DRAFT RED HERRING PROSPECTUS
(will be updated upon RoC filing)
Please read Section 60B of the Companies Act, 1956
Dated January 2, 2007
100% Book Built Issue

DLF LIMITED

(Originally incorporated as American Universal Electric (India) Limited on July 4, 1963 under the Companies Act, 1956. On June 18, 1980, the name was changed to DLF Universal Electric Limited. Subsequently, the name was changed to DLF Universal Limited on May 28, 1981, and to DLF Limited on May 27, 2006.
Our registered office is presently located at Shopping Mall, Third Floor, Arjun Marg, Phase-I, DLF City, Gurgaon, Haryana 122 002, India. Tel: +91 124 433 4200, Fax: +91 124 235 5581
Contact Person: Mr. R. Hari Haran, Tel: +91 11 4302 3058, E-mail: ipo@dlfgroup.in, Website: www.dlf.in
Our head office is located at DLF Centre, Sansad Marg, New Delhi 110 001, India. Tel: +91 11 2371 9300, Fax: +91 11 2371 9344)

PUBLIC ISSUE OF 175,000,000 EQUITY SHARES OF Rs. 2 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF Rs. [●] PER EQUITY SHARE AGGREGATING Rs. [●] MILLION ("ISSUE"). 1,000,000 EQUITY SHARES OF Rs. 2 EACH WILL BE RESERVED IN THE ISSUE FOR SUBSCRIPTION BY EMPLOYEES (AS DEFINED HEREIN), ("EMPLOYEE RESERVATION PORTION"). THE OFFER OF EQUITY SHARES OTHER THAN THE EMPLOYEE RESERVATION PORTION SHALL BE CALLED THE "NET ISSUE". THE ISSUE SHALL CONSTITUTE 10.27% OF THE FULLY DILUTED POST-ISSUE CAPITAL OF OUR COMPANY.

PRICE BAND: Rs. [●] TO Rs. [●] PER EQUITY SHARE OF FACE VALUE Rs. 2.

THE FACE VALUE OF EQUITY SHARES IS Rs. 2 AND THE FLOOR PRICE IS [●] TIMES THE FACE VALUE AND THE CAP PRICE IS [●] TIMES THE FACE VALUE

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional working days after revision of the Price Band subject to the Bidding/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE"), by issuing a press release, and also by indicating the change on the websites of the Book Runners and at the terminals of the Syndicate.
In terms of 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 shall be allotted on a proportionate basis to Qualified Institutional Buyers ("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 the QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net 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. Further, 1,000,000 Equity Shares shall be available for allocation on a proportionate basis to the Employees, subject to valid Bids being received at or above the Issue Price. We have not opted for grading of the Issue.

Amount Payable per Equity Share	Payment Method-I*			Payment Method-II		
	Retail Individual Bidders			Any Category		
	(Rs. per Equity share)					
	Face Value	Premium	Total	Face Value	Premium	Total
On Application	[●]	[●]	[●]	2	[●]	[●]
By Due Date	[●]	[●]	[●]	-	-	-
Total	2	[●]	[●]	2	[●]	[●]

* See page [●] for risk factor associated with Payment Method-I.

RISK IN RELATION TO FIRST ISSUE

This being the first issue of the Equity Shares, subsequent to the delisting of equity shares of our Company, presently there is no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 2 and the Issue Price is [●] times the face value. The Issue Price (as determined by the Company in consultation with the Global Coordinators, on the basis of assessment of market demand for the Equity Shares by way of Book Building) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or 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 Company 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page [●].

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the NSE and the BSE. We have received in-principle approval from the NSE and the BSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively. [●] shall be the Designated Stock Exchange.

GLOBAL COORDINATORS & BOOK RUNNING LEAD MANAGERS

Kotak Mahindra Capital Co. Ltd.
1st Floor, Bakhtawar, 229, Nariman Point
Mumbai 400 021
Tel: +91 22 6634 1100, Fax: +91 22 2284 0492
Email: dlf.ipo@kotak.com
Website: www.kotak.com
Contact Person: Mr. Gautam Handa

DSP Merrill Lynch Limited
Mafatlal Centre, 10th floor, Nariman Point
Mumbai 400 021
Tel: +91 22 2262 1071, Fax: +91 22 2262 1187
Email: dlf_ipo@ml.com
Website: www.dspml.com
Contact Person: Mr. N.S. Shekhar

REGISTRAR TO THE ISSUE

Karvy Computershare Private Limited
Unit:- DLF Public Issue
Karvy House, 21, Avenue 4, Street No. 1
Banjara Hills, Hyderabad 500 034.
Tel: + 91 40 2331 2454; Fax: + 91 40 2331 1968
E-mail: dlf_ipo@karvy.com
Website: www.karvy.com
Contact Person: Mr. Murali Krishna

BOOK RUNNING LEAD MANAGERS

Citigroup Global Markets India Private Limited
4th Floor, Bakhtawar
229,Nariman Point, Mumbai 400 021
Tel: +91 226631 9999
Fax: +91 22 6631 9803
Email: dlf.ipo@citigroup.com
Website: www.citibank.co.in
Contact Person: Mr. Akhilesh Poddar

Deutsche Equities India Private Limited
DB House,
Hazarimal Somani Marg, Fort
Mumbai 400 001
Tel: +91 22 6658 4600
Fax: +91 22 2200 6765
Email: dlf.ipo@db.com
Website: http://india.db.com
Contact Person: Mr. Sameer Taimni

ICICI Securities Limited
ICICI Centre
H.T. Parekh Marg
Mumbai 400 020
Tel:+91 22 2288 2460
Fax:+91 22 2282 6580
Email: dlf_ipo@isecltd.com
Website: www.icicisecurities.com
Contact Person: Ms. Anupama Srinivasan

Lehman Brothers Securities Private Limited
Ceejay House, 6th Level,Plot F,
Shivsagar Estate,Dr. Annie Besant
Road, Worli,Mumbai 400 018
Tel: +91 22 6635 0467
Fax: +91 22 6635 0461
Email: dlf.ipo@lehman.com
Website: www.lehman.com/ibd/geographic/asia/transactions.htm
Contact Person: Mr. Jwalant Nanavati

UBS Securities India Private Limited
2/F, Hoechst House
Nariman Point
Mumbai 400 021
Tel: +91 22 2286 2005
Fax: +91 22 2281 4676
Email: dlf@ubs.com
Website: www.ibb.ubs.com/Corporates/indianipo
Contact Person: Mr. Sawan Kumar

CO-BOOK RUNNING LEAD MANAGER

SBI Capital Market Limited
202, Maker Tower E
Cuffe Parade, Mumbai 400 005
Tel: +91 22 2218 9166
Fax: +91 22 2218 8332
Email: dlf.ipo@sbicaps.com
Website: www.sbicaps.com
Contact Person: Mr. Mangesh Ghogre

ISSUE PROGRAMME

BID/ISSUE OPENS ON : [●]	BID/ISSUE CLOSES ON : [●]

