure 30% to the owners and the balance 70% to Vascon Pricol Infrastructures Limited. See "History and Corporate Structure - our Subsidiaries – Vascon Pricol Infrastructures Limited" on page 139.

Calypso Premises Private Limited

Our Subsidiary, Calypso Premises Private Limited has entered into agreements for acquiring development rights in lands admeasuring 31.02 acres. See "History and Corporate Structure - Our Subsidiaries- Calypso Premises Private Limited" on page 138.

Calypso Premises Private Limited has entered into the following development agreements/deeds of assignment of development rights:

- a) Development agreement dated December 26, 2007 with Tushad Behram Dubash Trust and Ria Behram Dubash Trust, the owners, and our Company as a confirming party whereby the development rights to 26.75 acres of land located at village Kharadi, Taluka Haveli, District Pune has been transferred to Calypso Premises Private Limited for a lumpsum consideration payable to the owners.
- b) Deed of assignment of development rights dated May 15, 2007 with Mr. Shrikrishna Narayan Dandawate and others, as the owners of the land, and Mr. Sohli Dinkoo Chenoy, as the consenting party, whereby the development rights of 0.86 acres of land located at village Kharadi, Pune, has been assigned to Calypso Premises Private Limited for a lump sum consideration payable to Sohli Dinkoo Chenoy to whom the owners had previously assigned the development rights.
- c) Development agreement dated May 15, 2007 with Mr. Sohli Donkoo Chenoy, whereby the development rights in land admeasuring 0.96 acres located at village Kharadi, Pune which was originally assigned to Mr. Sohli Donkoo Chenoy by the owners of the lands has been transferred to Calypso Enterprises Private Limited for a lump sum consideration payable to Sohli Dinkoo Chenoy.
- d) Deed of exchange dated October 31, 2007 with Pentagon Shrimangal Ramdev Developers whereby, in exchange for transferring the development rights in the properties which are the subject matter of the agreements under b) and c) above, admeasuring 1.82 acres to Pentagon Shrimangal Ramdev Developers, we got the development rights in land measuring 1.00 acres.
- e) Deed of assignment of development rights dated October 5, 2007 with Samrat Builders and Developers as the assignor, Mr. Sitaram Bikhoba Chaudhari and others and Mr. Nitin Vilas Chaudhari and another as the consenting parties whereby the development rights in 2.94 acres of land located at village Kharadi, Pune has been assigned to Calypso Enterprises Private Limited for a lump sum consideration

payable to Samrat Builders and Developers who had originally acquired the development rights from the owners.

- f) Development agreement dated October 3, 2007 with Mr. Dagadu Ganpat Thite and others as the owners of the land, Mr. Darshansingh Ramsingh Dhillon and Mr. Ramesh D. Adhav as confirming parties whereby the development rights in land admeasuring 0.02 acres of land has been transferred to Calypso Premises Private Limited for a lumpsum consideration payable to the confirming parties.
- g) Development agreement dated October 3, 2007 with Mr. Nagesh Mahadev Nade, as the owners of the land, Mr. Darshansingh Ramsingh Dhillon as consenting part, Mr. Ramesh D. Adhav as confirming party whereby the development rights in land admeasuring 0.02 acres has been transferred to Calypso Premises Private Limited for a lumpsum consideration payable to the consenting and confirming parties.
- h) Deed of assignment of development rights dated October 3, 2007 with Mr. Darshansingh Ramsingh Dhillon and another as the assignor, Mr. Baban Kisan Memane as the consenting party and Mr. Ramesh D. Adhav as the confirming party whereby the development rights in land admeasuring 0.07 acres has been assigned in favour of Calypso Premises Private Limited for a lumpsum consideration payable to the assignor and the confirming party.
- i) Deed of assignment of development rights dated October 3, 2007 with Mr. Darshansingh Ramsingh Dhillon and another as the assignor, Mr. Dagadu Ganpat Thite and others, Ms. Jayashree Subhash Yewale, Mr. Bharti Ashok Tingare, Mr. Dagadu Ganpat Thite, Mr. Anant Shankar Patole and Mr. Dagadu Ganpat Tithe as the consenting parties and Mr. Ramesh D. Adhav as the confirming party whereby the development rights in land admeasuring 0.07 acres has been assigned in favour of Calypso Premises Private Limited for a lumpsum consideration payable to the assignor and the confirming party.

In relation to the property which is the subject matter of the agreement under e) above, our Company has received objections dated August 30, 2007, September 1, 2007 and August 27, 2007 from (1) Chandrashekhar V. Paranjape (2) Swati Prakash Paranjape (3) Ramchandra Vishnu Paranjape stating that the said property is the subject matter of a civil suit No. 1397 of 1923 before the Civil Judge, Pune.

Greystone Premises Private Limited

Greystone Premises Private Limited has entered into a Co-Development Agreement dated January 17, 2008 with City Gold Realities Private Limited, the developer and our Company as the confirming party for the development of 25.98 acres of land located at Santhal, Sanand, Ahemdabad. The said land is being developed for the purpose of a Special Economic Zone. City Gold Realities Private Limited had received from the central government, a letter of approval dated June 19, 2007 granting them formal approval for setting up of a sector specific Special Economic Zone for a IT/ITES at Sanand, Ahemdabad. The government has also issued a notification on January 9, 2008 notifying the said area as a Special Economic Zone. Under the terms of the agreement, Greystone Premises Private Limited has to obtain the approval from the government for being considered as a co-developer within a period of four months. Greystone Premises Private Limited shall have the responsibility and obligations for obtaining and applying for all necessary permissions and approvals. Greystone Premises Private Limited shall have complete right and liberty in pursuing marketing efforts and negotiating for securing lease or any other arrangements. City Gold Realities Private Limited shall be required to give their consent unless the terms/forms of the lease/license are in conformity with the agreement settled between Greystone Premises Private Limited and City Gold Realities Private Limited. Under the terms of the agreement, no arrangement in the nature of lease, license shall be entered into only by Greystone Premises Private Limited and City Gold Realities Private Limited. Further under the terms of the agreement, the gross sale proceeds if the lease rent is upto Rs. 25 per sq feet or if the capital value of lease rental is upto Rs 2,500 per sq feet then the gross sale proceeds will be distributed between City Gold Realities Private Limited and Greystone Premises Private Limited in the ratio of 30:70. In the event of an amount in excess of Rs 2,500 per sq ft, the excess amount will be distributed between the parties equally. See "History and Corporate Structure - our Subsidiaries-Greystone Premises Private Limited" on page 139.

Floriana Properties Private Limited

Floriana Properties Private Limited has entered into a joint development agreement dated December 25, 2008 with Paradigm Holdings Private Limited for jointly developing lands admeasuring 3.5 acres forming part of land Situated at IT Park, Nanakramguda Village, Serilingampalli Mandal, Ranga Reddy District, Hyderabad, totally admeasuring 5.82 acres. Out of these lands, 5.19 were allotted to Paradigm Holdings Private Limited by the APIIC vide two agreements of sale dated October 8, 2007 and June 25, 2008 agreeing to sell 5 acres and 0.19 acres respectively to Paradigm Holdings Private Limited for setting up of a multi-specialty hospital, boutique hotel/extended stay facilities, IT block/commercial office space, corporate head quarters, living residences and related retail facilities. Paradigm is in the process of acquiring 0.63 acres out of the total land admeasuring 5.82 acres. Out of the total land admeasuring 5.82 acres, Paradigm Holdings Private Limited has decided to retain 2.31 acres for developing a multi-speciality hospital and the remaining 3.5 acres has been agreed to be jointly developed by Paradigm Holdings Private Limited and Floriana Properties Private Limited. Floriana Properties Private Limited has agreed to pay Rs. 150 million as an interest free refundable security deposit out of which Rs. 50 million has been agreed to be paid by March 10, 2009, Rs. 50 million within three months of approval of plans and commencement of work and the balance Rs. 50 million has been agreed to be paid out of the initial sale proceeds. The security deposit is required to be refunded to Floriana Properties Private Limited within 30 days from the date of completion of the development and construction of the project. The gross proceeds from the project, up to a price of Rs. 4,500 per sq. ft. is to be shared in the ration 70:30 between the developer and the owner respectively, above the price of Rs. 4,500 per sq. ft. up to Rs. 5,500 per sq. ft., the gross proceeds will be shared in the ratio 60: 40 between the developer and the owner respectively, above the price of Rs. 5,500 up to Rs. 6,500 will be shared in the ratio 50:50, sale proceeds from price above Rs. 6,500 per sq. ft. to Rs. 7,000 per sq. ft. is to be shared in the ratio 40:60 between the developer and the owner respectively and all sale proceeds from price above Rs. 7,000 per sq. ft. will be shared in the ratio 30:70 between the developer and the owner. The sale proceeds from the hotel premises have to be shared equally between the developer and the owner. It has been agreed that if the sale price drops below Rs. 4,500 per sq. ft. on the built up area, then the owner shall compensate the developer up to 20% of the total gross proceeds of the project, not exceeding Rs.10 million. The developers are authorized to sell or lease the units/premises constructed on the said area under the brand name Vascon and by entering into agreements with the prospective purchasers or clients. Subsequently, the parties entered into a memorandum of understanding dated January 9, 2010 stating that Floriana Properties Private Limited shall be entitled to retain a minimum realization of Rs. 2,700 per square feet as its share and that all other terms and conditions as specified above, shall remain the same.

(iv).3 Through entities other than (iv).1 and (iv).2 above:

Lands falling under this category include lands owned by companies in which we have a stake or entities where we have formed AOPs with other parties. See “Risk Factors-Internal Risks and Risks Relating to our Business and Industry-Since we implement many of our real estate development projects through project-specific Subsidiaries and the Other Development Entities, we are substantially dependent on the performance of such Subsidiaries and the Other Development Entities” on page xiv and “Risk Factors-Internal Risks and Risks Relating to our Business and Industry – We depend upon the fulfilment of the obligations of our joint venture partners, as well as the products and services of a number of suppliers and sub-contractors, in the operation of our business” on page xv.

We have acquired development rights in approximately 243.11 acres, located in Pune and Coimbatore constituting 36.59% of the total Land Reserves. Of the said lands we expect to develop approximately 26.97 million constituting 46.41% of the total Developable Area. As on December 31 2009, we have paid a sum of Rs. 1790.58 million towards the purchase of these lands.

The details of the joint development agreements, the name of the landowner, the percentage accruing to us under these agreements and the amounts paid and payable under these agreements, are specified in the table below.

S.No	City	Location	Date of the Agreement	Parties	Amount paid as on December 31, 2009 (Rupees In Million)	Amount payable as on December 31, 2009(Rupees in Million)	Area (In acres)
1.	Pune	Vadgaon Sheri	November 27, 2002	Irene John Paul/ Edward Paul and Just	60.95	19.05	3.01

S.No	City	Location	Date of the Agreement	Parties	Amount paid as on December 31, 2009 (Rupees In Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
				Homes (India) Private Limited			
2.	Pune	Vadgaon Haveli	June 15, 2004	Just Homes (India) Private Limited, Marigold Premises Private Limited and Rock Enterprises	15.63	-	4.61
3.	Pune	Kharadi	February 3, 2005	Zenith Ventures, Gajarbai Murlidhar Kate and others, and Ganaraj Developers	24.00	-	5.04
4.	Pune	Kharadi	November 8, 2005	Zenith Ventures, Dr. Vijay Tatyrao Dangat, Ganaraj Developers, and Suyash Realtors Private Limited	10.29	-	3.63
5.	Pune	Vadgaon Sheri	December 19, 2003, May 10, 2004 and July 3, 2006	Weikfield Products Company (I) Private Limited, IT Citi Infopark Private Limited and our Company	43.72	-	8.83
6.	Pune	Hinjewadi	September 20, 2005, February 17, 2005	A.N. Bhosale, Jaspers Developers Private Limited and our Company	-	-	7.46
7.	Pune	Lohagaon	December 13, 2004	Sreemaangal Pristine Builders and our Company	90.00	-	9.26
8.	Pune	Vadgaon Sheri	March 28, 2002	Marigold Premises Private Limited, Harakchand Uttamchand	331.00	-	32.25*

S.No	City	Location	Date of the Agreement	Parties	Amount paid as on December 31, 2009 (Rupees In Million)	Amount payable as on December 31, 2009(Rupees in Million)	Area (In acres)
				Khnavasara and others.			
9.	Mumbai-Pune Road	Sangamwadi Shivaji Nagar	October 31, 2006	Angelica Properties Private Limited, Gulabbhai S. Shah and others, Clover Resorts Private Limited (a former subsidiary of our Company) and our Company	1,000.00	-	5.87
10.	Pune	Mhalunge	May 8, 2006	Viorica Properties Private Limited, Shri Parameshwar Properties, Ramakrishna Govind Rane and others	20.00	-	1.82
11.	Pune	Mhalunge	January 23, 2007	Viorica Properties Private Limited, Gurukrupa Developers, Mrs Lalita Pannalal Lunavat and Pannalal Dhulchand Lunavat	16.00	-	0.95
12.	Pune	Mhalunge	October 31, 2006	Viorica Properties Private Limited, Dharmendra L. Joshi and Parmeshwar Properties, Vijay P. Uplenchwar, Suhas S. Paddalwar and another, and Nareshkumar Aneja and others	4.03	-	0.35
13.	Aurangabad	Bivagarh	October 15, 2007	John Fowler Ophthalmics Private Limited and	0.00	-	5.95

S.No	City	Location	Date of the Agreement	Parties	Amount paid as on December 31, 2009 (Rupees In Million)	Amount payable as on December 31, 2009 (Rupees in Million)	Area (In acres)
14	Aurangabad	Birajwadi	October 15, 2007	our Company Marathwada Realtors Private Limited and our Company	0.02	-	5.44
15.	Aurangabad	Birajwadi	October 15, 2007	Almet Corporation Limited and our Company	0.02	-	3.52
16.	Thane	Anjur	Various dates	Various owners	174.92	53.12	145.12
Total					1,790.58	72.17	243.11

**Includes portion of land being purchased by Marigold Premises Private Limited pursuant to execution of deeds of indentures dated September 10, 2007*

As on December 31, 2009, we have paid Rs. 85.00 million refundable deposits in relation to these lands.

Just Homes (India) Private Limited

Just Homes (India) Private Limited has entered into two development agreements, both dated November 27, 2002, one with Irene John Paul and the other with Edward Paul and others, as the owners of the land, for the development of 3.01 acres of land located at Vadgaon Sheri, Pune. Under the terms of the agreements, the proceeds from the gross sale of the structures constructed will be distributed between the parties as 40% to the owner towards cost of the land, and 60% to Just Homes (India) Private Limited towards development and construction cost. Subsequently, vide two letters, both dated December 4, 2009 a lump sum consideration of Rs. 52.00 million is to be paid to Irene John Paul and Rs. 28.00 million was paid to Edward Paul; as full and final settlement towards their share in the gross sale proceeds, as mentioned above. Out of the said land available for development, 2.01 acres of land has already been developed but has not been conveyed. See “History and Corporate Structure – Other entities through which we are carrying on development activities- Just Homes (India) Private Limited” on page 140.

Just Homes Associates

A single joint venture agreement dated June 15, 2004 has been entered into between Just Homes (India) Private Limited, as the developer of the land, Marigold Premises Private Limited, as a confirming party and Rock Enterprises, a partnership firm, as the owners of the land, for the purpose of forming an AOP titled ‘Just Homes Associates’. The AOP has been formed for development, construction and sale of 8.92 acres of land located at Vadgaon Haveli, Pune. Under the terms of the agreement, an amount equivalent to the difference between 42.50% of the gross sale proceeds and the cost of land brought in by Rock Enterprises will be debited to the Profit and Loss Appropriation Account and credited to the current account of the Rock Enterprises. The net balance available in the Profit and Loss Appropriation Account after deducting the income tax, shall be credited/debited to the account of the Just Homes (India) Private Limited. Out of the said land available for development, 4.31 acres of land has already been developed and conveyed while 1.21 acres has been developed and leased to different clients. See “History and Corporate Structure – Other entities through which we are carrying on development activities- Just Homes Associates” on page 143.

Zenith Ventures

Our Company has entered into a single joint venture agreement dated February 2, 2005 and the addendum agreement dated August 10, 2006 with Sumangal Enterprises, a partnership firm, to form an AOP titled ‘Zenith Ventures’ to jointly acquire the development rights for development of certain lands located at Kharadi, Pune. Under the terms of the addendum agreement, Sumangal Enterprises is entitled to 42.5% of the gross sale proceeds of the shops in the mall sold or leased. The amount so arrived will be assumed to be inclusive of the capital contribution made by Sumangal Enterprises for the purchase of the said land. Our Company will be

entitled to the profit arrived after deducting expenses including statutory liabilities, payment relating to the project and fixed share of profit of Sumangal Enterprises.

Subsequently, a development agreement dated February 3, 2005 was entered into between Zenith Ventures, as the developer, Gajarbai Murlidhar Kate and others, as the owners, and Ganaraj Developers, a partnership firm, as the consenting party to whom the development rights were transferred by the owners, for the development of 5.04 acres of land located at Kharadi, Pune. Under the terms of the development agreement, Zenith Ventures has to pay Rs. 24.00 million as consideration to Ganaraj Developers for relinquishing their rights in the said land.

Zenith Ventures has entered into a development agreement dated November 8, 2005 with Dr. Vijay Tatyrao Dangat, the owner of the land, Ganaraj Developers, a partnership firm, and Suyash Realtors Private Limited as the consenting parties to whom development rights were transferred by the owners, for the development of land admeasuring 3.63 acres located at Kharadi, Pune. Under the said agreement, Dr. Vijay Tatyrao Dangat has transferred development rights in the said property to Zenith Ventures for a lump sum consideration payable to the owner and the consenting parties. See “History and Corporate Structure – Other entities through which we are carrying on development activities- Zenith Ventures” on page 143.

Weikfield IT Citi Infopark

IT Citi Infopark Private Limited, as a developer, has entered into single joint venture agreement dated December 19, 2003 and the addendum agreement dated May 10, 2004 with Weikfield Products Company (I) Private Limited, the owner of the land, for the purpose of forming an AOP titled ‘Weikfield IT-Citi Infopark’. The AOP has been formed for the purpose of development, construction and sale of 12.97 acres land located at Vadgaonsheri, Pune. Subsequently a supplementary single joint venture agreement dated July 3, 2006 was entered into between our Company, IT Citi Infopark Private Limited and Weikfield Products Company (I) Private Limited, whereby our Company became a party to the AOP for the purpose of managing the development work, marketing the development and other related activities stated in the agreement. Under the terms of the agreement, 37% of the gross sale or lease proceeds shall be first provided as share of the profit of Weikfield Products Company (I) Private Limited. The said 37% shall be treated as a charge on the profit payable to Weikfield Products Company (I) Private Limited. Further, 15% of the gross sale or lease proceeds shall be provided as share of the profit of our Company. The said 15 % shall be treated as a charge on the profit payable to our Company. The resultant profit and loss after providing for the 37% and 15% shares as stated above, shall be further shared between Weikfield Products Company (I) Private Limited, IT Citi Infopark Private Limited and our Company as, in case of profits, in the ratio of 1:98:1 respectively, and in case of loss, in the ratio 0:99:1 respectively. It is further agreed that the amount of profit payable to Weikfield Products Company (I) Private Limited shall be after adjusting a lump sum amount of consideration as mentioned in the agreement payable to Weikfield Products Company (I) Private Limited being the cost of the land contributed by Weikfield Products Company (I) Private Limited as capital in kind in the AOP. The commission or brokerage payable in respect of the sale and lease units to be constructed on the said land shall be borne by the parties in the proportion of 37% by Weikfield Products Company (I) Private Limited, 48% by IT Citi Infopark Private Limited and 15% by our Company. Subsequently the parties have entered into an addendum dated September 30, 2009 whereby they have agreed to modify only the sharing of the gross sale proceeds arising out of sale of Building C at Weikfield IT Citi Infopark. It is agreed that Weikfield Products Company (I) Private Limited is entitled to a share of profit of 37% of gross sale price or rentals of Building upto Rs. 250,000,000, and balance gross is to be shared at the rate of 17% of the gross sale price / rentals of building with the company. The rest of the terms and conditions of the earlier agreements remain unchanged.

Pursuant to a conveyance deed dated July 3, 2008 between Weikfield IT Citi Infopark, Weikfield Products Company Limited and NV Realty Private Limited, 4.14 acres of land along with the construction thereon was conveyed to NV Realty Private Limited. Weikfield IT Citi Infopark has also entered into an agreement for sale dated August 2, 2007 with Weikfield Products Company (India) Private Limited and Belaire Hotels Private Limited to sell 1.61 acres of land with structures to be erected thereon to Belaire Hotels Private Limited for a consideration of Rs. 1,466.25 Million out of which the purchaser has already paid Rs. 721.70 million. Subsequently, Weikfield IT Citi Infopark has also entered into an agreement for sale dated April 13, 2007 with Weikfield Products Company India Private Limited and NV Projects Private Limited to sell 4.49 acres of land and construction thereon to NV Projects Private Limited for a consideration of Rs. 919.47 million out of which Rs. 456.38 million has already been received by Weikfield IT Citi Infopark. Out of the said 4.49 acres of land agreed to be conveyed, 2.07 acres of land has been developed and possession has been given to NV Projects Private Limited on September 10, 2009. See “History and Corporate Structure – Other entities through which we are carrying on development activities- Weikfield IT Citi Infopark” on page 144.

Phoenix Ventures

Our Company, as a developer, had entered into a development agreement dated February 17, 2005 with A.N. Bhosale, the owner of the land, for the development of 7.46 acres of land located at Hinjewadi, Mulshi, Pune. Under the said agreement, A.N. Bhosale has transferred the development rights to our Company for an agreed lump sum consideration specified in the agreement. Subsequently, our Company has entered into a single joint venture agreement dated September 20, 2005 with Jaspers Developers Private Limited for the purpose of forming an AOP titled 'Phoenix Ventures'. The AOP has been formed for jointly developing the said land. Under the terms of the agreement, our Company shall be eligible for a project management fee of 10% of the total cost of the project. Further, the balance 90% of the profits shall be shared between the parties equally. Out of total land of 7.46 acres available for development, 1.21 acres of land has been developed but not conveyed. See "History and Corporate Structure – Other entities through which we are carrying on development activities-Phoenix Ventures" on page 144.

Zircon Ventures

Our Company, as a co-developer, has entered into a single joint venture agreement dated December 13, 2004 with Sreemaangal Pristine Builders, the developers of the land, to whom the development rights were transferred by the owners of the land, for the purpose of forming an AOP titled 'Zircon Ventures.' The AOP has been formed for the development and sale of 10.79 acres of land located at Lohagaon, Pune. Under the terms of the said agreement, an amount equivalent to the difference between 33% of the gross sale proceeds and the cost of land brought in by the Sreemaangal Pristine Builders will be debited to the profit and loss appropriation account and credited to the current account of the Sreemaangal Pristine Builders. The net balance available in the profit and loss appropriation account, shall be credited/debited to the account of our Company. Sanjay Ajwani and others have filed a civil suit no. 1202 of 2005 in September 2005 against Down Town Estate Developers Private Limited and others, including our Company and Zircon Ventures. Out of the total land, 8.11 acres of land has been developed but not conveyed. Further, Vide sale deed dated April 6, 2009, Zircon Ventures has conveyed 1.53 acres out of the remaining land to Duet Hotels (Pune) Private Limited. For further information, see "Outstanding Litigation and Defaults" on page 32. See "History and Corporate Structure – Other entities through which we are carrying on development activities- Zircon Ventures" on page 143. Subsequently, the parties have entered into an addendum dated September 30, 2009. It is agreed that the Sreemaangal Pristine Builders shall be entitled to 20% of the gross sale proceeds in excess of the proportionate cost of land with respect to the sale of "Duet" Building.

Marigold Premises Private Limited

Marigold Premises Private Limited, as a developer, has entered into a development agreement dated March 28, 2002 with Harakchand Uttamchand Khinvasara and others, being the owners of the land, for the development of the undivided share of the owners in the land measuring 45.61 acres located at Vadgaon Sheri, Pune. Under the said agreement, the owners have transferred development rights in the said land to Marigold Premises Private Limited for a lump sum consideration mentioned in the said agreement payable to the owners by Marigold Premises Private Limited.

Further, in order to acquire the balance undivided interest in the said land measuring 45.61 acres, Marigold Premises Private Limited has entered into twelve deeds of indentures, all dated September 10, 2007, with various landowners for purchase of their undivided interest in the said land.

Further, out of the said land measuring 45.61 acres, 12.13 acres have been transferred to Rock Enterprises under an order of the Bombay High Court dated March 17, 1997 in the suit no. 2175 of 1996 and out of the balance area of 33.48 acres, 26.13 acres has already been developed and vide deed of conveyance dated August 6, 2002, 1.23 acres out of the completed area have been conveyed by our Company and the owners as the confirming party to K.A. Hamied Foundation, a public charitable trust, for a consideration of Rs. 32.30 million and the remaining 24.90 acres is pending for conveyance. See "History and Corporate Structure – Other entities through which we are carrying on development activities- Marigold Premises Private Limited" on page 141.

Angelica Properties Private Limited

Angelica Properties Private Limited, a developer, has entered into a development agreement dated October 31, 2006 with Clover Resorts Private Limited, our Company and Gulabbhai S. Shah and others, being the owners

and the consenting parties to this agreement, for the development of 5.87 acres of land located at Sangamwadi Shivaji Nagar along Mumbai-Pune Road. Prior to the said agreement, Gulabbhai S. Shah and others had transferred the development rights in the said land to Clover Resorts Private Limited. Pursuant to the aforesaid development agreement, our Company and Clover Resorts Private Limited transferred the development rights to Angelica Properties Private Limited for a lump sum consideration stated in the agreement payable by Angelica Properties Private Limited to our Company. Subsequently, vide a court merger order dated January 19, 2007, Clover Resorts Private Limited was merged with our Company. Further, vide an agreement dated February 13, 2008, between Angelica Properties Private Limited and Apeejay Surrendra Park Hotels Limited, Angelica Properties Private Limited has agreed to sell 2.17 acres of land along with the construction thereon to Apeejay Surrendra Park Hotels Limited for a total purchase price of Rs. 1466.25 million. Out of the aforesaid purchase price, Angelica Properties Private Limited has received Rs. 806.49 million. See “History and Corporate Structure – Other entities through which we are carrying on development activities- Angelica Properties Private Limited” on page 140.

Angelica Properties Private Limited has entered into an agreement to sale dated December 30, 2009 with Gulabbhai S. Shah and other and Leon Realtors Private Limited (“**Leon**”) whereby Leon has agreed to purchase matrix IT building consisting of two wings consisting of eight floors having a total constructed area of 253,305 sq. ft along with constructed on land area of 8,180 sq. mts forming part of CTS No. 4/1, Final Plot No. 64/A of the Town Planning Scheme, Pune Sangamwad, Bhamburda, Shivaji Nagar along Mumbai-Pune Road for Rs. 1,049 million.

Viorica Properties Private Limited

Viorica Properties Private Limited, as a developer, has entered into a deed of assignment of development rights dated May 8, 2006 with Shri Parameshwar Properties, as the assignors of the development rights, and Ramakrishna Govind Rane and others, being the owners of the land and consenting parties to this agreement, for the development of 1.82 acres of land located at Mhalunge, Pune. Under the said agreement, Shri Parameshwar Properties, a partnership firm, to whom the development rights in the said land were transferred by the owners, transferred the said development rights to Viorica Properties Private Limited for a lump sum consideration mentioned in the agreement, payable by Viorica Properties Private Limited to Shri Parameshwar Properties.

Viorica Properties Private Limited as a developer, and Gurukrupa Developers, a partnership firm, has entered into two development agreements, both dated January 23, 2007 with Mrs Lalita Pannalal Lunavat and Pannalal Dhulchand Lunavat respectively, for the development of a total of 0.95 acres of land located at Mhalunge, Pune. Under the said agreements, Viorica Properties Private Limited has been transferred development rights in the said land for a lump sum consideration as mentioned in the said agreements payable by Viorica Properties Private Limited to Gurukrupa Developers, Mrs Lalita Pannalal Lunavat and Pannalal Dhulchand Lunavat.

Viorica Properties Private Limited, as a developer, has entered into three deeds of assignment of development rights, all dated October 31, 2006, with Dharmendra L. Joshi and Parmeshwar Properties as the respective assignors of the development rights in the lands and Vijay P. Uplenchwar, Suhas S. Paddalwar, Sudhakar G. Paddalwar and Nareshkumar Aneja and others, being the respective owners of the said lands and the consenting parties to the agreements, for the development of a total of 0.35 acres of lands located at Mhalunge, Pune. Under the said agreements, Viorica Properties Private Limited has been transferred the development rights in the said lands for a lump sum consideration as mentioned in the agreements payable by Viorica Properties Private Limited to the assignors and the owners. See “History and Corporate Structure – Other entities through which we are carrying on development activities- Viorica Properties Private Limited” on page 141.

Land located at Aurangabad

Our Company has subscribed to and has been allotted 49% of the equity share capital of John Fowler Ophthalmics Private Limited and has entered into shareholders agreement and the share subscription agreement, both dated October 15, 2007 in this regard. According to the said agreements, John Fowler Ophthalmics Private Limited holds leasehold rights in 5.95 acres of land located at Bivagarh, Aurangabad. It is further stated in the said agreements that our Company will be responsible for designing, planning, construction, development of the project and also marketing the said units in the project as per the terms and conditions, including the fees as may be agreed by John Fowler Ophthalmics Private Limited. John Fowler Ophthalmics Private Limited has acquired the right over the said property through a license agreement dated January 16, 1970, a supplementary agreement dated May 12, 1997 and order of MIDC dated March 29, 1997. For details see to “History and Corporate Structure - Other Development Entities” on page 140.

Our Company has subscribed to and has been allotted 49% of the equity share capital of Marathwada Realtors Private Limited and has entered into shareholders agreement and the share subscription agreement, both dated October 15, 2007 in this regard. According to the said agreements, Marathwada Realtors Private Limited holds leasehold rights in 5.44 acres of land located at Birajwadi, Aurangabad. It is further stated in the said agreements that our Company will be responsible for designing, planning, construction, development of the project and also marketing the said units in the project as per the terms and conditions including the fees as may be agreed by Marathwada Realtors Private Limited. Marathwada Realtors Private Limited has acquired the leasehold right over the said land through a license agreement executed on January 22, 1974 and order of MIDC dated March 14, 1986. For details see to History and Corporate Structure – Other Development Entities on page 140.

Our Company has subscribed to and has been allotted 49% of the equity share capital of Almet Corporation Limited and has entered into shareholders agreement and the share subscription agreement, both dated October 15, 2007 in this regard. According to the said agreements, Almet Corporation Limited holds leasehold rights in 3.52 acres of land located at Birajwadi, Aurangabad. It is further stated in the said agreements that our Company will be responsible for designing, planning, construction, development of the project and also marketing the said units in the project as per the terms and conditions including the fees as may be agreed by Almet Corporation Limited. Almet Corporation Limited has acquired the leasehold right over the said land through a license agreement executed on January 22, 1974, supplementary agreement dated March 31, 1998 and order of MIDC dated March 31, 1998. For further details refer to “History and Corporate Structure - Other Development Entities” on page 140.

Land located at Thane

Mumbai Estates Private Limited has entered into 94 development agreements with a number of land owners for the development of a total of 145.12 acres of land located at village Anjur, Thane. The owners have transferred the development rights to our Company. The said land has been acquired for the purpose of developing a special township as per the Special Township Notification. For further details on the Special Township Notification, see “Regulations and Policies” at page 127. The land shall be in joint possession of the owners and Mumbai Estates Private Limited until the permission for the Special Township project is granted by the Government of Maharashtra. Further, currently, the said land is falling in the recreational and tourism zone. Mumbai Estates Private Limited has applied for conversion of zone from recreation and tourism zone to urbanisable zone to the Government of Maharashtra. See “Government Approvals” on page 334. As per notification dated November 26, 2008 issued by the Government of Maharashtra, Mumbai Estate Private Limited became eligible for 4 FSI out of which FSI 1 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. For further details on Mumbai Estates Private Limited see “History and Corporate Structure - Other Entities through which we carry on development- Mumbai Estates Private Limited” on page 141.

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 i.e., ‘Land under which joint development agreements have been entered into by the Company directly, or through its Subsidiaries and or through entities other than (I) and (II) above’ are as follows:

S.No.	Location of Land	Date of Agreement/ Validity Period	Parties to the Agreement	Agreement Value (Rupees in Million)	Amount Paid as on December 31, 2009 (Rupees in Million)	Deposit Paid as on December 31, 2009(as a % of Agreement Value)
1.	Sangamwadi, Shivaji Nagar, Pune	October 31, 2006	Angelica Properties Private Limited, Gulabbhai S. Shah and others, Clover Resorts Private Limited (a former subsidiary of our Company) and our Company	1,000.00	1,000.00	-
2.	Vadgaon Sheri, Pune	September 10, 1997 and	Marigold Premises Private Limited,	331.00	331.00	-

S.No.	Location of Land	Date of Agreement/ Validity Period	Parties to the Agreement	Agreement Value (Rupees in Million)	Amount Paid as on December 31, 2009 (Rupees in Million)	Deposit Paid as on December 31, 2009(as a % of Agreement Value)
		March 28, 2002.	Harakchand Uttamchand Khinvasara and others			
3.	Kharadi, Pune	October 5, 2007	Tushad Behram Dubash Trust and Ria Behram Dubash Trust and Calypso Premises Private Limited and our Company as confirming party	485.00	485.00	-
Total				1,816.00	1,816.00	-

The aggregate agreement value of the non-material agreements in this category is Rs. 693.38 million, the aggregate amount paid is Rs. 621.21 million

(v) *Proportionate interest in lands owned indirectly by the Company through joint ventures:*

Approximately 51.29 acres, located in Pune constituting 7.72% of the total Land Reserves, are held under this category. Of the said lands we expect to develop approximately 4.35 million sq. ft constituting 7.48% of the total Developable Area. As on December 31, 2009 we have not paid any amounts towards the purchase of these lands. See “Risk Factor-Internal Risks and Risks Relating to our Business and Industry- We depend upon the fulfilment of the obligations of our joint venture partners, as well as the products and services of a number of suppliers and sub-contractors, in the operation of our business” on page xv.

S.No	City	Location	Date of the Agreement	Parties	Amount paid as on December 31, 2009 (Rupees in Million)	Amount payable (Rupees in Million)	Area (In acres)
1	Pune	Kharadi	September 24, 2004	Azim Faizullah Tapia and Ors	-	-	51.29
Total					-	-	51.29

Ajanta Enterprise

Our Company and Madhur Realtors Private Limited entered into the partnership firm, Ajanta Enterprise, pursuant to partnership deed dated September 24, 2004 with Azim Faizullah Tapia, Javed Faizullah Tapia, Raj Kanaksen Bhansali, Shishir Babalal Bhansali, Dhiren Popatlal Nandu, being the existing partners of Ajanta Enterprise. Pursuant to the terms of the aforesaid partnership deed, the partnership has been reconstituted for the purpose of development of 51.29 acres of land located at Kharadi, Pune. The existing partners vide a declaration dated January 1, 1999 declared that the lands purchased by the partners in their individual names were for and on behalf of the partnership firm and that the said lands belonged to the partnership firm. Under the terms of the reconstituted partnership deed, the profits and losses shall be shared between the partners as 10% to Azim Faizullah Tapia, 10% to Javed Faizullah Tapia, 17.5% to Raj Kanaksen Bhansali, 2.5% to Shishir Babalal Bhansali, 10% to Dhiren Popatlal Nandu, 20% to Madhur Realtors Private Limited and 30% to our Company.

Further, an MOU dated January 10, 2008 has been entered into between Azim Faizullah Tapia, Javed Faizullah Tapia and Marvel Housing Private Limited, our Subsidiary, whereby Azim Faizullah Tapia and Javed Faizullah Tapia have agreed to transfer and assign their interest in the said partnership to Marvel Housing Private Limited for a lumpsum consideration of Rs. 526.40 million subject to Marvel Housing Private Limited completing the

due diligence or this transaction within the stipulated period of six months from the date of execution of this MoU. See “History and Corporate Structure - Partnerships- Ajanta Enterprises” on page 145.

The following table is a summary of our Land Reserves and the amounts due for acquisition of land by us as of December 31, 2009:

Location-wise break up	Land Reserves (In Acres)	Land Reserves (Rupees in Million)	
		Amount paid	Amount Payable
Pune	382.07	3,099.99	19.05
Ahmadabad	25.98	-	-
Aurangabad	14.91	0.04	-
Nashik	18.97	116.36	-
Thane	145.12	174.92	53.12
Coimbatore	34.37	70.00	-
Belgaum	1.72	-	-
Zirakpur	1.94	25.00	-
Goa	7.57	29.00	-
Hyderabad	3.50	-	-
Madurai	28.20	-	-
TOTAL	664.35	3,515.32	72.17

The Company shall make continuous disclosures on stages of development on the material agreements that have been disclosed in the Red Herring Prospectus to the Stock Exchanges on continuous basis, for purpose of public dissemination.

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, Government of Maharashtra and the respective bye-laws framed by the local bodies incorporated under the laws in the State of Maharashtra. The information detailed in this chapter has been obtained from the various local legislations and the bye-laws of the respective local authorities that are available in the public domain.

The real estate and construction sector in India is governed by central and state legislations that regulate the substantive and procedural aspects of the acquisition and transfer of land, construction of housing and commercial establishments. The real estate and construction industry in India operates in a largely fragmented manner, and each state prescribes its own regulations. Investors are advised to undertake their independent study in relation to the regulations applicable to us, for carrying out our business in various States in India. We are broadly subject to the laws which provide for the acquisition of the land, its registration and related aspects like payments of stamp duty, local legislation providing for the regulation and supervision of building and residential premises and certain other state specific laws.

Given below is a brief description of the various legislations, i.e Central and State, that are currently applicable to the business carried on by us.

Constitution of India

The Constitution of India, in Schedule VII provides the list of the various fields of legislation in which the Union, the State and the Centre and State are allowed to make laws. The fields of legislation as specified in the Union list allow the Union of India to make the laws while the entries in the State List provide the respective states to make the laws in relation to the same. The entries in the Concurrent list are where the centre and the states can both make laws. Provided below are certain important entries in relation to land which appear both in the Union as well as the State list.

Union List

Entry 86 of the Union list is in relation to ‘*Taxes on the capital value of the assets, exclusive of agricultural land, of individuals and companies; taxes on the capital of companies*’. Further entry 87 deals with ‘*Estate duty in respect of property other than agricultural land*’.

State List

Entry 18 of the State List deals with ‘*land that is to say right in or over the land, land tenures including the relation of landlord and tenant, and the collection of rents, transfer and alienation of agricultural lands; land improvement and agricultural loans; colonisation*’. Further entry 49 empowers the state in relation to ‘*taxes on land and buildings*’.

Therefore, as provided for in the Constitution of India, as regards lands in specific and real estate in general, the same are governed both by the laws enacted by the states as well as by the Union of India.

Laws enacted by the Union of India

Transfer of Property Act, 1882 (“T.P. Act”)

The T.P. Act deals with the various methods in which transfer of property including transfer of immovable property or any interest in relation to that property, between individuals, firms and companies takes place. This mode of transfer between individuals is governed by the provisions of the T.P. Act, as opposed to the transfer of property or interest by the operation of law. The transfer of property as provided under the T.P. Act, can be through the mode of sale, gift, exchange etc. while an interest in the property can be transferred by way of a ‘lease’ or ‘mortgage’.

The T.P. Act stipulates the general principles relating to the transfer of property including among other things 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.

Registration Act, 1908 (“Registration Act”)

The Registration Act has been enacted with the object of providing public notice of the execution of documents affecting a transfer of any interest in an immoveable property. The purpose of the Registration Act is the conservation of evidence, assurances, title, publication of documents and prevention of fraud. It lays down in detail, 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 immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding eleven months or reserving a yearly rent.

An unregistered document will not affect the property comprised in it, nor be treated 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 T.P. Act or as collateral), unless it has been registered. However, the amount of the fees under the Registration Act for the purpose of registration, varies from state to state.

The Indian Stamp Act, 1899 (“Stamp Act”)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list, are governed by the provisions of the Stamp Act which is enacted by the Central Government. All other instruments required to be stamped, as per the rates prescribed by the respective state governments. Stamp duty is required to be paid on all the documents that are registered, as stated above, the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty, while the other States have amended the Stamp Act, as per the rates applicable to in the State. The Stamp Act provides for stamp duty at the specified rates on instruments listed in the Schedule to the said Act.

The stamp duty in relation to the lease or conveyancing of any immovable property is prescribed by the respective states in which the land is situated and it varies from state to state. Instruments which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. Further the state government also has the power to impound insufficiently stamped documents.

Stamp Duty on instruments in the State of Maharashtra is governed by the provisions of the Bombay Stamp Act, 1958 (“BSA”). The BSA prescribes the stamp duty payable on various instruments relating to the land namely conveyance, lease and other instruments as the case may be. The stamp duty payable on conveyance in the State of Maharashtra is five percent, plus any other interest/cess at present and is subject to revision by the government from time to time.

The Easements Act, 1882 (“Easements Act”)

The law relating to easements is governed by the Easements Act. The right of easement is derived from the ownership of property and has been defined under the Easements Act to mean 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 respect of certain other land not his own. Under this law an easement may be acquired by the owner of immovable property, i.e. the dominant owner, or on his behalf by the person in possession of the property. Such a right may also arise out of necessity or by virtue of a local custom.

Service Tax

Companies engaged in the business of commercial or industrial construction service which includes construction as well as finishing services like plastering and glazing, including repairs and servicing; construction of complex which includes construction of a new residential complex or a part thereof as well as finishing services in relation to the same, are liable to pay service tax.

Labour Laws

We are also required to comply with the laws, rules and regulations in relation to hiring and employment of labour. The laws applicable to us include the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, which is a social welfare legislation which aims to provide certain benefits as enumerated in the Act to the workers engaged in establishments that use manual labour for

purposes of construction activities. The Act also provides for the regulatory regime to establish 'Boards' at the Central and the State level, to regulate the functioning of provisions the Act. All establishments involved in construction, are required to be registered under the Act. The Minimum Wages Act, 1948, provides for the fixing of appropriate minimum wages for workers involved in the various scheduled industries as specified in the act. The schedule of the Act refers to 'employment on the construction' or 'maintenance of roads or in building operations'. The Payment of Bonus Act, 1965 prescribes the compulsory payment of bonuses to the employees by the establishments not expressly excluded by the statute. The Payment of Wages Act, 1936 aims to regulate the payment of wages to certain classes of employed persons. It establishes a regulatory regime for implementation of the objects of the Act. Pursuant to the insertion of Section 2(g) of the Act, it also applies to the construction industry. Further in the event that any aspect of the activity is outsourced and is carried by labourers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, 1970 shall also be necessary. The Payment of Gratuity Act, 1972 provides for the payment of gratuity to employees in certain prescribed establishments. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years on his superannuation, on his retirement or resignation or on his death or disablement due to accident.

Environment Laws

Water (Prevention & Control of Pollution) Act, 1974 ("Water Act")

The water pollution in India is regulated under the Water Act. The act aims to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. The act provides for the prevention and control of water pollution.

As per the provisions of the act there are certain restrictions on new person shall, without the previous consent of the State Board – (1) establish or take any steps to establish any industry, operation or process, or any treatment and disposal system or any extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land (such discharge being hereafter in this section referred to as discharge of sewage); (2) bring into use any new or altered outlet for the discharge of sewage; and (3) being to make any new discharge of sewage. Before such an activity is undertaken, an application is to be made to the State pollution control Board and they conduct a through enquiry into the application so made and may finally or may not grant permission to carry out such activity.

Laws relating to SEZ

Special Economic Zones, Act, 2005 (the "SEZ Act")

SEZs are regulated and governed by the SEZ Act. The SEZ Act has been enacted for the establishment, development and management of the SEZs for the promotion of exports. An SEZ is a specifically delineated duty free enclave, deemed to be a foreign territory for the purposes of trade as well as duties and tariffs.

Initially, India had introduced the concept of the SEZ as a part of its Foreign Trade Policy, 2000. This concept embodied fiscal and regulatory concessions, which formed part of various laws, for example, Customs Act, Income-Tax Act and Excise Act. Since due to its relatively complex legal framework, it was unable to attract significant private investment, the SEZ Act was enacted.

A Board of Approval ("**SEZ Board**") has been set up under the SEZ Act, which is responsible for promoting the SEZ and ensuring its orderly development. BOA has a number of powers including the authority to approve proposals for the establishment of the SEZ, the operations to be carried out in the SEZ by the developer, the foreign collaborations and foreign direct investments.

Procedure for setting up an SEZ

SEZs may be established under the SEZ Act, either jointly or severally by the central government, state government or any other person. As per the provisions of the SEZ Act, any person, who intends to set up an SEZ may, after identifying the area, make an application in Form-A read with Rule 3 of the SEZ Rules, 2006 to the respective state government of the state where the land is located, giving details of the said proposal. State Government may approve the said proposal within a period of 45 days from the date of receipt of such an application in terms of Section 3 of the SEZ Act, 2005, read with sub-rule 1 of Rule 4 of the SEZ Rules, 2006. Alternatively, an application may also be made directly to the BOA and the NOC from the state government

may be obtained subsequently.

On receipt of such an application, the BOA may subject to certain conditions approve the proposal in terms of Section 9 of the SEZ Act, 2005 read with Rule 6 of the SEZ Rules, 2006 and communicate it to the central government. Upon receipt of the communication from the BOA, the central government under rule 6 of the SEZ Rules, within 30 days grants the letter of Approval. The central government may prescribe certain additional conditions.

The approvals granted for setting up a SEZ under the erstwhile scheme were referred to as ‘in-principle approvals’. Subsequent to the passing of the SEZ Act, However, currently, the central government initially grants the letter of approval to the proposals for setting up of SEZs which as per the old practice continues to be referred to as the ‘in-principle approval’. The in-principle approval is valid for a period of one year or three years (as the case may be). The validity period may be extended by the central government, on a case to case basis. Normally, in-principle approval is granted when the Developer is yet to acquire land for the purpose of development of SEZ. In case the Developer already possesses required land for the development of SEZ, the BOA normally grants formal approval. Such formal approval shall be valid for a period of 3 years within which time effective steps shall be taken by the Developer to implement the SEZ project. The validity period may be extended by the central government, on a case to case basis.

The Developer is then required to furnish an intimation to Department of Commerce, Ministry of Commerce and Industry, Government of India. giving details of the SEZ as required in terms of Rule 7 of the SEZ Rules 2006 and the Department of Commerce, Ministry of Commerce and Industry, Government of India on being satisfied with the proposal and compliance of the developer with the terms of the approval, issues a notification declaring the specified area as an SEZ under Rule 8 of the SEZ Rules, 2006.

Apart from the letter of approval from the central government for setting up of the SEZ, no other governmental license is required. Once an area is declared to be an SEZ, the central government appoints a Development Commissioner under Section 11 of the SEZ, Act who is responsible for monitoring and ensuring strict adherence to the legal framework and the day to day operations of the SEZ.

The Special Economic Zone, Rules 2006 (the “SEZ Rules”)

The SEZ Rules, 2006 have been enacted to effectively implement the provisions of the SEZ Act. The SEZ Rules provide for a simplified procedure for a single window clearance from central and state governments for setting up of SEZs and a ‘unit’ in SEZ. The SEZ Rules also prescribe the procedure for the operation and maintenance of an SEZ, for setting up and conducting business therein with an emphasis on ‘self certification’ and the terms and conditions subject to which entrepreneur and Developer shall be entitled to exemptions, drawbacks and concessions etc. The SEZ Rules also provide for the minimum area requirement for various categories of SEZs.

The Developer and/or a Co-developer as the case may be is required to have at least 26 percent of the equity in the entity proposing to create business, residential or recreational facilities in a SEZ in case such development is proposed to be carried out through a separate entity or special purpose vehicle being a company formed and registered under the Companies Act.

State SEZ Policies

Various states including the states of Maharashtra, Tamil Nadu and Rajasthan have their own state SEZ policies. The state SEZ policies prescribe the rules in relation to the various environmental clearances, water and power supply arrangements, state taxes, duties, local taxes and levies and we are required to follow the state policy in addition to any central policies.

Laws specific to the state of Maharashtra

The Maharashtra Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963

The Maharashtra Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963 (“**MOF Act**”) applies throughout the State of Maharashtra. The provisions of the MOF Act apply to promoters / developers who intend to construct a block or building of flats on ownership basis. The MOF Act prescribes general liabilities of promoters and developers. Under the rules framed under the MOF Act,

a model form of agreement to be entered into between promoters/developers and purchasers of flats has been prescribed. Under the MOF Act, the promoter/developer is required to enter into a written Agreement for sale of flat with each purchaser and the agreement contains prescribed particulars with relevant copies of documents and these agreements are compulsorily required to be registered.

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.

The Bombay Stamp Act, 1958

As stated above, the applicable rates for stamp duty on various instruments, including those relating to conveyance, are prescribed by state legislation. The stamp duty rates as applicable in Maharashtra have been prescribed by the Bombay Stamp Act, 1958 (“**BSA**”). Set out below are some of the salient rates of stamp duty in the context of the Company’s operations:

- Development Agreement: under the BSA, stamp duty of 1% on consideration/market value, whichever is more is payable.
- Power of Attorney: if stamp duty is paid, as above, on the development agreement, then stamp duty payable is Rs. 200/-.
- Agreement with flat owners: Concessional stamp duty is provided for residential units and stamp duty on commercial units at the rate of 5%.
- In case of investments executed for the rehabilitation of slum dwellers, the Government of Maharashtra has, in exercise of its powers under section 9 of the BSA, reduced the stamp duty to Rs. 100/- only.

The Maharashtra Value Added Tax Act, 2002

The Maharashtra Value Added Tax Act, 2002 prescribes certain requirements in relation to the payment of value added tax in Maharashtra.

Maharashtra Cooperative Societies Act, 1960

The Maharashtra Cooperative Societies Act, 1960 has been enacted with a view to providing for the orderly development of cooperative movement in the State of Maharashtra in accordance with the relevant Directive Principles of State Policy enunciated in the Constitution of India.

Bombay Municipal Corporation Act, 1888

The Bombay Municipal Corporation Act, 1888 has been enacted to regulate the municipal administration of the city of Bombay (now Mumbai) and to secure the due administration of municipal funds.

The Maharashtra Housing and Area Development Act, 1976

The Maharashtra Housing and Area Development Act, 1976 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 Maharashtra Apartment Ownership Act, 1970

The Maharashtra Apartment Ownership Act, 1970 has been enacted to provide for ownership of an individual apartment in a building and to make such apartment heritable and transferable property.

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 if the Corporation is ready to acquire the same. Until such time the Developers hand 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.

Other applicable laws

In addition to the legislation stated above, we shall also be required to obtain the consent of various local bodies including the Ministry of Environment and Forests and/or State Pollution Control Board, Fire Force Department, Sewerage Board, Telecom Department and Airport Authority of India (“AAI”).

Foreign Investment in the Real Estate Sector

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, however the foreign investor is required to follow certain prescribed procedures for making such investment. As per current foreign investment policies, foreign investment is not permitted in the Real Estate Industry.

The GoI has permitted FDI of up to 100% under the automatic route 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), (Real Estate Sector), subject to certain conditions contained in Press Note No. 2 (2005 series) (Press Note 2) and Press Note No. 4 (2006 series) (Press Note 4).

Further, as per the sector-specific policy for FDI, FDI upto 100% is allowed under the automatic route in Special Economic Zones and Free Trade Warehousing Zones covering setting up of these Zones and setting up units in the Zones, subject to Special Economic Zones Act, 2005 and the Foreign Trade Policy.

Foreign investment in the real estate sector is regulated by the relevant provisions of the FDI Manual dated November 2005 (“**FDI Manual**”), FEMA Regulations, and the relevant Press Notes issued by the Secretariat for Industrial Assistance, GoI.

FDI Manual

Item No. 9 of Annexure II to the said FDI Manual outlines the sectoral caps in relation to ‘Housing and Real Estate’. The said annexure, specifies the following as activities under the automatic route in which Investment are permitted only by NRI’s:

- 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:

1. Development of serviced plots and construction of built up residential premises
2. Investment in real estate covering construction of residential and commercial premises including business centres and offices
3. Development of townships
4. City and regional level urban infrastructure facilities, including both roads and bridges
5. Investment in manufacture of building materials, which is also open to FDI
6. Investment in participatory ventures in (a) to (c) above
7. 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.

Press Note 2 of 2005

The law in relation to investment in the real estate sector has further been modified vide press note 2 of 2005, bearing No. 5(6)/2000-FC dated March 3, 2005. The said press note has also amended certain press notes which have been issued earlier, in the same field.

Under the said press note 2, 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
 1. In case of development of serviced housing plots, a minimum land area of 10 hectares.
 2. In case of construction-development projects, a minimum built up area of 50,000 square meters
 3. In case of a combination project, anyone of the above two conditions would suffice
- b. Minimum capitalization 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 the 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. 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.

Therefore applicable law only permits investment by an NRI under the automatic route in the 'Housing and Real Estate' sector upto 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 upto 100 % FDI in the 'Housing and Real Estate' subject to compliance with the terms provided in press note 2 of 2005.

The RBI has by a letter dated December 18, 2007 permitted FIIs to subscribe to the present Issue under the portfolio investment scheme in terms of Regulation 1(5) of Schedule 2 to RBI notification no FEMA 20/2000-RB dated May 3, 2000. However it provided that FII investments in any pre-ipo placement would be treated on par with FDI and will have to comply with the guidelines for such FDI such as minimum capitalisation norms and lock in-period and other conditions prescribed vide Press Note 2 (2005) Series.

Note:

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. Non-residents such as FVCIs, multilateral and bilateral development financial institutions are not permitted to participate in the Issue.

HISTORY AND CORPORATE STRUCTURE

Our History

We were originally incorporated on January 1, 1986 as a private limited company under the provisions of the Companies Act, 1956 as Vascon Engineers Private Limited. We became a deemed public company by virtue of Section 43A of the Companies Act with effect from August 25, 1997 and were renamed as Vascon Engineers Limited.

Consequent to the amendment of Section 43A of the Companies Act, we became a private limited company with effect from January 16, 2001. Pursuant to a resolution of our shareholders on December 7, 2006, we got converted to a public limited company with effect from December 7, 2006. A fresh certificate of incorporation consequent on the change of our name was granted to us on December 20, 2006 by the ROC.

Further, pursuant to the provisions of Section 391 to 394 of the Companies Act and pursuant to an order of the High Court of Bombay, dated January 19, 2007, Clover Resorts Private Limited merged with us from the appointed date being April 1, 2006. We also acquired the assets of Vascon Hadapsar Ventures, in which we were a partner, pursuant to a deed of retirement cum dissolution dated May 29, 2007.

Changes in our Registered Office

The registered office of our Company was originally located at 12, Gunbow Street, Fort, Mumbai 400 001 and pursuant to a resolution of the Board dated February 1, 1998 it was shifted to 15/16, Hazari Baug, L.B.S. Marg, Vikhroli (W), Mumbai 400 083. Subsequently, pursuant to a resolution of our Board dated May 19, 2000, the registered office was again shifted to 51, Deccan Court, S.V. Road, Bandra (W), Mumbai 400 050. Pursuant to a resolution of our Board dated November 25, 2004 the registered office was shifted from 51, Deccan Court, S.V. Road, Bandra (W), Mumbai 400 050 again to 15/16, Hazari Baug, L.B.S. Marg, Vikhroli (W), Mumbai 400 083.

Awards and Accreditations

Sl.No	Award
1.	ISO 9001:2000 – Certification for Quality Management Systems in December 23, 2003
2.	ISO 14001:2004 – Certification for Environmental Management Systems in March 16, 2006
3.	Builders' Association of India – Pune Centre award for our project Paradise Premises at Baner, Pune in 2000
4.	BAI – Pune Centre award for our project Casaurina Marigold at Kalyani Nagar, Pune in 2003
5.	BAI – Pune Centre award for our project Zensar Technologies at Kharadi in Pune, Maharashtra in 2004
6.	Architects, Engineers and Surveyor's Association Award for our project Nucleus Mall and Offices at Camp and Marisoft III at Kalyani Nagar in Pune, Maharashtra in 2005
7.	Builders Association of India (BAI) – Pune Award for our project Nucleus Mall & Offices at Camp, Pune in 2005
8.	Brick Mortar (West Zone) Award of the 'a+d' for our project Nucleus Mall and Offices at Camp in Pune in 2005
9.	Spectrum Foundation Architecture Award for our project Nucleus Mall and Offices at Camp in Pune, Maharashtra in 2005
10.	Resort Condominiums International Award for our project Vista Do Rio, Goa in 2005
11.	Merit award at the 30th ICSC International Design and Development Awards held at Phoenix, Arizona, for 'innovative design and development of a new project' for our project Nucleus Mall and Offices at Camp in Pune in 2006
12.	BAI – Pune Centre award for our project for Symbiosis Institute at Viman Nagar at Pune in 2006
13.	Loksatta Artists in the Concrete Award (residential – space planning) and Loksatta Artists in Concrete Award (residential – natural resource utilisation) for our project Zircon at Nagar Road in Pune, Maharashtra in 2007
14.	Cityscape India Real Estate Award- Best Developers (Residential Built) for our project Zircon at Nagar Road, Pune in 2007
15.	Well Built Structure Award for quality, speed and economy (Juries Recommendation) by the Builders Association of India for our project Weikfield IT-Citi Inforpark at Nagar Road, Pune in 2007
16.	Best IT Infrastructure Company Award 2008 by Government of Maharashtra
17.	Building Industry Leadership Awards 2008 from Builders Information Bureau, New Delhi
18.	Architects, Engineers and Surveyor's Association Award (ASEA) 2008 for Symbiosis Institute of Management, Vimannagar & Vascon Weikfield IT Citi Info Park, Nagar Road, Pune
19.	Gold Crown Award 2008 for Vista Do Rio, Goa
20.	Most Trusted Brand in 2008 by Amicus Eriom New Delhi
21.	'Well Built Structure' awarded for the construction of Ruby Mills, Dadar West by Builder's Association of India 2009

Strategic or Financial Partners

We do not have any financial or strategic partners.

Our Shareholder Agreements

We entered into a shareholder agreement dated June 21, 2006 with HDFC Ventures Trustee Company Limited acting in its capacity of trustee of HDFC Property Fund (the "Fund") investing through its scheme called "HDFC India Real Estate Fund" ("HI REF"), R. Vasudevan and the Other Shareholders (as defined in the agreement) of our Company (known as the "HI REF Shareholders Agreement"). Pursuant to the terms of this agreement, the HI REF acquired 3,903,059 equity shares. Further, pursuant to the terms of this agreement, HI REF was also given warrants in our Company. All the warrants have been converted into Equity shares and since the date of the filing of the RHP, there have been no warrants outstanding.

R. Vasudevan and the Other Shareholders have undertaken that as long as HI REF holds any shares, we and/or our Affiliates and R. Vasudevan, as the case may be, undertake not to directly or indirectly promote or in any other manner financially participate in any other development or conduct any contraction/construction outside our Company, except as specified in the agreement. In the event that any project is contracted for by R. Vasudevan through an entity other than the Company, R. Vasudevan and the Other Shareholders shall ensure that such project and the economic interest therefrom are transferred to and shall vest in the Company. Further it is provided in the agreement that unless otherwise agreed by a unanimous vote of the board of directors or the shareholders of our Company, the amount shall be applied only for the following purposes namely: (a) Investment of financial participation in entities which are engaged in the business of construction and development, ownership or operation of hotels, resorts and apartment hotels/entertainment assets such as multiplexes, amusement parks, theatres, theme parks, etc; (b) Investment or financial participation in entities which are engaged in the business of "build operate and transfer" construction and development projects; (c) acquisition by our Company of ownership interest in land and development rights thereto; (d) working capital requirements of our Company; and (e) repayment of existing loans/debts.

The Board shall consist of a maximum of eight directors of which seven shall be Directors nominated for appointment by R. Vasudevan and Other Shareholders and so long as HI REF holds at least 8% of the equity share capital of the Company, one director shall be appointed by HI REF. The first HI REF Director shall be K. G. Krishnamurthy. R. Vasudevan shall be the permanent Managing Director of the Company. As long as HI REF holds at least 8% of the paid up share capital in our Company, a unanimous vote of HI REF shall be required for (a) any contracts, agreement or arrangements with the Promoter and/or affiliates and/or any related party; (b) approval of the Annual Business Plan; (c) any issue of shares including through an IPO or other securities of our Company or granting any rights to acquire any shares or other securities or any restructuring of the capital of the Company; (d) merger, amalgamation, de-merger, re-construction, liquidation; and (e) any amendment to the memorandum of association or the Articles of Association of the Company.

HI REF, R. Vasudevan and the Other Shareholders shall each be entitled to sell their shares and/or other securities in our Company subject to compliance with the first refusal right of the Other Shareholders. HI REF shall not, without the consent of R. Vasudevan and Other Shareholders be entitled to agree to transfer its shares to any competitor of the Company. As HI REF holds at least 8% of the equity Share capital of the Company, R. Vasudevan or the Other Shareholders shall not be entitled to transfer, dispose off or create any encumbrance in respect of their shares without the prior written consent of HI REF.

We and R. Vasudevan have undertaken under the agreement to cause to initiate the process for an initial public offering before December, 2010 in compliance with applicable Law. If we fail to carry out an initial public offering or decide not to carry out an initial public offering or offer for sale by December 31, 2011, HI REF shall have the right to sell all its shares and we/R. Vasudevan shall have the obligation to purchase all the shares owned by HI REF at a specified price.

The Agreement shall terminate at the earlier of the completion of the initial public offering or the date on which HI REF ceases to own at least 8% of our equity share capital.

Key Events and Milestones

Year	Key Events, Milestones and Achievements
November, 1986	Completion of our first contractual project, the construction of a factory for Cipla Limited at

Year	Key Events, Milestones and Achievements
	Patalganga
December 1994	Completion of construction of a green-field pharmaceutical and chemical complex spread over 40 acres for Cipla Limited at Kurkumbh, Maharashtra
December 1996	Completion of the construction of our first project in the hospitality sector, Vista Do Rio Resorts, at Goa
January 1999	Completion of construction of Cipla Foundation's Palliative Care and Training Centre at Pune
July 2000	Commencement of construction of townships project Marigold, spread over 45 acres at Kalyani Nagar, in Pune
March 2003	Completion of construction of bungalows project Paradise, which consists of 36 'stacked' bungalows at Baner in Pune, Maharashtra
March 2003	Completion of construction of IT Park, Marisoft – I, at Kalyani Nagar in Pune
August 2005	Completion of construction of Nucleus Mall, a project in the shopping and entertainment sector, at Pune, Maharashtra
June 2006	Investment by HDFC Ventures Trustees Company Limited acting through scheme HI REF of the HDFC Property Fund
October 2008	SAP implementation
May 2009	We obtained our first government contract for the construction of a hospital for National Building Construction Corporation Limited in Chennai

The Company has 16 members as of the date of this Red Herring Prospectus.

Main Objects

Our main object enable us to carry on our current business and also the business proposed to be carried on by us as contained in our Memorandum of Association and are as follows:

To acquire by purchase, lease, exchange, hire, reclamation, or otherwise and make advances on the security of and deal with or traffic in lands, buildings and hereditaments of any tenure or description and any rights, easements, estate or interest therein or connected therewith and to develop and turn the same to account as may seem expedient, and in particular by laying out and preparing land for building purposes and preparing building sites by surveying, planning, levelling, planting, paving, draining, farming and cultivating land, converting and appropriating any such land into and for roads, streets, squares, grounds, gardens and other conveniences and by constructing, re-constructing, pulling down, altering, improving, decorating, furnishing, holding, managing, administering, controlling and maintaining offices, flats, service flats, houses, bungalows, chawls, factories, colonies, warehouses, shops, water, water wharves, buildings, swimming pools, markets, hotels, motels, theatres and other works, structures and conveniences of all kinds for residential, commercial, public or industrial purposes and by leasing, letting (on building lease or building agreement or otherwise) selling (by instalments or otherwise) and otherwise disposing of the same and to carry on the business of promoters, builders, developers, constructors and engineers, consultants, decorators and architects and of undertaking contracts for Governments, corporations and others for execution and construction of the aforesaid works, structures and conveniences and civil and architectural projects and supplying labour, material and equipment with all ancillary works, design, planning and operations and of rendering relating services such as architects, plumbers, decorators, consultants or agents.

Amendments to our Memorandum of Association

Date	Nature of Amendment
April 28, 1989	Change in our authorized share capital from Rs. 0.10 million divided into 1,000 equity shares of Rs. 100 each to Rs. 1.00 million divided into 10,000 equity shares of Rs. 100 each
September 30, 1993	Change in our authorized share capital from Rs. 1.00 million divided into 10,000 equity shares of Rs. 100 each to Rs. 5.00 million divided into 50,000 equity shares of Rs. 100 each
November 29, 1996	Change in our authorized share capital from Rs. 5.00 million divided into 50,000 equity shares of Rs. 100 each to Rs. 10.00 million divided into 100,000 equity shares of Rs. 100 each
August 25, 1997	Change in our name from Vascon Engineers Private Limited to Vascon Engineers Limited, pursuant to the conversion of our Company to a deemed public company by virtue of Section 43A of the Companies Act
January 16, 2001	Change in our name from Vascon Engineers Limited to Vascon Engineers Private Limited pursuant to the conversion of our Company to a private limited company consequent to the amendment of Section 43A of the Companies Act

Date	Nature of Amendment
March 25, 2002	Change in our authorized share capital from Rs. 10.00 million divided into 100,000 equity shares of Rs. 100 each to Rs. 105.00 million divided into 100,000 equity shares of Rs. 100 each and 950,000 preference shares of Rs. 100 each
March 26, 2004	Change in our authorized share capital from Rs. 105.00 million divided into 100,000 equity shares of Rs.100 each and 950,000 preference shares of Rs. 100 each to Rs. 110.10 million divided into 100,000 equity shares of Rs.100 each and 1,001,000 preference shares of Rs. 100 each
October 14, 2005	Subdivision of equity shares from Rs. 100 each to Rs. 10 each. Change in our authorized share capital from Rs. 110.10 million divided into 100,000 equity shares of Rs.100 each and 1,001,000 preference shares of Rs. 100 each to Rs. 700.00 million divided into 50,000,000 Equity Shares of Rs. 10 each and 2,000,000 preference shares of Rs.100 each
December 7, 2006	Change in the name of our Company from Vascon Engineers Private Limited to Vascon Engineers Limited, pursuant to our conversion to a public limited company
June 11, 2007	Change in our authorized share capital from Rs. 700.00 million divided into 50,000,000 Equity Shares of Rs. 10 each and 2,000,000 preference shares of Rs.100 each to Rs. 1,000 million divided into 100,000,000 Equity Shares of Rs.10 each

Details of our Subsidiaries

The equity shares of none of our Subsidiaries are listed on any stock exchange. There are no accumulated profits or losses of the Subsidiaries not accounted for by us.

1. Calypso Premises Private Limited

Our subsidiary, Calypso Premises Private Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of Calypso Premises Private Limited is Rs. 500 million divided into 50 million equity shares of Rs. 10 each and the paid up capital of Calypso Premises Private Limited is Rs. 150.13 million divided into 15.01 million equity shares of Rs. 10 each. Our Company holds 9.46 million equity shares in Calypso Premises Private Limited, i.e. 63.01% of the issued and paid up capital of Calypso Premises Private Limited, while the remaining 36.99% is held by others.

We acquired the shares of Calypso Premises Private Limited pursuant to a shareholders agreement dated August 31, 2006 with Behram Dubash Properties Private Limited and Calypso Premises Private Limited.

2. Floriana Properties Private Limited

Our subsidiary, Floriana Properties Private Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of Floriana Properties Private Limited is Rs. 50 million divided into 5 million equity shares of Rs. 10 each and the paid up capital of Floriana Properties Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Company (including through its nominee) holds 10,000 equity shares in Floriana Properties Private Limited, i.e. 100% of the issued and paid up capital of Floriana Properties Private Limited.

Floriana Properties Private Limited became our subsidiary pursuant to the transfer of 2,000 equity shares by Vatsalya Engineers Private Limited to us on August 30, 2006. On April 1, 2008 it ceased to be a subsidiary of our Company pursuant to the transfer of 7,000 shares to Hamcon Engineers Private Limited. It became a wholly owned subsidiary pursuant to the transfer of 10,000 equity shares by Hamcon Engineers Private Limited to us on August 25, 2008.

3. IT – Citi Infopark Private Limited

Our subsidiary, IT – Citi Infopark Private Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of IT – Citi Infopark Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each and the paid up capital of IT – Citi Infopark Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Company (including through its nominee) holds 10,000 equity shares in IT – Citi Infopark Private Limited, i.e. 100% of the issued and paid up capital of IT – Citi Infopark Private Limited.

IT – Citi Inforpark Private Limited became our subsidiary pursuant to the transfer of 10,000 equity shares by Hamcon Engineers Private Limited and Conamore Resorts Private Limited to us on April 2, 2006.

4. Marvel Housing Private Limited

Our subsidiary, Marvel Housing Private Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of Marvel Housing Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each and the paid up capital of Marvel Housing Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Company (including through its nominee) holds 10,000 equity shares in Marvel Housing Private Limited, i.e. 100% of the issued and paid up capital of Marvel Housing Private Limited.

Marvel Housing Private Limited became our subsidiary pursuant to the transfer of 10,000 equity shares by Vatsalya Engineers Private Limited to us on January 2, 2006.

5. Vascon Dwellings Private Limited

Our subsidiary, Vascon Dwellings Private Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of Vascon Dwellings Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each and the paid up capital of Vascon Dwellings Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Company (including through its nominee) holds 10,000 equity shares in Vascon Dwellings Private Limited, i.e. 100% of the issued and paid up capital of Vascon Dwellings Private Limited.

Vascon Dwelling Private Limited became our subsidiary pursuant to the transfer of 10,000 equity shares by Kulin Mehta and Rajesh Gosia to us on April 1, 2006.

6. Vascon Pricol Infrastructures Limited

Our subsidiary, Vascon Pricol Infrastructures Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of Vascon Pricol Infrastructures Limited is Rs. 100 million divided into 10 million equity shares of Rs. 10 each and the paid up capital of Vascon Pricol Infrastructures Limited is Rs. 71 million divided into 7.1 million equity shares of Rs. 10 each. Our Company (including through its nominees) holds 4.97 million equity shares in Vascon Pricol Infrastructures Limited, i.e. 70% of the issued and paid up capital of Vascon Pricol Infrastructures Limited while the remaining 30.00% is held by others. We have paid Rs. 2000,000 as share application money.

We have acquired shares in Vascon Pricol Infrastructures Limited pursuant to a shareholders agreement dated April 27, 2007 with Pricol Property Development Limited and Vascon Pricol Infrastructures Limited.

7. Wind Flower Properties Private Limited

Our subsidiary, Wind Flower Properties Private Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of Wind Flower Properties Private Limited is Rs. 500,000 divided into 50,000 equity shares of Rs. 10 each and the paid up capital of Wind Flower Properties Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Company (including through its nominee) holds 10,000 equity shares in Wind Flower Properties Private Limited, i.e. 100% of the issued and paid up capital of Wind Flower Properties Private Limited.

Wind Flower Properties Private Limited became our subsidiary pursuant to the transfer of 5,000 equity shares by Vatsalya Engineers Private Limited to us on November 2, 2006.

8. Greystone Premises Private Limited

Our subsidiary, Greystone Premises Private Limited, is engaged in the business of construction and development of real estate projects. The authorized share capital of Greystone Premises Private Limited is Rs. 80 million divided into 8 million equity shares of Rs. 10 each and the paid up capital of Greystone Premises Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Company holds 6,500 equity shares in Greystone Premises Private Limited, i.e. 65% of the issued and paid up capital of Greystone Premises Private Limited while the remaining 35% is held by others.

Greystone Premises Private Limited became our subsidiary pursuant to the transfer of 6,500 equity shares by Shiv Prakash Nair to us on January 4, 2008.

9. Caspia Hotels Private Limited

Our subsidiary, Caspia Hotels Private Limited is engaged in the business of construction and development of real estate projects, including hotels and restaurants. Pursuant to an EGM dated December 10, 2009 and fresh certificate of incorporation issued by the Registrar of Companies, Maharashtra on January 14, 2010 the company name was changed from Compress Infocom Private Limited to Caspia Hotels Private Limited. The authorised share capital of Caspia Hotels Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each and the paid up capital of Caspia Hotels Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Subsidiary Vascon Pricol Infrastructures Limited (including through its nominees) holds 10,000 equity shares in Caspia Hotels Private Limited, i.e. 100% of the issued and paid up capital of Caspia Hotels Private Limited. Our Company effectively holds 70% in Caspia Hotels Private Limited.

Other Development Entities

We also have interest in various entities described below, in which we have a stake and/or through whom we are carrying out certain development activities and which are not subsidiaries.

I. Companies

1. Angelica Properties Private Limited

Angelica Properties Private Limited is engaged in the business of development of the Matrix project. The authorized share capital of Angelica Properties Private Limited is Rs. 400 million divided into 20 million equity shares of Rs. 10 each and 20 million preference shares of Rs. 10 each and the paid up capital of Angelica Properties Private Limited is Rs. 181.10 million divided into 18.11 million equity shares of Rs. 10 each and Rs. 117.81 million divided into 11.78 million redeemable non-cumulative preference shares of Rs. 10 each and Rs. 11.82 million divided into 1.18 million compulsory convertible preference shares of Rs. 10 each. Our Company holds 4.71 million equity shares in Angelica Properties Private Limited, i.e. 26% of the issued and paid up equity capital and 3.06 million preference shares i.e. 26.00% of the issued and paid up redeemable non-cumulative preference share capital and 0.30 compulsory convertible preference shares i.e. 26.00% of the issued and paid up redeemable and non-cumulative convertible preference share capital of Angelica Properties Private Limited and the remaining 74% is held by others. Our Company has paid Rs. 37,200 as share application amount. 2,500,000 0.1 % non cumulative redeemable preference shares of Rs. 10 each at issue price of Rs. 64 were redeemed pursuant to a EGM held on December 10, 2009

We entered into a shareholders agreement and a share subscription agreement, both dated October 31, 2006 with Eastlake International Limited, Wands Worth International Limited and Angelica Properties Private Limited, pursuant to which we acquired 26% of the paid up share capital in Angelica Properties Private Limited.

Our Company have pledged our shareholding in Angelica Properties Private Limited pursuant to an escrow agreement dated June 24, 2009 in favour of J Sagar Associates as guarantee for the loan taken from Angelica Properties Private Limited by Conamore Resorts Private Limited.

2. Cosmos Premises Private Limited

Cosmos Premises Private Limited is engaged in the business of construction and development of real estate projects and owns a hotel which is currently operational. The authorized share capital of Cosmos Premises Private Limited is Rs. 5 million divided into 0.50 million equity shares of Rs. 10 each and the paid up capital of Cosmos Premises Private Limited is Rs. 4.04 million divided into 0.40 million equity shares of Rs. 10 each. Our Company holds 0.17 million equity shares in Cosmos Premises Private Limited, i.e. 43.83% of the issued and paid up capital of Cosmos Premises Private Limited while the remaining 56.17% is held by others.

Cosmos Premises Private Limited was our subsidiary and it ceased to be our subsidiary with the transfer of 47,619 equity shares to Royal Orchid Hotels Limited on March 31, 2008.

3. Just Homes (India) Private Limited

Just Homes (India) Private Limited is engaged in the business of construction and development of real estate projects. The authorized share capital of Just Homes (India) Private Limited is Rs. 0.50 million divided into 50,000 equity shares of Rs. 10 each and the paid up capital of Just Homes (India) Private Limited is Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each. Our Company holds 5,000 equity shares in Just Homes (India) Private Limited, i.e. 50% of the issued and paid up capital of Just Homes (India) Private Limited while the remaining 50% is held by others.

4. Marigold Premises Private Limited

Marigold Premises Private Limited is engaged in the business of construction and development of real estate projects. The authorized share capital of Marigold Premises Private Limited is Rs. 18.1 million divided into 50,000 equity shares of Rs. 10 each and 18.05 million preference share of Rs. 10 and the paid up capital of Marigold Premises Private Limited is Rs. 500,000 divided into 50,000 equity shares of Rs. 10 each. Our Company holds 25,000 equity shares in Marigold Premises Private Limited, i.e. 50% of the issued and paid up capital of Marigold Premises Private Limited while the remaining 50% is held by others.

5. Mumbai Estates Private Limited

Mumbai Estates Private Limited is engaged in the business of construction and development of real estate projects. The authorized share capital of Mumbai Estates Private Limited is Rs. 2.5 million divided into 250,000 equity shares of Rs. 10 each and the paid up capital of Mumbai Estates Private Limited is Rs. 2,000,000 divided into 200,000 equity shares of Rs. 10 each. Our Company holds 88,889 equity shares in Mumbai Estates Private Limited, i.e. 44.44% of the issued and paid up capital of Mumbai Estates Private Limited while remaining 56.56% is held by others.

6. Viorica Properties Private Limited

Viorica Properties Private Limited is engaged in the business of construction and development of real estate projects and is currently developing a hotel. The authorized share capital of Viorica Properties Private Limited is Rs. 320 million divided into 32 million equity shares of Rs. 10 each and the paid up capital of Viorica Properties Private Limited is Rs. 227.18 million divided into 22.71 million equity shares of Rs. 10 each. Our Company holds 7,425,000 equity shares in Viorica Properties Private Limited, i.e. 32.68% of the issued and paid up capital of Viorica Properties Private Limited while remaining 67.32% is held by others. Our Company has paid Rs. 3.7 million towards share application.

7. Rose Premises Private Limited

Rose Premises Private Limited is engaged in the business of construction and development of real estate projects and owns a hotel which is currently operational. The authorized share capital of Rose Premises Private Limited is Rs. 150 million divided into 5 million equity shares of Rs. 10 each and 10 million preference shares of Rs. 10 each and the paid up capital of Rose Premises Private Limited is Rs. 40 million divided into 4 million equity shares of Rs. 10 each. Our Company holds 2 million equity shares in Rose Premises Private Limited, i.e. 50% of the issued and paid up capital of Rose Premises Private Limited while the remaining 50% is held by others.

8. John Fowler Ophthalmics Private Limited

John Fowler Ophthalmics Private Limited is engaged in the business of construction and development of real estate projects. The authorized share capital of John Fowler Ophthalmics Private Limited is Rs. 85 million divided into 5 million equity shares of Rs. 10 each and 0.75 million 10% redeemable non-cumulative preference shares of Rs. 10 each and 2.75 million 11% redeemable cumulative preference shares of Rs. 10. The paid up capital of John Fowler Ophthalmics Private Limited is Rs. 77.32 million divided into 4.63 million equity shares of Rs. 10 each, 0.60 million 10% redeemable non-cumulative preference shares of Rs. 10 and 2.5 million 11% redeemable cumulative preference shares of Rs. 10. Our Company holds 2.26 million equity shares in John Fowler Ophthalmics Private Limited, i.e. 49% of the issued and paid up capital of John Fowler Ophthalmics Private Limited, while the remaining 51% is held by others.

9. Marathawada Realtors Private Limited

Marathawada Realtors Private Limited is engaged in the business of construction and development of real estate projects. The authorized share capital of Marathawada Realtors Private Limited is Rs. 52 million divided into 0.52 million equity shares of Rs. 100 each and the paid up capital of Marathawada Realtors Private Limited is Rs. 3.92 million divided into 39,216 equity shares of Rs. 100 each. Our Company holds 19,216 equity shares in Marathawada Realtors Private Limited, i.e. 49% of the issued and paid up capital of Marathawada Realtors Private Limited, while the remaining 51% is held by others.

10. Almet Corporation Limited

Almet Corporation Limited is engaged in the business of construction and development of real estate projects. The authorized share capital of Almet Corporation Limited is Rs. 10 million divided into 90,000 equity shares of Rs. 100 each and 10,000 12% redeemable non-cumulative preference shares of Rs. 100. The paid up capital of Almet Corporation Limited is Rs. 5.88 million divided into 58,824 equity shares of Rs. 100 each. Our Company holds 28,824 equity shares in Almet Corporation Limited, i.e. 49% of the issued and paid up capital of Almet Corporation Limited, while the remaining 51% is held by others.

11. Ascent Hotels Private Limited

Ascent Hotels Private Limited is engaged in the business of construction and development of real estate projects and is currently developing a hotel. The authorized share capital of Ascent Hotels Private Limited is Rs. 400 million divided into 40 million equity shares of Rs. 10 each and the paid up capital of Ascent Hotels Private Limited is Rs. 203.6 million divided into 20.63 million equity shares of Rs. 10 each. Our Company holds 5.29 million equity shares in Ascent Hotels Private Limited, i.e. 26% of the issued and paid up capital of Ascent Hotels Private Limited while the remaining 74% is held by others. Our Company has paid Rs. 55 million as share application.

12. N.V. Projects Private Limited

N.V. Projects Private Limited is engaged in the business of construction and development of real estate projects. The authorized share capital of N.V. Projects Private Limited is Rs. 371.85 million divided into 5 million equity shares of Rs. 10 each and 3.21 preference shares of Rs. 100 each and the paid up capital of N.V. Projects Private Limited is Rs. 314.69 million divided into 5 million equity shares of Rs. 10 each and 2.65 million preference shares of Rs. 100 each. Our Company holds 1.3 million equity shares, i.e. 26% of the issued and paid up capital of N.V. Projects Private Limited and 0.68 million preference shares, i.e. 26% of the issued and paid up preference share capital of N.V. Projects Private Limited.

13. Vascon Infrastructure Limited

Vascon Infrastructure Limited is associated with the infrastructure business. The authorized share capital of Vascon Infrastructure Limited is Rs. 10 million divided into 1 million equity shares of Rs. 10 each and the paid up capital of Vascon Infrastructure Limited is Rs. 2,000,000 divided into 200,000 equity shares of Rs. 10 each. Our Company holds 48,000 equity shares in Vascon Infrastructure Limited, i.e. 24% of the issued and paid up capital of Vascon Infrastructure Limited while the remaining 76% is held by others.

14. Sitalakshmi Mills Limited

Sitalakshmi Mills Limited is engaged in the business of manufacturing, bleaching, dyeing, printing, selling yarn, cloth and other fabrics. The authorized share capital of Sitalakshmi Mills Limited is Rs. 200 million divided into 4 million equity shares of Rs. 50 each and the paid up capital of Sitalakshmi Mills Limited is Rs. 155 million divided into 3.1 million equity shares of Rs. 50 each. Our Company holds 0.80 million equity shares in Sitalakshmi Mills Limited, i.e. 26% of the issued and paid up capital of Sitalakshmi Mills Limited while the remaining 74% is held by others.

Sitalakshmi Mills Limited has been declared as sick company within the meaning of Section 3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985 on July 20, 2000. Pursuant to the Appellate Authority for Industrial and Financial Reconstruction order dated August 29, 2008, Sitalakshmi Mills Limited has filed a rehabilitation proposal with Punjab National Bank. Additionally we have filed an application (338 of 1999) before the Board for Industrial and Financial Reconstruction for de-registration of Sitalakshmi Mills Limited as sick company.

We have entered into a MOU dated April 4, 2008 with Sitalakshmi for jointly developing a total area of 28.2 acres of land situated in Madurai, Tamil Nadu. Subsequent to this MoU, we have acquired 26% of the issued and paid up capital of the Sitalakshmi Mills Limited for a total consideration of Rs. 25 million and have agreed to deposit Rs. 75 million as security for jointly developing the property. As per the terms of the MOU, the Company had to provide certain funds to proceed with the joint development, which the Company did by subscribing to and purchasing equity shares of Sitalakshmi Mills Limited. Accordingly, the Company holds 26% percent stake in Sitalakshmi Mills Limited. The MOU also provides that, on completion of certain conditions the shares so acquired will be sold to Sanmukha Synthetics (a shareholder of Sitalakshmi Mills Limited) at the cost of acquisition and the amount that is realised by the Company will be placed as security deposit with Sitalakshmi Mills Limited as per the terms the joint development agreement.

The Company never intended to purchase and hold the shares of Sitalakshmi Mills Limited as a long term investment and the equity transaction was entered into with the objective of jointly developing the property with Sitalakshmi Mills Limited by acquiring development rights.

II. Association of Persons

1. Just Homes Associates

Just Homes Associates was formed as an association of persons pursuant to a single joint venture agreement dated June 15, 2004 between Rock Enterprises, Just Homes (India) Private Limited and Marigold Premises Private Limited. It is engaged in the business of real estate development.

The profits before tax of Just Homes Associates shall be shared as follows -

- 1 An amount equivalent to the difference between 42.50% of the gross sale proceeds and the cost of land brought in by Rock Enterprises will be debited to the Profit and Loss Appropriation Account and credited to the account of the Rock Enterprises.
- 2 The income tax amount, if any, paid/payable by the association of persons shall be proportionately debited to the current account of the parties to the agreement.
- 3 The net balance available in the profit and loss appropriation account, after the above, shall be credited/debited (as the case may be) to the account of Just Homes (India) Private Limited.

2. Zircon Ventures

Zircon Ventures was formed as an association of persons pursuant to a single joint venture agreement dated December 13, 2004 between Shreemangal Pristine Builders and us. It is engaged in the business of real estate development.