TABLE OF CONTENTS

DEFINITIONS AND ABBREVIATIONS ..... **i**
CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL AND MARKET DATA ..... **viii**
FORWARD-LOOKING STATEMENTS ..... **x**
RISK FACTORS ..... **xii**
SUMMARY OF OUR BUSINESS, STRENGTHS AND STRATEGIES **1**
SUMMARY FINANCIAL INFORMATION **6**
THE ISSUE **8**
GENERAL INFORMATION **12**
CAPITAL STRUCTURE **22**
OBJECTS OF THE ISSUE **35**
TERMS OF THE ISSUE **39**
BASIS FOR ISSUE PRICE **41**
STATEMENT OF TAX BENEFITS **43**
INDUSTRY OVERVIEW **50**
OUR BUSINESS **57**
FINANCIAL INDEBTEDNESS **81**
REGULATIONS AND POLICIES IN INDIA **92**
OUR MANAGEMENT **96**
HISTORY AND CERTAIN CORPORATE MATTERS **119**
OUR PROMOTERS AND PROMOTER GROUP **173**
DIVIDEND POLICY **226**
FINANCIAL STATEMENTS **227**
SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP, IFRS AND U.S. GAAP **297**
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS **319**
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS **331**
GOVERNMENT APPROVALS **377**
OTHER REGULATORY AND STATUTORY DISCLOSURES **401**
ISSUE STRUCTURE **409**
ISSUE PROCEDURE **412**
MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF THE COMPANY **441**
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION **451**
DECLARATION **453**

DEFINITIONS AND ABBREVIATIONS

Company Related Terms

Term	Description
Articles/Articles of Association	Articles of association of our Company.
Auditors	The statutory auditors of our Company, M/s. Walker, Chandiok & Co., Chartered Accountants.
Board/Board of Directors	The board of directors of our Company or a committee constituted thereof.
DAL	DLF Assets Private Limited.
Director(s)	The member(s) of our Board, unless otherwise specified.
"DLF Limited" or "DLF" or "the Company" or "our Company"	DLF Limited, a public limited company incorporated under the Companies Act, 1956.
DLF Power	DLF Power Limited.
Equity Shares	Equity shares of our Company of face value of Rs. 2 each.
ESOP	Employee stock option plan, approved by the shareholders on April 20, 2006, for the grant of options for 3,500,000 Equity Shares to eligible employees as defined in the plan. Our Board has passed a resolution dated December 6, 2006 for increase in the number of Equity Shares under the ESOP to up to 17,000,000 Equity Shares and have recommended the same to be placed before the shareholders for their approval.
Feedback Ventures	Feedback Ventures Private Limited.
Hilton	Hilton International Co.
Land Reserves	Lands where registered title is owned by our Company, our subsidiaries or entities that have granted us sole development rights; our proportionate interest in lands in respect of which we have joint development agreements (including imputed acreage based on saleable area); lands leased or allotted to us by relevant local authorities; and lands in respect of which we, or entities that have granted us sole development rights, have entered into an agreement or a memorandum of understanding to purchase or develop.
Memorandum	Memorandum of Association of our Company.
Registered Office	The registered office of our Company located at Shopping Mall, Third Floor, Arjun Marg, Phase-I, DLF City, Gurgaon, Haryana 122 002, India.
Promoters	Our individual promoters are: (i) Mr. K P Singh; and (ii) Mr. Rajiv Singh. The companies which are our promoters are: (i) Panchsheel Investment Company; and (ii) Sidhant Housing and Development Company.
"We" or "us" or "our"	Refers to DLF Limited and, where the context requires, its subsidiaries, which are enumerated in the section titled "History and Certain Corporate Matters" beginning on page [●].
WSP	WSP Group Plc.

Issue Related Terms

Term	Description
Allotment	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Issue.
Amount Payable on Application	The amount specified for Retail Individual Bidders (under Payment Method - I or Payment Method – II), Non-Institutional Investors and QIB Bidders.
Balance Amount Payable	Issue Price less amount Amount Payable on Application.
Banker(s) to the Issue	[•].
Bid	An indication to make an offer during the Bidding Period by a Bidder to subscribe to our Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder on submission of the Bid in the Issue.
Bid cum Application Form	The form in terms of which the Bidder shall make an indication to make an offer to subscribe to the Equity Shares and which will be considered as the application for the issue of the Equity Shares pursuant to the terms of this Draft Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form.
Bidding/Issue Period	The period between the Bid/Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids, including any revisions thereof.
Bid/Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper and a Hindi national newspaper, both with wide circulation.
Bid/Issue Closing Date	The date after which the Syndicate shall not accept any Bids for the Issue, which shall be the date notified in an English national newspaper and a Hindi national newspaper, both with wide circulation.
Book Building Process	Book building route as provided in Chapter XI of the SEBI Guidelines, in terms of which this Issue is being made.
Book Runners	The Global Coordinators, BRLMs and the Co-BRLM.
BRLMs/ Book Running Lead Managers	Citigroup Global Markets India Private Limited, Deutsche Equities India Private Limited, ICICI Securities Limited, Lehman Brothers Securities Private Limited and UBS Securities India Private Limited.
CAN/Confirmation of Allocation Note	Means the note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process.
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.
Co-Book Running Lead Manager or Co-BRLM	SBI Capital Markets Limited.
Cut-off Price	Any price within the Price Band. A Bid submitted at Cut-off Price is a valid Bid at all price levels within the Price Band.

Term	Description
Designated Date	The date on which the Escrow Collection Banks transfer the funds from the Escrow Account to the Issue Account, which in no event shall be earlier than the date on which the Prospectus is filed with the RoC.
Designated Stock Exchange	[•], for the purpose of this Issue.
Draft Red Herring Prospectus	This Draft Red Herring Prospectus, issued in accordance with Section 60B of the Companies Act and SEBI Guidelines, which does not have, inter alia, the particulars of the Issue Price and the size of the Issue. Upon filing with RoC at least three days before the Bid/Issue Opening Date, it will become the Red Herring Prospectus. It will become a Prospectus upon filing with RoC after determination of the Issue Price.
Due Date	Last date for payment of the Balance Amount Payable which is a date falling 21 days from the date of allocation. This is not applicable to Payment Method-II.
Eligible NRI	NRI from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue.
Employee	All or any of the following: (a) a permanent employee of the Company as of [•] and based, working and present in India as on the date of submission of the Bid cum Application Form. (b) a Director, whether a whole-time Director, part-time Director or otherwise, except any Director who is a Promoter or member of the Promoter group, as of [•] and based and present in India as on the date of submission of the Bid cum Application Form.
Employee Reservation Portion	The portion of the Issue being 1,000,000 Equity Shares available for allocation to Employees.
Escrow Account	Accounts opened with the Escrow Collection Bank(s) and in whose favour the Bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement dated [•] to be entered into among the Company, the Registrar, the Escrow Collection Bank(s), the Global Coordinators, BRLMs, Co-BRLM and the Syndicate Members for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders on the terms and conditions thereof.
Escrow Collection Bank(s)	The banks, which are clearing members and registered with SEBI as bankers to an issue at which the Escrow Account will be opened, in this case being [•].
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalised and below which no Bids will be accepted.
Global Coordinators	The global coordinators and book running lead managers to the Issue being Kotak Mahindra Capital Company Limited and DSP Merrill Lynch Limited.
Issue Account	Account opened with the Banker(s) to the Issue to receive monies from the Escrow Account for the Issue on the Designated Date.
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.
Monitoring Agency	[•].
Net Issue	Issue less the Employees Reservation Portion.
Non-Institutional Bidders	Bidders that are neither Qualified Institutional Buyers nor Retail Individual Bidders and who have Bid for an amount more than Rs. 100,000 (but not including NRIs other than

Term	Description
	Eligible NRIs).
Non-Institutional Portion	The portion of the Net Issue being not less than 17,400,000 Equity Shares available for allocation to Non-Institutional Bidders.
Pay-in Date	Bid/Issue Closing Date or the last date specified in the CAN sent to the Bidders, as applicable.
Pay-in-Period	(i) With respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the Bid/Issue Closing Date, and (ii) With respect to Bidders whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date.
Payment Method-I	Amount payable on application irrespective of the Bid, in case of Retail Individual Bidders is Rs. [•] per Equity Share. Payment Method-I is not available to Non-Institutional Bidders, QIB Bidders and Employees bidding under the Employees Reservation Portion.
Payment Method-II	Amount payable on application in case of Retail Individual Bidders, Non-Institutional Bidders and Employees bidding under the Employees Reservation Portion is 100% of the Bid Amount, and in case of QIBs is 10% of the Bid Amount with balance being payable on allocation, but before Allotment.
Price Band	The price band with a minimum price (Floor Price) of Rs. [•] and the maximum price (Cap Price) of Rs. [•], including any revisions thereof.
Pricing Date	The date on which the Issue Price shall be finalized in terms of this Draft Red Herring Prospectus.
Prospectus	The prospectus, to be filed with the RoC after pricing containing, among other things, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, foreign institutional investors registered with SEBI, certain venture capital funds registered with SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million.
QIB Margin Amount	An amount representing at least 10% of the Bid Amount.
QIB Portion	The portion of the Net Issue being at least 104,400,000 Equity Shares available for allocation to QIBs.
Refund Account	Account opened with an Escrow Collection Bank, from which refunds of the whole or part of the Bid Amount, if any, shall be made.
Registrar/Registrar to the Issue	Karvy Computershare Private Limited.
Retail Individual Bidders	Individual Bidders (including HUFs applying through their *karta* and Eligible NRIs) 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.
Retail Portion	The portion of the Net Issue being not less than 52,200,000 Equity Shares available for allocation to Retail Individual Bidder(s).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in

Term	Description
	their Bid cum Application Forms or any previous Revision Form(s).
RHP or Red Herring Prospectus	The Red Herring Prospectus to be issued in accordance with Section 60B of the Companies Act, which will 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 the RoC at least three days before the Bid/Issue Opening Date and will become a Prospectus after filing with the RoC after determination of the Issue Price.
Stock Exchanges	NSE and BSE.
Syndicate or members of the Syndicate	The Global Coordinators, the BRLMs, Co-BRLM and the Syndicate Members.
Syndicate Agreement	The agreement dated [•] to be entered into among the Company and the members of the Syndicate, in relation to the collection of Bids in this Issue.
Syndicate Members	Kotak Securities Limited, ICICI Brokerage Services Limited and SBICAP Securities Limited.
TRS/Transaction Registration Slip	The slip or document issued by any of the members of the Syndicate to a Bidder as proof of registration of the Bid.
Underwriters	The Global Coordinators, BRLMs, Co-BRLM and the Syndicate Members.
Underwriting Agreement	The agreement among the Underwriters and the Company to be entered into on or after the Pricing Date.

General/Conventional Terms

Term	Description
Companies Act	The Companies Act, 1956 as amended from time to time.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Fiscal Year/Fiscal/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Non-Resident Indian/NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Overseas Corporate Body/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 Security by a Person Resident Outside India) Regulations, 2000.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Guidelines	The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 issued by SEBI, as amended, including instructions and clarifications issued by SEBI from time to time.

Abbreviations

Abbreviation	Description
ACNielsen Report	Report dated December 2006 and prepared by ACNielsen ORG-MARG for NAREDCO. The 10 states covered in the study include NCR (comprising Delhi, Gurgaon, Faridabad and Noida), Punjab, Haryana, Rajasthan, Maharashtra, Madhya Pradesh, Karnataka, Tamil Nadu, Andhra Pradesh and West Bengal. The report is based on the businesses in the years 2004 to 2006 of 25 major residential real estate developers selling residential units costing more than Rs. 2.5 million per unit as well as 14 major commercial real estate developers who have each developed an area of more than 0.3 million square feet. ACNielsen ORG-MARG is part of ACNielsen, one of the leading international market information providers, and was commissioned to prepare this report by NAREDCO, a nodal agency for housing and real estate sector in India.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
BSE	Bombay Stock Exchange Limited earlier known as The Stock Exchange, Mumbai.
CAGR	Compounded Annual Growth Rate.
CITI	Citigroup Global Markets India Private Limited.
DEIPL	Deutsche Equities India Private Limited.
DDA	Delhi Development Authority.
DIPP	Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, Government of India.
DSE	Delhi Stock Exchange Association Limited.
DSPML	DSP Merrill Lynch Limited.
EGM	Extraordinary General Meeting.
EPC	Engineering Procurement and Construction.
EPS	Earnings per share.
FDI	Foreign direct investment.
FEMA	The Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed thereunder.
FII	Foreign Institutional Investor (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) registered with SEBI.
FIPB	Foreign Investment Promotion Board, Ministry of Finance, Government of India.
GoI	Government of India.
HUF	Hindu Undivided Family.
IFSC	Indian Financial System Code.
ISEC	ICICI Securities Limited.
I.T. Act	The Income Tax Act, 1961, as amended from time to time.
KMCC	Kotak Mahindra Capital Company Limited.

Abbreviation	Description
LB	Lehman Brothers Securities Private Limited.
MICR	Magnetic Ink Character Recognition.
NAREDCO	National Real Estate Development Council.
NAV	Net Asset Value.
NCAER	National Council for Applied Economic Research.
NCR	National Capital Region of Delhi.
NEFT	National Electronic Fund Transfer.
NOIDA/Noida	New Okhla Industrial Development Authority.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
p.a.	per annum.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number.
PLR	Prime Lending Rate.
RBI	The Reserve Bank of India.
RoC	The Registrar of Companies, National Capital Territory of Delhi and Haryana, located at New Delhi.
RoNW	Return on Net Worth.
SBICAP	SBI Capital Markets Limited.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEZ	Special Economic Zone.
UBS	UBS Securities India Private Limited.
U.S. GAAP	Generally accepted accounting principles in the United States of America.

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL AND MARKET DATA

In this Draft Red Herring Prospectus, references to "our lands" or "Land Reserves" are to lands where registered title is owned by our Company, our subsidiaries or entities that have granted us sole development rights; our proportionate interest in lands in respect of which we have joint development agreements (including imputed acreage based on saleable area); lands leased or allotted to us by relevant local authorities; and lands in respect of which we, or entities that have granted us sole development rights, have entered into an agreement or a memorandum of understanding to purchase or develop.

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 Draft Red Herring Prospectus is derived from our consolidated financial statements prepared in accordance with Indian GAAP and the SEBI Guidelines, which are included in this Draft 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. Our consolidated financial statements as of and for the eight months ended November 30, 2006 and fiscal years 2006, 2005 and 2004 have been restated to reflect our adoption of the percentage of completion accounting method.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Except to the extent of the limited reconciliation of Indian GAAP financial data to IFRS contained in this document, 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 Draft 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 Draft Red Herring Prospectus should accordingly be limited.

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

Market and industry data used in this Draft 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 that 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 Draft Red Herring Prospectus is reliable, it has not been verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources. We have used in this Draft Red Herring Prospectus, market and industry data prepared by consultants such as CRIS INFAC, NCAER, HVS International, Cushman & Wakefield (India) Private Limited, Jones Lang LaSalle India, Knight Frank India Pvt. Ltd. and Federation of Indian Chambers of Commerce and Industry whom we have retained or may retain and compensate for various engagements in the ordinary course of our business. We have also used in this Draft Red Herring Prospectus, data from ACNielsen Report and macroeconomic data prepared by the Central Statistical Organisation and the Centre for Monitoring Indian Economy.

The extent to which the market; industry and macroeconomic data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the real estate industry in India and methodologies and assumptions may vary widely among different industry sources.

The following table sets forth, for each period indicated, information concerning the number of Rupees for which one U.S. Dollar could be exchanged at the noon buying rate in the City of New York on the last business day of the applicable period for cable transfers in Rupees as certified for customs purposes by the Federal Reserve Bank of New York. The column titled "Average" in the table below is the average of the daily noon buying rate for each day in the period.