The profits before tax of Zircon Ventures shall be shared as follows

1. An amount equivalent to the difference between 33% of the gross sale proceeds and the cost of land brought in by Shreemangal Pristine Builders and also the cost of TDR, if any, paid by Zircon Ventures on behalf of Shreemangal Pristine Builders will be debited to the Profit and Loss Appropriation account and credited to the current account of Shreemangal Pristine Builders as their share of the profit.
2. The income tax amount, if any, paid/payable by the association of persons shall be proportionately debited to the current account of the parties to the agreement.
3. The net balance available in the Profit and Loss Appropriation Account, after the above, shall be credited/debited (as the case may be) to the account of Vascon Engineers Limited.

3. Zenith Ventures

Zenith Ventures was formed as an association of persons pursuant to a single joint venture agreement dated February 2, 2005 between Sumangal Enterprises and us. The commercial terms between the parties were revised pursuant to an addendum dated August 10, 2006 to the above agreement. It is engaged in the business of real estate development.

The profits of Zenith Ventures shall be shared as follows

1. Sumangal Enterprises shall be entitled to fixed share of profit which will be 42.50% of the gross sale proceeds of the shops in the mall sold or leased. The amount/profit so arrived at will be assumed to be inclusive of capital contribution/investment made by Sumangal Enterprises for the purchase of the said properties as also the cost of the TDR and other costs which are agreed to be borne and paid by Sumangal Enterprises.
2. We are entitled to the profit arrived at after deducting expenses including statutory liabilities/payment relating to the project and fixed share of profit of Sumangal Enterprises.
3. The income tax amount, if any, paid/payable by the AOP shall be proportionately debited/recovered (proportion to the profit distributed by each party) from both the parties.

4. Phoenix Ventures

Phoenix Ventures was formed as an association of persons pursuant to a single joint venture agreement dated September 20, 2005 between Jasper Developers Private Limited and us. It is engaged in the business of real estate development.

We shall receive 10% of the total cost of the project as management fee. The balance profits of Phoenix Ventures shall be shared in the ratio of 1:1 between Jasper Developers Private Limited and us.

5. Weikfield IT- Citi Infopark

Weikfield IT- Citi Infopark was formed as an association of persons pursuant to a single joint venture agreement dated December 19, 2003 and addendum dated May 10, 2004 between Weikfield Products Co. (India) Private Limited and IT Citi Infopark Private Limited. Again by way of another addendum dated July 3, 2006 our Company was made a party to the agreement. It is engaged in the business of real estate development.

The profit after tax of Weikfield IT- Citi Infopark shall be shared as follows-

- i) 37% of the gross sale/lease proceeds shall first be provided as share of the profit of Weikfield Products Co. (I) Private Limited. The said 37% of the gross sale proceeds shall be treated as a charge on the profit payable to Weikfield Products Co. (I) Private Limited.
- ii) 15% of the gross sale/lease proceeds shall be provided as share of the profit of Vascon Engineers Limited. The said 15% of the gross sale proceeds shall be treated as a charge on the profit payable to Vascon Engineers Limited.
- iii) The resultant/profit loss after providing 37% and 15% of gross sale proceeds payable as share to Weikfield Products Co. (I) Private Limited and Vascon Engineers Limited respectively shall be shared as below:

Name of the entity	Share in Profit (%)	Share in loss (%)
Weikfield Products Co. (I) Private Limited	1	0
IT Citi Infopark Private Limited	98	99
p Vascon Engineers Limited	1	1

roProvided further the amount of profit payable to Weikfield Products Co. (I) Private Limited shall be after adjusting the amount (being the cost of the property credited to the account of Weikfield Products Co. (I) Private Limited) for contributing such property as capital in kind in the association of persons i.e. no further separate amount shall be payable to Weikfield Products Co. (I) Private Limited over and above the share in the profit for its capital contribution in kind.

- iv) The commission/brokerage if any payable in respect of the sale/lease of the units to be constructed on the said property shall be borne and paid by the parties in the proportion of 37% by Weikfield Products Co. (I) Private Limited, 48% by IT Citi Infopark Private Limited and 15% by Vascon Engineers Limited.
- v) The income tax, if any, payable for this venture shall be paid by the association of persons and shall be recovered from the parties in the proportion of the profit distributed to each party.

III. Partnerships

Ajanta Enterprises

Ajanta Enterprises was originally formed pursuant to a partnership deed dated April 7, 1995 between Azim Tapia, Javed Faizullah Tapia, Raj Kanaksen Bhansali, Shishir Babalal Bhansali and Dhiren Popatlal Nandu and was reconstituted by way of a partnership deed dated September 24, 2004 to include Vascon Engineers Limited and Madhur Realtors Private Limited. It is engaged in the business of real estate development.

Further, an MOU dated January 10, 2008 has been entered into between Azim Faizullah Tapia, Javed Faizullah Tapia and Marvel Housing Private Limited, our subsidiary, whereby Azim Faizullah Tapia and Javed Faizullah Tapia have agreed to transfer and assign their 20% interest in the said partnership to Marvel Housing Private Limited for a lumpsum consideration of Rs. 526.4 million subject to Marvel Housing Private Limited completing the due diligence on this transaction. Our Company has paid an amount of Rs. 350 million in this regard. As on date, our Company is entitled to 30% in the profit or loss.

Other Agreements

1. Our Company has entered into a Consortium Agreement dated October 7, 2009 and a supplementary agreement dated October 8, 2009 with Vascon Infrastructure Limited for submitting joint tenders, tendering, negotiating, procuring, executing and completing projects. Our Company is required to co-ordinate the preparation and submission of tenders of projects, liaise and coordinate with clients, governmental authorities and third parties. In the event a contract is awarded to the consortium, Vascon Infrastructure Limited is required to carry out the work solely by itself at an arms' length basis and our Company is entitled to 2% of the gross receipts excluding taxes. The agreement is valid till October 6, 2012, unless terminated earlier.
2. Our Company has entered into a Memorandum of Understanding with Kohinoor Cargo And Warehousing (Pune) Private Limited ("**Kohinoor**") for acquiring 40% of the shares in Kohinoor for Rs. 48.20 million on or before June 30, 2010. Kohinoor has represented that it has obtained permission from the Directorate of Industries, Government of Maharashtra for purchase of 210.46 Acres of land located at Karawadwai, Taluka Khandala, Satara to establish industrial/estate for small and medium enterprises it proposes to acquire and develop such lands by the amount obtained through the sale of the 40% stake in Kohinoor to our Company.
3. Our Company has entered into a Memorandum of Understanding dated November 19, 2009 with Rising Ventures, a partnership firm ("**Rising Ventures**") for acquiring 40% in the partnership firm for Rs. 8.70 millions on or before June 30, 2009. Rising Ventures has represented that it has acquired 22 Acres of land located at Ahire, Taluka Khandala, Satara and is desirous of acquiring an additional 32 Acres of contiguous land at Ahire, Taluka Khandala, Satara, it proposes to acquire and develop such lands by the amount obtained through the sale of the 40% stake in Rising Ventures to our Company.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association, we are required to have not less than three and not more than 12 Directors. We currently have five Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Red Herring Prospectus:

Sl. No.	Name, Father's Name, Designation, DIN, Residential Address, Occupation, Term	Nationality	Age (years)	Other Directorships/Proprietorships/Partnerships/Trust
1.	R. Vasudevan (S/o. Late Mr. N. R. Moorthy) <i>Managing Director and Non-Independent</i> DIN: 00013519 Flat No. C10/11, IvyGlen, Marigold Premises, Wadgaon Sheri, Pune 411 014 <i>Service</i> Term: For a period of five years with effect from April 1, 2006.	Indian	57	Companies - Ascent Hotels Private Limited - Novacare Drug Specialities Private Limited Partnerships - Venus Ventures Trusts - N.R. Moorthy Charitable Trust - Marigold Balaji Trust. - Golden Nest Marigold Trust - Vascon Moorthy Foundation
2.	K.G. Krishnamurthy (S/o G.K. Nagaratnam) <i>Non-Executive Director and Non-Independent</i> Nominee director of HDFC Ventures Trustee Company Limited acting in its capacity of trustee of HDFC Property Fund DIN: 00012579 Flat 403, Meru Heights 268, Telang Road Matunga Mumbai 400019 <i>Service</i> Term: Liable to retire by rotation	Indian	53	Companies - HDFC Venture Capital Limited - HDFC Property Ventures Limited - Gruh Finance Limited - Tata Housing Development Company Limited - L&T Urban Infrastructure Limited - Indian Association For Savings And Credit - New Consolidated Construction Company Limited - Ascent Construction Private Limited - Matsoshree Sahil Infrastructure Private Limited Trust - Ramaben Babubhai Kanakia School - The Bombay Community Public Trust
3.	V. Mohan (S/o Danapani Venkatraman) <i>Chairman and Independent Director</i> DIN: 00071517 Waman 46/3, Garodia Nagar Ghatkopar (E) Mumbai 400 077 <i>Professional</i> Term: Liable to retire by rotation	Indian	58	Companies : - Lloyd Insulations (India) Limited - Isolloyd Engineering Technologies Limited - Champion Industries Limited - QH Talbros Limited - Talbros Automotive Components Limited - Lakhanpal Private Limited - Aaren Initiative Outdoor Advertising Private Limited - Bid Industrial Investment Private Limited - Asal Investments Private Limited

Sl. No.	Name, Father's Name, Designation, DIN, Residential Address, Occupation, Term	Nationality	Age (years)	Other Directorships/Proprietorships/Partnerships/Trust
				10. Cornelia Investments Private Limited 11. Gauder Investments Private Limited 12. Muller Investments Private Limited 13. Cosmo Capital and Investments Private Limited Partnerships 14. V. Sankar Aiyar & Co., Chartered Accountants.
4.	Ameet Hariani (S/o Pratapsinh Hariani) <i>Non-executive Director and Non-Independent</i> DIN: 00087866 Chandan, 2 nd Floor, 62B, Pedder Road, Mumbai 400 026 <i>Professional</i> Term: Liable to retire by rotation	Indian	48	Companies 1. Batliboi Limited 2. Ras Resorts & Apart Hotels Limited 3. Hariani Advisory Services Private Limited 4. Radicle Infomatics Private Limited 5. Envision Computers Consultancy Private Limited 6. Capricon Realty Limited Partnerships 7. Hariani & Co. Trusts 8. Haridwar Gujarati Dharamshala Trust 9. Bombay Gow Rakshak Trust 10. Xaverites Trust 11. P.D.Hariani Charity Trust 12. N.R. Moorthy Charitable Trust 13. Bai Paravatibai Sarvajanik Library
5.	R. Kannan (S/o P. Ramakrishnan) <i>Independent Director</i> DIN: 00017321 1202, Ixora, Banyan Drive, Hiranandani Meadows, Gladys Alwares Road, Off. Pokhran Road No. 2, Thane (West) 400 610 <i>Service</i> Term: Liable to retire by rotation	Indian	50	Companies 1. Novacare Drug Specialties Private Limited. 2. Novamark Specialties Private Limited. 3. Medword Pharmaceuticals Private Limited.

Brief biographies of our Directors

R. Vasudevan, holds a first class bachelor's degree in civil engineering from the Pune University. He has been awarded the Top Management Consortium Award of Excellence for the year 2005, the "Construction World - Top Builder Award" in 2007, Award for Life Time Achievements by the Alumni Association of College of Engineering, Pune in 2005 and the South Indian Education Society on the occasion of its Platinum Jubilee (1932-2008) honoured and felicitated Mr. R. Vasudevan as a distinguished alumni. He started his career with Maharashtra Industrial Development Corporation as a junior engineer and has worked in various organisations including Hindustan Construction Company Limited, Atul Constructions Company Limited, Beck Engineer Company Private Limited and Cipla Limited. He was employed in Cipla Limited as an executive (Engineering

Service) from 1981 to 1985. He has been our director since January 1, 1986. He is responsible for the over-all management of our Company. He has over 32 years of experience in the construction industry.

K.G. Krishnamurthy, holds a bachelor's degree from the Indian Institute of Technology, Kharagpur, and a degree in business administration from the Jamnalal Bajaj Institute of Management, Mumbai. He has 31 years of experience in the areas of real estate, construction finance, property valuation and property search services. He is currently the Managing Director and Chief Executive Officer of HDFC Property Ventures Limited. He has also been appointed on the board of various companies. He is appointed on our Board as the nominee director of HDFC Ventures Trustee Company Limited acting in its capacity of trustee of HDFC Property Fund. He has been a director since June 21, 2006.

V. Mohan, holds a bachelor's degree in commerce from the Madras University. He is also a fellow member of the Institute of Chartered Accountants of India. He is a practicing chartered accountant with more than 31 years of experience in the areas of audit and assurance services, company law, tax planning, tax representations and foreign exchange regulations with V Sankar Aiyar & Company, Chartered Accountants, where he is a partner. He has been a director since March 6, 2007. He has been appointed as the Chairman of our Company by our Board on January 21, 2008

Ameet Hariani, holds a degree in law and also a LLM degree from Bombay University. Besides being a member of the Bombay Incorporated Law Society and the Law Society, UK, he is also a member of the Singapore Law Society. He is a practicing lawyer with over 24 years of experience with Hariani & Co., Advocates & Solicitors, where he is a partner. He has been a director since September 19, 2007.

R. Kannan, holds a bachelor's degree in commerce from the Mumbai University. He has over 21 years of experience in the pharmaceutical industry. He is currently the Managing Director of Novacare Drug Specialities Private Limited in addition to being appointed on the board of various other companies. He has been a director since September 19, 2007.

Remuneration of our Directors

R. Vasudevan

R. Vasudevan was re-appointed as our Managing Director for a period of five years with effect from April 1, 2006, pursuant to a resolution of our shareholders dated June 12, 2006. The terms of his employment and remuneration include the following:

The details of remuneration include the following:

Particulars	Remuneration
Salary	• Rs. 435, 000 per month, in the scale 435,000 – 100,000 – 935, 000
Other allowances	• Leave travel allowance equivalent to one month's salary • Medical reimbursement up to Rs. 15,000 for domiciliary expenses and reimbursement of medical expenses for major sickness and hospitalization on production of vouchers for self and other relatives at actuals
Contribution to provident fund	• 12% per annum
Perquisites	• Use of Company's car for Company's business and partial private use
Accommodation	• Rent free furnished accommodation or housing rent allowance of Rs. 65,000 per month at the option of the Managing Director
Additional payment by way of bonus or ex-gratia or payment in any other manner	• Sum not exceeding five per cent of the net profits of the Company, including the above remuneration, as additional payment by ex-gratia, bonus or otherwise in any other manner in any one financial year of the Company subject to the condition that profits are adequate to absorb this additional financial burden
Salary in the event of inadequacy of profit	• In the event of loss or inadequacy of profit, in any financial year, he shall be entitled to receive a total remuneration including perquisites etc., not exceeding the ceiling limits as per Schedule XIII of the Companies Act, 1956 or any modifications, thereon

The remuneration by way of salary and commission payable to R. Vasudevan is within the limits laid down in Section 198 and Section 309 of the Companies Act. In relation to the other Directors of the Company, apart from sitting fees and reimbursement of expenses, no remuneration is payable by the Company.

Details of Borrowing Powers of Our Directors

Our Articles, subject to the provisions of Section 293(1)(d) of the Companies Act authorize our Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. The shareholders of the Company, through a resolution passed at the EGM dated October 23, 2007, authorised our Board to borrow monies together with monies already borrowed by us, in excess of the aggregate of the paid up capital of the Company and its free reserves, not exceeding Rs. 9,500 million at any time.

None of our Directors are related to each other.

Except the appointment of Mr. K. G. Krishnamurthy as nominee director of HI REF and disclosed in the “History and Corporate Structure” on page 135, there are no other arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the directors was selected as a director or member of senior management.

Payment or benefit to directors/officers of our Company

Except as stated in this section titled “Our Management” on page 146, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as Directors, officers or employees.

Mr. R. Vasudevan, our Executive Director is entitled to remuneration as disclosed above, and Hariani and Co, (a partnership firm in which Mr. Ameet Hairani is a partner), has been paid legal fees in relation to land summarization undertaken for this Issue and other legal services provided to our Company in relation to our land acquisition process. In addition, our Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act and the rules made thereunder and actual travel, boarding and lodging expenses for attending the Board or committee meetings none of Directors are paid any other amount. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations, except as disclosed in this clause, no other payments have been made to our Directors.

Our non executive Directors are eligible for sitting fees of Rs. 10,000 for each Board meeting that they attend. No amount is payable to any director in case of a meeting of any committee of the Board.

Further, no benefits are payable upon the termination of the services of a Director.

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our 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, trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Hariani & Co, a firm in which Mr. Ameet Hariani, one of our non-executive Director is a partner has provided the land summarisation report in relation to this Issue and is regularly involved in our land acquisition process.

R. Vasudevan and Lalitha Vasudevan, our Individual Promoters hold equal share in Venus Ventures with whom we have entered into an MOU to acquire the land as and when the lands are acquired by Venus Ventures. For further details, see “Our Business-Land Reserves” on page 99.

Except as stated in the section titled “Related Party Transactions” on page 168, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business. Further, please refer to “Our Promoter - Interests of Promoters and Common Pursuits” on page 162.

Our Directors have no interest in any property acquired by us two years prior to the date of this Red Herring Prospectus, except in relation to the lands located at Wagholi, as described above.

Every Director of our Company and the officers of our Company shall be indemnified by our Company against and it shall be the duty of the Directors out of the funds of our Company to pay all costs, losses and expenses (including traveling expenses) which any such Director, officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Manager, Secretary or officer or servant or in any way in the discharge of his duties.

Subject to the provisions of the Act and the Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from our Company the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of our Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

Corporate Governance

We have complied with the SEBI ICDR Regulations with respect to corporate governance especially with respect to broad basing of our Board, constituting committees such as Audit Committee, Investors Grievance Committee and Remuneration/Compensation Committee. Further, the provisions of the listing agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares on the Stock Exchanges. We have complied with such provisions, including with respect to the appointment of independent Directors to our Board and the constitution of committees of our Board. We have also adopted the Corporate Governance Code in accordance with Clause 49 of the listing agreements to be entered into with the Stock Exchanges prior to listing.

The Company undertakes to take all necessary steps to comply with all the requirements of Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges.

Currently, our Board has five Directors, consisting of, our Managing Director, 2 non-executive Directors and 2 independent Directors. Further, in compliance with Clause 49 of the Listing Agreement to the extent applicable to a Company for the first time, the following Committees have been formed.

Audit Committee

The audit committee of our Board was constituted by our Board in terms of their resolution dated February 17, 2007 to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. The Audit Committee was reconstituted on September 16, 2009 and consists of V. Mohan (Chairman), R. Kannan and R. Vasudevan.

The terms of reference of the Audit Committee include:

- To recommend to the Board the remuneration of the Auditors, if the same is not fixed by shareholders and is delegated to the Board;
- Where the audit committee finds that the quality, efficiency and contribution of the Auditors is not satisfactory, then the audit committee shall take up the matter with the Auditors, and in case the Auditors do not resign, the Audit Committee shall find a suitable replacement and recommend their appointment to the Board including terms & conditions as to remuneration or otherwise;
- To approve payment to the Auditors for services other than the audit;
- To approve the bills of the Auditors for services in any other capacity;
- To examine any changes in accounting policies and the reasons thereof;
- To examine major accounting entries based on the exercise of judgment by the management;
- Where the Auditors makes some qualifications in their draft report, to examine the details causing such qualification and suggest suitable addendum in the Directors' report;
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing 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 material nature and reporting the matter to the Board;

- To look into the reasons for substantial defaults in the payments to depositors, debenture holders, shareholders (in case of non payment of declared dividend) and creditors; and
- To carry out such other functions as may be specifically referred to, by the Board, from time to time.

Pursuant to the amendments to the Listing Agreement dated December 27, 2007, the role of the audit committee has been expanded to include monitoring of utilisation of Issue proceeds and making appropriate recommendations to the Board of Directors of our Company in this regard.

Shareholders Grievance Committee

The Shareholders grievance committee of our Board was constituted by our Board in terms of their resolution dated June 11, 2007. The shareholders grievance committee was reconstituted on September 16, 2009 and consists V Mohan (chairman) and R. Vasudevan. The shareholders grievance committee is responsible for the redressal of shareholders' grievances, particularly with reference to:

- Transfer/transmission of shares;
- Issue of duplicate share certificates;
- Review of shares dematerialized and all related matters;
- Monitoring expeditious redressal of investors' grievances;
- Non-receipt of annual reports and dividends; and
- All other matters related to shares/debentures.

Remuneration/Compensation Committee

The remuneration/compensation committee of our Board was constituted by our Board in terms of their resolution dated June 11, 2007. The Compensation Committee was reconstituted on September 16, 2009 and consists of V. Mohan (Chairman), R. Kannan and Ameet Hariani.

The terms of reference of the remuneration/compensation Committee include:

1. To discharge the Board's responsibilities relating to compensation to the Company's Executive Directors;
2. To approve and evaluate the Executive Director's compensation plans, policies and programmes of the Company;
3. To formulate, administer and adopt the Employees' Stock Option Plan (ESOP) of the Company;
4. To determine the quantum of option to be granted under an ESOP per employee and the total number in aggregate;
5. To determine at such intervals, as the Committee considers appropriate, the persons to whom shares or options may be granted;
6. To decide the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
7. To determine the exercise period within which the employee should exercise the option and that the option would lapse on failure to exercise the option within the exercise period;
8. To determine the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of the employee;
9. To determine the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
10. To determine the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issue, bonus issue, merger, sale of division and others. In this regard the following shall be taken into consideration by the committee:
 - (i) The number and the price of the ESOP shall be adjusted in a manner such that the total value of the ESOP remains the same after the corporate action;
 - (ii) For this purpose, global best practices in this area including the procedures followed by the derivatives markets in India and abroad shall be considered; and
 - (iii) The vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders;
11. To determine the grant, vest and exercise of option in case of employees who are on long leave;
12. To determine the procedure for cashless exercise of options;

13. To construe and interpret the plan and to establish, amend and revoke rules and regulations for its administration. The Compensation Committee may correct any defect, omission or inconsistency in the plan or option and/or vary/amend the terms to adjust to the situation that may arise;
14. To approve the transfer of the shares in the name of the employee at the time of exercise of options by such employee under ESOP;
15. To review and approve any disclosures in the annual report or elsewhere in respect of compensation policies or directors' compensation;
16. To obtain such outside or professional advice as it may consider necessary to carry out its duties;
17. To invite any employee or such document as it may deem fit for exercising of its functions;
18. To attend to such matters with respect to the remuneration of senior and other employees as may be submitted to it by the Managing Director; and
19. To attend to any other responsibility as may be entrusted by the Board.

IPO Committee

The IPO Committee was constituted by our Board in terms of their resolution dated September 16, 2007. The IPO Committee was reconstituted on August 27, 2009 and consists of V. Mohan (Chairman), R. Kannan, and Ameet Hariani. The IPO Committee is in charge of all the affairs in relation to our initial public offering.

Shareholding of our Directors in the Company

Except as provided hereunder, no other Directors hold any shares in the share capital of our Company.

In terms of our Articles of Association, the Directors are not required to hold any qualification shares. The table below sets forth the details of Equity Shares that are held by our Directors and directors of our Group Entities.

Sr. No.	Name	Number of Equity Shares	Pre-Issue Equity Share Capital	Post-Issue Equity Share Capital %
1.	R. Vasudevan	9,277,529 ⁽¹⁾	11.71	10.27
2.	Lalitha Vasudevan	2,639,128 ⁽²⁾	3.33	2.92

⁽¹⁾Includes 7477528 Equity Shares jointly held with Mrs. Lalitha Vasudevan and 54,546 shares jointly held with Mrs. Thangam Moorthy

⁽²⁾Equity Shares jointly held with Mr. R. Vasudevan

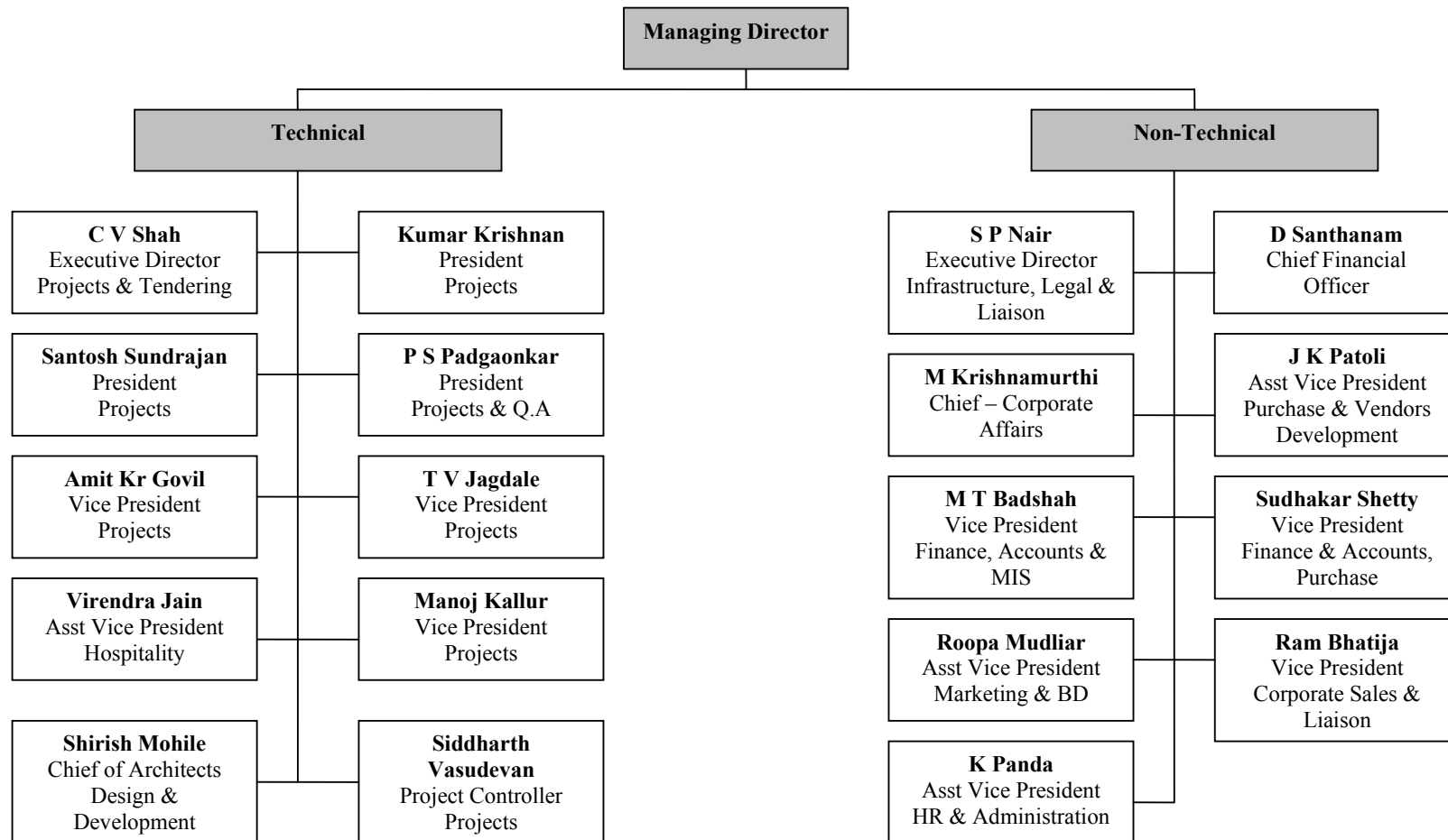
There are no outstanding vested options granted to our Directors.

Changes in our Board of Directors during the last three years

Name	Date of Appointment	Date of Change/ Cessation	Reason
Amar Lulla		September 16, 2009	Resigned
R. Kannan	September 19, 2007	-	Appointed as Director
Ameet Hariani	September 19, 2007	-	Appointed as Director
V. Mohan	March 6, 2007	-	Appointed as Director
Late Mr. N.R. Moorthy	-	February 17, 2007	Resigned
R. Kannan	-	February 17, 2007	Resigned
Amar Lulla	February 17, 2007	-	Appointed as Director

Managerial Organisation Structure

The Company's management organisation structure is given below:



Key Management Personnel of our Company

R. Vasudevan, for a brief biography of R. Vasudevan, Managing Director please see the section titled “Our Management – Brief Biographies of our Directors” on page 147. The biographies of our other Key Management Personnel are set forth below:

Chandresh V. Shah, Executive Director, aged 47 years, joined us on October 1, 2000. He holds a bachelor’s degree in civil engineering from the Regional Engineering College, Trichy. Prior to joining us, he was working with Alcon Builders Private Limited. He has over 21 years of experience of which 19 years of experience are in the construction industry. He looks after technical operation, business strategy/development, collation of market intelligence from sources. He also undertakes market analysis and conducts technical and commercial feasibility studies. The remuneration paid to him in fiscal year 2009 was approximately Rs. 4.87 million.

Kumar Krishnan, President, aged 52 years, joined us on January 4, 1995. He holds a bachelor’s degree in civil engineering from the Mumbai University. Prior to joining us, he was working with Mansoor Associates, Mumbai. He has over 29 years of experience of which in the 15 years of experience is in the construction industry. He looks after technical operation, project implementation, planning and budgeting, cost control of various projects. He also conducts technical and commercial feasibility studies. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 4.72 million.

Shiv Prakash Nair, Executive Director, aged 44 years, joined us on January 2, 2006. He holds a bachelor’s degree in commerce from the Calicut University. He also holds a diploma in business management from the Pitman Institute of Management, Kerala. Prior to joining us, he was working with Conamore Resorts Private Limited. He has over 24 years of experience of which 20 years of experience is in the construction industry. He looks after legal affairs of the Company, liasoning with government offices, business development, high profile investors/clients interaction, project monitoring, management decision making, staff mentoring, dealing with joint venture partners, property deals and acquisition matters. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 4.38 million.

D. Santhanam, Chief Financial Officer, aged 47 years, joined us on January 9, 1989. He holds a bachelor’s degree in commerce from the Madras University and is an associate member of the Institute of Chartered Accountants of India. Prior to joining us, he had worked various organizations, including the Life Insurance Corporation of India. He has over 26 years of experience of which 21 years of experience is in the construction industry. He looks after working capital finance, taxation compliance, term loans, liaison with banks and institutions, funds estimation, FOREX/treasury management, project finance, budgeting, cash flow for effective capital management, review of operational budget, profitability and financial statements. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 4.38 million.

M. Krishnamurthi, Chief Corporate Affairs, aged 49 years, joined us on July 19, 2005. He holds a bachelor’s degree in commerce from the Madras University. He is an associate member of the Institute of Chartered Accountants of India and an associate member of the Institute of Company Secretaries of India. He also holds a bachelor’s degree in General Laws and is an associate of the Chartered Institute of Management Accountants (London). He has 25 years of experience in industries such as construction, hospitality, bio-technology industries of which over four years is in the construction industry. Prior to joining us, he was working with Apollo Hospitals, Colombo. He looks after corporate affairs of the Company, new strategy implementation, finance, ERP implementation, secretarial and compliance functions, ROC regulations/rules, tax rules, company law, term loans and project finance. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 3.23 million.

Prashant Padgaonkar, President, aged 51 years, joined us on October 17, 1988. He holds a bachelor’s degree in civil engineering from the Victoria Jubilee Technical Institute, Mumbai. Prior to joining us, he was working with Hindustan Ciba – Geigy Limited. He has over 30 years of experience of which 21 years of experience is in the construction industry. He looks after technical operation, project implementation, planning and budgeting, cost control of various projects, conducts technical and commercial feasibility studies, quality assurance audit and ISO procedure implementation. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 3.99 million.

Munaf Badshah, Vice President, aged 45 years, joined us on May 22, 1989. He holds a bachelor's degree in commerce from the Mumbai University. Prior to joining us, he was working with Fluid Controls Private Limited. He has over 25 years of experience of which 19 years of experience is in the construction industry. He looks after management information system (MIS) – information on commercial, financial and accounting, budget, handling of core data and trouble shooting and cash flow planning. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 2.55 million.

Sudhakar Shetty, Vice President, aged 56 years, joined us on January 24, 1989. He holds a bachelor's degree in commerce from the Mysore University. Prior to joining us, he was working with Blue Steel Engineers Private Limited, Mumbai. He has over 28 years of experience of which 20 years of experience is in the construction industry. He looks after purchase, accounts and accounting standards; value added tax, sale tax, cash flow and cost control system. He also looks after budget, debtors and creditors management. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 2.06 million

Tukaram Jagadale, Vice President, aged 42 years, joined us on January 1, 1990. He holds a diploma in civil engineering from the Veer Jijamata Technical Institute, Mumbai. Prior to joining us, he was working with Shapoorji Pallonji & Co. Limited, Mumbai. He has over 25 years of experience in the construction industry. He looks after project execution, planning & budgeting, cost control of various projects, conducts technical & commercial feasibility studies, quality monitoring, technical & commercial aspect of the projects. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 2.55 million.

Jairam Patoli, Assistant Vice President, aged 45 years, joined us on December 16, 1988. He holds a diploma in civil engineering from the Government Polytechnic, Mumbai. Prior to joining us, he was working with Cipla Limited, Mumbai. He has over 26 years of experience of which over 19 years of experience is in the construction industry. He looks after purchase, vendor development, inventory control, budget, material planning and delivery and waste control. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 1.16 million.

Virendra Jain, Assistant Vice President, aged 36 years, joined us on June 1, 2007. He holds a bachelor's degree in architecture from the Academy of Architecture, Mumbai. He also holds a master's degree in facilities management from the Pratt Institute, New York. Prior to joining us, he was working with Thornton & Tomasetti Group Inc., New York. He was awarded the Pratt Circle Award and Certificate of Excellence Award in 2003 by the Pratt Institute, New York. He was also given a Certificate of Appreciation from Mayor Bloomberg, New York for September 11, 2002 rehabilitation works. He has over 14 years of experience in the construction industry. He looks after the hospitality segment – business development and set up of business models with global fund managers and 5 star hotel brand operators. He also looks after project and contract management and budget. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 2.46 million.

Santosh Sundararajan, President, aged 32 years, joined us on October 1, 2007. He holds a bachelor's degree in civil engineering from the National Institute of Singapore, Masters Degree in Finance from the University of London and a doctorate in structural design from the National Institute of Singapore. Prior to joining us, he was working with Buro Engineers Singapore Pte Limited. He has over 12 years of experience in the construction industry. He looks after technical operation, project implementation, planning and budgeting, cost control of various Projects, conducts technical and commercial feasibility studies. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 2.88 million.

Karunakar Panda, Assistant Vice President, aged 44 years, joined us on August 24, 2007. He holds a bachelors degree in arts from Utkal University in Bhubaneswar. He has also done a post graduate diploma in personnel management from Annamalai University and a Masters in business administration in Human Resources from Indira Gandhi Open University. Prior to joining us, he was working with various companies including Bateman Engineering Private Limited, Sumi Motherson Infotech and Designs Limited. He has over 19 years of experience in the construction, information technology, pharma and chemicals of which over four years is in the construction industry. He looks after manpower planning, recruitment, performance management, training and development, general administration, statutory compliance and cost control measures. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 1.47 million.

Shirish Mohile, Chief of Architects, aged 60 years, joined us on October 1, 2007. He holds a diploma in Architecture from Bandra School of Architecture, Mumbai also Computer Aided Design Auto-cad Institute of Commercial Management from UK. Prior to joining us, he was working as a consulting architect in Pune. He has over 36 years of experience in the construction industry. He looks after concept design, designing and development of design, progress review, service consultants and architect, negotiation with vendors. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 2.88 million.

Manoj Kumar Kallur, Vice President, aged 46 years, joined us on February 21, 2007. He holds a bachelor's degree in civil engineering from Karnataka University. Prior to joining us, he was working with Shapoorji Pallonji & Company Limited. He has over 24 years of experience in the construction industry. He looks after project execution, planning and budgeting, cost control of various projects, conducts technical and commercial feasibility studies, quality monitoring, technical and commercial aspect of the projects. The remuneration paid to him for the fiscal year 2009 was approximately Rs. 3.25 million.

Amit Kumar Govil, Vice President, aged 38 years, joined us on October 21, 2008. He holds a bachelor's degree in civil engineering from Jamia Millia Islamia, New Delhi. Prior to joining us, he was working with Maytas Properties Private Limited. He has over 17 years of experience in the construction industry. He looks after project execution, planning and budgeting, cost control of various projects, conducts technical and commercial feasibility studies, quality monitoring, technical and commercial aspect of the projects, business development. The remuneration paid to him for part of the fiscal year 2009 was approximately Rs. 1.42 million.

Ram L Bhatija, Vice President, aged 55 years, joined us on January 15, 2009. He holds a bachelors degree in Metallurgy Engineering from Poona University. Prior to joining us, he was working with K. Raheja, Mumbai. He has over 30 years of experience out of which 17 years is in the construction and real estate industry. He looks after corporate and institutional sales, sales of lease premises, liaison work pertaining to projects in Coimbatore and Hyderabad. He is also, involved in liaison activities with Municipal Authorities in Pune. The remuneration paid to him for part of the fiscal year 2009 was approximately Rs. 0.67 million.

Roopa Mudliar, Assistant Vice President, aged 33 years, joined us on August 1, 2005. She holds a bachelors degree in Commerce from Pune University. Prior to joining us, she was working with Mahindra Gesco Developers Limited. She has over 11 years of experience out of which 8.5 years in the construction industry. She looks after sales and marketing, developing and structuring new business deals, public relations, media and advertising. The remuneration paid to her for the fiscal year 2009 was approximately Rs. 1.34 million.

Siddharth Vasudeven Moorthy, Project Controller, aged 23 years, joined us on April 1, 2009. He holds a diploma in civil engineering from Sinhgad Institute of Technology, Pune. He has also done Bachelor of Applied Science in Construction Management from Singapore Institute of Management. Prior to joining us, he was working with Sysma Construction Pte. Limited, Singapore. He has over three years of experience in the construction industry. He looks after project analysis, project progress (planned vs actual), budgeted cost versus actual, project bottleneck analysis and action plan to resolve, project scheduling, co-ordination between project in-charges and clients.

All our Key Management Personnel are permanent employees of our Company and except for Siddharth Vasudevan Moorthy, who is the son of our Individual Promoter, Mr. R. Vasudevan, none of our Directors and our Key Management Personnel are related to each other.

Shareholding of the Key Management Personnel

None of the Key Management Personnel hold Equity Shares of our Company except R. Vasudevan, who holds 9,277,529 shares (includes 7,477,528 shares held with Mrs. Lalitha Vasudevan and 54,546 shares jointly with Mrs. Thangam Moorthy) and Siddharth Vasudevan Moorthy who holds 403,200 shares (jointly Mrs. Lalitha Vasudevan).

Bonus or profit sharing plan of the Key Management Personnel

As on the date of filing this Red Herring Prospectus, we do not have a bonus or profit sharing plan for our Key Management Personnel.

Interest of Key Management Personnel

Our Key Management Personnel do not have any interest in us other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares/stock options held by them in the Company, if any. Certain of our Key Management Personnel are also directors in certain of our Promoter and Group Entities and Other Development Entities. Further, some of our Key Management Personnel are also appointed as trustees.

None of our Key Management Personnel have been paid any consideration of any nature from the Company, other than their remuneration.

On October 23, 2007 our shareholders approved our ESOP 2007 where under the employees as specified in the ESOP 2007, shall be granted options for our Equity Shares. For further details, see “Capital Structure – Notes to Capital Structure” on page 25.

Changes in the Key Management Personnel

The changes in the Key Management Personnel in the last three years are as follows:

Name of the Key Management Person	Date of Change	Reason for change
Siddharth Vasudevan Moorthy	April 1, 2009	Appointed
Ram L Bhatija	January 15, 2009	Appointed
Amit Kumar Govil	October 21, 2008	Appointed
Nitin Khare	June 1, 2008	Resigned
S. Raman	March 31, 2008	Resigned
Santosh Sundararajan	October 1, 2007	Appointed
Shrish Mohile	October 1, 2007	Appointed
Karunakar Panda	August 24, 2007	Appointed
Virendra Jain	June 1, 2007	Appointed
Manoj Kumar Kallur	February 1, 2007	Appointed
S. Raman	December 16, 2006	Appointed

Other than the above changes, there have been no changes to the Key Management Personnel of the Company that are not in the normal course of employment.

OUR PROMOTERS

The individual promoters of our Company are:

1. R. Vasudevan;
2. Lalitha Vasudevan;
3. Thangam Moorthy; and
4. Geeta Lulla.

The corporate promoters of our Company are:

1. Vatsalya Enterprises Private Limited;
2. Premratan Exports Private Limited; and
3. Golden Temple Pharma Private Limited.

Individual Promoters

	R. Vasudevan	Driving license No.: MH 12 20040509412 Passport No.: Z 1576939 PAN: AANPR6769E He does not have a voter's identity card.	Address: Flat No. C-10/11, Ivyglen, Marigold Premises, Wadgoan Sheri, Pune 411 014 Maharashtra
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For further details on R. Vasudevan, our Managing Director see 'Our Management - Brief Biographies of our Directors' on page 147.

	Lalitha Vasudevan	She does not have a Driving license. Passport No.: Z1722510 PAN: ABZPV6233C She does not have a Voter's identity card.	Address: Flat No. C-10/11, Ivyglen, Marigold Premises, Wadgoan Sheri, Pune 411 014 Maharashtra
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Lalitha Vasudevan, aged 50 years, is our Promoter. She holds a bachelor's degree in commerce from Nagpur University. She has been a director in Vatsalya Enterprises Private Limited. She is an employee of Vastech Consultants Private Limited and she is a partner in Venus Ventures. She does not have any significant experience in business.

	Thangam Moorthy	She does not have a Driving license. Passport No.: F6442016 PAN: AGVPR9928B She does not have a Voter's identity card.	Address: 201, Magnolia Annex, Near Baron Club, Kalyani Nagar, Pune 411014
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Thangam Moorthy, aged 76 years is our Promoter. She does not have any past experience in business.



Geeta Lulla

Driving license No. 29950

Passport No.: Z1780731

PAN: AABPL0243R

She does not have a Voter's identity card.

Address: 131, Maker Towers 'L',
Cuffee Parade, G. D.
Somani Marg, Mumbai
400 005, Maharashtra

Geeta Lulla, aged 57 is our promoter. She holds a bachelor's degree in arts from the Bombay University. She is currently director in Saga Chemicals Private Limited, Premratan Export Private Limited and Golden Temple Pharma Private Limited. She does not have any significant experience in business.

We confirm that the Permanent Account Numbers, Bank Account Numbers and Passport Numbers of our Individual Promoters have been submitted to the BSE and NSE at the time of filing the Red Herring Prospectus with them.

Our Corporate Promoters

1. Vatsalya Enterprises Private Limited

Vatsalya Enterprises Private Limited was incorporated on October 20, 1992 as a private limited company. Its registered office is situated at B 124, Vardhman Complex, Fitwell Compound, LBS Marg, Vikhroli (W), Mumbai 400 083. The company is engaged in the business of providing brokerage and other services.

It is promoted by Lalitha Vasudevan and R. Vasudevan and its shares are not listed on any stock exchange. It has also not been declared as a wilful defaulter.

The company has not made any public or right issue in the preceding three years. Also, it has not become a sick company under the meaning of SICA and it is not under winding up.

Lalitha Vasudevan and R. Vasudevan acquired the shares in the company in 2007.

Shareholding

The shareholding pattern of equity shares of Vatsalya Enterprises Private Limited is as follows

S. No.	Name of the shareholder	No. of shares	Percentage
1.	R. Vasudevan	11,000	91.51
2.	Lalitha Vasudevan	1,021	8.49
Total		12,021	100.00

Change in the shareholding of Vatsalya Enterprises Private Limited

S. No.	Name of the transferor	Transferee	No. of shares	Date of transfer
1.	Venkateshwara	Lalitha Vasudevan	1	June 8, 2007
2.	Late N. R. Moorthy	R. Vasudevan	1,000	July 10, 2007
3.	Late N. R. Moorthy	R. Vasudevan	10,000	July 10, 2007

Directors

The board of directors of Vatsalya Enterprises Private Limited are D. Santhanam, Shiv Prakash Nair and Lalitha Vasudevan. There has been no change in the board of directors in the last three years.

Financial Performance

(Rs. in millions except per share data)

Particulars	For the year ended		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Share Capital	0.12	0.12	0.12
Reserves and Surplus*	68.34	69.85	34.61
Sales and Other income	10.08	39.24	1.49
Profit/(Loss) After Tax	(1.51)	35.25	0.57
Earning per share** (Rs.)	(125.81)	2931.15	34.47
Diluted EPS	(125.81)	2931.15	34.47
Net Asset Value/Book value per share (Rs.)	5694.74	5820.54	2889.40

* Excluding revaluation reserves

** Face value of Rs. 10 each

2. Premratan Exports Private Limited

Premratan Exports Private Limited was incorporated on February 17, 1992 as a private limited company and is engaged in trading, services and investment activities. Its registered office is situated at 12, Gunbow Street, Fort, Mumbai 400 001.

Its promoter is Geeta Lulla and its shares are not listed on any stock exchange. The shareholding in the company was acquired by Saga Chemicals Private Limited in the year 1994. The company was a subsidiary of Saga Chemicals Private Limited and as on September 25, 2007 its shareholding was acquired by Geeta Lulla, Sonal Lulla and Anisha Lulla.

The company has not been declared as a wilful defaulter and has not made any public or rights issue in the preceding three years. It has not become a sick company under the meaning of SICA and it is not under winding up.

Shareholding

The shareholding pattern of equity shares of Premratan Exports Private Limited is as follows

S. No.	Name of the shareholder	No. of shares	Percentage
1	Geeta Lulla	7,600	76.00
2	Sonal Lulla	1,200	12.00
3	Anisha Lulla	1,200	12.00
Total		10,000	100.00

Directors

The board of directors of Premratan Exports Private Limited are A. P. Raman, Sonal Lulla and Geeta Lulla.

Financial Performance

(Rs. in millions except per share data)

Particulars	For the year ended		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Share Capital	0.1	0.1	0.1
Reserves and Surplus*	267.34	256.47	227.98
Sales and Other income	12.52	30.39	89.23
Profit/(Loss) After Tax	10.87	28.47	87.26
Earning per share** (Rs.)	1,086.70	2,846.54	87,26.06
Diluted EPS	1,086.70	2,846.54	87,26.06
Net Asset Value/Book value per share (Rs.)	26,744.46	25,657.39	22,807.84

* Excluding revaluation reserves

** Face value of Rs. 10 each

There has been no change in the directorship of Premratan Exports Private Limited in the preceeding three years.

Change in shareholding

S. No.	Name	Transfer	Shares	Date
1.	Saga Chemicals Private Limited	Sale	10,000	September 25, 2007
2.	Geeta Lulla	Acquired	7,600	September 25, 2007
3.	Sonal Lulla	Acquired	1,200	September 25, 2007
4.	Anisha Lulla	Acquired	1,200	September 25, 2007

3. Golden Temple Pharma Private Limited

Golden Temple Pharma Private Limited was incorporated on September 20, 2006, as a private limited company and is engaged in trading, service and investment business. Its registered office is situated at 12, Gunbow Street, Fort, Mumbai 400 001.

Its promoter is Geeta Lulla and its shares are not listed on any stock exchange.

The company has not made any public or right issue. Also, it has not become a sick company under the meaning of SICA and it is not under winding up. It has also not been declared as a wilful defaulter.

Amar Lulla and Geeta Lulla acquired the shares in the company in 2007. Thereafter, Amar Lulla transferred his 83% shareholding to Geeta Lulla and Anisha Lulla on August 3, 2009.

Shareholding

The shareholding pattern of equity shares of Golden Temple Pharma Private Limited is as follows

S. No.	Name of the shareholder	No. of shares	Percentage
1.	Geeta Lulla	9,500	95.00
2.	Anisha Lulla	500	5.00
Total		10,000	100.00

Directors

The board of directors of Golden Temple Pharma Private Limited are Geeta Lulla and Anisha Lulla.

Financial Performance

(Rs. in millions except per share data)

Particulars	For the year ended		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Share Capital	0.1	0.1	0.1
Reserves and Surplus*	4.52	(0.03)	0.00
Sales and Other income	6.60	0.00	0.99
Profit/(Loss) After Tax	4.55	(0.03)	0
Earning per share** (Rs.)	455.15	(2.89)	0.00
Diluted Earning per share (Rs.)	455.15	(2.89)	0.00
Net Asset Value/Book value per share (Rs.)	462.26	7.11	7.77

* Excluding revaluation reserves

** Face value of Rs. 10 each

Change in directors

S. No.	Name	Appointment/Resignment	Date
1.	Amar Lulla	Resigned	August 3, 2009
1.	Anisha Lulla	Appointed	August 3, 2009

Change in shareholding

S. No.	Name	Transfer	Shares	Date
1.	Amar Lulla	Sale	8,300	August 3, 2009
2.	Geeta Lulla	Acquired	7,800	August 3, 2009
3.	Anisha Lulla	Acquired	500	August 3, 2009

We confirm that the Permanent Account Numbers, Bank Account Numbers, Company Registration Numbers and addresses of the Registrar of Companies where these entities are registered, of our Corporate Promoters have been submitted to the BSE and NSE at the time of filing the Red Herring Prospectus with them.

Interest of our Promoters, Promoter Group and Common Pursuits

Our Promoters and Promoter Group are interested in us to the extent that they have promoted our Company and their shareholding in us. Further, our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to 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 them.

Further, our Individual Promoters are also directors on the boards of or members of certain Group Entities and they may be deemed to be interested to the extent of the payments made by us, if any, to these Group entities. For further interest, of our Directors, see section 'Our Management - Interests of Directors' on page 149.

Venus Ventures, in which R.Vasudevan and Lalitha Vasudevan are partners, has entered into a MOU dated October 25, 2007 with our Company, for the purchase and development of 260.00 acres of land located at Wagholi, Pune. Lalitha Vasudevan is an employee of Vastech Consultants Private Limited and receives salary from Vastech Consultants Private Limited. Conamore Resorts Private Limited has received interest from our Company and our Company receives rent income from Conamore Resorts Private Limited. Our Company has in the past entered into certain construction contracts with Golden Dwellings Private Limited. G. Sundaram is our employee and receives salary from our Company. Siddharath Vasudevan Moorthy is an employee of our Company and receives a salary and has in the past been paid interest on delayed refund of share application money. Soumya Vasudevan Moorthy has been paid interest on on delayed refund of the share application money.

Except as stated otherwise in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by us other than in the normal course of business.

Payment or Benefit to Promoters

Except as stated in "Related Party Transactions" on page 168, no amount or benefit has been paid or given to any Promoter within the two years preceding the date of filing of this Red Herring Prospectus and no such amount or benefit is intended to be paid.

Confirmations

Further, none of our Promoters has been declared as a wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past or are pending against them and no penalties pertaining to such proceeding are pending against them except as disclosed in section titled "Outstanding Litigation and Defaults" on page 312.

GROUP ENTITIES

Details of our Group Entities are provided below:

I. Corporate Entities

1. Vastech Consultants Private Limited

Vastech Consultants Private Limited was incorporated on October 7, 2003 as a private limited company and is engaged in the business of providing structural consultancy services.

Our Promoter Lalitha Vasudevan holds 2,500 equity shares in Vastech Consultants Private Limited, i.e. 25% of the issued and paid up capital of Vastech Consultants Private Limited and the remaining 75% is held by others.

Financial Performance

(Rs. in millions except per share data)

Particulars	For the year ended		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Share Capital	0.1	0.1	0.1
Reserves and Surplus*	49.66	29.89	8.46
Sales and other income	76.68	47.51	13.33
Profit/Loss after tax	19.78	21.43	6.61
Earning per share** (Rs.)	1,977.71	2,142.73	661.38
Diluted EPS** (Rs.)	1,977.71	2,142.73	661.38
Net Asset Value/Book value per share (Rs.)	4,976.21	2,998.50	855.77

* Excluding revaluation reserves

** Face value of Rs. 10 each

Vastech Consultants Private Limited has in the past provided our Company with structural consultancy services. See “Related Party Transaction” on page 168.

2. Saga Chemicals Private Limited

Saga Chemicals Private Limited was incorporated on April 3, 1990 as a private limited company and is engaged in trading, services and investment activities.

Our Promoter Premratan Exports Private Limited(including through its nominee) holds 380,000 equity shares in Saga Chemicals Private Limited, i.e. 100% of the issued and paid up capital of Saga Chemicals Private Limited.

Financial Performance

(Rs. in millions except per share data)

Particulars	For the year ended		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Share Capital	3.80	3.80	3.80
Reserves and Surplus*	240.88	199.62	167.00
Sales and other income	41.97	33.10	70.00
Profit/Loss after tax	412.55	32.62	69.64
Earning per share** (Rs.)	1085.66	85.85	183.26
Diluted** (Rs.)	1085.66	85.85	183.26
Net Asset Value/Book value per share (Rs.)	643.89	535.33	449.47

* Excluding revaluation reserves

** Face value of Rs. 10 each

3. Flora Premises Private Limited

Flora Premises Private Limited was incorporated on July 14, 2005 as a private limited company and is engaged in the investment in properties and real estate services.

Our Promoter Lalitha Vasudevan holds 5,000 equity shares in Flora Premises Private Limited, i.e. 50% of the issued and paid up capital of Flora Premises Private Limited and the remaining 50% is held by others.

Financial Performance

(Rs. in millions except per share data)

Particulars	March 31, 2009	For the year ended	
		March 31, 2008	March 31, 2007
Equity Share Capital	0.10	0.10	0.10
Reserves and Surplus*	44.66	44.49	5.54
Sales and other income	6.41	67.46	15.21
Profit/Loss after tax	0.17	38.96	7.64
Earning per share** (Rs.)	16.94	3895.64	764.12
Diluted EPS (Rs.)	16.94	3895.64	764.12
Net Asset Value/Book value per share (Rs.)	4475.34	4458.26	562.46

* Excluding revaluation reserves

** Face value of Rs. 10 each

Our Company has entered into certain purchase of goods and works orders with Flora Premises Private Limited. See “Related Party Transaction” on page 168.

4. Bell Flower Premises Private Limited

Bell Flower Premises Private Limited was incorporated on May 28, 1996 as a private limited company and is engaged in the real estate and investment activities.

Our Promoter Vatsalya Enterprises Private Limited holds (including through its nominee) 10,000 equity shares in Bell Flower Premises Private Limited, i.e. 100% of the issued and paid up capital of Bell Flower Premises Private Limited.

Financial Performance

(Rs in Million, except for per share data)

Particulars	March 31, 2009	For the year ended	
		March 31, 2008	March 31, 2007
Equity Share Capital	0.10	0.10	0.10
Reserves and Surplus*	50.97	48.40	20.15
Sales and other income	3.82	30.77	0.68
Profit/Loss after tax	2.58	28.26	0.45
Earning per share** (Rs.)	258.46	2826.15	45.07
Diluted EPS (Rs.)	258.46	2826.15	45.07
Net Asset Value/Book value per share (Rs.)	5106.72	4850.44	2024.57

* Excluding revaluation reserves

** Face value of Rs. 10 each

Bellflower Premises Private Limited holds 300,583 Equity Shares in our Company. Bellflower acquired 227,273 shares of our Company from Vatsalya Enterprises Private Limited on December 9, 2008 at a price of Rs. 152 per share. Bell Flower Premises Private Limited has in the past received Rs. 787,682 as interest on convertible debentures.

II. Partnerships

1. Venus Ventures

Venus Ventures was formed pursuant to a deed of partnership dated July 27, 2006 between R. Vasudevan and Lalitha Vasudevan. It is engaged in the business of real estate development and acquisition of land.

Profit and Loss Sharing Ratio as of March 31, 2009

Name of Partners	Profit & Loss Sharing Ratio (%)
R. Vasudevan	50.00
Lalitha Vasudevan	50.00
Total	100.00

Financial Information

(In Rs. million)

Particulars	Year Ended March 31		
	2009	2008	2007
Capital	0.06	0.05	0.01
Sales and Other income	0.00	0.00	0.00
Profit/(Loss) After Tax	0.00	0.00	0.00

Venus Ventures has entered into a MOU dated October 25, 2007 with our Company, for the purchase and development of 260.00 acres of land located at, Wagholi, Pune.

2. SPR Associates

SPR Associates was formed pursuant to a deed of partnership dated March 3, 2003 between Saga Chemicals Private Limited and Premratan Exports Private Limited. It is engaged in the business of investments, trading and services.

Profit and Loss Sharing Ratio as of March 31, 2009

Name of Partners	Profit & Loss Sharing Ratio (%)
Saga Chemicals	50.00
Premratan Exports Private Limited	50.00
Total	100.00

Financial Information

(In Rs. million)

Particulars	Year Ended March 31		
	2009	2008	2007
Capital	323.87	196.62	138.38
Sales and Other income	6.41	5.70	1.85
Profit/(Loss) After Tax	4.62	4.88	1.30

The financial information for SPR Associates is not required to be audited.

III. Hindu Undivided Family

N. R. Moorthy HUF

The HUF was formed on April 26, 1995 and Mr. R. Vasudevan is the karta of the HUF.

R. Vasudevan HUF

The HUF was formed on March 22, 1995 and Mr. R. Vasudevan is the karta of the HUF.

IV. Trusts

1. Vascon Moorthy Foundation

Vascon Moorthy Foundation was settled on March 18, 2008 by our Company. R. Vasudevan, Perna Chandrosh Shah, M. Krishnamurthi, Thangam Moorthy and K. Vijaykumar are the trustees of Vascon Moorthy Foundation.

Our Company has made donations of Rs. 25,000 to Vascon Moorthy Foundations.

Other Confirmations

Further, our Promoters and Group Entities have further 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 the Promoters or Group Entities have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Litigation

For details relating to the legal proceeding involving the Promoters and Group Entities, see “Outstanding Litigation and Defaults” on page 312.

Common Pursuits

Some of our Group Entities have common pursuits and are involved in the construction and real estate sector. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise. For, further details on the related party transactions, to the extent of which our Company is involved, see “Related Party Transactions” on page 168.

Sick Company

Except as disclosed in the “History and Corporate Structure” on page 135, none of the Group Entities have become sick companies under the Sick Industrial Companies Act, 1985 and no winding up proceedings have been initiated against them. Further no application has been made, in respect of any of the Group Entities, to the Registrar of Companies for striking off their names. Additionally, none of our Group Entities have become defunct in the five years preceding the filing of this Red Herring Prospectus.

Disassociation by the Promoters in the last three years

Name of the Company	Relationship with the Promoter	Reasons for Disassociation	Date of Disassociation
Uni World Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Advanced Remedies Private Limited	Promoter was a shareholder	Sale of stake	August 23, 2007
Drug Delivery Systems. (India) Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Exind Trading Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
G M Partitions Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Goldencross Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Medimore Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Medic Remedies Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Healingcross Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Inhaled Technologies Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Intermed Labs Private Limited	Promoter was a shareholder	Sale of stake	August 13, 2007
Jupiter Remedies Private Limited	Promoter was a shareholder	Sale of stake	August 23, 2007
L'amar Exports Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Lancet Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Mediorals Laboratories Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Medispray Laboratories Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Meditab Specialities Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Medule Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Nebumed Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Okasa Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Okasa Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Oncocare India Private Limited.	Promoter was a shareholder	Sale of stake	September 24, 2007

Name of the Company	Relationship with the Promoter	Reasons for Disassociation	Date of Disassociation
One World Pharma Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Pharmasolve Specialities Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
QA Technical Services (India) Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Sitec Labs Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Good Earth Remedies Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Medworld Pharmaceuticals Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
Globus Health Care Private Limited	Promoter was a shareholder	Sale of stake	September 24, 2007
One Stop Shop Private Limited	Promoter was a shareholder	Sale of stake	October 1, 2007
Fantastic Medicines Private Limited	Promoter was a shareholder	Sale of stake	September 25, 2007
Genious Solutions Private Limited	Promoter was a shareholder	Sale of stake	September 25, 2007
Plateau Properties Private Limited	Promoter was a shareholder	Sale of stake	September 25, 2007
Saga Chemicals Private	Promoter was a shareholder	Sale of stake	September 25, 2007
Sargam Specialities Private Limited	Promoter was a shareholder	Sale of stake	September 25, 2007
Aranya Exports Private Limited	Promoter was shareholder	Sale of stake	September 25, 2007
Tiger Technet Private Limited	Promoter was shareholder	Sale of stake	September 25, 2007
BA Network Private Limited	Promoter was shareholder	Sale of stake	August 3, 2009
Meditab Associates	Promoter was a partner	Retired as a partner	August 3, 2009
Okasa Associates	Promoter was partner	Retired as a partner	August 3, 2009

RELATED PARTY TRANSACTIONS

List of Related Parties and nature of relationship is as under

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED 30.09. 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		2009	2008	2007	2006	
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Sales and Works	Joint Venture					
	Cosmos Premises Private Limited	0.27	0.69	5.92	-	-
	Just Homes (India) Private Limited	-	-	-	-	-
	Marigold Premises Private Limited	0.21	9.50	6.93	-	-
	Margold Constructions	-	-	-	-	-
	Phoenix Ventures	37.83	12.61	11.27	-	-
	Viorica Properties Private Limited	10.41	58.39	41.80	-	-
	Weikfeilds ITCITI Info Park (AOP)	96.99	371.06	231.17	-	-
	Zenith Ventures	-	-	-	-	-
	Zircon Ventures	-	-	-	-	-
	Vascon Hadapsar Ventures	-	0.10	-	-	-
	-	-	-	-	-	-
	Key Management Personnel	-	-	-	-	-
	-	-	-	-	-	-
	Relatives of Key Management Personnel	-	-	-	-	-
	-	-	-	-	-	-
	Associates	-	-	-	-	-
	Angelica Properties Private Limited	136.24	197.39	275.76	-	-
	Ajanta Enterprises	-	-	20.00	-	-
	Marigold Premises Private Limited	-	-	-	-	152.16
	Marigold Constructions	-	-	-	-	19.75
	H U Khinvasara	-	-	-	-	-
	Just Homes (I) Private Limited	-	-	-	-	-
	Vascon Infrastructure Limited	10.00	-	-	-	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Vastech Consultants Private Limited	1.53	-	-	-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	One Stop Shop India Private Limited		-	26.70	-	-
	Flora Premises Private Limited		-	-	-	-
	Core Fitness Private Limited		-	-	-	-
	Just Homes (I) Private Limited		-	-	-	-
	-		-	-	-	-
	Total	253.91	667.10	623.55	18.19	171.91
Rentals /	Joint Venture		-	-	-	-
	Marigold Premises Private Limited		-	3.25	-	-
Hire Charges /			-	-	-	-
Dividend Income			-	-	-	-
	Key Management Personnel		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	Associates		-	-	-	-
	Conamore Resorts Private Limited		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Core Fitness Private Limited		-	-	0.21	2.00
	-		-	-	-	-
	Total		-	3.25	0.21	2.00
Interest Income	Joint Venture		-	-	-	-
	Cosmos Premises Private Limited		-	3.64	-	-
	Just Homes (India) Private Limited		0.17	3.95	0.37	-
	Viorica Properties Private Limited		6.58	1.65	0.87	-
	Weilkfield IT Citi Infopark		-	0.53	-	-
	Zenith Ventures		-	-	-	-
	Almet Corporation Limited	0.04	0.12	-	-	-
	Marathawada Realtors Private Limited	0.06	0.21	-	-	-
	John Fowler Ophthalmics Private Limited	0.07	0.09	-	-	-
	Rose Premises Private Limited	4.74	-	-	-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Ajanta Enterprises	1.31	1.57	-	-	-
	Angelica Properties Private Limited	-	-	0.01	0.14	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Core Fitness Private Limited		-	0.59	-	1.00
	-		-	-	-	-
	-		-	-	-	-
	Total	6.22	8.73	10.37	1.38	1.00
Interest Expense	Joint Venture		-	-	-	-
	Viorica Properties Private Limited	0.76	-	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	R Vasudevan	2.18	7.07	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	Sowmya Vasudevan		0.05	-	-	-
	Mr. Siddarth Vasudevan		0.05	-	-	-
	Mrs. Lalitha Vasudevan	0.63	2.01	-	-	-
	N R Moorthy		-	-	0.66	0.52
	N R Moorthy (HUF)		-	-	-	-
	R Vasudevan (HUF)		-	-	-	-
	Thangam Moorthy	0.01	-	-	0.10	0.09
	-		-	-	-	-
	Associates		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	IT Citi Infopark Private		-	-	-	3.14

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Limited					
	Iris Properties Private Limited	-	-		0.27	0.26
	One Stop Shop (I) Private Limited	-	-		0.17	-
	Vastech Consultants Private Limited	0.24	0.19		-	-
	Vatsalya Enterprises Private Limited	1.29	4.19	-	-	0.47
	Vastech Associates	-	-		-	1.06
	Belflower Properties Private Limited	0.21				
	-	-	-		-	-
	Total	5.08	14.27	0.19	1.21	5.53
Purchase of	Joint Venture	-	-		-	-
goods / Works	Just Homes (India) Private Limited	0.05	-		-	-
	Weikfeilds ITCITI Info Park (AOP)	0.46	2.38	-	-	-
	Zenith Ventures	-	-		-	-
	-	-	-		-	-
	Key Management Personnel	-	-		-	-
	-	-	-		-	-
	Relatives of Key Management Personnel	-	-		-	-
	-	-	-		-	-
	Associates	-	-		-	-
	-	-	-		-	-
	Establishment where Key Personnel or relatives influence	-	-		-	-
	Flora Premises Private Limited	1.23	-		-	-
	Vastech Associates	-	-		-	-
	-	-	-		-	-
	Total	0.46	3.66	-	-	-
Rendering of	Joint Venture	-	-		-	-
Services	-	-	-		-	-
	-	-	-		-	-
	Key Management Personnel	-	-		-	-
	R Vasudevan	13.85	25.42	52.51	16.45	12.26
	-	-	-		-	-
	Relatives of Key Management Personnel	-	-		-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	N R Moorthy		-	0.49	0.96	0.77
	-		-	-	-	-
	Associates		-	-	-	-
	Marigold Premises Private Limited		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Vastech Consultants Private Limited	12.56	11.11	10.54	1.75	0.08
	Vastech Associates		-	-	-	2.01
	Flora Premises Private Limited		-	2.47	-	-
	Vatsalya Enterprises Private Limited		-	-	-	-
	-		-	-	-	-
	Total	26.41	36.53	66.01	19.17	15.12
Sale of Fixed Assets	Joint Venture		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Angelica Properties Private Limited		-	-	1,000.00	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	-		-	-	-	-
	Total	0.00	-	-	1,000.00	-
Purchase of Fixed Assets	Joint Venture		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Associates		-	-	-	-
	Marigold Premises Private Limited		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	One Stop Shop India Private Limited		-	-	-	52.56
	-		-	-	-	-
	Total	0.00	-	-	-	52.56
Amount Written off	Joint Venture		-	-	-	-
	Cosmos Premises Private Limited	0.28	0.25	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	N R Moorthy		-	0.06	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Ajanta Enterprises		-	0.01	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Core Fitness Private Limited		-	0.00	-	-
	-		-	-	-	-
	-		-	-	-	-
	Total	0.28	0.25	0.07	-	-
Amount Written back	Joint Venture		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	N R Moorthy		-	-	0.00	-
	-		-	-	-	-
	Associates		-	-	-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	-		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	-		-	-	-	-
	Total	0.00	-	-	0.00	-
	-		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
Outstanding Balances	-		-	-	-	-
Particulars	Nature of Relationships	0.00	2,009.00	2,008.00	2,007.00	2,006.00
	-		-	-	-	-
Corporate Guarantees Given	Joint Venture		-	-	-	-
	Cosmos Premises Private Limited	100.00	-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Vascon Infrastructure Limited	50.00	50.00	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	-		-	-	-	-
	Total	150.00	50.00	-	-	-
	-		-	-	-	-
Finance (including contributions in cash or in kind)	Provided equity in cash					
	Joint Venture	131.93	45.59	191.93	328.21	10.07
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	-	-	-	-	-	-
	Associates	8.60	52.59	226.07	279.00	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence	-	-	-	78.84	41.23
	-	-	-	-	-	-
	-	-	-	-	-	-
	Total	140.53	98.18	418.00	686.06	51.30
Finance Available (including equity contributions in cash or in kind)	Joint Venture	0.76	-	-	-	-
	-	-	-	-	-	-
	Key Management Personnel	1.00	117.52	-	-	-
	-	-	-	-	-	-
	Relatives of Key Management Personnel	44.57	-	-	1.59	1.38
	-	-	-	-	-	-
	Associates	-	3.79	-	-	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence	69.09	10.00	-	-	12.75
	-	-	-	-	-	-
	Total	1.76	231.18	13.79	1.59	14.12
Receivable to	Joint Venture	-	-	-	-	-
Vascon	Sundry Debtors	-	-	-	-	-
	Cosmos Premises Private Limited	4.94	0.66	0.01	-	-
Engineers	Just Homes (India) Private Limited	-	-	-	-	-
Limited	Marigold Premises Private Limited	80.59	82.03	94.04	-	-
	Phoenix Ventures	49.87	49.87	11.14	7.52	-
	Viorica Properties Private Limited	5.58	-	27.33	-	-
	Weikfeilds ITCITI Info Park (AOP)	158.55	134.84	180.67	-	-
	Zenith Ventures	-	-	-	-	-
	Zircon Ventures	-	-	-	-	-
	-	-	-	-	-	-
	Loans & Advances Given	-	-	-	-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Cosmos Premises Private Limited		0.28	0.28	-	-
	Just Homes (India) Private Limited		0.17	28.94	-	-
	Marigold Premises Private Limited	22.60	22.60	22.60	-	-
	Marigold Constructions	-	-	-	-	-
	Phoenix Ventures	4.50	4.50	-	-	-
	Vascon Hadapsar Ventures	-	-	-	0.21	-
	Viorica Properties Private Limited		33.85	7.85	-	-
	Weikfeilds ITCITI Info Park (AOP)		-	0.42	19.72	-
	Zenith Ventures		-	-	-	-
	Zircon Ventures		-	-	-	-
	Almet Corporation Limited	1.66	1.62	-	-	-
	Marathawada Realtors Private Limited	2.50	2.44	-	-	-
	John Fowler Ophthalmics Private Limited	1.42	1.35	-	-	-
	Rose Premises Private Limited	44.74				
	-		-	-	-	-
	Share Application Money		-	-	-	-
	Viorica Properties Private Limited	19.74	62.50	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	1.05
	-		-	-	-	-
	Associates		-	-	-	-
	Sundry Debtors		-	-	-	-
	Ajanta Enterprises	19.93	19.93	19.93	5.05	-
	Angelica Properties Private Limited	10.31	-	56.39	182.00	-
	Just Homes India Private Limited		-	-	5.25	-
	Marigold Premises Private Limited		-	-	184.38	171.62
	-		-	-	-	-
	Loans & Advances Given		-	-	-	-
	Ajanta Enterprises	16.08	13.67	7.21	-	-
	Angelica Propertis Private Limited		-	-	5.02	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Conamore Resorts Private Limited		-	-	-	-
	Mumbai Estate Private Limited	226.20	218.70	178.70	48.80	-
	Marigold Premises Private Limited	-	-	-	45.19	-
	Viorica Properties Private Limited	-	-	-	9.68	-
	-	-	-	-	-	-
	Share Application Money	-	-	-	-	-
	Angelica Properties Private Limited	0.04	0.04	-	-	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence	-	-	-	-	-
	Sundry Debtors	-	-	-	-	-
	One Stop Shop India Private Limited	-	-	29.32	-	-
	-	-	-	-	-	-
	Loans & Advances	-	-	-	-	-
	Flora Premises Private Limited	0.04	0.04	1.23	-	-
	Vastec Consultants Private Limited	-	-	-	-	-
	One Stop Shop India Private Limited	-	-	3.41	-	-
	Core Fitness Private Limited	-	-	-	15.38	12.91
	Iris Properties Private Limited	-	-	-	-	3.88
	Jasmine Realtors Private Limited	-	-	-	-	-
	IT Citi Infopark Private Limited	-	-	-	-	-
	Vastech Associates	-	-	-	-	2.59
	Vatsalya Enterprises Private Limited	-	-	-	-	8.88
	-	-	-	-	-	-
	Total	669.23	649.08	669.49	528.19	200.92
Receivable From	Joint Venture	-	-	-	-	-
Vascon	Advance from Debtors	-	-	-	-	-
Engineers	Viorica Properties Private Limited	0.98	0.98	-	-	-
Limited	Zircon Ventures	-	-	-	-	-
	Phoenix Ventures	-	-	0.16	-	4.73
	Weikfield IT Citi	-	-	-	54.33	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Infopark					
	Vascon Infrastructure Limited	46.32				
	-		-	-	-	-
	Sundry Creditors		-	-	-	-
	Just Homes (India) Private Limited	0.05	-	-	-	-
	Marigold Premises Private Limited	1.69	1.69	-	-	-
	Weikfeilds ITCITI Info Park (AOP)	2.84	2.38	0.67	-	-
	Zenith Ventures		-	-	-	-
	-		-	-	-	-
	Other Liabilities		-	-	-	-
	Weikfeilds ITCITI Info Park (AOP)		-	122.41	-	-
	Phoenix Ventures		-	0.35	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	For Services Rendered		-	-	-	-
	R Vasudevan	8.87	5.48	41.60	-	-
	-		-	-	-	-
	Unsecured Loans		-	-	-	-
	Mr R Vasudevan		60.19	-	-	-
	Unsecured Loans					
	Joint Venture	1.99	-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Mrs. Lalitha Vasudevan	0.41	-	-	-	-
	N R Moorthy	-	-	-	-	0.13
	N R Moorthy (HUF)	-	-	-	-	-
	Thangam Moorthy	-	-	-	-	0.92
	-		-	-	-	-
	Associates		-	-	-	202.94
	Advance to Creditors		-	-	-	-
	Angelica Properties Private Limited	48.70	-	-	-	-

Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Vascon Infrastructure Limited		13.19	-	-	-
	-		-	-	-	-
	Security Deposit		-	-	-	-
	Vascon Infrastructure Limited	12.50	12.50	-	-	-
	Sundry Creditors		-	-	-	-
	Marigold Premises Private Limited		-	-	-	4.35
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	21.98
	Sundry Creditors		-	-	-	-
	Vastech Consultants Private Limited	4.76	0.57	1.90	-	-
	Core Fitness Private Limited		-	0.09	-	-
	-		-	-	-	-
	Advance from Customers		-	-	-	-
	One Stop Shop India Private Limited		-	-	-	7.28
	Vastech Consultants Private Limited		-	0.26	-	-
	-		-	-	-	-
	Loan Taken		-	-	-	-
	Vatsalya Enterprises Private Limited		35.39	-	-	-
	Vastech Consultants Private Limited		-	10.15	-	-
	Vastech Associates		-	-	-	1.79
	Iris Properties Private Limited		-	-	-	-
	Golden Dwellings Private Limited		-	-	-	-
	-		-	-	-	-
	-	77.28	-	-	-	-
	Total	1,331.16	181.52	179.28	54.33	244.12

FOR THE YEAR ENDED MARCH 31, 2006, 2007, 2008 & 2009				
List of Related Parties and nature of relationship is as under				
Particulars	FOR THE YEAR ENDED MARCH 31,			
	2009	2008	2007	2006
Nature of Relationship	Name of Party	Name of Party	Name of Party	Name of Party
Joint Venture	Phoenix Ventures	Phoenix Ventures	Phoenix Ventures	Phoenix Ventures
	Zenith Ventures	Zenith Ventures	Zenith Ventures	Zenith Ventures
	Zircon Ventures	Zircon Ventures	Zircon Ventures	Zircon Ventures
	Weikfield ITCITI Infopark (AOP)	Weikfield ITCITI Infopark (AOP)	Weikfield ITCITI Infopark (AOP)	
	Just Homes (India) Private Limited.	Just Homes (India) Private Limited.	Just Home (I) Private Limited.	
	Marigold Premises Private Limited.	Marigold Premises Private Limited.	Marigold Premises Private Limited.	
	Viorica Properties Private Limited	Viorica Properties Private Limited	Viorica Properties Private Limited	
	Cosmos Premises Private Limited	Cosmos Premises Private Limited	Vascon Hadapsar Ventures	
	Almet Corporation Limited			
	John Fowler Ophthalmics Private Limited			
	Marathawada Realtors Private Limited			
Key Management Personnel	Mr. R. Vasudevan	Mr. R. Vasudevan	Mr.R. Vasudevan	Mr.R. Vasudevan
Relatives of Key Management Personnel	Mrs. Lalitha Vasudevan	Mrs. Lalitha Vasudevan	Lalitha Vasudevan	Lalitha Vasudevan
	Late Mr. N. R. Moorthy	Mr. N. R. Moorthy	N. R. Moorthy	N. R. Moorthy
	Mrs. Thangam Moorthy	Mrs. Thangam Moorthy	Thangam Moorthy	Thangam Moorthy
	Mrs. Lalitha Sundararajan	Mrs. Lalitha Sundararajan	Lalitha Sundararajan	
	Mr. Siddarth Vasudevan	Mr. Siddarth Vasudevan	Siddarth Vasudevan	
	Ms. Sowmya Vasudevan			
Associates	Ajanta Enterprises	Ajanta Enterprises	Ajanta Enterprises	Ajanta Enterprises
	Angelica Properties Private Limited	Angelica Properties Private Limited	Angelica Properties Private Limited	Marigold Premises Private Limited.
	Syringa Properties Private Limited	Syringa Properties Private Limited	Syringa Properties Private Limited	Marigold Construction

	Mumbai Estates Private Limited	Mumbai Estates Private Limited	Mumbai Estates Private Limited	H.U. Khinvsara
	Vascon Infrastructure Limited			
Enterprise where key management	Vastech Consultants Private Limited	Vastech Consultants Private Limited	Vastech Consultants Private Limited	Vastech Consultants Private Limited.
personnel and their relatives exercise	Flora Premises Private Limited	Flora Premises Private Limited	Flora Premises Private Limited	Golden Dwellings P. Limited
significant influence	Vatsalya Enterprises Private Limited		Vastech Associates	Vastech Associates
	Bellflower Premises Private Limited		Iris Properties Private Limited	Iris Properties Private Limited.
			One Stop Shop (I) Private Limited	One Stop Shop (I) Private Limited
			Core Fitness Private Limited	Core Fitness Private Limited.
				Novacare Drug Specialities (P) Limited
				Vatsalya Enterprises (P) Limited
				Nagaon Resorts P. Limited.
				Golden Nest Developers Private Limited.
				IT Citi Infopark P. Limited.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by our shareholders, in their discretion, and will depend on a number of factors, including, but not limited to our earnings, capital requirements and overall financial position. We do not have a stated dividend policy.

The dividends declared by us on the equity share capital in respect of the five fiscal years ended March 31, 2009 as per the audit financial statements of the Company are as given below:

(Rs. in million)

Particulars	Year ended March 31				
	2009	2008	2007	2006	2005
Dividend					
Equity Share Capital	759.15	726.15	354.82	301.60	9.60
Rate of dividend (%)	-	-	-	-	45%
Amount of dividend	-	-	-	-	4.32
Tax on dividend	-	-	-	-	0.57

Note: The dividends declared include both interim and final dividends

The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future.

SECTION V: FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL INFORMATION OF VASCON ENGINEERS LIMITED

Auditors' Report

The Board of Directors,
Vascon Engineers Limited
15/16, Hazari Baug,
LBS Marg,
Vikhroli,
Mumbai 400 083.

Dear Sirs,

1. We have examined the attached consolidated financial information of Vascon Engineers Limited and its subsidiaries and joint ventures. The said restated financial information has been prepared by the company and approved by the Board of Directors in accordance with the requirement of:
 - a. Paragraph B of Part II of Schedule II of the Companies Act, 1956 ("**the Act**");
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date ("**The Regulations**");
 - c. The terms of our engagement agreed upon with you in accordance with our engagement letter dated 12th August, 2009 in connection with the proposed issue of Equity shares of the Company.
2. These information have been extracted by the Management from the financial statements of the Company for the year ended March 31st, 2006, 2007, 2008 and 2009, September 30, 2009. Audit for the financial year ended March 31st, 2006 was conducted by Mr. Kulin V Mehta, a partner of our firm, in his individual capacity/proprietor of Kulin Mehta & Co. (KVM) and the Audit for the financial year ended March 31, 2007, 2008 and 2009, September 30, 2009, was conducted by us.
3. The financial statements of the subsidiaries and joint ventures (as applicable) for the financial years ended March 31, 2006, whose Financial Statements reflect total assets of Rs.327.49 million, and total revenue of Rs.15.15 million were audited by other partners of our firm; namely CA Kulin Mehta (KVM), CA J.P.Doshi (JPD) and the undersigned in their capacity as proprietor of their respective firms (ie M/s.Kulin Mehta & Co (KMCO), M/s.J.P.Doshi & Co (JPDCO) and M/s.K.E.Goawala & Co. (KEGCO))
4. We did not audit the financial statements of one subsidiary (as applicable) for the financial year ended March 31st, 2008, whose Financial Statements reflect total assets of Rs. 99.76 million and total revenue of Rs. Nil. which were audited by M/s.Suri & Co (SAC); whose restated financial information have not been furnished to us. The amounts included in these Consolidated Restated Summary Statement of the Assets and Liabilities and Consolidated Restated Summary Statement of Profit and Loss Account are based on the audited statement of accounts of such subsidiary duly audited by SAC under section 224 of the Companies Act, 1956 and the same has been restated based on the information as certified by the Management.
5. We did not audit the financial statements of one subsidiary (as applicable) for the financial year March 31, 2009 and period ending September 30, 2009, whose Financial Statements reflect total assets of Rs.800.19 million and total revenue of Rs. Nil. The amounts included in these Consolidated Restated Summary Statement of the Assets and Liabilities and Consolidated Restated Summary Statement of Profit and Loss Account are based on the unaudited statement of accounts of such subsidiary and the same has been restated based on the information as certified by the Management.
6. We did not audit the financial statements of three joint ventures (as applicable) for the financial years ended March 31st, 2009 and period ended September 30,2009 whose Financial Statements reflect total assets of Rs.339.19 million and total revenue of Rs.9.17 million which were audited by M/s.R.A.Sheth & Co (RAS); whose financial report have been furnished to us as it relates to the amounts included in these Consolidated Restated Summary Statement of the Assets and Liabilities and Consolidated Related Summary Statement of Profit and Loss Account are based solely on the report of the said auditors who have confirmed that the restated consolidated financial information have 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.
 - c. And there are no extra-ordinary item that needs to be disclosed separately in the accounts and qualification requiring adjustments.
7. We did not audit the financial statements of one Joint Venture (as applicable) for the period ending September 30, 2009, whose Financial Statements reflect total assets of Rs. 199.90 million and total revenue of Rs.16.87 million. The amounts included in these Consolidated Restated Summary Statement of the Assets and Liabilities and Consolidated Restated Summary Statement of Profit and Loss Account are based on the unaudited statement of accounts of such Joint Venture and the same has been restated based on the information as certified by the Management.
 8. We did not audit the financial statements of two Associates (as applicable) for the period ending September 30, 2009. The amounts included in these Consolidated Restated Summary Statement of Profit and Loss Account, the share of profit/loss are based on the unaudited statement of accounts of such Associates and the same has been restated based on the information as certified by the Management.
 9. In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the Regulations and terms of our engagement with you we further report that:
 - (a) The Consolidated Restated Summary Statement of Assets & Liabilities of the company, its subsidiaries and joint ventures, including as at March 31st, 2006 examined and reported upon by KVM on which reliance has been placed by us, and as at March 31st, 2007, 2008 and 2009 and September 30, 2009 examined by us as set out in Annexure to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies (Refer Schedule 1 to Summary Financial Statements as Restated).
 - (b) The Consolidated Restated Summary Statement of Profit or Loss of the Company, its subsidiaries and joint ventures for the year then ended, including for the year ended March 31st, 2006 examined upon by KVM and who have submitted their report on which reliance has been placed by us, and as at March 31st, 2007, 2008 and 2009 examined by us as set out in Annexure to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies (Refer Schedule 1 to Summary Financial Statements as Restated).
 - (c) Based on above and also as per the reliance placed on the reports submitted by the previous auditors, KVM and other auditors, KVM/JPD/KEG/RAS for subsidiaries/joint ventures, for the respective years, we are of the opinion that the restated financial information have been made after incorporating:
 - (i) 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.
 - (ii) Adjustments for the material amounts in the respective financial years to which they relate.
 - (iii) And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.
 - (d) We have also examined the following consolidated other financial information setout in Annexure prepared by the management and approved by the Board of Directors relating to the Company and its subsidiaries and joint ventures for the year ended March 31st, 2006, 2007, 2008 and 2009 and period ended September 30, 2009.

Annexure I	Statement of Dividend paid/proposed
Annexure II	Statement of Accounting Ratios
Annexure III	Statement of Capitalization as at 30 th September, 2009

Annexure IV	Statement of Reserves and Surplus
Annexure V	Statement of Secured Loan
Annexure VI	Statement of Unsecured Loan
Annexure VII	Statement of Current Liabilities and Provisions
Annexure VIII	Statement of Fixed Assets
Annexure IX	Statement of Sundry Debtors
Annexure X	Statement of Loans and Advances
Annexure XI	Statement of Other Income
Annexure XII	Statement of Tax Shelter

In our opinion the financial information contained in Annexure I to XII of this report read along with the Significant Accounting Policies, Changes in Significant Accounting Policies and Note (Refer Schedule 1 to Summary Financial Statements as Restated) prepared after making adjustments and regrouping as considered appropriate have been prepared in accordance with Paragraph B of Part II of Schedule II of the Act and the Regulations.

10. This report should not be in any way construed as a reissuance or a re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion of any of the financial statements referred to herein.
11. We have no responsibility to update our Report for the events and circumstances occurring after the date of this Report.
12. Our report is intended solely for the use of the management and for inclusion in the offer document in connection with the proposed issue of equity shares of the company. Our report should not be used for any other purpose except with our consent in writing.

For **Anand Mehta & Associates**
Chartered Accountants
Firm Registration No. 127305W

Kusai E. Goawala
Partner
Membership Number 039062
Mumbai
Dated: January 14, 2010

SUMMARY STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS RESTATED					
PARTICULARS	AS AT		AS AT MARCH 31		
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Fixed Assets					
Gross Block	857.78	967.53	835.17	434.96	243.57
Less: Accumulated Depreciation	242.42	225.55	151.67	96.21	69.40
Net Block	615.37	741.98	683.50	338.75	174.17
Less: Revaluation Reserve	-	-	-	-	-
Net Block after adjustment for Revaluation Reserve	615.37	741.98	683.50	338.75	174.17
Capital WIP including Capital Advances	193.16	134.55	53.42	249.23	0.55
Total	(a)	808.52	876.53	736.92	587.98
Goodwill	(b)	204.78	205.47	37.09	11.74
Investments	(c)	836.99	806.79	1,011.12	467.81
Current Assets, Loans and Advances					
Inventories	3,043.27	2,982.24	2,336.54	1,814.94	1,206.73
Sundry Debtors	1,825.37	1,866.62	1,902.22	1,362.34	551.20
Cash and Bank Balances	373.33	262.85	571.62	188.65	102.28
Other current Assets	361.90	262.17	107.83	109.44	72.63
Loans and Advances	3,770.89	3,391.81	2,998.34	1,561.11	495.94
Deferred Tax Asset	9.53	22.04	2.24	0.02	-
Total	(d)	9,384.28	8,787.73	7,918.80	5,036.49
Total Assets [a+b+c+d]	(e)	11,234.57	10,676.52	9,703.92	6,104.02
Liabilities & Provisions					
Secured Loans	1,555.99	1,386.70	275.57	301.91	607.44
Unsecured Loans	573.47	1,119.26	2,949.06	972.03	631.45
Current Liabilities	3,437.21	3,224.86	2,455.84	1,913.55	723.78
Provisions	955.58	950.78	859.21	504.52	178.54
Deferred Payments	-	-	-	-	-
Deferred Tax Liability	1.55	19.56	0.93	6.14	10.34
Minority Interest	74.87	74.26	74.14	54.15	-
Total	(f)	6,598.66	6,775.42	6,614.76	3,752.30
Net Worth [e-f]		4,635.91	3,901.10	2,351.72	509.45
Net Worth represented by					
Share Capital	(g)	792.16	759.15	726.15	354.82
Reserves and Surplus		3,843.75	3,141.95	2,363.02	1,996.90
Share Application Money	-	-	-	-	-
Less: Revaluation Reserve	-	-	-	-	-
Reserves and Surplus (Net of Revaluation Reserve)	(h)	3,843.75	3,141.95	2,363.02	1,996.90
Less: Miscellaneous Expenditure	(i)	-	-	-	-
<i>(to the extent not written off or adjusted)</i>					
Net Worth (g+h-i)		4,635.91	3,901.10	3,089.17	2,351.72
As Per Our Report of Even Date					
For Anand Mehta & Associate					
Chartered Accountants					
Firm Registration No 127305W					

CA Kusai Goawala
Partner
Membership No. 39062
Mumbai Dated: January 14, 2010
Note:
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

SUMMARY STATEMENT OF CONSOLIDATED PROFITS AND LOSSES AS RESTATED					
	For the period ended	For the year ended March 31,			
PARTICULARS	30.09. 2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
<u>Operating Income</u>					
Sales					
Gross Sales (Refer Note V 6)	3,539.99	5,197.36	6,315.07	3,893.03	1,435.53
Less: Work Contract Tax / VAT Collected	(107.25)	(181.88)	(141.90)	(50.66)	(19.07)
Less: Service Tax Collected	(68.57)	(166.53)	(136.58)	(60.76)	(52.00)
Less: Luxury Tax Collected	(3.26)	(11.79)	(7.58)	-	-
Increase/ (Decrease) in Unbilled Revenue	96.55	178.57	(36.21)	44.08	6.58
Turnover (Net)	3,457.45	5,015.74	5,992.80	3,825.69	1,371.04
Other Operating Income					
Rent Earned / Compensation	38.46	87.81	41.06	33.34	11.91
Share of Profit From a Partnership Firm/AOP	3.71	35.28	63.95	70.38	1.59
Share of Profit from Associates	14.97	27.25	-	-	-
Profit on sale of Subsidiary	20.83	-	33.60	-	-
Income From Multiplex	11.46	28.66	37.20	18.75	-
	89.43	179.00	175.81	122.47	13.50
Total Operating Income	3,546.87	5,194.73	6,168.61	3,948.16	1,384.54
Other Income	73.51	52.83	36.73	44.30	46.06
TOTAL INCOME	3,620.39	5,247.57	6,205.34	3,992.46	1,430.60
Cost of Sales	2,782.98	3,716.88	4,274.52	2,984.87	1,017.03
Employee Remuneration & Welfare Expenses	154.63	336.31	310.58	110.69	74.70
Operating and Administrative Cost	148.75	311.55	355.16	150.52	64.16
Share of Loss from Associates	-	-	2.57	-	-
Finance Cost	128.09	284.83	184.29	39.29	30.99
Provision for Contingency	-	200.00	-	-	-
Depreciation	39.11	81.88	66.56	27.68	18.90
TOTAL EXPENDITURE	3,253.56	4,931.45	5,193.68	3,313.05	1,205.78
Profit Before Tax	366.82	316.12	1,011.66	679.41	224.82
Less : Provision For					
Current Tax	137.30	121.93	404.69	206.22	98.78
Deferred Tax	(5.52)	(2.46)	(6.22)	5.56	(2.07)
Fringe benefit Tax	-	4.05	18.13	1.40	1.10
	131.79	123.52	416.60	213.18	97.81
Net Profit After Tax	235.03	192.60	595.06	466.23	127.01
ADJUSTMENTS:					
Adjustments on account of Restatements	(10.98)	174.89	15.32	(188.97)	(10.13)
Current Tax Adjustments	8.29	(61.09)	(11.03)	56.90	4.65
Deferred Tax Adjustments	(0.02)	0.02	-	9.78	-
Total of Adjustments	(2.72)	113.81	4.30	(122.29)	(5.48)
Net Profit As Restated	232.31	306.41	599.36	343.94	121.53
Profit and Loss Amount at the beginning of the year	1,615.52	1,309.44	715.13	363.10	256.73
Balance available for Appropriation, As Restated	1,847.84	1,615.86	1,314.50	707.04	378.27
APPROPRIATIONS					
As per Audited Accounts					
Transfer to General Reserve	-	-	(4.42)	(1.55)	(15.80)
Dividend on Preference - Paid/Provided	(0.67)	(0.33)	-	-	(10.66)
Income /(Loss) from Associates	-	-	-	(1.36)	-
Tax on Dividend	-	-	(1.11)	(0.12)	(1.21)

Minority Interest	(0.63)	(0.02)	1.24	2.11	-
Transfer of Profit on Sale of Subsidiary	-	-	(0.82)	-	-
Transfer to Cost of Control	-	-	0.06	-	-
Pre-Acquisition profit	-	-	-	9.01	-
Adjustment on Restatement					
Dividend on Preference Shares	-	-	-	-	4.00
Tax on Dividend on Preference Shares	-	-	-	-	0.27
Transfer to Investment Account	-	-	-	-	8.23
Total Appropriation As Restated	(1.31)	(0.35)	(5.05)	8.09	(15.17)
BALANCE CARRIED FORWARD AS RESTATED	1,846.53	1,615.51	1,309.44	715.13	363.10

Note: The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

As Per Our Report of Even Date

For Anand Mehta & Associates

Chartered Accountants

Firm Registration No 127305W

CA Kusai Goawala

Partner

Membership No. 39062

Mumbai Dated: January 14, 2010

SUMMARY STATEMENT OF CONSOLIDATED CASH FLOW AS RESTATED					
PARTICULARS	AS AT		AS AT MARCH 31		
	30.09.20 09	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Cash Flow from Operating Activities					
Net Profit Before Tax and Prior Year Adjustments	355.85	491.02	1,027.00	490.44	214.68
Adjustments for :					
Depreciation	39.11	81.88	66.56	27.68	18.90
(Profit) / Loss on Sale of Assets	-	0.46	(0.16)	(21.31)	(3.10)
(Profit) / Loss on Sale of Investments	(2.83)	(0.11)	(5.43)	(0.53)	(28.26)
Share of (Profit) / Loss in Associates	(14.97)	(27.25)	2.57	(1.36)	-
Share of (Profit) / Loss from Firm / Aop	(3.71)	(35.28)	(63.95)	(70.38)	(1.59)
Write off/Other Adjustments	-	0.00	0.60	-	-
Interest Income	(34.23)	(45.85)	(24.04)	(8.62)	(10.69)
Dividend Income	(0.01)	(1.58)	(1.08)	(7.11)	(0.57)
Interest Expense	128.09	284.83	184.29	39.29	30.99
Employee Compensation Expenses (ESOP)	2.08	4.16	65.89	-	-
Provision for Doubtful Debts	13.98	19.42	44.23	-	-
Operating Profit before Working Capital changes	483.35	771.71	1,296.47	448.10	220.36
Movements in Working Capital					
Decrease/ (Increase) in Inventories	(61.03)	(502.18)	(441.87)	(595.52)	(848.74)
Decrease/ (Increase) in Sundry Debtors	27.28	35.60	(584.11)	(811.13)	(150.20)
Decrease/ (Increase) in Other Current Assets	(99.74)	(154.34)	1.61	(36.81)	0.09
Decrease/ (Increase) in Loans and Advances	(466.39)	(285.34)	(1,005.62)	(1,147.79)	(52.01)
Increase /(Decrease) in Trade Payables	216.27	751.45	549.50	1,662.95	299.55
Cash generated from Operations	99.74	616.88	(184.01)	(480.20)	(530.93)
Direct Taxes paid (net of refunds)	(39.06)	(205.76)	(500.31)	(153.46)	(72.19)
Prior Year Expenses	-	-	-	-	-
Cash Flow before Extraordinary Items	60.68	411.12	(684.33)	(633.66)	(603.13)
Less: Extraordinary Item	-	-	-	-	-
Net cash from operating activities (A)	60.68	411.12	(684.33)	(633.66)	(603.13)
Cash flow from investing activities					
Purchase of Fixed Assets	(89.21)	(233.11)	(315.49)	(420.67)	(65.46)
Disposal of Fixed Assets	-	13.36	0.18	-	-
Purchase of Investments	(53.48)	(289.93)	(346.58)	(417.40)	0.12
Disposal of Investments	6.11	437.55	7.46	-	129.85
Conversion from Subsidiary to Joint Venture	118.81				
Consideration paid on acquisition of Joint Venture	-	(111.65)	(198.77)	-	-
Withdrawal /(Investments) in Partnership Firm	-	-	-	-	33.39
Share of profit / Loss from Firm/ AOP	3.71	35.28	63.95	70.38	1.59
Share of Loss (Profit) In Associates	14.97	27.25	(2.57)	(1.36)	-
Interest Received	34.23	45.85	24.04	8.62	10.69
Dividend Received	0.01	1.58	1.08	7.11	0.57
Net Cash from Investing Activities (B)	35.15	(73.82)	(766.70)	(753.31)	110.76

SUMMARY STATEMENT OF CONSOLIDATED CASH FLOW AS RESTATED					
PARTICULARS	AS AT	AS AT MARCH 31			
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Cash Flow from Financing Activities					
Proceeds from issuances of Share Capital	-	501.70	16.50	1,485.71	100.00
Redemption of Preference Capital	-	-	-	-	(100.08)
Availment (Repayment) of Long Term Borrowings	125.20	(718.67)	1,954.06	35.05	642.77
Proceeds from transfer of stake in subsidiary	20.00	-	128.44	-	-
Interest Paid	(128.09)	(428.34)	(264.03)	(51.98)	(69.50)
Dividends Paid	-	-	-	-	(14.60)
Tax on Dividend Paid	-	-	-	-	(1.97)
Net Cash from Financing Activities (C)	17.11	(645.31)	1,834.98	1,468.77	556.62
Net increase in cash and cash equivalents (A+B+C)	112.94	(308.00)	383.95	81.80	64.24
Cash and Cash Equivalents at the beginning of the year	262.85	571.74	188.65	102.28	27.43
Cash & Cash equivalents acquired pursuant to acquisition of subsidiaries and share in Joint ventures	(2.47)	(0.89)	(0.99)	4.57	10.61
Cash and Cash Equivalents at the end of the year	373.33	262.85	571.62	188.65	102.28
Components of Cash and Cash Equivalents		AS AT MARCH 31,			
	Sep-09	2009	2008	2007	2006
Cash on Hand	14.05	23.22	28.46	9.47	3.47
With Banks - on Current Accounts	244.68	109.13	434.13	168.35	94.01
- on Deposit Accounts	114.60	130.50	109.03	10.83	4.80
Components of cash and cash equivalents at the end of the year	373.33	262.85	571.62	188.65	102.28
Note: The above Cash Flow statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement' issued by the Institute of Chartered Accountant of India					
As Per Our Report of Even Date					
For Anand Mehta & Associates					
Chartered Accountants					
Firm Registration No 127305W					
CA Kusai Goawala					
Partner					
Membership No. 39062					
Mumbai Dated: January 14, 2010					

ANNEXURE - I STATEMENT OF DIVIDEND PAID / PROPOSED						
	Face Value (Rs. Per Shares)	For the period ended	For the year ended March 31,			
Particulars			30.09.2009	2009	2008	2007
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Class of Shares						
Equity Share Capital	10	792.16	759.15	726.15	354.82	301.60
6% Redeemable Preference Share Capital					-	-
10% Redeemable Preference Share Capital					-	-
Dividend on Equity Shares						
- Rate					-	-
- Amount					-	-
Dividend on 6 % Redeemable Preference Shares						
- Rate					-	-
- Amount					-	-
Dividend on 10 % Redeemable Preference Shares						
- Rate					-	10.00%
- Amount					-	6.66
Corporate Dividend Tax			-	-	-	0.93

ANNEXURE -II STATEMENT OF ACCOUNTING RATIO						
PARTICULARS	Ref.	For the period ended	For the year ended March 31,			
		30.09.2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
EARNING PER SHARE						
Opening number of shares		7,59,15,373	7,26,14,706	3,54,82,353	3,01,60,000	9,60,000
(after converting in Rs. 10 each)						
Closing number of shares		7,92,16,050	7,59,15,373	7,26,14,706	3,54,82,353	3,01,60,000
(after converting in Rs. 10 each)						
Weighted average number of Equity Shares (Basic)	(a)	7,65,46,650	7,49,11,609	7,16,81,509	6,95,94,018	5,36,35,068
(after converting in Rs. 10 each)						
Convertible Preference Shares			-	-	-	-
Weighted average number of Equity Share(Diluted)	(b)	7,68,09,806	7,51,74,765	7,17,95,831	6,95,94,018	5,36,35,068
(after converting in Rs. 10 each)						
Profit After Tax (As Restated)	(c)	232.31	306.41	599.36	343.94	121.53
Less: Preference Dividend			-	-	-	6.66
Less: Dividend Tax		-	-	-	-	0.93
Profit Distributable to Equity Share Holders	(d)	232.31	306.41	599.36	343.94	113.94
Earnings per share (EPS) After Split of Equity Shares						
EPS (In Rupees)-Basic(Refer Note 2 below)		3.03	4.09	8.36	4.94	2.12
EPS (In Rupees)-Diluted(Refer Note 2 below)		3.02	4.08	8.35	4.94	2.12
RETURN OF NET WORTH						
Profit After Tax	(a)	232.31	306.41	599.36	343.94	121.53
Net Worth	(b)	4,635.91	3,901.10	3,089.17	2,351.72	509.45
Return on Net Worth (Refer Note 3 below)	(a)/(b)	5.01%	7.85%	19.40%	14.63%	23.86%
NET ASSETS VALUE PER SHARE						
Total Assets	(a)	11,234.57	10,676.52	9,703.92	6,104.02	2,661.00
Total Liabilities	(b)	6,598.66	6,775.42	6,614.76	3,752.30	2,151.54
Net Assets Value (a)-(b)	(c)	4,635.91	3,901.10	3,089.17	2,351.72	509.46
Number of Equity Shares (after converting in Rs.10 each)	(d)	7,92,16,050	7,59,15,373	7,26,14,706	3,54,82,353	3,01,60,000
Net Assets Value Per Share (In Rupees)	(c)/(d)	58.52	51.39	42.54	66.28	16.89
Note:						
1. The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report						
2. Basic and Diluted EPS has been worked out taking into account the Bonus shares issued in the ratio of 1 bonus share for every 1 share held during financial year 2007 - 2008 and in the ratio 20 bonus shares for every 1 share held during financial year 2005 - 2006.						
3. Figures for the period ended September 2009 not annualised.						
4. As required under Schedule VIII (IX) (13) (f) of SEBI ICDR Regulations 2009, we give below impact of outstanding financial instruments on abovementioned ratios.						
a. Basic and Diluted Earnings per share						
Particulars		30-Sep-09				
		Rs. in Million				
Profit After Tax		232.31				
Add back effect for outstanding financial instruments		-				

ANNEXURE -II STATEMENT OF ACCOUNTING RATIO						
PARTICULARS	Ref.	For the period ended	For the year ended March 31,			
		30.09.2009	2009	2008	2007	2006
Profit attributable to equity shareholders		232.31				
No of Shares outstanding as on September 30, 2009		7,92,16,050				
ESOP Shares without consideration		2,63,156				
Adjusted no of shares outstanding as on September 30, 2009		7,94,79,206				
Earnings Per Share (Rs)		2.92				
b. Return of Net Worth						
Profit After Tax		232.31				
Add back Debenture Interest (Net of Tax)		-				
Profit attributable to equity shareholders		232.31				
Net Worth before conversion of ESOP outstanding		4,635.91				
Add: Increase in Net Worth on conversion of ESOP		2.63				
Adjusted Net Worth		4,638.54				
Return on Net Worth - %		5.01%				
c. Net Asset Value per share						
Total Assets	(a)	11,234.57				
Total Liabilities	(b)	6,598.66				
Net Assets Value (a)-(b)		4,635.91				
No. of Equity Shares (after conversion of outstanding financial instruments)		7,94,79,206				
Net Assets Value Per Equity Share (In Rupees)		58.33				

ANNEXURE - III STATEMENT OF CAPITALISATION			
Pre-issue As At			
Particulars	Ref.	30.09.09	Post - Issue
		Rs. in Million	Rs. in Million
Borrowings:			
Short Term Debts		947.12	(*)
Long Term Debts		1,182.34	(*)
Total Debts	(A)		2,129.46 (*)
Shareholders Funds			
Share Capital		792.16	(*)
Reserves (Excluding Revaluation Reserve)		3,843.75	(*)
Total Shareholders Funds	(B)		4,635.91 (*)
Total Capitalization	(A+B)		6,765.37 (*)
Long Term Debt/ Equity Ratio			0.26:1 (*)
Total Debt/ Equity Ratio			0.46:1 (*)
* Information pertaining to post issue capitalization statement can be ascertained only after the conclusion of the book building process			
Notes :			
(A)	Short term debts includes Cash Credit repayable on demand.		
(B)	Long Term Debts includes loans from Companies and Security Deposit		
(C)	Long Term Debt/ Equity Ratio = Total long-term debt/Total shareholders funds.		
(D)	Total Debt/ Equity Ratio = Total debt / Total Shareholders Funds		

ANNEXURE - IV STATEMENT OF RESERVES & SURPLUS					
PARTICULARS	AS AT		AS AT MARCH 31		
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
RESERVE & SURPLUS					
<u>SHARE PREMIUM ACCOUNT</u>					
BALANCE AT THE COMMENCEMENT	1,918.30	1,449.60	1,331.58	-	-
ADD:- RECEIVED DURING THE YEAR	468.70	468.70	118.02	1,331.58	-
	2,386.99	1,918.30	1,449.60	1,331.58	-
<u>GENERAL RESERVE</u>					
BALANCE AT THE COMMENCEMENT	4.88	4.87	38.00	36.45	20.65
ADD:- TRANSFERRED FROM PROFIT & LOSS A/C	-	-	4.42	1.55	15.80
LESS:- CAPITALISATION OF PROFITS BY WAY OF BONUS SHARES	-	-	(37.55)	-	-
	4.88	4.87	4.87	38.00	36.45
<u>EMPLOYEE STOCK OPTIONS</u>					
EMPLOYEE STOCK OPTIONS OUTSTANDING	12.48	12.48	12.48	-	-
LESS : - DEFERRED EMPLOYEE COMPENSATION OUTSTANDING	(2.08)	(4.16)	(8.32)	-	-
	10.40	8.32	4.16	-	-
<u>CAPITAL RESERVE</u>					
BALANCE AT THE COMMENCEMENT	104.21	104.21	104.21	0.31	-
ADD:- CREATED DURING THE YEAR	-	-	-	103.89	0.31
	104.21	104.21	104.21	104.21	0.31
	-	-			
<u>PROFIT & LOSS A/C</u>					
(As per annexed Profit and Loss Account)	-	-			
BALANCE BROUGHT FORWARD	1,106.25	800.18	523.11	171.09	256.73
LESS : CAPITALISATION OF PROFITS BY WAY OF BONUS SHARES	-	-	(317.27)	-	(192.00)
ADD : PROFIT TRANSFERRED FROM PROFIT AND LOSS ACCOUNT	231.02	306.08	594.34	352.03	106.36
	1,337.27	1,106.26	800.18	523.11	171.09
	-	-			
Gross Total	3,843.75	3,141.95	2,363.02	1,996.90	207.85
Note: The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report					

ANNEXURE - V STATEMENT OF SECURED LOAN					
PARTICULARS	AS AT	AS AT MARCH 31			
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Working Capital facilities from bank					
- Cash Credit From Bank	592.39	561.87	8.52	111.09	68.89
(Secured against hypothecation of raw materials work in progress stores & spares & finished goods, book debt and equitable mortgage of specified immovable properties of the premises of the Company and the personal guarantee of the Managing Director of the Company)					
Term Finance					
- For Assets	72.21	69.96	267.05	184.00	538.55
(Secured against the hypothecation of vehicles/assets financed by them)					
- For Other Purpose	301.85	254.87	-	-	-
(Secured against equitable mortgage of immoveable properties of the companies of subsidiary company , other entities and personal guarantee of Managing Director(s) of the Company & Director of subsidiary Company.)					
- From Financial Institution	589.53	500.00	-	6.82	-
(Secured against the equitable mortgage of premises belonging to other Company and personal guarantee of Managing Director and director of other Company.)					
Total Secured Loans	1,555.99	1,386.70	275.57	301.91	607.44
Note:					
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report					

ANNEXURE - VI STATEMENT OF UNSECURED LOAN					
PARTICULARS	AS AT	AS AT MARCH 31			
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
<u>Long Term Loan</u>	-	-	-	-	-
From Companies	364.68	529.31	1,613.21	530.46	222.39
15% Convertible Debentures	-	501.70	-	-	-
Public Deposits	0.01	0.06	-	-	-
Deferred Credits	-	-	-	335.00	-
Security Deposits/Advances	72.11	83.00	75.11	55.17	91.41
From Shareholders/Directors	-	2.50	28.55	1.40	13.65
<u>Short term</u>					
From Companies	100.00	2.29	1,002.19	50.00	304.00
From Financial Institution / Banks	-	-	230.00	-	-
Public Deposits	15.51	0.40	-	-	-
Security Deposits/Advances	21.16	-	-	-	-
Total	573.47	1,119.26	2,949.06	972.03	631.45
Note:					
1. The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report					
2. There are no dues to Promoter / Promoter Group and Group Entities as Unsecured Loans as on September 30, 2009.					

ANNEXURE - VII STATEMENT OF CURRENT LIABILITIES & PROVISIONS					
PARTICULARS	AS AT	AS AT MARCH 31			
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
<u>CURRENT LIABILITIES</u>					
SUNDRY CREDITORS	619.07	690.34	804.97	688.60	219.62
ADVANCE PAYMENT RECEIVED	1,429.05	1,504.22	1,288.69	1,118.92	426.65
O/D BALANCE IN CURRENT A/C WITH SCH.BANK	0.65	6.08	8.13	5.00	8.98
OTHER LIABILITIES	1,344.71	983.42	339.05	98.04	68.53
SHARE APPLICATION MONEY	43.73	40.80	15.00	3.00	-
	3,437.21	3,224.86	2,455.84	1,913.55	723.78
<u>PROVISIONS</u>					
FOR TAXATION	755.58	750.63	659.21	304.52	178.54
FOR CONTINGENCY	200.00	200.00	200.00	200.00	-
	955.58	950.78	859.21	504.52	178.54

Note: The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

ANNEXURE - VIII FIXED ASSETS															
Particulars	AS AT SEPTEMBER 30,			AS AT MARCH 31,											
	2009			2009			2008			2007			2006		
	Gross	Dep	Net	Gross	Dep	Net	Gross	Dep	Net	Gross	Dep	Net	Gross	Dep	Net
<u>TANGIBLE</u>															
LEASEHOLD LAND	13.24	0.19	13.05	11.57	0.18	11.39	1.68	0.15	1.53	1.68	0.12	1.56	1.68	0.08	1.60
FREEHOLD LAND	22.77	-	22.77	(4.06)	-	(4.06)	(4.06)	-	(4.06)	13.93	-	13.93	-	-	-
PREMISES	311.42	62.36	249.06	438.25	68.25	370.00	439.42	46.51	392.91	197.25	31.39	165.86	129.55	25.62	103.93
PLANT & MACHINERY	352.37	97.89	254.48	352.36	80.28	272.08	247.47	44.25	203.22	125.28	26.01	99.27	66.45	16.64	49.81
FURNITURE & FIXTURES	62.31	23.96	38.35	70.20	22.77	47.43	59.27	16.02	43.25	35.57	10.66	24.92	8.30	6.01	2.30
ELEC.FITTINGS	12.48	6.50	5.98	15.43	6.46	8.97	18.00	6.28	11.72	12.28	3.55	8.73	2.75	2.32	0.43
MOTOR VEHICLE	29.53	16.96	12.57	31.56	15.95	15.61	27.01	14.28	12.73	21.82	11.96	9.86	18.18	9.71	8.48
AIR-CONDITIONER	5.15	2.57	2.58	5.06	2.38	2.68	4.80	2.32	2.48	3.77	2.01	1.76	3.24	1.76	1.48
OFFICE EQUIPMENT'S	38.98	23.88	15.10	38.29	22.04	16.25	33.07	15.35	17.72	21.71	9.91	11.80	13.25	7.10	6.15
OTHER CONSTR. ASSETS	1.88	0.55	1.33	1.88	0.45	1.43	1.88	0.22	1.66	0.79	0.07	0.72	0.06	0.04	0.02
OTHER ASSETS	0.71	0.61	0.10	0.73	0.48	0.25	0.69	0.36	0.33	0.80	0.45	0.35	0.12	0.12	0.00
<u>INTANGIBLE</u>			-			-			-			-			-
SOFTWARES	6.93	6.93	-	6.28	6.28	-	5.93	5.93	-	0.08	0.08	-	-	-	-
TOTAL	857.77	242.40	615.37	967.53	225.53	741.98	835.17	151.67	683.50	434.95	96.21	338.76	243.57	69.39	174.17
CWIP			193.16			134.55			53.42			249.23			0.55

Note:
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

ANNEXURE -IX STATEMENT OF SUNDRY DEBTORS					
Particulars	AS AT		AS AT MARCH 31		
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
A)OUTSTANDING FOR PERIOD EXCEEDING SIX MONTHS					
CONSIDERED GOOD	1,406.98	1,037.87	1,032.98	274.52	128.81
CONSIDERED DOUBTFUL	68.05	55.37	45.63	2.40	-
	1,475.03	1,093.24	1,078.61	276.92	128.81
B) OTHERS - CONSIDERED GOOD	418.39	828.74	869.24	1,087.82	422.39
	1,893.41	1,921.98	1,947.85	1,364.74	551.20
LESS : RESERVE FOR DOUBTFUL DEBTS	68.05	55.36	45.63	2.40	-
	1,825.37	1,866.62	1,902.22	1,362.34	551.20

Note:

The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

ANNEXURE -IX.1 STATEMENT OF SUNDRY DEBTORS

1. disclosure in respect of Sundry Debtors as required by clause IX (21) of Part A to Schedule VIII of SEBI (ICDR) Regulations 2009 are given below.

2. In this connection we have obtained representation from the management. On the basis of and relying on the said representation given by the management and as per the information worked out by the management on the basis of Accounting Standard 18 - Related Party Transactions, the details of the Sundry Debtors are as follows:

Particulars	AS AT		AS AT MARCH 31		
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
a. Details of Sundry Debtors related to the directors or promoters					
1. Cosmos Premises Private Limited					
Outstanding for Period Exceeding Six Months	-	-	-	-	23.17
Outstanding for Period Less Than Six Months	-	-	-	-	10.78
Total	-	-	-	-	33.95
2. Novacare Drug Specialities Pvt. Limited.					
Outstanding for Period Exceeding Six Months	-	-	-	-	0.01
Outstanding for Period Less Than Six Months	-	-	-	-	-
Total	-	-	-	-	0.01
3. Ascent Hotels Private Limited					
Outstanding for Period Exceeding Six Months	4.85	40.68	3.23	-	-
Outstanding for Period Less Than Six Months	3.73	0.78	1.89	4.73	-
Total	8.58	41.46	5.12	4.73	-
Grand Total	8.58	41.46	5.12	4.73	33.96

b) Details of Sundry Debtors related to issuer Company are given in Annexure 1 B - Transactions with Related Party & Outstanding Balances

ANNEXURE - X STATEMENT OF LOANS AND ADVANCES					
Particulars	AS AT	AS AT MARCH 31			
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
ADVANCE AGST. DEVELOPMENT / WORK PURCHASES	502.25	177.60	145.25	159.39	130.78
PROJECT ADVANCES	1,082.22	922.92	848.62	255.73	-
INTERCORPORATE DEPOSITS	492.46	175.51	242.35	154.40	-
BALANCE IN CURRENT ACCOUNT WITH PARTNERSHIP FIRMS	-	-	45.01	5.00	-
PREPAID EXPENSES	15.42	16.92	18.98	29.97	10.00
OTHER CURRENT ASSETS & RECEIVABLES	738.40	969.65	691.08	452.90	197.50
DEPOSITS	191.97	293.73	279.80	212.77	-
ADVANCE PAYMENT OF INCOME TAX & TDS	748.16	835.48	727.25	290.95	157.66
Total	3,770.89	3,391.81	2,998.34	1,561.11	495.94
Note:					
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report					

ANNEXURE - X.1 STATEMENT OF LOANS AND ADVANCES					
1. disclosure in respect of Loans and Advances as required by clause IX (21) of Part A to Schedule VIII of SEBI (ICDR) Regulations 2009 are below.					
2. In this connection we have obtained representation from the management. On the basis of and relying on the said representation given by the management and as per the information worked out on by the management on the basis of Accounting Standard 18 - Related Party Transactions, the details of the Loans and Advances are as follows:					
Particulars	AS AT	AS AT MARCH 31			
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
a. Details of Loans and Advances related to the directors or promoters					
Golden Nests Developers P. Limited.	-	-	-	-	-
Jasmine Realtors Pvt. Limited.	-	-	-	-	0.12
Cosmos Premises Pvt. Limited.	-	-	-	-	-
Ascent Hotels Pvt. Limited.	-	-	0.02	-	-
Total	-	-	0.02	-	0.12
b) Details of Loans and Advances related to issuer Company are given in Annexure 1 B - Transactions with Related Party & Outstanding Balances					

ANNEXURE - XI STATEMENT OF OTHER INCOME					
PARTICULARS	For the period ended	For the year ended March 31,			
	30.09.2009	2009	2008	2007	2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Income From Investment					
Dividend Received	0.01	1.58	1.08	7.11	0.57
Profit On Sale Of Investments (Net) /Fixed Assets	2.83	0.11	5.43	0.53	28.26
Interest Earned	34.23	45.85	24.04	8.62	10.69
Others					
Compensation	-	-	-	-	-
Profit On Sale Of Fixed Assets (Net)	-	-	0.16	21.31	3.10
Miscellaneous Income	36.44	5.29	6.02	6.73	3.44
Total	73.51	52.83	36.73	44.30	46.06
Note:					
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report					

ANNEXURE -XII STATEMENT OF TAX SHELTERS						
Particulars	Ref.	For the period ended	For the year ended March 31,			
		30.09.2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Restated Profit before taxes	A	355.85	491.02	1,027.00	490.44	214.69
Tax rate (%)	B	33.99%	33.99%	33.66%	33.66%	33.66%
Tax impact	C=(A*B)	120.95	166.90	345.69	165.08	72.26
Adjustments						
Permanent Difference						
Benefit U/s 80IA		(7.70)	(18.92)	(8,083.22)	(78.20)	-
Benefit U/s 80IB		(1.54)	-	(104.93)	(1.71)	-
Profit on sale of Investments/Fixed Assets		(2.83)	(0.11)	(5.58)	(21.31)	(28.55)
Exempted Income U/s 10		(0.01)	(1.58)	(1.08)	(7.98)	(0.57)
Expenses attributable to earning Tax Free income		0.10	0.20	0.60	0.18	0.12
Share Issue Expenses		-	0.50	2.10	8.56	4.13
Repair and Maintenance not written off earlier		-	-	-	0.02	-
Interest on Dividend Distribution Tax Disallowed		-	-	-	-	0.04
Property Tax		-	-	-	0.19	0.59
Other expenses not allowable as no business started		-	-	-	0.08	-
Sales / work (Tenant Building)		-	-	-	0.69	-
Donation Disallowed under the Act		2.50	2.62	5.21	1.98	0.24
Total	D	(9.48)	(17.29)	(8,186.90)	(97.50)	(24.00)
Temporary Difference						
ESIC Employee Contribution u/s 2(24)		-	-	-	-	-
Difference between book depreciation and tax depreciation		-	(4.73)	(1.98)	4.66	2.69
Carry forward losses and unabsorbed depreciation		-	-	-	-	-
Deduction u/s 35D		-	-	-	0.16	-
Preliminary Expenditure		-	-	-	-	0.01
Provision for Gratuity		3.49	3.49	-	-	-
Leave encashment u/s 43B		-	-	-	8.48	4.77
ESIC Employee Contribution u/s 43B(b)		-	-	-	-	-
Provision for Bad debts		13.97	19.42	44.23	2.40	-
Merger expenses		-	-	-	-	-
Other Disallowances u/s 40a		-	-	3.66	10.59	1.51
Total	E	17.46	18.18	45.91	26.29	8.98
Net adjustments	F = D + E	7.98	0.89	(8,140.99)	(71.21)	(15.02)
Tax saving on Net Adjustments	G = F*B	2.71	0.30	(2,740.26)	(23.97)	(5.06)
Tax Liability, after considering the effect of adjustments	H = C - G	123.66	167.20	(2,394.57)	141.11	67.21
Taxable income (Book Profits) as per MAT*	I	355.85	491.02	1,027.00	395.88	219.85
MAT Rate	J	16.99	11.22	11.22	11.22	8.42
Tax Liability as per MAT	K = I*J	60.46	55.09	115.23	44.42	18.50
Tax liability being higher of "H" & "K" above	L	123.66	167.20	115.23	141.11	67.21
Interest payable under the Act	M	-	-	-	9.75	3.56
Tax Payable for the year	N = L + M	123.66	167.20	115.23	150.86	70.77
for Annexure I to XII						

ANNEXURE -XII STATEMENT OF TAX SHELTERS						
Particulars	Ref.	For the period ended	For the year ended March 31,			
		30.09.2009	2009	2008	2007	2006

Note: The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

As per our report of even date

As Per Our Report of Even Date

For Anand Mehta & Associates

Chartered Accountants

Firm Registration No 127305W

CA Kusai Goawala

Partner

Membership No. 39062

Mumbai Dated: January 14, 2010

SCHEDULE 1: SCHEDULE REFERRED TO AND FORMING PART OF SUMMARY CONSOLIDATED FINANCIAL STATEMENTS AS RESTATED FOR THE PERIOD ENDED SEPTEMBER 30, 2009 AND FOR THE YEAR ENDED MARCH 31, 2009 2008, 2007, 2006.

I. NATURE OF OPERATIONS

Vascon Engineers Limited (the Company), its Subsidiary Companies, Associates and Joint Venture Companies (together referred to as the Group) is engaged in the business of construction contracts and development of residential and commercial projects, Industrial parks and Hotels as well as operating and maintenance of the Industrial park/Hotels/Service Apartments/Malls. The Group has spinned off development projects at various stages of completion to another parties/Special Purpose Vehicle as a part of its strategy to optimise its resources/returns and minimise risks, where the Group continues to associate either as a partner and/or a contractor.

II. PRINCIPLE OF CONSOLIDATION

The consolidated financial statements relate to the Group. The consolidated financial statements have been prepared on the following basis:

1. The accompanying Consolidated Financial Statements are prepared under the historical cost convention on an accrual basis of accounting in conformity with accounting principle generally accepted in India to reflect the financial position of the company its Subsidiaries and Joint Ventures.
2. The consolidated financial statements have been prepared on the following basis:
 - (a) In respect of Subsidiary Companies, the Financial Statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits / losses on intra-group transactions in accordance with the Accounting Standard-21 'Consolidated Financial Statements' .
 - (b) In case of Joint Venture Companies, the Financial Statements have been consolidated in accordance with the Accounting Standard-27 'Financial Reporting of Interests in Joint Ventures'.
 - (c) In case of associates where the company directly or indirectly through subsidiaries holds more than 20% of equity, Investment in associates are accounted for using equity method in accordance with the Accounting Standard-23 "Accounting for investments in associates in consolidated financial statements". The equity method has not been applied in case of the companies which were acquired solely for sale in near future, and has been disclosed in Current Investment and accounted for in accordance with Accounting Standard -13 "Accounting for Investments".
 - (d) Investments other than its subsidiaries and associates have been accounted in accordance with Accounting Standard-13 on "Accounting for Investments".
 - (e) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviation if any have been made in consolidated financial statements and are prepared in the same manner as the Company's standalone financial statements.
 - (f) The excess of the cost to the company of its investments in the subsidiaries over the Company's portion of equity on the acquisition date is recognised in the Consolidated Financial Statements as Goodwill. The Company's portion of the equity in the subsidiaries as at the date of acquisition is determined after realigning the material accounting policies of the subsidiaries to that of the parent and adjusting the charge/ (reversal) on account of realignment to the accumulated reserves and surplus of the subsidiaries at the date of acquisition.
 - (g) Minority Interest's share of net profit/ loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
 - (h) Minority Interest's share of net assets of the consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
 - (i) The Subsidiary Companies, Associates and Joint Ventures considered in Consolidated Financial Statement are as under:

Name of the Company	Country of Incorporation	SEPTEMBER 30, 2009		2008-09		2007-08		2006-07		2005-06	
Marvel Housing Private Limited	India	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%
Clover Resorts Private Limited	India	-	-	-	-	-	-	Refer Note No. V(8)	-	Subsidiary	100%
Vascon Dwelling Private Limited	India	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	-	-
Cosmos Premises Private Limited	India	Joint Venture	43.83%	Joint Venture	43.83%	Joint Venture (Refer Note No. V (13) f	43.83%	Subsidiary	80%	-	-
IT-City Infopark Private Limited	India	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	-	-
Greystone Premises Private Limited	India	Subsidiary	65%	Subsidiary	65%	Subsidiary	65%	-	-	-	-
Vascon Pricol Infrastructure Limited	India	Subsidiary	70%	Subsidiary	70%	Subsidiary	70%	-	-	-	-
Windflower Properties Private Limited	India	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	-	-
Rose Premises Private Limited	India	Joint Venture	50% (Refer Note V (13) h	Subsidiary	100%	Subsidiary	100%	Subsidiary	100%	-	-
Calypso Premises Private Limited	India	Subsidiary	63%	Subsidiary	63%	Subsidiary	63%	Subsidiary	63%	-	-
Florian Properties Private Limited	India	Subsidiary	100%	Subsidiary	100%	Subsidiary	70%	Subsidiary	70%	-	-
Compress Infocom Private Limited	India	Subsidiary	100% (Refer Note No. V (i)								
Just Homes (I) Private Limited	India	Joint Venture	50%	Joint Venture	50%	Joint Venture	50%	Joint Venture	50%	-	-
Marigold Premises Private Limited	India	Joint Venture	50%	Joint Venture	50%	Joint Venture	50%	Joint Venture	50%	-	-
Phoenix Ventures (AOP)	India	Joint Venture	50%	Joint Venture	50%	Joint Venture	50%	Joint Venture	50%	Joint Venture	50%
Vascon Hadapsar Ventures	India	-	-	-	-	Refer Note No. V (13) c		Joint Venture	50%	-	-
Viorica Properties Private Limited	India	Joint Venture	37.50%	Joint Venture	37.50%	Joint Venture	37.50%	Joint Venture	37.50%	-	-

Weikfield IT City Info Park (AOP)	India	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	-	-
Zenith Ventures (AOP)	India	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11
Zircon Ventures (AOP)	India	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11	Joint Venture	Refer Note V 11
Vascon Infrastructure Limited	India	Associates	24.00%	Associates	24%	Refer Note No. V (13) g	-	-	-	-	-
Syringa Properties Private Limited	India	-	-	-	-	Associates	50%	Associates	50%	-	-
Angelica Properties Private Limited	India	Associates	26%	Associates	26%	Associates	26%	Associates	26%	-	-
Mumbai Estate Private Limited	India	Associates	44.44%	Associates	50%	Associates	50%	Associates	50%	-	-
Ajanta Enterprises	India	Associates	30%	Associates	30%	Associates	30%	Associates	30%	Associates	30%
John Fowler Ophthalmics Private Limited	India	Joint Venture	49%	Joint Venture	49%	Refer Note No. V (13) e					
Marathwada Realtors Private Limited	India	Joint Venture	49%	Joint Venture	49%			-	-	-	-
Almet Corporation Limited	India	Joint Venture	49%	Joint Venture	49%			-	-	-	-
								-	-	-	-

III. NOTES ON ADJUSTMENTS FOR RESTATED CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Restatement

Below mentioned is the summary of the results of restatement made in the audited accounts for the respective period, and years and its impact on the profit of the Group.

Rs. in Million						
		September 30	March 31			
Particular of Adjustments	Note Ref	2009	2009	2008	2007	2006
Adjustment on Account of Restatement						
Sales	III (3) h	(3.19)	(1.53)	(5.25)	(16.46)	-
Unbilled Revenue	III (2) b	3.19	(24.23)	34.60	(7.27)	(12.94)
Share of Profit from Firm / AOP	III (3) c	-	2.86	(13.79)	10.67	1.67
Profit on Sale of Subsidiary	III (3) k	13.41	-	-	-	-
Rent & Other Income	III (3) d	(21.17)	2.41	0.21	(0.08)	(0.01)
Change in method of Valuation of Inventory	III (2) d	-	2.83	(1.41)	(1.67)	(1.03)
Prior Period Expenses – Office & Establishment Expenses and Finance Cost	III (3) d	11.82	(7.44)	0.18	15.19	(0.03)
Provision for Contingency	III (3) g	-	200.00	-	(200.00)	-
Depreciation	III (3) b	-	-	0.79	0.14	2.21
Remission of Liability	III (3) j	(15.04)	-	-	10.51	-
Total (A)		(10.98)	174.89	15.32	(188.97)	(10.13)
Tax Adjustments						
Current Tax Restatement	III (3) i	(2.30)	5.81	-	(2.04)	0.37
Deferred Tax Restatement	III (3) e		-	(9.48)	-	-
Current Tax Adjustment	III (3) e	8.29	(61.09)	(11.02)	56.90	4.65
Deferred Tax Adjustment	III (3) e	(0.02)	0.02	-	9.78	-
Total (B)		5.97	(55.25)	(20.50)	64.64	5.02
Adjustment Under Appropriation						
Preference Dividend	III (3) f		-	-	-	4.00
Dividend Tax	III (3) f		-	-	-	0.27
Total (C)		-	-	-	-	4.27
Total (A+B+C)		(5.01)	119.63	(5.18)	(124.33)	(0.84)

Note: Figures in bracket indicates Debits

2. Changes in Accounting Policies and Estimates

a) Retirement and other employee benefits

Leave encashment

For and up to the year ended March 31, 2006, the Group had provided for liability towards accumulated leave based on leave balance standing to the credit of employees as of the balance sheet date. For the period ended September 30, 2009 and for the year ended March 31, 2009, 2008 and 2007 the Group had made provision for leave encashment based on an actuarial valuation, as prescribed by Accounting Standard-15 (Revised 2005) 'Employee Benefits'

This standard is applicable to the Group with effect from April 1, 2007. However, the Group has decided to voluntarily adopt Revised AS-15 with effect from April 1, 2006. No adjustments have been made for earlier period since in the opinion of the Company the impact of the same is not ascertainable.

b) Revenue Recognition in respect of Construction Contracts

In view of the Accounting Standard 7 'Construction Contracts' (Revised) becoming mandatory with effect from 1st April, 2003, the Company had applied the same for the period ended September 30, 2009 and for the year ended March 31, 2009, 2008, 2007 and 2006.

In audited financial statements for the period ended September 30, 2009 and for the year ended March, 31 2009, 2008, 2007 and 2006 the revenue in respect of construction contracts was recognized taking into account estimated total cost and revenues and percentage of completion as at respective year end. In respect of those projects which were completed during these periods, the revenue has been restated by substituting the figures of estimated cost and revenue with the figures of actual revenue and cost taken to determine the recognition of revenue for those respective years.

The unrealized profit in respect of group companies included in unbilled revenue has been appropriately worked out and eliminated for the period ended September 30, 2009 and for the year ended March 31, 2008, 2007 and 2006.

c) Intangible Assets

In the Balance Sheet for the year ended March 31, 2006, the Group had considered certain items as deferred revenue expenses and written off to the Profit and Loss Account over a period up to 10 years. In view of the Accounting Standard 26 "Intangible Assets" becoming mandatory with effect from 1st April, 2004, the Company has restated the same for the year ended March 31, 2006.

d) Valuation of Inventories

During the year ended March 31, 2009 Company has changed the method of valuation of Stock of materials etc from FIFO to Weighted Average. Accordingly impact of the same has been restated during the year ended March 31, 2008, 2007 and 2006.

3. Other Adjustments

a) Paid-up Capital

During the year ended 31st March, 2006, the Company has split the existing Share Capital from face value of Rs.100/- each to Rs. 10/- each.

b) Depreciation on fixed assets

Depreciation on fixed assets has been recomputed at appropriate rates and restated in relevant accounting periods.

c) Share of Profit/loss/assets/liabilities of Jointly Controlled Entities :

The financial statements for the year ended March 31, 2009, 2008, 2007 and 2006 were finalized by incorporating the share of profit/loss/assets/liabilities of certain Jointly Controlled Entities based on the information available as on the date of the finalization of financial statements. However, subsequently, the share of profit/loss/assets/liabilities of such entities determined based on their respective audited financial statements and accordingly, the same are restated in the summary financial statements.

d) Prior Period Items

In the Profit and Loss Account for the period ended September 30, 2009 and for the year ended March 31, 2009, 2008, 2007 and 2006 the Group had classified certain items of income / expense as prior period. In the Summary Statement of Profits and Losses, the said income / expenses have been appropriately adjusted in the respective years.

e) Tax adjustments.

The profit and loss as restated is adjusted for the tax impact (current/deferred) on account of restatement of certain income and expenditure. This also includes effect of the deferred tax on account of re-computation for the period ended September 30, 2009 and for the year ended March 31, 2009, 2008, 2007 and 2006.

f) Dividend & Dividend Tax

Short provision of Preference Dividend during the years prior to March, 31, 2006 was provided during the year ending March 31, 2006 and short provision of Dividend tax during the years prior to March 31, 2006 was provided in the year March 31, 2006. The effect of the same has been restated to give effect in the year for which it pertains and as at April 1, 2005.

g) Provision for contingency and tax thereon

Provision for contingency made during the period ended March 31, 2009 and its tax impact there on related to sales booked during the year March 31, 2007 has been restated to the year of sale. (Refer Note No. 15)

h) Provision for unapproved sales

Provisions for unapproved sales made during the year period ended September 30, 2009 and for the year ended March 31, 2009, 2008 and 2007 has been restated in view of subsequent approvals of the sales pertaining to respective years.

i) Provision for Tax

Provision for current tax has been restated in view of the determination of actual tax liability on completion of assessment. Excess provision for the deferred tax liability for the year March 31, 2007 has been restated appropriately.

j) Remission of Liability

Subsequent to period ended September 30, 2009, in terms of the renegotiations with the vendors, the cost of land acquired by one of the Joint Venture entity for its project at Pune, was settled at lower amount by Rs. 15.04 million, which resulted in reduction in cost of land debited/ to be debited to the cost of development/ Profit and Loss account for the year March 31, 2007 and 2006. Accordingly, the said reduction in cost has been restated for the year ended March 31, 2007 and 2006.

k) Profit on sale of subsidiary

During the period September 30, 2009, the Company sold 50% shares of one wholly owned subsidiary and thereby the same became joint venture instead of subsidiary. The unrealized profit on sale attributable to the share of outsider consequent to change in status from subsidiary to joint venture is restated.

4. Material Regrouping

a) Deposits/Prepaid Expenses/ Other Receivables:

The deposits kept with various governmental and other authorities, prepaid expenses and other receivables during the year ended March 31, 2006, were disclosed under Other Current Assets. The same have been in the restated Summary Statement of Assets and Liabilities, for the years ended March 31, 2006 has been regrouped and disclosed under Loans and advances instead of Other Current Assets.

b) Balances in current account with Partnership Firms/AOP

The balances in current account with Partnership Firms/AOP were classified under the head Unsecured Loans in some of the years. The same have been regrouped appropriately in the Restated Summary Financial Statements.

c) Income from Management Fees and other operating income

Income from Management Fees and Share of Income from AOP/Firms were grouped under Other Income. The same have now been regrouped, Management Fees grouped under Sales and Income from AOP/Firms grouped under Other Operating Income in the Profit and Loss Account.

d) Manpower Supply Services

During the year March 31, 2007 and 2008 manpower supply service expenses were classified under operating and administrative cost; the same had been now reclassified under cost of sales.

e) Loan Processing Charges

During the year March, 2007 and 2006 loan processing charges are grouped under operating and administrative cost; same has been regrouped under finance cost.

5. Profit And Loss As At April 1, 2005 (Restated)

This has been worked out as under:

Particulars	Note	Amount
		Rs in Million

Particulars	Note	Amount
		Rs in Million
Profit and Loss account as at April 1, 2005 (Audited)		256.33
Unbilled Revenue	III (2) b	6.27
Change in method of Valuation of Inventory	III (2) d	1.29
Share of Profit from Firm / AOP	III (3) c	(1.40)
Office & Establishment Expenses and Finance Cost	III (3) d	0.33
Depreciation	III (3) b	(0.75)
Current Tax Restatement	III (3) i	0.08
Current Tax Adjustment	III (3) e	0.21
Preference Dividend	III (3) f	(4.00)
Dividend Tax	III (3) f	(0.64)
Profit and Loss account as at April 1, 2005 (Restated)		256.73

Note: Figures in bracket indicates Debits

IV. ACCOUNTING POLICIES FOR THE YEAR ENDED MARCH 31, 2009.

1. Basis of Preparation of Financial Statement

The financial statements are prepared under historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Group.

2. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3. Fixed Assets

Fixed assets are stated at cost of acquisition or construction, after reducing accumulated depreciation till the date of the Balance Sheet. The cost of an item of fixed asset comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price further adjusted by CENVAT credit and includes borrowing cost relating to any specific borrowing attributable to the acquisition of the fixed assets as per the provisions of Accounting Standard AS 16 "Borrowing Cost" issued by ICAI.

Assets under installation or under construction as at the Balance sheet date are shown as Capital work in progress. Advances paid towards acquisition of assets are also included under Capital work in progress.

Intangible assets are recognised as per the criteria specified in Accounting Standard (AS) 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India and amortised as follows:

a) Specialised Software: - 100% in the year of acquisition.

Payment for leasehold land is amortized over the period of lease.

4. Impairment

The assets are tested for impairment and the provision, if applicable, is made wherever considered necessary based on economic utility of the asset as determined in accordance with the principles as laid down in Accounting Standard 28 "Impairment of Assets".

5. Depreciation

Depreciation on fixed assets has been provided under written down value method and manner at the rates prescribed in schedule XIV to the Companies Act, 1956. In respect of lease assets, the cost is depreciated over the lease period.

6. Investments

Investments are classified as current or long term based on the intention of management as regards their holding period. Long Term Investments are stated at cost of acquisition. Provision has been made in respect of diminution in the value of investments if it is considered as permanent in nature by the management. Current Investments are valued at lower of Cost or

Net Realizable Value. The Profit/Loss on sale of investments is dealt with at the time of actual sale. Investments in Partnership firm(s) / Association of Persons are stated at the book value.

7. Recognition of Revenue

- a) Revenue from fixed price construction contracts is recognized on the percentage completion method. The stage of completion is determined by survey of work performed / completion of physical proportion of the contract work determined by technical estimate of work done / actual cost incurred in relation to estimate contract amount, as the case may be, and acknowledged by the contractee. Future expected loss, if any, is recognized as expenditure. In respect of unapproved revenue recognized, an adequate provision is made for possible reductions, if any. Contract revenue earned in excess of billing has been reflected under "Other Current Assets" and billing in excess of contract revenue has been reflected under "Liabilities" in the balance sheet.
- b) Revenue from sale of units is recognized as and when the underlying significant risk and rewards of ownership are transferred to the purchaser and when there is no uncertainty of the amount of consideration that will be derived and it is not unreasonable to expect ultimate collection. However, in case where the seller is obligated to perform any substantial acts after the transfer of all significant risks and rewards of ownership, revenue is recognized on proportionate basis as the acts are progressively performed, by applying the percentage of completion method as explained in Accounting Standard - 7 (revised 2002), Construction Contracts.
- c) Share of Profit/Loss from Partnership firm/ Association of Person is recognized as income on period-to-period basis on the basis of accounts made-up and allocation made by the firm/AOP in accordance with the Deed of Partnership/AOP Agreement.
- d) Interest Income – Interest income is recognized on time proportion basis taking into account the amounts invested and the rate of interest.
- e) Dividend Income – Dividend income is recognized as and when the right to receive the same is established.
- f) Rental Income - Income from letting-out of property is accounted on accrual basis- as per the terms of agreement and the right to receive the rent is established.
- g) Income from services rendered is booked based on agreements/arrangements with the concerned parties.

8. Inventories

- a) *Stock of Material, etc*
Stock of materials, etc. has been valued at lower of cost or net realizable value. The Cost is determined on Weighted Average method.
- b) *Development work*
The development work in progress represents progressive cost of work remaining incomplete / unsold as at close of the year, valued at lower of cost or net realizable value on the basis of technical estimate certified and verified by Director/Expert.
- c) *Stock of Resale*
Stock of trading goods has been stated at cost or net realizable whichever is less. The cost is determined on Weighted Average Method.

9. Retirement Benefits

Provision for Gratuity and Leave encashment on retirement payable is made on actuarial basis. The Company has taken up a group policy with Life Insurance Corporation of India for future payment of gratuities to employees. Amount of premium and differential liability on account of excess of obligation over plan assets and actuarial loss for the period for the said Policy and Company's contribution for the year to P.F. etc are charged to Revenue.

10. Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying assets, if any, are capitalized up to the date when such assets are ready for its intended use and other borrowing costs are charged to Profit & Loss Account. Advances/deposits given to the vendors under the contractual arrangement for acquisition of qualifying assets is considered for the purpose of capitalization of borrowing cost.

11. Leases

Lease rentals in respect of assets acquired under operating lease are charged to the Profit and Loss Account as incurred. Lease rentals in respect of assets given under operating lease are credited to the Profit and Loss Account as accrued.

12. Contingent Liabilities

Contingent liabilities, if any, have been disclosed by way of note to balance sheet. Provision has been made in respect of those, which have materialized after the year-end but before finalization of accounts and have material effect on balance sheet date.

13. Income Tax

Taxes on Income are accounted in accordance with Accounting Standard – 22 “Taxes on Income”. Taxes on Income comprise both current tax and deferred tax. Current tax comprises of tax payable on income and fringe benefit tax.

- a) Provision for current tax for the year is determined considering the disallowance, exemptions and deductions and/or liabilities / credits and set off available as laid down by the tax law and interpreted by various authorities.

- b) Deferred tax being the tax effect of timing difference representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period (s). This is measured using substantively enacted tax rate and tax regulation.

14. Amortization

Expenses relating to increase in capital other than those related to public issue of shares, if any, are being written off in the year the same are incurred. The expenses relating to proposed public issue of shares is appropriated from Share Premium Account. Expenses relating to issue of debentures are being written off in the year the same are incurred.

15. Joint Venture Projects

- a) *Jointly Controlled Operations:*
In respect of joint venture contracts in the nature of jointly controlled operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognized in the agreed proportions under respective heads in the financial statements.
- b) *Jointly Controlled Entities*
Integrated Joint ventures
Company's share in profits or losses of Integrated Joint Ventures is accounted on determination of the profits or losses by the joint venture.
Investments in Integrated Joint Ventures are carried at cost net of company's share in recognized profits or losses.
Incorporated Jointly Controlled Entities
Income on investments in incorporated Jointly Controlled Entities is recognized when the right to receive the same is established

16. Segment Reporting

The Company's operation predominantly consists of construction / project activities. Hence there are no reportable segments under Accounting Standard - 17. During the year under the report, the Company has engaged in its business only within India and not in any other country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

17. Employee Stock Option Scheme

Stock options granted to the employees under the stock options scheme are accounted as per the accounting treatment prescribed by Institute of Chartered Accountants of India. Accordingly, the excess of fair value over the exercise price of the options is recognised as deferred employee compensation and is charged to the profit and loss account on straight line basis over the vesting period of the options. The amortised portion of the cost is shown under reserves and surplus.

18. Foreign currency transaction

In accordance with the Accounting Standard – 11 “Accounting for Effect of Changes in Foreign Rates”:

- a) *Initial Recognition*
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- b) *Conversion*
Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- c) *Exchange Difference*
All exchange differences arising on settlement and conversion on foreign currency transactions are included in the profit and loss account, except in cases where they relate to the acquisition of fixed assets from outside India, in which case they are adjusted in the cost of the corresponding assets

19. Earnings Per Share

In accordance with the Accounting Standard – 20 “Earning Per Share” :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

20. Provisions

In accordance with Accounting Standard 29 “Provisions, Contingent Liabilities and Contingent Assets”:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to

its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

21. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

V. OTHER NOTES

- During the year ended March 31, 2005 the Company did not have subsidiary and accordingly, the Consolidation of Financial Statement under Accounting Standard-21 was not applicable and consequently the Consolidated Financial Statements have not been prepared for the Consolidation of Joint Ventures during those years.

2. Contingent Liabilities:

Management of the Company has not considered necessary to make a provision in respect of:

- Income-Tax demands and Service Tax not accepted by company for the amounts mentioned here below and disputed by the company in Appeal before higher authorities.

Year	September 30	March 31			
	2009 Rs. In Million	2009 Rs. In Million	2008 Rs. In Million	2007 Rs. In Million	2006 Rs. In Million
Income Tax	29.70	22.99	22.30	49.96	6.77
Service Tax	9.96	9.96	-	--	-

- Other Contingent liabilities:

Year	September 30	March 31			
	2009 Rs. In Million	2009 Rs. In Million	2008 Rs. In Million	2007 Rs. In Million	2006 Rs. In Million
A. Bank guarantee- (i) for other companies	250.09	-	-	-	2.00
(ii) for Performance	578.71	378.53	388.94	89.58	30.89
B. Corporate Guarantee	653.36	176.00	-	-	6.00
Claims against the Company not acknowledged as debt (Refer Note 15)	2487.78*	2487.78	-	-	1.46
Uncalled Liability on Partly paid up Shares	-	-	110.56	-	-
Arbitration Fees	13.23	-	-	-	-

*With interest thereon

- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances are as given here under :

Year	September 30	March 31			
	2009 Rs. In Million	2009 Rs. In Million	2008 Rs. In Million	2007 Rs. In Million	2006 Rs. In Million
Amount	311.82	414.52	342.20	18.71	-

As per the arrangement with a customer, the assets provided by it for the relevant contract will be acquired by the Company at 50% of the cost at the end of the project. The estimated amount of such commitment is Rs.35.57 million, Rs. 35.57 million, Rs. 27.00 million, Rs. Nil, Rs. Nil and Rs. Nil for the period ended September 30, 2009; March 31, 2009, 2008, 2007, 2006 and 2005 respectively.

4. Particulars of Construction Contract

Year	September 30	March 31			
	2009 Rs. In Million	2009 Rs. In Million	2008 Rs. In Million	2007 Rs. In Million	2006 Rs. In Million
Contract Revenue Recognised	2,707.59	4,076.37	1,225.76	2,984.12	1,183.47
Contract Expenses Recognised	2,219.15	3,079.61	918.30	2,228.27	918.30

Recognised Profit	488.44	996.76	307.46	755.85	265.18
Contract Cost Incurred	2,219.15	3,079.61	918.30	2,228.27	918.30
Progress Billing	2,345.69	3,814.35	1,117.93	3,284.06	1,180.16
Unbilled Contract Revenue Recognised	361.90	262.02	107.82	(299.94)	3.31
Advances from Customers	703.46	260.11	253.28	336.63	253.28
Contract Cost Incurred and Recognised Profit	2,707.59	4,076.37	1,225.76	2,984.12	1,183.47
Gross Amount Due from Customer	480.50	573.81	623.73	1,015.14	623.73

5. Loans and advances include an amount of Rs.687.93 million, Rs. 685.94 Million, Rs. 729.48 Million, Rs. 283.31 Million and Rs. 75.00 Million paid as advances / deposits to the vendors for acquiring land/development rights for various projects under Single Joint Venture agreements as at September 30, 2009, March 31, 2009, 2008, 2007 and 2006 respectively. As per such Agreements the Group has to work out the consideration for acquisition of land/ development rights on the basis of sale proceeds at the time of receipts of the such proceeds of the developed area, in other words, no amount is payable if there is no sale. There is no event of any loss by the Group or by the vendor, except to the extent of non refundable amount of Rs. 25 million (paid during the year 2006-07) which has been accordingly debited to the land cost. In view of the nature of these agreements, as a policy, the company will either reduce the proceeds or add to the cost the aforesaid consideration amount and account for the profit in the respective year to the extent of sale by the Group. All monies received from the buyer and paid to the vendor earlier to this event will be considered advances received and paid, respectively.
6. Segment Information
The Group's operations predominately consist of construction / project activities. Hence there are no reportable segments under Accounting Standard - 17. During the year under the report, the Group has engaged in its business only within India and not in any other country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.
7. Sales turnover for the year includes revenues from construction contracts, respective sale of developed units, sale of materials, consultancy services and sales of projects spin off during the year.
8. Amalgamation of Clover Resort Pvt. Limited. with Vascon Engineers Limited.
Pursuant to the Scheme of Amalgamation approved by the shareholders of the Company and the Honorable High Court of Judicature at Bombay, vide its order dated January 19, 2007, all assets and liabilities and reserves of erstwhile Clover Resorts Private Limited wholly owned subsidiaries of the Company having been vested in the Company from April 1, 2006 as per scheme of amalgamation sanctioned by the High Court, have been incorporated in these accounts.

Salient Features of the Amalgamation Scheme are detailed below:

- a) Name and general nature of business of Transferor Company: Clover Resorts Pvt. Limited.
- b) Appointed date of amalgamation for accounting purpose: April 1, 2006
- c) Method of accounting used to reflect the amalgamation: Purchase Method
- d) Particulars of Scheme sanctioned by the statute:
 - i) With effect from April 1, 2006 the entire business and undertaking including all assets and liabilities of Clover Resort Pvt. Limited. and rights and obligations, all books of account and documents and records relating thereto, are transferred to the Transferee Company pursuant to Section 394 (2) of the Companies Act, 1956; and
 - ii) With effect from the Appointed Date, all proceedings, if any, pending by or against Clover Resort Pvt. Limited. be continued by or against the Transferee Company; and
Consequent to giving effect to this scheme, the company's investment in the Share Capital of Clover Resort has been cancelled against Share Capital of Clover Resort Pvt. Limited.
9. Employee Stock Option Plans (ESOP)

The Company has provided share based payment schemes to its employee. During the period ended 30th September, 2009, the "ESOS – 2007" scheme was in operation:

Particulars	Nos.				
	September 30, 2009	2009	2008	2007	2006
Outstanding at the beginning of the year	3,33,500	333,500	Nil	Nil	Nil
Granted during the year	Nil	Nil	19,83,500	Nil	Nil
Forfeited during the year	Nil	Nil	Nil	Nil	Nil
Exercised during the year	Nil	Nil	16,50,000	Nil	Nil
Outstanding at the end of the year	3,33,500	333,500	3,33,500	Nil	Nil

10. The Company has issued 33, 00,677 Unsecured Debentures of Rs. 152/- each on July 21, 2008 for a period of 5 years from the date of allotment. Debenture holders has an option to convert the debentures in to equity shares of the Company in the ratio of one equity share for one debenture held which can be exercised after a period of 18 months from the date of allotment. Coupon rate of debentures is 15% p.a. payable half yearly on 30th June and 31st December every year.

The debenture holders have exercised the option to convert the Unsecured Convertible Debentures to Equity Shares and accordingly the same are converted to Equity Shares in the ratio of 1:1 on 27.08.2009. Accordingly subsequent to the year ended March 31, 2009, the share capital of the Company has increased from Rs. 759.15 Million (75,915,373 nos) to Rs. 792.16 Million (79,216,050 nos).

- 11.a. The Consolidated Financial Statements includes share of assets and liabilities and income and expenditure of Zircon Ventures, Weikfield ITCITI Infopark and Zenith Ventures for the period ended September 30, 2009; March 31, 2009, 2008 & 2007 and Zircon Ventures and Zenith Ventures for the year ended March 31, 2006. The Jointly Controlled Entities (JCE) where in the share of the Company's assets and liabilities and income and expenditure in such JCE are considered for consolidation based on the specific allocation of such assets and liabilities and income and expenditure which relate to the Company as per the terms and substance of the agreement with the Joint Venture Partners.
- 11.b. In accordance with the provisions of Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements" the Companies investment in following companies though the shareholding exceeds 20%, the equity method is not applied as the same were acquired and held with an intention for sale in near future and are held as current investments as per Accounting Standard 13.

Name of the company	Shareholding As at		
	30.09.2009	31.03.2009	31.03.2008
Ascent Hotels Private Limited	26.00%	26.00%	26.00%
N V Projects Private Limited	26.00%	26.00%	-
Sita Lakshmi Mills Limited	26.00%	26.00%	-

12. During the year March 31, 2006, the Company acquired 100% shareholding of Clover Resorts Private Limited (CRPL) with a view to acquire the underlying assets of CRPL and accordingly, the cost of such acquisition was carried under the head Inventories in the stand alone financial statements of the Company. CRPL was subsequently merged with the Company effective from 1.4.2006. While consolidating the financial statements of CRPL, the value of amount paid for such acquisition in excess of the share capital of CRPL was accordingly classified as inventory.
13. (a) During the year ended March 31, 2008 the Company has acquired 70% shareholding in Vascon Pricol Infrastructure Limited.
(b) During the year ended March 31, 2008 Vascon Hadapsar Venture, a firm in which the Company was a partner, the other partner has retired and the business of the firm has been continued by the Company.
(c) During the year ended March 31, 2009 Company has acquired additional 30% shareholding in its subsidiary Floriana Properties Private Limited and by which the same has become wholly owned subsidiary of the Company.
(d) During the year ended March 31, 2009 Company has sold shares of Syringa Properties Private Limited and by which the same has ceased to be associate of the Company.
(e) During the year ended March 31, 2009 shares of following Companies have become fully paid and by virtue of which these Companies have become joint venture of the Company.

Name of Company	%
Almet Corporation Limited	49
John Fowler Ophthalmics Private Limited	49
Marathwada Realtors Private Limited	49

- (f) During the year ended March 31, 2008, the Company executed Shareholders Agreement with Royal Orchid Hotels Limited for sale of its 21.16% stake in Cosmos Premises Private Limited. With further allotment of shares to Royal Orchid Hotels Limited, Cosmos Premises Private Limited ceases to be subsidiary and continues to be Joint Venture of the Company.
(g) During the year ended March 31, 2009, the Company has acquired 24% shareholding in Vascon Infrastructure Limited.
(h) During the period ended September 30, 2009 the company has sold 20,00,000 no. of shares of Rose Premises Pvt. Limited. With this sale of shares Rose Premises Pvt. Limited. ceases to be a subsidiary w.e.f. August 03, 2009 and continues to be a joint venture.
(i) During the period ended September 30, 2009 the Vascon Pricol Infrastructure Limited, subsidiary of the Company has acquired 100% stake in Compress Infocom Private Limited and by which the same has become subsidiary of the Company.
14. As per the terms of an agreement with a land vendor, an additional amount equivalent to 40% of sale proceeds will required to be paid in the event the FSI availed is in excess of 0.58 million Sq ft. Since such event has not occurred till the date of balance sheet, no provision is required for this additional cost.
15. Provision for Contingency

The Company had entered into a development agreement with a party in March 2007 pursuant to which a property which the Company had undertaken to develop with a vendor was assigned to the party for being developed on certain terms and conditions contained in the said development agreement. In the Company's account for the year ended 31st March 2007 since the property undertaken by the Company was accounted as purchases and the subsequent transaction entered into with the party was recognized as sales; a profit of Rs.200 Million on this transaction was taken as surplus in the profit and loss account. During the year a member of a

predecessor in title of the company trespassed and illegally entered into possession of the subject property. Consequently the party has sought to annul the entire arrangement. Arbitration proceedings were instituted during the year. The proceedings are pending. The company's stand is that the member's action is illegal since it has the effect of making the entire transaction a nullity.

However, without prejudice to the Company's rights and privilege arising under the agreements, by way of prudence, profit on the transaction recognized in the accounts for the year ended 31st March 2007 is recognized as provision for contingency and included in the provisions for the year ended March 31, 2009. Further no provision is considered necessary in respect of claim of Rs. 2,487.78 Million with interest thereon the company, as in the management's opinion the said claim is not tenable. In any event, as per advice received by the Company the liability if any, would be on the member precedent in title, and not on the Company in view of the members illegal action.

Sundry Debtors includes an amount of Rs. 565.00 Million receivable from the party for which provision has not been considered necessary in view of the corresponding matching liability payable to the vendor and the contingency provision.

16. Related Party Disclosure

The particulars of Related Parties as required under Accounting Standard-18 "Related Party Transactions" are given in Annexure 1A and 1B to these Notes.

17. Accounting for taxes

18.

The breakup of deferred tax liabilities arising due to timing difference is as under:

Year	September 30, 2009 Rs. In Million	2008-09 Rs. In Million	2007-08 Rs. In Million	2006-07 Rs. In Million	2005-06 Rs. In Million
1. Depreciation	3.13	(6.42)	2.11	12.05	12.45
2. Statutory Payment - Leave Encashment	-	1.13	-	(1.51)	(1.61)
3. Reserve for Doubtful debts	-	17.63	-	(0.82)	-
4. Disallowance u/s 40a	-	19.08	-	(3.60)	(0.51)
5. Brought Forward Losses	(1.58)	(11.86)	(1.17)	-	-
Net Deferred Tax Liability	1.55	19.56	0.93	6.13	10.34

The breakup of deferred tax asset arising due to timing difference is as under:

Year	September 30, 2009 Rs. In Million	2008-09 Rs. In Million	2007-08 Rs. In Million	2006-07 Rs. In Million	2005-06 Rs. In Million
1. Depreciation	(15.22)	2.03	(14.49)	0.03	-
2. Statutory Payment - Leave Encashment	1.21	0.01	-	-	-
3. Reserve for Doubtful debts	23.11	1.19	15.49	-	-
4. Disallowance u/s 40a	-	18.82	1.24	-	-
5. Brought Forward Losses	0.43	-	-	-	-
Net Deferred Tax Asset	9.53	22.04	2.24	0.03	-

Details of deferred tax asset not recognized in absence of a reasonable certainty of setting off brought forward capital losses are as follows:

Year	September 30, 2009 Rs. In Million	2008-09 Rs. In Million	2007-08 Rs. In Million	2006-07 Rs. In Million	2005-06 Rs. In Million
1. Depreciation	(7.71)	(3.55)	(0.94)	-	-
2. Statutory Payment - Leave Encashment	0.06	0.06	-	-	-
3. Reserve for Doubtful debts	-	-	1.74	-	-
4. Long Term Capital	-	-	-	0.09	-
5. Brought Forward Losses	10.32	8.26	1.46	-	-
Net Deferred Tax Asset / (Liability)	2.67	4.77	2.26	0.09	-

19. Leases:

The Group's significant leasing arrangements are in respect of operating leases for commercial and residential premises.

Lease Income from operating leases is recognised on straight-line bases over the period of lease. The particulars of significant leases under operating leases are as under.

Year	September 30, 2009 Rs. In Million	2008-09 Rs. In Million	2007-08 Rs. In Million	2006-07 Rs. In Million	2005-06 Rs. In Million
Gross Carrying Amount of Premises	36.74	36.74	26.73	26.73	52.56
Accumulated Depreciation	6.56	5.78	3.31	2.07	1.35
Depreciation for the year	0.78	1.63	1.23	2.09	1.35

Future minimum lease payment under non-cancellable operating leases:-

Year	September 30, 2009 Rs. In Million	2008-09 Rs. In Million	2007-08 Rs. In Million	2006-07 Rs. In Million	2005-06 Rs. In Million
A) Not later than 1 year	5.28	8.95	6.92	10.61	3.42
B) Later than 1 year and not later than 5 years	11.65	7.70	-	1.43	4.85
C) Later than 5 years	-	-	-	-	-

Profit and Loss Account includes Lease Income in respect of certain premises which are held as stock in trade with an intention to sale. The provision of Accounting Standard 19 'Accounting for Leases' do not apply to such Lease Agreements of premises held with an intention to sale. Accordingly, the above statement does not include such transactions further the underlying premises are held as Stock In Trade.

20. Share of Joint Venture in Consolidated Financial statement are as under:

21. Profit and Loss Account Items for the period ended September 30, 2009: year ended March 31, 2009, 2008, 2007 & 2006

Particulars	September 30, 2009	2008 - 09	2007 - 08	2006 - 07	2005 - 06
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Profit and Loss Account items for the year ended					
INCOME					
Sales	490.31	86.50	706.05	469.33	1,371.03
Other Operating Income:					
Rent/Compensation/Maintenance	10.30	25.97	18.51	11.94	10.71
from Multiplex	11.46	28.66	37.20	13.50	-
Share of Profit from AOP/ Firm	6.81	19.01	7.00	70.38	1.59
OTHER INCOME	45.11	19.04	18.07	3.94	47.26
EXPENSES					
Cost of Sales	373.73	47.51	498.10	145.40	24.02
Employees Remuneration & Welfare Expenses	2.98	5.89	2.68	2.19	-
Office & Establishment Expenses	24.11	48.47	36.70	16.37	0.87
Finance Cost	1.13	0.65	1.30	2.15	1.82
Depreciation	1.73	4.38	7.71	0.16	-
Provision For Taxation					
Current	54.09	11.86	24.75	13.72	-
Fringe Benefit Tax	-	0.10	0.02	0.01	-
Deferred tax expenses / (gain)	(0.46)	(0.79)	2.06	(0.01)	-
Excess/(Short) Provision W/Back / (Off)		-	-	-	-
Transfer to Investment Account		-	-	251.63	(8.23)
Appropriation					
Dividend on Preference Shares	(0.67)	(0.33)	-	-	-
Dividend Tax	-	-	(1.10)	0.12	-
Transfer to General Reserve	-	-	(4.42)	1.55	-

Balance sheet Items

As At					
Particulars	September 30, 2009	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Secured Loans	102.80	59.56	-	6.82	73.43
Unsecured Loans	153.17	168.73	148.91	86.21	-
Deferred Tax Liability	0.24	1.83	-	0.00	-
Fixed Assets	252.51	198.52	106.63	17.92	-
Investment	161.32	143.76	199.89	21.15	9.69
Deferred Tax Asset/(Liability)	0.64	1.77	0.09	0.03	-
Inventories	432.4	552.17	418.25	696.82	220.10
Sundry Debtors	76.14	80.19	86.96	14.42	9.71
Cash & Bank Balances	76.20	31.49	21.37	115.30	7.14
Loans & Advances	586.07	744.92	671.97	434.14	6.31
Current Liabilities	730.26	1,107.72	925.11	998.75	156.54
Provisions	110.68	58.81	49.36	25.87	0.01

22. The Company has acquired and held the investments in following companies for sale in the near future and accordingly the same is disclosed as current investments in accordance with the Accounting 13 "Accounting for Investments".
Following are the details of current investments:

Rs in Million						
No	Company	As at Sept 30, 2009	2009	As at March 31, 2008	2007	2006
1	Ascent Hotels Private Limited	211.70	211.70	211.70	0.03	-
2	N V Projects Private Limited	119.84	119.84	114.22	-	-
3	Sita Lakshmi Mills Limited	23.40	23.40	-	-	-

23. The financial statements of subsidiaries, joint ventures and associates used in the consolidation are drawn up to the same reporting dates as off the company i.e. period ended September 30, 2009, except in respect Mumbai Estates Private Limited an associate company. The investment not being significant and fully provided for, there is no impact on Profit & Loss Account.
The accounts of Calypso Premises Private Limited subsidiary companies have not been audited for the year ended March 31, 2009 and period ended September 30, 2009 as of balance sheet date and have been consolidated on the basis of the accounts as certified by the management.

The accounts of Cosmos Premises Private Limited Joint Venture companies have not been audited for the period ended September 30, 2009 as of balance sheet date and have been consolidated on the basis of the accounts as certified by the management

The accounts of Angelica Properties Private Limited and Mumbai Estate Private Limited Associate companies has not been audited for the period ended September 30, 2009 as of balance sheet date and have been consolidated on the basis of the accounts as certified by the management.