Fiscal year ended March 31,	Period End	Average	Low	High
		(Rs. per US$)		
2004	47.45	45.96	43.40	47.46
2005	43.40	44.86	43.27	46.45
2006	44.48	44.17	43.05	46.26
Calendar month 2006				
April	44.86	44.82	44.39	45.09
May	46.22	45.20	44.69	46.22
June	45.87	45.89	45.50	46.25
July	46.49	46.38	45.84	46.83
August	46.43	46.45	46.32	46.61
September	45.95	46.01	45.74	46.38
October	44.90	45.36	44.90	45.97
November	44.59	44.73	44.46	45.29

On December 19, 2006, the noon buying rate was Rs. 44.61 per U.S. Dollar.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can 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 import. 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 materially from those contemplated by the relevant statement.

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

- the performance of the real estate market and the availability of real estate financing in India;
- the extent to which we can predict our revenues and profits;
- our ability to manage our growth effectively;
- our ability to finance our business and growth and obtain financing on favourable terms;
- the financial stability of our commercial, retail and prospective tenants;
- our ability to replenish our Land Reserves and identify suitable projects;
- the extent to which our projects qualify for percentage of completion revenue recognition;
- impairment of our title to land;
- our ability to acquire contiguous parcels of land;
- our ability to acquire approvals or permits in the anticipated time frames or at all;
- the extent to which some of our agreements are expired or are invalid;
- our ability to identify suitable projects;
- land owning companies disposing of the land, the shareholders of the land owning companies disposing of such shares as well as changes in the relevant local laws in relation to the use of these lands;
- our ability to develop all of our Land Reserves;
- our ability to compete effectively, particularly in new markets and businesses;
- our ability to anticipate trends in and suitably expand our current business lines;
- the extent to which we can develop new businesses such as SEZ developments, infrastructure construction, hotels, multiplex cinemas and fund management;
- our ability to acquire lands for which we have entered into certain memoranda of understanding;
- the actions of joint venture partners and third parties;
- raw material costs;

- the continued availability of applicable tax benefits;
- our dependence on key personnel;
- conflicts of interest with affiliated companies, our Promoter group and other related parties;
- the outcome of legal or regulatory proceedings in which we are or may become involved;
- contingent liabilities, environmental problems and uninsured losses;
- government approvals;
- changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy and, in particular, the NCR.

For further discussion of factors that could cause our actual results to differ, see the sections titled "Risk Factors" and "Management's Discussion of Financial Condition and Results of Operations" on pages [●] and [●]. Neither our Company 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, our Company and the Book Runners 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.

RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. If any of the following risks actually occur, our business, prospects, financial condition, results of operations and the value of our properties could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment.

Internal Risk Factors and Risks Relating to Our Business

Our business is heavily dependent on the performance of the real estate market and the availability of real estate financing in India.

Our business is heavily dependent on the performance of the real estate market in India, particularly in the regions in which we operate, and could be adversely affected if market conditions deteriorate. Real estate projects take a substantial amount of time to develop, and we could incur losses if we purchase land at high prices and we have to sell or lease our developed projects during weaker economic periods. Further, the real estate market, both for land and developed properties is relatively illiquid, which may limit our ability to respond promptly to market events. The real estate market is significantly affected by changes in government policies, economic conditions, demographic trends, employment and income levels and interest rates, among other factors. These factors can negatively affect the demand for and valuation of both our projects under development and our planned projects.

Lower interest rates on financing from India's retail banks and housing finance companies, particularly for residential real estate, and favourable tax treatment of loans, have helped fuel the recent growth of the Indian real estate market. However, India has experienced rising interest rates over the last two fiscal years, with the RBI repo rate rising from 6.0% as of March 31, 2005 to 6.5% as of March 31, 2006. The RBI repo rate as of November 30, 2006 was 7.25%. Rising interest rates could discourage consumers from borrowing to finance real estate purchases and could depress the real estate market. Changes in interest rates could also affect the willingness and ability of our prospective real estate customers, particularly the customers for our residential properties, to obtain financing for their purchases of units in our developments. The interest rate at which our real estate customers may borrow funds affects the affordability of, and hence the market demand for, our residential real estate developments. Mortgage rates have risen by more than 1.5% over the past 18 months.

Additionally, stricter provisioning and risk weightage norms imposed by the RBI in relation to real estate loans by banks and housing finance companies could reduce the attractiveness of property or developer financing and the RBI or the GoI may take further measures designed to reduce or having the effect of reducing credit to the real estate sector. Our business could be adversely affected if the demand for, or supply of, real estate financing at attractive rates were to diminish or cease to exist.

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, revenues and profits are derived primarily from the sale of properties and the leasing of commercial and retail properties. While rental income can be relatively stable, revenues from sales are dependent on various factors such as the size of our developments and the extent to which they qualify for percentage of completion treatment under our revenue recognition policies, rights of lessors or third parties that could impair our ability to sell properties and general market conditions. In addition, the anticipated completion dates for our projects, including those set forth in this Draft Red Herring Prospectus, are estimates based on current expectations and could change significantly, thereby affecting the timing of our sales. The combination of these factors may result in significant variations in our revenues and profits. For example, during the current fiscal year we recognized revenue of Rs. 21,595 million in relation to the sale of certain of our commercial properties to DLF Assets Private Limited ("DAL"), a company wholly owned by some of our Promoters. This sale represented 65% of our revenue for the eight months ended November 30, 2006. There may be periods where we may not have sales of similar size, and our revenues in such periods may be lower than in other periods. Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indicative

of our future performance. If in the future our results of operations are below market expectations, the price of our Equity Shares could decline.

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

We are embarking on an ambitious growth strategy, which involves a substantial expansion of our current business lines as well as a diversification into new business areas. We have, within a short recent period, entered into agreements giving us sole development rights over a significant amount of land included in our Land Reserves. As per our estimates, we plan to make available for booking, sale, lease or development 69.8 million square feet, 48.2 million square feet and 31.7 million square feet of residential, commercial and retail real estate, respectively between fiscal 2007 to fiscal 2009.

Our consolidated total income has grown from Rs. 5,266 million in fiscal 2004 to Rs. 12,420 million in fiscal 2006, at a CAGR of 54% and our consolidated net profit has increased from Rs. 538 million in fiscal 2004 to Rs. 1,917 million in fiscal 2006, at a CAGR of 89%. Our consolidated total income and consolidated net profit for the eight months ending November 30, 2006 was Rs. 33,239 million and Rs. 18,300 million, respectively.

Our expansion and diversification is on a scale that is unprecedented in our history and will place 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.

We may not have adequate resources to finance our real estate developments or to service our financing obligations.

We have incurred substantial indebtedness to finance our land acquisitions, advances for land development rights and the development and construction of our projects. In fiscal 2006, we incurred finance charges of Rs. 2.8 billion, of which Rs. 1.1 billion was capitalized and Rs. 1.7 billion was recorded as an expense in our income statement. As of November 30, 2006, the balance due in respect of payments for the acquisition of land or sole development rights was Rs. 55,375 million. As of the same date, we had outstanding borrowings of Rs. 94.5 billion, of which Rs. 70.8 billion was floating rate indebtedness. We intend to pursue a strategy of continued investment in additional real estate projects across our existing and new business lines for which we will need additional financing. We expect to incur debt to fund portions of this expenditure. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment. We may not be successful in obtaining additional funds in a timely manner, on favourable terms or at all. If we do not have access to these funds, we may be required to delay or abandon some or all of our planned developments or to reduce capital expenditures, advances to obtain land development rights and the scale of our operations.