As per our Report of even date
For **Anand Mehta & Associates**
Chartered Accountants
Firm Registration No 127305W

CA Kusai Goawala
Partner
Membership No 039062
Mumbai
Dated: January 14, 2010

ANNEXURES REFERRED TO AND FORMING PART OF SCHEDULE 1 TO SUMMARY RESTATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2009: MARCH 31, 2006, 2007, 2008 & 2009

ANNEXURE 1 A :

List of Related Parties and nature of relationship is as under

Particulars	SEPTEMBER 30		FOR THE YEAR ENDED MARCH 31,		
	2009	2009	2008	2007	2006
Nature of Relationship	Name of Party	Name of Party	Name of Party	Name of Party	Name of Party
<i>Joint Venture</i>	<i>Phoenix Ventures</i>	<i>Phoenix Ventures</i>	<i>Phoenix Ventures</i>	<i>Phoenix Ventures</i>	<i>Phoenix Ventures</i>
	<i>Zenith Ventures</i>	<i>Zenith Ventures</i>	<i>Zenith Ventures</i>	<i>Zenith Ventures</i>	<i>Zenith Ventures</i>
	<i>Zircon Ventures</i>	<i>Zircon Ventures</i>	<i>Zircon Ventures</i>	<i>Zircon Ventures</i>	<i>Zircon Ventures</i>
	<i>Weikfeilds ITCITI Infopark (AOP)</i>	<i>Weikfeilds ITCITI Infopark (AOP)</i>	<i>Weikfeilds ITCITI Infopark (AOP)</i>	<i>Weikfeilds ITCITI Infopark (AOP)</i>	
	<i>Just Homes (India) Pvt. Limited.</i>	<i>Just Homes (India) Pvt. Limited.</i>	<i>Just Homes (India) Pvt. Limited.</i>	<i>Just Home (I) Pvt. Limited.</i>	
	<i>Marigold Premises Pvt. Limited.</i>	<i>Marigold Premises Pvt. Limited.</i>	<i>Marigold Premises Pvt. Limited.</i>	<i>Marigold Premises Pvt. Limited.</i>	
	<i>Viorica Properties Private Limited</i>	<i>Viorica Properties Private Limited</i>	<i>Viorica Properties Private Limited</i>	<i>Viorica Properties Private Limited</i>	
	<i>Cosmos Premises Private Limited</i>	<i>Cosmos Premises Private Limited</i>	<i>Cosmos Premises Private Limited</i>	<i>Vascon Hadapsar Ventures</i>	
	<i>Almet Corporation Limited</i>	<i>Almet Corporation Limited</i>			
	<i>John Fowler Ophthalmics Private Limited</i>	<i>John Fowler Ophthalmics Private Limited</i>			
<i>Key Management Personnel</i>	<i>Marathawada Realtors Private Limited</i>	<i>Marathawada Realtors Private Limited</i>			
	<i>Mr. R. Vasudevan</i>	<i>Mr. R. Vasudevan</i>	<i>Mr. R. Vasudevan</i>	<i>Mr.R.Vasudevan</i>	<i>Mr.R.Vasudevan</i>
	<i>Mrs. Lalitha Vasudevan</i>	<i>Mrs. Lalitha Vasudevan</i>	<i>Mrs. Lalitha Vasudevan</i>	<i>Lalitha Vasudevan</i>	<i>Lalitha Vasudevan</i>
	<i>Mrs. Thangam Moorthy</i>	<i>LateMr. N. R. Moorthy</i>	<i>Mr. N. R. Moorthy</i>	<i>N. R. Moorthy</i>	<i>N. R. Moorthy</i>
	<i>Mrs. Lalitha Sundarrajan</i>	<i>Mrs. Thangam Moorthy</i>	<i>Mrs. Thangam Moorthy</i>	<i>Thangam Moorthy</i>	<i>Thangam Moorthy</i>
	<i>Mr. Siddarth Vasudevan</i>	<i>Mrs. Lalitha Sundarrajan</i>	<i>Mrs. Lalitha Sundarrajan</i>	<i>Lalitha Sundarrajan</i>	
	<i>Ms. Soumya</i>	<i>Mr. Siddarth Vasudevan</i>	<i>Mr. Siddarth Vasudevan</i>	<i>Siddarth Vasudevan</i>	

<i>Vasudevan</i>					
<i>Ms. Soumya Vasudevan</i>					
<i>Associates</i>	<i>Ajanta Enterprises</i>	<i>Ajanta Enterprises</i>	<i>Ajanta Enterprises</i>	<i>Ajanta Enterprises</i>	<i>Ajanta Enterprises</i>
	<i>Angelica Properties Private Limited</i>	<i>Angelica Properties Private Limited</i>	<i>Angelica Properties Private Limited</i>	<i>Angelica Properties Private Limited</i>	<i>Marigold Premises Pvt. Limited.</i>
		<i>Syringa Properties Private Limited</i>	<i>Syringa Properties Private Limited</i>	<i>Syringa Properties Private Limited</i>	<i>Marigold Construction</i>
	<i>Mumbai Estate Private Limited</i>	<i>Mumbai Estate Private Limited</i>	<i>Mumbai Estate Private Limited</i>	<i>Mumbai Estate Private Limited</i>	<i>H.U. Khinvsara</i>
	<i>Vascon Infrastructure Limited</i>	<i>Vascon Infrastructure Limited</i>			
<i>Enterprise where key management personnel and their relatives exercise</i>	<i>Vastech Consultants Private Limited</i>	<i>Vastech Consultants Private Limited</i>	<i>Vastech Consultants Private Limited</i>	<i>Vastech Consultants Private Limited</i>	<i>Vastech Consultants Pvt. Limited.</i>
	<i>Flora Premises Private Limited</i>	<i>Flora Premises Private Limited</i>	<i>Flora Premises Private Limited</i>	<i>Flora Premises Private Limited</i>	<i>Golden Dwellings P. Limited</i>
<i>significant influence</i>	<i>Vatsalya Enterprises Private Limited</i>	<i>Vatsalya Enterprises Private Limited</i>			
	<i>Bellflower Premises Private Limited</i>	<i>Bellflower Premises Private Limited</i>		<i>Vastech Associates</i>	<i>Vastech Associates</i>
				<i>Iris Properties Private Limited</i>	<i>Iris Properties Pvt. Limited.</i>
				<i>One Stop Shop (I) Private Limited</i>	<i>One Stop Shop (I) Private Limited</i>
				<i>Core Fitness Private Limited</i>	<i>Core Fitness Pvt. Limited.</i>
					<i>Novacare Drug Specialities (P) Limited</i>
					<i>Vatsalya Enterprises (P) Limited</i>
					<i>Nagaon Resorts P. Limited.</i>
					<i>Golden Nest Developers Pvt. Limited.</i>
					<i>IT Citi Infopark P. Limited.</i>

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Sales and Works	Joint Venture					
	Cosmos Premises Private Limited	0.27	0.69	5.92	-	-
	Just Homes (India) Private Limited	-	-	-	-	-
	Marigold Premises Private Limited	0.21	9.50	6.93	-	-
	Margold Constructions	-	-	-	-	-
	Phoenix Ventures	37.83	12.61	11.27	-	-
	Viorica Properties Private Limited	10.41	58.39	41.80	-	-
	Weikfeilds ITCITI Info Park (AOP)	96.99	371.06	231.17	-	-
	Zenith Ventures	-	-	-	-	-
	Zircon Ventures	-	-	-	-	-
	Vascon Hadapsar Ventures	-	0.10	-	-	-
	-	-	-	-	-	-
	Key Management Personnel	-	-	-	-	-
	-	-	-	-	-	-
	Relatives of Key Management Personnel	-	-	-	-	-
	-	-	-	-	-	-
	Associates	-	-	-	-	-
	Angelica Properties Private Limited	136.24	197.39	275.76	-	-
	Ajanta Enterprises	-	-	20.00	-	-
	Marigold Premises Private Limited	-	-	-	-	152.16
	Marigold Constructions	-	-	-	-	19.75
	H U Khinvasara	-	-	-	-	-
	Just Homes (I) Private Limited	-	-	-	-	-
	Vascon Infrastructure Limited	10.00	-	-	-	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence	-	-	-	-	-
	Vastech Consultants Private Limited	1.53	-	-	-	-
	One Stop Shop India Private Limited	-	26.70	-	-	-
	Flora Premises Private Limited	-	-	-	-	-
	Core Fitness Private Limited	-	-	-	-	-
	Just Homes (I) Private Limited	-	-	-	-	-
	-	-	-	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Total	253.91	667.10	623.55	18.19	171.91
Rentals /	Joint Venture		-	-	-	-
	Marigold Premises Private Limited		-	3.25	-	-
Hire Charges /						
Dividend Income	-	-	-	-	-	-
	Key Management Personnel		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	Associates		-	-	-	-
	Conamore Resorts Private Limited		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Core Fitness Private Limited		-	-	0.21	2.00
	-		-	-	-	-
	Total		-	3.25	0.21	2.00
Interest Income	Joint Venture		-	-	-	-
	Cosmos Premises Private Limited		-	3.64	-	-
	Just Homes (India) Private Limited		0.17	3.95	0.37	-
	Viorica Properties Private Limited		6.58	1.65	0.87	-
	Weilkfield IT Citi Infopark		-	0.53	-	-
	Zenith Ventures		-	-	-	-
	Almet Corporation Limited	0.04	0.12	-	-	-
	Marathawada Realtors Private Limited	0.06	0.21	-	-	-
	John Fowler Ophthalmics Private Limited	0.07	0.09	-	-	-
	Rose Premises Private Limited	4.74	-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Ajanta Enterprises	1.31	1.57	-	-	-
	Angelica Properties Private Limited	-	-	0.01	0.14	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Core Fitness Private Limited		-	0.59	-	1.00
	-		-	-	-	-
	-		-	-	-	-
	Total	6.22	8.73	10.37	1.38	1.00
Interest Expense	Joint Venture		-	-	-	-
	Viorica Properties Private Limited	0.76	-	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	R Vasudevan	2.18	7.07	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	Sowmya Vasudevan		0.05	-	-	-
	Mr. Siddarth Vasudevan		0.05	-	-	-
	Mrs. Lalitha Vasudevan	0.63	2.01	-	-	-
	N R Moorthy		-	-	0.66	0.52
	N R Moorthy (HUF)		-	-	-	-
	R Vasudevan (HUF)		-	-	-	-
	Thangam Moorthy	0.01	-	-	0.10	0.09
	-		-	-	-	-
	Associates		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	IT Citi Infopark Private Limited		-	-	-	3.14
	Iris Properties Private Limited		-	-	0.27	0.26
	One Stop Shop (I) Private Limited		-	-	0.17	-
	Vastech Consultants Private Limited		0.24	0.19	-	-
	Vatsalya Enterprises Private Limited	1.29	4.19	-	-	0.47
	Vastech Associates		-	-	-	1.06
	Belflower Properties Private Limited	0.21				
	-		-	-	-	-
	Total	5.08	14.27	0.19	1.21	5.53
Purchase of goods / Works	Joint Venture		-	-	-	-
	Just Homes (India) Private Limited		0.05	-	-	-
	Weikfelds ITCITI Info Park (AOP)	0.46	2.38	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Zenith Ventures	-	-	-	-	-
	-	-	-	-	-	-
	Key Management Personnel	-	-	-	-	-
	-	-	-	-	-	-
	Relatives of Key Management Personnel	-	-	-	-	-
	-	-	-	-	-	-
	Associates	-	-	-	-	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence	-	-	-	-	-
	Flora Premises Private Limited		1.23	-	-	-
	Vastech Associates	-	-	-	-	-
	-	-	-	-	-	-
	Total	0.46	3.66	-	-	-
Rendering of Services	Joint Venture	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	Key Management Personnel	-	-	-	-	-
	R Vasudevan	13.85	25.42	52.51	16.45	12.26
	-	-	-	-	-	-
	Relatives of Key Management Personnel	-	-	-	-	-
	N R Moorthy	-	-	0.49	0.96	0.77
	-	-	-	-	-	-
	Associates	-	-	-	-	-
	Marigold Premises Private Limited	-	-	-	-	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence	-	-	-	-	-
	Vastech Consultants Private Limited	12.56	11.11	10.54	1.75	0.08
	Vastech Associates	-	-	-	-	2.01
	Flora Premises Private Limited	-	-	2.47	-	-
	Vatsalya Enterprises Private Limited	-	-	-	-	-
	-	-	-	-	-	-
	Total	26.41	36.53	66.01	19.17	15.12
Sale of Fixed Assets	Joint Venture	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Angelica Properties Private Limited		-	-	1,000.00	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	-		-	-	-	-
	Total	0.00	-	-	1,000.00	-
Purchase of Fixed Assets	Joint Venture		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Marigold Premises Private Limited		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	One Stop Shop India Private Limited		-	-	-	52.56
	-		-	-	-	-
	Total	0.00	-	-	-	52.56
Amount Written off	Joint Venture		-	-	-	-
	Cosmos Premises Private Limited	0.28	0.25	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	N R Moorthy		-	0.06	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Ajanta Enterprises		-	0.01	-	-
	-		-	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Core Fitness Private Limited		-	0.00	-	-
	-		-	-	-	-
	-		-	-	-	-
	Total	0.28	0.25	0.07	-	-
Amount Written back	Joint Venture		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	N R Moorthy		-	-	0.00	-
	-		-	-	-	-
	Associates		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	-		-	-	-	-
	Total	0.00	-	-	0.00	-
	-		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
Outstanding Balances	-		-	-	-	-
Particulars	Nature of Relationships	0.00	2,009.00	2,008.00	2,007.00	2,006.00
	-		-	-	-	-
Corporate Guarantees Given	Joint Venture		-	-	-	-
	Cosmos Premises Private Limited	100.00	-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates		-	-	-	-
	Vascon Infrastructure Limited	50.00	50.00	-	-	-
	-		-	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Establishment where Key Personnel or relatives influence		-	-	-	-
	-		-	-	-	-
	Total	150.00	50.00	-	-	-
	-		-	-	-	-
Finance (including contributions or in kind)	Provided equity in cash					
	Joint Venture	131.93	45.59	191.93	328.21	10.07
	-		-	-	-	-
	Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-		-	-	-	-
	Associates	8.60	52.59	226.07	279.00	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	78.84	41.23
	-		-	-	-	-
	-		-	-	-	-
	Total	140.53	98.18	418.00	686.06	51.30
Finance (including contributions or in kind)	Availed equity in cash					
	Joint Venture	0.76	-	-	-	-
	-		-	-	-	-
	Key Management Personnel	1.00	117.52	-	-	-
	-		-	-	-	-
	Relatives of Key Management Personnel		44.57	-	1.59	1.38
	-		-	-	-	-
	Associates		-	3.79	-	-
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		69.09	10.00	-	12.75
	-		-	-	-	-
	Total	1.76	231.18	13.79	1.59	14.12
Receivable to	Joint Venture		-	-	-	-
Vascon	Sundry Debtors		-	-	-	-
	Cosmos Premises Private Limited	4.94	0.66	0.01	-	-
Engineers	Just Homes (India) Private Limited		-	-	-	-
Limited	Marigold Premises Private	80.59	82.03	94.04	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Limited					
	Phoenix Ventures	49.87	49.87	11.14	7.52	-
	Viorica Properties Private Limited	5.58	-	27.33	-	-
	Weikfeilds ITCITI Info Park (AOP)	158.55	134.84	180.67	-	-
	Zenith Ventures	-	-	-	-	-
	Zircon Ventures	-	-	-	-	-
	-	-	-	-	-	-
	Loans & Advances Given	-	-	-	-	-
	Cosmos Premises Private Limited	-	0.28	0.28	-	-
	Just Homes (India) Private Limited	-	0.17	28.94	-	-
	Marigold Premises Private Limited	22.60	22.60	22.60	-	-
	Marigold Constructions	-	-	-	-	-
	Phoenix Ventures	4.50	4.50	-	-	-
	Vascon Hadapsar Ventures	-	-	-	0.21	-
	Viorica Properties Private Limited	-	33.85	7.85	-	-
	Weikfeilds ITCITI Info Park (AOP)	-	-	0.42	19.72	-
	Zenith Ventures	-	-	-	-	-
	Zircon Ventures	-	-	-	-	-
	Almet Corporation Limited	1.66	1.62	-	-	-
	Marathawada Realtors Private Limited	2.50	2.44	-	-	-
	John Fowler Ophthalmics Private Limited	1.42	1.35	-	-	-
	Rose Premises Private Limited	44.74	-	-	-	-
	-	-	-	-	-	-
	Share Application Money	-	-	-	-	-
	Viorica Properties Private Limited	19.74	62.50	-	-	-
	-	-	-	-	-	-
	Relatives of Key Management Personnel	-	-	-	-	1.05
	-	-	-	-	-	-
	Associates	-	-	-	-	-
	Sundry Debtors	-	-	-	-	-
	Ajanta Enterprises	19.93	19.93	19.93	5.05	-
	Angelica Properties Private Limited	10.31	-	56.39	182.00	-
	Just Homes India Private Limited	-	-	-	5.25	-
	Marigold Premises Private Limited	-	-	-	184.38	171.62
	-	-	-	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Loans & Advances Given		-	-	-	-
	Ajanta Enterprises	16.08	13.67	7.21	-	-
	Angelica Propertis Private Limited	-	-	-	5.02	-
	Conamore Resorts Private Limited	-	-	-	-	-
	Mumbai Estate Private Limited	226.20	218.70	178.70	48.80	-
	Marigold Premises Private Limited	-	-	-	45.19	-
	Viorica Properties Private Limited	-	-	-	9.68	-
	-	-	-	-	-	-
	Share Application Money		-	-	-	-
	Angelica Properties Private Limited	0.04	0.04	-	-	-
	-	-	-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	-
	Sundry Debtors		-	-	-	-
	One Stop Shop India Private Limited	-	-	29.32	-	-
	-	-	-	-	-	-
	Loans & Advances		-	-	-	-
	Flora Premises Private Limited		0.04	1.23	-	-
	Vastec Consultants Private Limited	-	-	-	-	-
	One Stop Shop India Private Limited	-	-	3.41	-	-
	Core Fitness Private Limited	-	-	-	15.38	12.91
	Iris Properties Private Limited	-	-	-	-	3.88
	Jasmine Realtors Private Limited	-	-	-	-	-
	IT Citi Infopark Private Limited	-	-	-	-	-
	Vastech Associates	-	-	-	-	2.59
	Vatsalya Enterprises Private Limited	-	-	-	-	8.88
	-	-	-	-	-	-
	Total	669.23	649.08	669.49	528.19	200.92
Receivable From	Joint Venture		-	-	-	-
Vascon	Advance from Debtors		-	-	-	-
	Viorica Properties Private Limited		0.98	-	-	-
Engineers Limited	Zircon Ventures		-	-	-	-
	Phoenix Ventures		-	0.16	-	4.73
	Weikfield IT Citi Infopark		-	-	54.33	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Vascon Infrastructure Limited	46.32				
	-		-	-	-	-
	Sundry Creditors		-	-	-	-
	Just Homes (India) Private Limited	0.05	-	-	-	-
	Marigold Premises Private Limited	1.69	1.69	-	-	-
	Weikfeilds ITCITI Info Park (AOP)	2.84	2.38	0.67	-	-
	Zenith Ventures	-	-	-	-	-
	-	-	-	-	-	-
	Other Liabilities		-	-	-	-
	Weikfeilds ITCITI Info Park (AOP)	-	122.41	-	-	-
	Phoenix Ventures	-	0.35	-	-	-
	-	-	-	-	-	-
	Key Management Personnel		-	-	-	-
	For Services Rendered		-	-	-	-
	R Vasudevan	8.87	5.48	41.60	-	-
	-	-	-	-	-	-
	Unsecured Loans		-	-	-	-
	Mr R Vasudevan	60.19	-	-	-	-
	Unsecured Loans					
	Joint Venture	1.99	-	-	-	-
	-	-	-	-	-	-
	Relatives of Key Management Personnel		-	-	-	-
	-	-	-	-	-	-
	Mrs. Lalitha Vasudevan	0.41	-	-	-	-
	N R Moorthy	-	-	-	0.13	-
	N R Moorthy (HUF)	-	-	-	-	-
	Thangam Moorthy	-	-	-	0.92	-
	-	-	-	-	-	-
	Associates		-	-	-	202.94
	Advance to Creditors		-	-	-	-
	Angelica Properties Private Limited	48.70	-	-	-	-
	Vascon Infrastructure Limited	13.19	-	-	-	-
	-	-	-	-	-	-
	Security Deposit		-	-	-	-
	Vascon Infrastructure Limited	12.50	12.50	-	-	-

ANNEXURE 1 B						
Details of transactions with Related Parties and Outstanding Balances are as under:						
Particulars	Nature of Relationships	FOR THE PERIOD ENDED	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,			
		30.09. 2009	2009	2008	2007	2006
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Sundry Creditors		-	-	-	-
	Marigold Premises Private Limited		-	-	-	4.35
	-		-	-	-	-
	Establishment where Key Personnel or relatives influence		-	-	-	21.98
	Sundry Creditors		-	-	-	-
	Vastech Consultants Private Limited	4.76	0.57	1.90	-	-
	Core Fitness Private Limited		-	0.09	-	-
	-		-	-	-	-
	Advance from Customers		-	-	-	-
	One Stop Shop India Private Limited		-	-	-	7.28
	Vastech Consultants Private Limited		-	0.26	-	-
	-		-	-	-	-
	Loan Taken		-	-	-	-
	Vatsalya Enterprises Private Limited		35.39	-	-	-
	Vastech Consultants Private Limited		-	10.15	-	-
	Vastech Associates		-	-	-	1.79
	Iris Properties Private Limited		-	-	-	-
	Golden Dwellings Private Limited		-	-	-	-
	-		-	-	-	-
	-	77.28	-	-	-	-
	Total	1,331.16	181.52	179.28	54.33	244.12

UNCONSOLIDATED FINANCIAL INFORMATION OF VASCON ENGINEERS LIMITED

Auditors' Report

The Board of Directors,
Vascon Engineers Limited
15/16, Hazari Baug,
LBS Marg,
Vikhroli,
Mumbai 400 083.

Dear Sirs,

1. We have examined the restated financial information of Vascon Engineers Limited. The said restated financial information of the company has been prepared by the company and approved by the Board of Directors, in accordance with the requirements of:
 - a. Paragraph B, Part II of Schedule II of the Companies Act, 1956 (“**the Act**”)
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date (“**The Regulations**”) and the related clarifications thereto issued by the Securities and Exchange Board of India (“**SEBI**”) pursuant to section 11 of the Securities and Exchange Board of India Act, 1992, as amended to date; and
 - c. The terms of our engagement agreed upon with you in accordance with our engagement letter dated 12th August 2009 in connection with the offer document being issued by the company for its Initial Public Issue of Equity Shares.
2. These information have been extracted by the Management from the financial statements for the period ended September 30, 2009; March 31st 2005, 2006, 2007, 2008 and 2009. Audit for the financial year ended March 31st, 2005 and 2006 was conducted by one of our partner Mr. Kulin Mehta in his individual capacity/as a proprietor of M/s. Kulin Mehta & Co. (KVM).
3. In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the Regulations and terms of our engagement with you we further report that:
 - (a) The Restated Summary Statement of Assets & Liabilities of the Company, including as at March 31st 2005 and 2006 examined and reported upon by KVM. and as at March 31st 2007, 2008, 2009, September 30, 2009, examined by us as set out in Annexure to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies (Refer Schedule 1 to Summary Financial Statements as Restated).
 - (b) The Summary Statement of Profit or Loss as Restated of the Company for the year then ended, including for the year ended March 31st 2005, 2006 were examined upon by KVM. and as at March 31st, 2007, 2008 and 2009, September 30, 2009 examined by us as set out in Annexure to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies (Refer Schedule 1 to Summary Financial Statements as Restated).
 - (c) Based on above, we are of the opinion that the Financial Information as Restated have been made after incorporating:
 - (i) 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.
 - (ii) Adjustments for the material amounts in the respective financial years to which they relate.
 - (iii) And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.

- (d) We have also examined the following other financial information setout in Annexure prepared by the management and approved by the Board of Directors relating to the Company for the year ended March 31st, 2005, 2006, 2007, 2008, 2009, September 30, 2009. In respect of the years ended March 31, 2005 and 2006 these information have been included based upon the report submitted by KVM.

Annexure I	Statement of Dividend paid/proposed
Annexure II	Statement of Accounting Ratios
Annexure III	Statement of Capitalization as at 30 th September, 2009
Annexure IV	Statement of Reserves and Surplus
Annexure V	Statement of Secured Loan
Annexure VI	Statement of Unsecured Loan
Annexure VII	Statement of Current Liabilities and Provisions
Annexure VIII	Statement of Fixed Assets
Annexure IX	Statement of Sundry Debtors
Annexure X	Statement of Loans and Advances
Annexure XI	Statement of Other Income
Annexure XII	Statement of Tax Shelter

In our opinion the financial information contained in Annexure I to XII of this report read along with the Significant Accounting Policies, Changes in Significant Accounting Policies and Note (Refer Schedule 1 to Summary Financial Statements as Restated) prepared after making adjustments and regrouping as considered appropriate have been prepared in accordance with Paragraph B of Part II of Schedule II of the Act and the Regulations.

The financial information for the above period was examined to the extent practicable, for the purpose of audit of financial information in accordance with Auditing and Assurance Standards issued by the Institute Chartered Accountants of India. Those standards require that we plan and perform our audit to obtain reasonable assurance, whether the financial information under examination is free of material misstatement.

4. This report should not be in any way construed as a reissuance or a re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion of any of the financial statements referred to herein.
5. We have no responsibility to update our Report for the events and circumstances occurring after the date of this Report.
6. Our report is intended solely for the use of the management and for inclusion in the offer document in connection with the proposed issue of equity shares of the company. Our report should not be used for any other purpose except with our consent in writing.

For **Anand Mehta & Associates**
Chartered Accountants
Firm Registration No. 127305W

Kusai Goawala
Partner
Membership Number 39062
Mumbai,
Dated January 14, 2010

SUMMARY STATEMENT OF UNCONSOLIDATED ASSETS AND LIABILITIES - AS RESTATED						
	As At March 31,					
PARTICULARS	30.09.09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Fixed Assets						
Gross Block	626.78	615.79	516.01	314.12	243.57	180.96
Less: Accumulated Depreciation	202.83	173.24	124.99	86.24	69.40	57.53
Net Block	423.95	442.55	391.02	227.88	174.17	123.43
Less: Revaluation Reserve	-	-	-	-	-	-
Net Block after adjustment for Revaluation Reserve	423.95	442.55	391.02	227.88	174.17	123.43
Capital WIP including Capital Advances	15.75	6.46	12.45	3.24	0.55	1.34
Total (a)	439.70	449.01	403.47	231.12	174.72	124.77
Goodwill (b)	-	-	-	-	-	-
Investments (c)	1,267.87	1,256.78	1,115.65	534.36	52.77	116.35
Current Assets, Loans and Advances	-	-	-	-	-	-
Inventories	902.85	748.16	496.70	572.61	941.80	239.78
Sundry Debtors	2,297.37	2,195.11	2,300.87	1,557.08	550.98	397.22
Cash and Bank Balances	284.78	200.56	490.40	56.67	92.52	27.43
Other current Assets	440.06	297.18	111.15	113.14	76.75	89.85
Loans and Advances	3,839.24	3,264.07	2,787.03	1,581.52	554.02	414.39
Total (d)	7,764.30	6,705.08	6,186.15	3,881.03	2,216.07	1,168.67
Total Assets [a+b+c+d] (e)	9,471.87	8,410.87	7,705.27	4,646.50	2,443.56	1,409.80
Liabilities and Provisions						
Secured Loans	1,220.54	1,050.11	80.81	131.34	534.02	35.12
Unsecured Loans	290.91	714.59	2,463.30	465.47	632.85	477.42
Current Liabilities	2,625.85	1,965.46	1,371.25	1,296.74	567.22	400.77
Provisions	814.22	852.90	784.96	459.12	170.67	97.33
Deferred Tax Liability / (Asset)	(8.88)	(3.83)	(2.16)	6.12	10.34	12.41
TOTAL (f)	4,942.64	4,579.24	4,698.16	2,358.79	1,915.11	1,023.05
Net Worth [e-f]	4,529.22	3,831.63	3,007.11	2,287.71	528.46	386.74
Net Worth Represented by :						
Share Capital (g)	792.16	759.15	726.15	354.82	301.60	109.68
Reserves and Surplus	3,737.07	3,072.48	2,280.96	1,932.89	226.86	277.06
Share Application Money	-	-	-	-	-	-
Less: Revaluation Reserve	-	-	-	-	-	-
Reserves and Surplus (Net of Revaluation Reserve)	(h) 3,737.07	3,072.48	2,280.96	1,932.89	226.86	277.06
Less: Miscellaneous Expenditure (i)	-	-	-	-	-	-
<i>(to the extent not written off or adjusted)</i>						
NET WORTH (g+h-i)	4,529.22	3,831.63	3,007.11	2,287.71	528.46	386.74
Note:						

The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

As Per Our Report of Even Date

For Anand Mehta & Associates

Chartered Accountants

Firm Registration No. 127305W

CA Kusai Goawala

Partner

Membership No. 39062

Mumbai

Dated: January 14, 2010

SUMMARY STATEMENT OF PROFIT AND LOSS						
SUMMARY STATEMENTS OF UNCONSOLIDATED PROFITS AND LOSSES AS RESTATED						
	For the Period ended	For the year ended as on March 31,				
PARTICULARS	30.09.09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
<u>Operating Income</u>						
Sales						
Gross Sales(See Note III 4 of Schedule 1)	3,103.55	5,258.45	6,161.68	3,692.80	1,502.69	1,343.57
Less: Work Contract Tax / VAT Collected	(106.11)	(179.43)	(139.12)	(50.37)	(18.65)	(35.34)
Less: Service Tax Collected	(68.28)	(165.75)	(135.48)	(62.29)	(51.36)	-
Increase/ (Decrease) in Unbilled Revenue	139.69	213.59	(36.21)	44.08	6.58	6.82
Turnover (Net)	3,068.87	5,126.86	5,850.87	3,624.22	1,439.26	1,315.05
Other Operating Income						
Share of Profit From a Partnership Firm/AOP	61.45	25.26	29.61	129.90	(3.25)	-
Rent/Compensation	23.50	39.80	36.72	23.94	11.91	4.53
	84.94	65.06	66.33	153.84	8.66	4.53
Total Operating Income	3,153.81	5,191.92	5,917.20	3,778.06	1,447.92	1,319.58
Other Income	38.79	113.64	114.18	42.70	43.81	9.69
TOTAL INCOME	3,192.60	5,305.56	6,031.38	3,820.76	1,491.73	1,329.27
Cost of Sales	2,531.66	3,919.88	4,255.52	2,845.21	1,064.93	1,071.93
Employees Cost	146.77	318.68	299.61	108.02	74.62	47.15
Operating and Administrative Cost	118.93	247.38	271.15	118.14	61.48	45.36
Finance Cost	105.20	253.50	159.51	39.26	30.67	27.04
Provision for Contingency	-	200.00	-	-	-	-
Depreciation	29.59	57.26	40.48	21.76	18.90	13.04
TOTAL EXPENDITURE	2,932.15	4,996.70	5,026.27	3,132.39	1,250.60	1,204.52
Profit Before Tax	260.45	308.86	1,005.11	688.37	241.13	124.75
Less: Provision For						
Current Tax	80.23	96.32	366.00	192.50	88.59	44.01
Deferred Tax	(5.06)	(1.68)	(8.28)	5.57	(2.07)	1.51
Fringe Benefit Tax	-	3.64	17.96	1.38	1.10	-
	75.17	98.28	375.68	199.45	87.62	45.52
Net Profit After Tax	185.28	210.58	629.43	488.92	153.51	79.23
ADJUSTMENTS:						
Adjustments on account of Restatements	11.59	167.83	17.96	(191.42)	(6.00)	8.35
Current Tax Adjustments	(3.04)	(59.75)	(10.37)	67.49	1.86	(3.03)
Deferred Tax Adjustments	-	-	-	9.78	-	-
Total of Adjustments	8.55	108.08	7.59	(114.15)	(4.14)	5.32
Net Profit As Restated	193.83	318.66	637.02	374.77	149.37	84.55
Profit or (Loss) at the beginning of the year	1,711.72	1,393.06	756.04	381.27	256.41	196.17
Balance Available for Appropriation As Restated	1,905.55	1,711.72	1,393.06	756.04	405.78	280.72
APPROPRIATIONS						
As per Audited Accounts						

Transfer to General Reserve	-	-	-	-	16.90	8.00
Dividend on Preference - Paid/Provided	-	-	-	-	10.66	6.02
Dividend on Equity Paid/Provided	-	-	-	-	-	4.32
Tax on Dividend on Preference Shares	-	-	-	-	1.21	0.79
Tax on Dividend on Equity Shares	-	-	-	-	-	0.57
Adjustment on Restatement	-	-	-	-	-	-
Dividend on Preference Shares	-	-	-	-	(4.00)	3.99
Tax on Dividend on Preference Shares	-	-	-	-	(0.27)	0.64
Total Appropriation As Restated	-	-	-	-	24.50	24.31
BALANCE CARRIED FORWARDS AS RESTATED	1,905.55	1,711.72	1,393.06	756.04	381.27	256.41

Note: The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

As per our Report of Even Date

For Anand Mehta & Associates

Chartered Accountants

Firm Registration No. 127305W

CA Kusai Goawala

Partner

Membership No. 39062

Mumbai

Dated: January 14, 2010

SUMMARY STATEMENT OF CASH FLOW						
PARTICULARS	AS AT		As At March 31,			
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Cash Flow from Operating Activities						
Net Profit Before Tax and Prior Year Adjustments	272.04	476.69	1,023.07	496.94	235.14	133.10
Adjustments for :						
Depreciation	29.59	57.26	39.69	21.62	16.69	12.94
(Profit)/ Loss on Sale of Assets/Investments	(2.83)	0.46	(45.11)	(21.84)	(28.55)	(2.01)
Employee Compensation Expenses (ESOP)	2.08	4.16	65.89	-	-	-
Interest income	(34.40)	(111.67)	(58.91)	(8.85)	(11.59)	(4.52)
Dividend Income	(0.00)	(1.52)	(7.50)	(7.98)	(0.57)	(0.44)
Interest expense	105.20	253.50	137.16	39.26	30.67	27.67
Provision for doubtful debts	12.63	19.42	44.18	-	-	-
Operating Profit before Working Capital changes	384.30	698.30	1,198.46	519.14	241.79	166.74
Movements in Working Capital						
Decrease/ (Increase) in Inventories	(147.49)	(205.42)	102.69	381.80	(672.80)	17.09
Decrease/ (Increase) in Sundry Debtors	(114.89)	86.33	(787.97)	(1,006.10)	(153.76)	(250.61)
Decrease/ (Increase) in Other Current Assets	(142.88)	(186.03)	(407.39)	372.98	23.96	(18.98)
Decrease/ (Increase) in Loans and Advances	(554.13)	(319.35)	(352.64)	(1,329.97)	(79.81)	(56.19)
Increase /(Decrease) in Trade Payables	538.43	512.31	(7.27)	931.97	166.18	78.61
Cash generated from Operations	(36.65)	586.14	(254.11)	(130.17)	(474.45)	(63.34)
Direct Taxes paid (net of refunds)	(21.04)	(167.55)	(461.46)	(144.91)	(71.27)	(39.28)
Cash Flow before Extraordinary Items	(57.69)	418.59	(715.58)	(275.08)	(545.72)	(102.62)
Net Cash from Operating Activities (A)	(57.69)	418.59	(715.58)	(275.08)	(545.72)	(102.62)
Cash Flow from Investing Activities						
Purchase of Fixed Assets	(19.83)	(116.61)	(212.16)	(103.21)	(67.87)	(38.99)
Disposal of Fixed Assets	-	13.36	0.27	44.12	3.96	1.76
Purchase of Investments	(33.75)	(578.67)	(583.30)	(483.78)	(22.53)	(104.72)
Disposal of Investments	25.49	437.55	46.98	2.68	111.60	3.33
Interest received	34.40	111.67	58.91	8.85	11.59	4.52
Dividend received	0.00	1.52	7.50	7.98	0.57	0.44
Net Cash from Investing Activities (B)	6.32	(131.18)	(681.80)	(523.36)	37.32	(133.66)
Cash Flow from Financing Activities						
Proceeds from issuances of Share Capital	-	501.70	16.50	1,384.50	100.00	-
Increase/(Decrease) in Share Application Money	-	-	-	-	-	(75.00)
Redemption of Preference Capital	-	-	-	-	(100.08)	100.00

Availment (Repayment) of Long Term Borrowings	248.45	(779.41)	1,978.55	(570.05)	654.32	240.56
Interest paid	(112.86)	(299.54)	(163.93)	(51.87)	(59.90)	(27.67)
Dividends paid	-	-	-	-	(18.60)	(2.40)
Tax on Dividend paid	-	-	-	-	(2.24)	(0.31)
Net Cash from Financing Activities (C)	135.59	(577.25)	1,831.12	762.58	573.50	235.17
Net increase in Cash and Cash Equivalents (A+B+C)	84.22	(289.84)	433.73	(35.85)	65.10	(1.11)
Cash and Cash Equivalents at the beginning of the year	200.56	490.40	56.67	92.52	27.43	28.53
Cash and Cash Equivalents at the end of the year	284.78	200.56	490.40	56.67	92.52	27.43
Components of Cash and Cash Equivalents	As At March 31,					
	Sep-09	2009	2008	2007	2006	2005
Cash on Hand	8.85	8.12	15.14	6.88	3.39	2.95
With Banks - on Current Accounts	168.46	75.45	368.51	39.73	84.34	15.79
- on Deposit Accounts	107.47	116.99	106.76	10.06	4.80	8.69
	284.78	200.56	490.40	56.67	92.52	27.43

Note: The above Cash Flow statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement' issued by the Institute of Chartered Accountant of India

As Per Our Report of Even Date

For Anand Mehta & Associates

Chartered Accountants

Firm Registration No. 127305W

CA Kusai Goawala

Partner

Membership No. 39062

Mumbai

Dated: January 14, 2010

ANNEXURE - I STATEMENT OF DIVIDEND PAID / PROPOSED								
Particulars	Face Value (Rs. Per Shares	For the Period ended	For the year ended as on March 31,					
			Sep-09	2009	2008	2007	2006	2005
			Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Class of Shares								
Equity Share Capital	10	792.16	759.15	726.15	354.82	301.60	9.60	
6% Redeemable Preference Share Capital	10	-	-	-	-	-	0.08	
10% Redeemable Preference Share Capital	10	-	-	-	-	-	100.00	
Dividend on Equity Shares								
- Rate							45%	
- Amount		-	-	-	-	-	4.32	
Dividend on 6 % Redeemable Preference Shares								
- Rate		-	-	-		6%	6%	
- Amount		-	-	-	-	0.00	0.01	
Dividend on 10 % Redeemable Preference Share								
- Rate						10%	10%	
- Amount		-	-	-	-	6.66	10.00	
Corporate Dividend Tax		-	-	-	-	0.93	1.99	
Note:								
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report								

ANNEXURE - IISTATEMENT OF ACCOUNTING RATIO							
Particulars	Ref.	For the Period ended	For the year ended as on 31March				
		30.09.09	2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
<u>EARNING PER SHARE</u>							
Opening Number of Equity Shares		75,915,373	72,614,706	35,482,353	30,160,000	960,000	960,000
(after converting in Rs. 10 each)							
Closing Number of Equity Shares		79,216,050	75,915,373	72,614,706	35,482,353	30,160,000	960,000
(after converting in Rs. 10 each)							
Weighted Average Number of Equity Share (Basic)	(a)	76,546,650	74,911,609	71,681,509	69,594,018	53,635,068	40,320,000
(after converting in Rs. 10 each)							
Convertible Preference Shares		-	-	-	-	-	-
Weighted Average Number of Equity Share (Diluted)	(b)	76,809,806	75,174,765	71,795,831	69,594,018	53,635,068	40,320,000
(after converting in Rs. 10 each)							
Profit After Tax As Restated	(c)	193.83	318.66	637.02	374.77	149.37	84.55
Less: Preference Dividend		-	-	-	-	6.66	10.01
Less: Dividend Tax		-	-	-	-	0.93	1.99
Profit Distributable to Equity Share Holders	(d)	193.83	318.66	637.02	374.77	141.77	72.56
Earnings Per Share (EPS) After Split of Shares							
EPS (In Rupees)-Basic (Refer Note 2 below)	(c/a)	2.53	4.25	8.89	5.39	2.64	1.80
EPS (In Rupees)-Diluted(Refer Note 2 below)	(c/b)	2.52	4.24	8.87	5.39	2.64	1.80
<u>RETURN OF NET WORTH</u>							
Profit After Tax	(a)	193.83	318.66	637.02	374.77	149.37	84.55
Net Worth	(b)	4,529.22	3,831.63	3,007.11	2,287.71	528.46	386.74
Return on Net Worth - % (Refer Note 3 below)	(a)/(b)	4.28%	8.32%	21.18%	16.38%	28.26%	21.86%
<u>NET ASSETS VALUE PER SHARE</u>							
Total Assets	(a)	9,471.87	8,410.87	7,705.27	4,646.50	2,443.57	1,409.79
Total Liabilities including Preference Share Capital	(b)	4,942.64	4,579.24	4,698.16	2,358.79	1,915.11	1,123.14
Net Assets Value (a)-(b)	(c)	4,529.22	3,831.63	3,007.11	2,287.71	528.47	286.65
No. of Equity Shares (after converting in Rs.10 each)	(d)	79,216,050	75,915,373	72,614,706	35,482,353	30,160,000	960,000
Net Assets Value Per Equity Share (In	(c)/(d)	57.18	50.47	41.41	64.47	17.52	298.60

Rupees)

Note:

1. The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

2. Basic and Diluted EPS has been worked out taking into account the Bonus shares issued in the ratio of 1:1 during financial year 2007 - 2008 and in the ratio 1:20 during financial year 2005 - 2006.

3. Figures for the period ended September 2009 not annualized.

4. As required under Schedule VIII (IX) (13) (f) of SEBI ICDR Regulations 2009, we give below impact of outstanding financial instruments on abovementioned ratios.

a. Basic and Diluted Earnings per share

Particulars	30.09.09
	Rs. in Million
Profit After Tax	193.83
Add back effect for outstanding financial instruments	-
Profit attributable to equity shareholders	193.83
No of Shares outstanding as on September 30 2009	79,216,050
ESOP Shares without consideration	263,156
Adjusted no of shares outstanding as on September 30 2009	79,479,206
Earnings Per Share (Rs)	2.44

b. Return of Net Worth

Profit After Tax	193.83
Add back Debenture Interest (Net of Tax)	-
Profit attributable to equity shareholders	193.83
Net Worth before conversion of ESOP outstanding	4,529.22
Add: Increase in Net Worth on conversion of ESOP	2.63
Adjusted Net Worth	4,531.85
Return on Net Worth - %	4.28%

c. Net Asset Value per share

Total Assets	(a)	9,471.87
Total Liabilities	(b)	4,942.64
Net Assets Value (a)-(b)		4,529.22
No. of Equity Shares (after conversion of outstanding financial instruments)		79,479,206
Net Assets Value Per Equity Share (In Rupees)		56.99

ANNEXURE - III STATEMENT OF CAPITALISATION AS AT SEPTEMBER 2009			
Particulars	Ref	Pre-issue As At 30 Sep 2009	Post - Issue
Rs. in Million			
Borrowings:			
Short Term Debts		779.84	(*)
Long Term Debts		731.61	(*)
Total Debts	(A)	1,511.45	(*)
Shareholders' Funds			
Share Capital		792.16	(*)
Reserves (Excluding Revaluation Reserve)		3,737.07	(*)
Total Shareholders Funds	(B)	4,529.22	(*)
Total Capitalization	(A+B)	6,040.69	(*)
Long Term Debt/ Equity Ratio		0.16:1	(*)
Total Debt/ Equity Ratio		0.33:1	(*)
Note:			
* Information pertaining to post issue capitalization statement can be ascertained only after the conclusion of the book building process			
Notes :-			
(A)	Short term debts includes Cash Credit repayable on demand and loan from Companies repayable on demand.		
(B)	Long Term Debts includes loans from Companies, Debentures and Security Deposit / Advances		
(C)	Long Term Debt/ Equity Ratio = Total long-term debt/Total shareholders funds.		
(D)	Total Debt/ Equity Ratio = Total debt / Total Shareholders Funds		

ANNEXURE - IV STATEMENT OF RESERVES & SURPLUS					
PARTICULARS	AS AT		As At March 31,		
	30.09.2009	2009	2008	2007	
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs.
RESERVE & SURPLUS					
<u>SHARE PREMIUM ACCOUNT</u>					
BALANCE AT THE COMMENCEMENT	1,861.70	1,393.01	1,331.28	-	
ADD:- RECEIVED DURING THE YEAR	468.70	468.69	61.73	1,331.28	
	2,330.40	1,861.70	1,393.01	1,331.28	
<u>GENERAL RESERVE</u>					
BALANCE AT THE COMMENCEMENT	-	-	37.55	37.55	
ADD:- TRANSFERRED FROM PROFIT & LOSS A/C	-	-	-	-	
LESS:- CAPITALISATION OF PROFITS BY WAY OF BONUS SHARES	-	-	(37.55)	-	
	-	-	-	37.55	
<u>PROFIT & LOSS A/C</u>					
(As per annexed Profit and Loss Account)					
BALANCE BROUGHT FORWARD	1,202.46	883.80	564.06	189.31	
LESS : CAPITALISATION OF PROFITS BY WAY OF BONUS SHARES	-	-	(317.27)	-	
ADD : PROFIT TRANSFERRED FROM PROFIT AND LOSS ACCOUNT	193.81	318.66	637.01	374.75	
	1,396.28	1,202.46	883.80	564.06	
<u>EMPLOYEE STOCK OPTIONS</u>					
EMPLOYEE STOCK OPTIONS OUTSTANDING	12.48	12.48	12.48	-	
LESS: DEFERRED EMPLOYEE COMPENSATION OUTSTANDING	(2.08)	(4.16)	(8.33)	-	
	10.40	8.32	4.15	-	
Gross Total	3,737.07	3,072.48	2,280.96	1,932.89	
Note:					
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as this report					

ANNEXURE – V STATEMENT OF SECURED LOAN						
PARTICULARS	AS AT	As At 31 March,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million

Working Capital facilities

- Cash Credit From Bank	592.39	559.84	8.52	111.09	68.89	15.05
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Cash credit from banks is secured against hypothecation of raw materials, Work In Progress, stores, & spares & finished goods, book debt, machinery and equitable mortgage of specified immovable properties of the company and personal guarantee of the Managing Director of the Company.

Term Finance

- For Other Purpose

(Secured against equitable mortgage of immoveable properties of the companies of subsidiary company , other entities and personal guarantee of Managing Director(s) of the Company & Director of subsidiary Company.)

580.02	428.96	0.00	20.25	465.13	15.25
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- For Assets

(Secured against hypothecation of assets financed by them)

48.14	61.31	72.29	-	-	4.82
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Total Secured Loans	1,220.54	1,050.11	80.81	131.34	534.02	35.12
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Note:

The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

ANNEXURE - VI STATEMENT OF UNSECURED LOAN						
PARTICULARS	AS AT	As At 31 MARCH,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million

Long term

From Companies	82.61	157.61	1,216.75	424.92	223.78	226.31
From Financial Institution	-	-	-	-	-	130.00
15% Convertible Debentures	-	501.70	-	-	-	-
Public Deposits	0.01	0.06	-	-	-	-
Security Deposits	71.63	54.82	16.55	40.55	91.41	73.83
From Shareholders and Directors	-	-	-	-	13.66	47.28

Short term

From Companies	100.00	-	1,000.00	-	304.00	-
From Financial Institution / Banks	-	-	230.00	-	-	-
Public Deposits	15.51	0.40	-	-	-	-
Security Deposits	21.16					
Total Unsecured Loans	290.91	714.59	2,463.30	465.47	632.85	477.42

Note:

1 The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

2 There are no dues to Promoter / Promoter Group and Group Entities as Unsecured Loans as on September 30 2009.

ANNEXURE - VI STATEMENT OF CURRENT LIABILITIES & PROVISIONS						
PARTICULARS	AS AT	As At 31 March				
	Sep-09	2009	2008	2007	2006	2005
-	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-						
SUNDRY CREDITORS	565.43	574.57	582.47	681.17	198.25	265.82
ADVANCE PAYMENT RECEIVED	1,014.64	552.00	427.80	528.82	300.46	108.26
O/D BALANCE IN CURRENT A/C WITH SCH.BANK	-	-	5.67	0.01	8.61	1.64
OTHER LIABILITIES	1,045.77	838.89	355.31	86.74	59.90	25.04
	2,625.84	1,965.46	1,371.25	1,296.74	567.22	400.76

PROVISIONS

FOR TAXATION	614.22	652.75	584.96	259.12	170.67	85.12
FOR DIVIDEND	-	-	-	-	-	12.21
FOR CONTINGENCY	200.00	200.00	200.00	200.00	-	-
FOR DEDUCTION IN UNAPPROVED SALES	-	0.15	-	-	-	-
	814.22	852.90	784.96	459.12	170.67	97.33

Note:

The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report

ANNEXURE - VIII FIXED ASSETS																		
Particulars	AS AT			As At 31 March														
	Sep-09			2009			2008			2007			2006			2005		
	Gross	Dep	Net	Gross	Dep	Net	Gross	Dep	Net	Gross	Dep	Net	Gross	Dep	Net	Gross	Dep	Net
<u>TANGIBLE</u>																		
LEASEHOLD																		
LAND	1.68	0.19	1.49	1.68	0.18	1.50	1.68	0.15	1.53	1.68	0.12	1.56	1.68	0.08	1.59	1.68	0.05	1.63
LAND	0.70	-	0.70	0.70	-	0.70	0.70	-	0.70	0.70	-	0.70	-	-	-	-	-	-
PREMISES	161.04	40.97	120.07	161.04	37.88	123.16	174.20	31.40	142.80	113.72	27.06	86.66	129.55	25.61	103.93	76.13	19.54	56.60
PLANT & MACHINERY	338.70	93.75	244.95	332.27	75.35	256.93	229.56	41.60	187.96	116.89	24.60	92.29	66.45	16.64	49.81	60.23	12.69	47.54
FURNITURE & FIXTURES	41.09	15.22	25.87	39.49	12.73	26.76	31.16	10.37	20.80	21.96	7.25	14.70	8.30	6.02	2.29	8.48	6.03	2.45
ELEC.FITTINGS	9.53	5.51	4.02	9.53	4.91	4.62	12.28	5.81	6.47	12.28	3.54	8.73	2.74	2.32	0.43	2.74	2.17	0.58
MOTOR VEHICLE	24.91	15.39	9.53	24.91	13.97	10.95	24.78	13.76	11.02	21.68	11.92	9.76	18.18	9.72	8.47	15.48	7.24	8.24
AIR-CONDITIONER	4.92	2.53	2.39	4.83	2.36	2.47	4.80	2.32	2.48	3.77	2.01	1.76	3.24	1.76	1.48	2.74	1.58	1.16
OFFICE EQUIPMENT'S	35.68	22.08	13.60	33.89	19.87	14.02	29.72	14.13	15.59	20.46	9.48	10.98	13.25	7.10	6.15	13.29	8.08	5.21
OTHER CONSTR. ASSETS	1.88	0.55	1.33	1.88	0.45	1.43	1.88	0.22	1.66	0.79	0.07	0.72	0.06	0.04	0.02	0.06	0.04	0.02
OTHER ASSETS	0.12	0.12	(0.00)	0.12	0.11	0.01	0.12	0.11	0.01	0.12	0.11	0.01	0.11	0.11	0.00	0.11	0.11	0.00
<u>INTANGIBLE</u>																		
SOFTWARES	6.51	6.51	-	5.43	5.43	-	5.13	5.13	-	0.08	0.08	-	-	-	-	-	-	-
TOTAL	626.78	202.83	423.95	615.79	173.24	442.55	516.01	124.99	391.02	314.12	86.24	227.88	243.57	69.40	174.17	180.96	57.53	123.43
CWIP			15.75			6.46			12.45		3.24				0.55			1.34
Note:																		
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report																		

ANNEXURE -IX STATEMENT OF SUNDRY DEBTORS						
Particulars	AS AT	As At 31 March,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
A)OUTSTANDING FOR PERIOD EXCEEDING SIX MONTHS						
CONSIDERED GOOD	1,768.71	1,233.64	1,187.62	261.80	125.02	44.96
CONSIDERED DOUBTFUL	67.99	55.36	45.58	2.40	-	-
	1,836.70	1,289.00	1,233.20	264.20	125.02	44.96
B) OTHERS - CONSIDERED GOOD	528.66	961.47	1,113.25	1,295.28	425.96	352.26
	2,365.36	2,250.47	2,346.45	1,559.48	550.98	397.22
LESS : RESERVE FOR DOUBTFUL DEBTS	67.99	55.36	45.58	2.40	-	-
	2,297.37	2,195.11	2,300.87	1,557.08	550.98	397.22
Note:						
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report						

ANNEXURE -IX.1 STATEMENT OF SUNDRY DEBTORS

1. disclosure in respect of Sundry Debtors as required by clause IX (21) of Part A to Schedule VIII of SEBI (ICDR) Regulations 2009 are given below.

2. In this connection we have obtained representation from the management. On the basis of and relying on the said representation given by the management and as per the information worked out by the management on the basis of Accounting Standard 18 - Related Party Transactions, the details of the Sundry Debtors are as follows:

Particulars	AS AT	As At 31 March,				
	Sep-09	2009	2008	2007	2006	2005
a. Details of Sundry Debtors related to the directors or promoters						
1. Thistle Properties Private Limited						
Outstanding for Period Exceeding Six Months	-	-	-	-	-	-
Outstanding for Period Less Than Six Months	-	-	-	-	-	2.50
Total	-	-	-	-	-	2.50
2. Cosmos Premises Private Limited						
Outstanding for Period Exceeding Six Months	-	-	-	-	23.17	17.17
Outstanding for Period Less Than Six Months	-	-	-	-	10.78	9.80
Total	-	-	-	-	33.95	26.97
3. Novacare Drug Specialties Private . Limited .						
Outstanding for Period Exceeding Six Months	-	-	-	-	0.01	-
Outstanding for Period Less Than Six Months	-	-	-	-	-	-
Total	-	-	-	-	0.01	-
4. Ascent Hotels Private Limited						
Outstanding for Period Exceeding Six Months	4.85	40.66	3.23	-	-	-
Outstanding for Period Less Than Six Months	3.73	0.78	1.89	4.73	-	-
Total	8.58	41.45	5.12	4.73	-	-
	8.58	41.45	5.12	4.73	33.96	29.47

b) Details of Sundry Debtors related to issuer Company are given in Annexure 1 B - Transactions with Related Party & Outstanding Balances

ANNEXURE - X STATEMENT OF LOANS AND ADVANCES						
Particulars	AS AT	As At 31 March,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
ADVANCE AGST. DEVELOPMENT / WORK PURCHASES	389.56	77.78	64.88	16.91	126.32	32.47
PROJECT ADVANCES	1,605.96	1,400.91	1,048.52	255.73	-	-
INTERCORPORATE DEPOSITS	752.27	709.31	662.62	610.57	-	-
BALANCE IN CURRENT ACCOUNT WITH PARTNERSHIP FIRMS	-	-	4.71	7.84	-	65.44
PREPAID EXPENSES	10.36	13.08	18.98	25.67	8.58	3.09
OTHER CURRENT ASSETS & RECEIVABLES	393.62	170.92	213.05	335.96	246.96	200.72
DEPOSITS	58.62	160.16	111.45	65.50	15.80	26.97
ADVANCE PAYMENT OF INCOME TAX & TDS	628.85	731.91	662.82	263.34	156.36	85.70
Total	3,839.24	3,264.07	2,787.03	1,581.52	554.02	414.39
Note:						
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report						

ANNEXURE - X.1 STATEMENT OF LOANS AND ADVANCES

1. disclosure in respect of Loans and Advances as required by clause IX (21) of Part A to Schedule VIII of SEBI (ICDR) Regulations 2009 are given below.

2. In this connection we have obtained representation from the management. On the basis of and relying on the said representation given by the management and as per the information worked out by the management on the basis of Accounting Standard 18 - Related Party Transactions, the details of the Loans and Advances are as follows:

Particulars	AS AT	As At 31 March,				
	30.09.09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million

a. Details of Loans and Advances related to the directors or promoters

Golden Nests Developers P. Limited .	-	-	-	-	-	0.00
Jasmine Realtors Private . Limited .	-	-	-	-	0.12	0.12
Cosmos Premises Private . Limited .	-	-	-	-	-	20.90
Ascent Hotels Private . Limited .	-	-	0.02	-	-	-
	-	-	0.02	-	0.12	21.02

b) Details of Loans and Advances related to issuer Company are given in Annexure I B - Transactions with Related Party & Outstanding Balances

ANNEXURE - XI STATEMENT OF OTHER INCOME						
PARTICULARS	For the Period ended	FOR THE YEAR ENDED MARCH 31,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Dividend Income	0.00	1.52	7.50	7.98	0.57	0.44
Interest Earned	34.40	111.67	58.91	8.85	11.59	4.52
Profit on Sale of Investments /Fixed Assets	2.83	-	45.11	21.84	28.55	2.01
Miscellaneous Income	1.55	0.45	2.66	4.03	3.10	2.72
Total	38.79	113.64	114.18	42.70	43.81	9.69
Note:						
The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements as appearing in Schedule 1 to this report						

ANNEXURE - XI STATEMENT OF TAX SHELTERS							
Particulars	Ref	FOR THE YEAR ENDED MARCH 31,					
		For the Period ended					
		Sep-09	2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Profit before taxes As Restated	A	272.04	476.69	1,023.07	496.95	235.13	132.00
Tax Rate (%)	B	33.99%	33.99%	33.99%	33.66%	33.66%	36.00%
Tax Impact	C=A*B	92.47	162.03	347.74	167.27	79.15	48.00
Adjustments							
Permanent Difference							
Profit / Loss on sale of Investments/Fixed Assets		2.83	(0.46)	45.11	21.84	28.55	2.00
Share of profit/loss from Registered Firms / AOP's		61.45	25.26	29.61	129.90	(3.25)	0.00
Exempted Income U/s 10		(0.00)	(1.52)	(7.50)	(7.98)	(0.57)	(0.00)
Expenses attributable to earning Tax Free income		0.10	0.20	0.60	0.18	0.12	0.00
Share Issue Expenses		-	0.50	2.10	4.35	4.13	-
Interest on Dividend Distribution Tax Disallowed					-	0.04	-
Property Tax					-	0.59	-
Donation Disallowed under the Act		2.62	2.62	5.21	1.98	0.24	0.00
Total	D	66.99	26.59	75.14	150.27	29.85	1.00
Temporary Difference							
ESIC Employee Contribution u/s 2(24)				-	-	-	-
Different between book depreciation and tax depreciation		2.06	(4.73)	(1.98)	(0.93)	4.90	(5.00)
Provision for Gratuity		3.49	3.49		-	-	-
Preliminary Expenditure					-	-	-
Leave encashment u/s 43B		0.00	0.00	0.00	8.48	4.77	3.00
ESIC Employee Contribution u/s 43B(b)					-	-	-
Provision for Bad debts		12.63	19.42	44.18	2.40	-	-
Other Disallowances u/s 40a		-	-	3.66	10.59	1.51	-
Total	E	18.18	18.18	45.85	20.54	11.18	(2.00)
Net Adjustments	F=D+E	85.17	44.78	120.99	170.81	41.03	(0.00)
Tax saving on Net Adjustments	G=F*B	28.95	15.22	41.12	57.49	13.81	(0.00)
Tax liability, after considering the effect of adjustments	H=C-G	63.52	146.81	306.62	109.78	65.34	48.00
Taxable income (Book Profits) as per MAT*	I	260.45	452.96	1,000.96	359.06	237.82	132.00
MAT Rate	J	16.99	11.33	11.22	11.22	8.42	7.00
Tax Liability as per MAT	K=I*J	44.25	51.32	112.31	40.29	20.01	10.00
Tax liability being higher of "H" & "K" above	L	63.52	146.81	306.62	109.78	65.34	48.00
Interest payable under the Act	M	0	0	0	9.04	3.54	0.00
Tax payable for the period	N=L+M	63.52	146.81	306.62	118.82	68.88	48.00
for Annexure I to XII							

Note: The above statement should be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statement as appearing in Schedule 1 to this report

ANNEXURE - XI STATEMENT OF TAX SHELTERS							
Particulars	Ref	For the Period ended		FOR THE YEAR ENDED MARCH 31,			
		Sep-09	2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million

As Per Our Report of Even Date

For Anand Mehta & Associates

Chartered Accountants

Firm Registration No. 127305W

CA Kusai Goawala

Partner

Membership No. 39062

Mumbai

Dated: January 14, 2010

SCHEDULE 1:

SCHEDULE REFERRED TO AND FORMING PART OF SUMMARY FINANCIAL STATEMENTS AS RESTATED FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009; MARCH 31, 2009, 2008, 2007, 2006 AND 2005

I NOTES ON ADJUSTMENTS FOR RESTATED FINANCIAL STATEMENTS

1. Summary of Restatement

Below mentioned is the summary of the results of restatement made in the audited accounts for the respective years and its impact on the profit of the Company.

particulars in the profit and loss account.

Rs. In Million							
Particular of Adjustments	Note Ref	SEPTEMBER 30, 2009	MARCH 31,				
			2009	2008	2007	2006	2005
Adjustment on Account of Restatement							
Sales	I (3) h	(3.57)	(1.53)	(5.25)	10.36	-	-
Unbilled Revenue	I (2) b	3.57	(27.56)	34.22	(7.68)	(8.83)	7.56
Share of Profit from Firm / AOP	I (3) c	-	-	(10.94)	10.67	1.67	(1.40)
Change in method of Valuation of Inventory	I (2) d	-	2.82	(1.41)	(1.67)	(1.03)	2.15
Prior Period Expenses - Office & Establishment Expenses	I (3) d	11.59	(8.54)	0.55	(3.23)	(0.03)	(0.07)
Provision for Contingency	I (2) g	-	200.00	-	(200.00)	-	-
Depreciation	I (3) b	-	-	0.79	0.15	2.22	0.11
Prior Period Income- Other Income	I (3) d	(2.63)	2.63				
Total (A)		8.96	167.83	17.96	(191.42)	(6.00)	8.35
Tax Adjustments							
Current Tax Restatement	I (3) i	(2.30)	5.91	-	(2.44)	0.37	-
Deferred Tax Restatement	I (3) i	-	-	(9.48)	-	-	-
Current Tax Adjustment	I (3) e	(3.04)	(59.75)	(10.37)	67.49	1.86	(3.03)
Deferred Tax Adjustment	I (3) e	-	-	-	9.78	-	-
Total (B)		(5.36)	(53.84)	(19.85)	74.83	2.23	(3.03)
Adjustment Under Appropriation							
Preference Dividend	I (3) f	-	-	-	-	4.00	(3.99)
Dividend Tax	I (3) f	-	-	-	-	0.27	(0.64)
Total (C)						4.27	(4.63)
Total (A+B+C)		3.60	113.99	(1.89)	(116.58)	0.50	0.69

Note: Figures in bracket indicates Debits

2 Changes in Accounting Policies and Estimates

a) Retirement and other employee benefits

Leave encashment

For and up to the year ended March 31, 2006, the Company had provided for liability towards accumulated leave based on leave balance standing to the credit of employees as of the balance sheet date. For the year ended March 31, 2007, 2008, 2009 and period ended September 30, 2009 the Company had made provision for leave encashment based on an actuarial valuation, as prescribed by Accounting Standard-15 (Revised 2005) 'Employee Benefits'.

This revised Standard is applicable to the Company with effect from April 1, 2007. However, the Company has decided to voluntarily adopt Revised Standard with effect from April 1, 2006. No adjustments have been made for earlier periods since in the opinion of the Company the impact of the same is not ascertainable.

b) Revenue Recognition in respect of Construction Contracts

In view of the Accounting Standard 7 'Construction Contracts' (Revised) becoming mandatory with effect from 1st April, 2003, the Company had applied the same for the period ended September 30, 2009; March 31, 2009, 2008, 2007, 2006 and 2005.

In audited financial statements for the period ended September 30, 2009; March 31, 2009, 2008, 2007, 2006 and 2005 the revenue in respect of construction contracts was recognized taking into account estimated total cost and revenues and percentage of completion as at respective year end. In respect of those projects which were completed during these periods, the revenue has been restated by substituting the figures of estimated cost and revenue with the figures of actual revenue and cost taken to determine the recognition of revenue for those respective years.

c) Intangible Assets

In the Balance Sheet for the year ended March 31, 2006 and 2005, the Company had considered certain items as deferred revenue expenses and written off to the Profit and Loss Account over a period up to 10 years. In view of the Accounting Standard 26 "Intangible Assets" becoming mandatory with effect from 1st April, 2004, the Company has applied the same for the period ended September 30, 2009; March 31, 2009, 2008, 2007, 2006 and 2005.

d) Valuation of Inventories

During the year ended March 31, 2009 Company has changed the method of valuation of Stock of materials etc from FIFO to Weighted Average. Accordingly, the value of inventory for March 31, 2008, 2007, 2006 and 2005 has been restated.

3. Other Adjustments

a) Paid-up Capital

During the year ended 31st March, 2006, the Company has split the existing Share Capital from face value of Rs.100/- each to Rs. 10/- each. Accordingly, the number of shares, face value for the year ended March 31, 2005 has been restated as if the split has taken place during the year.

b) Depreciation on fixed assets

Depreciation on fixed assets has been recomputed at appropriate rates and restated in relevant accounting periods.

c) Share of Profit from Jointly Controlled Entities

The financial statements for the year ended March 31, 2008, 2007, 2006 and 2005 were finalized by incorporating the share of profit/loss of certain non-corporate Jointly Controlled Entities based on the information available as on the date of the finalization of financial statements. However, subsequently, the share of profit/loss of such entities determined based on their respective audited financial statements and accordingly, the same are restated in the summary financial statements.

d) Prior Period Items

In the Profit and Loss Account for the period ended September 30 2009 and for the year ended March 31, 2009, 2008, 2007, 2006 and 2005, the Company had classified certain items of income / expense as prior period. In the Summary Statement of Profits and Losses, the said income/ expenses have been appropriately adjusted in the respective years.

e) Tax adjustments

The profit and loss as restated is adjusted for the tax impact (current/deferred) on account of restatement of certain income and expenditure. This also includes effect of the deferred tax on account of re-computation for the period ended September 30, 2009; March 31, 2009, 2008, 2007, 2006 and 2005.

f) Dividend and Dividend Tax

Short provision of Preference Dividend and Dividend Tax during the year ending March, 31, 2004 and 2003 was provided during the year ending March 31, 2006 and 2005. The effect of the same has been restated to give effect in the year for which it pertains.

g) Provision for contingency and tax thereon

Provision for contingency made during the year March 31, 2009 and its tax impact there on related to sales booked during the year March 31, 2007 has been restated to the year of sale. (Refer Note No. 11.)

h) Provision for unapproved sales

Provisions for unapproved sales made during the period ended September 30, 2009; March 31, 2009, 2008 and 2007 has been restated in view of subsequent approvals of the sales pertaining to respective years.

i) Provision for Tax

Provision for current tax has been restated in view of the determination of actual tax liability on completion of assessment. Excess provision for the deferred tax liability for the year March 31, 2007 has been restated appropriately.

4. Material Regrouping

a) Deposits/Prepaid Expenses/ Other Receivables

The deposits kept with various governmental and other authorities, prepaid expenses and other receivables till the year ended March 31, 2007, were disclosed under Other Current Assets. The same have been in the restated Summary Statement of Assets and Liabilities, for the period ended September 30, 2009; March 31, 2009, 2008, 2007, 2006 and 2005 has been regrouped and disclosed under Loans and advances instead of Other Current Assets.

b) Sales tax and service tax on sales / services disclosed separately

Up to the year ended March 31, 2005 Turnover was disclosed net of taxes on the face of the Profit and Loss Account and the details of the gross turnover and taxes and duties collected were disclosed in the Schedule to the Profit and Loss Account in accordance with the Accounting Standard Interpretation 14 "Disclosure of Revenue from Sales Transactions". The same has been now regrouped in the Restated Summary Financial Statements by disclosing the gross turnover, taxes and duties collected on the face of the Profit and Loss Account itself for the year ended March 31, 2005.

c) Balances in current account with Partnership Firms/AOP

The balances in current account with Partnership Firms/AOP were classified under the head Unsecured Loans for the year ended March 31, 2005. The same have been regrouped appropriately in the Restated Summary Financial Statements.

d) Income from Management Fees and other operating income

Income from Management Fees and Share of Income from AOP/Firms were grouped under Other Income. During the year March 2007 and 2006 respectively the same have now been regrouped, Management Fees grouped under Sales and Income from AOP/Firms grouped under Other Operating Income in the Profit and Loss Account.

e) Dividend and Dividend Tax thereon

During the year March 31, 2005 in audited accounts, dividend on Equity and Preference Shares and its corresponding dividend tax were shown under common head as dividend and dividend tax respectively. In restated accounts, dividend on Equity and Preference Shares and tax thereon has been regrouped to disclose the same separately.

f) Manpower Supply Services

During the year March 31, 2007 and 2008 manpower supply service expenses were classified under operating and administrative cost; the same had been now reclassified under cost of sales.

g) Loan Processing Charges

During the year March, 2007, 2006 and 2005 loan processing charges are grouped under operating and administrative cost; same has been regrouped under finance cost.

5. Profit and Loss as at April 1, 2004 (Restated)

This has been worked out as under:

Particulars	Note	Amount
		Rs in Million
Profit and Loss account as at April 1, 2004 (Audited)		196.47
Unbilled Revenue	I (2) b	(1.29)
Change in method of Valuation of Inventory	I (2) d	(0.87)
Office & Establishment Expenses	I (3) d	(0.26)
Depreciation	I (3) b	(0.85)
Current Tax Restatement	I (3) i	0.03
Current Tax Adjustment	I (3) e	2.95
Preference Dividend	I (3) f	(0.01)
Profit and Loss account as at April 1, 2004 (Restated)		196.17

Note: Figures in bracket indicate Debits

II. ACCOUNTING POLICIES

1. Nature of Operation

Vascon Engineers Limited is engaged in the business of construction contracts and development of residential and commercial projects, Industrial parks and Hotels as well as operating and maintenance of the Industrial park/Hotels/Service Apartments/Malls. The Company has spinned off development projects at various stages of completion to another parties/Special Purpose Vehicle as a part of its strategy to optimise its resources/returns and minimise risks, where the company continues to associate either as a partner and/or a contractor.

2. Statement of Significant Accounting Policies for the period ended September 30, 2009.

a) Basis of Preparation of Financial Statement

The financial statements are prepared under historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Fixed Assets

Fixed assets are stated at cost of acquisition or construction, after reducing accumulated depreciation till the date of the Balance Sheet. The cost of an item of fixed asset comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price further adjusted by CENVAT credit and includes borrowing cost relating to any specific borrowing attributable to the acquisition of the fixed assets as per the provisions of Accounting Standard AS 16 "Borrowing Cost" issued by ICAI.

Assets under installation or under construction as at the Balance sheet date are shown as Capital work in progress. Advances paid towards acquisition of assets are also included under Capital work in progress.

Intangible assets are recognised as per the criteria specified in Accounting Standard (AS) 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India and amortised as follows:

b) Specialised Software: - 100% in the year of acquisition.

Payment for leasehold land is amortized over the period of lease.

d) Impairment

The assets are tested for impairment and the provision, if applicable, is made wherever considered necessary based on economic utility of the asset as determined in accordance with the principles as laid down in Accounting Standard AS 28 "Impairment of Assets".

e) Depreciation

Depreciation on fixed assets has been provided under written down value method and manner at the rates prescribed in schedule XIV to the Companies Act, 1956. In respect of lease assets, the cost is depreciated over the lease period.

f) Investments

Investments are classified as current or long term based on the intention of management as regards their holding period. Long Term Investments are stated at cost of acquisition. Provision has been made in respect of diminution in the value of investments if it is considered as permanent in nature by the management. Current Investments are valued at lower of Cost or Net Realizable Value. The Profit/Loss on sale of investments is dealt with at the time of actual sale. Investments in Partnership firm(s) / Association of Persons are stated at the book value.

g) Recognition of Revenue

i) Revenue from fixed price construction contracts is recognised on the percentage completion method. The stage of completion is determined by survey of work performed / completion of physical proportion of the contract work

determined by technical estimate of work done / actual cost incurred in relation to estimate contract amount, as the case may be, and acknowledged by the contractee. Future expected loss, if any, is recognized as expenditure. In respect of unapproved revenue recognized, an adequate provision is made for possible reductions, if any. Contract revenue earned in excess of billing has been reflected under "Other Current Assets" and billing in excess of contract revenue has been reflected under "Liabilities" in the balance sheet.

- ii) Revenue from sale of units is recognized as and when the underlying significant risk and rewards of ownership are transferred to the purchaser and when there is no uncertainty of the amount of consideration that will be derived and it is not unreasonable to expect ultimate collection. However, in case where the seller is obligated to perform any substantial acts after the transfer of all significant risks and rewards of ownership, revenue is recognized on proportionate basis as the acts are progressively performed, by applying the percentage of completion method as explained in Accounting Standard - 7 (revised 2002), Construction Contracts.
- iii) Share of Profit/Loss from Partnership firm/ Association of Person is recognized as income on period-to-period basis on the basis of accounts made-up and allocation made by the firm/AOP in accordance with the Deed of Partnership/AOP Agreement.
- iv) Interest Income – Interest income is recognized on time proportion basis taking into account the amounts invested and the rate of interest.
- v) Dividend Income – Dividend income is recognized as and when the right to receive the same is established.
- vi) Rental Income - Income from letting-out of property is accounted on accrual basis- as per the terms of agreement and the right to receive the rent is established.
- vii) Income from services rendered is booked based on agreements/arrangements with the concerned parties.

h) Inventories

i) Stock of Material, etc:

Stock of materials, etc. has been valued at lower of cost or net realizable value. The Cost is determined on Weighted Average method.

ii) Development work

The development work in progress represents progressive cost of work remaining incomplete / unsold as at close of the year, valued at lower of cost or net realizable value on the basis of technical estimate certified and verified by the Managing Director.

iii) Stock of Resale

Stock of trading goods has been stated at cost or net realizable whichever is less. The cost is determined on Weighted Average Method.

i) Retirement Benefits

Provision for Gratuity and Leave encashment on retirement payable are made on actuarial basis. The Company has taken up a group policy with Life Insurance Corporation of India for future payment of gratuities to employees. Amount of premium and differential liability on account of excess of obligation over plan assets and actuarial loss for the period for the said Policy and Company's contribution for the year to P.F. etc are charged to Revenue.

j) Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying assets, if any, are capitalized up to the date when such assets are ready for its intended use and other borrowing costs are charged to Profit & Loss Account. Advances/deposits given to the vendors under the contractual arrangement for acquisition of qualifying assets are considered for the purpose of capitalization of borrowing cost.

k) Leases

Lease rentals in respect of assets acquired under operating lease are charged to the Profit and Loss Account as incurred. Lease rentals in respect of assets given under operating lease are credited to the Profit and Loss Account as accrued.

l) Contingent Liabilities

Contingent liabilities, if any, have been disclosed by way of note to balance sheet. Provision has been made in respect of those, which have materialized after the year-end but before finalization of accounts and have material effect on balance sheet date.

m) Income Tax

Taxes on Income are accounted in accordance with Accounting Standard 22 "Taxes on Income". Taxes on Income comprise both current tax and deferred tax. Current tax comprises of tax payable on income and fringe benefit tax.

- i) Provision for current tax for the year is determined considering the disallowance, exemptions and deductions and/or liabilities / credits and set off available as laid down by the tax law and interpreted by various authorities.
- ii) Deferred tax being the tax effect of timing difference representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period (s). This is measured using substantively enacted tax rate and tax regulation.
- iii) Fringe Benefit Tax is recognized in accordance with the relevant provisions of the Income Tax Act, 1961 and the Guidance note on Fringe Benefits Tax issued by the ICAI

n) Amortization

Expenses relating to increase in capital other than those related to public issue of shares, if any, are being written off in the year the same are incurred. The expenses relating to proposed public issue of shares is appropriated from Share Premium Account.

Expenses relating to issue of debentures are being written off in the year the same are incurred.

o) Joint Venture Projects

i) Jointly Controlled Operations

In respect of joint venture contracts in the nature of jointly controlled operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognized in the agreed proportions under respective heads in the financial statements.

ii) Jointly Controlled Entities

Integrated Joint ventures

Company's share in profits or losses of Integrated Joint Ventures is accounted on determination of the profits or losses by the joint venture.

Investments in Integrated Joint Ventures are carried at cost net of company's share in recognised profits or losses.

Incorporated Jointly Controlled Entities

Income on investments in incorporated Jointly Controlled Entities is recognised when the right to receive the same is established

Investment in such Joint Ventures is carried at cost after providing for any permanent diminution in value, if any.

p) Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Accounting Standard - 17. During the year under the report, the Company has engaged in its business only within India and not in any other country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

q) Employee Stock Option Scheme

Stock options granted to the employees under the stock options scheme are accounted as per the accounting treatment prescribed by Institute of Chartered Accountants of India. Accordingly, the excess of fair value over the exercise price of the options is recognised as deferred employee compensation and is charged to the profit and loss account on straight line basis over the vesting period of the options. The amortised portion of the cost is shown under reserves and surplus.

r) Foreign currency transaction

In accordance with the Accounting Standard – 11 "Accounting for Effect of Changes in Foreign Rates":

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii) Exchange Difference

All exchange differences arising on settlement and conversion on foreign currency transactions are included in the profit and loss account, except in cases where they relate to the acquisition of fixed assets from outside India, in which case they are adjusted in the cost of the corresponding assets

s) **Earnings Per Share**

In accordance with the Accounting Standard – 20 “Earning Per Share”:

- i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split.
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

t) **Provisions**

In accordance with Accounting Standard 29 “Provisions, Contingent Liabilities and Contingent Assets”, a provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

u) **Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

III OTHER NOTES

1) Contingent Liabilities

Management of the Company has not considered necessary to make a provision in respect of:

- a) Income-Tax demands of Rs. 6.77 million and Service Tax demand of Rs. 9.96 million not accepted by company as the same has been disputed by the company in Appeal before higher authorities.

Rs in Million						
		2009	2008	2007	2006	2005
Amount Rs.	16.73	9.96	-	6.77	6.77	6.77

- b) Other Contingent liabilities:

Rs in Million						
	Period ended September	March 31,				
		2009	2008	2007	2006	2005

30, 2009						
A. Bank guarantee						
(i) for other companies	50.00	-	-	-	2.00	2.00
(ii) for Performance	574.35	371.67	388.78	89.57	30.89	30.89
B. Corporate Guarantee	653.36	250.00	-	-	6.00	6.00
Claims against the Company not acknowledged as debt (Refer Note 11)	2487.78*	2,487.78	-	-	1.46	-
Uncalled liability on partly paid shares			110.55			
Arbitration Fee	13.23	-	-	-	-	-

* with Interest thereon.

- 2) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances are as given here under:

	Period ended September 30, 2009	Rs in Million March 31,				
		2009	2008	2007	2006	2005
Amount (Rs)	45.38	53.54	14.99	2.15	-	-

As per the arrangement with a customer, the assets provided by it for the relevant contract will be acquired by the Company at 50% of the cost at the end of the project. The estimated amount of such commitment is Rs. 35.57 million, Rs. 35.57 million, Rs. 27.00 million, Rs. Nil, Rs. Nil and Rs. Nil for the period ended September 30, 2009; March 31, 2009, 2008, 2007, 2006 and 2005 respectively.

- 3) The Company has issued 33, 00,677 Unsecured Debentures of Rs. 152/- each on July 21, 2008 for a period of 5 years from the date of allotment. Debenture holders has an option to convert the debentures in to equity shares of the Company in the ratio of one equity share for one debenture held which can be exercised after a period of 18 months from the date of allotment. Coupon rate of debentures is 15% p.a. payable half yearly on 30th June and 31st December every year.

The debenture holders have exercised the option to convert the Unsecured Convertible Debentures to Equity Shares and accordingly the same are converted to Equity Shares in the ratio of 1:1 on 27.08.2009. Accordingly subsequent to the year ended March 31, 2009, the share capital of the Company has increased from Rs. 759.15 Million (75,915,373 nos) to Rs. 792.16 Million (79,216,050 nos).

- 4) Sales turnover for the year includes revenues from construction contracts, sale of developed units, sale of materials, consultancy services and sales of projects spin off during the year.

- 5) Amalgamation of Clover Resort Private . Limited . with Vascon Engineers Limited .

- a) Pursuant to the Scheme of Amalgamation approved by the shareholders of the Company and the Honorable High Court of Judicature at Bombay, vide its order dated January 19, 2007, all assets and liabilities and reserves of erstwhile Clover Resorts Private Limited wholly owned subsidiaries of the Company having been vested in the Company from April 1, 2006 as per scheme of amalgamation sanctioned by the High Court, have been incorporated in these accounts.

- b) Salient Features of the Amalgamation Scheme are detailed below:

- Name and general nature of business of Transferor Company: Clover Resorts Private . Limited ., real estate development.
- Appointed date of amalgamation for accounting purpose: April 1, 2006
- Method of accounting used to reflect the amalgamation: Purchase Method
- Particulars of Scheme sanctioned by the statute:
With effect from April 1, 2006 the entire business and undertaking including all assets and liabilities of Clover Resort Private . Limited . And rights and obligations, all books of account and documents and records

relating thereto, are transferred to the Transferee Company pursuant to Section 394 (2) of the Companies Act, 1956; and

With effect from the Appointed Date, all proceedings, if any, pending by or against Clover Resort Private . Limited . Be continued by or against the Transferee Company.

- c) Consequent to giving effect to this scheme, the company's investment in the Share Capital of Clover Resort Private . Limited . Has been cancelled against Share Capital of Clover Resort Private . Limited
- 6) Segment Information
The Company's operations predominately consist of construction / project activities. Hence there are no reportable segments under Accounting Standard – 17. During the year under the report, the Company has engaged in its business only within India and not in any other country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.
- 7) Related Party Disclosure
The particulars of Related Parties as required under AS18 (Related Party Transactions) issued by the Institute of Chartered Accountants of India is given in Annexure 1A and 1B to this notes
- 8) Accounting for taxes
The breakup of deferred tax liabilities/asset arising due to timing difference is given in the Annexure 2 to these notes.
- 9) Leases
- a) The Company's significant leasing arrangements are in respect of operating leases for commercial and residential premises and Vehicles.
 - b) Lease Income from operating leases is recognised on straight-line bases over the period of lease. The particulars of significant leases under operating leases are given in Annexure 3 to these notes.
- 10) Construction Contract

The particulars in respect of Construction Contracts as required under Accounting Standard 7 (Revised 2003) "Accounting for Construction Contracts" issued by the Institute of Chartered Accountants of India is given in Annexure 4 to this notes.
- 11) Provision for Contingency

The Company had entered into a development agreement with a party in March 2007 pursuant to which a property which the Company had undertaken to develop with a vendor was assigned to the party for being developed on certain terms and conditions contained in the said development agreement. In the Company's account for the year ended 31st March 2007 since the property undertaken by the Company was accounted as purchases and the subsequent transaction entered into with the party was recognized as sales; a profit of Rs.200 Million on this transaction was taken as surplus in the profit and loss account. During the year a member of a predecessor in title of the company trespassed and illegally entered into possession of the subject property. Consequently the party has sought to annul the entire arrangement. Arbitration proceedings were instituted during the year. The proceedings are pending. The company's stand is that the member's action is illegal since it has the effect of making the entire transaction a nullity.
- However, without prejudice to the Company's rights and privilege arising under the agreements, by way of prudence, profit on the transaction recognized in the accounts for the year ended 31st March 2007 is recognized as provision for contingency and included in the provisions for the year ended March 31, 2009. Further no provision is considered necessary in respect of claim of Rs. 2,487.78 Million plus interest on the company, as in the management's opinion the said claim is not tenable. In any event, as per advice received by the Company the liability if any, would be on the member precedent in title, and not on the Company in view of the members illegal action.
- Sundry Debtors includes an amount of Rs. 565.00 Million receivable from the party for which provision has not been considered necessary in view of the corresponding matching liability payable to the vendor and the contingency provision.
- 12) As per the terms of an agreement with a land vendor, an additional amount equivalent to 40% of sale proceeds will required to be paid in the event the FSI availed is in excess of 0.58 million Sq ft. Since such event has not occurred till the date of balance sheet, no provision is required for this additional cost.
- 13) The Loans and Advances as at September 30, 2009, March 31, 2009, 2008, 2007, 2006 and 2005 includes an amount of Rs.482.85 Million, Rs. 432.88 Million, Rs.552.23 Million, Rs. 255.73 Million, Rs. Nil and Rs. Nil respectively paid as advances/deposits to the vendors by the Company for acquiring land for its various projects under Single Joint Venture agreements. As per such Agreements the company has to work out the consideration for acquisition of land on the basis of sale proceeds at the time of receipts of the such proceeds of the developed area, in other words, no amount is payable

if there is no sale. There is no event of any loss by the Company or by the vendor since as such the liability is not presently quantifiable.

14) Employee Stock Option Plans (ESOP)

The Company has provided share based payment schemes to its employee. During the year ended 31st March 2009, the “ESOS – 2007” scheme was in operation:

Particulars	mber 30, 2009	March 31,				
		2009	2008	2007	2006	2005
Outstanding at the beginning of the year	333,500	333,500	Nil	Nil	Nil	Nil
Granted during the year	Nil	Nil	19,83,500	Nil	Nil	Nil
Forfeited during the year	Nil	Nil	Nil	Nil	Nil	Nil
Exercised during the year	Nil	Nil	16,50,000	Nil	Nil	Nil
Outstanding at the end of the year	333,500	333,500	3,33,500	Nil	Nil	Nil

As Per Our Report of Even Date

For Anand Mehta & Associates
Chartered Accountants
Firm Registration No. 127305W

For and on behalf of the Board of Directors
of Vascon Engineers Limited

CA KUSAI GOAWALA
Partner
M. No. 39062
Mumbai
Dated: January 14, 2010

Managing Director

Director

Company Secretary.
Mumbai
Dated

ANNEXURES REFERRED TO AND FORMING PART OF SCHEDULE 1 TO SUMMARY RESTATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 2009 AND FINANCIAL YEARS 2004-05 TO 2008-09
ANNEXURE 1 A :

List of Related Parties and nature of relationship is as under

Particulars	For the Period ended	FOR THE YEAR ENDED MARCH 31,				
	Sep-09	2009	2008	2007	2006	2005
Nature of Relationship		Name of Party	Name of Party	Name of Party	Name of Party	Name of Party
Joint Venture	Phoenix Ventures	Phoenix Ventures	Phoenix Ventures	Phoenix Ventures	Phoenix Ventures	Marigold Construction
	Zircon Ventures	Zircon Ventures	Zircon Ventures	Zircon Ventures	Zircon Ventures	Zircon Ventures
	Zenith Ventures	Zenith Ventures	Zenith Ventures	Zenith Ventures	Zenith Ventures	
	Cosmos Premises Private Limited	Cosmos Premises Private Limited	Cosmos Premises Private Limited	Vascon Hadapsar Ventures		
	Viorica Properties Private Limited	Viorica Properties Private Limited	Viorica Properties Private Limited	Viorica Properties Private Limited		
	WeikfieldIT CITI Infopark	WeikfieldIT CITI Infopark	Weikfeild ITCITI Info Park (AOP)	Weikfeilds IT CITI		
	Marigold Premises Private Limited	Marigold Premises Private Limited	Marigold Premises Private Limited	Marigold Premises Private . Limited .		
	Just Homes (India) Private Limited	Just Homes (India) Private Limited	Just Homes (India) Private Limited	Just Home (I) Private . Limited .		
	Almet Corporation Limited	Almet Corporation Limited				
	Marathawada Realtors Private Limited	Marathawada Realtors Private Limited				
	John Fowler Ophthalmics Private Limited	John Fowler Ophthalmics Private Limited				
	Rose Premises Private Limited					
Key Management Personnel	R. Vasudevan	R. Vasudevan	R. Vasudevan	R. Vasudevan	R. Vasudevan	R. Vasudevan
Relatives of key Managerial	Mrs. Lalitha Vasudevan	Mrs. Lalitha Vasudevan	Mrs. Lalitha Vasudevan	Mrs. Lalitha Vasudevan	Mrs. Lalitha Vasudevan	Mrs. Lalitha Vasudevan
Persons	Late Mr. N. R. Moorthy	Late Mr. N. R. Moorthy	Mr. N. R. Moorthy	Mr. N. R. Moorthy	Mr. N.R.Moorthy	Mr. N.R.Moorthy
	Mrs. Thangam Moorthy	Mrs. Thangam Moorthy	Mrs. Thangam Moorthy	Mrs. Thangam Moorthy	Thangam Moorthy	Mr. Thangam Moorthy
	Mrs. Lalitha Sundarrajan	Mrs. Lalitha Sundarrajan	Mrs. Lalitha Sundarrajan	Mrs. Lalitha Sundarrajan		R. V. Vasudevan (HUF)
	Mr. Siddharth Vasudevan	Mr. Siddharth Vasudevan	Mr. Siddharth Vasudevan	Mr. Siddharth Vasudevan		N.R.Moorthy (HUF)

	Ms. Soumya Vasudevan	Ms. Soumya Vasudevan				
Associates	Angelica Properties Private Limited	Angelica Properties Private Limited	Angelica Properties Private Limited	Angelica Properties Private Limited	Marigold Construction	Conamore Resorts Private Limited .
	Mumbai Estate Private Limited	Mumbai Estate Private Limited	Mumbai Estate Private Limited	Mumbai Estate Private Limited	Mr H.U. Khinvsara	Mr H.U. Khinvsara
	Ajanta Enterprises	Ajanta Enterprises	Ajanta Enterprises	Ajanta Enterprises	Ajanta Enterprises	Ajanta Enterprises
	Vascon Infrastructure Limited	Syringa Properties Private Limited	Syringa Properties Private Limited	Syringa Properties Private Limited	Marigold Premises Private . Limited .	Marigold Premises Private . Limited .
		Vascon Infrastructure Limited				
Enterprise where key	Flora Premises Private Limited	Flora Premises Private Limited	Flora Premises Private Limited	Flora Premises Private Limited	Vatsalya Enterprises Private . Limited	Vatsalya Enterprises Private . Limited .
Management personnel and	Vastech Consultants Private Limited	Vastech Consultants Private Limited	Vastech Consultants Private Limited	Vastech Consultants Private Limited	Vastech Consultants Private . Limited .	Vastech Consultants Private . Limited .
their relatives exercise	Vatsalya Enterprises Private Limited	Vatsalya Enterprises Private Limited	One Stop Shop (I) Private Limited	One Stop Shop (I) Private Limited	One Stop Shop India Private . Limited .	One Stop Shop India Private . Limited .
significant influence	Bellflower Premises Private Limited	Bellflower Premises Private Limited	Core Fitness Private Limited	Core Fitness Private Limited	Core Fitness Private . Limited .	Core Fitness Private . Limited .
			Iris Properties Private Limited	Vastech Associates	Vastech Associates	Vastech Associates
				Iris Properties Private Limited	Iris Properties Private . Limited .	Iris Properties Private . Limited .
					Novacare Drug Specialties P Limited	Novacare Drug Specialties Private Limited
					IT Citi Infopark Private . Limited .	IT Citi Infopark Private . Limited
					Golden Nest Developers Private . Limited .	Golden Nest Developers Private . Limited .
					Golden Dwellings Private . Limited	Golden Dwellings Private . Limited
					Nagaon Resorts Private . Limited .	Nagaon Resorts Private . Limited .
Subsidiary	Marvel Housing Private Limited	Marvel Housing Private Limited	Marvel Housing Private Limited	Marvel Housing Private Limited	Marvel Housing Private . Limited .	
	Grey Stone	Greystone	Greystone	Cosmos	Clover	

Premises Private Limited	Premises Private Limited	Premises Private Limited	Premises Private Limited	Resorts Private . Limited .
Vascon Dwellings Private Limited	Vascon Dwellings Private Limited	Vascon Dwellings Private Limited	Vascon Dwellings Private Limited	
IT Citi Info Park Private Limited	IT Citi Info Park Private Limited	IT Citi Info Park Private Limited	IT Citi Info Park Private Limited	
Windflower Premises Private Limited	Rose Premises Private Limited	Rose Premises Private Limited	Rose Premises Private Limited	
Calypso Premises Private Limited	Windflower Premises Private Limited	Windflower Premises Private Limited	Windflower Premises Private Limited	
Floriana Properties Private Limited	Calypso Premises Private Limited	Calypso Premises Private Limited	Calypso Premises Private Limited	
Vascon Pricol Infrastructure Limited .	Floriana Properties Private Limited	Floriana Properties Private Limited	Floriana Properties Private Limited	
Compress Infocom Private . Limited .	Vascon Pricol Infrastructure Limited .	Vascon Pricol Infrastructure Limited .		

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Sales and Works	Joint Venture						
-	Cosmos Premises Private Limited	-	1.22	10.53	-	-	-
-	Just Homes (India) Private Limited	-	-	-	-	-	-
-	Marigold Premises Private Limited	0.53	0.41	19.00	13.85	-	-
-	Marigold Constructions	-	-	-	-	-	21.67
-	Phoenix Ventures	-	75.66	25.22	22.54	-	-
-	Viorica Properties Private Limited	15.43	93.43	66.88	-	-	-
-	Weikfelds ITCITI Info Park (AOP)	97.97	374.81	233.50	-	-	-
-	Zenith Ventures	-	54.39	0.47	-	-	-
-	Zircon Ventures	127.59	36.51	80.43	92.72	37.60	-
-	Vascon Hadapsar Ventures	-	-	0.20	-	-	-
-					-	-	-
-	Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-					-	-	-
-	Associates	-	-	-	-	-	-
-	Angelica Properties Private Limited	136.24	197.39	275.76	-	-	-
-	Vascon Infrastructure Limited	10.00					
-	Ajanta Enterprises	-	-	20.00	-	-	-
-	Marigold Premises Private Limited	-	-	-	-	152.16	53.19
-	Marigold Constructions	-	-	-	-	19.75	-
-	H U Khinvasara	-	-	-	-	-	5.14
-	Just Homes (I) Private Limited	-	-	-	-	-	-
-					-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	Vastech Consultants Private Limited	-	1.53	-	-	-	-
-	One Stop Shop India Private Limited	-	-	26.70	-	-	-
-	Flora Premises Private Limited	-	-	-	-	-	-
-	Core Fitness Private Limited	-	-	-	-	-	-
-	Just Homes (I) Private	-	-	-	-	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Limited						
-					-	-	-
-	Subsidiaries	-	-	-	-	-	-
-	Calypso Premises Private Limited	-	-	37.82	-	-	-
-	Greystone Premises Private Limited	-	1.24	-	-	-	-
-	Vascon Dwellings Private Limited	22.62	232.75	202.06	1.89	-	-
-	Windflower Premises Private Limited	-	18.70	583.32	-	-	-
-	Rose Premises Private Limited	-	-	-	12.54	-	-
-	Cosmos Premises Private Limited	-	-	-	17.22	-	-
-	-	-	-	-	-	-	-
-	Total	410.38	1,088.05	1,581.91	160.76	209.51	80.00
		-					
		-					
Rentals / Hire Charges /	Joint Venture	-	-	-	-	-	-
	Marigold Premises Private Limited	-	-	6.50	-	-	-
Dividend Income	-	-	-	-	-	-	-
-	Key Management Personnel	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	Associates	-	-	-	-	-	-
-	Conamore Resorts Private Limited	-	-	-	-	-	1.20
-	-	-	-	-	-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	Core Fitness Private Limited	-	-	-	0.21	2.00	-
-	-	-	-	-	-	-	-
-	Subsidiaries	-	-	-	-	-	-
-	Total	-	-	6.50	0.21	2.00	1.20
Interest Income	Joint Venture	-	-	-	-	-	-
	Rose Premises Private Limited	7.99					
-	Cosmos Premises Private Limited	-	-	6.48	-	-	-
-	Just Homes (India) Private Limited	-	0.33	7.90	0.74	-	-
-	Viorica Properties Private Limited	-	10.52	2.63	1.39	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-	Weilkfield IT Citi Infopark	-	-	0.54	-	-	-
-	Zenith Ventures	-	3.14	6.13	-	-	-
-	Almet Corporation Limited	0.08	0.24	-	-	-	-
-	Marathawada Realtors Private Limited	0.13	0.40	-	-	-	-
-	John Fowler Ophthalmics Private Limited	0.14	0.18	-	-	-	-
-					-	-	-
-	Key Management Personnel	-	-	-	-	-	-
-					-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-					-	-	-
-	Associates	-	-	-	-	-	-
-	Ajanta Enterprises	1.31	1.57	-	-	-	-
-	Angelica Properties Private Limited	-	-	0.01	0.14	-	-
-					-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	Core Fitness Private Limited	-	-	0.59	-	1.00	-
-					-	-	-
-	Subsidiaries	-	-	-	-	-	-
-	Calypso Premises Private Limited	-	49.50	15.33	0.08	-	-
-	Floriana Properties Private Limited	-	0.58	-	0.00	-	-
-	IT Citi Info Park Private Limited	-	0.09	0.28	0.26	-	-
-	Vascon Dwellings Private Limited	3.00	10.37	10.69	-	-	-
-	Windflower Premises Private Limited	-	0.29	3.48	-	-	-
-	Rose Premises Private Limited	-	25.73	2.48	-	-	-
-	Marvel Housing Private Limited	-	-	-	-	0.89	-
-	-	-	-	-	-	-	-
-	Total	12.65	102.97	56.54	2.61	1.89	-
Interest Expense	Joint Venture	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Key Management Personnel	-	-	-	-	-	-
-	R Vasudevan	2.18	7.07	-	-	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-	-	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	Sowmya Vasudevan	-	0.05	-	-	-	-
-	Mr. Siddarth Vasudevan	-	0.05	-	-	-	-
-	Mrs. Lalitha Vasudevan	0.63	2.01	-	-	-	-
-	N R Moorthy	-	-	-	0.66	0.52	0.09
-	N R Moorthy (HUF)	-	-	-	-	-	0.01
-	R Vasudevan (HUF)	-	-	-	-	-	0.00
-	Thangam Moorthy	0.01	-	-	0.10	0.09	0.02
-					-	-	-
-	Associates	-	-	-	-	-	-
-						-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	IT Citi Infopark Private Limited	-	-	-	-	3.14	-
-	Iris Properties Private Limited	-	-	-	0.27	0.26	-
-	One Stop Shop (I) Private Limited	-	-	-	0.17	-	-
-	Vastech Consultants Private Limited	-	0.24	0.19	-	-	-
-	Vatsalya Enterprises Private Limited	1.29	4.19	-	-	0.47	-
-	Vastech Associates	-	-	-	-	1.06	0.48
-	Bellflower Premises Private Limited	0.21	0.58				
-						-	-
-	Subsidiaries	-	-	-	-	-	-
-	Marvel Housing Private Limited	-	-	-	0.06	0.01	-
-						-	-
-	Total	4.32	14.18	0.19	1.26	5.55	0.60
Purchase of goods / Works	Joint Venture	-	-	-	-	-	-
-	Just Homes (India) Private Limited	-	0.10	-	-	-	-
-	Weikfeilds ITCITI Info Park (AOP)	0.47	2.40	-	-	-	-
-	Zenith Ventures	-	0.11	0.26	-	-	-
-							-
-	Key Management Personnel	-	-	-	-	-	-
-						-	-
-						-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-						-	-
-	Associates	-	-	-	-	-	-
-						-	-
-						-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	Flora Premises Private Limited	-	1.23	-	-	-	-
-	Vastech Associates	-	-	-	-	-	0.17
-						-	-
-	Subsidiaries	-	-	-	-	-	-
-	Greystone Premises Private Limited	-	0.10	-	-	-	-
-	-	-	-	-	-	-	-
-	Total	0.47	3.94	0.26	-	-	0.17
Rendering of Services	Joint Venture	-	-	-	-	-	-
-						-	-
-	Key Management Personnel	-	-	-	-	-	-
-	R Vasudevan	13.85	25.42	52.51	16.45	12.26	-
-						-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	N R Moorthy	-	-	0.49	0.96	0.77	0.01
-						-	-
-	Associates	-	-	-	-	-	-
-	Marigold Premises Private Limited	-	-	-	-	-	7.51
-						-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	Vastech Consultants Private Limited	12.56	11.11	10.54	1.75	0.08	-
-	Vastech Associates	-	-	-	-	2.01	-
-	Flora Premises Private Limited	-	-	2.47	-	-	-
-	Vatsalya Enterprises Private Limited	-	-	-	-	-	0.21
-						-	-
-	Subsidiaries	-	-	-	-	-	-
-						-	-
-	Total	26.41	36.53	66.01	19.17	15.12	7.73

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Sale of Fixed Assets	Joint Venture	-	-	-	-	-	-
-						-	-
-	Key Management Personnel	-	-	-	-	-	-
-						-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-						-	-
-	Associates	-	-	-	-	-	-
-	Angelica Properties Private Limited	-	-	-	1,000.00	-	-
-						-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-						-	-
-	Subsidiaries	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Total	-	-	-	1,000.00	-	-
Purchase of Fixed Assets	Joint Venture	-	-	-	-	-	-
-						-	-
-	Key Management Personnel	-	-	-	-	-	-
-						-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-						-	-
-	Associates	-	-	-	-	-	-
-	Marigold Premises Private Limited	-	-	-	-	-	54.97
-						-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	One Stop Shop India Private Limited	-	-	-	-	52.56	-
-	-	-	-	-	-	-	-
-	Subsidiaries	-	-	-	-	-	-
-						-	-
-	Total	-	-	-	-	52.56	54.97
Amount Written off	Joint Venture	-	-	-	-	-	-
-	Cosmos Premises	0.50	0.44	-	-	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Private Limited						
-						-	-
-	Key Management Personnel	-	-	-	-	-	-
-						-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	N R Moorthy	-	-	0.06	-	-	-
-						-	-
-	Associates	-	-	-	-	-	-
-	Ajanta Enterprises	-	-	0.01	-	-	-
-						-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	Core Fitness Private Limited	-	-	0.00	-	-	-
-						-	-
-	Subsidiaries	-	-	-	-	-	-
-						-	-
-	Total	0.50	0.44	0.07	-	-	-
Amount Written back	Joint Venture	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	N R Moorthy	-	-	-	0.00	-	-
-	-	-	-	-	-	-	-
-	Associates	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Subsidiaries	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Total	-	-	-	0.00	-	-
-		-	-	-	-	-	-
Outstanding Balances	-	-	-	-	-	-	-
Particulars	Nature of	Sep-09	2,009	2,008	2,007	2,006	2,005

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Relationships							
-	-	-	-	-	-	-	-
Corporate Guarantees Given	Joint Venture	-	-	-	-	-	-
	Cosmos Premises Private Limited	100.00					
-	-	-	-	-	-	-	-
-	Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Associates	-	-	-	-	-	-
-	Vascon Infrastructure Limited	50.00	50.00	-	-	-	-
-	-	-	-	-	-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Subsidiaries	-	-	-	-	-	-
-	Vascon Dwellings Private Limited	200.00	200.00	-	-	-	-
-	-	-	-	-	-	-	-
-	Total	350.00	250.00	-	-	-	-
-	-	-	-	-	-	-	-
Finance Provided (including equity contributions in cash or in kind)	Joint Venture	222.65	193.86	597.74	552.19	23.95	48.74
-	-	-	-	-	-	-	-
-	Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Associates	8.60	52.59	226.07	279.00	-	-
-	-	-	-	-	-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	78.84	41.23	171.73
-	-	-	-	-	-	-	-
-	Subsidiaries	12.05	431.29	968.12	569.55	18.68	-
-	-	-	-	-	-	-	-
-	Total	243.29	677.74	1,791.94	1,479.58	83.87	220.46
Finance	Joint Venture	1.13	-	-	-	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Availed (including equity contributions in cash or in kind)	-	-	-	-	-	-	-
	Key Management Personnel	1.00	117.52	-	117.52	-	-
	-	-	-	-	-	-	-
	Relatives of Key Management Personnel	-	44.57	-	44.57	1.38	1.36
-	-	-	-	-	-	-	-
-	Associates	-	-	3.79	-	-	-
-	-	-	-	-	-	-	-
-	Establishment where Key Personnel or relatives influence	-	74.66	10.00	74.66	12.75	157.73
-	-	-	-	-	-	-	-
-	Subsidiaries	-	-	-	-	5.50	-
-	-	-	-	-	-	-	-
-	Total	2.13	236.75	13.79	236.75	19.62	159.09
Receivable to	Joint Venture	-	-	-	-	-	-
Vascon	Sundry Debtors	-	-	-	-	-	-
Engineers	Cosmos Premises Private Limited	0.09	1.18	0.02	-	-	-
Limited	Just Homes (India) Private Limited	-	-	-	-	-	-
-	Marigold Premises Private Limited	161.18	164.05	188.08	-	-	-
-	Phoenix Ventures	99.73	99.73	22.29	15.04	-	-
-	Viorica Properties Private Limited	8.26	-	43.72	-	-	-
-	Weikfeilds ITCITI Info Park (AOP)	160.15	136.20	182.50	-	-	-
-	Zenith Ventures	56.92	56.92	-	-	-	-
-	Zircon Ventures	121.13	7.09	7.61	-	8.55	-
-	-	-	-	-	-	-	-
-	Loans & Advances Given	-	-	-	-	-	-
-	Cosmos Premises Private Limited	-	0.50	0.50	-	-	-
-	Just Homes (India) Private Limited	-	0.33	57.88	-	-	-
-	Marigold Premises Private Limited	44.69	45.19	45.19	-	-	-
-	Marigold Constructions	-	-	-	-	-	66.70
-	Phoenix Ventures	9.00	9.00	-	-	-	-
-	Vascon Hadapsar Ventures	-	-	-	0.21	-	-
-	Viorica Properties Private Limited	-	54.16	12.57	-	-	-
-	Weikfeilds ITCITI Info Park (AOP)	-	-	0.43	19.92	-	-
-	Zenith Ventures	117.73	-	98.59	83.12	16.56	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-	Zircon Ventures	-	-	10.89	6.29	4.51	17.23
-	Almet Corporation Limited	3.26	3.18	-	-	-	-
-	Marathawada Realtors Private Limited	4.91	4.78	-	-	-	-
-	John Fowler Ophthalmics Private Limited	2.79	2.65	-	-	-	-
-	Rose Premises Private Limited	89.07					
-	-	-	-	-	-	-	-
-	Share Application Money	-	-	-	-	-	-
-	Viorica Properties Private Limited	29.25	100.00	-	-	-	-
-	-	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Associates	-	-	-	-	-	-
-	Sundry Debtors	-	-	-	-	-	-
-	Ajanta Enterprises	19.93	19.93	19.93	5.05	-	-
-	Angelica Properties Private Limited	10.31	-	56.39	182.00	-	-
-	Just Homes India Private Limited	-	-	-	5.25	-	-
-	Marigold Premises Private Limited	-	-	-	184.38	171.62	-
-	-	-	-	-	-	-	-
-	Loans & Advances Given	-	-	-	-	-	-
-	Ajanta Enterprises	16.08	13.67	7.21	-	-	25.00
-	Angelica Properties Private Limited	-	-	-	5.02	-	-
-	Conamore Resorts Private Limited	-	-	-	-	-	37.38
-	Mumbai Estate Private Limited	226.20	218.70	178.70	48.80	-	-
-	Marigold Premises Private Limited	-	-	-	45.19	-	-
-	Viorica Properties Private Limited	-	-	-	9.68	-	-
-	-	-	-	-	-	-	-
-	Share Application Money	-	-	-	-	-	-
-	Angelica Properties Private Limited	0.04	0.04	-	-	-	-
-	-	-	-	-	-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-	Sundry Debtors	-	-	-	-	-	-
-	One Stop Shop India Private Limited	-	-	29.32	-	-	40.77
-	-	-	-	-	-	-	-
-	Loans & Advances	-	-	-	-	-	-
-	Flora Premises Private Limited	-	0.04	1.23	-	-	-
-	Vastec Consultants Private Limited	-	-	-	-	-	0.98
-	One Stop Shop India Private Limited	-	-	3.41	-	-	50.08
-	Core Fitness Private Limited	-	-	-	15.38	12.91	0.00
-	Iris Properties Private Limited	-	-	-	-	3.88	-
-	Jasmine Realtors Private Limited	-	-	-	-	-	0.12
-	IT Citi Infopark Private Limited	-	-	-	-	-	45.22
-	Vastech Associates	-	-	-	-	2.59	-
-	Vatsalya Enterprises Private Limited	-	-	-	-	8.88	-
-	-	-	-	-	-	-	-
-	Subsidiaries	-	-	-	431.17	-	-
-	Sundry Debtors	-	-	-	-	-	-
-	Cosmos Premises Private Limited	-	-	-	37.90	-	-
-	Calypso Premises Private Limited	-	-	22.68	-	-	-
-	Greystone Premises Private Limited	1.20	1.18	-	-	-	-
-	Vascon Dwellings Private Limited	247.44	288.48	153.88	-	-	-
-	Windflower Premises Private Limited	19.25	19.25	207.00	-	-	-
-	-	-	-	-	-	-	-
-	Loans & Advances	-	-	-	-	-	-
-	Cosmos Premises Private Limited	-	-	-	28.28	-	-
-	Calypso Premises Private Limited	444.63	443.97	294.84	10.06	-	-
-	Florian Properties Private Limited	17.60	17.60	0.45	0.45	-	-
-	Greystone Premises Private Limited	65.92	64.53	54.00	-	-	-
-	IT Citi Info Park Private Limited	0.09	0.09	4.24	3.94	-	-
-	Marvel Housing Private Limited	349.56	349.56	184.80	-	1.40	-
-	Rose Premises Private Limited	-	90.16	81.83	82.76	-	-
-	Vascon Dwellings Private Limited	37.64	88.51	181.44	100.17	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-	Vascon Pricol Infrastructure Limited .	67.44	76.58	28.64	-	-	-
-	Windflower Premises Private Limited	1.75	1.35	19.95	167.61	-	-
-	Total	2,433.22	2,378.61	2,200.23	1,487.65	230.89	283.49
Receivable From	Joint Venture	-	-	-	-	-	-
Vascon	Advance from Debtors	-	-	-	-	-	-
Engineers Limited	Viorica Properties Private Limited	-	1.56	-	-	-	-
	Zircon Ventures	-	0.08	-	-	-	-
-	Phoenix Ventures	-	-	0.32	-	9.46	-
-	Weikfield IT Citi Infopark	-	-	-	54.88	-	-
-	-	-	-	-	-	-	-
-	Sundry Creditors	-	-	-	-	-	-
-	Just Homes (India) Private Limited	-	0.10	-	-	-	-
-	Marigold Premises Private Limited	-	3.37	3.37	-	-	-
-	Weikfelds ITCITI Info Park (AOP)	2.87	2.40	0.67	-	-	-
-	Zenith Ventures	-	-	0.26	-	-	-
-	-	-	-	-	-	-	-
-	Other Liabilities	-	-	-	-	-	-
-	Weikfelds ITCITI Info Park (AOP)	-	-	123.65	-	-	-
-	Phoenix Ventures	-	-	0.70	-	-	-
		-					
		3.19					
-	-	-	-	-	-	-	-
-	Key Management Personnel For Services Rendered	-	-	-	-	-	-
-	R Vasudevan	8.87	5.48	41.60	-	-	-
-	-	-	-	-	-	-	-
-	Unsecured Loans	-	-	-	-	-	-
-	Mr R Vasudevan	-	60.19	-	-	-	-
-	-	-	-	-	-	-	-
-	Relatives of Key Management Personnel	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	Mrs. Lalitha Vasudevan	-	0.41	-	-	-	-
-	N R Moorthy	-	-	-	-	0.13	4.00

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
-	N R Moorthy (HUF)	-	-	-	-	-	0.43
-	Thangam Moorthy	-	-	-	-	0.92	0.75
-	-	-	-	-	-	-	-
-	Associates	-	-	-	-	202.94	5.10
-	Advance to Creditors	-	-	-	-	-	-
-	Angelica Properties Private Limited	-	48.70	-	-	-	-
-	Vascon Infrastructure Limited	46.32	13.19	-	-	-	-
-	-	-	-	-	-	-	-
-	Security Deposit	-	-	-	-	-	-
-	Vascon Infrastructure Limited	47.09	12.50	-	-	-	-
-	Sundry Creditors	-	-	-	-	-	-
-	Marigold Premises Private Limited	-	-	-	-	4.35	5.10
-	-	-	-	-	-	-	-
-	Establishment where Key Personnel or relatives influence	-	-	-	-	21.98	-
-	Sundry Creditors	-	-	-	-	-	-
-	Vastech Consultants Private Limited	4.76	0.57	1.90	-	-	-
-	Core Fitness Private Limited	-	-	0.09	-	-	-
-	-	-	-	-	-	-	-
-	Advance from Customers	-	-	-	-	-	-
-	One Stop Shop India Private Limited	-	-	-	-	7.28	-
-	Vastech Consultants Private Limited	-	-	0.26	-	-	-
-	-	-	-	-	-	-	-
-	Loan Taken	-	-	-	-	-	-
-	Vatsalya Enterprises Private Limited	-	35.39	-	-	-	0.86
-	Bellflower Premises Private Limited	-	5.57	-	-	-	-
-	Vastech Consultants Private Limited	-	-	10.15	-	-	-
-	Vastech Associates	-	-	-	-	1.79	14.55
-	Iris Properties Private Limited	-	-	-	-	-	3.63
-	Golden Dwellings Private Limited	-	-	-	-	-	41.77
-	-	-	-	-	-	-	-
-	Subsidiaries	-	-	-	-	65.58	-
-	Advance from Customers	-	-	-	-	-	-
-	Windflower Properties	-	-	-	228.00	-	-

ANNEXURE 1 B :							
Details of transactions with Related Parties and Outstanding Balances are as under:							
Particulars	Nature of Relationships	Transactions for the period ended Sep 2009	TRANSACTIONS FOR THE YEAR ENDED MARCH 31,				
			2009	2008	2007	2006	2005
		Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
	Private Limited						
-	Security Deposit	-	-	-	-	-	-
-	Rose Premises Private Limited	-	12.50	-	-	-	-
-	-	-	-	-	-	-	-
-	Total	113.10	202.01	182.98	282.88	314.43	76.18

ANNEXURES REFERRED TO AND FORMING PART OF SCHEDULE 1 TO SUMMARY RESTATED FINANCIAL STATEMENTS
FOR THE PERIOD SEPTEMBER 2009 AND FINANCIAL YEARS 2004-05 TO 2008-09

ANNEXURE 2

The breakup of Deferred tax liabilities arising due to timing difference is as under::

Particulars	For the Period	FOR THE YEAR ENDED MARCH 31,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
1. Depreciation	(15.41)	16.43	14.58	12.03	12.46	13.47
2. Statutory Payment – Leave Encashment / Gratuity	1.19	(1.19)	-	(1.48)	(1.61)	(1.05)
- Profession Tax	-	-	-	-	-	-
3. Reserve for doubtful debts	23.11	(18.82)	(15.49)	(0.82)	-	-
4. Disallowance U/S 40a	-	(0.25)	(1.23)	(3.61)	(0.52)	-
5. Long Term Capital Loss	-	-	-	-	-	-
Net Deferred Tax Liability as per Restated	8.89	(3.82)	(2.15)	6.12	10.34	12.41

ANNEXURE 3

The Company's significant leasing arrangements are in respect of operating leases for commercial and residential premises. Lease Income from operating leases is recognised on straight-line bases over the period of lease. The particulars of significant leases under operating leases are as under:-

Particulars	For the Period	FOR THE YEAR ENDED MARCH 31,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Gross Carrying Amount of Premises	36.74	36.74	26.73	26.73	52.56	-
Accumulated Depreciation	6.56	5.78	3.31	2.07	1.35	-
Depreciation for the year	0.78	1.63	1.23	2.09	1.35	-

Future minimum lease payment under non-cancellable operating leases is as under:

Particulars	For the Period	FOR THE YEAR ENDED MARCH 31,
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	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
A) Not later than 1 year	5.28	8.95	6.92	10.61	3.42	-
B) Later than 1 year and not later than 5 years	11.65	7.70	-	1.43	4.85	-
C) Later than 5 years	-	-	-	-	-	-

ANNEXURE 4

Disclosure of particulars of contract revenue in accordance with the requirement of Accounting Standard 7 are as under:

Particulars	For the Period	FOR THE YEAR ENDED MARCH 31,				
	Sep-09	2009	2008	2007	2006	2005
	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million	Rs. in Million
Contract Revenue Recognised	3,018.89	4,902.36	3,322.03	1,466.96	1,438.43	1,237.52
Contract Expenses Recognised	2,493.46	3,781.89	2,446.81	1,125.44	970.98	984.46
Recognised Profit	525.44	1,120.47	875.22	341.52	467.45	253.06
Contract Cost Incurred	2,493.46	3,781.89	2,446.81	1,125.44	970.98	984.46
Progress Billing	2,578.45	4,328.41	3,094.74	1,227.76	1,289.22	1,065.59
Unbilled Contract Revenue Recognised	440.44	297.18	111.15	113.14	76.75	89.85
Advances from Customers	703.94	261.28	337.91	481.28	124.44	29.22
Contract Cost Incurred and Recognised Profit	3,018.89	4,902.36	3,322.03	1,466.96	1,438.43	1,237.52
Gross Amount Due from Customer	1,451.85	1,474.27	1,328.26	642.48	550.98	384.60

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. For additional information regarding such risks and uncertainties, see "Forward-Looking Statements" and "Risk Factors" on page x and page xi, respectively.

Overview

We are an engineering, procurement and construction services and real estate development company with operations in a number of states and union territories in India. We believe in providing high quality and innovative projects on a timely basis. According to a survey conducted by the Construction World publication in June 2007, we are among the top ten builders in India, based on parameters such as size, brand or image, quality of construction, goodwill, innovative product offerings, social obligations and commitments, use of technology and best business practices. We provide EPC services and develop real estate directly or indirectly through our Subsidiaries and the Other Development Entities. We and the Other Development Entities collectively have equity interest in five hospitality properties and also own and operate a shopping mall and an office complex. Our Subsidiaries and the Other Development Entities engage our Company to provide EPC services for the development of their projects and our Company also provides EPC services independently to third parties.

Our Company commenced operations primarily as an EPC services company in 1986. However, in the past few years our Company has diversified into real estate development, including owning and operating selected projects directly or indirectly through our Subsidiaries and the Other Development Entities. Our operations span across all aspects of real estate development, from identification and acquisition of land to providing EPC services and sales and marketing of our projects to operation of our completed projects.

We have 24 years of experience in providing EPC services, which includes, constructing factories, hospitals, hospitality properties, office and residential complexes, shopping malls, multiplexes, IT parks and other buildings. Our Company provides EPC services for our own projects as well as to third parties. As of December 31, 2009, we had completed an aggregate of 181 EPC Contracts, with a total contract value of Rs. 8,888.70 million, out of which 157 EPC Contracts were for third parties, with a total contract value of Rs. 6,562.81 million and 24 EPC Contracts were for projects developed by us or the Other Development Entities, with a total contract value of Rs. 2,325.89 million. As of December 31, 2009, we were engaged in 70 Ongoing and Forthcoming EPC Contracts, with an estimated total contract value of Rs. 40,141.11 million with an Order Backlog of Rs. 32,270.79 million out of which 47 EPC Contracts were for third parties with an Order Backlog of Rs. 12,147.36 million and 23 EPC Contracts were for projects developed by us or the Other Development Entities with an Order Backlog of Rs. 20,123.43 million. Our third party EPC clients include well-known Indian and multi-national companies such as Cipla Limited, Kirloskar Brothers Limited and Symbiosis.

Our real estate development business comprises the development of residential and office complexes, as well as shopping malls, multiplexes, hospitality properties, IT parks and other buildings directly or indirectly through our Subsidiaries or the Other Development Entities. Our Ongoing and Forthcoming Projects are spread over seven states in India. As of December 31, 2009, we and the Other Development Entities had completed an aggregate of 42 real estate development projects, with an aggregate Saleable Area of over 4.99 million square feet. In addition, we have sold land and land development rights aggregating 2.04 million square feet in Saleable Area. We and the Other Development Entities are in the process of developing an additional 51 Ongoing and Forthcoming real estate projects, with an aggregate Saleable Area of over 55.36 million square feet.

In addition to developing and providing EPC services for real estate projects, we also continue to own or operate certain projects subsequent to their completion. For example, we own the Vista do Rio, and through our Subsidiaries or the Other Development Entities, we own an interest in the Galaxy Resorts in Goa, the Golden Suites service apartment complex in Pune, and Marigold Premises Private Limited, which owns and operates the Mariplex mall and office complex.

Additionally we are involved in developing a multi-level car parking for Delhi International Airport Limited and have a 24.00% equity interest in a company that intends to focus on infrastructure development such as roads.

For the six months period ended September 30, 2009, we had consolidated total income of Rs. 3,620.39 million and consolidated net profit, as restated, of Rs. 232.31 million and for the fiscal year 2009, we had consolidated total income of Rs. 5,247.57 million and consolidated net profit, as restated, of Rs. 306.41 million.

Strengths

- Significant experience and strong track record
- Diversified portfolio of businesses and diverse revenue streams
- Quality and strength of execution
- Emphasis on innovative and theme-based developments
- Qualified and proven project teams and experienced management
- Established brand name
- Effective development structure to optimise resources

Strategy

- Diversify geographically into new locations
- Optimise business mix
- Continue to grow our real estate development projects
- Maintain and upgrade high standards of quality and reliability

Basis of Preparation

The following discussion is based on our restated consolidated financial statements for the six month period ended September 30, 2009 and for the fiscal years March 31, 2009, 2008, 2007 and 2006, which are based on our audited consolidated financial statements restated in accordance with paragraph B(1) of Part II of Schedule II of the Companies Act and the SEBI Regulations. The audited consolidated financial statements are prepared in accordance with Indian GAAP. Indian GAAP differs in certain material respects with IFRS and U.S. GAAP. See “Risk Factors – Risks Related to India – Significant differences exist between Indian GAAP and other accounting principles with which investors may be more familiar.” Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the 12 month period ended March 31 of that year. Our financial results are prepared and presented in one business segment, civil construction.

Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

In respect of our Subsidiaries, the consolidated financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits / losses on intra-group transactions in accordance with the Accounting Standard-21 “Consolidated Financial Statements”. In respect of our Joint Ventures, the consolidated financial statements have been consolidated in accordance with the Accounting Standard-27 “Financial Reporting of Interests in Joint Ventures”. In respect of Associates where our Company, directly or indirectly through its Subsidiaries, holds more than 20% of the equity share capital in such Associate, the investment in the Associate is accounted for using equity method in accordance with Accounting Standard-23 “Accounting for Investments in Associates in Consolidated Financial Statements”. Investments other than Subsidiaries and Associates have been accounted for in accordance with Accounting Standard-13 on “Accounting for Investments”.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviation if any have been made in our consolidated financial statements and are prepared in the same manner as our Company’s standalone financial statements.

The excess of the cost to our Company of its investments in our Subsidiaries over our Company’s portion of equity on the acquisition date is recognised in our consolidated financial statements as goodwill. Our Company’s portion of the equity in our Subsidiaries as at the date of acquisition is determined after realigning the material accounting policies of such Subsidiaries to that of the parent and adjusting the charge/ (reversal) on account of realignment to the accumulated reserves and surplus of such Subsidiaries at the date of acquisition.

Minority interest’s share of net profit/ loss of consolidated Subsidiaries for the year is identified and adjusted against our consolidated income in order to arrive at the net income attributable to our shareholders.

Minority interest’s share of net assets of our consolidated Subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of our shareholders.

Details of our Subsidiaries, Associates and Joint Ventures, that have been considered in our consolidated financial statements are indicated in “Financial Statements – Schedule I – Principles of Consolidation”.

Factors Affecting Our Results of Operations

Our results of operations and financial condition are affected by a number of factors, including the following, which are of particular importance:

General Economic and Demographic Condition in India

All our operations are currently located in India and the economic condition of India has a direct impact on our income. The success of our projects is dependant on general economic conditions in India. Growth in the GDP and per capita income in India generally results in an increase in our income.

In addition, the growth in the Indian economy has also resulted in the growth of industries such as hospitality and information technology. We believe that growth in the general economic condition in India will not only increase the demand for more houses for those employed in these industries but will also require substantial real estate development activities, such as building of IT parks, hotels and resorts and shopping malls.

Condition and Performance of the Real Estate Market in India

The real estate development industry is undergoing a significant downturn due to the global economic slowdown and the increase in the interest rates, among other factors. The Indian economy has grown 9.2% in the fiscal year 2007, 9.0% in the fiscal year 2008 and 6.7% in the fiscal year 2009. Since our business is especially dependant on the disposable incomes of the domestic population in India, India’s overall economic growth will impact our results of operations. The global credit markets and financial services industry have been experiencing a period of upheaval characterised by the bankruptcy, failure, collapse or sale of various financial institutions, severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, uncertainty about economic stability and an unprecedented intervention by governments and monetary authorities. While the ultimate outcome of these events cannot be predicted, it may have an adverse effect on our ability to borrow or raise additional funds in the capital markets on favourable terms.

In addition, developments in the real estate sector are driven by:

- demand for more housing units in cities and towns due to the growing urbanisation of the Indian populace, an expanding middle class, disposable income, trend towards nuclear families and the availability of housing finance and tax incentives;
- demand for office premises from IT and other industries;
- demand for shopping malls and entertainment venues;
- demand for hotels/resorts due to business travel and tourism;
- demand for the development of special economic zones driven by government incentives; and
- the development of infrastructure, including roads, airports and intra-city connectivity.

Supply of Land and its Cost of Acquisition

Our operations are dependant on the availability of land for ours as well as our EPC clients’ projects as well as the cost of acquisition of development or ownership rights over such land. Our growth is directly linked to the availability of land in areas where we can develop projects that are marketable. Availability of land also affects our EPC clients’ construction projects, and our EPC services business. Any government regulations, policies or other developments that restrict the acquisition of land or increases competition for land may therefore affect our operations.

The cost of acquisition of land or its development rights is generally a significant cost for real estate developers. Our strategy has been to acquire development rights to the land which we have identified for development instead of acquiring the freehold or leasehold interest in the land. This strategy reduces the amount of time required to procure consents and approvals and develop the projects and as a result, reduces our operational cost. In most of our development projects, we, or the Other Development Entities, obtain the right to construct and develop on the selected portion of land from the owner of such land in exchange for the land-owner either sharing a pre-determined portion of the revenues or profits generated from such development. The acquisition of development rights allows us to develop, market and sell our projects without significantly increasing our financing cost as a result of payments of purchase price for such land or exposing us to

potential flaws in the title of the original owners of the land. As a result, we incur significant cost to acquire development rights to land.

Costs of Construction

The cost of construction primarily comprises the cost of steel, cement, sand and aggregates, doors and windows, frames and other materials, as well as labour. In most instances, we undertake the procurement of these materials ourselves and look to sub-contractors only for labour. We generally procure construction materials from reliable suppliers and in wholesale amounts or at lump sum prices to effectively manage our construction cost, time schedules and quality.

Government Policies, Including Taxes and Duties Affecting Infrastructure

The provisions of Section 80-IA of the Income Tax Act provide for exemption of income tax on developing, maintaining and operating income from information technology parks. Some of our income is exempt from tax under such section of the Income Tax Act.

Availability of Financing for Customers

One of the major drivers behind the growth of demand for housing units is low interest rates on housing loans. Interest rates have substantially declined during the last decade. As a result, the aggregate amount of housing loans disbursed in India has been increasing consistently over this period. However, the rates of interest for housing loans have been recently increasing in India.

In addition, a major factor contributing to the growth of residential housing property is income tax benefits on housing loans. Currently, an income tax deduction is available on the interest component up to Rs.0.15 million on housing loans for self-occupied property and a rebate of Rs.0.10 million on the principal repayment is also available.

Certain Significant Accounting Policies

Our consolidated financial statements have been prepared in accordance with Indian GAAP, the accounting standards prescribed by the Institute of Chartered Accountants of India (“ICAI”) and the relevant provisions of the Companies Act on accrual basis, as adopted consistently by us. Certain significant accounting policies that are relevant to our consolidated business and operations are described below. See also notes to our restated consolidated financial statements on page 183.

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Fixed Assets

Fixed assets are stated at cost of acquisition or construction, after reducing accumulated depreciation until the date of the balance sheet. The cost of an item of fixed assets comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price and includes borrowing cost relating to any specific borrowing attributable to the acquisition of the fixed assets as per the provisions of Accounting Standard 16 “Borrowing Cost”.

Intangible assets are recognised as per the criteria specified in Accounting Standard 26 “Intangible Assets”. In other cases, such expenditure is written off during the period in which it is incurred.

Investments

Investments are classified as either long term or current investment. Long term investments are valued at cost of acquisition less provision for permanent diminution, if any, in the value of investment. Current investments are carried at lower of cost or net realisable value. The profit or loss on sale of investments is dealt with at the time of the actual sale. Investments in partnership firms and Association of Person (“AOP”) are stated at the book value.

Recognition of Revenue

Revenue from fixed price EPC Contracts is recognised under the percentage completion method. The stage of completion is determined by survey of work performed or upon the completion of a physical proportion of the contract work, as the case may be, and acknowledged by the contractee. Expected loss, if any, is recognised as expenditure. In respect of uncertified revenue recognised, an adequate provision is made for possible reductions.

Revenue from sale of units is recognised as and when the underlying risk and rewards of ownership are transferred to the purchaser and when there is no uncertainty of the amount of consideration that will be derived and it is not unreasonable to expect ultimate collection. Revenue from joint development projects where we have revenue share is not fully recognised by us, but is recognised only for our portion of the costs.

Share of profit or loss from partnership firm and AOP is recognised as income on year-to-year basis on the basis of accounts made-up and allocation made by the firm or the AOP, as the case maybe, in accordance with the deed of partnership or AOP agreement.

Interest income is recognised on a time proportion basis taking into account the amounts invested and the rate of interest. Dividend income is recognised as and when the right to receive the same is established. Income from letting-out of property is accounted on an accrual basis as per the terms of the agreement and the right to receive the rent is established. The revenue from hotel, games (such as bowling) and maintenance are recognised as and when such services are availed by the customers.

Inventories

Stock of materials has been valued at lower of cost or net realisable value.

The development work in progress represents progressive cost of work remaining incomplete or unsold as at close of the year, valued at lower of cost or net realisable value on the basis of technical estimate certified and verified by the management.

Stock of unsold units has been stated at cost or net realisable value, whichever is less.

Income Tax

Taxes on income are accounted in accordance with Accounting Standard 22 “Taxes on Income”. Taxes on income comprise both current income and deferred tax. Historically, current tax comprises tax payable on income and fringe benefit tax. Provision for current tax for the year is determined considering the disallowances, exemptions, deductions and liabilities or credits and available set-offs as provided by tax laws and interpreted by various authorities. Deferred tax being the tax effect of timing difference representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. This is measured using substantively enacted tax rate and tax regulation.

Joint Venture Projects

Jointly Controlled Operations – In respect of joint venture contracts in the nature of jointly controlled operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognised in the agreed proportions under respective heads in the financial statements.

Jointly Controlled Entities – The consolidated statements of accounts have been prepared after consolidating the jointly controlled entities as per the proportionate consolidation method in accordance with Accounting Standard 27. Income on investments in incorporated Jointly Controlled Entities is recognised when the right to receive the same is established.

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

Our Consolidated Results of Operations

The table below summarises our consolidated results of operations, including as a percentage of total income, for the periods indicated:

PARTICULARS	For the Six Month Period ended September 30,		For the Fiscal Year							
	2009		2009		2008		2007		2006	
	(Rs. in Million)	% of Total Income	(Rs. in Million)	% of Total Income	(Rs. in Million)	% of Total Income	(Rs. in Million)	% of Total Income	(Rs. in Million)	% of Total Income
Sales										
Gross Sales	3,539.99	97.78	5,197.36	99.04	6,315.07	101.77	3,893.03	97.51	1,435.53	100.34
Less: Work Contract Tax/ VAT Collected.....	(107.25)	(2.96)	(181.88)	(3.47)	(141.90)	(2.29)	(50.66)	(1.27)	(19.07)	(1.33)
Less: Service Tax Collected	(68.57)	(1.89)	(166.53)	(3.17)	(136.58)	(2.20)	(60.76)	(1.52)	(52.00)	(3.63)
Less: Luxury Tax Collected	(3.26)	(0.09)	(11.79)	(0.22)	(7.58)	(0.12)	-	-	-	-
Increase/ (Decrease) in Unbilled Revenue	96.55	2.67	178.57	3.40	(36.21)	(0.58)	44.08	1.10	6.58	0.46
Turnover (Net).....	<u>3,457.46</u>	<u>95.50</u>	<u>5,015.74</u>	<u>95.58</u>	<u>5,992.80</u>	<u>96.57</u>	<u>3,825.69</u>	<u>95.82</u>	<u>1,371.04</u>	<u>95.84</u>
Other Operating Income										
Rent Earned/ Compensation	38.46	1.06	87.81	1.67	41.06	0.66	33.34	0.84	11.91	0.83
Share of Profit From a Partnership Firm/ AOP	3.71	0.10	35.28	0.67	63.95	1.03	70.38	1.76	1.59	0.11
Share of Profit from Associates	14.97	0.41	27.25	0.52	-	-	-	-	-	-
Profit on sale of Subsidiary	20.83	0.58	-	-	33.60	0.54	-	-	-	-
Income from Multiplex	11.46	0.32	28.66	0.55	37.20	0.60	18.75	0.47	-	-
	<u>89.43</u>	<u>2.47</u>	<u>179.00</u>	<u>3.41</u>	<u>175.81</u>	<u>2.83</u>	<u>122.47</u>	<u>3.07</u>	<u>13.50</u>	<u>0.94</u>
Total Operating Income	<u>3,546.87</u>	<u>97.97</u>	<u>5,194.75</u>	<u>98.99</u>	<u>6,168.61</u>	<u>99.41</u>	<u>3,948.16</u>	<u>98.89</u>	<u>1,384.54</u>	<u>96.78</u>
Other Income	73.51	2.03	52.83	1.01	36.73	0.59	44.30	1.11	46.06	3.22
Total Income	<u>3,620.39</u>	<u>100.00</u>	<u>5,247.57</u>	<u>100.00</u>	<u>6,205.34</u>	<u>100.00</u>	<u>3,992.46</u>	<u>100.00</u>	<u>1,430.60</u>	<u>100.00</u>
Expenditure										
Costs of Sales.....	2,782.98	76.87	3,716.88	70.83	4,274.52	68.88	2,984.87	74.76	1,017.03	71.09
Employee Remuneration & Welfare Expenses	154.63	4.27	336.31	6.41	310.58	5.01	110.69	2.77	74.70	5.22
Operating and Administrative Cost	148.75	4.11	311.55	5.94	355.16	5.72	150.52	3.77	64.16	4.48
Share of Loss from Associates	-	-	-	-	2.57	0.04	-	-	-	-
Finance Cost	128.09	3.54	284.83	5.43	184.29	2.97	39.29	0.98	30.99	2.17
Provision for Contingency.....	-	-	200.00	3.81	-	-	-	-	-	-
Depreciation	39.11	1.08	81.88	1.56	66.56	1.07	27.68	0.69	18.90	1.32
Total Expenditure.....	<u>3,253.56</u>	<u>89.87</u>	<u>4,931.45</u>	<u>93.98</u>	<u>5,193.68</u>	<u>83.70</u>	<u>3,313.05</u>	<u>82.98</u>	<u>1,205.78</u>	<u>84.28</u>
Profit before Tax.....	<u>366.82</u>	<u>10.13</u>	<u>316.12</u>	<u>6.02</u>	<u>1,011.66</u>	<u>16.30</u>	<u>679.41</u>	<u>17.02</u>	<u>224.82</u>	<u>15.71</u>
Less: Provision for										
Current tax	137.30	3.79	121.93	2.32	404.69	6.52	206.22	5.17	98.78	6.90
Deferred tax	(5.52)	(0.15)	(2.46)	(0.05)	(6.22)	(0.10)	5.56	0.14	(2.07)	(0.14)
Fringe Benefit Tax	-	-	4.05	0.08	18.13	0.29	1.40	0.04	1.10	0.08
Total Tax	131.78	3.64	123.52	2.35	416.60	6.71	213.18	5.34	97.81	6.84
Net Profit After Tax.....	<u>235.03</u>	<u>6.49</u>	<u>192.60</u>	<u>3.67</u>	<u>595.06</u>	<u>9.59</u>	<u>466.23</u>	<u>11.68</u>	<u>127.01</u>	<u>8.88</u>
Adjustments on account of restatements	(10.98)	(0.30)	174.89	3.33	15.32	0.25	(188.97)	4.73	(10.13)	(0.71)
Current tax adjustments ...	8.29	0.23	(61.09)	(1.16)	(11.03)	(0.18)	56.90	1.43	4.65	0.33
Deferred tax adjustments	(0.02)	-	0.02	-	-	-	9.78	0.24	-	-
Total of adjustments.....	(2.72)	(0.08)	113.81	2.17	4.30	0.07	(122.29)	3.06	(5.48)	(0.38)
Net Profit As Restated ...	<u>232.31</u>	<u>6.42</u>	<u>306.41</u>	<u>5.84</u>	<u>599.36</u>	<u>9.66</u>	<u>343.94</u>	<u>8.61</u>	<u>121.53</u>	<u>8.50</u>

Income. We derive our income primarily from our EPC services business as well as our real estate development business. Our total income comprises sales, other operating income and other income. Our total income was Rs. 3,620.39 million for the six month period ended September 30, 2009. Our total income was Rs.5,247.57 million for the fiscal year 2009, Rs.6,205.34 million for the fiscal year 2008, Rs. 3,992.46 million for the fiscal year 2007 and Rs.1,430.60 million for the fiscal year 2006.

Sales. Our operating income comprises sales income which includes revenues from EPC Contracts, sales of developed units and projects, consultancy services and our share of income from the operations of Vista do Rio and Galaxy Resorts in Goa and the Golden Suites service apartment complex in Pune. We generated revenue of Rs. 2,888.38 million and Rs. 4,481.38 million from our EPC Contracts and revenue of Rs. 487.00 million and Rs. 287.12 million from our real estate development business during the six month period ended September 30, 2009 and the fiscal year 2009, respectively.

Other Operating Income. Our other operating income relates to income from rent earned from leasing of a mall and office complex and share of income from partnership firms and AOPs.

Our operating income was Rs. 3,546.87 million for the six month period ended September 30, 2009 and Rs.5,194.73 million for the fiscal year 2009, Rs.6,168.61 million for the fiscal year 2008, Rs.3,948.16 million for the fiscal year 2007 and Rs.1,384.54 million for the fiscal year 2006.

Other Income: Our other income includes income generated from dividends received on investments made, interest income, profit on sale of assets and investments and other miscellaneous income. Our other income was Rs. 73.51 million for the six month period ended September 30, 2009, Rs.52.83 million for the fiscal year 2009, Rs.36.73 million for the fiscal year 2008, Rs.44.30 million for the fiscal year 2007 and Rs.46.06 million for the fiscal year 2006.

Expenditure. Our total expenditure consists of cost of sales, employees remuneration and welfare expenses, operating and administrative cost, finance cost and depreciation. Our total expenditure as a percentage of our total income was 89.87%, 93.98%, 83.70%, 82.98% and 84.28% for the six month period ended September 30, 2009 and for the fiscal years 2009, 2008, 2007 and 2006, respectively.

Cost of Sales: Our cost of sales comprises construction and development costs, which consist of costs for our building and construction materials and tools, cost of acquisition of land or development rights as well as contract labour cost and expenses. Our cost of sales was 76.87%, 70.83%, 68.88%, 74.76% and 71.09% of our total income for the six month period ended September 30, 2009 and for the fiscal years 2009, 2008, 2007 and 2006, respectively. Costs of acquisition of land or development rights and of building and construction materials and labour, particularly steel and cement increased during the fiscal years 2008, 2007 and 2006, however, during the fiscal year 2009, such costs have generally decreased. Our construction costs have also increased during the six month period ended September 30, 2009. We expect our construction and development costs to continue to be a major portion of our expenditure..

Employees Remuneration and Welfare Expenses: Our employees cost consists of remuneration and other benefits to directors, salaries, bonuses and ex-gratia paid to our officers and employees, contributions to provident and other funds for the benefit of our officers and employees and other welfare expenses. Our employees cost was 4.27%, 6.41%, 5.01%, 2.77% and 5.22% of our total income for the six month period ended September 30, 2009 and for the fiscal years 2009, 2008, 2007 and 2006, respectively.

Operating and Administrative Cost: Our operating and administrative cost consists of advertisement expenses, write-offs of certain amounts, auditors fees, bank charges, brokerage and commissions, travelling and conveyance expenses, provisions for doubtful debts, donations, electricity charges, insurance premiums, post, telephone and telegram expenses, printing and stationery expenses, professional charges, rates and taxes, property rental charges, repairs and maintenance expenses, sales promotion expenses, share issue expenses, society maintenance expenses, vehicles expenses and other expenses. Operating and administrative cost accounted for 4.11%, 5.94%, 5.72%, 3.77% and 4.48% of our total income for the six month period ended September 30, 2009 and for the fiscal years 2009, 2008, 2007 and 2006, respectively.

Finance cost. Finance cost consists of interest paid on term loans and other loans obtained from banks, financial institutions and other lenders, as well as the related processing charges. See “— Financial Condition, Liquidity and Capital Resources – Indebtedness” for a summary of our outstanding indebtedness.

Depreciation. Depreciation is provided at the rates calculated using the written-down value method and in accordance with the rates specified under Schedule XIV of the Companies Act.

Taxation. We provide for current taxes such as income tax, wealth tax, fringe benefit tax and deferred taxes. Tax on income for the current period is determined on the basis of estimated taxable income and tax credit, if any, and computed in accordance with the provisions of applicable law. Deferred tax arises mainly due to the timing differences between accounting income and the estimated taxable income for the period and is quantified using the tax rates and laws enacted or substantially enacted as of the relevant balance sheet date. Our deferred tax liability is recognised net of deferred tax assets, if any. For a summary of tax benefits available to us, see “Statement of Tax Benefits” on page 46.

Six Month Period Ended September 30, 2009

Our results of operations for the six month period ended September 30, 2009 were particularly affected by the following factors:

- continuing global economic downturn;
- the overall growth of our EPC services business during the first six months of fiscal 2010; and
- continuing downturn in the real estate industry in India and, as such, our real estate development business.

Income. Our total income was Rs. 3,620.39 million for the six month period ended September 30, 2009.

Sales. Our operating income was Rs. 3,546.87 million, or 97.97% of our total income, for the six month period ended September 30, 2009. We generated revenue of Rs. 2,888.38 million from our EPC Contracts and revenues of Rs. 487.00 from our real estate development business in the six month period ended September 30, 2009.

Other Income. Our other income was Rs. 73.51 million, or 2.03% of our total income, for the six month period ended September 30, 2009. This was primarily due to a refund of Rs. 15.04 million on account of a reduction in the cost of acquiring land pursuant to renegotiations by one of our Joint Venture entities, and interest income of Rs. 37.25 million.

Total Expenditure. Our total expenditure was Rs. 3,253.56 million, or 89.87% of our total income, for the six month period ended September 30, 2009.

Cost of Sales. Our cost of sales comprising construction and development costs was Rs. 2,782.98 million, or 76.87% of our total income, for the six month period ended September 30, 2009.

Employees' Cost. Our employees' cost was Rs. 154.63 million, or 4.27% of our total income, for the six month period ended September 30, 2009.

Operating and Administrative Cost. Our operating and administrative cost was Rs. 148.75 million, or 4.11% of our total income, for the six month period ended September 30, 2009, primarily consisting of professional charges and contract staff expenses of Rs. 36.98 million, property rental charges of Rs. 20.79 million and provision for doubtful debts of Rs. 13.97 million.

Finance Costs. Our finance cost was Rs. 128.09 million, or 3.54% of our total income, for the six month period ended September 30, 2009.

Depreciation. Our depreciation charge was Rs. 39.11 million, or 1.08% of our total income, for the six month period ended September 30, 2009.

Taxation. Our provision for taxes was Rs. 131.78 million, or 3.64% of our total income, for the six month period ended September 30, 2009, primarily consisting of current tax of Rs. 137.30 million and deferred tax of Rs. 5.52 million.

Adjustments to Net Profit After Tax. Adjustments to profit after tax was as a result of adjustments on account of restatements of Rs. 10.98 million, current tax adjustment of Rs. 8.29 million and deferred tax adjustments of Rs. 0.02 million.

Net Profit After Tax, as Restated. Our profit after tax, as restated was Rs. 232.31 million, or 6.42% of our total income, for the six month period ended September 30, 2009.

Fiscal Year 2009 Compared to the Fiscal Year 2008

Our results of operations for the fiscal year 2009 were particularly affected by the following factors:

- global economic downturn during the fiscal year 2008 and 2009;
- the overall growth of our EPC services business;
- downturn in the real estate industry in India and, as such, our real estate development business during the fiscal year 2008 and 2009; and
- increase in our cost of borrowing.

Income. Our total income decreased by 15.43% to Rs.5,247.57 million for the fiscal year 2009 from Rs.6,205.34 million for the fiscal year 2008, primarily due to a decrease in our real estate development business. However, the income from our EPC services business grew substantially for the fiscal year 2009 as compared to the fiscal year 2008.

Sales. Our operating income decreased by 15.79% to Rs.5,194.75 million for the fiscal year 2009 from Rs.6,168.61 million for the fiscal year 2008, primarily due to the decrease in sales of real estate units. However, the income from our EPC services business grew substantially for the fiscal year 2009 as compared to the fiscal year 2008. We generated revenue of Rs. 4,481.38 million from our EPC Contracts and revenue of Rs. 287.12 million from our real estate development business in the fiscal year 2009 compared to revenue of Rs. 3,023.51 million from our EPC Contracts and revenue of Rs. 2,685.65 million from our real estate business in the fiscal year 2008.

Other Income. Our other income increased by 43.83% to Rs.52.83 million for the fiscal year 2009 from Rs.36.73 million for the fiscal year 2008, primarily because of an increase in interest income and dividend income.

Total Expenditure. Our total expenditure decreased by 5.05% to Rs.4,931.45 million for the fiscal year 2009 from Rs.5,193.68 million for the fiscal year 2008, primarily as a result of a decrease in cost of sales as a result of the overall decrease in sales of real estate units.

Cost of Sales. Our cost of sales comprising construction and development costs decreased by 13.05% to Rs.3,716.88 million for the fiscal year 2009 from Rs.4,274.52 million for the fiscal year 2008, due to a decline in our real estate development business.

Employees' Cost. Our employees' cost increased by 8.28% to Rs.336.31 million for the fiscal year 2009 from Rs.310.58 million for the fiscal year 2008, primarily due to an increase in the number of employees from 551 as of March 31, 2008 to 651 as of March 31, 2009.

Operating and Administrative Cost. Our operating and administrative cost decreased by 12.28% to Rs.311.55 million for the fiscal year 2009 from Rs.355.16 million for the fiscal year 2008, primarily due to a decrease in professional charges and contract staff expenses.

Finance Costs. Our finance cost increased by 54.56% to Rs.284.83 million for the fiscal year 2009 from Rs.184.29 million for the fiscal year 2008, primarily due to increases in our secured loans and interest rates, resulting in an increase in interest payments on borrowings from banks, financial institutions and other lenders.

Provision for contingency. We established a contingency provision of Rs.200.00 million in connection with a development agreement entered in March 2007. See "Note V 15 – Provision for Contingency" of our consolidated financial statements.

Depreciation. Our depreciation charge increased by 23.02% to Rs.81.88 million for the fiscal year 2009 from Rs.66.56 million for the fiscal year 2008. The increase was due to addition of Rs.132.38 million of fixed assets, particularly plant and machinery for various sites and furniture and fixtures at our corporate office.

Taxation. Our provision for taxes decreased by 70.35% to Rs.123.52 million for the fiscal year 2009 from Rs.416.60 million for the fiscal year 2008. The primary component of this decrease was a decrease in our current tax liability to Rs.121.93 million in the fiscal year 2009 from Rs.404.69 million in the fiscal year 2008 corresponding with a decrease in our profit before tax. Our effective tax rate for the fiscal year 2009 was 39.07% as compared to our effective tax rate of 41.18% for the fiscal year 2008.

Adjustments to Net Profit After Tax. Adjustments to profit after tax was as a result of adjustments on account of restatements of Rs.174.89 million and current tax adjustments of Rs.61.09 million.

Net Profit After Tax, as Restated. Our profit after tax, as restated decreased by 48.88% to Rs.306.41 million for the fiscal year 2009 from Rs.599.36 million for the fiscal year 2008.

Fiscal Year 2008 Compared to the Fiscal Year 2007

Our results of operations for the fiscal year 2008 were particularly affected by the following factors:

- the overall growth of our EPC services and real estate development businesses;
- the overall growth of our businesses resulted in corresponding increases in our various expenses;
- the decrease in our profit received from partnership firms and AOP; and

- the increase in our rental income.

Income. Our total income increased by 55.43% to Rs.6,205.34 million for the fiscal year 2008 from Rs.3,992.46 million for the fiscal year 2007, primarily due to an increase in our real estate development business and our EPC services business.

Sales. Our operating income increased by 56.24% to Rs.6,168.61 million for the fiscal year 2008 from Rs.3,948.16 million for the fiscal year 2007, primarily due to the sale of land development rights at Hadapsar and Nagar Road in Pune and the sale of real estate units such as “Almonte” at Khardi, the completion of the development of the Hyatt hotel, and income from EPC services such as the commercial property for Ruby Mills Limited, Suzlon Energy Limited’s corporate office, share of profit from the development of the Matrix IT Park and hotel, completion of Cipla Limited’s SEZ in Indore and the Neelkanth Palatia and the BPTP IT Park. We generated revenue of Rs. 3,023.51 million from our EPC Contracts and revenue of Rs. 2,685.65 million from our real estate development business in the fiscal year 2008 compared to revenue of Rs. 1,220.52 million from our EPC Contracts and revenue of Rs. 2,591.29 million from our real estate business in the fiscal year 2007.

Other Income. Our other income decreased by 17.09% to Rs.36.73 million for the fiscal year 2008 from Rs.44.30 million for the fiscal year 2007 primarily because of a decrease in profit from sale of fixed assets and dividend income offset by increase in interest income and increase in profit on sale of investments.

Total Expenditure. Our total expenditure increased by 56.76% to Rs.5,193.68 million for the fiscal year 2008 from Rs.3,313.05 million for the fiscal year 2007, primarily as a result of an increase in cost of sales, employees’ cost, operating and administrative cost and finance costs as a result of the overall growth of our business and operations which in turn resulted in an increase in operating income.

Cost of Sales. Our cost of sales comprising of construction and development costs increased by 43.21% to Rs.4,274.52 million for the fiscal year 2008 from Rs. 2,984.87 million for the fiscal year 2007, due to growth in real estate development and our EPC services businesses.

Employees’ Cost. Our employees’ cost increased to Rs.310.58 million for the fiscal year 2008 from Rs.110.69 million for the fiscal year 2007, primarily due to an increase in the number of employees from 355 in the fiscal year 2007 to 551 in the fiscal year 2008 and a normal increase in the salaries, bonuses and ex-gratia paid to our officers and employees.

Operating and Administrative Cost. Our operating and administrative cost increased to Rs.355.16 million for the fiscal year 2008 from Rs.150.52 million for the fiscal year 2007, primarily due to an increase commission and brokerage charges, provision for doubtful debts, services used from professionals and property rental charges.

Finance Cost. Our finance cost increased to Rs.184.29 million for the fiscal year 2008 from Rs.39.29 million for the fiscal year 2007, primarily due to an increase in our amount of borrowings and interest rates, resulting in an increase in interest payments on borrowings from banks, financial institutions and other lenders.

Depreciation. Our depreciation charge increased to Rs.66.56 million for the fiscal year 2008 from Rs.27.68 million for the fiscal year 2007. The increase was due to addition of Rs.427.04 million worth of fixed assets, particularly plant and machinery and office equipment at our premises located at Kalyani Nagar in Pune.

Taxation. Our provision for taxes increased by 95.42% to Rs.416.60 million for the fiscal year 2008 from Rs.213.18 million for the fiscal year 2007. The primary component of this increase was an increase in our current tax liability to Rs.404.69 million in the fiscal year 2008 from Rs.206.22 million in the fiscal year 2007 corresponding with our increase in our profit before tax. Our effective tax rate for the fiscal year 2008 was 41.18% as compared to our effective tax rate of 31.38% for the fiscal year 2007.

Adjustments to Net Profit After Tax. Adjustments to profit after tax was as a result of adjustments on account of restatements of Rs.15.32 million and current tax adjustments of Rs.11.03 million.

Net Profit After Tax, as Restated. Our profit after tax, as restated increased by 74.26% to Rs.599.36 million for the fiscal year 2008 from Rs.343.94 million for the fiscal year 2007.

Fiscal Year 2007 Compared to the Fiscal Year 2006

Our results of operations for the fiscal year 2007 were particularly affected by the following factors:

- the overall growth of our EPC services and real estate development businesses;

- the overall growth of our businesses resulted in corresponding increases in our various expenses;
- the increase in our profit received from partnership firms and AOP; and
- the increase in our rental income.

Income. Our total income increased to Rs.3,992.46 million for the fiscal year 2007 from Rs.1,430.60 million for the fiscal year 2006, primarily due to an increase in our real estate development business.

Sales. Our operating income increased to Rs.3,948.16 million for the fiscal year 2007 from Rs.1,384.54 million for the fiscal year 2006, primarily due to the sale of real estate projects such as Adams Court, Weikfield – D and Golden Nest – A, and income from EPC services such as Cipla Limited Patalganga Phase - II, Symbiosis, Aventis Pharma. We generated revenue of Rs. 1,220.52 million from our EPC Contracts and revenue of Rs. 2,591.29 million from our real estate development business in the fiscal year 2007 compared to revenue of Rs. 1,267.88 million from our EPC Contracts and revenue of Rs. 103.00 million from our real estate business in the fiscal year 2006.

Other Income. Our other income decreased by 3.82% to Rs.44.30 million for the fiscal year 2007 from Rs.46.06 million for the fiscal year 2006, primarily because of decrease in profit from sale of investments and interest income offset by an increase in profit from sale of fixed assets and dividend income.

Total Expenditure. Our total expenditure increased to Rs.3,313.05 million for the fiscal year 2007 from Rs.1,205.78 million for the fiscal year 2006, primarily as a result of an increase in cost of sales, employees' cost and operating and administrative cost as a result of the overall growth of our business and operations which in turn resulted in an increase in operating income.

Cost of Sales. Our cost of sales comprising construction and development costs increased to Rs.2,984.87 million for the fiscal year 2007 from Rs.1,017.03 million for the fiscal year 2006, due to growth in our real estate development and EPC services businesses.

Employees' Cost. Our employees' cost increased by 48.17% to Rs.110.69 million for the fiscal year 2007 from Rs.74.70 million for the fiscal year 2006, primarily due to an increase in the number of employees from 255 to 355 and an increase in the salaries, bonuses and ex-gratia paid to our officers and employees.

Operating and Administrative Cost. Our operating and administrative cost increased to Rs.150.52 million for the fiscal year 2007 from Rs.64.16 million for the fiscal year 2006, primarily due to an increase in services used from professionals, property rental charges, society maintenance expenses and share issue expenses.

Finance Cost. Our finance cost increased by 26.78% to Rs.39.29 million for the fiscal year 2007 from Rs.30.99 million for the fiscal year 2006, primarily due to an increase in our amount of borrowings, resulting in an increase in interest payment on borrowings from banks, financial institutions and other lenders.

Depreciation. Our depreciation charge increased by 46.46% to Rs.27.68 million for the fiscal year 2007 from Rs.18.90 million for the fiscal year 2006. The increase was due to addition of Rs.191.38 million worth of fixed assets, particularly plant and machinery and hotel premises located at Goa.

Taxation. Our provision for taxes increased to Rs.213.18 million for the fiscal year 2007 from Rs.97.81 million for the fiscal year 2006. The primary component of this increase was an increase in our current tax liability to Rs.206.22 million in the fiscal year 2007 from Rs.98.78 million in the fiscal year 2006 corresponding with our increase in our profit before tax. Our effective tax rate for the fiscal year 2007 was 31.38% as compared to our effective tax rate of 43.51% for the fiscal year 2006.

Adjustments to Net Profit After Tax. Adjustments to profit after tax was as a result of adjustments on account of restatements of Rs. 188.97 million, current tax adjustments of Rs. 56.90 million and deferred tax adjustments of Rs.9.78 million.

Net Profit After Tax, as Restated. Our profit after tax, as restated increased to Rs.343.94 million for the fiscal year 2007 from Rs.121.53 million for the fiscal year 2006.

Financial Condition, 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. In addition, liquidity includes the ability to obtain appropriate equity and debt financing and loans and to convert into cash those assets that are no longer required to meet existing strategic and financial objectives.

Therefore, liquidity cannot be considered separately from capital resources that consist of current or potentially available funds for use in achieving long-range business objectives and meeting debt service and other commitments.

We have historically 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. 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 issue and other financings from banks, financial institutions and other lenders to meet our capital requirements for at least the next 12 months.

Our Consolidated Cash Flows

The table below summarises our cash flows for the six month period ended September 30, 2009 and the fiscal years 2009, 2008, and 2007 :

	For the Six Month Period Ended September 30, 2009 (Rs. in million)	For the Fiscal Year		
		2009 (Rs. in million)	2008 (Rs. in million)	2007 (Rs. in million)
Net cash (used in)/ generated from operating activities.....	60.68	411.12	(684.33)	(633.66)
Net cash generated (used) in/ generated from investing activities.....	35.15	(73.82)	(766.70)	(753.31)
Net cash (used in)/ generated from financing activities	17.11	(645.31)	1,834.98	1,468.77
Net increase in cash and cash equivalents	112.94	(308.00)	383.95	81.80

Operating Activities

Net cash generated from operating activities was Rs. 60.68 million for the six month period ended September 30, 2009, and consisted of net profit before taxation and prior year adjustments of Rs. 355.85 million, as adjusted for among other things, depreciation of Rs. 39.11 million, interest expense of Rs. 128.09 million, increases in loans and advances of Rs. 466.39 million, increases in other current assets of Rs. 99.74 million, increases in inventories of Rs. 61.03 million and increases in trade payables of Rs. 216.27 million.

Net cash generated from operating activities was Rs.411.12 million for the fiscal year 2009, and consisted of net profit before taxation and prior year adjustments of Rs. 491.02 million, as adjusted for among other things, depreciation of Rs.81.88 million, interest expense of Rs.284.83 million, increases in inventories of Rs.502.18 million, increases in other current assets of Rs.154.34 million, increases in loans and advances of Rs.285.34 million and increases in trade payables of Rs.751.45 million.

Net cash used in operating activities was Rs.684.33 million for the fiscal year 2008, and consisted of net profit before taxation and prior year adjustments of Rs.1,027.00 million, as adjusted for among other things, depreciation of Rs.66.56 million, share of profit from AOP of Rs.63.95 million, interest expense of Rs.184.29 million, increases in inventories of Rs.441.87 million, increases in sundry debtors of Rs.584.11 million, decreases in other current assets of Rs.1.61 million, increases in loans and advances of Rs.1,005.62 million and increases in trade payables of Rs.549.50 million.

Net cash used in operating activities was Rs.633.66 million for the fiscal year 2007, and consisted of net profit before taxation and prior year adjustments of Rs.490.44 million, as adjusted for, among other things, share of profit from AOP of Rs.70.38 million, increases in inventories of Rs.595.52 million, increases in sundry debtors of Rs.811.13 million, increases in other current assets of Rs.36.81 million, increases in loans and advances of Rs.1,147.79 million and increases in trade payables of Rs.1,662.95 million.

Investing Activities

Net cash generated from investing activities was Rs. 35.15 million for the six month period ended September 30, 2009, primarily as a result of the conversion of a subsidiary to a joint venture of Rs. 118.81 million and receipt of interest of Rs. 34.23 million, which was adjusted by purchases of fixed assets of Rs. 89.21 million and purchases of investments of Rs. 53.48 million.

Net cash used in investing activities was Rs.73.82 million for the fiscal year 2009, primarily as a result of purchases of fixed assets of Rs.233.11 million, purchases of investments of Rs.289.93 million and consideration paid on the acquisition of a joint venture entity of Rs.111.65 million which was adjusted by the sale of investments of Rs.437.55 million.

Net cash used in investing activities was Rs.766.70 million for the fiscal year 2008, primarily as a result of purchases of fixed assets of Rs.315.49 million, purchases of investments of Rs.346.58 million and consideration paid on the acquisition of a joint venture entity of Rs.198.77 million.

Net cash used in investing activities was Rs.753.31 million for the fiscal year 2007, primarily as a result of purchases of fixed assets of Rs.420.67 million and purchases of investments of Rs.417.40 million.

Financing Activities

Net cash generated from financing activities was Rs. 17.11 million for the six month period ended September 30, 2009, primarily as a result of repayment of long term borrowings of Rs. 125.20 million and proceeds from issuance of share capital of Rs. 20.00 million as adjusted by interest payment of Rs. 128.09 million.

Net cash used in financing activities was Rs.645.31 million for the fiscal year 2009, primarily as a result of repayment of long term borrowings of Rs.718.67 million and interest payment of Rs.428.34 million as adjusted by proceeds from issuance of share capital of Rs.501.70 million.

Net cash generated from financing activities was Rs.1,834.98 million for the fiscal year 2008, primarily as a result of long term borrowings of Rs.1,954.06 million as adjusted by interest paid of Rs.264.03 million.

Net cash generated from financing activities was Rs.1,468.77 million for the fiscal year 2007, primarily as a result of proceeds from issuance of share capital of Rs.1,485.71 million, as adjusted by interest paid of Rs.51.98 million.

Capital Expenditures

For the fiscal years 2009, 2008 and 2007, we spent Rs. 233.08 million, Rs.293.69 million and Rs.403.11 million, respectively, on capital expenditures. The capital expenditures for the fiscal year 2009 resulted primarily from purchase of plant, machinery and furniture and fixtures for the fiscal year 2008 resulted primarily from purchase of plant, machinery and office premises; and for the fiscal year 2007 resulted primarily from purchases of plant, machinery and hotel premises. We expect our capital expenditure needs in the fiscal year 2010 to be met from cash generated from operating activities and the net proceeds of this initial public offering. See "Objects of the Issue" on page 38.

Indebtedness

As of September 30, 2009, we had Rs.2,129.46 million of aggregate indebtedness outstanding. The following table provides our outstanding indebtedness as of September 30, 2009:

Type of Indebtedness	Outstanding as of September 31, 2009 (Rs. in million)
Short term debts	947.12
Long term debts	1,182.34
Total indebtedness	2,129.46

Contractual Obligations and Commercial Commitments

The following table summarises our contractual obligations and commercial commitments as of September 30, 2009 and the effect such obligations and commitments are expected to have on our liquidity and cash flows in future periods. We have certain operating lease obligations for motor vehicles, other than which, we own all of our assets.

Contractual Obligations	As of September 30,				
	2009	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
	(Rs. in million)				
Long term debt	1,182.34	-	633.75	105.09	443.49
Short term debt	947.12	947.12	-	-	-
Other purchase and other obligations ⁽¹⁾	311.82	311.82	-	-	-

⁽¹⁾ Our purchase and other obligations include our capital expenditure obligations and other obligations and commitments, including for rental and finance lease payments. We define a purchase obligation as an arrangement to purchase goods or services that is enforceable and legally binding on us.

Contingent Liabilities

The following table provides our contingent liabilities as of September 30, 2009:

Particulars	(Rs. in million)
For Income Tax	29.70
For Service Tax	9.96
Bank guarantee	
- for companies	250.09
- for performance	578.71
Corporate guarantees	653.36
Claims against the Company not acknowledged as debt	2,487.78*
Arbitration fees	13.23
Estimated contracts remaining to be executed on capital account and not provided for (net of advances)	311.82

* with interest thereon

As per the arrangement with a customer, the assets provided by it for the relevant contract will be acquired by the Company at 50% of the cost at the end of the project. The estimated amount of such commitment is Rs. 35.57 million for the six month period ended September 30, 2009.

Key Development in capital structure post March 31, 2009

On August 27, 2009, the debenture holders have exercised the option to convert the unsecured convertible debentures to Equity Shares and accordingly the same are converted to Equity Shares in the ratio of 1:1. Accordingly, subsequent to the year ended March 31, 2009, the share capital of the Company has increased from Rs. 759.15 Million divided into 75.91 million equity shares of Rs. 10 each to Rs. 792.16 Million divided into 79.21 million equity shares of Rs. 10 each.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our Subsidiaries, Affiliates and certain key management personnel. We believe such transactions are on an arm's lengths basis. Such transactions could be for provision of services, lease of assets or property (including intellectual property), sale or purchase of equity shares or entail incurrence of indebtedness. For details of our related party transactions, see Note 16 of Schedule 1 of our restated consolidated financial statements on page 212.

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”.

Off Balance Sheet Commitments and 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.

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 have floating rate indebtedness and also 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. As of September 30, 2009, Rs. 2,018.15 million of our indebtedness consisted of floating rate indebtedness. 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. We do not currently use any derivative instruments to modify the nature of our exposure to floating rate indebtedness so as to manage interest rate risk.

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 and cement. 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. In the normal course of business, we purchase these raw materials and components either on a purchase order basis or pursuant to supply agreements. We currently do not have any hedging mechanism in place in respect of any of the commodities we purchase.

Credit Risk

We are exposed to credit risk on accounts receivables owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts. We monitor the credit worthiness of our customers to whom we have granted credit terms in the normal course of business. We generally grant our customers credit periods of 60 to 90 days.

Inflation

In recent years, although India has experienced minor fluctuation in inflation rates, inflation has not had material impact on our business and results of operations.

Known Trends or Uncertainties

Other than as described in the section titled “Risk Factors” and “Management's Discussion and Analysis of Financial Conditions and Results of Operations” on pages xi and 284, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our income from continuing operations

Future Relationship between Costs and Income

Other than as described in the section entitled “Risk Factors” and “Management's Discussion and Analysis of Financial Conditions and Results of Operations” on pages xi and 284, 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 Products or Business Segment

Other than as described in this Red Herring Prospectus, we do not have any new products or business segments.

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 competitive conditions in the sections entitled “Risk Factors” and “Business” on pages xi and 68, respectively.

FINANCIAL INDEBTEDNESS

As on December 31, 2009, the aggregate outstanding borrowings of our Company based on unconsolidated financial statements are as follows:

(Rs. in millions)		
S. No.	Nature of Borrowing	Amount
1.	Secured Borrowings	1229.98
2.	Unsecured Borrowings	721.50

Secured Loans

I. Loans borrowed by our Company from HDFC Bank Limited

- Term Loan agreement dated January 8, 2008.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.59	0.97	10.19	- The loan is re-payable in 35 monthly instalments of Rs. 0.09 million starting from February 1, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely Puts Meister Concrete Pump 1407.

- Term Loan agreement dated April 10, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
4.70	2.18	10.00	- The loan is re-payable in 35 monthly instalments of Rs. 0.15 million starting from May 5, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely Concrete Pump BSA 1407 D.

- Term Loan agreement dated February 25, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
1.80	0.73	10.29	- The loan is repayable in 35 monthly instalments of Rs. 0.06 million starting from March 5, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely Putzmeister Concrete Pump 1404 D.

- Term Loan agreement dated February 25, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.90	1.18	10.29	- The loan is repayable in 35 monthly instalments of Rs. 0.09 million starting from March 5, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, Caterpillar Loader HM 2021 Z.

- Term Loan agreement dated February 7, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
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Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.22	0.90	10.10	- The loan is repayable in 35 monthly instalments of Rs. 0.07 starting from March 1, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, Putmeister AG BSA 1407.

6. Term Loan agreement dated February 6, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
2.59	1.05	10.19	- The loan is repayable in 35 monthly instalments of Rs. 0.09 starting from March 1, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, Putzmeister Pump 1407 D.

7. Term Loan agreement dated February 07, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
4.40	1.79	10.10	- The loan is repayable in 35 monthly instalments of Rs. 0.14 million, starting from March 1, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, ACE Huaxia 5040 A Towers

8. Term Loan agreement dated March 17, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
0.96	0.42	10.38	- The loan is repayable in 35 monthly instalments of Rs. 0.03 million starting from April 5, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment/ vehicle namely, ACE Crane 12 X W.

9. Term Loan agreement dated March 17, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
0.72	0.31	10.40	- The loan is repayable in 35 monthly instalments of Rs. 0.02 million starting from April 5, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, A CE Crane 12 X W.

10. Term Loan agreement dated April 10, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
5.50	2.55	10.00	- The loan is repayable in 35 monthly instalments of Rs. 0.18 million starting from May 5, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, Volvo EC 240 BLC.

11. Term Loan agreement dated December 7, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
1.69	0.59	10.50	- The loan is repayable in 35 monthly instalments of Rs. 0.06 million starting from January 1, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, JCB 3 DX.

12. Term Loan agreement dated March 2, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
1.58	0.05	12.54	- The loan is repayable in 35 monthly instalments of Rs. 0.05 million starting from March 20, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, JCB India Limited/ 3D.

13. Term Loan agreement dated March 2, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
5.65	0.20	12.24	- The loan is repayable in 35 monthly instalments of Rs. 0.19 million starting from March 20, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, BSA 1407 D.

14. Term Loan agreement dated July 6, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
1.6	0.26	12.26	- The loan is repayable in 35 monthly instalments of Rs. 0.05 million starting from July 15, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, JCB 3 DX.

15. Term Loan agreement dated October 27, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
2.7	0.79	12.47	- The loan is repayable in 35 monthly instalments of Rs. 0.09 million starting from November 1, 2007. - The loan has been secured by creating a charge in favour of the Welcomebank by way of first and exclusive charge of the construction equipment namely Puts BSA 1407 D Concrete Pump.

16. Term Loan agreement dated June 25, 2007.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.60	0.43	12.49	- Repayable in 35 monthly instalments of Rs. 0.09 million starting from July 5, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Concrete Pump BSA 1407.

17. Term Loan agreement dated June 25, 2007

Sanctioned	Amount	Interest (% per	Repayment/Security/ Purpose
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amount (in Rs. millions)	outstanding (in Rs. millions)	annum)	
5.20	0.86	12.52	- The loan is repayable in 35 monthly instalments of Rs. 0.18 million, starting from July 5, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Concrete Pump BSA 1407 D.

18. Term Loan agreement dated June 25, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
1.96	0.33	12.52	- The loan is repayable in 35 monthly instalments of Rs. 0.07 million, starting from July 5, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Concrete Pump BSA 1407 D.

19. Term Loan agreement dated November 10, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
4.85	1.56	11.50	- The loan is repayable in 35 monthly instalments of Rs. 0.16 million starting from December 1, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of 2 (two) construction equipment namely, the VEC Batching Plants.

20. Term Loan agreement dated July 06, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.57	0.43	12.51	- The loan is repayable in 35 monthly instalments of Rs. 0.09 million starting from July 15, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, VEC Batching Plant.

21. Term Loan agreement dated January 1, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
4.51	1.55	10.25	- The loan is repayable in 35 monthly instalments of Rs. 0.15 million starting from January 20, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Volvo EC 210 BLC.

22. Term Loan agreement dated October 8, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
1.60	0.42	13.22	- The loan is repayable in 35 monthly instalments of Rs. 0.05 million starting from October 15, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely JCB 3DX.

23. Term Loan agreement dated January 1, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.59	0.90	9.99	- The loan is repayable in 35 monthly instalments of Rs. 0.08 million starting from January 20, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment, namely Putzmeister 1407 D Pump.

24. Term Loan agreement dated October 1, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.70	0.70	12.00	- The loan is repayable in 35 monthly instalments of Rs. 0.09 million starting from October 15, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment, namely, Puts Concrete Pump BSA 1407.

25. Term Loan agreement dated August 8, 2007.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
1.60	0.32	12.50	- The loan is repayable in 35 monthly instalments of Rs. 0.05 million starting from August 20, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment, namely Trailer Mounted Pump BSA 1404 D.

26. Term Loan agreement dated October 5, 2007.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
3.67	0.95	12.00	- The loan is repayable in 35 monthly instalments of Rs. 1.25 million starting from October 15, 2007. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, Schwing Stetter Concert Mixing Plant/CP 30.

27. Term Loan agreement dated September 24, 2008.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
2.66	1.64	12.75	- The loan is repayable in 35 monthly instalments of Rs. 0.09 million starting from October 15, 2008. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the construction equipment namely, PUTZ Meister India Concrete Pump.

28. Term Loan agreement dated March 7, 2009.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
1.20	0.90	12.75	- The loan is repayable in 35 monthly instalments of Rs. 0.04 million starting from March 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of 2 (two) equipments namely, Mini Batching Plant 20.

29. Term Loan agreement dated March 4, 2009.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
0.82	0.62	12.75	- The loan is repayable in 35 monthly instalments of Rs. 0.03 million starting from March 15, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of 2 equipments namely, the Universal Reversible Mixer 800.

30. Term Loan agreement dated March 7, 2009.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
4.27	3.20	12.26	- The loan is repayable in 35 monthly instalments of Rs. 0.15 million starting from March 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment, namely, Putzmeister Concrete Machine Pump.

31. Term Loan agreement dated March 4, 2009.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
0.31	0.23	12.75	- The loan is repayable in 35 monthly instalments of Rs. 0.10 million starting from March 15, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Universal Tough Rider.

32. Term Loan agreement dated April 11, 2009.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
0.58	0.38	12.50	- The loan is repayable in 35 monthly instalments of Rs. 0.03 million starting from April 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Weighting Machine 15161.225.

33. Term Loan agreement dated June 8, 2009.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
0.95	0.78	11.75	- The loan is repayable in 35 monthly instalments of Rs. 0.03 million starting from June 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Bobcat 5130.

34. Term Loan agreement dated July 7, 2009.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
3.50	2.98	11.75	- The loan is repayable in 35 monthly instalments of Rs. 0.10 million starting from July 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Konig Self erecting Tower Crane K 451, Engine No 451323.

35. Term Loan dated September 18, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
1.56	1.33	11.00%	- The loan is repayable in 18 monthly instalments of Rs.0.09 million starting from October 5, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Putzmeister Concrete Pump- BSA 1407 D Ruby.

36. Term Loan dated September 18, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
1.36	1.15	11.00%	- The loan is repayable in 18 monthly instalments of Rs.0.08 million starting from October 5, 2009. - The loan had been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Putzmeister Concrete Pump- BSA 1407 D.-Ruby.

37. Term Loan dated September 18, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
0.93	0.79	11.00%	- The loan is repayable in 18 monthly instalments of Rs. 0.06 million starting from October 5, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Furukawa F 22 Rock breaker - Novatel.

38. Term Loan dated September 18, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
0.66	0.56	11.00%	- The loan is repayable in 18 monthly instalments of Rs. 0.04 million starting from October 5, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Furukawa F 22 Rock breaker Novatel.

39. Term Loan dated September 18, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
1.38	1.16	11.00%	- The loan is repayable in 18 monthly instalments of Rs. 0.08 million starting from October 5, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Putzmeister Concrete Pump- BSA 1407 D.-NKMAL

40. Term Loan dated October 9, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
7.24	6.41	10.50%	- The loan is repayable in 24 monthly instalments of Rs. 0.34 Million starting from October 20, 2009. - The loan had been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Peri Cantering Material.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose

41. Term Loan dated October 9, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
9.91	8.78	10.50%	- The loan is repayable in 24 monthly instalments of Rs.0.46 Million starting from October 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, peri cantering material.

42. Term Loan dated October 9, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
5.63	4.99	10.50%	- The loan is repayable in 24 monthly instalments of Rs. 0.26 million starting from October 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, peri cantering material.

43. Term Loan dated October 9, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
8.22	7.29	10.50%	- The loan is repayable in 24 monthly instalments of Rs. 0.38 million starting from October 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Peri cantering material.

44. Term Loan dated November 4, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
2.98	2.83	10.50%	- The loan is repayable in 35 monthly instalments of Rs. 0.09 million starting from October 20, 2009. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Ajax Argo 4000 concrete mixer.

45. Term Loan dated December 30, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
5.60	5.60	9.50%	- The loan is repayable in 35 monthly instalments of Rs.0 .18 Million starting from January 20, 2010. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, AL 2516.

46. Term Loan dated December 30, 2009

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
2.99	2.99	8.25%	- The loan is repayable in 35 monthly instalments of Rs. 0.10 Million starting from January 20, 2010. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the equipment namely, Schwing Transit Mixer AM6SHN

47. Sanction letter for a term loan dated January 5, 2010

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
200	0.00	10.0%	- The term loan is for granted for working capital requirements of the business - The loan is granted for a period of 18 months.

48. Term loan dated January 8, 2010

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
6.75	6.75	9.50%	- The term loan is for granted for working capital requirements of the business - The loan is repayable in 35 montly instalment of Rs. 0.22 million.