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

General economic conditions may affect the financial stability of our tenants and prospective tenants and/or the demand for our commercial and retail real estate. In the event of a default by a tenant prior to the expiry of a lease, 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 significantly 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.

We may not be able to replenish our Land Reserves by acquiring suitable sites.

Our historical growth has been significantly dependent upon our ability to acquire land or development rights to land at a relatively low cost. Our growth plans will require us to use 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 development. Our ability to identify and acquire suitable sites is dependent on a number of factors that may be beyond our control. These factors include the availability of suitable land, the willingness of landowners to sell land on attractive terms, the ability to obtain an agreement to sell from all the owners where land has multiple owners, the availability and cost of financing, encumbrances on targeted land, government directives on land use and the obtaining of permits 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. These restrictions are gradually being relaxed and this, combined with the aggressive growth strategies and financing plans of real estate development companies as well as real estate investment funds in the country, is likely to make suitable land increasingly expensive. If we are unable to compete effectively in the acquisition of suitable land, our business and prospects will be adversely affected.

We face uncertainty of title to our lands.

The difficulty of obtaining title guarantees in India means that title records provide only for presumptive rather than guaranteed title. A substantial portion of our existing Land Reserves and land for which we seek to obtain development rights consist of agricultural lands for development purposes. The title to these lands is often fragmented and the land may, in many cases, have multiple owners. Some of these lands may have irregularities of title, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subject to encumbrances of which we may not be aware. Additionally, some of our projects are being executed through joint ventures in collaboration with third parties. In some of these projects, 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 collaboration agreements have clear title to such lands.

While we conduct due diligence and assessment exercises prior to acquiring land or entering into joint or sole development agreements with land owners and undertaking a project, 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 these lands do 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 and adversely affect our land valuations. Legal disputes in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If we or the owners of the land which is the subject of our development agreements are unable to resolve such disputes with these claimants, we may lose our interest in the land. 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, lands for which we or entities which have granted us sole 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 these lands could adversely impact our property valuations and prospects.

Our inability to procure contiguous parcels of land may affect our future development activities.

We acquire parcels of land and development rights over parcels of land in various locations, over a period of time, for future development. These parcels of land are subsequently consolidated to form a contiguous landmass, upon which we undertake development. In the past, we have not experienced difficulties in procuring such parcels of land and consolidating them. However, we may not be able to procure such parcels of land at all or on terms that are acceptable to us, which may affect our ability to consolidate parcels of land into a contiguous mass. Failure to acquire such parcels of land may cause delays or force us to abandon or modify the development of the land in such locations, 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.

Some of our projects are in the preliminary stages of planning.

Some of our projects are in the preliminary stages of planning and development, and in some cases, we have not yet acquired planning approval. In addition to our residential, commercial and retail projects, we intend to develop SEZs, build infrastructure and construct super luxury hotels on land over which we have developmental rights. Our plans in relation to these intended projects have yet to be finalised and approved. We require statutory and regulatory approval and permits and applications need to be at appropriate stages for us to successfully execute such projects. While we believe we will obtain approvals or permits as may be required, there cannot be any assurance that the relevant authorities will issue any such approvals or permits in the anticipated time frames or at all. Any delay or failure to obtain the required approvals or permits in accordance with our project plans may adversely affect our business and prospects.

Agreements with third parties in relation to the purchase of land may expire or be invalid.

As is customary in real estate transactions in India, we or the entitities that grant us development rights enter into agreements to acquire land from third parties prior to the transfer or conveyance of title. These agreements typically stipulate time frames within which title to lands 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. If such irregularities exist in the properties that we have acquired, the properties for which we have entered into joint development agreements or the properties in which entities have granted us sole development rights, we may not be able to develop such properties, which could have an adverse affect on our financial condition and results of operation.

Any breach under our financing agreements could force us to sell assets or trigger a cross-default under our other financing agreements.

Our financing agreements contain restrictive covenants regarding, among other things, our capital structure, the constitution of our Board, raising additional finance, the disposition of assets and the expansion of our business. These agreements also require us to maintain certain financial ratios. Should we breach any financial or other covenants contained in any of our financing agreements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We may be forced to sell some or all of the assets in our portfolio if we do not have sufficient cash or credit facilities to make repayments. Additionally, if our borrowings are secured against all or a portion of our assets, lenders may be able to sell those assets. Furthermore, our financing arrangements may contain cross default provisions which could automatically trigger defaults under other financing arrangements, in turn magnifying the effect of an individual default.

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 retail 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 saleable or lettable properties or 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.

We may not be able to compete effectively, particularly in regional markets and in our new businesses.

We may face significant competition from other real estate 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 focussed on the Delhi and Gurgaon regions. 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 joint venture partners, gain early access to information regarding attractive parcels of land and be better placed to acquire such land. We and our retail tenants compete with other retail distribution channels, including department stores and malls, in attracting customers. Moreover, we compete with other retail real estate developers seeking suitable retail tenants. Similarly, we must also compete with an increasing number of commercial real estate developers. Increasing competition could result in price and supply volatility, which could cause our business to suffer. In addition, we are expanding into new businesses such as SEZs, infrastructure and hotels. We have little experience in these businesses and may not be able to compete effectively with established and new competitors in these businesses.

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

The growing 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 residential accommodation requires us to satisfy these demanding consumer expectations. The sorts of amenities now demanded by consumers include those that have historically been uncommon in India's residential real estate market such as 24-hour electricity, running water and amenities such as parking, gardens, 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.

The expansion of our commercial real estate business is dependent on the willingness and ability of corporate customers to pay rent at suitable levels.

Our commercial real estate business has historically targeted, and will continue to target, multinational 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 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 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 industries 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.

The success of our retail strategy depends on our ability to build malls in appropriate locations and attract suitable retailers and customers.

The success of our retail real estate business depends on our ability to recognise and respond to the changing trends in India's retail sector. 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 malls, we need to create demand for our malls where customers can take advantage of a variety of retail options, such as large department stores, in addition to amenities such as designer stores, comprehensive entertainment facilities, including our multiplex cinemas, air conditioning and underground parking.

Further, to help ensure our 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 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 malls.

Our plans to develop SEZs are subject to a number of contingencies and may not be successful.

As part of our business strategy, we plan to develop SEZs. Our success in the development of SEZs depends on our ability to attract manufacturing or industrial units that conduct business within the SEZs as well as the continued availability of fiscal incentives under the SEZ regime and appropriate financing options for SEZ units. Since the SEZ regulations have been in force for only a relatively short period of time, they may not be interpreted in a consistent manner and there may be instances of diverging opinions among local, regional, national and judicial authorities as to their application. The uncertainty of application, and the evolution of SEZ laws and the possibility of withdrawal of the applicable benefits and concessions create a risk for our current and planned investment in SEZ developments.

Our plans to develop hotels are subject to a number of contingencies and may not be successful.

As part of our growth strategy, we intend to use our existing real estate development capabilities to build and own hotels. We have taken preliminary steps in the hotel business, primarily involving the execution of various memoranda of understanding with leading hotel development companies and have entered into a joint venture with Hilton. The success of this business is subject to our ability to select appropriate locations and to successfully undertake projects with our current and future joint venture and strategic to operate the hotels profitably. Our success in the development of hotels will also depend on our ability to forecast and respond to demand in an industry in which we have little experience to date.

The hotel industry entails additional risks that are distinct from those applicable to our businesses of developing residential, commercial and retail properties, including the supply of hotel rooms exceeding demand, the failure to attract and retain business and leisure travellers as well as adverse international, national or regional travel or security conditions. Any of these developments could have a material adverse effect on our business, results of operations and financial condition.

We may not be able to acquire the lands for which we enter into certain agreements to purchase.