The following provisions are also applicable in relation to the above loans:

- The company shall hypothecate and charge in favour of the bank, an equipment/vehicle as security for the repayment/payment by the company of the loan granted or to be granted to the company by the bank together with all fees, interest, costs and expenses incurred/to be incurred by the bank and all other monies payable or to become payable by the company to the bank.
- The bank shall be absolutely entitled and have full power and authority to sell, assign or transfer in any manner, in whole or in part, and in such manner and on such terms as the bank may decide, including reserving a right to the bank to retain its power to proceed against the company on behalf of the purchaser, assignee, or transferee, any or all outstanding dues of the company, to any third party of the bank's choice without reference to or without written intimation to the company

II. Loans taken by our Company from HDFC Limited

Term Loan agreement dated November 28, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/ Security/Purpose
500	411.68	14.25	- The loan is repayable in 10 instalments commencing from the end of 21 months from the date of disbursement. - The loan has been taken for the construction of the residential project Willows at sy. No. 13, Balewadi, Pune. - The loan has been secured by creating a charge in favour of the bank by way of first and exclusive charge of the following: - Land bearing sy. No. 32/1 Vadgaon Sheri, Pune admeasuring 7019.27 sq. mt. - Office No G-3, on ground floor admeasuring 2810 sft; - Office G-4 & G-5 on ground floor admeasuring 3139 sq. ft; - Office No. 103 on first floor admeasuring 2625 sft - Office No. 201 on second floor admeasuring 2970 sft; - Office No. 301 on third floor admeasuring 2635 sft; All in building Phoenix, Plot No. 1 & 6A sy. No. 319, CTS No. 14, Bunk Garden Road Pune.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/ Security/Purpose
			3. a) Land bearing sy. No 84/1B/2(P) admeasuring 9400 sq mt; b) Land bearing sy. No 113/2 (B) admeasuring 12,850 sq mt; c) Land bearing sy. No. 82/1/4 (P) admeasuring 3,000 sq.mt 4. Land bearing Gat No. 78,79,80,132,133,134 &135, village Katvi, Taluka Maval Dt Pune admeasuring 345,006 sft; 5. Land bearing sy. No. 82/1/4,82/1/1/1+2+3, 82/1/1/3+4+5+6, 83/1D/2/2 Wadala Nashik. • Interest on the principal amount of the said loan outstanding from time to time monthly on or before the end of every month at the applicable rate (HDFC CPLR plus 100 basis points) plus tax or other statutory levy, if any. This rate shall be reset at each reset date on the outstanding loan amount, based on the then prevailing HDFC CLPR rate.

The following restrictive provisions are also applicable in relation to the above loan with HDFC Limited unless approved by the bank, the company shall not:

- Let out or otherwise part with the possession of the project/property/security or any part thereof;
- Enter into any agreement or arrangement with any person, institution, local or government or body for the use, occupation or disposal of the project/property/security or any part thereof during the pendency of the said loan;
- Change the use or purpose of the loan;
- Undertake or permit any merger, consolidation, re-organisation and scheme of arrangement or compromise with its creditors and/or shareholders;
- Change its equity ownership structure substantially so as to cause the change in its management control;
- Declare or pay dividend or distribute profit to any of its shareholders/partners during any financial year, unless it has paid all the dues of HDFC up to the date on which the payment is proposed to be made;
- Raise any loans from any other source for any purpose whatsoever till the dues of HDFC have been paid in full; or
- Guarantee the repayment of any loan or the purchase price of any asset.

III. Loans taken by our Company from ICICI Bank Limited

Term Loan agreement dated February 19, 2007

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/Purpose
8.50	0.28	4.82	• The loan is re-payable in 35 monthly instalments of Rs. 0.28 million starting from March 22, 2007 and subsequently on the 22nd day of each successive month. • The loan has been availed of for the purpose of purchase of 2 Volvo Excavators model No 210 and for the repayment of the existing loans/facility of Rs 4.25 million. • Hypothecation and charge in favour of the bank of the vehicle purchased against the loan.

IV. Loans from Citi Bank Limited

Term Loan agreement dated December 19, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
30	25.59	14.50	• The loan has been taken on Flora Premises Private Limited property, a group company is re-payable in 60 monthly instalments of Rs. 0.70 million. • The security/charge on which the loan has been granted includes Office No 509, 5th Floor, Nucleus Mall, Sadhu Vaswani Chowk, Pune 411001 and Voila Business Center Building D, Mumbai-Bangalore Highway, Pune.

- The loan is to repay an amount of Rs. 30 million taken by the company together with all interest, liquidated damages, costs, charges and expenses and all other monies due and payable.

The following restrictive provisions are also applicable in relation to the above loan with CitiBank Limited as long as any part of the loan is outstanding, unless approved by the bank in writing:

- Utilize the loan/facility for any speculative, anti social, illegal or unproductive purposes;
- Stand surety for any person or guarantee the repayment of any loan or overdraft or other obligations of any person;
- Give any loan or grant any credit (except in ordinary course of business) to any person;
- Prepay or repay any other financial obligation without first repaying the loan /facility due to this bank;
- Make any change in the constitution, management or existing ownership or control or share capital of the company;
- Alter its share capital or issue any further shares;
- Enter into any reconstruction or arrangement or merge or amalgamate with nay other company or body corporate or enter into any partnership;
- Execute or permit to be executed Power of Attorney, indemnity or any other deed, in favour of any third person enabling such person to deal with the mortgaged premises or the property in any manner;
- Obtain any other or further loan or financial facility from any other person or execute any personal/corporate guarantee or incur or assume any further indebtedness except indebtedness in the ordinary course of business;
- Shall not do anything that adversely affects the bank or undermine the association/relationship with the bank or the ability to repay the loan/facility and fulfil the obligations under the loan agreement.

V. Loans taken by our Company from State Bank of India

Supplementary loan Agreement dated April 9, 2008

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
The company had credit facilities from the bank of Rs. 1,600 million. which includes a demand cash credit of Rs. 600 million, Letter of credit of Rs. 200 million and bank guarantee of Rs. 800 million for letter of credit	592.90	13.50	• The sanctioned credit facilities are only for genuine working capital with no diversion of short term funds for long term uses. • The security for the credit facilities include hypothecation of stock of raw, material, work in progress and receivables (excluding work in progress) • Equitable mortgage of three flats namely: a. Flat No 703, 7th Floor, Ascot Building No C 27, Shastrinagar, Off J P Nagar, Andheri (West) Mumbai-58 in the name of Vascon Engineers Private limited. b. Flat No 302, 3rd Floor, Lisban, Building No A 21, Shastrinagar, Off J P Nagar, Andheri (West) Mumbai-58 in the name of Vascon Engineers Private limited. c. Office No 501,502,511,512,513 &514, 5th Floor, Shiv Towers, Patto Plaza, Panaji, Goa in the name of Vascon Engineers Private limited. d. Vista-do-Rio resort, sy No 77/0, Plot No E, After PDA plots, opposite catering college, Alto Porvorium, Goa 403521 in the name of Vascon Engineers Private limited. e. Land property admeasuring about 86129 sq ft carved out of larger property in sy. No. 32/1A and 32/1B situated at Mouje Vadgaon Sheri, Taluka Haveli, District Pune standing in the name of Silver Oak Private Limited. f. Plot at S.no. 92/2/3/4A/4B/5, village mundhwa puen in the name of Hamcon Engineers Limited. Admeasuring 823.11 sq. mts. g. Office T-9,3rd Floor, sy. No. 157 A, Church Road Ghorpadi Pune – 411001. h. Arlem, plot at sy. No 253/1 Village Raia Salcate Goa admeasuring 29559.75 sq,mtrs and Temamanda at sy. No. 254/2 village raia Salcate Goa. i. Also, the personal guarantee of R. Vasudevan. • All present and future goods, book-debts, and all other movable current assets of the company document of title to the goods,

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment / Security/Purpose
			outstanding moneys, receivables, including receivables, by way of cash assistance and or cash incentive under cash incentive scheme or any other scheme and present machinery listed in the schedule hereto and deposit of all title deeds of the existing immovable properties and all future machinery belonging to or in the possession or under the control of the company or of bank or third party wherever lying, stored and kept whether in India or elsewhere throughout the world. (including all such goods, other moveable assets as may be in course of shipment, transit or delivery.)

The following restrictive provisions are also applicable in relation to the above loan from State Bank of India, during the currency of the loan, the company shall not:

- Effect any change in the company's capital structure; in all cases of term loans, where a condition prohibiting disinvestments by promoters of their quota in the equity of the borrower company, without the prior approval of the bank. All the promoters in the company should furnish an undertaking each year in the first week of April, the confirmation together with the auditor's certificate as on March 31;
- Formulate any scheme of amalgamation or reconstruction;
- Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the bank and approved;
- Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies);
- Enter into borrowing arrangement either secured or unsecured with any other bank or financial institution, company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the bank and approved from time to time;
- Undertake any guarantee obligation on behalf of any other company (including group company);
- Declare dividends for any year out of the profits relating to that year or of the previous years. The company shall ensure that no repayment obligations remain unmet at the time of making request for bank's approval for the declaration of dividend;
- Create any charge, lien or encumbrance over undertaking or nay part thereof in favour of any financial institution, bank, company, firm or persons;
- Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the bank;
- Enter into any contractual obligation of a long term nature or affecting the company financially to a significant extent;
- Change the practice with regard to remuneration of directors by means or ordinary remuneration or commission;
- Undertake any trading activity other than sale of products arising out of its own manufacturing operations;
- Permit any transfer of the controlling interest or make any drastic change in the management set up; or
- Repay monies brought in by the promoters/directors/principal shareholders and their friends and relatives by way of deposits/loans/advances. All unsecured loans/deposits raised by the company for financing a project are subordinate to the loans of the banks/financial institutions and shall be repaid only with the prior approval of the banks and the financial institutions concerned.

VI. *Loans taken by our Company from Central Bank of India*

Sanction letter dated July 31, 2009 for term loan.

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
250	122.50	12.50 (BPLR +0.50% i.e 12.50%p.a presently)payable monthly	• The loan is repayable in 4 years, including 2 years moratorium period beginning from June 2011 to March 2013 in quarterly instalments. • Hypothecation and charge in favour of the bank of an exclusive charge on fixed assets purchased from proposed term loan of Rs. 250 million and <i>pari passu</i> charge on receivables of Project Willows at Pune and Project Vista at Nasik with HDFC Limited and also as collateral security equitable mortgage of the project

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
			land admeasuring 291, 701 sq. ft. at survey No. 82 & 83, Wadala, Nasik, land bearing survey No. 32/1, Vadgaon, Sheri, Pune admeasuring 7019.27 sq. mt., office space at Phoneix building at Pune, admeasuring 14,179 sq. ft. in Plot No 1 & 6A, survey No. 319, CTS No 14, Bund Garden, Pune.
			The loan shall not be used for any real estate purpose and shall only to meet normal capital expenditure and working capital requirements.

The following restrictive provisions are also applicable in relation to the above loan with Central Bank of India:

Without the bank's prior consent, the Company shall not:

- Effect any change in the constitution or object of the company or any other change;
- Create charge/further charge on the block assets of the company in favour of other institutions;
- Make other secured borrowing arrangements;
- Take up further expansion other than in normal course of business;
- Dispose off whole or part of the undertaking;
- Repay prematurely the loans, if any, due to other creditors;
- Change method of depreciation;
- Change auditors;
- Effect merger or acquisition;
- Invest in or advance to other subsidiary/associate concerns or others; or
- Effect change in the office/factory premises.

Some of the common restrictive covenants contained in the above loans agreements, are provided below:

- The borrower will not create any security on the collaterals without consent of the bank;
- Create any pledge, hypothecation, mortgage, charge, lien, or encumbrance upon or in respect of the said goods or the said debts or any part thereof in any manner whatsoever (whether by way of specific mortgage or charge or floating charge or otherwise) in favour of any person, firm or company other than the bank or otherwise deal with the said goods or the said debts or any part thereof except in the regular course of business until notice is received from the bank of its intention to enforce this agreement by the realization of the security herein and will not permit or suffer to be done any act, deed, matter or thing which may adversely affect or in any way prejudice the security and/ or the rights of the bank;
- Receive, compound or release any of the said debts nor do anything whereby the recovery of the same may be impaired, delayed or prevented without the previous consent in writing of the bank and will keep proper books of account and other records of its business and will at any time when required produce such books and records for the inspection of the bank and its representatives, officers and agents and allow them access thereto and to furnish copies of or extracts from the same.

VI. *Loans taken by our Company from Yes Bank*

Sanction letter dated December 10, 2009 for term loan

Sanctioned amount (in Rs. millions)	Amount outstanding (in Rs. millions)	Interest (% per annum)	Repayment/Security/ Purpose
300	-	12.75% (BPLR -3.75 % i.e. 12.75%p.a presently) payable monthly	- The loan is repayable in 5 equal quarterly instalments, after 9 months moratorium period beginning from the date of Disbursement. - First Exclusive charge on the Almonte property at kharadi, Pune. - Hypothecation and charge in favour of the bank of an exclusive charge on Current assets.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND DEFAULTS

Except as stated below there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, our Directors, our Promoters, the Group Entities, our Subsidiaries and our Other Development Entities, as available and there are no defaults, non- payment of statutory dues, overdues to banks/financial institutions/small scale undertaking(s), defaults against banks/financial institutions/small scale undertaking(s), defaults in dues payable to holders of any debentures, bonds or fixed deposits or arrears on preference shares issued by Company, our Directors, our Promoters, the Group Entities, our Subsidiaries and our Other Development Entities 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 Company, our Directors, our Promoters, the Group Entities, our Subsidiaries and our Other Development Entities and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Directors, our Promoters, the Group Entities, members forming part of our Group Entities, our Subsidiaries and our Other Development Entities that would result in a material adverse effect on our consolidated business taken as a whole.

Further, except as disclosed hereunder, Company, our Directors, our Promoters, the Group Entities, our Subsidiaries and our Other Development Entities have not been declared as wilful defaulters by the RBI or any government authority and there have been no violations of securities laws in the past or pending against them.

For details of contingent liabilities of our Company and our Subsidiaries, please refer to the financial statements of our Company and the Subsidiaries on page 183.

Cases filed against the Company

1. A suit (1202 of 2005) has been filed before the court of the civil judge senior division at Pune by Sanjay Bakht Ajwani and others, against Downtown Estate Developers Private Limited and others (including the Company who has been specified as defendant No. 42). The original owners of the lands located at Mauje Lohagaon, Taluka Haveli, entered into a development agreement with the defendant No. 1 which was subsequently cancelled by both the parties. The plaintiff No. 1 claims to be the director of the defendant company and the other plaintiffs claim to be the shareholders. The original owners have subsequently entered into development agreement with defendant No. 4 which eventually entered into an agreement with the Company. The plaintiffs have challenged the deed of cancellation, the development agreement with defendant No. 40 and the joint venture agreement entered into between defendant No. 40 and our Company. The plaintiffs have also claimed the possession of the property. The temporary injunction application filed by the plaintiff has been dismissed by the civil court, Pune and the order of dismissal has been confirmed by the High Court by its judgment and order dated December 15, 2008. The plaintiff and other have filed a SLP (C) No. 9264 of 2009 against the judgement and order of the High Court. The Supreme Court has dismissed the petition by its order dated September 14, 2009. The plaintiff pray that the defendants Nos. 2 to 42 be restrained/prohibited by a decree of permanent injunction from doing/causing any construction/development on the suit property either personally or through their agents, employees, assigns or from creating third party interest and/or entering into any transaction or agreement with any third person. The matter (1202 of 2005) is now posted for evidence. The plaintiff has to file evidence. The next date of hearing is January 12, 2010.
2. A suit (1833 of 2007) has been filed by Rahul Rode and Sujata Patke before the civil judge senior division at Pune against Pannalal Lunawat, Surekha Ravindra Kumar Lunawat, Asha Rasik Shetia, Lalita Lunawat, our Company and Viorica Properties Private Limited. The plaintiff has alleged that they are the owners of property admeasuring 7 Ares and 5 Ares respectively out of sy. no. 9/10, Village Mahalunge, Pune and the defendants have encroached upon the property and have started construction of a five star hotel on the suit property and have prayed for the court to issue an permanent injunction restraining the defendants, their agents, members or any other person/s on their behalf and from proceeding with and completion the work of construction of the hotel and ultimately from causing obstruction to the lawful possession of the plaintiffs respecting the suit properties; and/or executing any work of construction in the suit properties or any part thereof. The defendants have filed their reply to the temporary injunction application and written statement to the suit. Both the plaintiff and the defendants are claiming title from the same original owner (Indubai Garade). The original owner sold land at sy. No. 8 to plaintiff's predecessor in title by sale deed dated April 11, 1989. Indubai Garade sold her entire share admeasuring 29 Ares in sy. No. 9/10 to Lunawat. Indubai Garade died on September 21, 1994. Subsequent to her death, her power of attorney on behalf of her executed a deed of correction dated August 5, 1995 thereby changing the s.y

No. 8 to sy. 9/10 mentioned in sale deed dated April 11, 1989. The said power of attorney is not annexed to the deed of correction. The matter is posted on February 24, 2010 for framing of issues.

3. A Suit (234 of 2009) has been filed by Maruti Deokar against Pune Municipal Corporation (“PMC”), Wiekfield India Limited and Vascon Engineering (India) Private Limited in relation to construction of a road on land at sy. No. 30/3, 31/1, 2A, Vadgaon Sheri, in the Court of CJSD, Pune. The Plaintiff is seeking direction from the Court to PMC for implementation of a resolution by virtue of which PMC had earlier on March 24, 1971 decided for laying a road passing through the aforesaid land and for the other reliefs. Our Company has returned to the court the suit summons received by him, which was addressed to Vascon Engineering (India) Private Limited stating that the summons was wrongly served on us as no such entity called Vascon Engineering (India) Private Limited on the given site address. The plaintiff has not annexed to the suit the sketch which he has referred in the plaint and mentioned as annexed to the plaint. Advocate of defendant No. 2 has filed an application bringing to the notice of the court the said fact and seeking direction to the plaintiff to provide the same to the defendant. The plaintiff has prayed that our Company be restrained by an injunction from carrying out any further construction on the suit road and be directed by permanent mandatory injunction to remove the structure constructed by them on the suit road and to hand over the land under the proposed suit road. The matter is posted on March 15, 2010.
4. A Civil Suit (279 of 1999) has been filed by Down Town Estate Developers against Kasturabai Chandhere and others in the court of CJSD, Pune, for specific performance of the agreement by virtue of which her late husband had agreed to convey portion of land admeasuring 1000 sq. mtrs of land out of survey No. 197/3. An injunction was granted against the defendants. However subsequent to the said order Down Town Estate Developers and Kasturabai Chnadhere had cancelled the agreement, the specific performance of which is sought by the said suit. The development rights were granted in favour Sreemangal Goyal Builders (now known Sreemangal Pristine Builders) who further entered in to a joint venture agreement with our Company thereby forming the AOP, Zircon Ventures. Sreemangal Goyal Builders, our Company and Zircon Ventures were added as a party by amendment on December 2007. As Zircon Ventures had agreed to sell/sold a portion of land admeasuring 6225 sq. mtrs to Dawnay Day Hotels Private Limited, Dawnay Day was also added as a party defendant in the suit recently. The plaintiff has filed a fresh application against all the newly added defendants seeking temporary injunction from carrying out development on the suit property. The plaintiff has prayed the defendants be permanently restrained by an order of permanent injunction from obstruction and/or interfere with the development activity of the plaintiff either by themselves or through their agent, servants etc. in the suit property or any part thereof and in the alternative if the court comes to the conclusion that for any reason specific performance of contract cannot be granted, the Plaintiff be awarded compensation of Rs. 500,000 from the defendants plus refund the sum of Rs. 481,650 collected by the defendants. The plaintiff has filed an application for adding/correcting the name of Dawnay Day Hotels Private Limited as Duet Hotels Indian Private Limited. The matter is posted on January 16, 2010 for hearing of the application.
5. A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited, and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Kirshnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company’s property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company’s property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited, the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then released its charge on the company’s property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.
6. An arbitration proceeding (16136/CYK) has been initiated by Sansara Hotels (India) Private Limited on February 23, 2009 against our Company, Just Home India Private Limited, Just Homes Associates, Marigold Premises and others on the basis of rescindment of development agreement dated March 21, 2007 which was entered into by our Company with Sansara Hotels (India) Private Limited. The Arbitration is to be conducted as per International Chamber of Commerce (ICC) Rules for Arbitration. Sansara Hotels (India) Private Limited under the Statement of Claim filed before the Arbitral Tribunal has claimed a sum of Rs. 2,487.78 million (alongwith interest payable separately) and a declaration that the payment is secured by a valid and subsisting charge on the property subject

of the development agreement. The hearing of the case is scheduled to be held in March 19, 2010. The ICC has informed the parties that an advance cost of US\$ 575,000 was fixed through its letter dated May 29, 2009 and required the Company and others to pay US\$ 287,500. The Company has not yet paid the fee for the arbitration. In this regard, an Arbitration Petition No. 215 of 2009 and an interim application was filed by Sansara in the Court of District Judge, Pune, against Vascon Engineers Limited, Rock Enterprises, Just Home India Private Limited, Just Home Associates, Marigold Premises Private Limited under Section 9 of the Arbitration and Conciliation Act, 1996 wherein in the Arbitration Petition it was alleged that the Company and others defrauded Sansara of its legitimate rights in respect of the suit property. Allegations were further made that the Company acted in collusion with Rock Enterprises and prevented development of the suit property, hence Sansara Hotels (India) Private Limited rescinded the development agreement and called upon the company and others respondents to pay the monies along with the damages due and payable by them to Sansara under the said development agreement. Upon the pleadings made by the parties an ex-parte order was passed on March 6, 2009 stating that Arbitration Petition is partly allowed and respondents be restrained from creating any third party interest in the suit property and also from inducting any third person in the suit property. On March 25, 2009 an application was filed by the Company before the District Judge, Pune to vacate the ex-parte ad- interim order dated March 6, 2009 which was dismissed on April 1, 2009. Thereafter on April 17, 2009 our Company filed an Appeal bearing No. 13 of 2009 in the Bombay High Court challenging the order dated April 1, 2009. The Bombay High Court by its order dated April 24, 2009 partly allowed the said appeal and confirmed the order dated March 6, 2009 passed by the District Court, Pune. Further, the order also sought to expedite the hearing of Arbitration Petition No. 215 of 2009. Subsequently, in light of all of the above, pursuant to an order dated July 6, 2009 the District Judge, Pune in para 28 has proceeded to pass the following order and has stated; (i) that the Arbitration Petition No. 215 of 2009 is partly allowed; (ii) the respondents (i.e the Company, Rock Enterprises, Just Home India Private Limited, Just Homes Associates and Marigold Premises Private Limited) are restrained from dealing with and disposing of, alienating, constructing or creating any third party rights in respect of the suit property, till disposal of the arbitration proceedings; and (iii) the other reliefs sought by Sansara were rejected. Further, Rock Enterprises has filed an Arbitration Appeal No. 24 of 2009 with the Bombay High Court on August 11, 2009 against Our Company, Just Homes India Private Limited, Just Home Associates and Marigold Premises Private Limited stating that the Joint venture Agreement dated June 14, 2004 and power of attorney dated June 15, 2004 had been misused as the same was executed only for the purpose of registration and obtaining necessary government permissions/ approvals and development of the suit property. It was further alleged that third party rights in the suit property had been created without the consent of Rock Enterprises and hence Development Agreement dated March 21, 2007 was not binding on Rock Enterprises. The summons was received by the Company on September 30, 2009. The appeal is pending hearing and final disposal. Sansara Hotels (India) Private Limited has issued a public notice dated January 7, 2010 in Times of India, Pune edition highlighting the order dated July 6, 2009. A reply to the Public notice has been issued to the Hon'ble Tribunal by the advocate of the Company stating that the said notice was issued more than 6 months after the order dated July 6, 2009 had been passed. A Caveat No. 80 of 2010 has been filed on behalf of the Company in the High Court of Judicature at Bombay praying that no orders be passed without due notice under S. 148-A of the Code of Civil Procedure 1908 to the Company in respect of the proposed IPO.

A caveat (Caveat No. 52 of 2010) has been filed on January 14, 2010 before that Bombay High Court by the Company against Behram Dubash Properties Private Limited and Mr. Tushad B. Dubash praying that no ex-parte order be granted against the Company without due notice.

A caveat (Caveat No. 63 of 2010) has been filed on January 14, 2010 before that Bombay High Court by the Company against Behram Dubash Properties Private Limited and Mr. Tushad B. Dubash praying that no ex-parte order be granted against the Company without due notice.

A caveat (Caveat No. 80 of 2010) has been filed on January 12, 2010 before that Bombay High Court by the Company against Sansara Hotels India Private Limited praying that no ex-parte order be granted against the Company without due notice.

Cases filed by our Company

7. The Company has filed a suit (335 of 2007) against Eagle Flask Industries Limited, Sale mohamed Padamse & Company and Eagle Home Appliances Private Limited before the court of the civil judge, senior division at Pune. The case has been filed by the Company for declaration, specific performance and permanent injunction. The plaintiff alleges that they had entered into an oral agreement with the defendants pursuant to which the defendant was required to transfer a total of 45 acres of land (located at Talegaon, Taluka Maval, District Pune), subject to various terms as agreed between the parties which includes the mode of payment and the steps to be taken by the defendants to transfer the lands to the plaintiff. The plaintiff alleges that they have already commenced the

process undertaking diligence on the lands and incurred substantial costs in relation to the same. The plaintiff alleges that they have relied on the commitment made by the defendant and inspite of complying with their obligations the defendants have not performed their part of the obligations. Further, the defendants have also decided to sell the lands to various third parties. In light of the same, the plaintiff has sought for the performance of the agreement and restrain the defendant from selling the land. The plaintiff has also requested the court to direct the defendant to pay Rs. 370 million by way of damages in the event that the oral agreement is incapable of being specifically performed. The suit is pending for order on application filed by defendant under Order 7 Rule 11 of the Code of Civil Procedure, 1908 on January 15, 2010.

Tax Disputes

8. An appeal (1221 of 2008) has been filed before the High Court at Bombay by the Commissioner of Income Tax, Central IV, Mumbai against our Company. The Commissioner of Income Tax (Appeals)-IX Mumbai had upheld an order again the Company. Our Company had filed an appeal before the Income Tax Appellate Tribunal which passed an order dated June 12, 2006 stating that the notice of hearing was sent to us and that there was no appearance made by us and therefore the appeal was not admitted and was thus dismissed. We therefore filed an appeal and requested the tribunal to restore the appeal. The tribunal vide order dated January 16, 2007 has allowed our appeal. We have paid the amount of Rs. 6.77 million under protest. The Income Tax department has filed a reference to the High Court against the order. The matter is pending for hearing.
9. A appeal dated November 28, 2008 has been filed before the custom, excise and service tax appellate tribunal, North Zone Bench, New Delhi by our Company against the order No. 133/STC/CHD/08 passed by the Commissioner of central excise, Chandigarh confirming the demand of Rs. 3.70 million along with interest of Rs. 0.59 million to levy penalty of Rs. 100 for every day of delay for the period September 10, 2004 to March 13, 2007 under section 76 of the Finance Act and to levy of penalty of Rs 3.70 million under section 78 of the Finance Act. The matter is pending for hearing.
10. A appeal dated April 8, 2009 has been filed before the custom, excise and service tax appellate tribunal, North Zone Bench, New Delhi by our Company against the order passed by Joint Commissioner of Central Excise, Chandigarh confirming a demand of Rs 0.52 million as the company is rendering service under repair and maintenance instead of commercial construction service for the period May 1, 2006 to December 31, 2006, interest at applicable rates and penalty under section 76 and section 78 of the Finance Act. The matter is pending for hearing.
11. The Joint Commissioner of Central Excise, Chandigarh commissionerate has confirmed a demand of Rs. 0.70 million as the company is rendering service under repair and maintenance instead of commercial construction service for January 2007 to December 2007, interest at applicable rates under section 75 of the Finance Act and penalty under sections 76 and 78 of the Finance Act. The Company paid Rs. 0.70 million towards Service tax and Rs 0.17 million towards penalty under protest and are in the process of filing an appeal.

Cases involving our Subsidiaries

1. Calypso Premises Private Limited

A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company's property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company's property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited., the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then has released its charge on the company's property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Securities/guarantees provided to the bankers for other companies	700.00

2. Floriana Properties Private Limited

Cases filed by or against Floriana Properties Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

3. IT – Citi Infopark Private Limited

Cases filed by or against IT – Citi Infopark Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

4. Marvel Housing Private Limited

Cases filed by or against Marvel Housing Private Limited

A Notice dated December 16, 2009 has been issued to Marvel Housing Private Limited by Azim Tapia and Javed Tapia stating that Marvel Housing Private Limited has failed pay the balance consideration of Rs. 176,400,000 together with interest thereon as per the Memorandum of Understanding dated January 10, 2008 and have thus committed willful breach and that they have become entitled to terminate the said MOU and exercise all their right in law including forfeiture of amounts paid to them and that if the aforesaid due amount is not paid within 15 days of this notice the said Memorandum of Understanding shall automatically stand terminated. Marvel Housing Private Limited has replied to the notice December 22, 2009 stating that the due diligence has not been completed as Azim Tapia and Javed Tapia have failed to provide requisite information and documents and also informed them that they intend to complete the transaction as envisaged in the Memorandum of Understanding subject to Azim Tapia and Javed Tapia clearing their right, title and interest in the firm and to the lands situated at Kharadi, Pune.

Contingent Liability as of March 31, 2009

Nil

5. Vascon Dwellings Private Limited

1. A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company's property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company's property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited., the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then has released its charge on the company's property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its

ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Securities/guarantees provided to the bankers for other companies	500.00

6. Vascon Pricol Infrastructures Limited

Cases filed by or against Vascon Pricol Infrastructures Limited

Nil

Contingent Liability as of March 31, 2009

Nil

7. Wind Flower Properties Private Limited

Cases filed by or against Wind Flower Properties Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

8. Greystone Premises Private Limited

Cases filed by or against Greystone Premises Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

9. Caspia Hotels Private Limited

Cases filed by or against Caspia Hotels Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

Other Development Entities

I. Corporate entities

1. Angelica Properties Private Limited

Cases filed by or against Angelica Properties Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

2. Cosmos Premises Private Limited

Cases filed by or against Cosmos Premises Private Limited

Nil

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Bank guarantee	1.36

3. Just Homes (India) Private Limited

Cases filed by or against Just Homes (India) Private Limited

1. A Consumer Complaint (190 of 2009) has been filed by Mrs. Nanda Laxmipathy Naidu against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2009.
2. A Consumer Complaint (192 of 2009) has been filed by Ms. Nirupa Thacker against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
3. A Consumer Complaint (193 of 2009) has been filed by Mr. Minoo Russy Shroff against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
4. A Consumer Complaint (194 of 2009) has been filed by Mrs. Konak Ramanlal Patel against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
5. A Consumer Complaint (195 of 2009) has been filed by Mrs. Neela Ashok Patel against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing

nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.

6. A Consumer Complaint (196 of 2009) has been filed by Mrs. Pushpa Avadhuth Kakodar against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
7. A Consumer Complaint (197 of 2009) has been filed by I.B.R Belletty against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
8. A Consumer Complaint (199 of 2009) has been filed by Mrs. Asha Dileep Kamat against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
9. An arbitration proceeding (16136/CYK) has been initiated by Sansara Hotels (India) Private Limited on February 23, 2009 against our Company, Just Home India Private Limited, Just Homes Associates, Marigold Premises and others on the basis of rescindment of development agreement dated March 21, 2007 which was entered into by our Company with Sansara Hotels (India) Private Limited. The Arbitration is to be conducted as per International Chamber of Commerce (ICC) Rules for Arbitration. Sansara Hotels (India) Private Limited under the Statement of Claim filed before the Arbitral Tribunal has claimed a sum of Rs. 2,487.78 million (alongwith interest payable separately) and a declaration that the payment is secured by a valid and subsisting charge on the property subject of the development agreement. The hearing of the case is scheduled to be held in March 19, 2010. The ICC has informed that parties that an advance cost of US\$ 575,000 was fixed through its letter dated May 29, 2009 and required the Company and others to pay US\$ 287,500. The Company has not yet paid the fee for the arbitration. In this regard, an Arbitration Petition No. 215 of 2009 and an interim application was filed by Sansara in the Court of District Judge, Pune, against Vascon Engineers Limited, Rock Enterprises, Just Home India Private Limited, Just Home Associates, Marigold Premises Private Limited under Section 9 of the Arbitration and Conciliation Act, 1996 wherein in the Arbitration Petition it was alleged that the Company and others defrauded Sansara of its legitimate rights in respect of the suit property. Allegations were further made that the Company acted in collusion with Rock Enterprises and prevented development of the suit property, hence Sansara Hotels (India) Private Limited rescinded the development agreement and called upon the company and others respondents to pay the monies along with the damages due and payable by them to Sansara under the said development agreement. Upon the pleadings made by the parties an ex-parte order was passed on March 6, 2009 stating that Arbitration Petition is partly allowed and respondents be restrained from creating any third party interest in the suit property and also from inducting any third person in the suit property. On March 25, 2009 an application was filed by the Company before the District Judge, Pune to vacate the ex-parte ad-interim order dated March 6, 2009 which was dismissed on April 1, 2009. Thereafter on April 17, 2009 our Company filed an Appeal bearing No. 13 of 2009 in the Bombay High Court challenging the order dated April 1, 2009. The

Bombay High Court by its order dated April 24, 2009 partly allowed the said appeal and confirmed the order dated March 6, 2009 passed by the District Court, Pune. Further, the order also sought to expedite the hearing of Arbitration Petition No. 215 of 2009. Subsequently, in light of all of the above, pursuant to an order dated July 6, 2009 the District Judge, Pune in para 28 has proceeded to pass the following order and has stated; (i) that the Arbitration Petition No. 215 of 2009 is partly allowed; (ii) the respondents (i.e the Company, Rock Enterprises, Just Home India Private Limited, Just Homes Associates and Marigold Premises Private Limited) are restrained from dealing with and disposing of, alienating, constructing or creating any third party rights in respect of the suit property, till disposal of the arbitration proceedings; and (iii) the other reliefs sought by Sansara were rejected. Further, Rock Enterprises has filed an Arbitration Appeal No. 24 of 2009 with the Bombay High Court on August 11, 2009 against Our Company, Just Homes India Private Limited, Just Home Associates and Marigold Premises Private Limited stating that the Joint venture Agreement dated June 14, 2004 and power of attorney dated June 15, 2004 had been misused as the same was executed only for the purpose of registration and obtaining necessary government permissions/ approvals and development of the suit property. It was further alleged that third party rights in the suit property had been created without the consent of Rock Enterprises and hence Development Agreement dated March 21, 2007 was not binding on Rock Enterprises. The summons was received by the Company on September 30, 2009. The appeal is pending hearing and final disposal. Sansara Hotels (India) Private Limited has issued a public notice dated January 7, 2010 in Times of India, Pune edition highlighting the order dated July 6, 2009. A reply to the Public notice has been issued to the Hon'ble Tribunal by the advocate of the Company stating that the said notice was issued more than 6 months after the order dated July 6, 2009 had been passed. A Caveat No. 80 of 2010 has been filed on behalf of the Company in the High Court of Judicature at Bombay praying that no orders be passed without due notice under S. 148-A of the Code of Civil Procedure 1908 to the Company in respect of the proposed IPO. A Notice dated December 9, 2009 has been issued to Just homes India Private Limited by Rock Enterprises stating that the joint venture agreement dated June 14 2004 and Power of Attorney dated June 15, 2004 had been misused as the same was executed only for the purpose of registration and obtaining necessary government permissions/ approvals and development of the suit property. It is further stated that due to fraudulent use of the said Power of Attorney, it has suffered irreparable loss to its property and goodwill and therefore intend to recover the said loss by way of damages to the tune of Rs. 500 Crores. Just homes India Private Limited has replied to the said notice on January 14, 2010 , denying all the allegations made by Rock Enterprises.

Contingent Liability as of March 31, 2009

Nil

4. Marigold Premises Private Limited

Cases filed by or against Marigold Premises Private Limited

1. The company has filed an appeal before the Income Tax Appellate Tribunal, Pune on May 14, 2007 in relation to the assessment year 2003-04. The income assessed is Rs. 6.61 million and tax demanded is Rs. 1.41 million. The appeal is filed against the appellate order passed by the Commissioner of Income Tax, (appeals II) Pune.
2. The company has filed an appeal (815) before the office of the commissioner of income tax (appeals) – II Pune on January 25, 2007 in relation to the assessment year 2004-05. The income assessed is Rs. 114.44 million and tax demanded is Rs. 43.19 million. The appeal is filed against the order passed under section 143(3) Income Tax Act, 1961 by the Deputy Commissioner of Income Tax, Central Circle.
3. An arbitration proceeding (16136/CYK) has been initiated by Sansara Hotels (India) Private Limited on February 23, 2009 against our Company, Just Home India Private Limited, Just Homes Associates, Marigold Premises and others on the basis of rescindment of development agreement dated March 21, 2007 which was entered into by our Company with Sansara Hotels (India) Private Limited. The Arbitration is to be conducted as per International Chamber of Commerce (ICC) Rules for Arbitration. Sansara Hotels (India) Private Limited under the Statement of Claim filed before the Arbitral Tribunal has claimed a sum of Rs. 2,487.78 million (alongwith interest payable separately) and a declaration that the payment is secured by a valid and subsisting charge on the property subject of the development agreement. The hearing of the case is scheduled to be held in March 19, 2010. The ICC has informed the parties that an advance cost of US\$ 575,000 was fixed through its letter dated May 29, 2009 and required the Company and others to pay US\$ 287,500. The Company has not yet paid the fee for the arbitration. In this regard, an Arbitration Petition No. 215 of 2009 and an interim application was filed by Sansara in the Court of District Judge, Pune, against Vascon Engineers Limited, Rock Enterprises, Just Home India Private Limited, Just Home Associates, Marigold Premises Private Limited under Section 9 of the Arbitration and Conciliation Act, 1996 wherein in the Arbitration Petition it was alleged that the Company and others defrauded

Sansara of its legitimate rights in respect of the suit property. Allegations were further made that the Company acted in collusion with Rock Enterprises and prevented development of the suit property, hence Sansara Hotels (India) Private Limited rescinded the development agreement and called upon the company and others respondents to pay the monies along with the damages due and payable by them to Sansara under the said development agreement. Upon the pleadings made by the parties an ex-parte order was passed on March 6, 2009 stating that Arbitration Petition is partly allowed and respondents be restrained from creating any third party interest in the suit property and also from inducting any third person in the suit property. On March 25, 2009 an application was filed by the Company before the District Judge, Pune to vacate the ex-parte ad- interim order dated March 6, 2009 which was dismissed on April 1, 2009. Thereafter on April 17, 2009 our Company filed an Appeal bearing No. 13 of 2009 in the Bombay High Court challenging the order dated April 1, 2009. The Bombay High Court by its order dated April 24, 2009 partly allowed the said appeal and confirmed the order dated March 6, 2009 passed by the District Court, Pune. Further, the order also sought to expedite the hearing of Arbitration Petition No. 215 of 2009. Subsequently, in light of all of the above, pursuant to an order dated July 6, 2009 the District Judge, Pune in para 28 has proceeded to pass the following order and has stated; (i) that the Arbitration Petition No. 215 of 2009 is partly allowed; (ii) the respondents (i.e the Company, Rock Enterprises, Just Home India Private Limited, Just Homes Associates and Marigold Premises Private Limited) are restrained from dealing with and disposing of, alienating, constructing or creating any third party rights in respect of the suit property, till disposal of the arbitration proceedings; and (iii) the other reliefs sought by Sansara were rejected. Further, Rock Enterprises has filed an Arbitration Appeal No. 24 of 2009 with the Bombay High Court on August 11, 2009 against Our Company, Just Homes India Private Limited, Just Home Associates and Marigold Premises Private Limited stating that the Joint venture Agreement dated June 14, 2004 and power of attorney dated June 15, 2004 had been misused as the same was executed only for the purpose of registration and obtaining necessary government permissions/ approvals and development of the suit property. It was further alleged that third party rights in the suit property had been created without the consent of Rock Enterprises and hence Development Agreement dated March 21, 2007 was not binding on Rock Enterprises. The summons was received by the Company on September 30, 2009. The appeal is pending hearing and final disposal. Sansara Hotels (India) Private Limited has issued a public notice dated January 7, 2010 in Times of India, Pune edition highlighting the order dated July 6, 2009. A reply to the Public notice has been issued to the Hon'ble Tribunal by the advocate of the Company stating that the said notice was issued more than 6 months after the order dated July 6, 2009 had been passed. A Caveat No. 80 of 2010 has been filed on behalf of the Company in the High Court of Judicature at Bombay praying that no orders be passed without due notice under S. 148-A of the Code of Civil Procedure 1908 to the Company in respect of the proposed IPO.

Contingent Liability as of March 31, 2009

The company has not made a provision in respect of income tax demands not accepted by the company for Rs. 44.60 million as the same has been disputed by the company in appeal.

5. *Mumbai Estates Private Limited*

Cases filed by or against Mumbai Estates Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

6. *Viorica Properties Private Limited*

Cases filed by or against Viorica Properties Private Limited

12. A suit (1833 of 2007) has been filed by Rahul Rode and Sujata Patke before the civil judge senior division at Pune against Pannalal Lunawat, Surekha Ravindra Kumar Lunawat, Asha Rasik Shetia, Lalita Lunawat, our Company and Viorica Properties Private Limited. The plaintiff has alleged that they are the owners of property admeasuring 7 Ares and 5 Ares respectively out of sy. no. 9/10, Village Mahalunge, Pune and the defendants have encroached upon the property and have started construction of a five star hotel on the suit property and have prayed for the court to issue an permanent injunction restraining the defendants, their agents, members or any other person/s on their behalf and from proceeding with and completion the work of construction of the hotel and ultimately from causing obstruction to the lawful possession of the plaintiffs respecting the suit properties; and/or executing any work of construction in the suit properties or any part thereof. The defendants have filed their reply to the

temporary injunction application and written statement to the suit. Both the plaintiff and the defendants are claiming title from the same original owner (Indubai Garade). The original owner sold land at sy. No. 8 to plaintiff's predecessor in title by sale deed dated April 11, 1989. Indubai Garade sold her entire share admeasuring 29 Ares in sy. No. 9/10 to Lunawat. Indubai Garade died on September 21, 1994. Subsequent to her death, her power of attorney on behalf of her executed a deed of correction dated August 5, 1995 thereby changing the s.y No. 8 to sy. 9/10 mentioned in sale deed dated April 11, 1989. The said power of attorney is not annexed to the deed of correction. The matter is posted on February 24, 2010 for framing of issues.

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Securities/guarantees provided to the bankers for performance	6.20

7. Rose Premises Private Limited

Cases filed by or against Rose Premises Private Limited

Nil

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Securities/guarantees provided to the bankers for performance	3.93

8. John Fowler Ophthalmics Private Limited

Cases filed by or against John Fowler Ophthalmics Private Limited

Nil

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Arrears of 11% fixed cumulative dividend on redeemable preference shares	22.91

9. Marathawada Realtors Private Limited

Cases filed by or against Marathawada Realtors Private Limited

Nil

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount
1	Disputed Income tax liability(2004-2005)	1.15

10. Almet Corporation Limited

Cases filed by or against Almet Corporation Limited

Nil

Contingent Liability as of March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Disputed Income tax liability (2005-2006)	0.11

11. Ascent Hotels Private Limited

Cases filed by or against Ascent Hotels Private Limited

Nil

Contingent Liability as of March 31, 2009

S.No.	Particulars	Amount (Rs in million)
1	Estimated amount of contracts remaining to be executed on capital account	342.10
2	Estimated amount of contracts remaining to be executed for design & drawings	13.85
3	Estimated amount of contracts remaining to be executed under professional services	8.19
4	Outstanding finance charges payable to bankers	5.76
5	Outstanding bank guarantees	9.92
6	Research and Development Cess	2.25
	Total	382.07

12. N. V. Projects Private Limited

Cases filed by or against N.V. Projects Private Limited

Nil

Contingent Liability as of March 31, 2009

Nil

13. Vascon Infrastructure Limited

Cases filed by or against Vascon Infrastructure Limited

Nil

Contingent Liability as on March 31, 2009

S.N.	Particulars	Amount (Rs in million)
1	Securities/guarantees provided to the bankers for performance	50.09

II. Association of persons

1. Just Homes Associates

Cases filed by or against Just Homes Associates

An arbitration proceeding (16136/CYK) has been initiated by Sansara Hotels (India) Private Limited on February 23, 2009 against our Company, Just Home India Private Limited, Just Homes Associates, Marigold Premises and others on the basis of rescindment of development agreement dated March 21, 2007 which was entered into by our Company with Sansara Hotels (India) Private Limited. The Arbitration is to be conducted as per International Chamber of Commerce (ICC) Rules for Arbitration. Sansara Hotels (India) Private Limited under the Statement of Claim filed before the Arbitral Tribunal has claimed a sum of Rs. 2,487.78 million (alongwith interest payable separately) and a declaration that the payment is secured by a valid and subsisting charge on the property subject of the development agreement. The hearing of the case is scheduled to be held in March 19, 2010. The ICC has informed the parties that an advance cost of US\$ 575,000 was fixed through its letter dated May 29, 2009 and required the Company and others to pay US\$ 287,500. The Company has not yet paid the fee for the arbitration. In this regard, an Arbitration Petition No. 215 of 2009 and an interim application was filed by Sansara in the Court of District Judge, Pune, against Vascon Engineers Limited, Rock Enterprises, Just Home India Private Limited, Just Home Associates, Marigold Premises Private Limited under Section 9 of the Arbitration and Conciliation Act, 1996 wherein in the Arbitration Petition it was alleged that the Company and others defrauded Sansara of its legitimate rights in respect of the suit property. Allegations were further made that the Company acted in collusion with Rock Enterprises and prevented development of the suit property, hence Sansara Hotels (India) Private Limited rescinded the development agreement and called upon the company and others respondents to pay the monies along with

the damages due and payable by them to Sansara under the said development agreement. Upon the pleadings made by the parties an ex-parte order was passed on March 6, 2009 stating that Arbitration Petition is partly allowed and respondents be restrained from creating any third party interest in the suit property and also from inducting any third person in the suit property. On March 25, 2009 an application was filed by the Company before the District Judge, Pune to vacate the ex-parte ad-interim order dated March 6, 2009 which was dismissed on April 1, 2009. Thereafter on April 17, 2009 our Company filed an Appeal bearing No. 13 of 2009 in the Bombay High Court challenging the order dated April 1, 2009. The Bombay High Court by its order dated April 24, 2009 partly allowed the said appeal and confirmed the order dated March 6, 2009 passed by the District Court, Pune. Further, the order also sought to expedite the hearing of Arbitration Petition No. 215 of 2009. Subsequently, in light of all of the above, pursuant to an order dated July 6, 2009 the District Judge, Pune in para 28 has proceeded to pass the following order and has stated; (i) that the Arbitration Petition No. 215 of 2009 is partly allowed; (ii) the respondents (i.e the Company, Rock Enterprises, Just Home India Private Limited, Just Homes Associates and Marigold Premises Private Limited) are restrained from dealing with and disposing of, alienating, constructing or creating any third party rights in respect of the suit property, till disposal of the arbitration proceedings; and (iii) the other reliefs sought by Sansara were rejected. Further, Rock Enterprises has filed an Arbitration Appeal No. 24 of 2009 with the Bombay High Court on August 11, 2009 against Our Company, Just Homes India Private Limited, Just Home Associates and Marigold Premises Private Limited stating that the Joint venture Agreement dated June 14, 2004 and power of attorney dated June 15, 2004 had been misused as the same was executed only for the purpose of registration and obtaining necessary government permissions/ approvals and development of the suit property. It was further alleged that third party rights in the suit property had been created without the consent of Rock Enterprises and hence Development Agreement dated March 21, 2007 was not binding on Rock Enterprises. The summons was received by the Company on September 30, 2009. The appeal is pending hearing and final disposal. Sansara Hotels (India) Private Limited has issued a public notice dated January 7, 2010 in Times of India, Pune edition highlighting the order dated July 6, 2009. A reply to the Public notice has been issued to the Hon'ble Tribunal by the advocate of the Company stating that the said notice was issued more than 6 months after the order dated July 6, 2009 had been passed. A Caveat No. 80 of 2010 has been filed on behalf of the Company in the High Court of Judicature at Bombay praying that no orders be passed without due notice under S. 148-A of the Code of Civil Procedure 1908 to the Company in respect of the proposed IPO.

Contingent Liability as of March 31, 2009

Nil

2. Zircon Ventures

A Civil Suit (279 of 1999) has been filed by Down Town Estate Developers against Kasturabai Chandhere and others in the court of CJSD, Pune, for specific performance of the agreement by virtue of which her late husband had agreed to convey portion of land admeasuring 1000 sq.mtrs of land out of sy. No. 197/3. An injunction was granted against the defendants. However subsequent to the said order Down Town Estate Developers and Kasturabai Chnadhere had cancelled the agreement, the specific performance of which is sought by the said suit. The development rights were granted in favour Sreemangal Goyal Builders (now known Sreemangal Pristine Builders) who further entered in to a joint venture agreement with our Company thereby forming the AOP, Zircon Ventures. Sreemangal Goyal Builders, our Company and Zircon Ventures were added as a party by amendment on December 2007. As Zircon Ventures had agreed to sell/sold a portion of land admeasuring 6225 sq.mtrs to Dawnay Day Hotels Private Limited, Dawnay Day was also added as a party defendant in the suit recently. The plaintiff has filed a fresh application against all the newly added defendants seeking temporary injunction from carrying out development on the suit property. The plaintiff has prayed the defendants be permanently restrained by an order of permanent injunction from obstruction and/or interfere with the development activity of the plaintiff either by themselves or through their agent, servants etc. in the suit property or any part thereof and in the alternative if the court comes to the conclusion that for any reason specific performance of contract cannot be granted, the Plaintiff be awarded compensation of Rs. 500,000 from the defendants plus refund the sum of Rs. 481,650 collected by the defendants. The plaintiff has filed an application for adding/correcting the name of Dawnay Day Hotels Private Limited as Duet Hotels Indian Private Limited. The matter is posted on January 16, 2010 for hearing of the application.

Contingent Liability as of March 31, 2009

Nil

3. Zenith Ventures

Cases filed by or against Zenith Ventures

NIL

Contingent Liability as of March 31, 2009

Nil

4. Phoenix Ventures

Cases filed by or against Phoenix Ventures

Nil

Contingent Liability as of March 31, 2009

Nil

5. Weikfield IT- Citi Infopark

Cases filed by or against Weikfield IT- Citi Infopark

NIL

Contingent Liability as of March 31, 2009

Nil

III. Partnerships

Ajanta Enterprises

Cases filed by or against Ajanta Enterprises

1. A Special Civil Suit (259 of 2007) has been filed before the Civil Judge, Senior Division, Pune by Satishkumar S Agarwal against Ajanta Enterprises and others. The plaintiff had claimed that the defendants had agreed to sell plot no. L-57 (New No. LF-5) admeasuring about 4,940 sq. ft a piece and parcel of land situated at Sy. No. 40/1B/2, 40/2B/2, 59/1+2+4/1, 2 and 3 and 59/3 in Kharadhi, Pune through a contract dated February 18, 1998 for a total consideration of Rs. 247,000 and claims Rs 25,000 was paid on February 18, 2009. The defendants had issued a public notice to dispose the said property and the plaintiff has hence filed an application for interim injunction praying for specific performance of the contract and for an injunction against the defendants or their agents or their representatives or servants directing them not to create any third party interest in the suit property till the final disposal of the suit. An order dated December 7, 2009 has been passed against Ajanta Enterprises by which the defendants are temporarily restrained from creating any sort of third party interest in the suit property pending disposal of the main suit. The matter is posted for hearing on February 12, 2010.
2. A Special Civil Suit (260 of 2007) has been filed before the Civil Judge, Senior Division, Pune by Vijaykumar S Agrwal against Ajanta Enterprises and others. The plaintiff had claimed that the defendants had agreed to sell plot no. L-56 (New No. LF-4) admeasuring 4,940 sq. ft. situated at of land in Sy. No. 40/1B/2, 40/2B/2, 41/1A/2, 41/2A/2, 59/1+2+4/1, 2 and 3 and 59/3 in village Kharadhi, Taluka Haveli, Pune through a contract dated February 18, 1998 for a total consideration of Rs. 258,350 and claims Rs 25,000 was paid on February 18, 2009. The defedants had issued a public notice to dispose the said property and the plaintiff has hence filed an application for interim injunction praying that for specific performance of the contract and for an injunction against the defendants or their agents or their representatives or servants directing them not to create any third party interest in the suit property till the final disposal of the suit. The matter is posted for hearing on February 12, 2010.
3. A Special Civil Suit (No. 158 of 2007) has been filed by Mr. Anil Dattatray Choudhary (plaintiff) in the court of Civil Judge Senior Division, Pune against Shishir Bhansali, Rajaram Choudhary, Sunil Chaudhary and Satyawan Choudhary (defendants) in relation to the land bearing Survey No.41/1A/1, Kharadhi, Pune admeasuring 8 Acres and 8 Gunthas (i.e. suit property), in which Ajanta Enterprises has interest in the suit property. In the said suit the plaintiff is seeking relief that the sale deed dated October 20, 1995, registered at serial no. 2614/96 executed by

him and the other co-owners in favour of Shishir Bhansali be declared as null and void to the extent of his one-fourth share. He has prayed that the other co-owners i.e. the other defendants in the said suit have got the said sale deed executed from him by misrepresentation and the defendant no.1 is not an agriculturist. The defendant no. 1 has filed the written statement and denied the contentions of the plaintiff and has prayed for dismissal of the suit. In the said written statement amongst several other pleadings the defendant no. 1 has pleaded that he is the bonafide purchaser for valuable consideration. The sale deed was executed by the plaintiff in the year 1995 and simultaneously possession was also handed over by him to the defendant no. 1. The matter is posted for hearing on February 29, 2010.

4. An Appeal (RTS Appeal No. 267 of 2008) has been filed by Mr. Anil Dattary Choudhary in the Court of the SDO Haveli, Pune against Mr. Rajaram Tukaram Choudhary and Satyawan Tukaram choudary and others against the order dated September 13, 2000 issued by the Circle Officer Kalas, in relation the land bearing Survey No. 41/1A/1, Kharadi, Pune, in which Ajanta Enterprises has interest in the suit property, where Mr. Anil Dattary has challenged the said order which upheld the mutation and sale of the suit property. The appellant prays that the appeal be allowed and the judgment and order passed by the Circle Officer in Takrar Case No. S/R/63/1999 for certification of the mutation entry No. 9721 and 9722 may kindly be set aside and direction for cancellation of M. E. No. 9721 and 9722 may kindly be given.

Contingent Liability as of March 31, 2009

Nil

Cases involving our Promoters

Individual Promoters

I. R. Vasudevan

1. A Criminal Revision (1048 of 2008) has been filed by Mr. Rajesh Bajaj against Mr. R. Vasudevan. The revision is filed against the order dated February 12, 2008 passed by JMFC, Pune, dismissing the complaint bearing No. 3090 of 2006 filed by Mr. Bajaj and Mr. Tiwari against Mr. R. Vasudevan, under section 409, 120 (b) of Indian Penal Code and section 183(2) and 184 of Maharashtra Land Revenue Code. The complainant alleges that Mr. R. Vasudevan in the capacity of Director of our Company had excavated minerals, soil etc from site at Kalyaninagar and has paid less royalty/penalty. The JMFC court on inquiry had dismissed the complaint. Being aggrieved by the said dismissal the complainant has filed this Revision Application. The matter is posted on January 6, 2010 for hearing.
2. A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company's property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company's property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited., the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then has released its charge on the company's property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.
3. A Consumer Complaint (190 of 2009) has been filed by Mrs. Nanda Laxmipathy Naidu against Just Homes India Private Limited and Mr. R. Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service

- provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
4. A Consumer Complaint (192 of 2009) has been filed by Ms. Nirupa Thacker against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
 5. A Consumer Complaint (193 of 2009) has been filed by Mr. Minoo Russey Shroff against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
 6. A Consumer Complaint (194 of 2009) has been filed by Mrs. Konak Ramanlal Patel against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
 7. A Consumer Complaint (195 of 2009) has been filed by Mrs. Neela Ashok Patel against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
 8. A Consumer Complaint (196 of 2009) has been filed by Mrs. Pushpa Avadhuth Kakodar against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.
 9. A Consumer Complaint (197 of 2009) has been filed by I.B.R Belletty against Just Homes India Private Limited and Mr. R.Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider

relationship between Mr. R. Vasudevan and the complainant. The matter is posted for hearing on January 13, 2010.

10. A Consumer Complaint (199 of 2009) has been filed by Mrs. Asha Dileep Kamat against Just Homes India Private Limited and Mr. R. Vasudevan. The complainant alleges that the opponent has not provided the facilities which were agreed and instead of constructing the second building for senior citizen has started a hotel thereby causing nuisance to the flat holders. The opponent has prayed for formation of society, execution of final conveyance in favour of society, for completing the assured facilities, stop conducting commercial activity and on failure of the opponents to immediately start or restore the said facilities, pay compensation of Rs. 1,200,000. We have filed an application for deletion of Mr. R. Vasudevan's name claiming that there is no consumer and service provider relationship between Mr. R. Vasudevan and the complainant. The matter is posted on January 13, 2010.
11. A Special Civil Suit (88 of 2008) has been filed by Mr. Mukesh Mohan Patel against Mrs. Nafisa Adil Moolobhoy, Mr. Adil Sharif Moolobhoy and Mr. R. Vasudevan. The suit has been filed in relation to the plot of land bearing sy. No. 226 (1+2), 227 (3+4), 5, 230/8 situated at village Revdanda (Palav). Alibag (Raigad). The plaintiff has prayed that the alleged agreement dated October 24, 2007 should be binding on the defendants and that defendants should accept Rs. 67.36 million and register a sale deed/deed of conveyance and thereby hand over vacant and peaceful possession of the suit land to the plaintiff. The matter is posted for hearing on January 27, 2010.
12. A Special Civil Suit (89 of 2008) has been filed by Mr. Mukesh Mohan Patel against Mrs. Nafisa Adil Moolobhoy, Mr. Adil Sharif Moolobhoy, Mr. R. Vasudevan, Mrs. Lalitha Vasudevan, Mr. M. K. Hamied and Mr. A. S. Lulla before the civil judge senior division, Alibag (Raigad). The suit has been filed in relation to the plot of land bearing sy. No. 225/1 to 6, 7B, 8 to 11, 226/3+4+8+10 to 17 situated at village Revdanda (Palav) Alibag (Raigad). The plaintiff has prayed that the alleged agreement dated October 24, 2007 should be binding on the defendants and there by the defendants should accept Rs. 252.07 million and register the sale deed and hand over vacant and peaceful possession of the suit land to the plaintiff. The matter is posted for hearing on January 27, 2010.
13. A notice (O/w No.: 1205/7469) has been issued by the Office of the City Engineer, Building Control, Pune Municipal Corporation dated December 22, 2009 to Mr. R. Vasudevan alleging that Mr. R. Vasudevan has put up constructions measuring 12 feet by 25 feet without permission at Vadgaon Sheri, Pune.
14. A notice (O/w No. Zone No. 2/2839/0251) has been issued by the Office of the City Engineer, Building Control, Pune Municipal Corporation dated January 5, 2010 to Mr. R. Vasudevan alleging that Mr. R. Vasudevan has constructed the 8th and 9th floor of the building situated at Sy. No. 197/3, Lohgaon, Pune without permission.

II. *Lalitha Vasudevan*

A Special Civil Suit (89 of 2008) has been filed by Mr. Mukesh Mohan Patel against Mrs. Nafisa Adil Moolobhoy, Mr. Adil Sharif Moolobhoy, Mr. R. Vasudevan, Mrs. Lalitha Vasudevan, Mr. M. K. Hamied and Mr. A. S. Lulla before the civil judge senior division, Alibag (Raigad). The suit has been filed in relation to the plot of land bearing sy. No. 225/1 to 6, 7B, 8 to 11, 226/3+4+8+10 to 17 situated at village Revdanda (Palav) Alibag (Raigad). The plaintiff has prayed that the alleged agreement dated October 24, 2007 should be binding on the defendants and there by the defendants should accept Rs. 252.07 million and register the sale deed and hand over vacant and peaceful possession of the suit land to the plaintiff. The matter is posted January 27, 2010 for hearing.

III. *Thangam Moorthy*

Cases by or against Thangam Moorthy

Nil

IV. *Geeta Lulla*

Cases by or against Geeta Lulla

Nil

Corporate Promoters

1. Vatsalya Enterprises Private Limited

Cases filed by or against Vatsalya Enterprises Private Limited

Nil

Contingent Liabilities as on March 31, 2009

Nil

2. Premratan Exports Private Limited

Cases filed by or against Premratan Exports Private Limited

Nil

Contingent Liabilities as on March 31, 2009

Nil

3. Golden Temple Pharma Private Limited

Cases filed by or against Golden Temple Pharma Private Limited

Nil

Contingent Liabilities as on March 31, 2009

Nil

Cases involving our Directors

1. R. Vasudevan

Please refer to “Outstanding Litigation and Defaults – Individual Promoters – R. Vasudevan”

2. Ameet Hariani

1. A Criminal Writ Petition (known as Criminal Miscellaneous Application) (15574 of 2006) has been filed in the Allahabad High Court by Ameet Hariani against the State of Uttar Pradesh and Others. Ameet Hariani has prayed for quashing of the criminal case and pending the quashing of the criminal case, for staying of the summons and staying of the proceedings in the criminal case. The Allahabad High Court has been pleased to pass an order staying further proceedings pending further orders. Currently, the matter is pending and the matter will be taken up for hearing as per the daily list.
2. A Criminal Case (5541 of 2006) has been filed before the Chief Judicial Magistrate, Bareilly, U.P by Jai Singh against persons who he has claimed to be the directors of Alpic Finance Limited. The case has been filed under Sections 420, 406 and 120B of the Indian Penal Code. The allegations are already set out in the note sent earlier. There are no damages asked for but the proceedings are by way of a prosecution under the Indian Penal Code. The case of the complainant is that he has invested in certain debentures of Alpic Finance Limited. He says that the debentures subscribed by him (of the maturity value of about Rs. 90,000) were due for repayment in 2001. He further has alleged that all the directors of Alpic Finance Limited had come to Bareilly to meet investors at that time in 2001, to assure them that repayment would be made. Therefore the board of directors have been made a party to the suit. Ameet Hariani had however resigned from the board of Alpic Finance Limited in 1998.

3. A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company's property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company's property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited., the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then has released its charge on the company's property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.
4. Further, Mr. Ameet Hariani, was on the board of directors of Steriltex India Private Limited between October 1996 and April 8, 1997. He resigned as the director of the said company on April 8, 1997. Steriltex India Private Limited has been declared as a wilful defaulter by the RBI.

3. ***K. G. Krishnamurthy***

A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company's property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company's property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited., the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then has released its charge on the company's property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.

4. ***V. Mohan***

A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company's property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company's property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited., the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then has released its charge on the company's property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.

5. ***R. Kannan***

A Company Petition (No. 41 of 2009) has been filed before the Company Law Board, Principal Bench Mumbai by Behram Dubash Properties Private Limited and another against Calypso Premises Private Limited, our Company, Vascon Dwelling Private Limited, R. Vasudevan, Ameet Hariani, K. G. Krishnamurthy, V. Mohan, R. Kannan and others under sections 397 to 403 of the Companies Act, 1956 for diverse reliefs inter-alia for setting aside a mortgage mentioned hereafter, appointment of administrator and injunctions on the basis of several allegations including principally complaining that company's property was mortgaged to HDFC Limited for only the benefit of the majority shareholder, absence of notices of meetings of board of directors, etc. The company, the majority shareholder and others have filed affidavits pointing out that the minority shareholder had consented to the creation of a mortgage of the company's property against a counter guarantee/indemnity from the Company for the loans taken by the Company from HDFC Limited., the minority shareholder had challenged meetings attended by its nominee and/or had acted on the basis of decisions at such meetings etc. HDFC Limited has since then has released its charge on the company's property. BDPPL and its directors had made applications for interim reliefs. The Company Law Board has passed an interim order dated May 11, 2009 restraining the company from transferring, encumbering or creating third party rights in the property of the company except in its ordinary course of business. Our Company has filed a company application No. 225 of 2009 for appointment of independent valuer for valuation of shares of Calypso Premises Private Limited.

Except as disclosed in this section and in the section titled 'Cases involving our Promoters' there are no other cases involving any of our Directors.

Cases involving our Group Entities

1. Bell Flower Private Limited

Cases filed by or against Bell Flower Private Limited

Nil

Contingent Liability as on March 31, 2009

Nil

2. Flora Premises Private Limited

Cases filed by or against Flora Premises Private Limited

Nil

Contingent Liability as on March 31, 2009

Nil

3. Vastech Consultants Private Limited

Cases filed by or against Vastech Consultants Private Limited

Nil

Contingent Liability as on March 31, 2009

Nil

4. Saga Chemicals Private Limited

Cases filed by or against Saga Chemicals Private Limited

Nil

Contingent Liability as on March 31, 2009

Nil

5. Venus Ventures

Cases filed by or against Venus Ventures

Nil

Contingent Liability as on March 31, 2009

Nil

6. SPR Associates

Cases filed by or against SPR Associates

Nil

Contingent Liability as on March 31, 2009

Nil

7. N R Moorthy HUF

Cases filed by or against N R Moorthy HUF

Nil

Contingent Liability as on March 31, 2009

Nil

8. R Vasudevan HUF

Cases filed by or against R Vasudevan HUF

Nil

Contingent Liability as on March 31, 2009

Nil

9. Vascon Moorthy Foundation

Cases filed by or against Vascon Moorthy Foundation

Nil

Contingent Liability as on March 31, 2009

Nil

Details of past penalties imposed on our Company or any of our Directors

Except as indicated in this chapter no penalties have been imposed on our Company or any of our Directors.

Details of pending proceedings initiated for economic offences against our Company, our Promoters or any of our Directors

A Summons has been issued by the Police Inspector, Economic Crime Branch, Pune to our Company, Mr. Vasudevan, Mr. S. P. Nair, Mr. Krishnamurthi, Mr. D. Santhanam and Vascon Dwellings Private Limited for conducting investigation based on an application bearing no. 114 of 2009 and requiring their presence at the office of the Police Inspector, Economic Crime Branch on November 30, 2009. Mr. S. P. Nair represented the parties before the Police Inspector and represented his willingness to record a statement on November 30, 2009. We await the copy of the application and the matter is pending for enquiry.

Details of past penalties imposed on our Promoters or the companies forming part of our Group Entities

There have been no instances in the past of any penalties that has been imposed on our Promoters or on any company forming part of our Group Entities by any statutory authorities.

Amounts owed to small scale undertakings (to whom we owe a sum exceeding Rs. 0.1 million and which is outstanding more than 30 days)

Nil

Material Developments

There have been no material developments, since the date of the last balance sheet otherwise than as disclosed in the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 284.

GOVERNMENT APPROVALS

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity is required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus. The Company requires approvals from various governmental and local bodies in relation to all the projects executed or to be executed by it. These approvals are required at various stages of construction and shall be granted to us by these authorities subject to our compliance with the requirements of the local laws. These include no objections certificates from government agencies, plan sanction from the authorities, commencement certificate and occupancy certificate. In addition to the above, we also require the approvals under various environmental legislations for all our projects. We shall apply for these at the relevant stages of the construction.

Approvals related to the Issue

1. In-principal approval from the National Stock Exchange dated November 3, 2009.
2. In-principal approval from the Bombay Stock Exchange dated November 5, 2009.

Approvals to carry on our Business

1. Our Company has been allotted PAN as AAACV1249F.
2. Our Company has been allotted TAN as PNEV04048C.
3. Registration certificate dated December 9, 1997 issued by the Inspector (Shops & Establishments) registering the Company as a merchant establishment under the Bombay Shops and Establishments Act, 1948 with registration No. Station/II/2390. This registration is valid until December 31, 2012.
4. Registration certificate dated March 30, 1996 issued by the Sales Tax Officer, Bombay registering the Company as a dealer under the Bombay Sales Tax Act, 1959 in respect of 'Contractors and Developers', 'Building Materials' and 'Construction Equipments'. The Company has now been allotted VAT TIN 27630000232V.
5. Registration certificate dated March 30, 1996 issued by the Sales Tax Officer, Bombay registering the Company as a dealer under the Central Sales Tax Act, 1956 in respect of 'contractors & developers', 'building materials' and 'construction equipments'. The Company has now been allotted CST TIN 27630000232C.
6. Enrolment certificate dated December 31, 1986 bearing No. PT/E/1/1/21/18/5941 valid from December 31, 1986 issued by the Profession Tax Officer, Bombay enrolling the Company under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.
7. Registration certificate dated January 2, 1987 issued by the Profession Tax Officer, Bombay registering the Company as an employer under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.
8. Registration certificate dated April 15, 1991 issued by the Office of the Regional Provident Fund Commissioner, Bombay registering the Company under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 with effect from March 31, 1989 with registration No. MH/PE/APP/37435/513/36.
9. Registration certificate dated June 14, 2000 issued by the Employee State Insurance Corporation registering the Company under the Employee State Insurance Act, 1948 in respect of the Head Office with effect from March 31, 2000 with registration No. V-33-30-432571101-NRD.
10. Registration certificate dated May 29, 2002 issued by the Office of the Regional Provident Fund Commissioner, Goa registering the Company under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 with effect from May 1, 2002 with registration No. Goa/PF/Enf/APP/110202/1280.
11. Registration certificate dated July 3, 2000 issued by the Employee State Insurance Corporation registering the Company under the Employee State Insurance Act, 1948 in respect of the Goa Branch Office with effect from August 1, 1984 with registration No. 31-43267/101/Goa/113/7/2000.

12. Centralised Registration Certificate No 112/008 dated February 16, 2009 issued by the Superintendent Service Tax (Group III) Pune III Commissionerate, Office of the Commissioner of Central Excise Pune III, registering the Company under section 69 of the Finance Act, 1994 for the payment of service tax on the services of (i) construction services in respect of Commercial or Industrial Building and Civil Structures (ii) transport of goods by road (iii) construction of residential complex (iv) consulting engineer (v) erection, commissioning and installation (vi) works contract services (vii) renting of immovable property services (viii) real estate agents (ix) architect service (x) advertising space or time (xi) sponsorship service with service tax code No. AAACV1249FST003.
13. Central Sales Tax Certificate dated April 26, 2004 with registration No. Sol-CST-8051 (Central) for HP division registering the Company as a dealer under Section 7(1) and 7(2) of the Central Sales Tax Act, 1956.
14. Sales Tax Certificate dated April 26, 2004 with registration No. SOL-III-8116 for HP division registering the Company as a dealer under the Himachal Pradesh General Sales Tax Act, 1968.
15. Composition Tax Registration Certificate dated October 18, 2006 with TIN 29030717844 valid from September 19, 2006 until cancelled registering the Company as a dealer under Section 22 of the Karnataka Value Added Tax, 2003. for Belgaum District with place of business situated at sy. No. 775 C/O A 7 W Promoters 7 & Developers (P) Limited, Khanapur Road, Tilakwadi – 590002.
16. Central Sales Tax Certificate dated November 7, 2007 with TIN 06421827689, valid from October 16, 2007 until cancelled registering the Company as a dealer under Section 7(1)/7(2) of the Central Sales Tax Act, 1956 for the state of Haryana with their place of business situated at plot No. 15, Udyog Vihar phase – IV, Gurgaon (e).
17. Central Sales Tax Certificate dated January 11, 2007 with No. 03202026758 valid from January 11, 2007 until cancelled registering the Company under Section 7(1)/7(2) of the Central Sales Tax Act, 1956 for the state of Punjab place with their place of business situated at 286, Shivalik City Kharar, Sas Nagar.
18. VAT Certificate dated September 20, 2005 with TIN 30950102099, and registration no. GOA/CCT/01/TDS/026, valid from August 25, 2005 to March 31, 2011 with place of business situated at 501, 5th Floor, Shiv Towers, Patto Plaza, Panaji, Goa.
19. Certificate of VAT Registration dated July 3, 2008 with TIN 33251781844 issued by the Government of Tamil Nadu registering it as a dealer with principal place of business at C-5, Tristar Apartments, Avanashi Road, Uppilpalayam, Coimbatore under the Tamil Nadu Value Added Tax Act, 2006 valid from July 1, 2008.
20. Certificate of VAT Registration dated October 17, 2007 with TIN 23240104836 issued by the Commercial Tax Officer, Indore registering it as a dealer with principal place of business at SAI Ananta 653, Dutta Nagar Colony, Indore-2 under the Madhya Pradesh Value Added Tax Act, 2002.

Approvals in relation to our projects

Some of the important approvals received by us or our Subsidiaries, or any of the Other Development Entities or our joint venture partners, in relation to our ongoing projects are as follows:

I. Vascon Engineers Limited

Project Name: Windmere

1. Commencement Certificate dated April 29, 2004 bearing No. CC/0380/04 by Assistant Engineer (Building Control) Pune Municipal Corporation for Windmere at Final Plot No. 331, Sangamwadi- T P scheme, Pune.
2. Urban Land Ceiling Order dated February 4, 2002 bearing No. ULC/Case No-30+58-IR F.P. No. 331 by Additional Collector and Competent Authority, Pune Urban Agglomeration, Pune, TPS Sangamwadi, Pune
3. Urban Land Ceiling Order dated December 30, 1991 bearing No. ULC Case No-SR III-7176, ULC Case No. 30-IR-7175 & ULC Case No. 58-IR-11467 by Deputy Collector and Competent Authority, Pune Urban Agglomeration, Pune.
4. Fire NOC dated June 02, 2004 issued by Chief Fire Officer, Pune Municipal Corporation in respect of building at Final Plot No. 331, Sangamwadi TPS, North Main Road, Koregaon Park, Pune, (N.O.C.F.B / 488)

Project Name: Vascon City Gold - Ahmedabad

1. Certificate No. IC/Infra/SEZ – Cell/ 1462 dated August 30, 2007 issued by Industries Commissionerate, Gujarat certifying setting up of sector specific SEZ for IT/ITES in 10-72-36 H.A.sq.mt Land at Sanathal, Taluka: Sanand, Ahmedabad.
2. Certificate No. IC/Infra/SEZ – Cell/ 1464 dated August 30, 2007 issued by Industries Commissionerate, Gujarat certifying setting up of sector specific SEZ for IT/ITES in 52-60-63 H.A. sq.mt. Land at Sargasan, Taluka and, Gandhinagar.
3. Notification dated January 9, 2008 issued by Ministry of Commerce and Industry, Department of Commerce (SEZ Section) notifying setting up of sector specific SEZ for IT/ITES for a total area admeasuring 10-51-46 hectares at Sanathal, Sanand, Ahmedabad by City Gold Realty Private Limited.
4. Demarcation Order dated April 29. 2008 issued by Government of India, Ministry of Commerce and Industry with respect to SEZ situated at Sanathal, Sanand, Ahmedabad.
5. Letter dated December 31, 2008 issued by the Government of India, Ministry of Commerce and Industry approving Greystone Premises Private Limited as Co-Developer for providing infrastructure facilities in the IT/ITES SEZ at Santhal (Sarkhej Bavla Highway), Sanand, Ahmedabad, Gujarat.

Project Name: Nucleus Mall, Belgaum

1. Non Agriculture Order dated November 7, 2007 bearing No. KRB/LNA/SR-1/183/2007-08 by Collector, Belgaum for portion of sy. No. 28/3 A admeasuring 1 acre 29 guntas, Belgaum.

Project Name: Sayali

1. Letter dated February 9, 1994 bearing No. DNP/8100 issued by Daund Municipal Council stating that the land bearing sy. No. 300 and 301 does not fall within the limits of Municipal Corporation.
2. NOC dated March 18, 1994 bearing No. 45/94 issued by Primary Health Squad, Daund in relation to land bearing sy. No. 300 and 301 situated at Mauje Lingali (Daund) Grampanchayat Taluka, Daund, Pune.
3. Non agricultural order dated October 21, 1994 bearing No. NABP/S.No. 301(P)/Daund/SSP/2240 issued by Town Planning and valuation Department, Pune with respect to sy. No. 301/2, 301/6, 301/1, Mauje Daund, Daund.
4. Non agricultural order dated November 9, 1994 bearing No. SBL/NA/35/1994 issued by Sub-Division Officer, Baramti with respect to sy. No. 300/1 (part), 301/1 (part) and 310/6 (part), Daund, Pune.
5. Building Permission order dated January 6, 2004 No. SBL-WS-1750-03 issued by Office of the Sub Divisional (Revenue) Baramati Division, Baramati.

II. Calypso Premises Private Limited

Project Name: Calypso

1. Urban Land Ceiling order dated January 1, 1997 bearing No. 1321 to 1327- BA issued by Additional Collector and Competent Authority, Urban Agglomeration, Pune for Calypso Premises Private Limited for 17/1, 17/7, Kharadi, Pune.
2. Urban Land Ceiling order dated March 30, 1999 bearing No. 264 – 11/1999 issued by Additional Collector and Competent Authority, Urban Agglomeration, Pune for Calypso Premises Private Limited for 17/5, Kharadi, Pune.
3. Zone Certificate dated February 21, 2007 bearing No. DPO/Zone/2007/2946 issued by Assistant Engineer Development Plan Division, Pune Municipal Corporation for sy. No. 16, Village Kharadi, Pune.
4. Zone Certificate dated February 21, 2007 bearing No. DPO/Zone/2007/2947 issued by Assistant Engineer, Development Plan Division, Pune Municipal Corporation for sy. No. 17, Village Kharadi, Pune.

5. Zone Certificate dated November 26, 2007 bearing No. DPO/Zone/2005/2393 issued by Assistant Engineer, Development Plan Division, Pune Municipal Corporation for sy. No. 17, Village Kharadi, Pune.
6. Zone Certificate dated November 26, 2007 bearing No. DPO/Zone/2005/2394 issued by Assistant Engineer, Development Plan Division, Pune Municipal Corporation for sy. No. 16, Village Kharadi, Pune.

III. Vascon Dwellings Private Limited

Project Name: Tulips Dwellings

1. Urban Land Ceiling Order dated June 20, 2006 bearing No. ULC/S-20/D-3/P-236/Undri/06 by Additional Collector and Competent Authority, Pune Urban Agglomeration and Ex. Officio Dy. Secretary to Government in Urban Development Department & Member Secretary Technical Scrutiny Committee for plot sy No. 18/1, 4/1/1B, village Undri, Pune.
2. Zone Certificate dated February 10, 2006 bearing No. 996 issued by the Assistant Director, Town Planning, Town Planning and Valuation Department for sy No. 18.
3. Zone Certificate dated February 10, 2006 bearing No. 274/Undri/2006 issued by the Additional Collector and Competent Authority for sy No. 4, village Undri, Taluka Haveli, Pune.

IV. Just Homes Associates

Project Name: Marisoft Annex

1. Urban Land Ceiling Order dated March 22, 2001 issued by the Additional Collector and Competent Authority Pune, Urban Agglomeration, Pune for property bearing sy. Nos. 15/1,15/2/1,15/2/2,15/3,15/4,15/5 & 15/6 all of village Wadgaon Sheri.
2. Partial completion certificate dated December 27, 2007 bearing No. BCO/03/093 by Assistant Engineer, Building Control, Pune Municipal Corporation for Just Homes Associates for sy. No. 15, Vadgaon Sheri, Pune for 4th, 5th, 6th, 7th, 8th and 9th floor.

V. Angelica Properties Private Limited

Project Name: Matrix

1. Commencement Certificate dated April 4 2007 bearing No. D. P. O. / 55/ VI/1 – issued by Deputy City Engineer (Development.Plan.) Pune Municipal Corporation for Angelica Properties Private Limited for development of plot No. 64A, Sangam Wadi, Pune (IT Park).
2. Commencement Certificate dated August 8, 2005 bearing No. CC/1751/05 by Assistant Engineer (Building Control) for CTS No. 4/1/, final plot No. 64A Mumbai- Pune Road, Sangamwadi – TPscheme, Pune.
3. Letter of Intent for private IT Park dated March 3, 2007 bearing No. DIC/Pune/LOI-79/I.T. Park/2007/4965 by Government of Maharashtra, Directorate of Industries, Pune for Angelica Properties Private Limited for Matrix, 4/1 Final plot No. 64/A, total admeasuring 23,778.50 square meters, Wakadewadi, Mumbai Pune Road, Shivaji Nagar, Pune.
4. Amendment to Letter of Intent for Private IT Park dated November 10, 2009 bearing No. DIC/PUNE/LOI/I.T. Park/2009/Office/7182 issued by General Manager, District Industries Centre, Pune for Angelica Properties Private Limited for Matrix, 4/1 Final plot no. 64/A, Wakadewadi, Mumbai Pune Road, Shivaji Nagar, Pune.
5. Non Agriculture Order for commercial purpose dated August 29, 2006 bearing No. NA/SR/21/06 issued by Collector, Pune for Angelica Properties Private Limited, for sy No. 4/1, final plot No. 64A, Bhamburde, Pune.
6. ULC order dated December 10, 2004 bearing No. 1654-B issued by the Additional Collector and Competent Authority, Pune Urban Agglomeration, Pune.

7. Provisional Fire NOC dated October 24, 2007 valid for a period of one year bearing No. FB/2028 issued by the Office of Chief Fire Officer, Pune Municipal Corporation for Angelica Properties Private Limited for plot No. 64A, Sangamwadi, T.P.S., Mumbai-Pune, Pune.
8. Provisional Fire NOC dated October 29, 2007 valid for a period of one year bearing No. FB/2120 issued by the Office of Chief Fire Officer, Pune Municipal corporation for Angelica Properties Private Limited for final plot. No. 64A, Sangamwadi, T.P.S., Mumbai-Pune, Pune.
9. Environmental Clearance Certificate dated August 28, 2007 issued by Government of India, Ministry of Environment and Forests with respect to plot No. 64A, Sangamwadi, T.P.S., Mumbai- Pune, Pune.
10. Certificate issued by Maharashtra Pollution Control Board dated September 29, 2007 for plot No. 64A, Sangamwadi, T.P.S., Mumbai- Pune.
11. Health NOC dated October 10, 2007 issued by Pune Municipal Corporation, Ghole Road Divisional Office plot No. 64A, Sangamwadi, T.P.S., Mumbai- Pune, Pune.
12. Commencement Certificate dated October 26, 2007 bearing no CC/2274/07 by Assistant Engineer (Building Control) for CTS No. 4/1/Mumbai- Pune Road, Sangamwadi – TPscheme, Pune.
13. Traffic NOC dated January 9, 2008 issued by Joint Commissioner of Police Administration Pune for CTS No. 4/1, final plot No. 64/A Mumbai- Pune Road, Sangamwadi – TPscheme, Pune.
14. Commencement Certificate dated April 30, 2008 bearing No. DPO/SEC VI/0062/08/2 by Deputy City Engineer (Development Plan.) Pune Municipal Corporation for Angelica Properties Private Limited for development of plot No. 64A, SangamWadi, Pune.
15. Certificate issued by Maharashtra Pollution Control Board dated 11th December 2009 bearing No. MPCB/SRP-1/6728/09 for Matrix, 4/1 Final plot no. 64/A, Wakadewadi, Mumbai Pune Road, Shivaji Nagar, Pune.

VI. Phoenix Ventures

Project Name: Phoenix Ventures

1. Non-Agriculture order dated August 25, 2006 bearing No. NA/ SR/114/2006 by Collector, Pune for Phoenix, for sy No. 274 and 275/2 for an area admeasuring 28,294.72 square meter, village Hinjewadi, Mulshi, Pune.
2. ULC order dated June 26, 1997 bearing No. 2058 issued by Deputy Collector and Competent Authority No. III, Pune Urban Agglomeration, Pune.
3. Non Agriculture order dated June 03, 2008 bearing No. PMA/ NA/SR/1/07 by Collector, Pune for Phoenix, for sy No. 274 and 275/2 total area admeasuring 28,294.72 square meter, village Hinjewadi, Taluka Mulshi, Pune.

VII. Vascon Engineers Limited and Phoenix Habitat Private Limited

Project Name: Willows

1. Commencement Certificate dated June 19, 2007 bearing No. D.P.O./II/465/C/1163 by Dy. City Engineer, (Development.Plan.). Pune Municipal Corporation for Willows, sy No. 13 & others, Balewadi, Pune.
2. Non Agriculture Order dated July 16, 2007 bearing No. PRH/NA/SR/442/2007 by Collector, Pune, for Willows for sy Nos. 13/3, 13/4, 13/5, 13/6, 13/7, 13/8, 13/13B(P), 13/14, 13/15, 13/16, 13/17, 13/18, 13/19, Balewadi, Pune.
3. Urban Land Ceiling Order dated January 29, 2005 bearing No. ULC case No. 181 and 1655 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
4. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC case No. 1663 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.

5. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC case No. 1656 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
6. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC case NO. 1657 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
7. Urban Land Ceiling Order dated December 31, 2004 bearing NO. ULC case No. 1658 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
8. Urban Land Ceiling Order dated December 31, 2004 bearing NO. ULC case No. 1659 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
9. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC case No. 1660 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
10. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC case No. 1661 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
11. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC case No. 1662 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
12. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC case No. 1664 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
13. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC case No. 1665 - BA by Additional Collector and Competent Authority, Urban Agglomeration Pune.
14. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC case No. 1666 - BA bearing sy. Nos. 13/16, 19/2C (Pt), 45/11/1, 46/1C, 47 /3 and 47/6 by Additional Collector and Competent Authority, Urban Agglomeration Pune.
15. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC Case No. 1663BA by Additional Collector and Competent Authority for Willows, for sy. Nos. 13/2, 13/6, 13/11, 19/3A/1, Balewadi, Pune.
16. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC Case No. 1657- BA by Additional Collector and Competent Authority for Willows, for sy No. 13/3, 13/7, 13/10, 19/3B, Balewadi, Pune.
17. Urban Land Ceiling Order dated April 5, 2005 bearing No. ULC/D-3/s-20/1665/BA by Additional Collector and Competent Authority for Willows, for sy. No. 13/4, Balewadi, Pune.
18. Urban Land Ceiling Order dated January 29, 2005 bearing No. ULC Case No. 181BA/1655-BA by Additional Collector and Competent Authority for Willows, for sy. No. 10/15 and 10/16, Balewadi, Pune.
19. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC Case No. 1664- BA by Additional Collector and Competent Authority for Willows, for sy. No. 13/8, 13/13/B, 19/4A/1, 19/4b/1, 23/7/1 and 47/12, Balewadi, Pune.
20. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC Case No. 1656- BA by Additional Collector and Competent Authority for Willows, for sy No. 13/9, Balewadi, Pune.
21. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC Case No. 1661- BA by Additional Collector and Competent Authority for Willows, for sy. No. 13/15, Balewadi, Pune.
22. Urban Land Ceiling Order dated January 28, 2005 bearing No. ULC Case No. 1666- BA by Additional Collector and Competent Authority for Willows, for sy. No. 13/16, 19/2C(Pt), 45/11/1, 46/1C, 47/3 and 47/6, Balewadi, Pune.
23. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC Case No. 1662- BA by Additional Collector and Competent Authority for Willows, for sy. No. 13/17, Balewadi, Pune.

24. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC Case No. 1658- BA by Additional Collector and Competent Authority for Willows, for sy. No. 13/18 and 19/1B Balewadi, Pune.
25. Urban Land Ceiling Order dated December 31, 2004 bearing No. ULC Case No. 1660- BA by Additional Collector and Competent Authority for Willows, for sy. No. 13/19, Balewadi, Pune.
26. Commencement Certificate dated April 11, 2008 bearing no CC/0120/08 by Assistant Engineer (Building Control) Pune Municipal Corporation for sy No. 13 & Others, Balewadi, Pune
27. Commencement Certificate dated February 5, 2008 bearing No. D.P.O./PLU1/0240/07/1241 by Deputy City Engineer, (D.P.) Pune Municipal Corporation for Willows, sy Nos. 13 & others, Balewadi, Pune.

VIII. Marigold Premises Private Limited

Project Name: Marigold

1. Non Agriculture order dated September 12, 1997 bearing No. PRH/NA/SR/403/97 for Marigold Premises Private Limited for land occupied in sy. Nos. 15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Wadgaon Sheri, Taluka Haveli, District, Pune.
2. Non Agriculture order dated December 13, 2001 bearing No. PRH/NA/SR/764/ III / 2001 for Marigold Premises Private Limited for land occupied in sy. Nos. 15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Wadgaonsheri, Taluka Haveli, District, Pune.
3. Urban Land Ceiling order dated March 22, 2001 bearing No. ULC/ Desk-3/T.No.VII/43/2001 by Additional Collector and Competent Authority, Pune, Urban Agglomeration, Pune for Marigold Premises Private Limited (for sy. Nos. 15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Wadgaon Sheri, Pune.

IX. Zircon Ventures

Project Name: Zircon

1. Commencement Certificate dated December 19, 2006 issued by Deputy. City Engineer, (Development Plan) bearing No. D.P.O./7892/V/99, Pune Municipal Corporation for Zircon Ventures, sy. No. 197/3, Lohagaon, Pune.
2. Government Area Statement dated September 13, 1995 bearing No. 25+378-01 by Additional Collector and Competent Authority, Pune for Zircon Ventures for sy. No. 197/3, Lohagaon, Pune - Nagar Road, Pune.
3. Non agriculture order dated April 12, 1999 bearing No. PR M/NA/SR/620/III/98 by Additional Collector, Pune for Zircon for 197/3 Lohagaon, Pune.
4. Non Agriculture order dated December 26, 2005 bearing No. PRH/NA/SR/283/2005 by Collector, Pune to Zircon for sy. No. 197/3, Village Lohagaon, Haveli, Pune.
5. Letter dated January 16, 2008 bearing No. 5-TH-I(2)/08 by the Ministry of Tourism, Central Government granting the approval for setting up a 5 star hotel at sy. No. 197, Hissa No. 3, village Lohegaon, Pune. The approval is valid for a period of five years.
6. Revised Letter dated April 16, 2008 bearing reference No. 5-TH-I(2)/08 by the Ministry of Tourism, Central Government granting the approval for 246 rooms to get 2 FSI at sy No. 197, Hissa No. 3, village Lohegaon, Pune.
7. Commencement Certificate dated June 13, 2008 bearing No. DPO/SEC/V/0146/08/8 by Deputy City Engineer, Pune Municipal Corporation for sy. No. 197, Hissa No. 3, village Lohegaon, Pune.
8. Commencement Certificate dated August 18, 2008 bearing No. CC/1477/08 by Assistant Engineer (Building Control) for sy. No. 197, Hissa No. 3, village Lohegaon, Pune.
9. Partial completion certificate dated March 31, 2008 bearing No. BCO/03/0129 by Assistant Engineer, Building Control No. 3, Pune Municipal Corporation for sy. No. 197, Hissa No. 3, village Lohegaon, Pune.

10. Drainage NOC dated May 31, 2007 bearing No. YWO/239 issued by ward officer, Yerawada ward office, Pune Municipal Corporation.
11. Drainage NOC dated December 30, 2006 bearing outward No. 3487 issued by ward officer, Yerawada ward office, Pune Municipal Corporation.
12. Drainage NOC dated May 8, 2006 bearing outward No. 289 issued by ward officer, Yerawada ward office, Pune Municipal Corporation.
13. Water NOC dated December 26, 2006 bearing No. CWO/2445 issued by Assistant Engineer (Meter division), Water Supply (meter) for sy. No. 197, Hissa No. 3, village Lohagaon, Pune Municipal Corporation, Pune.
14. Water NOC dated June 3, 2006 bearing No. BMD/ 70 issued by Assistant Engineer (Meter division), water supply (meter) for sy. No. 197, Hissa No. 3, village Lohagaon, Pune Municipal Corporation, Pune.
15. Environmental Clearance Certificate dated March 16, 2009 issued by Government of Maharashtra, Environment Department, outward No. 21-988/2007-IA III/TCI for construction of Dawnay day hotel and service apartment bearing sy No. 197, Hissa No. 3, village Lohegaon, Pune.
16. Approval dated January 16, 2008 issued by Government of India, Ministry of Tourism bearing No. 5-TH-I (2)/08 for the approval of the hotel project bearing sy no 197/3, village Lohegaon, Taluka Haveli, Pune.
17. Approval dated April 16, 2008 issued by the Department of Tourism to revise the number of sanctioned rooms from 84 to 246 to get 2 FSI.
18. Plinth certificate dated August 26, 2008 issued by Assistant Engineer, building control, PMC No. BCO/YWO/034.
19. Lift NOC dated May 3, 2006 bearing license No. 63046 for Zircon Tenant building no 2.issued by Chief Engineer, electrical, industries energy and labour department, Govt of Maharashtra, Mumbai.
20. Lift NOC dated May 2, 2006 bearing license No. 63541 for Zircon Tenant building No. 2. issued by Chief Engineer, electrical, industries energy and labour department, Govt of Maharashtra, Mumbai.
21. Lift NOC dated August 25, 2006 bearing license No. 65138 for Zircon building issued by Chief Engineer, electrical, industries energy and labour department, Govt of Maharashtra, Mumbai for Zircon building.

No Objection Certificates

22. Lift NOC dated August 25, 2006 granted to Zircon, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 137/3, Zircon, Nagar Road, Lohagaon, Pune with License No. 65138.
23. Lift NOC dated May 22, 2006 granted to Zircon, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy No. 197/3, Zircon Tenant Building, No. 2, Nagar Road, Viman Nagar, Pune with License No. 63541.
24. Lift NOC dated May 3, 2006 granted to Zircon, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect sy. No. 197/3, Zircon Tenant Building, No. 2, Nagar Road, Viman Nagar, Pune with License No.63046.
25. Fire NOC dated January 10, 2007 issued by the Office of the Chief Fire Officer, Pune Municipal Corporation in respect of Building at sy. No. 197/3, Lohagaon, Pune (for plot No. 2 for Building 2 & 3 only). (N.O.C.F.B / 532)
26. Fire NOC dated June 1, 2005 issued by the Office of the Chief Fire Officer, Pune Municipal Corporation in respect of Building at sy. No. 197/3, Lohagaon, Pune (for plot No. 1 - Building 1, 2, 3 & Plot No. 2 - building 1 to 12.). (N.O.C.F.B / 429)
27. Fire NOC dated June 26, 2006 issued by the Office of the Chief Fire Officer, Pune Municipal Corporation in respect of Building at sy. No. 197/3, Lohegaon, Pune (for plot No. 1 - Building 2 & Plot No. 2 – Building 1 only). (N.O.C.F.B / 688)

28. Fire NOC dated February 9, 2007 issued by the Office of the Chief Fire Officer, Pune Municipal Corporation in respect of Building at sy. No. 197/3, Lohegaon, Pune. (N.O.C.F.B / 5394)
29. Water NOC dated June 3, 2006 issued by Assistant Engineer (meter), Irrigation Department, Pune Municipal Corporation in respect of sy. No. 197/3, Lohegaon, Pune. For Zircon (NOC No/ 70)
30. Water NOC dated December 26, 2006 issued by Assistant Engineer (meter), Irrigation Department, Pune Municipal Corporation in respect of sy. No. 197/3, Lohegaon, Pune. For Zircon (NOC No/ 2445)
31. Drainage NOC dated May 8, 2006 issued by Assistant Engineer, Yerwada Divisional Office, Pune Municipal Corporation in respect of sy. No. 197, Lohegaon, Pune. For Zircon. (NOC No 289) (part 1)
32. Drainage NOC dated December 30, 2006 issued by Assistant Engineer, Yerwada Divisional Office, Pune Municipal Corporation in respect of sy. No. 197, Lohegaon, Pune. For Zircon. (NOC No 3447) (part ii)
33. Structural Engineer's Certificate dated November 09, 2006 in respect of Zircon Ventures, sy. No. 197/3, Viman Nagar, Next to CTR, Nagar Road, Pune- 411 014.
34. Drainage NOC dated May 31, 2007 issued by Divisional Officer, Yerwada Divisional Office, Pune Municipal Corporation in respect of sy. No. 197, Lohegaon, Pune. For Zircon. (NOC No 539).

X. Viorica Properties Private Limited

Project Name: Holiday Inn

1. Urban Land Ceiling order dated July 17, 2001 issued by Additional Collector and Competent Authority, Pune, Urban Agglomeration, Pune bearing No. ULC/ Desk-1/T.No.VII/89/2001 for Viorica Properties Private Limited (for sy. No. 9/9/1, Mahalunge, Pune)
2. Non agricultural order dated October 13, 2006 bearing No. NASR/ 165/2006 by Collector, Pune for land comprised in sy. No. 9/9/1 for Mahalunge, Mulshi, Pune.
3. Urban Land Ceiling order dated January 9, 2007 bearing No. ULC Case No. 591-L Sub Collector and competent Authority No. 3, Pune, Urban Agglomeration, Pune for Viorica Properties Private Limited (for sy. No. 9/10, Mahalunge, Pune)
4. Zone certificate dated February 23, 2006 for sy. No. 9 issued by Additional Collector and Competent Authority, Pune, under Pune Urban Agglomeration, placing it under agricultural zone.
5. Zone Certificate dated April 10, 2006 bearing No. 186 issued by Assistant Director, Town Planning, Pune for sy. No. 9, Mhalunge, Pune converting it into a residential zone.
6. Approval bearing number No.5-TH-I(54)/07 dated August 1, 2007 by Assistant Director, the Department of Tourism, Government of India to Viorica Properties Private Limited for setting up a 5 star hotel project in Pune for sy. No. 9/9/1 Mhalunge, Pune. The approval is valid for a maximum period of five years.
7. Hotel NOC issued by Supervisor (Food) Pune, Food & Drug Administration, Government of Maharashtra Pune, dated January 6, 2009 bearing No. M/667/2008-2012 for the period December 20, 2008 to December 31, 2012 for sy. Nos. 9/9/1 & 9/10, Mhalunge, Pune.
8. Health NOC issued by Taluka Medical Officer, Mulshi (Paud) Pune vide No. 150/09 dated October 9, 2009 for Survey No. 9/9/1 & 9/1 Mahalunge, Pune.

XI. Zenith Ventures

Project Name: Zenith

1. Urban Land Ceiling order dated July 27, 2001 bearing No. ULC/ Appeal /2209/2001 by Additional Collector and Competent Authority, Pune, Urban Agglomeration, Pune to Zenith Ventures for sy. No. 8/1B + 1A(Part) and sy. No. 39/2B, Kharadi, Pune.

2. Urban Land Ceiling order dated March 31, 2003 bearing No. ULC Case No. 482- CH by Additional Collector and Competent Authority, Pune, Urban Agglomeration, Pune for Zenith Ventures for sy. Nos. 39/2A/17, 39/2A/16, 39/2A/23, 39/2A/26, 39/2A/20, 39/2A/21, Kharadi, Pune.
3. Urban Land Ceiling order dated December 24, 2002 bearing No. ULC Case No. 472 by Additional Collector and Competent Authority, Pune, Urban Agglomeration, Pune for Zenith Ventures for sy. Nos. 39/2A/1, 39/2A/2, 39/2A/3, 39/2A/4, 39/2A/5, 39/2A/6, 39/2A/7, 39/2A/8, 39/2A/9, 39/2A/10, 39/2A/11, 39/2A/12, 39/2A/13, 39/2A/14, 39/2A/15, 39/2A/18, 39/2A/19, 39/2A/22, 39/2A/24, 39/2A/25, 39/2A/27, 39/2A/28, Kharadi, Pune.
4. Urban Land Ceiling order dated March 31, 2003 bearing No. ULC Case No. 482- CH by Additional Collector and Competent Authority, Pune, Urban Agglomeration, Pune to Zenith Ventures for sy. Nos. 39/2A/17, 39/2A/16, 39/2A/23, 39/2A/26, 39/2A/20, 39/2A/21, Kharadi, Pune.
5. Commencement Certificate dated October 19, 2006 bearing No. DPO/6057/H/92 issued by the Office of the Deputy City Engineer (Development Plan), Pune Municipal Corporation sy Nos. 39/2 & 39/2B, Kharadi, Pune.
6. Zone Certificate dated February 21, 2007 bearing No. DPO/Zone/2007/2968 issued by Pune Municipal Corporation, Development Plan Division, for sy. No. 39, Kharadi, Pune.
7. Drainage NOC issued by Assistant Engineer, Sewerage, Pune Municipal Corporation vide outward No. 3830 dated March 17, 2008 in respect of sy. no 39, Kharadi, Pune
8. Commencement Certificate dated March 25, 2008 vide bearing No. CC/3935/07 from Assistant Engineer (Building Control) for sy. No. 39/2 & 39/2B, Kharadi, Pune.
9. Non Agriculture Order dated June 07, 2008 bearing no RH/NA/SR/215/08 by Collector, Pune, for sy. No. 39/2 & 39/2B, Kharadi, Pune.
10. Provisional Fire NOC dated October 01, 2008 bearing No. FB/2244 by chief Fire Officer, Pune Municipal Corporation for sy. No. 39/2 & 39/2B, Kharadi, Pune.
11. Traffic NOC dated August 29, 2009 issued by Assistant Commissioner of Police Administration Pune for sy. No. 39/2 & 39/2B, Kharadi, Pune.

XII. Weikfield IT Citi Infopark

Project Name: Weikfield

1. Commencement Certificate dated March 17, 2007 for bearing No. CC/4423/06 from Assistant Engineer (Building Control) for Weikfield IT Citi Info Park Private Limited at sy. Nos. 30/3, 31/1-2A, Wadgaon Sheri, Pune.
2. Urban Land Ceiling order, Pune dated May 28, 1984 bearing No. ULC/W-13/MC/IC/by Additional Collector and Competent Authority, Pune, Urban Agglomeration for Weikfield IT Citi Info Park Private Limited, Nagar Road.
3. Permission dated February 02, 2008 bearing No. 5- TH –I (08)/09 by Assistant Director, Ministry of Tourism, Government of India, New Delhi for approval of hotel project at sy. Nos. 30/3 & 31/1-2A, Wadgaon Sheri, Pune under 5 star category.
4. Commencement Certificate dated July 16, 2008 bearing No. DPO/SEC V/0226/08/15 issued by the Office of the Deputy City Engineer (Development Plan), Pune Municipal Corporation for sy No. 30/3 & 31/1-2A Wadgaon sheri, Pune.
5. Provisional Fire NOC dated October 01, 2008 bearing No. FB/2243 by chief Fire Officer, Pune Municipal Corporation for sy. Nos. 30/3 & 31/1-2A, Wadgaon Sheri, Pune.
6. Commencement Certificate bearing no CC/2267/08 dated October 24, 2008 issued by Assistant Engineer (Building Control), Pune Municipal Corporation for sy. Nos. 30/3 & 31/1-2A, Wadgaon Sheri, Pune.

7. Partial completion certificate dated October 27, 2008 bearing No. BCO/YWO/063 by Assistant Engineer, Building Control, Pune Municipal Corporation for sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune for “C” Building.
8. Health NOC issued by Medical Officer, Yerwada Ward Office, Pune Municipal Corporation Vide Outward No. YWO/6025 dated February 02, 2009 with respect to sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune.
9. Water NOC issued by Assistant Engineer (meter), Water Supply Division, Pune Municipal Corporation, vide outward No. BMD/274 dated February 20, 2009 in respect of sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune.
10. Drainage NOC issued by Assistant Engineer, Yerwada Ward Office, Pune Municipal Corporation vide outward No. 5846 dated January 23, 2009 in respect of sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune.
11. Lift NOC dated August 09, 2009 granted to Weikfield “C” Building, issued by Chief Engineer (Elec.), PWD, Government of Maharashtra, Mumbai, under Rule 6 of Bombay Lift Rules, 1958 with respect to sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune, with License No. 81041.
12. Lift NOC dated August 09, 2009 granted to Weikfield “C” Building, issued by Chief Engineer (Elec.), PWD, Government of Maharashtra, Mumbai, under Rule 6 of Bombay Lift Rules, 1958 with respect to sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune, with License No. 81042.
13. Lift NOC dated March 04, 2009 granted to Weikfield “C” Building, issued by Chief Engineer (Electricity.), PWD, Government of Maharashtra, Mumbai, under Rule 6 of Bombay Lift Rules, 1958 with respect to sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune, with License No. 81470.
14. Lift NOC dated March 04, 2009 granted to Weikfield “C” Building, issued by Chief Engineer (Electricity.), PWD, Government of Maharashtra, Mumbai, under Rule 6 of Bombay Lift Rules, 1958 with respect to sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune, with License No. 81462.
15. Lift NOC dated March 30, 2009 granted to Weikfield “C” Building, issued by Chief Engineer (Elec.), PWD, Government of Maharashtra, Mumbai, under Rule 6 of Bombay Lift Rules, 1958 with respect to sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune, with License No. 82093.
16. Lift NOC dated January 02, 2009 granted to Weikfield “C” Building, issued by Chief Engineer (Elec.), PWD, Government of Maharashtra, Mumbai, under Rule 6 of Bombay Lift Rules, 1958 with respect to sy. Nos. 30/3, & 31/1-2A Vadgaon Sheri, Pune, with License No. 80530.
17. Environmental Clearance Certificate dated March 16, 2009 issued by Government of Maharashtra, Environment Department with respect to sy. Nos. 30/3, 31/1 & 2A Vadgaon Sheri, Pune for IT building.
18. Final Fire NOC dated April 16, 2009 bearing No. FB/148 by Chief Fire Officer, Pune Municipal Corporation for sy. Nos. 30/3, 31/1 & 2A, Wadgaon Sheri, Pune for “C” Building.
19. Civil Aviation NOC issued by Government of India, Ministry of Defence, New Delhi, dated May 4, 2009 bearing No. Air HQ/S 17726/4/ATS (PC-CDXXV/ Dy. No. 306/F/2009/F(Air-II) for Hotel Building at sy. No. 30/3, 31/1 & 2A, Wadgaon Sheri, Pune.
20. Environmental Clearance Certificate dated May 16, 2009 issued by Government of Maharashtra, Environment Department with respect to sy. Nos. 30/3, 31/1 & 2A Vadgaon Sheri, Pune for Hotel building.
21. Traffic NOC dated August 14, 2009 issued by Joint Commissioner of Police Administration Pune for Hotel Building at sy. No. 30/3, 31/1 & 2A, Wadgaon Sheri, Pune.
22. Partial Completion Certificate dated November 6, 2009 bearing no. BCO/51 by Assistant Engineer, Building Control, Pune Municipal Corporation for Survey no. 30/3, & 31/1-2A Vadgaon Sheri, Pune for “C” Building.
23. Certificate issued by Maharashtra Pollution Control Board dated November 26, 2009 bearing No. BO/RO (P&P)/EIC No. PN-4831-09/E/CC-448 for Survey No. 30/3, & 31/1-2A Vadgaon Sheri, Pune.

XIII. Vascon Dwellings Private Limited

Project Name: V Tech Park, Silver Spring, Vista and Vista Annex

1. Urban Land Ceiling Order dated July 17, 1996 bearing No. A-3/SR/320/96 by Additional Collector and Competent Authority, Nasik for sy. No. 83/1d/2 for an area admeasuring 8000 square meter, Wadala, Nasik.
2. Urban Land Ceiling Order dated April 27, 1998 bearing No. -1/74/1998 by Additional Collector and Competent Authority, Nasik for Wadala sy No. 83/1d/2/2 for an area admeasuring 2500 square meter, Wadala, Nasik.
3. Urban Land Ceiling Order dated March 28, 2007 bearing No. 2-2/26(1)/608/2007 by Additional Collector and Competent Authority, Nasik for Wadala sy. No. 82/1/1/4+3 (part) +5+6, Nasik.
4. Urban Land Ceiling Order dated March 21, 2007 bearing No.A-2-2/26(1)/547/2007 by Additional Collector and Competent Authority for sy. No. 82/1/4 for an area admeasuring 3000 square meter, Wadala Nasik.
5. Urban Land Ceiling Order dated April 12, 2007 bearing No. A-2-2/26(1)/779/2007 by Additional Collector and Competent Authority for sy. No. 82/1/1/3 for an area admeasuring 1600 square meter, Wadala Nasik.
6. Urban Land Ceiling Order dated April 12, 2007 bearing No.A-2-2/26(1)/781/2007 issued by Additional Collector and Competent Authority for sy. No. 82/1/1/2 for an area 1746 square meter out of 2000 square meter, Wadala Nasik.
7. Urban Land Ceiling Order dated April 12, 2007 bearing No. A-2-2/26(1)/771/2007 issued by Additional Collector and Competent Authority for sy. No. 82/1/1/1 for an area 1883.75 square meter out of total area 2200 square meter, Wadala Nasik.
8. Commencement Certificate dated February 21, 2007 bearing No. Nasik/A2/406 by Executive Engineer (Town Planning), Nasik Municipal Corporation for plot at sy. No. 113/2 of Wadala Shiwar, Nasik.
9. Non agriculture order dated April 11, 2007 bearing No. 324/2006 by Collector, Nasik for sy. No. 113/2 (part) for commercial area, Wadala, Nasik.
10. Urban Land Ceiling Order dated May 28, 2007 bearing No. ULC/C-1/Sec20(1)(a)/H.S./10/2007 by Additional Collector and Competent Authority (Urban Land ceiling Regulation) Nasik for sy. No. 113/2, Wadala.
11. Zone Certificate dated November 21, 2005 bearing No. 4137 by Assistant Director, Town Planning, Nashik Municipal Corporation for sy. No. 113 for V Tec and Silver Spring.
12. Zone Certificate dated April 24, 2007 bearing No. 67 by Assistant Director, Town Planning, Nashik Municipal Corporation for sy. No. 82 in Vista residential.
13. Zone Certificate dated September 7, 2004 bearing No. A -2/1686/847 issued by Assistant Director, Town Planning, Nashik Municipal Corporation for Sy. No. 83 in Vista residential.
14. Letter of Intent for private IT Park dated January 10, 2007 bearing No. DIC/Nashik/LOI-79/I.T. Park/001/2007/312 by General Manager, District Industries Centre, Nashik for Sanklecha Constructions for V Tech, Sy No. 113/2, Wadala Shivar, Nashik.
15. Urban Land Ceiling order dated March 22, 2002 bearing No. 654/2002 by Additional Collector and Competent Authority (Urban land Ceiling), Urban Agglomeration, Nashik.
16. Urban Land Ceiling order dated April 27, 1984 bearing No. ULC – A – 4/2730/52 by Deputy Collector and Competent Authority, Urban Agglomeration, Nashik for sy. No. 84/1B/2 Wadala, Nashik.
17. Non Agriculture Order dated September 11, 2003 bearing No. 4/87/2003 by Collector, Nashik, for Plot No. 84/1b/2 for Vista Annex residential admeasuring 10,939 square meter, Wadala, Nashik.
18. Commencement Certificate and sanction of building permit dated December 28, 2007 bearing No. Nasik/A2/356 issued by Executive Engineer (Town Planning), Nasik Municipal Corporation for sy. No. 113/2 of Wadala Shiwar, Nasik.

19. Non Agriculture Order dated March 19, 2008 bearing No. 337/2007 issued by Collector, Nashik, for Plot Nos. 82 & 83 for area admeasuring 24,100 square meters for Vista residential, Wadala, Nashik.
20. Commencement Certificate dated March 29, 2008 bearing No. Nasik/A2/489 by Executive Engineer (Town Planning), Nashik Municipal Corporation for sy No. 82 (Part) & 83 (Part) of Wadala Shiwar, Nasik.
21. Partial completion certificate dated August 20, 2009 bearing No. TP/A2/3556 by Executive Engineer, Town Planning Department, Nashik Municipal Corporation for sy No. 113/2 (part) for the IT Park A Block (basement +4 floors) of village Wadala Shiwar, Nasik.

XIV. Ajanta Enterprises

Project Name: Forest Hills

1. Urban Land Ceiling Order dated January 5, 1999 bearing No. 575/TA/15016 by Deputy Collector and Competent Authority No. II, Pune Urban Agglomeration (Urban Land ceiling Regulation) Nasik for sy. Nos. 40/1B/2, 40/2B/2, 41/1A/1, 41/2A/1, 59/1+ 2+4/1, 59/1+ 2+4/2, 59/1+2+4/3, 59/3, 73/2/2A/1 and 72/2B of Village Kharadi.
2. Zone Certificate dated April 27, 2007 bearing No. DPO/Zone/2005/291 issued by Assistant Engineer, Development Plan Division, Pune Municipal Corporation for sy. No. 59, Kharadi, Pune.
3. Zone Certificate dated April 27, 2007 bearing No. DPO/Zone/2005/296 issued by Assistant Engineer, Development Plan Division, Pune Municipal Corporation for sy. No. 41, Kharadi, Pune.
4. Zone Certificate dated April 27, 2007 bearing No. DPO/Zone/2005/293 issued by Assistant Engineer, Development Plan Division, Pune Municipal Corporation for sy. No. 40, Kharadi, Pune.
5. Environmental Clearance Certificate dated January 17, 2008 issued by Government of India, Ministry of Environment and Forests for the 'Forest Hills' of Village Kharadi, Pune.
6. Certificate issued by Maharashtra Pollution Control Board dated February 2, 2008 for the 'Forest Hills', of Village Kharadi, Pune.
7. Order dated January 5, 1999 issued by the Deputy Collector and Competent Authority, stating that the provisions of the ULCRA are not applicable to lands bearing sy. No. 40/1B/2, 40/2B/2, 41/1A/1, 41/2A/1, 59/1+2+4/1, 59/1+2+4/3, 59/3, 72/2A/1 and 72/2B of village Kharadi, Taluka Haveli, District Pune totally admeasuring 218,300 square meters.
8. Non Agriculture Order dated September 24, 2009 vide No. PMA/NA/SR/656/08 by Collector, Pune for Survey No. 40/1B/2, 40/2B/2, 41/1A/1, 41/2A/1, 59/1+2+4/1, 59/1+2+4/2, 59/1+2+4/3 and 59/3 Village Kharadi, Pune.

XV. Marathawada Realtors Private Limited, John Fowler Ophthalmics Private Limited, Almet Corporation Limited

Project Name: Greystone Aurangabad

1. Letter issued by Regional officer, MIDC Aurangabad bearing No. 296/2008 dated January 9, 2008 granting permission for conversion of land use for commencing a business of IT Park and Hotel for John Fowler Ophthalmics Private Limited for plot No. A – 5, Chihkalthana Industrial Area, Aurangabad.
2. Letter issued by Regional officer, MIDC Aurangabad dated January 9, 2008 bearing No. 297/2008 for conversion of industrial land for construction of IT park for Almet Corporation limited for plot No. F- 1/1, Chihkalthana Industrial Area, Aurangabad.
3. Permission dated October 28, 2007 bearing No. 7530/2008 by Regional officer, Aurangabad for conversion of land use for IT for Marathawada Realtors Private Limited for plot No. F- 1/2, Chihkalthana Industrial Area, Aurangabad.
4. No objection certificate dated December 7, 2007 bearing no 07/11408 issued by District Industries Center, Aurangabad for construction of IT park, at Plot No. F-1, MIDC Area Chikalthana, Aurangabad.

5. NOC dated November 28, 2007 issued by MIDC, Aurangabad for construction of the proposed IT Park at Plot no F-1, MIDC Area.

XVI. Rose Premises Private Limited

Project Name: Golden Suites

1. Permission dated January 16, 2008 issued by Assistant Director (Ministry of Tourism, Government of India, New Delhi bearing No. 5- TH – I (91)/07 for approval of hotel project at sy. No. 15, Wadgaon Sheri, Kalyani Nagar, Pune 411 014 under 5 star category.
2. Registration certificate dated July 11, 2007 issued by the Inspector (Shops & Establishments) registering the Company as a non veg restaurant, bar and service apartment under the Bombay Shops and Establishments Act, 1948 with registration No. Wadagaon Sheri/IV/168. The registration is valid until December 31, 2010.
3. Permanent Account Number dated May 25, 2006 issued by the Income Tax Department with PAN AADCR3218H.
4. Certificate of registration dated February 3, 2007 bearing No. PT/R/ 2/2/6/21/7100 issued by the Profession Tax Officer under the Maharashtra State Tax on professions, Trades, Callings and Employments.
5. Certificate of registration dated July 5, 2007 bearing No 411.001/Lux Tax/0080 issued by the Registration Officer under Section 8 of the Maharashtra Tax on Luxuries (in Hotels and Lodging Houses) Act, 1987.
6. Certificate of registration dated July 16, 2007 bearing STC registration number AADCR 3218HST001 issued by the Commissioner of Central Excise, Pune.
7. Letter dated November 24, 2006 issued by the Sales Tax Department, Government of Maharashtra, allotting CST TIN 27120574801C with effect from November 23, 2006.
8. Letter dated November 23, 2006 issued by the National Securities Depository Limited allotting TAN PNER08484A.
9. License dated February 27, 2008, renewed up to March 31, 2010 bearing license No. 1093/09-10, Registered No. CS/03/SR/96 issued by the Collector of Pune for the whole state of Maharashtra for sale of imported foreign liquors and Indian made foreign liquors on which excise duty has been paid at special rates.
10. Public performance license dated August 24, 2008 valid up to August 23, 2010 with license No. 13/B/1814, Registered No. CS/03/SR/96 authorizing them to perform all sound recordings controlled by Phonographic Performance Limited.
11. ESI license dated July 27, 2007 bearing registration No. R-13154/2007 (33-15351-111) issued by the Regional Officer, Pune.
12. Certificate of registration dated May 22, 2007, with effect from April 28, 2007 issued by Employees' Provident Fund Organisation, Pune bearing license No. MH/PUN/23831/ENF Circle II/239 and code No. MH/PUN/23831.
13. Police License dated October 24, 2007 valid upto December 31, 2009 issued by the Police Commissioner, Pune. Rose Premises Private Limited has applied to renew the license on December 29, 2009 for the period 2010 till 2012.
14. Lodging and Boarding License dated June 6, 2007 valid upto March 31, 2010 issued by the Pune Municipal Corporation (Health division) bearing license no L/CBP/0708/04211.
15. Restaurant License dated June 5, 2007, renewed up to December 31, 2011 issued by Pune Municipal Corporation (health division) bearing license No. LCPP/2007-00528.
16. Fire NOC dated April 28, 2009 issued by Assistant Divisional Officer, Fire Brigade Force, Pune Municipal Corporation valid upto March 31, 2010.

XVII. Vascon Engineers Limited

Project Name: Katvi-Plot

1. Zone Certificate for residential purposes dated April 8, 2009 bearing No. 2779 issued by Assistant Director Town Planning Pune for Gat Nos. 78, 79, 80, 132, 133, 134 & 135 Katvi, Maval Pune.

XVIII. Vascon Engineers Limited

Project Name: Varale-Plot

1. Zone Certificate for residential purposes dated March 4, 2008 bearing No. 3964 issued by Assistant Director Town Planning Pune for Gat Nos. 75, 76, & 77 Varale, Maval Pune.

XIX. Vascon Engineers Limited

Project Name: Excel Hadapsar

1. Urban Land Ceiling Order dated April 06, 1999 bearing No. 611/TU by Deputy Collector and Competent Authority No.II, Pune Urban Agglomeration, for sy. Nos. 168/9/25, 168/9/21, 169/1+2+3, 170/4A, 170/5A, 170/6 & 170/7, village, Hadapsar, Pune.
2. Urban Land Ceiling Order dated May 07, 2001 bearing No. 319+320T by Additional Collector and Competent Authority, Pune Urban Agglomeration Pune, for sy. Nos. 169/4, 171/18A, 171/18B, 171/1A, 170/1B, 170/2AC, 170/2B, 170/3, 170/4B, 170/5B, 170/8/1, 170/8/2, 239/5F, village, Hadapsar, Pune.
3. Non Agriculture Order dated June 16, 2006 bearing No. PMA/NA/SR/321/2005 by Collector, Pune for Sy Nos. 170/3, 4A, 4B, 5A, 5B, 6, 7, 8/1 & 8/2, total admeasuring 35,100 square meter village, Hadapsar, Pune.
4. Non Agriculture Order dated September 24, 2007 bearing no PMA/NA/SR/247/2007 issued by Collector, Pune for sy. No. 169/1+2+3, 169/4, 170/1A, 170/1B, 170/2B, 170/3, 170/4A, 170/4B, 170/5A, 170/5B, 170/6, 170/7, 170/8/1 & 170/8/2 village, Hadapsar, Pune.
5. Non Agriculture Order dated June 07, 2008 bearing No. PMA/NA/SR/78/08 issued by Collector, Pune for sy. Nos. 169/1+2+3, 169/4, 170/1A, 170/1B, 170/2B, 170/3, 170/4A, 170/4B, 170/5A, 170/5B, 170/6, 170/7, 170/8/1 & 170/8/2 total admeasuring 64,600 square meter, village Hadapsar, Pune.
6. Environmental Clearance Certificate dated April 21, 2008 issued by Government of India, Ministry of Environment and Forests with respect to sy. No. 170/3-8, village, Hadapsar, Pune.
7. Lift NOC dated January 13, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 80559.
8. Lift NOC dated January 13, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 80560.
9. Lift NOC dated January 13, 2009 granted to Suzlon Energy, issued by Chief Engineer (Elec.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 80561.
10. Lift NOC dated January 13, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 80562.
11. Lift NOC dated May 15, 2009 granted to Vascon Engineers, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 83037.
12. Lift NOC dated February 25, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 81321.
13. Lift NOC dated February 25, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 81320.

14. Lift NOC dated February 27, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 81399.
15. Lift NOC dated February 27, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 81400.
16. Lift NOC dated February 27, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 81401.
17. Lift NOC dated February 27, 2009 granted to Suzlon Energy, issued by Chief Engineer (Electricity.) under Rule 4 of Bombay Lift Rules, 1958 with respect to sy. No. 170/1/8, Hadapsar, Pune with License No. 81398.
18. Fire NOC dated March 5, 2009 bearing No. 246/FA issued by Director & Fire Advisor, Government. of Maharashtra, Mumbai in respect of Business Building at sy. Nos. 169+1+2+3, 169/4, 170/1A, 170/1B, 170/2B, 170/3, 170/4A, 170/4B, 170/5A, 170/5B, 170/6, 170/7, 170/8/1 & 170/8/2, village Hadapsar, Pune.
19. Zone Certificate for residential dated May 4, 2009 bearing No. 2533 issued by Assistant Director Town Planning Pune for sy. Nos. 169 & 170, Hadapsar, Pune.
21. Certificate dated December 11, 2009 issued by Maharashtra Pollution Control Board for sy. No. 170/1-8 Hadapsar, Pune.
22. Order issued by Tahshildar dated November 9, 2009 vide No. SR/45/2009 for Survey No. 169/1,2,3 Hadapsar, Pune.

Project: Nucleus Zirakpur

1. Environmental Clearance Certificate dated June 19, 2008 bearing No. 21-193/2008-IA.III issued by Government of India, Ministry of Environment and Forests for Nucleus Shopping Mall & Hotel at Zirakpur, Chandigarh.

XX. Greystone Premises Private Limited

Application dated January 22, 2008 filed by Greystone Premises Private Limited for setting up a SEZ, as a co-developer under rule 3 of the SEZ Act.

XXI. Mumbai Estates Private Limited

Application dated December 22, 2007 filed by Mumbai Estates Private Limited for change of zone from Recreation & Tourism Zone & Green Zone (RTZ Zone) to Urbanisable Zone (U-2 Zone) to the Minister of State for Urban Development, Government of Maharashtra.

XXII. Cosmos Premises Private Limited

Project Name: Galaxy Resorts

1. Certificate of registration dated June 9, 2006 valid up to March 31, 2009 under the Registration of Tourist Trade Act, 1982 issued by the Department of Tourism, Government of Goa to carry on business of hotels with 65 rooms.
2. Certificate of registration of establishment dated April 22, 2008 with registration no S &E/III/MRG/Y2K/432 valid up to December 31, 2009 issued under the Goa, Daman and Diu Shops and Establishments Rules, 1975 for sy. No 183/2.
3. License dated June 8, 2005 with no DFDA/PFAA/SAL/MFG-4095/05-06 for the manufacture for sale/for storage/for sale or distribution of cooked food, and renewed up to December 31, 2010.
4. Certificate of registration dated July 24, 2008 valid from June 9,2008 with No. MRG/GTL/176 issued by the Luxury Tax Officer under the Goa Tax on Luxuries (Hotels and Lodging Houses) Act, 1988.
5. Public performance license dated December 15, 2007 valid up to December 14, 2010 with license No. 13/B/11440 authorising them to perform all sound recordings controlled by Phonographic Performance Limited.

6. Service tax registration dated October 15, 2008 issued by the Commissionerate of Customs and Central Excise, Goa with STC number AABCC6190RST003.
7. Letter dated July 26, 2008 issued by the National Securities Depository Limited allotting TAN BLRC08280G.

XXIII. Conamore Resorts Private Limited

Project Name: Vista Do Rio

1. Certificate of registration dated June 8, 2006 valid up to March 31, 2010 under the Registration of Tourist Trade Act, 1982 issued by the Department of Tourism, Government of Goa to carry on business of hotels with 47 rooms.
2. Certificate of registration dated January 20, 2009, with Registration No. TEG/TIN/3048/06/P-1153, valid from April 30, 2008 until cancelled issued by the Commercial Tax Officer, Government of Goa granting registration under Section 4 of the Goa Tax on Entry of Goods Act, 2000 with principal place of business situated at 501, Shiv Tower, Patto Plaza, Panaji Goa.
3. Consent to operate dated May 30, 2008 valid up to August 24, 2012 with consent order No. /Water/2616/2008 issued by the Goa State Pollution Control Board under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974, as amended.
4. Consent to operate dated May 30, 2008 valid up to August 24, 2012 with consent order No. /Air/1349/2008 issued by the Goa State Pollution Control Board under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981, as amended.
5. Public performance license dated December 21, 2007 valid up to December 20, 2010 with license No. 13/B/11468 authorising them to perform all sound recordings controlled by Phonographic Performance Limited.
6. Certificate of registration dated November 25, 1998 valid from November 14, 1998 and renewed upto September 30, 2009 with No. PNJ/GTL/108 issued by the Luxury Tax Officer under the Goa Tax on Luxuries (Hotels and Lodging Houses) Act, 1988.
7. NOC dated March 31, 2009 valid up to January 5, 2010 issued by the Directorate of Fire and Emergency Services, Government of Goa to renew the license to use the premises.
8. License dated July 30, 2003, renewed up to December 31, 2010 with No. DFDA/PFA/BAR/MFG-3186/03-04 for the manufacture for sale/for storage/for sale or distribution of cooked foods and beverages issued by the Directorate of Food and Drugs Administration, Panaji, Government of Goa.
9. Certificate of registration of establishment dated December 18, 1998 with registration No. CL/LIM/S&E/ACT/III/7031 valid up to December 31, 2010 issued under the Goa, Daman and Diu Shops and Establishments Rules, 1975 for sy. No. 77/0.
10. License dated April 1, 2009 valid up to March 31, 2010 for retail sale of Indian made foreign liquor/country liquor for consumption on the premises with register no FCL/1319 issued by the Department of Excise, Government of Goa for sy. No 77/0.
11. Service tax registration dated May 16, 2006 issued by the Commissionerate of Customs and Central Excise, Goa with STC number AABCC1266GST001.
12. Letter dated July 26, 2007 issued by the National Securities Depository Limited allotting TAN BLRC07450C.
13. Letter dated March 30, 2005 allotting TIN 30900103048 with no P/P/7878/18197, central registration certificate no P/CST/5582, local registration certificate no P/7878 issued by the Sales Tax Officer, Government of Goa.
14. Application dated October 26, 2009 for renewal of certificate of registration issued under Section 9 (3) of the Goa Tax on Luxuries Act, 1988 to the Luxury Tax Officer.

Approvals for our potential real estate development projects

With regard to our potential real estate development projects, which shall be developed by us or by any other entity which we have formed, we will be required to obtain applicable zoning and building permissions, environmental consents and certificates of no objection from the Ministry of Environment and Forests, GoI, State Pollution Control Board, fire safety clearances, certificates of no-objection from the AAI, State Electricity Board and completion and occupation certificates from the competent government authority at appropriate stages of the projects.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The issue of Equity Shares in the Issue by the Company has been authorized by the resolution of the Board of Directors passed at their meeting held on August 27, 2009 subject to the approval of shareholders through a special resolution to be passed pursuant to section 81 (1A) of the Companies Act.

The shareholders have authorised the Issue by a special resolution in accordance with Section 81(1A) of the Companies Act, passed at the Extra-Ordinary General Meeting of the Company held on September 22, 2009.

The RBI has by a letter dated December 18, 2007 permitted FIIs to subscribe to the present Issue under the portfolio investment scheme in terms of Regulation 1(5) of Schedule 2 to RBI notification no FEMA 20/2000- RB dated May 3, 2000. However it provided that FII investments in any pre-ipo placement would be treated on par with FDI and will have to comply with the guidelines for such FDI such as minimum capitalisation norms and lock in-period and other conditions prescribed vide Press Note 2 (2005) Series.

Prohibition by SEBI

The Company, Promoters, Directors, Group Entities and Promoter Group and natural persons behind the Promoters which are body corporates, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

The companies, with which Promoters, Directors or persons in control of the Company are/were associated as promoters, directors or persons in control have been have not been debarred from accessing the capital market under any order or directions made by the Board.

None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.

Prohibition by RBI

Neither the Company, Promoters, the relatives of Promoters (as defined under the Companies Act) and Group Entities 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

The 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:

- The 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;
- The Company has a track record of distributable profits in accordance with Section 205 of the Companies Act, for at least three of the immediately preceding five years;
- The Company has a net worth of at least Rs. 10 million in each of the three preceding full years (of 12 months each); and
- 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 the Company; and
- The Company has not changed its name in the last fiscal year.

The Company's net profit, dividend, net worth, net tangible assets and monetary assets derived from the Auditor's Report included in this Red Herring Prospectus as at, and for the last five years ended Fiscal 2009 are set forth below:

<i>(In Rs. millions)</i>					
Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005
Distributable Profits ⁽¹⁾	318.66	637.02	374.77	149.37	84.55

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005
Net Worth ⁽²⁾	3,831.63	3,007.11	2,287.71	-	-
Net Tangible assets ⁽³⁾	7,557.97	6,920.32	4,187.38	-	-
Monetary assets ⁽⁴⁾	200.56	490.40	56.67	-	-
Monetary assets as a percentage of the net tangible assets	2.65%	7.09%	1.35%	-	-

⁽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 the 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.

Further, as the Issue size is proposed to be more than 10% and less than 25%, we shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted shall not be less than 1,000; otherwise the entire application money will be refunded forthwith. In case of delay, if any, in refund the Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

Further, the Issue is subject to the fulfilment of the following conditions as required by Rule 19(2)(b) SCRR:

- A minimum 2,000,000 Equity Shares (excluding reservations, firm Allotments and promoters contribution) are offered to the public;
- The Net Issue size, which is the Issue Price multiplied by the number of Equity Shares offered to the public, is a minimum of Rs. 1,000 million; and
- The Issue is made through the Book Building method with 60% of the Net Issue size allocated to QIBs as specified by SEBI

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE 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. 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 29, 2009 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 BOARD 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 BOARD, 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 BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
- (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 BOARD 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 BOARD. 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. NOT APPLICABLE.
- (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 BOARD 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 the Red Herring Prospectus does not, however, absolve the 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 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 Registrar of Companies, Maharashtra 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 Registrar of Companies, Maharashtra in terms of Sections 56, 60 and 60B of the Companies Act.

Disclaimer clause of BSE

Bombay Stock Exchange has given vide its letter dated November 5, 2009 permission to this Company to use its name in this offer document as one of the stock exchanges on which this Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:

- (i) warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; or
- (ii) warrant that this Company's securities will be listed or will continue to be listed on the BSE; or
- (iii) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer clase of NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to National Stock Exchange of India Limited. NSE had given *vide* its letter ref.: NSE/LIST/121942-6 dated November 3, 2009 permission to the Issuer to use the NSE's name in the Red Herring Prospectus as one of the stock exchanges on which this Issuer's securities are proposed to be listed. NSE has scrutinized the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Draft Red Herring Prospectus has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent, inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Caution - Disclaimer from the Company, the BRLMs

The Company, the Directors, the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at the Company's instance and anyone placing reliance on any other source of information, including the Company's web site www.vascon.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 MOU entered into between the BRLMs, and the Company and the Underwriting Agreement to be entered into between the Underwriter and the Company.

All information shall be made available by the Company, 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 the Company nor the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors that bid in the Issue will be required to confirm and will be deemed to have represented to the 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 Equity Shares of the Company and will not Issue, sell, pledge, or transfer the Equity Shares of the Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company. The 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 the Company.

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 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 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 court(s) 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 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 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 Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the 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 US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Filing

A copy of the 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, Maharashtra at Mumbai.

Listing

Applications will be made to the BSE and NSE for permission to deal in and for an official quotation of the Equity Shares.

NSE 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 any of the Stock Exchanges mentioned above, the Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within 8 days after the Company becomes liable to repay it, i.e. from the date of refusal or within 7 days from the Bid/Issue Closing Date, whichever is earlier, then the Company and every Director of the Company who is an officer in default shall, on and from such expiry of 8 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.

The 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 7 working days of finalisation of the Basis of Allotment for the Issue.

Consents

Consents, as applicable in writing of: (a) the Directors, the Company Secretary, the Auditors, Bankers to the Company and Bankers to the Issue; and (b) Book Running Lead Managers to the Issue and Syndicate Members, Escrow Collection Bankers, Registrar to the Issue, Domestic Legal Advisors to the Issue, International Legal Advisors to the Underwriters,

IPO Grading agency, Architect and Legal counsel to the Issue for Land Summarization to act in their respective capacities, have been obtained and 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 this Red Herring Prospectus.

In accordance with the Companies Act, 1956 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009, Anand Mehta & Associates Chartered Accountants, the Company's Statutory Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in the Red Herring Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the ROC.

Expert Opinion

Except the report of CRISIL Limited in respect of the IPO grading of this Issue annexed herewith and except as stated elsewhere in this Red Herring Prospectus, the Company has not obtained any expert opinions.

We have obtained an expert opinion dated January 14, 2010 from Chandrakishor Rahatekar, Architects, in relation to saleable area for the Ongoing and Forthcoming Projects. Chandrakishor Rahatekar has given his written consent to act as an Expert, in relation to Saleable Area of the Ongoing and Forthcoming Projects and such consent has not been withdrawn up to the time of delivery of the Red Herring Prospectus.

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. The estimated expenses of the Issue are as follows:

Activity	Expense* (in Rs. million)	Percentage of the Issue Expenses*	Percentage of the Issue Size*
Lead management, Underwriting and Selling Commission	[•]	[•]	[•]
SCSB Commission	[•]	[•]	[•]
Advertising and marketing expense	[•]	[•]	[•]
Printing and stationery (including courier, transportation charges)	[•]	[•]	[•]
Others (Registrar's fees, legal fees, listing costs etc.)	[•]	[•]	[•]
Fees paid to rating agency	[•]	[•]	[•]
Total	[•]	[•]	[•]

* Will be incorporated after finalisation of the Issue Price.

The listing fee and all expenses with respect to the Issue will be borne by us.

Fees Payable to the Book Running Lead Managers, and Syndicate Members

The total fees payable to the BRLMs, and the Syndicate Member (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 the Company located at 15/16, Hazari Baug, LBS Marg, Vikhroli (W), Mumbai 400 083.

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 CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement signed with the Company, a copy of which is available for inspection at the registered office of the 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 during the Last Five Years

We have 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 entitled “Capital Structure” on page 25, the 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 the Company’s inception.

Previous capital issue during the previous three years by listed Group Entities, Subsidiaries and associates of the Company

None of the Group Entities, associates and Subsidiaries of the Company is listed on any stock exchange.

Promise vis-à-vis objects – Public/ Rights Issue of the Company and/or listed Group Entities, Subsidiaries and associates of the Company

The Company has not undertaken any previous public or rights issue.

None of the Group Entities, associates and Subsidiaries of the Company are listed on any stock exchange

Outstanding Debentures or Bonds

The Company does not have any outstanding debentures or bonds as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares

The Company does not have any outstanding preference shares other than those mentioned in the section entitled “Capital Structure” on page 25.

Stock Market Data of our Equity Shares

This being an initial public issue of the 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 the Company will provide for retention of records with the Registrar to the Issue for a minimum period of three years 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 the Company

The Company estimates that the average time required by the Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders for the redressal of routine investor grievances shall be ten working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, the Company will seek to redress these complaints as expeditiously as possible.

The Company has appointed Mr. M. Krishnamurthi, 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:

M. Krishnamurthi
201, Phoenix
Bund Garden Road
Pune 411 001
Tel: (91 20) 3056 2305
Fax: (91 20) 2613 1071
Email: compliance.officer@vascon.com

Changes in Auditors

Since our inception, Anand Mehta and Associates, Chartered Accountants have been our Auditor. However, during the financial year 2006-07, they changed their name and status from M/s Kulin Mehta & Co., a proprietary firm, into Anand Mehta & Associates, a partnership firm.

Capitalisation of Reserves or Profits

Except as disclosed in this Red Herring Prospectus, we have not capitalised our reserves or profits at any time during the last five years.

Revaluation of Assets

The Company has not revalued its assets in the last five years.

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles, the terms of this Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, 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 our Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of the 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 the Company after the date of Allotment. For further details, please see “Main Provisions of the Articles of Association” on page 407.

Mode of Payment of Dividend

We shall pay dividends to our shareholders in accordance with the provisions of the Companies Act.

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 be only one denomination for the Equity Shares.

Compliance with SEBI ICDR 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 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 the Company’s Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of the Articles of Association” on page 407.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of our Equity Shares shall only be in dematerialised form. Since trading of our 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 (1) 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 the Company in consultation with the BRLMs and advertised in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation 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 in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. 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 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/ Corporate Office of the Company or to the Registrar and Transfer Agents of the 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 Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with the Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Net Issue, including devolvement of underwriters within 60 days from the Bid/Issue Closing Date, the Company shall forthwith refund the entire subscription amount received no later than seventy (70) days from the closure of the Issue. If there is a delay beyond eight (8) days after the Company becomes liable to pay the amount, the Company shall pay interest prescribed under Section 73 of the Companies Act.

If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith.

Further, we shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 1,000.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 or any state securities laws in the United States and may not be offered or sold within the United States 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 only being offered and sold (i) in the United States to “qualified institutional buyers”, as

defined in Rule 144A of the Securities Act in reliance on Rule 144A under the Securities Act, and (ii) outside the United States transactions in compliance with Regulation S under the Securities Act.

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 applicable law in 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 and Promoters' minimum contribution in the Issue as detailed in the section entitled "Capital Structure" on page 25, and except as provided in our Articles, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfers of debentures except as provided in our Articles. There are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles. Please see the section entitled "Main Provisions of our Articles of Association" on page 407.

ISSUE STRUCTURE

Issue of 10,800,000 Equity Shares for cash at a price of Rs. [●] per Equity Share (including share premium of Rs. [●] per Equity Share) aggregating to Rs. [●] million. The Issue comprises a Net Issue of 10,700,000 Equity Shares to the public and a reservation for Eligible Employees of up to 100,000 Equity Shares. The Issue will constitute 11.95% of the fully diluted post-issue paid-up capital of the Company and the Net Issue will constitute 11.84% of the post issue paid up capital of the company.

The Issue is being made through the 100% Book Building Process.

		QIBs[#]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
Number of Equity Shares*		At least 6,420,000 Equity Shares	Not less than 1,070,000 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 3,210,000 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Up to 100,000 Equity Shares.
Percentage of Issue available for Allotment/allocation	Size for	At least 60% of the Net Issue Size being allocated. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only.	Not less than 10% of Net Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 30% of the Net Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Up to 0.93% of the Issue, which is within five per cent of the post issue capital of the Company.
Basis of Allotment/Allocation if respective category is oversubscribed	of if is	Proportionate as follows: (a) 321,000 Equity Shares shall be allocated on a proportionate basis to Mutual Funds; and (b) 6,099,000 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 Equity Shares not exceeding the Net Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Net Issue subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.	Such number of 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 1 Equity Share thereafter	[●] Equity Shares and in multiples of 1 Equity Share thereafter	[●] Equity Shares and in multiples of 1 Equity Share thereafter	[●] Equity Shares and in multiples of 1 Equity Share thereafter.
Trading Lot		One Equity Share	One Equity Share	One Equity Share	One Equity Share
Who can Apply **		Public financial institutions as specified	Resident Indian individuals, Eligible	Resident Indian individuals, Eligible	Eligible Employee

	QIBs[#]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	in Section 4A of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, FIIs registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, venture capital funds registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million, pension funds with minimum corpus of Rs. 250 million in accordance with applicable law, and National Investment Fund and insurance funds set up and managed by army, navy or air force of Union of India.	NRIs, HUF (in the name of Karta), companies, corporate bodies, scientific institutions and trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.	NRIs and HUF (in the name of Karta)	
Terms of Payment	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Members. ^{***}	Amount shall be payable at the time of submission of Bid cum Application Form. ^{##}	Amount shall be payable at the time of submission of Bid cum Application Form. ^{##}	Amount shall be payable at the time of submission of Bid cum Application Form. ^{##}
Margin Amount	At least 10% of Bid Amount	Full Bid Amount on bidding	Full Bid Amount on bidding	Full Bid Amount on bidding

[#] *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 Anchor Investors. For further details, please see the section entitled “Issue Procedure” on page 368. The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100 million.*

^{##} *In case of ASBA Bidders, the SCSB 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.*

^{*} Subject to valid Bids being received at or above the Issue Price. In accordance with Rule 19(2)(b) of the SCRR, this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue will be allocated on a proportionate basis to QIBs, out of the QIB Portion (excluding the Anchor Investor Portion), 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 321,000 Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further, not less than 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category except in the QIB category would be met with spill-over from other categories at sole discretion of the Company, in consultation with the BRLMs.

Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. The unsubscribed portion in the Net Issue, except the QIB Portion, shall be allowed to be met from spill over to the extent of under subscription from the Employee Reservation Portion, subject to the Net Issue constituting 10% of the post Issue capital of the Company. If at least 60% of the Net Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.

** 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.

*** After the Bid/ Issue Closing Date, depending on the level of subscription, additional Margin Amount, if any, may be called for from the QIB Bidders.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue. In such an event the 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 BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day from the day of receipt of such notification. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, for which the Company shall apply only after Allotment, and (ii) final RoC approval of the Prospectus after it is filed with the Stock Exchanges.

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

Bid/ Issue Programme

BID/ISSUE OPENS ON	January 27, 2010*
BID/ISSUE CLOSES ON	January 29, 2010

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

Bids and any revision in Bids shall be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) during the Bidding/ Issue Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid / Issue Closing Date, the Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders and Eligible Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion, where the Bid Amount is up to Rs. 100,000. It is clarified that the Bids not uploaded in the book would be rejected. Bids by the ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE. Due to limitation of time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in IPOs, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, the Company, the BRLMs, and the Syndicate Members shall not be responsible. Bids will be accepted only on Business Days, i.e. Monday to Friday (excluding any public holiday).

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular Bidder, the details as per the physical form of the Bidder may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

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 case, no later than the times mentioned above on the Bid/ Issue Closing Date. All times mentioned in the Red Herring Prospectus are Indian Standard Time. 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 Business Days, i.e., 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 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 (2) 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 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 web site of the BRLMs and at the terminals of the Syndicate.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated to Qualified Institutional Buyers on a proportionate basis. Out of the QIB Portion (excluding Anchor Investor Portion), 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. Allocation to Anchor Investors shall be on a discretionary basis and not on a proportionate basis.

Bidders are required to submit their Bids through the Syndicate. Further, QIB Bids can be procured and submitted only through the BRLMs or their affiliate syndicate members. In case of QIB Bidders, the Company, in consultation with the BRLMs, may reject Bids at the time of acceptance of Bid cum Application Form provided that the reasons for such rejection shall be provided to such QIB Bidder in writing. In case of Employee Reservation Portion, Non-Institutional Bidders and Retail Individual Bidders, the Company would have a right to reject the Bids only on technical grounds.

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 have the 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

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 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. Upon the allocation of Equity Shares, 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 completing and submitting the Bid cum Application Form to a member of the Syndicate, the Bidder is deemed to have authorised the Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form 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.

ASBA Bidders shall submit a Bid cum Application Form either in physical or electronic form to the SCSB authorising blocking funds that are available in the bank account specified in the Bid cum Application Form used by ASBA Bidders. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the SCSB, the ASBA Bidder is deemed to have authorised the Company to make the necessary changes in the Red Herring Prospectus and the ASBA 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 ASBA Bidder.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs or FIIs applying on a repatriation basis	Blue
Eligible Employees	Pink
Anchor Investors	White
ASBA Bidders	White

- Only QIBs can participate in the Anchor Investor Portion.
- All Investors (except QIBs) can participate by way of ASBA process

Who can Bid?

- Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians 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 the 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, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI regulations as applicable.;
- FIIs and sub-accounts registered with SEBI other than a sub-account which is a foreign corporate or foreign individual, registered with SEBI;
- Sub accounts of FII, registered with SEBI which are foreign corporate or foreign individuals only under Non-Institutional 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 constitution 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, India;
- Insurance funds set up and managed by army, navy or air force of Union of India
- Subject to the applicable law, Provident Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares; and
- Eligible Employees.
- National Investment Fund set up by the Government of India;

Non-residents such as FVCIs, multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Participation by Associates of BRLMs, and Syndicate Members

The BRLMs, and 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 Syndicate Members may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such investors, 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 321,000 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 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 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 the equity shares or equity related instruments of any 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 NRIs

1. Bid cum Application Forms have been made available for Eligible NRIs at the Registered Office of the Company and with members of the Syndicate.
2. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.
3. In accordance with SEBI Regulations, NRIs can subscribe to this Issue under ASBA process.

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 9,001,605 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. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the company for adoption.

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 a foreign institutional investor 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 Member that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue.

Bids by SEBI registered Venture Capital Funds

As per the current regulations, the following restrictions are applicable for SEBI registered Venture Capital Funds:

The SEBI (Venture Capital) Regulations, 1996 prescribe investment restrictions on venture capital funds 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 initial public offer.

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 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.

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 Share thereafter, so as to ensure that the Bid Price 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 Price does not exceed Rs. 100,000. In case the Bid Price 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 Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs):** 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 Bid/Issue Closing Date and is required to pay QIB Margin upon submission of Bid.**

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'.
- (c) **For Bidders in the Employee Reservation Portion:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum Bid in this category cannot exceed 100,000 Equity Shares. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut off Price.
- (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 at least Rs. 100 million and in multiples of [●] equity shares there after. 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.**

Bidders 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 this Red Herring Prospectus.

Information for the Bidders:

- (a) The Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/Issue Opening Date.
- (b) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.
- (c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/ or the Bid cum Application Form can obtain the same from our registered office or from any of the members of the Syndicate.
- (d) Eligible investors 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.
- (e) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of the members of the Syndicate. Bid cum Application Forms, which do not bear the stamp of the members of the Syndicate will be rejected.

Method and Process of Bidding

- (a) The Company and the BRLMs shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation. This advertisement shall be in the prescribed format. The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation at least two (2) working days prior to the Bid/ Issue Opening Date. The Members of the Syndicate shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.
- (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 an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each 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, eligible investors who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or their authorised agents to register their Bid.
- (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 Price, 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. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate 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 titled “Build up of the Book and Revision of Bids”.
- (f) The members of the Syndicate 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) During the Bid/Issue Period, Bidders may approach the members of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients / investors who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and the Red Herring Prospectus.
- (h) The BRLMs shall accept Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one day prior to the Bid/ Issue Opening Date. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- (i) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled “Terms of Payment and Payment into the Escrow Accounts” on page 373.

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 (One). The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company, in consultation with the BRLMs, and advertised in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation at least two (2) 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 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 (2) days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

- (c) In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 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 public notice in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation and also by indicating the change on the websites of the BRLMs, SCSBs and at the terminals of the members of the Syndicate.
- (d) The Company, in consultation with the BRLMs can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders.
- (e) 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 Bidders in the Employee Reservation Portion 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 Bidders in Employee Reservation Portion, 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 Employee Reservation Portion bidding at Cut-Off Price shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the cap of the Price Band with the members of the Syndicate. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders, who Bid at Cut-off Price, shall receive the refund of the excess amounts from the respective Refund Account.
- (f) In case of an upward revision in the Price Band announced as above, ASBA Bidders could either (i) revise their Bid or (ii) make additional payment based on the higher end of the Revised Price Band (such that the total amount i.e., original Bid Price plus additional payment does not exceed Rs. 1,00,000 for Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion, if such Bidder wants to continue to bid at Cut-off Price), with the Syndicate Members to whom the original Bid was submitted. In case the total amount (i.e., original Bid Price plus additional payment) exceeds Rs. 100,000 for Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion the Bid will be considered for allocation under the Non-Institutional Portion in terms of this 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 higher end of the Price Band prior to revision, the number of Equity Shares bid for shall be adjusted downwards for the purpose of Allotment, such that the no additional payment would be required from such Bidder and such 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. 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.
- (f) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **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.**

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, please refer to the section titled “Issue Procedure-Payment Instructions” on page 381.

Electronic Registration of Bids

- (a) The members of the Syndicate will register the Bids using the on-line facilities of BSE and NSE. There will be at least one on-line connectivity in each city, where a stock exchange is located in India and where Bids are being

accepted.

- (b) The BSE and NSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the Members of the Syndicate and their authorised agents during the Bidding Period. Syndicate Members 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 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) The aggregate demand and price for Bids registered on the electronic facilities of BSE and NSE will be uploaded on a regular basis, consolidated and displayed on-line at all bidding centres and the website of BSE and NSE. A graphical representation of consolidated demand and price would be made available at the bidding centres during the Bidding Period.
- (d) At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:
 - Name of the investor.
 - Investor Category – Individual, Corporate, FII, NRI, Mutual Fund, Employee etc.
 - Numbers of Equity Shares bid for.
 - Bid price.
 - Bid cum Application Form number.
 - Whether Margin Amount has been paid upon submission of Bid cum Application Form.
 - Depository Participant Identification Number and Client Identification Number of the beneficiary account of the Bidder.
- (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. The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated/Allotment either by the members of the Syndicate or the 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, Members of the Syndicate also have the right to accept the bid or reject it. However, such rejection should 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 bidding in the Employee Reservation Portion, Bids would not be rejected except on the technical grounds listed on page 384.
- (h) The permission given by BSE and NSE 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 the Company and/or the BRLMs are cleared or approved by BSE and NSE; 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 the Company, our Promoters, our management or any scheme or project of the Company.
- (i) Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of electronic facilities of BSE and NSE.
- (j) It is also to be distinctly understood that the approval given by BSE and NSE should not in any way be deemed or construed that this Red Herring Prospectus has been cleared or approved by the BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE and NSE.
- (k) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the BRLMs based on the physical records of Bid Application Forms shall be final and binding on all concerned.

Build up of the book and revision of bids

- (a) Bids registered by various Bidders through the members of the Syndicate shall be electronically transmitted to the BSE or NSE mainframe on a regular basis.
- (b) The book gets built up at various price levels. This information will be available with the BRLMs on a regular basis.
- (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 (including the price per Equity Shares) 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 he 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 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 through whom he or she 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) 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. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Red Herring Prospectus. In case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.
- (g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. 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.
- (h) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the Company in consultation with the BRLMs based on the physical records of Bid Application Forms shall be final and binding on all concerned.

Price Discovery and Allocation

- (a) After the Bid/Issue Closing Date, the BRLMs will analyse the demand generated at various price levels and discuss the pricing strategy with the Company.
- (b) The Company in consultation with the BRLMs shall finalise the Issue Price.
- (c) The allocation to QIBs will be at least 60% of the Net Issue and 10% and 30% of the Net Issue will be available for allocation to Non-Institutional and Retail Individual Bidders respectively, on a proportionate basis, in a manner specified in the SEBI Regulations and this Red Herring Prospectus, in consultation with the Designated Stock Exchange, subject to valid bids being received at or above the Issue Price.
- (d) 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 discretion of the Company in consultation with the BRLMs and the Designated Stock Exchange. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. 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 the Company. If at least 60% of the Net Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.
- (e) Allocation to Eligible NRIs and FIIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

- (f) The BRLMs in consultation with us, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
- (g) QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.
- (h) The allotment details shall be put 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 finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, we would update and file the updated Red Herring Prospectus with ROC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the 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 an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation.

Advertisement regarding Issue Price and Prospectus

We 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.

Issuance of Confirmation of Allocation Note ("CAN")

- (a) Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLMs or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated/allotted Equity Shares in the Issue. The approval of the basis of Allotment by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders and Bids from Eligible Employees bidding in the Employee Reservation Portion. However, investors should note that the Company shall ensure that the date of Allotment of the Equity Shares to all investors in this Issue shall be done on the same date.
- (b) The BRLMs or members of the Syndicate will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. 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 allocated to such Bidder. Those Bidders who have not paid the entire Bid Amount into the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.
- (c) Bidders who have been allocated/allotted Equity Shares and who have already paid the Bid Amount into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of his or her cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for the Allotment to such Bidder.
- (d) The Issuance of CAN is subject to "Notice to Anchor Investors - Allotment Reconciliation and Revised CANs" and "Notice to QIBs - Allotment Reconciliation and Revised CANs" as set forth under the section "Issue Procedure" on page 368.

Notice to Anchor Investors: Allotment Reconciliation and Revised CANs

Notice to Anchor Investors: Allotment Reconciliation and Revised CANs/ A physical book will be prepared by the Registrar on the basis of Bids received. Based on the physical book and at the discretion of the BRLMs, select Anchor Investors shall be sent the CAN, indicating the number of Equity Shares that may be allocated to them. The provisional CAN shall constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the Anchor Investors to pay the entire Anchor Investor Issue Price for all the Equity Shares allocated to such Anchor Investor. This provisional CAN and the final allocation is subject to 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 CAN may be sent to Anchor Investors. The price of Equity Shares in such revised CAN may be different from that specified in the earlier CAN.

Anchor Investors should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares or increased price of Equity Shares. The Pay-in Date in the revised CAN shall not be later than two days after the Bid/ Issue Closing Date. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Notice to QIBs: Allotment Reconciliation and Revised CANs

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/NSE system. This shall be followed by a physical book prepared by the Registrar on the basis of Bid cum Application Forms received. Based on the electronic book or the physical book, as the case may be, QIBs may be sent a CAN, indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the reconciled book prepared by the Registrar. Subject to SEBI Regulations, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange. As a result, a revised CAN may be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

- (a). The Company will ensure that the Allotment of Equity Shares is done within 15 (fifteen) days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Bidders depository account within two working days of the date of allotment.
- (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.

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 Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the 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;
- (f). Ensure that you have been given a TRS for all your Bid options;
- (g). Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;
- (h). 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;
- (i). Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- (j). 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 price 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;
- (d). Do not pay the Bid Price 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 only;
- (f). Do not bid at Cut Off Price (for QIB Bidders and Non-Institutional Bidders, for bid amount in excess of Rs. 100,000 and for Bidders in Employee Reservation Portion bidding in excess of Rs. 100,000);
- (g). 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;
- (h). Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

- (a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable (white colour for Resident Indians, blue colour for NRIs and FIIs applying on a repatriation basis and pink colour for Bidders under Employee Reservation portion), white for ASBA Bidder and white for Anchor Investors.
- (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) For Retail Individual Bidders, 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.
- (d) 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 shares that can be held by them under the applicable laws or regulations.

- (e) For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100 million.
- (f) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- (g) 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.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate.

Bidder's Depository Account and Bank Account Details

Bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected. Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number 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"). These Bank Account details would be used for giving refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS) to the Bidders. 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/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs the Registrar to the Issue or the Escrow Collection Banks or the SCSBs nor the 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 CANs/Allocation Advice 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/Allocation Advice/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/allocation advice/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 the 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.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice or refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form

should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Eligible NRIs, 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 (blue 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 Depository 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 by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. Bidders under the Employee Reservation Portion can apply for a maximum of the size of the Issue. The allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid-at Cut off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- (a). Made only in the prescribed Bid cum Application Form or Revision Form (i.e. Pink colour Form).
- (b). The Bid must be in multiples of [●] Equity Shares thereafter. The maximum Bid in this category by an Eligible Employee cannot exceed the size of the Issue.
- (c). Eligible Employees should mention their Employee Number at the relevant place in the Bid cum Application Form
- (d). The sole/ first bidder should be Eligible Employees as defined above.
- (e). Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.
- (f). Bids by Eligible Employees will have to bid like any other Bidder. Only those bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- (g). Eligible Employees who apply or bid for securities of or for a value of not more than Rs. 100,000 in any of the bidding options can apply at Cut-Off. This facility is not available to other Eligible Employees whose minimum Bid Amount exceeds Rs. 100,000.

- (h). Bid/ Application by Eligible Employees can be made also in the “Net Issue to the Public” and such bids shall not be treated as multiple bids.
- (i). If the aggregate demand in this category is less than or equal to 100,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- (j). Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. 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 share capital of the Company.
- (k). If the aggregate demand in this category is greater than 100,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, refer to para “Basis of Allotment” on page 378.

Eligible Employees bidding under the Employee Reservation Portion cannot subscribe to this Issue under the ASBA process.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, 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, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made by provident funds with minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bids made by mutual fund registered with SEBI, venture capital fund registered with SEBI, a certified copy of their SEBI registration certificate must be submitted with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

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 the Company, the BRLMs may deem fit.

PAYMENT INSTRUCTIONS

Escrow Mechanism

The Company and the Members of 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 in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Bidders shall maintain the monies in the Escrow Account until the Designated

Date. The Escrow Collection Bank(s) 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 Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. 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 as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Company, the Members of the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Each Bidder shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the Bid and/or on allocation/Allotment as per the following terms:

Payment into Escrow Account

1. QIB Bidders, Non-Institutional Bidders, Retail Individual Bidders and Eligible Employees would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form. The Margin Amount payable by each category of Bidders is mentioned under the section entitled “Issue Structure” on page 364.
2. The Bidders for whom the applicable Margin Amount is equal to 100%, shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate.
3. In case the above Margin Amount paid by the Bidders during the Bidding Period is less than the Issue Price multiplied by the Equity Shares allocated to the Bidder, the balance amount shall be paid by the Bidders into the Escrow Account within the period specified in the CAN which shall be subject to a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled.
4. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - (a) In case of Resident QIB Bidders: “-Vascon Engineers IPO- QIB – R”
 - (b) In case of Non Resident QIB Bidders: “-Vascon Engineers IPO - QIB - NR ”
 - (c) In case of Resident Retail and Non Institutional Bidders: “-Vascon Engineers IPO - R ”
 - (d) In case of Non-Resident Retail and Non Institutional Bidders: “-Vascon Engineers IPO- NR ”
 - (e) In case of Employees: “Vascon Engineers IPO - Employees ”
5. Anchor Investors would be required to pay the Anchor Investor Margin Amount at the time of submission of the application form by the Anchor Investors and the balance shall be payable within two (2) days of the Bid/ Issue Closing Date. In the event of Issue Price being higher than the price at which allocation is made to Anchor Investors, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.
6. 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: “Vascon Engineers IPO- AI - R ”
 - (b) In case of non-resident Anchor Investors: “Vascon Engineers IPO -AI - NR ”
7. 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. In case of Bids by Eligible NRIs applying on non-repatriation basis, the payments must be made out of NRO account.

8. 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.
9. 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.
10. The monies deposited in the Escrow Account will be held for the benefit of the Bidders till the Designated Date.
11. 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 Bankers to the Issue.
12. On the Designated Date and no later than 15 days from the Bid/Issue Closing Date, the Escrow Collection 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.
13. 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 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. Cash/ Stockinvest/Money Orders/ Postal orders will not be accepted.

Payment by cash/ stockinvest/ money order

Payment through cash/ stockinvest/ money 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.

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 this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- a) All applications are electronically strung on first name, address and applicants status. These applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/husbands name to determine if they are multiple applications.
- b) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/beneficiary ID. Applications with common DP ID/ beneficiary ID are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- c) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked

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.

In cases where there are more than 20 valid applicants having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of KYC norms by the depositories.

The Company reserves the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

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 I.T. 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.**

REJECTION OF BIDS

In case of QIB Bidders, the 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 and Eligible Employees, the 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.

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 does not tally with the amount payable for the highest value of Equity Shares bid for;
- Age of First Bidder not given;
- 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, insane persons;
- PAN not given;
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than lower end of the Price Band;
- Bids at a price more than the higher end of the Price Band;

- Bids at Cut Off Price by Non-Institutional and QIB Bidders and Bidders in the Employee Reservation Portion bidding in excess of Rs. 100,000;
- Bids for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Bids as defined in this 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;
- Bid cum Application Forms does not have the stamp of the BRLMs or Syndicate Members;
- Bid cum Application Forms does 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 Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids in respect where the Bid cum Application form do not reach the Registrar to the Issue prior to the finalisation of the Basis of Allotment;
- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- Bids by QIBs not submitted through the BRLMs, or their affiliates;
- Bids by QIBs not submitted through members of the Syndicate;
- Bids by persons in the United States other than "Qualified Institutional Buyers" as defined in Rule 144A of the Securities Act or other than in reliance of Regulation S under the Securities Act;
- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws; and
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority
- Bids by persons who are not eligible to acquire Equity Shares of the Company under any applicable laws, rules, regulations, guidelines, and approvals, as the case maybe;

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 among the Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated December 26, 2007, amongst NSDL, the Company and the Registrar to the Issue;
- Agreement dated December 4, 2007, amongst CDSL, the 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 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.
- 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.
- Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- 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.
- 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.
- The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
- 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.
- The trading of the Equity Shares of the 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 where the Bid was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

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 must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number 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. 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 the Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue 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.

Mode of making refunds

The payment of refund, if any, 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 or NEFT.
2. Direct Credit – Applicants having bank accounts with the Refund Banker(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 the Company.
3. RTGS – Applicants having a bank account at any of the abovementioned fifteen centres and whose refund amount exceeds Rs. one million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
4. NEFT (National Electronic Fund Transfer) – 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 upto 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.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The 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 two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS/NECS, direct credit or RTGS/NEFT, the refund instructions will be given to the clearing system within 15 days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the bidders receiving refunds through this mode within 15 days of 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 seven working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 15 days of the Bid/Issue Closing Date;
- 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 15 days of the Bid/Issue Closing Date would be ensured; and

- The Company shall pay interest at 15% per annum for any delay beyond the 15 day time period 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 the 15 day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance.

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 3,210,000 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 3,210,000 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.

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 1,070,000 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 1,070,000 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

- 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 QIB Portion (excluding Anchor Investor Portion) shall be determined as follows:
 - (i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion (excluding Anchor Investor Portion), allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion (excluding Anchor Investor Portion).
 - (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor 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 QIB Portion (excluding Anchor Investor Portion), if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.
- The aggregate Allotment to QIB Bidders shall not be less than 6,420,000 Equity Shares.

D. For Employee Reservation Portion

- The Bid must be in multiples of [●] Equity Shares thereafter. The allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut off Price.
- 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 allocation to all the successful Eligible Employees will be made at the Issue Price subject to a ceiling of Rs 100,000 on value of allotment.
- If the aggregate demand in this category is less than or equal to 100,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Employees to the extent of their demand. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.
- If the aggregate demand in this category is greater than 100,000 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 one Equity Share thereafter. For the method of proportionate basis of allocation, refer below.
- Only Eligible Employees eligible to apply under 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 the 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 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 upto 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 Opening Date by intimating the stock exchanges and uploading the said details on the websites of the BRLMs and on the terminals of the Syndicate Members.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, the 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 1 (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 the 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	200 million equity shares
2.	Allocation to QIB (60%)	120 million equity shares
3.	Anchor Investor Portion	36 million equity shares
4.	Portion available to QIBs other than Anchor Investors [(2) minus (3)]	84 million equity shares
	Of which:	
a.	Allocation to MF (5%)	4.20 million equity shares
b.	Balance for all QIBs including MFs	79.8 million equity shares
3	No. of QIB applicants	10
4	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

<i>(Number of equity shares in million)</i>				
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	7.98	0
A2	20	0	4.00	0
A3	130	0	20.74	0
A4	50	0	7.98	0
A5	50	0	7.98	0
MF1	40	0.84	6.38	7.22
MF2	40	0.84	6.38	7.22
MF3	80	1.68	12.76	14.44
MF4	20	0.42	3.19	3.61
MF5	20	0.42	3.19	3.61
	500	4.20	79.80	36.10

Please note:

- The illustration presumes compliance with the requirements specified in this Red Herring Prospectus in

the section titled “Issue Structure” on page 364.

2. Out of 84 million Equity Shares allocated to QIBs, 4.2 million (i.e. 5%) will be allocated on proportionate basis among 5 Mutual Fund applicants who applied for 200 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 Equity Shares (including 5 MF applicants who applied for 200 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

The Company shall give credit to the beneficiary account with depository participants within two working days from the date of the finalisation of basis of allotment. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through ECS 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 15 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 fifteen days of closure of Bid / Issue.

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 in the Issue shall be made not later than 15 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 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 the 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

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 seven working days of finalisation of the basis of Allotment;
- 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 15 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 Promoters' contribution in full has already been brought in;
- 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. In such an event the 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 the Company shall be in compliance with applicable laws.

Utilisation of Issue proceeds

Our 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 and from 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 the Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under Promoters' contribution and from Employee Reservation Portion 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.

ISSUE PROCEDURE FOR ASBA BIDDERS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. The Company, the BRLMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.

The list of banks who have been notified by SEBI to act as SCSB for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the ASBA Bid cum Application Form,

please refer the above mentioned SEBI link.

ASBA Process

A Bidder (other than a QIB) shall submit his Bid through an ASBA Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Bidder or bank account utilised by the ASBA Bidder (“**ASBA Account**”) is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the Bid. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. 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 bank accounts and for transferring the amount allocable to the successful ASBA Bidders to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the blocked amount of the ASBA Bidders within one day from the day of receipt of such notification..

Eligible Employees Bidding under the Employee Reservation Portion cannot subscribe to this Issue under the ASBA process.

ASBA Bid cum Application Form

ASBA Bidders shall use the ASBA Bid cum Application Form bearing the code of the Syndicate Member and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the Red Herring Prospectus. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB, and accordingly registering such Bids. On submission of the ASBA Bid cum Application Form, the ASBA Bidders are deemed to have authorised (i) the SCSB to do all acts as are necessary to make the Application in the Offer, including uploading his/her Bid, blocking or unblocking of funds in the bank account maintained with the SCSB specified in the ASBA Bid cum Application Form, transfer of funds to the Public Issue Account on receipt of instruction from the Registrar to the Issue after finalisation of the basis of Allotment; and (ii) the Registrar to the Issue to issue instructions to the SCSB to remove the block on the funds in the bank account specified in the ASBA Bid cum Application Form, upon finalisation of the basis of Allotment.

Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application, the ASBA Bidder is deemed to have authorized the 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 ASBA Bidder.

The prescribed colour of the ASBA Bid cum Application Form shall be white.

Who can Bid?

In accordance with the SEBI Regulations, a Bidder (other than a QIB) can submit their application through ASBA process to bid for the Equity Shares of the Company.

A QIB is not permitted to submit an application through the ASBA Process to Bid for the Equity Shares of our Company.

Maximum and Minimum Bid Size for ASBA Bidders

The ASBA Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. ASBA Bidders who are Resident Individual Bidders (including HUFs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in any of the Bidding options in the Issue, will be categorised as Retail Individual Bidders. ASBA Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount over Rs. 100,000 will be categorised as Non-Institutional Bidders.

Information for the ASBA Bidders:

- (a) The BRLMs shall ensure that adequate arrangements are made to circulate copies of the Red Herring Prospectus and ASBA Bid cum Application Form to the SCSBs and the SCSBs will then make available such copies to investors applying under the ASBA process. Additionally, the BRLMs shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid cum Application Form. SCSBs shall make the same available on their websites.
- (b) ASBA Bidders, under the ASBA process, who would like to obtain the Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain the same from the Designated Branches of the SCSBs or the BRLMs. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form on the websites of the SCSBs.
- (c) The Bids should be submitted on the prescribed ASBA Bid cum Application Form if applied in physical mode. SCSBs may provide the electronic mode of Bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors.
- (d) ASBA Bid cum Application Forms should bear the code of the Syndicate Member and/or Designated Branch of the SCSB.
- (e) ASBA Bidders shall correctly mention the bank account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch. In case the amount available in the bank account specified in the ASBA Bid cum Application Form is insufficient for blocking the amount equivalent to the Bid Amount, the SCSB shall reject the application.
- (f) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form. No more than five ASBA Bid cum Applications can be submitted per bank account in the Issue.
- (g) ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA Bid cum Application Form. For the purpose of evaluating the validity of Bids, the demographic details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Bid cum Application Form.

Method and Process of Bidding

- (a) ASBA Bidders are required to submit their Bids, either in physical or electronic mode. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSBs or such other electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSB shall accept Bids from all such investors who hold accounts with them and desire to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI Regulations and Red Herring Prospectus.
- (b) The Designated Branches of the SCSBs shall give an acknowledgment specifying the application number to the ASBA Bidders as a proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares bid for shall be Allocated to the ASBA Bidders.
- (c) 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.
- (d) 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.
- (e) 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. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid cum Application Form, if submitted in physical mode, or the Bid

information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a Transaction Registration Slip (“TRS”). The TRS shall be furnished to the ASBA Bidder on request.

- (f) An ASBA Bidder cannot bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after bidding on one ASBA Bid cum Application Form, either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs or uploaded by the ASBA Bidder, as the case may be. Submission of a second ASBA Bid cum Application Form or a Non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB will be treated as multiple Bids and will be 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.

Bidding

- (a) The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation. The ASBA Bidders can submit only one Bid in the ASBA Bid cum Application Form.
- (b) 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 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 (2) days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.
- (c) In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 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 public notice in an English national daily newspaper, a Hindi national daily newspaper and a Marathi newspaper, each with wide circulation and also by indicating the change on the websites of the BRLMs, SCSBs and at the terminals of the members of the Syndicate.
- (d) The Company in consultation with the BRLMs can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the ASBA Bidders.
- (e) ASBA Bidders agree that they shall purchase the Equity Shares at any price within the Price Band. In the event the Bid Amount is higher than the subscription amount payable, the ASBA Account shall be unblocked to the extent to such excess of Bid Amount over the subscription amount payable.
- (f) In case of an upward revision in the Price Band, announced as above, the ASBA Bidders who had Bid at Cut-off Price could either (i) revise their ASBA Bid or (ii) instruct to block additional amount based on the revised Cap Price (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 100,000 for Retail Individual Bidders and Eligible Employees in the Employee Reservation Portion bidding at the Cut-off Price, if the Bidder wants to continue to Bid at Cut-off Price), with the CB or DB of the SCSBs to whom the original ASBA Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional amount blocked) exceeds Rs. 100,000 for Retail Individual Bidders and Eligible Employees in the Employee Reservation Portion bidding at the Cut-off Price the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Red Herring Prospectus. If, however, the ASBA Bidder does not either revise the ASBA Bid or instruct to block additional amount and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that the no additional amount would be required to be blocked from the ASBA Bidder and the ASBA Bidder is deemed to have approved such revised Bid.