As part of our business strategy, we have entered into various agreements to purchase with companies relating to all of our business lines prior to acquiring the properties contemplated by such agreements. We cannot assure you that we will be successful in acquiring these lands pursuant to these agreements, and consequently, we may not be able to take advantage of available opportunities.

Our multiplex cinema business is subject to a number of contingencies and may not be successful.

We intend to expand our multiplex cinema business, DT Cinemas, through the development and operation of multiplex cinemas in many of our malls. Our success in the development of DT Cinemas is dependant on a number of contingencies, including our ability to forecast, generate and respond to demand and customer traffic. These abilities, in turn, depend, in part, on the popularity of the films we display on our screens. Both the Indian and international film industry may not always produce films with widespread audience appeal. If the films we screen are not popular, the demand and customer traffic may decline. Customer traffic may also decline due to the lack of enforcement of anti-piracy laws in India and increasing home-viewing entertainment options.

Our joint venture and strategic partners may not perform their obligations satisfactorily.

We have entered into joint ventures with WSP, Laing O'Rourke and Hilton. The success of these joint ventures depends significantly on the satisfactory performance by our joint venture partners and the fulfilment of their obligations. If a joint venture partner fails to perform its obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. In such a case, we may be required to make additional investments in the joint venture or become liable for its obligations, which could result in reduced profits or in some cases, significant losses. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased, or possibly sole, responsibility for the relevant projects.

Most of our projects require the services of third parties, which entails certain risks, and as we expand geographically, we will be using contractors with whom we are not familiar.

Most of our projects require the services of third parties. These third parties include architects, engineers, contractors and suppliers of labour and materials. The timing and quality of construction of the projects we develop depends on the availability and skill of those third parties, as well as contingencies affecting them, including labour and raw material shortages and industrial action such as strikes and lockouts. We cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we conduct our projects. 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 and any delay in project execution could adversely affect our profitability. Additionally, we rely on manufacturers and other suppliers and do not have direct control over the products they supply, which may adversely affect the construction quality of our developments. To date, most of our projects have been in the NCR and we have developed good working relationships with the major local contractors. As we expand geographically, we will have to use contractors with whom we are not familiar, which will increase the risk of cost overruns, construction defects and failures to meet scheduled completion dates.

A significant portion of the land forming part of our Land Reserves in and around Gurgaon and in certain other parts of India is acquired through third parties.

Some of our Land Reserves are held in the name of third parties with whom we have development agreements. Although these land owning companies have agreed not to dispose of the land and the shareholders of the land owning companies have agreed not to dispose of such shares, we cannot assure you that they will not dispose of such land or shares. Any change in the relevant local laws in relation to the use of these lands will also affect our ability to develop these lands.

We may not be able to develop all of our Land Reserves.

We have extensive Land Reserves in various regions across India, amounting to 10,255 acres with a developable area of approximately 574 million square feet, of which 46 million square feet is under construction. Of the approximately 574 million square feet of developable area, 29 million square feet represents our equity interest in joint ventures with third parties and the balance represents lands that we own or to which we own the sole development rights. The commercial effect of these sole development rights, which cover an aggregate of approximately 200 million square feet, is to provide us with the benefits of ownership of the development, including substantially all of the revenues from the sale or lease of the development. For various reasons that are beyond our control, we may not ultimately acquire full legal title to such land or retain the full rights to develop such land under these arrangements.

Any failure in our IT systems could adversely impact our business.

Any delay in implementation or disruption of the functioning of our IT systems could disrupt our ability to track, record and analyze work in progress or causing loss of data and disruption to our operations, including an inability to assess the progress of our projects, process financial information or manage creditors/debtors or engage in normal business activities. This could have a material adverse effect on our business.

Increased raw material costs may adversely affect our results of operations.

Our business is affected by the availability, cost and quality of the raw materials we need to construct and develop our properties. Our principal raw materials include steel and cement. The prices and supply of these and other raw materials depend on factors not under our control, including general economic conditions, competition, production levels, transportation costs and import duties. If, for any reason, our primary suppliers of raw materials should curtail or discontinue their delivery of such materials to us in the quantities and quality we need and at prices that are competitive, our ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted and our business could suffer.

Our business may suffer if we are unable to sustain the quality of our property management services.

As part of our business, we provide property management services to our completed residential, commercial and retail developments. These services include, among others, book keeping, security management, building maintenance and the operation of leisure facilities such as swimming pools and fitness centres. We believe that our property management services are an integral part of our business and are important to the successful marketing and promotion of our property developments. If owners of the projects that we have developed elect to discontinue the services provided by our property management subsidiary, our property management business would be negatively impacted, which in turn could adversely affect the attractiveness of our developments.

Revenue recognition based on the 'percentage of completion method' of accounting is subject to uncertainties and inaccurate estimates.

Our income from the sale of constructed properties, other than Earnest Money, is recognised using the percentage of completion method. Under this method, income in respect of a project is recognised based on the project cost, which includes the cost of acquisition of land, development and construction costs actually incurred as a proportion of total estimated project cost and the proportion of the saleable area of the project in respect of which bookings have been made. However, if the actual project cost incurred is less than 30% of the total estimated project cost, no income is recognised in respect of that project in the relevant fiscal period.

We estimate the total cost of a project prior to its commencement based on, among other things, the size, specifications and location of the project. We re-evaluate project costs periodically, particularly when, in our opinion, there have been significant changes in market conditions, costs of labour and materials and other contingencies. Material re-evaluations will affect our revenues in the relevant fiscal periods. If our estimates of project costs are inaccurate or if contingencies occur that materially impact our estimates, our revenues may fluctuate significantly from period to period.

We benefit from certain tax benefits under the provisions of the Indian 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 Sections 80IA, 54EC and 10AB of the Income Tax Act, and is also expected to benefit from SEZ related tax benefits. We may not be able to continue 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 tax 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. This could adversely affect our financial condition and results of operations.

We have in the last 12 months, issued Equity Shares at a price that could be lower than the Issue Price.

We have, in the last 12 months, issued Equity Shares at a price that could be lower than the Issue Price. Between March 28, 2006 and December 22, 2006, we have issued shares to our shareholders upon conversion of debentures equivalent to 173,539,850 Equity Shares. On May 2, 2006, November 24, 2006, December 5, 2006 and December 22, 2006 we have issued bonus shares to our shareholders equivalent to 1,337,559,195 Equity Shares. For further details regarding such issuances of Equity Shares, please see Note 1 to the section titled "Capital Structure – Notes to Capital Structure" on page [●].

We are involved in certain legal and other proceedings in India and may face certain liabilities as a result.

We are involved in legal proceedings and claims in India in relation to certain civil matters, including consumer disputes. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. We cannot assure you that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business and results of operations.

The table below summarises our outstanding litigation as of November 30, 2006:

Category	Company	Promoters	Directors	Subsidiaries	Promoter Group Companies
Monopolies and Restrictive Trade Practices Commission	32 proceedings, Rs. 30.2 million	Nil	Nil	Nil	Nil
Consumer cases	83 proceedings, Rs. 300.0 million	Nil	Nil	Nil	Nil
Criminal proceedings	4 proceedings	Nil	5 proceedings	1 proceeding	Nil
Civil proceedings	103 proceedings, Rs. 468.4 Million	3 proceedings	4 proceedings, Rs. 146.6 million	40 proceedings, Rs. 1459.5 million	3 proceedings
Tax proceedings	73 proceedings, Rs. 2547.7 million	3 proceedings, Rs. 0.07 million	Nil	30 proceedings, Rs. 51.4 million	21 proceedings, Rs. 61.6 million
Securities proceedings	Nil	Nil	Nil	1 proceeding	Nil
Labour Cases	8 proceedings	Nil	Nil	3 proceedings	Nil

For more information regarding these legal proceedings, see the section titled "Outstanding Litigation and Material Developments" on page [●].

There is pending litigation under the securities laws against Bhoruka Financial Services Limited, one of our subsidiaries.

DLF Commercial Developers Limited ("DCDL") a subsidiary of the Company, entered into a share purchase agreement dated July 28, 2005 ("Share Purchase Agreement") with the promoters of Bhoruka Financial Services Limited ("Sellers") to acquire shares from the promoters representing 98.73% of the equity share capital of the Company. A Share Purchase Agreement was executed after obtaining an exemption from complying with certain provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 ("Takeover Regulations"). The negotiated price per share was Rs. 3,000 and was required to be paid through a designated broker of Magadh Stock Exchange Association ("MSEA").

SEBI challenged the share transfer and on August 19, 2005, passed an ex parte interim order against, inter alia, DCDL. The ex parte interim order inter alia alleged that DCDL had violated the provisions of the Takeover Regulations, that it had a tacit understanding with the other parties, and consciously and with pre-meditated design chose to execute the trades on MSEA with a view to both avoid regulatory attention and scrutiny and to use the mechanism of the stock exchange to artificially increase the price for collateral ends. Accordingly, in its ex parte interim order, SEBI (a) impounded the shares of BFSL lying with CDSL in demat form (b) prohibited DCDL from dealing in the scrip of BFSL so long as the directions in the interim order were in force. On December 6, 2005, SEBI passed an interim order ("Impugned Order") which confirmed the ex parte interim order.

The Impugned Order was challenged by DCDL before the Securities Appellate Tribunal ("SAT") (Appeal No. 18 of 2006). SAT passed an order on May 10, 2006 setting aside the Impugned Order. In an appeal filed by SEBI (Civil Appeal 2620/2006) before the Supreme Court, the order of SAT was stayed by Supreme Court. The Supreme Court has also directed DCDL not to transfer or create any third party right in the shares. SEBI has been directed by Supreme Court to expedite the investigations.

DCDL has also received a Show Cause Notice dated November 9, 2006 under Rule 4 (1) of Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 ("**Show Cause Notice**"). The Show Cause Notice states that, if the allegations are established, DCDL would be liable to a

penalty under SCRA, in terms of which our Subsidiary shall be liable to a penalty which may extend up to Rs. 10 million.

Our Promoter has been subject to penalties under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Our Promoter, Mr. Rajiv Singh, along with certain persons acting in concert, admitted to a violation of the provisions of Regulation 11 (2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 by acquiring equity shares in excess of specified limits without making a prior public announcement as prescribed under the regulations. Our Promoter agreed to pay a penalty of Rs. 500,000, which was accepted by the SEBI subject to certain conditions set forth in its letter dated February 12, 2002. For details, see the section titled "History and Certain Corporate Matters" on page [●].

We have had negative cash flows in certain recent fiscal periods.

We have had negative cash flows in certain recent fiscal periods, as indicated in the table below.

	Eight months ended November 30, 2006	**Fiscal 2006 (Rs. Million)**	**Fiscal 2005 (Rs. million)**	**Fiscal 2004 (Rs. million)**
Net cash from (used in) operating activities	(62,274)	(10,951)	5,754	(2,205)
Net cash from (used in) investing activities	14,313	(18,660)	(7,681)	(727)
Net cash from (used in) financing activities	51,283	30,520	1,935	2,920

We delisted our equity shares from the Bombay Stock Exchange in 1982 and from the Delhi Stock Exchange in 2003.

In response to a substantial increase in listing fees, we delisted our equity shares from the Bombay Stock Exchange. In a letter dated January 8, 1982, the Bombay Stock Exchange confirmed that our equity shares had been removed from its official list.

Consequent to the level of public shareholding in our Company falling below the limit specified in the exchange's listing agreement, the then promoters of our Company offered to buy back the outstanding public shareholding instead of increasing the public shareholding and keeping our Company listed as a strategic decision and based on the options available as per applicable law. This resulted in the delisting of our equity shares from Delhi Stock Exchange. The delisting offer was made by the then promoters of our Company at the price of Rs. 320 per equity share of face value of Rs. 10 each.

Further, when we were a listed company on the Delhi Stock Exchange, we received notices from the exchange identifying various instances of non-compliance with the conditions of the exchange's listing agreement. For more information, see the section titled "History and Certain Corporate Matters" on page [●].

Our business is subject to extensive government regulation, which may become more stringent in the future.

The real estate industry in India is heavily regulated by the central, state and local governments. Real estate developers must comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established by local authorities and designed to implement such laws and regulations. For example, we are subject to various Land Ceiling Acts which regulate the amount of land that can be held under single ownership and where we are subject to such ownership limits we generally acquire development rights rather than the land itself. If structures through which this land is owned are said to violate such laws, that could materially and adversely affect our business.

Additionally, in order to develop and complete a real estate project, developers must obtain various approvals, permits and licences from the relevant administrative authorities at various stages of project development, and

developments may have to qualify for inclusion in local "master plans". We may encounter major problems in obtaining the requisite approvals or licences, may experience delays in fulfilling the conditions precedent to any required approvals and we may not be able to adapt ourselves to new laws, regulations or policies that may come into effect from time to time with respect to the real estate sector. There may also be delays on the part of administrative bodies in reviewing applications and granting approvals. If we experience material problems in obtaining or fail to obtain the requisite governmental approvals, the schedule of development and sale or letting of our projects could be substantially disrupted.

Although we believe that our projects are in material compliance with applicable laws and regulations, regulatory authorities may allege non-compliance and may subject us to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings. For more information, see the sections titled "Regulations and Policies in India" on page [●] "Government and Other Approvals" on page [●].

The government may exercise rights of compulsory purchase or eminent domain in respect of our lands.

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.

Our sales of certain developments are subject to the actions of governmental land authorities.

We lease certain lands from governmental land authorities. Some of the lease agreements restrict our ability to sell, transfer or assign the lands without the prior consent of the relevant authority. If the relevant authorities do not consent to the transfer of lands even after we have developed them, or impose onerous terms and conditions such as pre-emptive acquisition rights or rights to unearned increases in the value of land, our revenues could be adversely affected.

We require certain 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 certain regulatory approvals, sanctions, licences, registrations and permissions for operating our businesses, some of which may have expired. For more information, see the section titled "Government Approvals" on page [●]. In connection with our business, we have applied for, or are in the process of applying for, such approvals or their renewal. We may not receive such approvals or renewals in the time frames anticipated by us or at all, which could adversely affect our business.

Our success depends in large part upon our senior management, directors and key personnel and our ability to retain them and attract new key personnel when necessary.

Our senior management and key personnel collectively have many years of experience with us and would be difficult to replace. We do not maintain "key man" insurance for any of our senior managers or other key personnel. Any loss of our senior managers or other key personnel or the inability to recruit further senior managers or other key personnel could impair our future by impairing our day-to-day operations, hindering our development of new projects and harming our ability to develop, maintain and expand client relationships.

We will be controlled by our Promoters and Promoter group entities so long as they control a majority of our Equity Shares.

After the completion of the Issue, our Promoters along with the Promoter group entities will control, directly or indirectly, in excess of 87.49% of our outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting and our other shareholders will be unable to affect the outcome of shareholder voting. As a result, our Promoters may take or block actions with respect to our

business, which may conflict with our interests or the interests of our minority shareholders, such as actions with respect to future capital raising or acquisitions. In addition, our Promoters also control certain other companies that are in the real estate business with which we may have conflicts of interest. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour.