Mode of Payment

Upon submission of an ASBA Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that 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 till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Bid Amount, as per the ASBA Bid cum Application Form submitted by the respective ASBA Bidders, would be required to be blocked in the respective ASBA Accounts until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Electronic registration of Bids by SCSBs

- (a) In case of ASBA Bid cum Application Forms, whether in physical or electronic mode, the Designated Branch of the SCSBs will register the Bids using the online facilities of the Stock Exchanges. SCSB shall not upload any ASBA Application Form in the electronic bidding system of the Stock Exchange(s) unless
 - (i) it has received the ASBA in a physical or electronic form; and
 - (ii) it has blocked the application money in the ASBA Account specified in the ASBA or has systems to ensure that Electronic ASBAs are accepted in the system only after blocking of application money in the relevant bank account opened with it.
- (b) The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of Designated Branches during the Bid/Issue Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid/Issue Closing Date, the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. ASBA Bidders are cautioned that high inflow of Bids typically received on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that are not uploaded may not be considered for allocation.
- (c) The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online on the websites of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available on the websites of the Stock Exchanges during the Bidding Period.
- (d) At the time of registering each Bid, the Designated Branches of the SCSBs shall enter the information pertaining to the investor into the online system, including the following details:
 - Name of the Bidder(s);
 - Application Number;
 - Permanent Account Number;
 - Number of Equity Shares Bid for;
 - Details of bid options, (a) number of equity shares for each Bid, (b) Bid rate for each Bid;
 - Depository Participant identification No.; and
 - Client identification No. of the Bidder's beneficiary account.

In case of electronic ASBA, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the abovementioned details in the electronic bidding system provided by the Stock Exchange(s).

- (e) A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder's responsibility to obtain the TRS from the Designated Branches of the SCSBs.** The registration of the Bid by the Designated Branch of the SCSB does not guarantee that the Equity Shares bid for shall be Allocated to the ASBA Bidders.
- (f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

- (g) It is to be distinctly understood that 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 the Company or the BRLMs or the Designated Branches of the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of the Company, its management or any scheme or project of the Company.
- (h) The SCSB may reject the ASBA Bid, if the ASBA Account maintained with the SCSB as mentioned in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, the Company would have a right to reject the Bids only on technical grounds.
- (i) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. In case of discrepancy of data between the BSE or NSE and the Designated Branches of the SCSBs, the decision of the Registrar, based on the physical records of the ASBA Bid cum Application Forms shall be final and binding on all concerned.

Build up of the book and revision of Bids

- (a) Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.
- (b) The book gets built up at various price levels. This information will be available with the BRLMs, and the Stock Exchanges on a regular basis.
- (c) During the Bid/Issue Period, any ASBA Bidder who has registered his/ her or its interest in the Equity Shares at a particular price level is free to revise his/ her or its Bid within the Price Band using the printed ASBA Revision Form, which is a part of the ASBA Bid cum Application Form. Revisions can be made in both the desired number of Equity Shares and the Bid Amount (including the price per Equity Share) by using the ASBA Revision Form. Apart from mentioning the revised options in the revision form, the ASBA Bidder must also mention the details of all the options in his/ her or its ASBA Bid cum Application Form or earlier ASBA Revision Form. For example, if an ASBA Bidder has Bid for three options in the ASBA Bid cum Application Form and he is changing only one of the options in the ASBA Revision Form, he is required to fill in the details of the remaining two options that are not being revised, in the ASBA Revision Form. The SCSB will not accept incomplete or inaccurate Revision Forms.
- (d) The ASBA Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the ASBA Bidders will have to use the services of the same Designated Branch of the SCSB with whom he/she or it holds the bank account. ASBA Bidders are advised to retain copies of the ASBA Revision Form and the revised Bid must be made only in such ASBA Revision Form or copies thereof.
- (e) Any revision of the Bid shall be accompanied by an instruction to block the incremental amount on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be unblocked by the SCSB.
- (f) When an ASBA Bidder revises his/her or its Bid, he/she or it shall surrender the earlier TRS and get a revised TRS from the SCSBs. **It is the responsibility of the ASBA Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**
- (g) The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue.
- (h) Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/Allotment.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process and which details are provided to them by the SCSBs to determine the demand generated at different price levels. For further details, refer to the section titled “Issue Procedure” on page 368.

Advertisement regarding Issue Price and Prospectus

We 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. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

- (a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the SCSBs, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue. Investors should note that the Company shall endeavour to ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue; and
- (b) The ASBA Bidders shall directly receive the CAN from the Registrar. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the ASBA Bidder.

Unblocking of ASBA Account

Once the basis of allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account designated for this purpose, within the timelines specified in the ASBA facility: (a) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to in sub para(ii) above, shall be transferred to the Public Issue Account, (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn/unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts. The SCSBs shall then unblock the relevant bank accounts for, (a) the transfer of the requisite money to the Public Issue Account against each valid ASBA, (b) the withdrawn/rejected/unsuccessful ASBA Bids, (c) the excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalisation of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Bid, as the case may be.

Allotment of Equity Shares

- (a) The Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date.
- (b) Equity Shares will be issued, transferred and allotted only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares so Allotted, if they so desire, as per the provisions of the applicable law.

GENERAL INSTRUCTIONS

Do's:

- (a) Check if you are eligible to Bid under ASBA process.
- (b) Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA process.
- (c) Read all the instructions carefully and complete the ASBA Bid cum Application Form (if the Bid is submitted in physical mode, the prescribed ASBA Bid cum Application Form is white in colour).
- (d) Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

- (e) Ensure that your Bid is submitted at a Designated Branch of an SCSB, with a branch of which the ASBA Bidder or a person whose bank account will be utilized by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to the Company or Registrar or Lead Manager to the Issue.
- (f) Ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder.
- (g) Ensure that you have mentioned the correct bank account No. in the ASBA Bid cum Application Form.
- (h) Ensure that you have funds equal to Bid Amount available in the ASBA Account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB.
- (i) Ensure that you have correctly checked the authorisation box in the ASBA Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in your ASBA Account maintained with a branch of the concerned SCSB.
- (j) Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA Bid cum Application Form.
- (k) Ensure that you have mentioned your Permanent Account Number ("PAN") allotted under the I.T. Act.
- (l) Ensure that the name(s) and PAN given in the ASBA Bid cum Application Form is exactly the same as the name(s) and PAN in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid 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 ASBA Bid cum Application Form.
- (m) Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts:

- (a) Do not submit an ASBA Bid if you are a QIB.
- (b) Do not Bid for lower than the minimum Bid size.
- (c) Do not Bid on another ASBA or Non-ASBA Bid cum Application Form after you have submitted a Bid to a Designated Branch of the SCSB.
- (d) Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSBs, shall not be accepted under the ASBA process.
- (e) Do not send your physical ASBA Bid cum Application Form by post; instead submit the same to a Designated Branch of the SCSB only.
- (f) Do not more than five ASBA Bid cum Application Forms per bank account for the Issue.
- (g) Do not submit the GIR number instead of the PAN Number.
- (h) Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

Bids by ASBA Bidders must be:

- (a) Made only in the prescribed ASBA Bid cum Application Form, which is white in colour if submitted in physical mode, or electronic mode.
- (b) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- (c) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Bid cum Application Form.

- (d) The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a Bid such that the Bid Amount does not exceed the maximum investments limits prescribed under law.
- (e) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

ASBA Bidder's depository account and bank details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALISED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, BENEFICIARY ACCOUNT NUMBER AND PAN IN THE ASBA BID CUM APPLICATION FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, PAN IN THE ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED WHILE DEPOSITORY ACCOUNT. IN CASE THE ASBA 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 ASBA BID CUM APPLICATION FORM.

ASBA Bidders should note that on the basis of name of the ASBA Bidders, PAN, Depository Participant's name and identification number and beneficiary account number provided by them in the ASBA Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the ASBA Bidders including address, ("Demographic Details"). Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Bid cum Application Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Bid cum Application Form, the ASBA Bidder is 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.

CAN/Allocation advice and letters intimating unblocking of bank account of the respective ASBA Bidder would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/Allocation advice or letters intimating unblocking of bank account may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches of the SCSBs, the members of the Syndicate, or the Company shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

Payment mechanism under ASBA

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 application money 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 the Issue 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 to the Issue shall give instructions to the Controlling Branch of the SCSB to unblock the application money in the relevant bank account within one day of receipt of such instructions. 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 ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

ASBA Bids under Power of Attorney

In case of ASBA Bids made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Bid cum Application Form. Failing this, the Company, in consultation with the BRLMs, reserves the right to reject such ASBA Bids.

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 ASBA Bid cum Application Form, subject to such terms and conditions that the Company, in consultation with the BRLMs may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

In case an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bid/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall ensure deletion of the withdrawn ASBA Bid from the electronic bidding system of the Stock Exchange(s) and unblocking of funds in the relevant bank account.

In case an ASBA Bidder wants to withdraw the ASBA cum Application Form after the Bid Closing date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of Basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB on finalization of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one ASBA Bid cum Application Form. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described in “Issue Procedure - Multiple Bids” on page 383.

Permanent Account Number

For details, see the section titled “Permanent Account Number or PAN” on page 384.

Right to Reject 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, the Company would have a right to reject the ASBA Bids only on technical grounds.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Bid cum Application Form does not match with one available in the depository’s database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUND FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

In addition to the grounds listed under “Grounds for Technical Rejections” on page 384, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of Equity Shares Bid for;
2. Submission of more than five ASBA Bid cum Application Forms per account;
3. Age of first Bidder not given;

4. Bid made by QIBs;
5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;
6. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;
7. ASBA Bids accompanied by stockinvest/ money order/ postal order/ cash;
8. Signature of sole and/or joint Bidders missing in case of ASBA Bid cum Application Forms submitted in physical mode;
9. ASBA Bid cum Application Form does not have the stamp of the SCSB and/or a member of the Syndicate;
10. ASBA Bid cum Application Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Bid cum Application Form and the Red Herring Prospectus;
11. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the ASBA Account; and
12. ASBA Bid cum Application Forms not being signed by the account holder, if the account holder is different from the Bidder.

Bidders are advised that ASBA Bids not uploaded in the electronic book of the Stock Exchanges, due to any of the grounds mentioned above, would be rejected.

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First ASBA Bidder, ASBA Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the Designated Branch of the SCSB where the ASBA Bid was submitted, bank account number in which the amount equivalent to the Bid amount was blocked and a copy of the acknowledgement slip. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or wilful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLMs, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations.

ASBA Investors can contact the Compliance Officer, the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, or the Registrar to the Issue in case of any pre- or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Impersonation

For details, see section titled "Issue Procedure- Impersonation" on page 388.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

The Company undertakes that:

- Allotment and transfer shall be made only in dematerialised form within 15 days from the Bid/Issue Closing Date; and
- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid/Issue Closing Date.

Basis of Allocation

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA and non-ASBA Bidders will be that applicable to Retail Individual Bidders. For details, see section titled "Issue Procedure- Basis of Allotment" on page 378.

Method of Proportionate basis of allocation in the Issue

ASBA Bidders, who are Resident Individual Bidders (including HUFs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in any of the Bidding options in the Issue will be categorized as Retail Individual Bidders. ASBA Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount over Rs. 100,000 will be categorised as Non-Institutional Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by the Company

In addition to the undertakings described under "Issue Procedure - Undertaking by the Company", with respect to the ASBA Bidders, the Company undertakes that adequate arrangement shall be made to consider ASBA Bidders similar to other Bidders while finalizing the basis of allocation.

Utilisation of Issue Proceeds

The Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, see the section titled "Issue Procedure- Utilisation of Issue Proceeds" on page 393.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of GoI 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. As per current foreign investment policies, foreign investment in the real estate sector is permitted under the automatic route in relation to investments by NRIs.

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, vide a 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 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.

Foreign Investment in the Real Estate Sector

Foreign investment in the real estate sector is regulated by the relevant provisions of the FDI Manual (“**FDI Manual**”), the Foreign Exchange Management (Transfer of Issue of Security by a person Resident Outside India) Regulations, 2000 (“**FEMA Regulations**”), and the relevant Press Notes issued by the Secretariat for Industrial Assistance, GoI.

FDI Manual

Item No. 9 of Annexure II to the said FDI Manual outlines the sectoral caps in relation to ‘Housing and Real Estate’. The said annexure, specifies the following as activities under the automatic route in which Investment are permitted only by NRI’s:

- 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:

1. Development of serviced plots and construction of built up residential premises
2. Investment in real estate covering construction of residential and commercial premises including business centres and offices
3. Development of townships
4. City and regional level urban infrastructure facilities, including both roads and bridges
5. Investment in manufacture of building materials, which is also open to FDI
6. Investment in participatory ventures in (a) to (c) above
7. 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.

Press Note 2 of 2005

The law in relation to investment in the real estate sector has further been modified vide press note 2 of 2005, bearing No. 5(6)/2000-FC dated March 3, 2005. The said press note has also amended certain press notes which have been issued earlier, in the same field.

Under the said press note 2, 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

1. In case of development of serviced housing plots, a minimum land area of 10 hectares.
2. In case of construction-development projects, a minimum built up area of 50,000 square meters
3. In case of a combination project, anyone of the above two conditions would suffice

b. Minimum capitalization 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 the 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. 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.

Therefore applicable law only permits investment by an NRI under the automatic route in the 'Housing and Real Estate' sector upto 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 upto 100 % FDI in the 'Housing and Real Estate' subject to compliance with the terms provided in press note 2 of 2005.

The RBI has by a letter dated December 18, 2007 permitted FIIs to subscribe to the present Issue under the portfolio investment scheme in terms of Regulation 1(5) of Schedule 2 to RBI notification no FEMA 20/2000- RB dated May 3, 2000. However it provided that FII investments in any pre-ipo placement would be treated on par with FDI and will have to comply with the guidelines for such FDI such as minimum capitalisation norms and lock in-period and other conditions prescribed vide Press Note 2 (2005) Series.

Note:

- **As per the existing policy of the Government of India, OCBs cannot participate in this Issue.**
- **Non-residents such as FVCIs, multilateral and bilateral development financial institutions are not permitted to participate in the Issue.**

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 US Securities Act of 1933 and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), 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 only being offered outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. The Company, 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 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.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Table A not to apply but Company to be governed by these Articles	1.	(a)	To the extent of specific provisions contained in these Articles, the regulations contained in Table A, in the First Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.
		(b)	To the extent of any specific provisions not contained in these Articles but contained in Table A of First Schedule to the Companies Act, 1956, such regulations contained in Table A in the First Schedule to the Companies Act, 1956, in so far as they are applicable to a Public Company shall apply to this Company as if such regulations are contained in these Articles.

INTERPRETATION

Interpretation Clause.	2.	For the purpose of In the interpretation of these articles the following expressions shall have the following meanings, unless repugnant to the subject or context :-
“The Act” or “the said Act”.		“The Act” or “the said Act” means “The Companies Act, 1956” as amended up to date or any other Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to companies.
“The Board” or “Board of Directors”		“The Board” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles. Means the directors of the company duly appointed under the provisions of the act.
“The Company” or “This Company”		“The Company” or “This Company” means “Vascon Engineers Limited” .
“Directors”		“Directors” mean the Directors for the time being of the Company or as the case may be the Directors assembled at a Board.
“Dividend”		“Dividend” includes interim dividend
Gender		Words importing the masculine gender also include the feminine gender.
“Month”		“Month” means a calendar month.
“Office”		“Office” means the Registered Office of the company for the time being in force.
“Persons”		“Persons” includes individual, companies, corporation and other artificial judicial persons capable of holding shares of the company.
Plural number		Words importing the plural number also include the singular number.
“These presents” or “Regulations”.		“These presents” or “Regulations” , means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where the context so requires.
“Seal”		“Seal” means the Common Seal for the time being of the Company.
Singular number		Words importing the singular number include the plural number.
“Writing”		“Writing” shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.
Expressions in The Act to bear the same meaning in Articles.		Subject as aforesaid any words or expression defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles.

Marginal notes.

The marginal notes hereto shall not affect the construction hereof.

Change of name of the Company	3.	The Company may, to reflect the nature of its business and/or its shareholding, by special resolution with the approval of the Central Government signified in writing change its name.
Capital	4.	The Authorised Share Capital of the Company is as provided in the Memorandum of Association.
Shares with non-voting rights	5.	In the event it is permitted by the 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.
Shares under the control of the Directors.	6.	Subject to the provisions of the Act and Article 65 and the other Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time, think fit and proper, with the sanction of the Company in General Meeting to give to any person the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.
Inviting / Accepting Deposits	7.	Subject to the provisions of Sections 58A, 292 and 293 of the Act and the rules made thereunder from time to time and directives of the Reserve Bank of India, the Board of Directors may from time to time, invite and/or accept deposits from members of the public and/or employees of the Company or otherwise at such interest rates as may be decided by the Board, subject to the limits as laid down in Companies (Acceptance of Deposits) Rules, 1975. The Board may also pay commission to any person or agency for subscribing to or procuring such deposits.
Directors may allot shares as fully paid-up	8.	Subject to the provisions of the Act and these Articles the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid or partly paid-up otherwise than in cash, and, if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
Shares to be numbered progressively & no share to be sub-divided	9.	The shares in the capital of the Company shall be numbered progressively according to their several denominations, and except in the manner hereinafter mentioned, no share shall be sub-divided.
Acceptance of shares	10.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a member.
Deposit and calls etc. to be a debt payable Immediately	11.	The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Instalments on Shares to be duly paid.	12.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
Company not bound to recognise any interest in shares other than that of the registered holders.	13.	Except as required by law no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way, to recognise (even when having notice thereof) any equitable, contingent, future, or partial interest in any share or any interest in any fractional part of a share, (or except only as by these Articles or as ordered by a Court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

UNDERWRITING AND BROKERAGE

Commission for placing shares, debentures, etc

14. The Company may subject to the provisions of Section 76 and other applicable provisions (if any) of the Act at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscription, whether absolutely or conditionally, for any shares or debentures of the Company but so that the amount or rate of commission does not exceed in the case of shares 5% of the price at which the shares are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

CERTIFICATES

Certificates of shares.

15. (a) The certificates of title to shares shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney; and (ii) the Secretary or some other person appointed by the Board for the purpose;

A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography.

PROVIDED ALWAYS that notwithstanding anything contained hereinabove the certificate of title to shares may be executed and issued in accordance with such other provisions of the Act or the Rules made thereunder, as may be in force for the time being and from time to time.

Members' right to certificates.

- (b) Every member shall be entitled without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be sufficient delivery to all such holders.

Discretion to refuse sub-division or consolidation of certificates.

16. Notwithstanding anything contained in the Article 15, the Board may in its absolute discretion refuse applications for the sub-division or consolidation of share, debenture or bond certificates in denominations of less than the marketable lot except when sub-division or consolidation is required to be made to comply with a statutory provision or an order of a competent court of law.

Limitation of time for issue of certificates.

17. The Company shall within three months after the allotment of any of its shares or debentures and within two months after the application for the registration of the transfer of any such shares or debentures complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provided and the Company shall otherwise comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

As to issue of new certificate in place of one defaced, lost or destroyed.

18. If any certificate be worn out, defaced, torn or be otherwise mutilated or rendered useless from any cause whatsoever, or if there be no space on the back thereof for endorsement of transfers, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules and

regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the company.

CALLS

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| Board may make calls. | 19. | The Board of Directors may from time to time, but subject to the conditions hereinafter mentioned, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the Company or where payable to a person other than the Company to the person and at the time or times appointed by the Directors. A call may be made payable by instalments. |
| Calls on shares of same class to be made on uniform basis. | 20. | 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. |
| Notice of call. | 21. | Fifteen days' notice at the least of every call otherwise than on allotment shall be given specifying the time of payment and if payable to any person other than the Company the name of the person to whom the call shall be paid; provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same. |
| Call to date from Resolution. | 22. | A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors. |
| Directors may extend time. | 23. | The Directors may from time to time, at their discretion, extend the time fixed for the payment of any call; and may extend such time as to all or any of the members for any cause or reason that the Directors may deem entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. |
| Amount payable at fixed time or by instalments as calls. | 24. | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times (whether on account of the amount of share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Board of Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly. |
| When interest on call or installment payable. | 25. | If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the instalment shall be due shall pay interest on the same at such rate of interest as may be determined by the Directors from time to time from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part. |
| Judgement decree or partial payment not to preclude forfeiture. | 26. | Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as herein provided. |
| Proof on trial of suit for money due on shares. | 27. | Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the minutes book and that notice of such calls was duly given in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt. |
| Payment in anticipation of calls may carry interest. | 28. | The Directors may, if they think fit, subject to the provisions of section 92 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for; and upon the moneys so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made upon the Company may pay interest at such |

rate as the member paying such sum in advance and the Directors agree upon provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members 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.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

FORFEITURE AND LIEN

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| If call or installment not paid notice must be given | 29. | If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or instalment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment. |
| Terms of Notice. | 30. | The notice shall name a day (not being less than 15 days from the date of the notice) on or before which such call instalment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid and if payable to any person other than the Company the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the Company) to the person appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. |
| In default of payment, shares to be forfeited. | 31. | If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses or other moneys or dues in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. |
| Entry of forfeiture in Register of Members. | 32. | When any share shall have been so forfeited, an entry of the forfeiture, with the date thereof shall be made in the Register of Members. |
| Forfeited shares to be property of the Company and may be sold etc. | 33. | Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Directors shall think fit. |
| Power to annul forfeiture. | 34. | The Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of annul the forfeiture thereof upon such conditions as they think fit. |
| Shareholder still liable to pay money owing at time of forfeiture and interest. | 35. | Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate of interest as may be determined by the Directors from time to time and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so. |
| Company's lien on shares. | 36. | The Company shall have a first and paramount lien upon all the shares/debentures (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 moneys called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share 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. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article. |
| As to enforcing lien by sale. | 37. | For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall 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 on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment 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 transfer the shares |

sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates 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 purchasers concerned.

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| Application of proceeds of sales. | 38. | The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debts, liabilities or engagements of such member and the residue (if any) paid to such member or the person (if any) entitled by transmission to the shares so sold. |
| Certificate of forfeiture. | 39. | A certificate in writing under the hands of two Directors, that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share. |
| Title of purchaser and allottee of forfeited shares | 40. | The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share. |

TRANSFER AND TRANSMISSION OF SHARES

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| Register of Transfers. | 41. | The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly distinctly entered the particulars of every transfer or transmission of any share. |
| Form of transfer. | 42. | The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly comply with in respect of all transfer of shares and registration thereof. |
| Application for transfer. | 43. | <div style="margin-left: 40px;"> (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.
 (2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
 (3) For the purposes of Clause (2) above notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. </div> |
| To be executed by transferor and transferee | 44. | Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof. |
| Transfer not to be registered except on production of instrument of transfer. | 45. | The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupations, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares, or if no such share certificate is in existence, along with the letter of allotment of the shares; Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit; Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law. |
| Directors may refuse to register transfer. | 46. | Subject to the provisions of Section 111A of the Act, these Articles and other applicable provisions of the Act or any law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of or the transmission by operation of law of the right to, any shares of interest of a member in shares or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the limitation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving limitation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a 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 where the Company has a lien on shares.
Notice of refusal to be given to transferor and transferee.	47.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force shall apply.
Transfer by legal representative.	48.	A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.
Custody of transfer.	49.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.
Closure of transfer books.	50.	The Directors shall have power on giving not less than seven days' previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the Company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as the Board may deem fit.
Title to shares of deceased holder	51.	The executors or administrators or a holder of a Succession Certificate in respect of the estate of a deceased member not being one of two or more joint holders shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration as the case may be, from a duly Constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate and under the next Article 52, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.
Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)	52.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares; Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of such shares. This Clause is herein referred to as the Transmission Clause.
Refusal to register nominee.	53.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Board may require evidence of transmission	54.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
Fee on transfer or transmission.	55.	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of death or marriage, Power of Attorney or similar other document.
Company not liable for disregard of a notice prohibiting registration of transfer	56.	The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any

notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

CONVERSION OF SHARES INTO STOCK

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| Conversion of shares into stock and reconversion. | 57. | 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. |
| Transfer of stock. | 58. | The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. |
| Rights of Stock holders | 59. | The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except dividends, participation in profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. |
| Regulations. | 60. | Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up shares shall apply to stock and the words “share” and “member” in those regulations shall include “stock” and “stockholder” respectively. |

SHARE WARRANTS

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| Issue of Share Warrants. | 61. | The Company may issue share warrants subject to, and in accordance with, the provisions of sections 114 and 115; and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

(1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

(2) Not more than one person shall be recognised as depositor of the share warrant.

(3) The Company shall, on two days’ written notice, return the deposited share warrant to the depositor. |
| Rights of the holder of a Warrant. | 62. | (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notices from the Company.
(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the shares included in the warrant, and he shall be a member of the Company. |
| In case of defacement, loss or destruction. | 63. | The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction. |

INCREASE, REDUCTION AND ALTERATION IN CAPITAL

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| Increase of Capital. | 64. | (a) The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amount as it thinks expedient. |
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Rights of shareholders to further issue of capital.

65.

- (b) Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the general meeting creating the same shall be directed and if no direction be given as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company and any Preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.
- 1. Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares then :
 - (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
 - (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;
 - (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.
- 2. Notwithstanding anything contained in subclause (1) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.
 - (a) If a Special Resolution to that effect is passed by the Company in General Meeting, or
 - (b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be), in favour of the proposal contained in the Resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.
- 3. Nothing in sub-clause (c) of (1) hereof shall be deemed:
 - (a) To extend the time within which the offer should be accepted; or
 - (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- 4. Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company :
 - (a) To convert such debentures or loans into shares in the company; or
 - (b) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such

loans include a term providing for such option and such term :

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

Same as original capital.	66.	Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, voting and otherwise.
Restrictions on purchase by Company of its own shares.	67.	(1) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Sections 100 to 104 or Section 402 or other applicable provisions (if any) of the Act. (2) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the Company shall not give whether directly or indirectly and whether by means of loan, guarantee, the provision of security or otherwise any financial assistance for the purpose, of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.
Buy-Back of Shares.	68.	Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by law.
Reduction of capital.	69.	The Company may from time to time by Special Resolution reduce its share capital in any way authorised by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.
Consolidation, division and sub-division.	70.	The Company may in general meeting alter the conditions of its Memorandum as follows: (a) Consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares. (b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act and of these Articles. (c) Cancel shares which at the date of such general meeting 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.
Issue of further pari passu shares not to affect the right of shares already issued.	71.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.

MODIFICATION OF CLASS RIGHTS

Power to modify class rights.	72.	If at any time the share capital by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, and whether or not the Company is being wound up, be varied, modified, abrogated or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to general meetings (including the provisions relating to quorum at such meetings) shall <i>mutatis mutandis</i> apply to every such meeting. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly prohibited by the terms of issue of the shares of that class, be deemed to
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be varied by the creation or issue of further shares ranking *pari passu* therewith.

JOINT-HOLDERS

Joint Holders	73.	Where two or three persons are registered as the holders of any share they shall be deemed to hold the same as joint-holders with benefits of survivorship subject to the following and other provisions contained in these Articles :-
Company may refuse to register more than four persons.	(a)	The Company shall be entitled to decline to register more than four persons as the joint-holders of any share.
Title of survivors.	(b)	The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
Joint and several liability for all payments in respect of shares.	(c)	On the death of any such joint-holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
Receipts of one sufficient.	(d)	Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
Delivery of certificate and giving of notices to first named holders.	(e)	Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed to be served on all the joint-holders.
Votes of joint-holders.	(f)	Any one of two or more joint-holders may vote at any meeting either personally or by attorney duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to be present at the meeting; Provided always that a joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by an attorney duly authorised under power of attorney or by proxy although the name of such joint-holder present by an attorney or proxy stands first or higher in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this sub-clause be deemed joint-holders.

DEMATERIALISATION OF SECURITIES

Definitions	74.	(i)	For the purpose of this Article :-
Beneficial Owner'.			'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;
'SEBI'			'SEBI' means the Securities and Exchange Board of India;
'Depository'.			'Depository' means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992; and
'Security'.			'Security' means such security as may be specified by SEBI from time to time.
Dematerialisation of Securities		(ii)	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.
Options for investors		(iii)	Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.

			If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.
Re-materialization	(iv)		Upon request by the Investors holding securities of the Company in fungible / electronic form, such securities or part thereof as may be desired by the concerned investors shall be eligible to be converted/ reconverted into physical form subject to applicable law. In such event, both the concerned investor and the Company shall comply with the bye-laws and regulations of the Depositories as may be in force from time to time and that the physical shares to be issued on such conversion shall be subject provisions contained in these articles or the Companies Act, 1956, as may be relevant for issue of shares to the extent applicable for updating the Register of Members and issue of share certificates.
Securities in depositories to be in fungible form	(v)		All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C, 372 and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
Rights of depositories and beneficial owners	(vi)	(a)	Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
		(b)	Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
		(c)	Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
Service of documents	(vii)		Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
Transfer of Securities	(viii)		Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
Allotment of Securities dealt with in a depository	(ix)		Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities
Distinctive numbers of Securities held in a depository	(x)		Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

BORROWING POWERS

Power to Borrow.	75.	Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles the Directors shall have the power from time to time at their discretion to borrow any sum or sums of money for the purposes of the Company provided that the total amount borrowed at any time together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose.
Conditions on which money may be borrowed.	76.	Subject to the provisions of the Act and these Articles the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the

time being.

Bonds, debentures, etc. to be subject to control of Directors.	77.	Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Securities may be assignable free from equities.	78.	Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Issue at discount etc. or with special privileges	79.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at the General Meetings, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital.	80.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or if permitted by the Act may by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall <i>mutatis mutandis</i> apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' power or otherwise and shall be assignable if expressed so to be.
Indemnity may be given.	81.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

GENERAL MEETINGS

CONVENING MEETINGS

Annual General Meetings.	82.	(1) The Company shall, in addition to any other meetings, hold a general meeting (herein called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year; Provided however, that if the Registrar of Companies (ROC) shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time fixed by the ROC. Except in the cases where the ROC has given an extension of time as aforesaid for holding any Annual General Meeting and not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. However, subject to the provisions of Sections 166 and 210 of the Act the First Annual General Meeting may be held within 18 months from the date of Incorporation of the Company. (2) Every Annual General Meeting shall be called for at a time during business hours and on such day (not being a public holiday) as the Directors may from time to time determine and it shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company for the time being is situate. The notice calling the meeting shall specify it as the Annual General Meeting.
Extraordinary	83.	All general meetings other than Annual General Meetings shall be called Extraordinary General

General Meeting		Meetings.
Directors may call EGM	84.	The Board of Directors may call an Extraordinary General Meeting whenever they think fit.
Calling of Extraordinary General Meeting on requisition.	85.	(1) The Board of Directors shall, on the requisition of such number of members of the Company as hold in regard to any matter at the date of deposit of the requisition, not less than one-tenth of such of the paid up capital of the Company as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable. (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the registered office of the Company. (3) The requisition may consist of several documents in like form, each signed by one or more requisitionists (4) Where two or more distinct matters are specified in the requisition, the provisions of Clause (1) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that Clause is fulfilled. (5) If the Board of Directors does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up capital of the Company as is referred to in Clause (1) above whichever is less. (6) A meeting called under Clause (5) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board, but shall not be held after expiration of three months from the date of the deposit of the requisition. (7) Any reasonable expense incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
Notice of meeting.	86.	(1) A general meeting of the Company may be called by giving not less than 21 clear days' notice in writing. (2) However, a general meeting may be called after giving shorter notice than 21 clear days, if the consent is accorded thereto; (i) in the case of an Annual General Meeting, by all the members entitled to vote thereat; and (ii) in the case of any other meeting, by members of the Company holding not less than 95% of such part of the paid up share capital of the Company as gives a right to vote at that meeting. PROVIDED that where any members of the Company are entitled to vote only on some Resolution or Resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this Clause in respect of the former Resolution or Resolutions but not in respect of the latter.
Contents of Notice.	87.	(1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat. (2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member of the Company.
Special Business.	88.	(1) In the case of the Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to :- (i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and the Report of the Board of Directors and of the Auditors; (ii) the declaration of dividend; (iii) the appointment of Directors in the place of those retiring;

		(iv)	the appointment of and the fixing of the remuneration of the Auditors.
		(2)	In the case of any other meeting all business shall be deemed special.
		(3)	Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, therein of every Director.
			Provided, however, that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, any other company, the extent of shareholding interest in that company of every Director of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 20 per cent of the paid-up share capital of that other company.
		(4)	Where any item of business to be transacted at the meeting of the Company consists of according the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the explanatory statement.
Service of Notice.	89.		Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act and by these Articles. It shall be given to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a pre-paid letter addressed to them by name, or by the title of the representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under sub-section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.
Notice to be given to the Auditors.	90.		Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company, in any manner authorised by Section 53 in the case of any member or members of the Company.
As to omission to give Notice.	91.		The accidental omission to give notice of any meeting to or the non-receipt of any notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
Resolutions requiring Special Notice.	92.	(1)	Where, by any provision contained in the Act or in these Articles special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.
		(2)	The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by the Articles not less than seven days before the meeting.
Postal Ballot		(3)	Notwithstanding anything contained in these articles, the Company shall comply with provisions of Section 192A of the Companies Act, 1956 and the Companies (Passing of the Resolution by Postal Ballot), Rules, 2001 as amended from time to time for the purpose of seeking approval of members in respect of the subjects prescribed under the said Postal Ballot Rules.

PROCEEDINGS AT GENERAL MEETINGS

Quorum at General Meeting	93.		Five members entitled to vote and present in person shall be a quorum for a general meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the business.
Proceedings when quorum not present.	94.		If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every

other case shall stand adjourned to the same day in the next week at the same time and place or such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present those members present shall be a quorum and may transact the business for which the meeting was called.

Business at adjourned meetings.	95.	No business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.
Chairman of Directors or Deputy Chairman, or Vice Chairman or a Director to be Chairman of General Meeting	96.	(1) The Chairman of the Board of Directors shall if willing, preside as Chairman at every General Meeting, whether Annual or Extraordinary, but if there be no such Chairman, or in case of his absence or refusal, the Deputy Chairman or Vice-Chairman of the Board of Directors shall, if willing, preside as Chairman at such meeting and if there be no such Deputy Chairman or Vice Chairman, or in case of his absence or refusal, one of the Directors present shall be chosen to be the Chairman of the meeting.
In case of their absence or refusal a member may act.	(2)	If at any meeting a quorum of members shall be present, and the chair cannot be taken by the Chairman of the Board or by the Deputy Chairman or the Vice-Chairman or by a Director at the expiration of half an hour from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the chair, the members present shall choose one of their own number to be Chairman of the meeting.
Business confined to election of Chairman whilst chair vacant.	97.	(1) No business shall be discussed at any General Meeting whilst the chair is vacant except the election of a Chairman. (2) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles. The Chairman so elected on show of hands shall be entitled to exercise all the powers of the Chairman at such meeting under the Act and these Articles. (3) If some other person is elected as a Chairman as a result of the poll he shall be Chairman for the rest of the meeting.
Chairman with consent may adjourn meeting.	98.	The Chairman with the consent of any meeting at which a quorum is present, may adjourn any meeting from time to time and from place to place.
Notice to be given where a meeting adjourned for 30 days or more.	99.	When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
What would be the evidence of the passing of resolution where poll not demanded.	100.	At any General Meeting, a resolution put to the vote of the meeting shall unless a poll is demanded, be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
Demand for poll.	101.	Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion or shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at anytime by the person or persons who make the demand.
Time and manner of taking poll.	102.	A poll demanded on any question (other than the election of the Chairman or on a question of adjournment which shall be taken forthwith) shall be taken at such place and at such time not being later than forty-eight hours from the time when the demand was made, as the Chairman may direct, subject to provisions of the Act. The Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
Scrutineers at poll.	103.	Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the

office of scrutineers arising from such removal or from any other cause. Of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.

Demand for poll not to prevent transaction of other business.	104.	The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
Motion how decided in case of equality of votes.	105.	In the case of an 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 a member.
Reports, Statements and Registers to be laid on the table.	106.	At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and audited Statement of Accounts, Auditors' Report (if not already incorporated in the audited Statement of Accounts), the Proxy Register with proxies and the Register of Directors' holdings maintained under Section 307 of the Act. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.
Minutes of General Meetings.	107.	The Company shall cause minutes of the proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act, by making within thirty days of the conclusion of each such meeting entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose. In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.
Inspection of minute books of General Meetings.	108.	The book containing the aforesaid minutes shall be kept at the registered office and be open during business hours to the inspection of any member without charge subject to such reasonable restriction as the Company may by these Articles or in General Meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of the minutes on payment of such amount for such number of words required to be copied as may be prescribed by the Government from time to time.

VOTING OF MEMBERS

Votes may be given by proxy or attorney	109.	Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate also by a representative duly authorised under Section 187 of the Act and the Articles.
Number of Votes to which Members entitled.	110.	(1) Subject to the provisions of the Act and these Articles upon 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 the Article 111 or by attorney or in the case of a body corporate by proxy shall have one vote. (2) Subject to the provisions of the Act and these Articles upon a poll every member entitled to vote and present in person (including a body corporate present as aforesaid) or by attorney or by proxy shall be entitled to vote and in respect of every Share (whether fully paid or partly paid) his voting right shall be in the same proportion as the capital paid up on such Share bears to the total paid-up capital of the Company.
No voting by proxy on show of hands.	111.	No member 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 or by proxy in which case such attorney or representative or proxy may vote on a show of hands as if he were a member of the Company.
Votes in respect of shares of deceased or insolvent members	112.	Any person entitled under the Transmission Clause (Article 52 hereof) to transfer any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares provided that atleast forty-eight hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
No member to vote	113.	Subject to the provisions of the Act no member shall be entitled to be present or to vote at any

unless calls are paid up.		General Meeting either personally or by proxy or attorney or as a proxy or attorney for any other member or be reckoned in quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.
Right of member to use his votes differently.	114.	On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
Proxies.	115.	Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting.
Appointment of proxy.	116.	Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorised in writing, or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
Deposit of instrument of appointment.	117.	(1) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof shall be deposited at the office of the Company not less than forty-eight hours before the time of holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other instrument appointing him or notarially certified copy thereof or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney given at least fourteen days before the meeting require him to produce the original power of attorney or authority and unless the same is thereon deposited with the Company not less than forty-eight hours before the time fixed for the meeting the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.
Inspection of proxies	(2)	Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so as to inspect is given to the Company.
Form of Proxy.	118.	An instrument appointing a proxy shall be in the form as prescribed by the Act or a form as near thereto as circumstances admit.
Custody of the instrument.	119.	If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects, a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
Validity of votes given by proxy notwithstanding death of member.	120.	A vote given in accordance with the terms of an instrument of proxy or a power of attorney shall be valid notwithstanding the previous death of the principal or revocation of the proxy or the power of attorney as the case may be or of the power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death revocation or transfer shall have been received at the office of the Company before the meeting.
Time for objection to votes.	121.	Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
Chairman of any	122.	Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole

meeting to be the judge of validity of any vote.

judge of the validity of every vote tendered at such meeting, and subject as aforesaid the Chairman present at the time of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORS

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| Number of Directors | 123. | Until otherwise determined by a general meeting, the number of directors shall not be less than 3 or more than 12. |
| Independent Directors. | 124. | 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. |
| Financial Institutions' Directors | 125. | <p>Notwithstanding anything to the contrary contained in these Articles, so long as any moneys by way of loans/private placed debentures remain owing by the Company to any financial institution as defined under the Act, the financial institutions shall jointly have a right to appoint such nominees as may be agreed upon by the company and the institution as directors on the Board of the Company (hereinafter described as Financial Institutions' Directors).</p> <p>The Directors so appointed will not be required to hold qualification shares and they will not be liable to retire by rotation. The financial institutions may at any time and from time to time remove the nominee or nominees appointed by them and on a vacancy being caused in such office from any cause, whether by resignation, removal or otherwise, appoint another or others in his/their place. Such appointment or removal shall be by notice in writing to the Company. The Board of Directors of the Company shall have no power to remove such nominee or nominees from office. Each such nominee shall be entitled to the same rights, privileges and obligations as any other Director of the Company, and shall also be entitled to attend any general meeting of the Company. The Company shall pay to such Directors normal fees and expenses to which the other Directors are entitled. The Company shall also pay or reimburse any expenses that may be incurred by financial institutions or such directors in connection with their appointment. Such Directors as well as financial institutions shall be entitled to receive all notices and other communications (including agenda) relating to meetings of the Board and its committees and general meetings of the Company and the minutes of all such meetings.</p> |
| Debenture Director. | 126. | Notwithstanding anything to the contrary contained in the Articles, so long as any Debentures issued by the Company remain outstanding the holders of such Debentures shall, in accordance with the provisions of the Trust Deed securing such Debentures, have a right to appoint and nominate from time to time any person or persons as a Director or Directors on the Board of the Company and to remove and reappoint any person or persons in his or their place or places. A Director so appointed under this Article is herein referred to as "the Debenture Director" and the term "Debenture Director" means a Director for the time being in office under this Article. The Board of Directors of the Company shall have no power to remove from office the Debenture Director. The Debenture Director shall have all the rights and privileges as any other Director of the Company other than a Managing or Wholtime Director. |
| Debenture Director not to retire by rotation. | 127. | The Debenture Director shall not be liable to retirement by rotation subject however to the provisions of the Trust Deed securing such Debentures. |
| Appointment of Alternate Director. | 128. | 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 not less than three months from the State in which the meetings are generally 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 Directors and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and 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 Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original Director and not to the Alternate Director. |
| Casual vacancy. | 129. | Subject to the provisions of Sections 261, 262(2) and 284(6) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director whose period of office is liable to determination by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date up to which the Director in whose place he is appointed would have held office, if the vacancy had not occurred. |
| Appointment of | 130. | Subject to the provisions of Sections 260, 261 and 284(6) and other applicable provisions (if any) of |

Additional Directors.			the Act, the Directors shall have powers at any time and from time to time to appoint a person as an Additional Director. The Additional Director shall retire from office at the next following Annual General Meeting, but shall be eligible for re-election.
No Share Qualification of Directors.	131.		A Director of the Company shall not be required to hold qualification shares.
Remuneration of Directors.	132.	(1)	The maximum remuneration of a Director for his services shall be such sum as may be prescribed by the Act and rules formed there under or the Central Government from time to time for each meeting of the Board of Directors attended by him. Subject to the limitation provided by the Act, such remuneration and/or additional remuneration as may be fixed by the Directors, may be paid to any one or more of the Directors for services rendered by him or them; and the Directors shall be paid further remuneration (if any) as the Company in General Meeting shall from time to time determine, and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time determine and in default of such determination within the year equally. Such remuneration and/or additional remuneration may be by way of salary or commission on dividends, profits or turnover or by participation in profits or by any or all of those modes; Provided that any commission on dividends, profits, or turnover or any participation in profits of the company shall not exceed the limit prescribed in sec 309 of Companies Act, 1956 from time to time. Provided that any commission on dividends, profits or turnover or any participation in profits of the Company shall not exceed in the aggregate the equivalent of 3 per cent of the net profits of the Company as defined in Section 349 of the Act. Nothing in this Article shall restrict the right of the Directors as regards the distribution of general bonus to all members of the staff.
Directors not bona fide residents of the place where meetings held may receive extra compensation and remuneration of committee.		(2)	The Directors may subject as aforesaid allow and pay to any Director who is not a <i>bona fide</i> resident of the place where a meeting is to be held who shall come to such place for the purpose of attending a meeting such sum as the Directors may consider fair compensation for travelling expenses, in addition to his fee for attending such meeting as above specified, and the Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these Articles, and may pay the same.
Special remuneration to Director on Company's business or otherwise performing extra services.		(3)	If any Director, being willing, shall be called upon to perform extra services, or to make any special exertions in going or residing out or otherwise for any of the purposes of the Company, the Company shall subject as aforesaid remunerate such Director either by a fixed sum or by a percentage of profits not exceeding 3 per cent of the net profits of the Company as defined in Section 349 of the Act or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.
Directors may act notwithstanding vacancy	133.		The continuing Directors may act notwithstanding any vacancy in their body; but so that subject to the provisions of the Act if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company or in emergencies.
When office of Director to become vacant	134.		The office of a Director shall become vacant as provided in Section 283 of the Act.
Resignation.	135.		Subject to the provisions of the Act a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.
Directors may contract with Company.	136.	(1)	Subject to the provisions of Clauses (2), (3), (4) and (5) of this Article and the restrictions imposed by Article 141 and the other Articles hereof and the Act and the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so

interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by Clauses (2), (3) and (4) hereof.

Disclosure of interest.

- (2) Every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided by Clause (4) hereof.
- (3)
 - (a) In the case of a proposed contract or arrangement, the disclosure required to be made by Director under Clause (2) above, shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.
 - (b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

General Notice of interest.

- (4) For the purpose of this Article, a general notice given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh Notice given in the last month of the Financial year in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting, of the Board after it is given.
- (5) Nothing in clauses (2), (3) and (4) hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one of the Directors of the Company or two or more of them together holds or hold not more than 2 per cent of the paid-up share capital in the other company.

Interested Director not to participate or vote in Board's proceedings.

- (6) An interested Director shall not take any part in the discussions of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; Provided that this prohibition shall not apply
 - (i) to any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company.
 - (ii) to any contract or arrangement entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely in his being a director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a director thereof he having been nominated as such Director by the Company or in his being a member holding not more than two per cent of the paid-up capital of such company.
 - (iii) in case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

Directors may be

137. A Director of the Company may be, or become a director of any company promoted by the

directors of companies promoted by the Company.		Company, or in which it may be interested as a vendor, member or otherwise, and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefit received as director or member of such company.
Disclosure by Director of appointments.	138.	A Director shall within twenty days of his appointment or relinquishment of his office as Director, Managing Director, Manager or Secretary, in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a Register kept for that purpose in conformity with Section 303 of the Act.
Disclosure of holdings.	139.	A Director shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307 of the Act. If such notice be not given at a meeting of the Board of Directors, the Director shall take all reasonable steps to secure that it be brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of a Director's holding of shares as debentures as aforesaid in a Register kept for that purpose in conformity with Section 307 of the Act.
Loans to Directors.	140.	The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions (if any) of the Act.
Board Resolution at a meeting necessary for certain contracts	141.	(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 director, shall not enter into any contract with the Company (a) for the sale, purchase or supply of any goods, materials or services, or (b) for underwriting the subscription of any shares in, or 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 prices; or (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase 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 trades or does business; Provided that such contract or contracts do not relate to goods and materials the value of which, or services the cost 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 of 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 on which it was entered into. (5) If consent is not accorded to any contract under this Article anything done in pursuance of the contract shall be voidable at the option of the Board.

- (6) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

RETIREMENT AND ROTATION OF DIRECTOR

Retirement by rotation.	142.	(1)	Not less than two-thirds of the total number of Directors of the Company shall be persons whose periods of office is liable to determination by retirement of Directors by rotation and save and otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.
		(2)	The remaining directors shall be appointed in accordance with the provisions of these Articles and the Act.
Directors to retire annually how determined.	143.		At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or multiple of three, then the number nearest to one-third shall retire from office.
Ascertainment of Directors retiring by rotation.	144.		Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.
Eligibility for re-appointment.	145.		Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.
Company to fill up vacancy.	146.		Subject to the provisions of Section 261 and other applicable provisions (if any) of the Act and these Articles, the Company at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing the retiring Director or one other person thereto.
Provisions in default of appointment.	147.	(1)	If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place; or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.
		(2)	If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless :-
		(a)	at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
		(b)	the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed.
		(c)	he is not qualified or is disqualified for appointment;
		(d)	a resolution, whether special or Ordinary, is required for the appointment or re-appointment in virtue of any provisions of the Act;
		(e)	Article 149 or sub-section (2) of Section 263 of the Act is applicable to the case
Notice of candidature for Office of Director.	148.	(1)	Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him has at least fourteen clear days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be, alongwith a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director
		(2)	Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing

- to act as a Director, if appointed.
- (3) A person other than -
- (A) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
 - (B) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under section 262 of the Act appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office or
 - (C) a person named as a Director of the Company under its Articles as first registered
- shall not act as a Director of the Company unless he has within thirty days of his appointment, signed and filed with the Registrar his consent in writing to act as such Director.

**Individual Resolution
for Directors'
appointments.**

149. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Articles shall be void whether or not objection was taken at the time of its being so moved; Provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

REMOVAL OF DIRECTORS

Removal of Directors.

- 150.
- (1) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) remove any director before the expiry of his period of office.
 - (2) Special notice as provided by Article 92 or Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed
 - (3) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
 - (4) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall, unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the Company state the fact of the representations having been made, and be send a copy of the representations to every member of the Company, and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting provided that copies of the representations need not be sent or read out at the meeting, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Clause are being abused to secure needless publicity for defamatory matter.
 - (5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board in pursuance of Article 129 or Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided special notice of the intended appointment has been given under Clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.
 - (6) If the vacancy is not filled under Clause (5) hereof it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Article 129 or Section 262 of the Act, and all the provisions of that Section shall apply accordingly.

- (7) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
- (8) Nothing contained in this Article shall be taken :-
- (a) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as a Director; or
- (b) as derogating from any power to remove a Director which may exist apart from this Article.

INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS

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| increase or reduce number of Directors and alter their qualification | 151. | Subject to the provisions of the Act and these Articles, the Company may by ordinary resolution from time to time increase or reduce the number of Directors and alter their qualification. |
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PROCEEDINGS OF BOARD OF DIRECTORS

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| Meetings of Directors. | 152. | The Directors may meet together as a Board for the despatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of a quorum. |
| When meetings to be conveyed | 153. | A Director may at any time and the Secretary upon the request of a Director, shall convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall generally be given in writing to every Director for the time being in India and at his usual address in India to every other Director. |
| Quorum. | 154. | Subject to the provisions of Section 287 and other applicable provisions (if any) of the Act the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (excluding Directors, if any, whose places may be vacant at that 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 and are present at the meeting, not being less than two shall be the quorum during such time. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally. |
| Adjournment of meeting for want of quorum. | 155. | If a meeting of the Board cannot be held for want of a quorum then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix. |
| Appointment of Chairman, Deputy Chairman and Vice-Chairman. | 156. | <p>(1) The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office.</p> <p>(2) The Directors may appoint a Deputy Chairman or a Vice Chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman shall not be present.</p> |
| Who to preside at meetings of the Board. | 157. | All meetings of the Directors shall be presided over by the Chairman if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same the Deputy Chairman or the Vice-Chairman, if present shall preside and if he be not present at such time then and in that case the Directors shall choose one of the Directors then present to preside at the meeting. |
| Question at Board Meeting how decided (casting vote) | 158. | Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes the Chairman of the meeting (whether the Chairman, Deputy Chairman or Vice-Chairman appointed by virtue of these Articles or the Director presiding at such meeting) shall have a second or casting vote. |
| Directors may appoint Committees. | 159. | Subject to the provisions of Section 292 of the Act and Article 167, the Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such Committee either wholly or in part, |

and either as to persons or purposes; but every Committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.

Meetings of Committees how to be governed	160.	The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
Resolution by Circular.	161.	(1) A resolution passed by circular, without a meeting of the Board or a Committee of the Board appointed under Article 159 shall subject to the provisions of Clause (2) hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a Committee duly called and held. (2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if 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.
Acts of Board or Committees valid notwithstanding defect in appointment	162.	Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
Minutes of proceedings of Board of Directors and Committees to be kept.	163.	The Company shall cause minutes of the meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The minutes shall contain a fair and correct summary of the proceedings at the meeting including the following :- (i) the names of the Directors present at the meetings of the Board of Directors or of any Committee of the Board; (ii) all orders made by the Board of Directors or Committees of the Board and all appointments of officers and Committees of Directors; (iii) all resolutions and proceedings of meetings of the Board of Directors and the Committees of the Board; (iv) in the case of each resolution passed at a meeting of the Board of Directors or Committees of the Board, the names of the Directors, if any, dissenting from or not concurring in the resolution
By whom minutes to be signed and the effect of minutes recorded.	164.	All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be so signed shall for all purposes whatsoever be <i>prima facie</i> evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place

POWERS OF DIRECTORS

General powers of the Directors.	165.	(1) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; Provided that the Board shall not exercise any power to do any act or things which is directed or required, whether by the Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in General Meeting; Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting.
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		(2)	No regulations 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.
Consent of Company necessary for the exercise of certain powers	166.	The Board of Directors shall not except with the consent of the Company in general meeting :- (a) sell, lease or otherwise dispose of 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 of any such undertaking as is referred to in sub-clause (a) above, 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 75. (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the 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 Act during the three financial years immediately preceding whichever is greater.	
Certain powers to be exercised by the Board only at meeting.	167.	(1) Without derogating from the powers vested in the Board of Directors under these Articles the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board :- (a) the power to make calls on shareholders in respect of money unpaid on their shares; (b) the power to issue debentures; (c) the power to borrow moneys otherwise than on debentures; (d) the power to invest the funds of the Company; (e) the power to make loans; Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors or the Managing Director or any other principal officers of the Company or to a principal officer of any of its branch offices, the powers specified in (c), (d) and (e) of this clause to the extent specified below on such conditions as the Board may prescribe. (2) Every resolution delegating the power referred to in Clause (1) (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegates; Provided, however, that where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement is made is availed of shall not require the sanction of the Board. (3) Every resolution delegating the power referred to in Clause (1)(d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates. (4) Every resolution delegating the power referred to in Clause (1)(e) shall specify the total amount upto which loans may be made by the delegates, the purposes for which the loans may be made, and the maximum amount of loans which may be made for each such purpose in individual cases. (5) Nothing contained in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in Clause (1) above.	
REGISTERS, BOOKS AND DOCUMENTS			
Registers, Books and Documents.	168.	(1)	The registers, books and documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf, be determined in accordance with the provisions of the Act or these Articles and extracts shall be supplied to the persons entitled thereto in accordance with the provisions of the Act or these Articles.

- (2) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act. Subject to the provisions of Sections 157 and 158 the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of Members and/or Debenture holders.

THE SEAL

169. The Directors shall provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given.
170. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of atleast one Directors or such other person as the Board may appoint for the purpose; and such Director or other person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in his presence subject to the provisions of applicable law.
171. The Company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

MANAGING OR WHOLE-TIME DIRECTOR(S)

Power to appoint Managing or Whole-time Director(s).

172. Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body 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 of the Company for such term not exceeding five years at a time as they may think fit, to manage the affairs and business of the Company and may from time to time (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.

What provisions they shall be subject to.

173. Subject to the provisions of the Act and of these Articles, a Managing Director or a Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 142, if the Board so resolves at it's independent discretion, 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 hold the office of Director for any cause, provided that if at any time the number of Directors (including the Managing Director or Whole-time 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 Whole-time Director, as the Directors shall from time to time select, shall be liable to retirement by rotation in accordance with Article 142 to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

Remuneration of Managing or Whole-time Directors.

174. The remuneration of a Managing Director or Whole-time Director (subject to Section 309 and other applicable provisions of the Act and of these Articles and of any contract between him or them and the Company) shall from time to time be 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 those modes. A Managing Director or Whole-time Director shall not receive or be paid any commission on sales or purchases made by or on behalf of the Company.

Provided that in case the Company makes any loss or there is inadequacy of profits in a financial year, remuneration to the Managing Director shall be paid as per schedule XIII of the companies act, 1956.

Powers and duties of Managing or Whole-time Directors.

175. Subject to the superintendence, control and direction of the Board of Directors, the day to day management of the Company shall be in the hands of the Director or Directors appointed under Article 172, with power to the Directors to distribute such day to day management functions among such Directors, if more than one, in any manner as directed by the Board or to delegate such power of distribution to any one of them. The Directors may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may

from time to time revoke, withdraw, alter or vary all or any of such powers.

MANAGER OR SECRETARY

176. Subject to the provisions of the Act, —
- (1) a manager or secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or secretary so appointed may be removed by the Board,
 - (2) a director may be appointed as manager or secretary.
177. A provision of the Act, or these regulations requiring or authorising a thing to be done by or to a director and the manager or secretary shall not be satisfied by its being done by or to the same person acting both as director and as or in place of, the manager or secretary.

INTEREST OUT OF CAPITAL

Payment of interest out of capital.

178. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital, as is for the time being paid up, for the period, at the rate, and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

DIVIDEND

Dividend.

179. 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 these Articles 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 a 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 apportioned amount of such dividend as from the date of payment.

Capital paid up in advance at interest not to earn Dividend

180. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

181. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such shares shall rank for dividend accordingly.

The Company in General Meeting may declare a Dividend.

182. The Company in general meeting may, subject to Section 205 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act, may fix the time for payment. When a dividend has been so declared, the warrant in respect thereof shall be posted within thirty days or within such time as the Central Government may prescribe from time to time, from the date of the declaration to the shareholders entitled to the payment of the same unless the Company decides to pay the dividend in the manner mentioned in Article 188(b) of these Articles.

Power of Directors to limit Dividend.

183. No larger dividend shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits or otherwise than in accordance with the provisions of Sections 205, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim Dividend.

184. Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Retention of Dividends until completion of transfer under Article 52,

185. Subject to the provisions of the Act, the Directors may retain the dividends payable upon shares in respect of which any person is, under Article 52 hereof, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

No member to receive

186. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or

dividend whilst indebted to the Company and Company's right of reimbursement thereof			dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons; and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
Transfer of shares must be registered.	187.		A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Dividends, how remitted.	188.	(a)	Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled, or in case of joint-holders to that one of them first named in the register in respect of the joint-holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost by the member or person entitled thereto or for any forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.
Payment of Dividend by other than Dividend Warrants		(b)	Alternatively the Board of Directors reserve the right to remit Dividends to the Bank accounts of the eligible share/security holders either by direct transfer through banking channels or through Electronic Credit System to the Bank accounts details of which may be provided by the concerned share/security holders or as may be available on the concerned records of the Depositories in respect of such security holders.
Dividend and Call together.	189.		Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members be set off against the calls.
Unpaid or unclaimed dividend	189A		Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, The Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in any scheduled bank, to be called as an Unpaid Dividend Account of the Company for that year. Any money transferred to the unpaid dividend account of the company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under section 205C of the Act or to such other Fund/Account as the Central Government may prescribe from time to time. No unclaimed or unpaid dividend shall be forfeited by the Board.

CAPITALISATION

Capitalisation.	190.	(1)	Any general meeting may, upon the recommendation of the Board, resolve that any amounts standing to the credit of the securities premium account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and, where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised :- (a) by the issue and distribution as fully paid up, of shares and if and to the extent permitted by the Act, of debentures, debenture stock, bonds or other obligations of the Company, or (b) by crediting shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon. Provided that any amounts standing to the credit of the securities premium account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares. Provided further that notwithstanding anything contained hereinabove, any amounts standing to the credit of the Securities Premium Account may also be utilised (other than for Capitalisation), in accordance with the provisions of law.
		(2)	Such issue and distribution under (1)(a) above and such payment to credit to unpaid share capital under (1)(b) above shall be made to, among and in favour

of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1)(a) or payment under (1)(b) above shall be made on the footing that such members become entitled thereto as capital.

- (3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve, Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stocks, bonds or other obligations of the Company so distributed under (1)(a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1)(b) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement, for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.
- (5) When deemed requisite a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

Capitalisation in respect of partly paid up shares.

191. Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid and others are partly paid, only such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied *pro rata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

ACCOUNTS

Books of Accounts to be kept.

192. (1) The Company shall keep at its registered office proper books of accounts with respect to :
 - (a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
 - (b) All sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company;
 Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides, the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.
- (2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at that office, and proper summarised returns, made upto date at intervals of not more than three months, shall be sent by the branch office to the Company at its registered office or other place in India, as the Board thinks fit, where the main books of the Company are kept.
- (3) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office, as the case may be, with respect to the matters aforesaid, and explain its transactions.

- (4) The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

Books of Account to be preserved. 193. The Books of Account, together with the vouchers relevant to any entry in such Books of Account of the Company relating to a period of not less than eight years or such lesser period as may be permitted by the Act immediately preceding the current year shall be preserved in good order.

Inspection by members of accounts and books of the Company. 194. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company in general meeting.

AUTHENTICATION OF DOCUMENTS

Authentication of documents and proceedings. 195. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director or the Company Secretary or an authorised officer of the Company and need not be under its Seal.

WINDING UP

Distribution of assets. 196. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, paid-up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind. 197. (1) 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.

(2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 494 of the Act.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

Rights of shareholders in case of sale. 198. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.

SECRECY CLAUSE

199. No members shall be entitled to visit or inspect the Company's Works without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

Directors' and others' right to indemnity.	200.	(a) Subject to the provisions of Section 201 of the Act, every Director of the Company, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Manager, Secretary or officer or servant or in any way in the discharge of his duties. (b) Subject as aforesaid every Director, Managing Director / Manager, Secretary or other officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.
Not responsible for acts of others	201.	Subject to the provisions of Section 201 of the Act no Director, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, Secretary or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which have been attached to the copy of this Red Herring Prospectus, delivered to the Registrar of Companies, Maharashtra for registration and also the documents for inspection referred to hereunder, may be inspected at the corporate office of our Company from 10.00 am to 4.00 pm on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Letters of appointment dated September 25, 2009 to the BRLMs from our Company appointing them as the BRLMs.
2. Memorandum of Understanding amongst our Company and the BRLMs dated September 25, 2009.
3. Escrow Agreement dated [•], between the Company, the BRLMs, the Escrow Banks, and the Registrar to the Issue.
4. Syndicate Agreement dated [•], between the Company, the BRLMs, and the Syndicate Members.
5. Underwriting Agreement dated [•], between the Company, the BRLMs, and Syndicate Members.
7. Memorandum of Understanding between our Company and the Registrar to the Issue dated November 4, 2009.

Material Documents

1. Our Memorandum and Articles of Association as amended from time to time.
2. Our certification of incorporation.
3. Board resolutions in relation to the Issue.
4. Shareholders' resolutions in relation to the Issue.
5. Resolutions of the general body for appointment and remuneration of our whole-time Directors.
6. Statement of Tax Benefits from Anand Mehta and Associates, Chartered Accountants dated January 14, 2010 Auditor's Report on possible Income-tax benefits available to the Company and its shareholders.
7. Statements of Assets and Liabilities and Summary Statement of Profits and Losses, as Restated and Cash Flows, as Restated, under Indian GAAP as at and for the period ended on September 30, 2009 and for years ended March 31, 2009, 2009, 2007 and 2006 audited by Anand Mehta and Associates, Chartered Accountants and their audit reports on the same, both dated January 14, 2010.
8. Certificates dated January 14, 2010 from Anand Mehta and Associates, Chartered Accountants (regarding objects of the Issue).
9. Copies of annual reports of our Company and Subsidiaries for the years ended March 31, 2009, 2008, 2007, 2006 and 2005.
10. Consent of Anand Mehta and Associates, our Auditors for inclusion of their reports on restated financial statements and auditors report on audited financial statements as at and for period ended September 30, 2009 and each of the years ended March 31, 2009, 2008, 2007 and 2006 in the form and context in which they appear in the Red Herring Prospectus.

11. Consents of Bankers to the Company, the Auditors, Directors, Bankers to the Issue; Book Running Lead Managers to the Issue and Syndicate Members, Escrow Collection Bankers, Registrar to the Issue, Domestic Legal Advisors to the Issue, International Legal Advisors to the Underwriters, IPO Grading agency, Architect and Legal counsel to the Issue for Land Summarization, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
12. Shareholder agreement dated June 21, 2006 entered into by us with HDFC Ventures Trustee Company Limited acting in its capacity of trustee of HDFC Property Fund investing through its scheme called "HDFC India Real Estate Fund", R. Vasudevan and the Other Shareholders.
13. General powers of attorney executed by our Directors in favour of person(s) for signing and making necessary changes to this Red Herring Prospectus and other related documents.
14. Shareholders agreement dated August 31, 2006 between our Company, Calypso Premises Private Limited and Behram Dubash Properties Private Limited.
15. Shareholders agreement dated April 27, 2007 between our Company, Pricol Property Development Limited and Vascon Pricol Infrastructure Limited.
16. Shareholders agreement dated May 9, 2007 between our Company, Spring Leaf Investments Limited and Ascent Hotels Private Limited.
17. Shareholders agreement and Share Subscription agreement dated October 15, 2007 between our Company, John Fowler Ophthalmics Private Limited and its other shareholders.
18. Shareholders agreement and Share Subscription agreement dated October 15, 2007 between our Company, Marathawada Realtors Private Limited and its other shareholders.
19. Shareholders agreement and Share Subscription agreement dated October 15, 2007 between our Company, Almet Corporation Limited and its other shareholders.
20. Single Joint Venture Agreement dated April 28, 2007 between our Company and Syndicate Realtors.
21. Sale Deed dated November 6, 2007 between our Company and Mrs. Maria Aurelia de Piedada and others.
22. Agreement for Sale dated April 27, 2007 between our subsidiary Vascon Pricol Infrastructure Limited and Mr. Vijay Mohan.
23. Memorandum of understanding dated October 25, 2007 between our Company and Venus Ventures.
24. Development Agreement dated October 31, 2006 between Angelica Properties Private Limited, Gulabbhai S. Shah and others, Clover Resorts Private Limited (a former subsidiary of our Company) and our Company.
25. Development Agreement dated October 3, 1997 and March 28, 2002 between Marigold Premises Private Limited, Harakchand Uttamchand Khinvasara and others.
26. Development Agreement dated December 26, 2007 between Tushad Behram Dubash Trust and Ria Behram Dubash Trust and Calypso Premises Private Limited and our Company as confirming party.
27. Partnership deed dated September 24, 2004 between our Company and Madhur Realtors Private Limited with Azim Faizullah Tapia, Javed Faizullah Tapia, Raj Kanaksen Bhansali, Shishir Babalal Bhansali, Dhiren Popatlal Nandu, being the existing partners of Ajanta Enterprise.
28. Certificate dated January 14, 2010 issued by Chandrakishor Rahatekar.
29. Report dated January 14, 2010 issued by Hariani & Co.
30. Initial listing applications dated [●], and [●], filed with BSE and NSE respectively.
31. In-principle listing approval dated November 5, 2009 and November 3, 2009 from BSE and NSE respectively.

32. Tripartite Agreement dated December 26, 2007 between NSDL, Registrar and our Company.
33. Tripartite Agreement dated December 4, 2007 between CDSL, Registrar and our Company.
34. Letter dated December 18, 2007 from the RBI (bearing no. FE.COFID/4156/10.02.001/2007-08) clarifying that FIIs may subscribe in the proposed public issue of the Company under the portfolio investment scheme.
35. Due diligence certificate dated September 29, 2009 to SEBI from the BRLMs.
36. SEBI observation letter No. CFD/DIL/ISSUES/SK/EHM/190852/2010 dated January 13, 2010.
37. IPO Grading report from CRISIL Limited dated November 16, 2009 and the revalidation letter January 11, 2010.
38. Auditors certificate for working of Distributable profit, Net Worth, Net tangible assets and Monetary assets for the year ended March 31, 2009, 2008, 2007, 2006 and 2005.

Any of the contracts or documents mentioned in this 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, the Directors of the Company, certify that all relevant provisions of the Companies Act, 1956, and the guidelines issued by the GoI or the regulations issued by Securities and Exchange Board of India, applicable, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made thereunder or regulations issued, as the case may be, and that all approvals and permissions required to carry on our business have been obtained, are currently valid and have been complied with.

We further certify that all the statements in this Red Herring Prospectus are true and correct.

Signed by the Directors of our Company

R. Vasudevan

K.G. Krishnamurthy

V. Mohan

R. Kannan

Ameet Hariani

Signed by the Chief Financial Officer

Date: January 19, 2010

Place: Pune

ANNEXURE - GRADING RATIONALE FOR IPO GRADING



CONFIDENTIAL

Ref.: VEL \ NS \ 19-11-09 \ 29

Dated: January 11, 2010

Mr. M. Krishnamurthi,
Chief Corporate Affairs
Vascon Engineers Ltd
201, Phoenix,
Bund Garden Road,
Pune - 411 001,
India

Dear Mr. Krishnamurthi,

**Ref: CRISIL IPO Grading for the Initial Public Offer of 108,00,000 Equity Shares
of
Vascon Engineers Limited**

We refer to your request for an IPO Grading and the Grading Agreement for the captioned equity issue.

CRISIL has, after due consideration, assigned a **CRISIL IPO Grade "3/5"** (pronounced "three on five") to the captioned equity issue. This grade indicates that the fundamentals of the Issue are average relative to other listed equity securities in India.

The assigned grade is a one time assessment valid for a period of 60 Calendar days only from the date of this letter. In the event of your company not opening the captioned issue within a period of 60 days from the above date, or in the event of any change in the size/structure of the issue, a fresh letter of revalidation from CRISIL shall be necessary.

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Chetan Majithia
Head, Equities – CRISIL Research

Nihag Shah
Analyst, Equities – CRISIL Research

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the issuer by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the graded instrument; it does not comment on the issue price, future market price or suitability for a particular investor.

CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of CRISIL IPO Gratings. For information on any IPO grading assigned by CRISIL, please contact Client Servicing at +91-22-66913581, or via e-mail: clientservicing@crsil.com.

For more information on CRISIL IPO Gratings, please visit <http://www.crsil.com/ipo-gratings>

CRISIL Limited, a Standard & Poor's company

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Web: www.crsil.com

IPO Grade

CRISIL IPO Grade '3/5': CRISIL Research has assigned CRISIL IPO Grade '3/5' for the proposed initial public offering of Vascon Engineers Ltd. (CRISIL Research has undertaken a fresh grading exercise for VEL as the grading assigned to the company on December 31, 2007 had expired.) The grade indicates that the fundamentals of the issue are average, relative to other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals.

Issue Details

Shares offered to public	108,00,000
As per cent of post issue equity	11.95%
Object of the issue	a) Funding construction of EPC contracts and real estate development projects b) repayment of debt c) general corporate purposes
Amount proposed to be raised	Rs 2,250 Mn (approximate)
Price band	Not available at the time of grading
Lead managers	Kotak Mahindra Capital Company Limited Enam Securities Private Limited

Company Background

VEL is a Pune-based player, engaged in real estate construction and development. The company was incorporated in January 1986, and commenced operations with the construction of Cipla's Patalganga factory in November 1986. Up to 1998, the company was a real estate contractor executing contracts for third parties. VEL's real estate business comprises construction of residential and office complexes along with IT parks, industrial units, shopping malls, multiplexes, educational institutions and hotels. As of August 31, 2009, the company completed construction contracts worth Rs 8.8 Bn, out of which Rs 6.4 Bn was for third parties. In terms of saleable area for its real estate development projects, VEL has constructed over 4.58 mn. sq. ft. In 2008-09, the construction business and development business contributed to around 93 per cent and 6 per cent respectively, to the company's total revenues.

Grading Highlights

Business Prospects

- Strong EPC order book provides comfort on revenues and margin front.
- Third-party EPC order book concentration (around 33 per cent of the total order book) towards industrial, hospital, educational and airport clients gives better revenue visibility.
- Being in the construction business for over 2 decades, the company has gained strong technical and design expertise. A large part of the company's reputation in the Pune market is on account of its track record in providing timely delivery to clients.
- The joint development model reduces the working capital requirement as the contribution towards land cost is only in the form of deposits with the land owners. The risk of a fall in property prices is shared with the land owner. In this business model, VEL acts as a real estate contractor as well as developer thereby earning a larger share of the revenues.
- The company's real estate development business is primarily concentrated in Maharashtra, especially in-and-around Pune, exposing it to a high level of geographic and price risk. Also, Pune city, in terms of demand for residential and commercial space, is to a large extent dependent on the fortunes of the IT/ITeS industry.

Financial Performance

- Healthy revenue growth at a CAGR of 54 per cent driven by high growth in EPC business over the past 3 years.
- EPC business in which the company undertakes civil construction of buildings etc formed close to 93 per cent of the company's sales in 2008-09. The EBITDA margin in EPC business improved from 13.5 per cent in 2005-06 to 15 per cent in 2008-09. Real estate development business accounted for ~ 6 per cent of sales in 2008-09. Real estate development business has also witnessed EBITDA margin expansion from 31.0 per cent in 2007-08 to 76.0 per cent in 2008-09.
- In spite of the Indian real estate sector going through a downturn, the company's EPC business witnessed a healthy CAGR of 20.0 per cent from Rs 3,624 Mn in 2006-07 to Rs 5,114 Mn in 2008-09.
- The company postponed around 90 per cent of its projects on the development front. However, while this impacted

revenues and led to postponement of cashflows, it helped the company to maintain low gearing and weather demand uncertainty.
Management Capabilities
➤ Mr R Vasudevan is the managing director of the company. He is a qualified engineer - BE (Civil) - from the University of Pune and has worked with organisations such as Maharashtra Industrial Development Corporation, Hindustan Construction Company Ltd, Atul Constructions Company Ltd and Beck Engineer Company Pvt Ltd. ➤ The company has a strong and capable second line of management with people who has been with the company since its inception.
Corporate Governance
➤ VEL's corporate governance meets the required corporate governance standards.
Detailed Grading Rationale
Overall Grading Summary (CRISIL IPO Grade 3/5)
To arrive at the overall grade, CRISIL has considered the following parameters: ➤ Business prospects and financial performance ➤ Management capability ➤ Corporate governance CRISIL has assigned CRISIL IPO Grade '3/5' (pronounced 'three on five') to the proposed Initial Public Offer of Vascon Engineers Ltd. (<i>CRISIL Research has undertaken a fresh grading exercise for VEL as the grading assigned to the company on December 31, 2007, had expired.</i>) The grade indicates that the fundamentals of the issue are average, relative to other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. The offer price for the issue may be higher or lower than the level justified by its fundamentals. The grade is not a recommendation to buy/sell or hold the graded instrument, the graded instrument's future market price or its suitability for a particular investor. The grading takes into account VEL's track record as a building construction specialist with an ability to deliver quality construction on time. VEL also enjoys strong customer brand awareness in the Pune market, where it has been operational for the last 20 years. The company's past performance has enabled it to withstand the downturn in the real estate sector. The grading is constrained by VEL's high exposure to the Pune market, which is heavily dependent on the performance of the IT/ITeS industry. The grading also reflects challenges associated with the company's plans to scale up its real estate development business. Diversified portfolio of businesses and diverse revenue streams VEL commenced its business as an EPC services company and has since, due to synergies between the two businesses, diversified into the real estate development business as well. The benefits of having two revenue streams became especially apparent in the year 2008-09, when the real estate business in India witnessed a significant downturn due to the global economic slowdown. While the company's total income for 2008-09 decreased by 15.43% as a result of the drop in its real estate development business, its EPC services business, which grew substantially for 2008-09 as compared to 2007-08, helped offset the fall in revenues from the real estate business. The company's EPC services business grew by 48.22% to Rs 4,481.38 Mn for 2008-09 compared to Rs. 3,023.52 Mn for 2007-08. Strong EPC order book Over the course of the past 2 decades, VEL has provided EPC services for a diverse range of property developments, such as factories, hospitals, hospitality properties, residential and office complexes, IT parks and shopping malls. As of August 31, 2009, the company had completed an aggregate of 179 EPC contracts with a total contract value of Rs 8,804.79 Mn. As of August 31, 2009, the company is engaged in 59 EPC contracts with an estimated total contract value of Rs 33,788.74 Mn with an order backlog of Rs 27,554.47 Mn. The company provides its EPC services for third parties as well as for real estate development projects developed by the company and its other development entities. Diversified client base, with focus on institutional clients VEL has been able to perform relatively well as compared to other players due to its customer profile. Around 33% of the total third party order book comes from institutional clients like hospitals and educational institutions, and airports where the impact of the downturn is minimal. VEL's diversified client base offers it better business stability as compared to its other EPC contractor peers. Pune real estate market witnessing prolonged downturn The company's real estate development business is primarily concentrated in Maharashtra, especially in-and-around Pune, exposing it to a high level of geographic and price risk. Residential capital values in Pune have risen significantly from 2005 to 2009. The economic slowdown and stock market crash in the second half of 2008 have weakened consumer

sentiment and constrained liquidity. The execution risk for ongoing and planned projects has increased significantly as demand has fallen sharply and funding has become expensive. The demand for commercial office space from the IT/ITeS sectors is expected to be low as none of the IT majors are going ahead with their expansion plans.

Growing area under development

In its real estate development business, VEL develops a diverse range of projects such as residential and office complexes, shopping malls, multiplexes, hospitality properties, IT parks, community centres and other buildings. As of August 31, 2009, the company has completed an aggregate of 41 real estate development projects aggregating 4.58 mn. sq. ft. of saleable area. The ongoing and forthcoming projects developed by the company include 52 projects with an aggregate saleable area of 44.85 mn. sq. ft.

Sound EPC project execution skills

VEL has significant experience in providing EPC services, and has established a strong track record of designing and constructing a diverse range of projects. With 23 years of experience in the EPC services business, the company has constructed factories, hospitals, hospitality properties, office and residential complexes, shopping malls, multiplexes, IT parks and other buildings. The company's EPC clients include well-known Indian and multinational companies such as Cipla Ltd, Emcure Pharmaceuticals Ltd, Zensar Technologies Ltd, Kirloskar Brothers Ltd, Symbiosis, and Okasa Pharma Pvt Ltd.

High concentration of operations in Maharashtra

The company's real estate development business is primarily concentrated in Maharashtra, especially in-and-around Pune, exposing it to a high level of geographic and price risk. Also, in terms of demand for residential and commercial space, Pune city is to a large extent dependent on the fortunes of the IT/ITeS industry. Therefore, any pruning of expansion plans by IT/ITeS companies will have a negative fallout on VEL's business and financial prospects.

Financial Profile

- The company's revenues grew at a 3-year CAGR of 54 per cent to Rs 5.1 Bn at 2008-09. Of the total revenues EPC business contributed ~93 per cent of revenues whereas the real estate development business contributed to ~6 per cent of the total revenues.
- VEL's net income has registered a decline from Rs 572 Mn in 2007-08 to Rs 250 Mn in 2008-09. The net margins have dipped from 9.2 per cent in 2007-08 to 4.9 per cent in 2008-09.
- VEL reported an operating margin of 14.3 per cent in 2008-09 as compared to 20.4 per cent in 2007-08, the margins declined due to downturn in the real estate sector.
- VEL's debt-equity stood at 0.6x at the end of 2008-09 as compared to 1.09x as at the end of 2007-08.
- VEL has reported an EPS (earning per share) of Rs 3.3 in 2008-09 as compared to Rs 7.5 in 2007-08.
- The company's ROE (Return on equity) stood at 6.9 per cent in 2008-09 as compared to an ROE of 20.7 per cent in 2007-08.
- As of August 2009, VEL had a land bank of 44.85 mn. sq.ft

Financial performance snapshot

		FY05	FY06	FY07	FY08	FY09
		Actual	Actual	Actual	Actual	Actual
Operating Income	Rs. Mn.	1,319	1,388	3,955	6,203	5,093
Operating Margins	Percent	11.7	19.5	18.4	20.4	14.3
Net Profits	Rs. Mn.	79.2	126.6	466.9	572.3	249.7
Net Margins	Percent	6.0	9.1	11.8	9.2	4.9
ROCE	Percent	22.9	23.4	26.9	23.7	12.1
RONW	Percent	31.4	31.8	30.9	20.7	6.9
Basic EPS	Rs	82.5	4.2	13.2	8.8	3.3
Diluted EPS	Rs	82.5	4.2	13.2	7.9	3.3
No. of equity shares	Mn.	1.0	30.2	35.5	72.6	75.9
Net worth	Rs. Mn.	286.0	509.9	2,516.9	3,022.2	4,190.9
Book Value(FVRs10)	Rs	298.0	16.9	70.9	41.6	55.2
Source: DRHP						

*Note: Numbers have been reclassified as per CRISIL standards

Business Profile

VEL is a Pune-based player, engaged in real estate construction and development. The company was incorporated in January 1986, and commenced operations with the construction of Cipla's Patalganga factory in November 1986. Up to 1998, the company was a real estate contractor - executing contracts for third parties. VEL's real estate business comprises construction of residential and office complexes along with IT parks, industrial units, shopping malls,

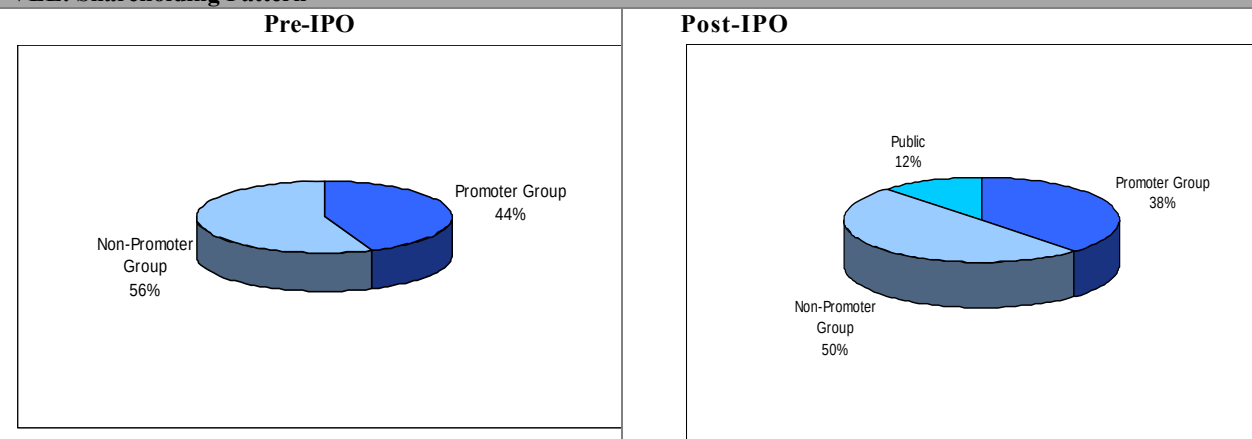
multiplexes, educational institutions and hotels. As of August 2009, the company completed construction contracts worth Rs 8.8 Bn, out of which Rs 6.4 Bn was for third parties. In terms of saleable area, VEL has constructed over 4.58 mn. sq. ft. during the last 7 years. In 2008-09, the construction business contributed around 93 per cent to the company's total revenues.

In 1998, the company ventured into real estate development. As a developer, VEL follows a joint development strategy wherein the land owner brings in the land while VEL provides the construction expertise. As of August 2009, VEL completed 41 development projects with an aggregate saleable area of 4.58 mn. sq. ft. In 2008-09, the development business contributed nearly 6 per cent to the total revenues of the company.

In addition to real estate construction and development, VEL has two wholly owned budget hotels in Goa (with 110 rooms) and a three-star service apartment in Pune (with 71 rooms). While the two budget hotels were operationalised in January 1999 and January 2005, the three-star service apartment commenced operations in June 2007. This segment contributed 1 per cent to the company's overall revenues.

As of August 2009, VEL had an order backlog of Rs 7.2 Bn for third parties in its construction business. As a developer, VEL has ongoing and planned projects aggregating to over 44.85 mn. sq. ft. of saleable area, of which, 48 per cent is residential and the rest is commercial. A majority of VEL's ongoing and planned projects are joint developments in which it has an average 60 per cent share.

VEL: Shareholding Pattern



Source: DRHP

Profile of Management and Board

The company's operations are headed by Mr R Vasudevan (managing director), who holds a first-class bachelor's degree in civil engineering from the Pune University. He started his career with Maharashtra Industrial Development Corporation as a junior engineer and has worked in various organisations from 1981 to 1985. He has been VEL's director since January 1, 1986.

He is responsible for the overall management of the company. He has over 32 years of experience in the construction industry including Hindustan Construction Company Ltd, Atul Constructions Company Ltd, Beck Engineer Company Pvt Ltd and Cipla Ltd. He was employed in Cipla as an executive (engineering).

Mr Vasudevan has put in place a professional team of second line managers who have been employed with VEL for over a decade. The presence of second line managers, who have worked with the company for a relatively long period, has ensured continuity with respect to technical execution and adopting appropriate systems and processes for the smooth functioning of operations.

Annexure: Profile of the Directors

Name	Designation	Age	Qualification	Other Directorship held
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Mr R Vasudevan	Managing director	55	Bachelor's degree in civil engineering - Pune University.	Ascent Hotels Private Ltd, Novacare Drug Specialties Private Ltd
Mr KG Krishnamurthy	Non-executive director	51	Bachelor's degree - Indian Institute of Technology, Kharagpur. Degree in business administration from Jamnalal Bajaj Institute of Management, Mumbai.	Managing director and CEO - HDFC Property Ventures Ltd. HDFC Venture Capital Ltd, Gruh Finance, Tata Housing Development Co Ltd, L&T Urban Infrastructure Ltd, New Consolidated Construction Company Ltd, Ascent Construction Pvt Ltd, Matoshri Sahil Infrastructure Pvt Ltd
Mr V Mohan	Independent director	59	Bachelor's degree in commerce - Madras University. Fellow member of Institute of Chartered Accountants of India.	Partner in Shankar Aiyer & Company, Chartered Accountants, Lloyd Insulations (India) Ltd, Isolloyd Engineering Technologies Ltd, Champion Industries Ltd, QH Talbros Ltd, Talbros Automotive Components Ltd, Lakhanpal Pvt Ltd, Aaren Initiative Outdoor Advertising Pvt Ltd, Bid Industrial Investment Pvt Ltd, Cornelia Investments Pvt Ltd, Asal Investments Pvt Ltd, Gauder Investments Pvt Ltd, Muller Investments Pvt Ltd, Cosmo Capital and Investments Pvt Ltd
Mr Ameet Hariani	Independent director	47	Masters in law - Mumbai University. Member of Bombay Incorporated Law Society, Law Society - U K and Singapore Law Society.	Partner in Hariani & Co, Advocates & Solicitors, Batliboi Ltd, Ras Resorts & Apart Hotels Ltd, Hariani Advisory Services Pvt Ltd, Radicle Infomatics Pvt Ltd, Envision Computers Consultancy Pvt Ltd, Capricon Realty Ltd
Mr R Kannan	Independent director	48	Bachelor's degree in commerce - Bombay University.	Novacare Drug Specialties Pvt Ltd, Novamark Specialties Pvt Ltd, Medword Pharmaceuticals Pvt Ltd

Source: **DRHP**

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