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

We have entered into transactions with several related parties, including our Promoters and Directors. For more information regarding our related party transactions, see the disclosure on related party transactions contained in our consolidated restated financial statements included in this Draft Red Herring Prospectus. Further, a significant portion of our business is expected to involve transactions with related parties such as DLF Laing O'Rourke, promoter group entities such as DAL as well as joint venture partners and other affiliates that we may choose to involve in our business. In relation to the sale of certain commercial properties to DAL during the current fiscal year, we have recognized revenue and profit before tax of Rs. 21,595 million and Rs. 17,424 million, respectively.

Environmental problems could adversely affect our projects.

We are required to conduct an environmental assessment for most of our projects before receiving regulatory approval for these projects. These environmental assessments may reveal material environmental problems, which could result in our not obtaining the required approvals. Additionally, if environmental problems are discovered during or after the development of a project, we may incur substantial liabilities relating to cleanup and other remedial measures and the value of the relevant properties could be adversely affected.

We may suffer uninsured losses.

Our real estate projects could suffer physical damage from fire or other causes, resulting in losses, including loss of rent, which may not be fully compensated by insurance. In addition, there are certain types of losses, such as those due to earthquakes, floods, hurricanes, terrorism or acts of war, which may be uninsurable or are not insurable at a reasonable premium. The proceeds of any insurance claim may be insufficient to cover rebuilding costs as a result of inflation, changes in building regulations, environmental issues as well as other factors. Should an uninsured loss or a loss in excess of insured limits occur, we would lose the capital invested in and the anticipated revenue from the affected property. We would also remain liable for any debt or other financial obligation related to that property. We cannot assure you that material losses in excess of insurance proceeds will not occur in the future.

Our contingent liabilities could adversely affect our financial condition.

As of the eight months ended November 30, 2006, we had contingent liabilities in the following amounts, as disclosed in our restated consolidated financial statements:

Contingent Liabilities not provided for	**(Rs. million)**
Guarantees	1,520
Claims against the Company not acknowledged as debts	596
Tax demands in excess of provisions (appeals pending):	
Income tax	378
Other taxes	7

Certain of our Promoter group companies have incurred losses.

Certain of our Promoter group companies have incurred losses during the past three years, as set forth in the section titled "Our Promoters" on page [●]. These losses are not expected to have a negative impact on our business.

We have not entered into any definitive agreements to use a substantial portion of the net proceeds of the Issue.

The deployment of funds as described in the section titled "Objects of the Issue" on page [●] is at the discretion of our Board, though it is subject to monitoring by an independent agency. We have not entered into any definitive agreements to utilise the net proceeds of the Issue.

We have not identified all the lands proposed to be acquired with the net proceeds of the Issue.

As described in the section titled "Objects of the Issue" on page [●], we intend to use a part of the net proceeds of the Issue to acquire lands. We have not identified all the lands that we propose to so acquire.

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

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution. 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 project expenditure programmes and an increase or decrease in our proposed expenditure for a particular project.

DLF Power may not be able to recover its dues from its customers.

Our subsidiary DLF Power's customers are Coal India Limited and the Assam State Electricity Board. These customers have not made full payment of their dues to DLF Power. With respect to the Assam State Electricity Board, we have recorded the unpaid dues as sundry debtors, amounting to Rs. 605 million as of March 31, 2006. DLF Power's auditors have qualified their audit report and the qualification appears in the notes to the restated consolidated financial statements included in this Draft Red Herring Prospectus. If DLF Power's customers are unable to pay their dues in the future, its results of operations will be adversely affected.

Grants of stock options under our proposed Employee Stock Option Plan will result in a charge to our profit and loss account and will to that extent reduce our profits.

Our Board has passed a resolution dated December 6, 2006 for an increase in the number of Equity Shares under the ESOP up to 17,000,000 Equity Shares and has recommended that the same to be placed before the shareholders for their approval. We propose to grant stock options at an exercise price of Rs. 2, which is the face value of an Equity Share. Under Indian GAAP, the grant of these stock options will result in a charge to our profit and loss account based on the difference between the fair value of shares determined at the date of grant and Rs. 2. This expense will be amortized over the vesting period of the options.

We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy, and the Indian real estate and infrastructure-related sectors contained in this Draft Red Herring Prospectus.

While facts and other statistics in this Draft Red Herring Prospectus relating to India, the Indian economy as well as the Indian property development and infrastructure-related sectors have been based on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such source of materials. While our directors have taken reasonable care in the reproduction of such information, they have not been prepared or independently verified by us, the Book Runners or any of our or their respective affiliates or advisers and, therefore we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside India. These facts and other statistics include the facts and statistics included in the sections entitled "Industry Overview" on page [●]. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be elsewhere.

Our statements as to areas under development are based on management estimates and have not been independently appraised.

The acreage and square footage data presented in this Draft Red Herring Prospectus is based on management estimates and has not been independently appraised. Further, the acreage and square footage actually developed may differ from the amounts presented herein, based on various factors such as market conditions, title defects, modifications of engineering or design specifications and any inability to obtain required regulatory approvals.

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

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

Shares of our subsidiary Bhoruka Financial Services Limited are listed but not traded.

Shares of our subsidiary Bhoruka Financial Services Limited are listed but not traded on the Bangalore Stock Exchange.

One of our directors is on the RBI defaulters list.

One of our directors, Mr. Ravindra Narain is mentioned in the defaulters list in respect of a default committed by two companies (which are not part of our Company, our subsidiaries or promoter group companies) where he was a director.

There were time and cost overrun in relation to some of our projects.

We have experienced time and cost overrun in relation to some of our projects in the last five years. For instance, there was a delay of three months and a cost overrun of Rs. 10.1 million in the completion of DLF Exclusive Floors, which was completed in fiscal 2004; and Trinity Towers, completed in fiscal 2006, had a delay of six months and a cost overrun of Rs. 46.5 million. In addition, we have not been able to complete the development of two malls in each of Vasant Kunj and Saket and one in NOIDA, within the scheduled time period which has resulted in a cost overrun of Rs. 150 million. We cannot assure you that we will be able to complete our projects, including those that may be undertaken in future, within the stipulated budget and time schedule.

We are subject to a penalty clause under our sale agreements entered into with our customers for any delay in the completion and handover of the project.

The sale agreements into which we enter with our residential, commercial and retail customers provides a penalty clause wherein we are liable to pay a penalty for any delay in the completion and handover of the project to the customers. In terms of the sale agreement, the penalty is payable by us at a fixed rate on a monthly basis. Accordingly, in large residential projects, the aggregate of all penalties in the event of delays may adversely impact the overall profitability of the project and, therefore, adversely affect our results of operations.

We do not obtain independent purchase price estimates for our land.

We have not obtained any third party appraisals in connection with our acquisition of land or development rights and undertaking projects. The terms of our joint development agreements and the pricing methods used to calculate the price of our lands 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 impact 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.

External Risk Factors

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, 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 the section titled "Regulations and Policies in India" on page [●].

Our business is susceptible to adverse developments in the NCR.

Our operations and assets are concentrated in the NCR. These areas are situated in a region that is prone to high seismic activity and are at risk of suffering significant damage should an earthquake occur. While our business has not been materially affected by earthquakes in the past, it is possible that future earthquakes, cyclones, floods or other natural disasters, particularly those that directly affect the areas in which our developments and other operations are located, could result in substantial damage to our properties and adversely affect our operations and financial results. Our business may also be adversely affected by regulatory developments in the NCR such as land use regulations, zoning laws, taxes and environmental regulations, as well as political and social developments that discourage customers from investing or operating in real estate in those areas.

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

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

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

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

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

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

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced recent volatility, with the BSE index declining by almost 25% in the summer of 2006 before recovering. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory

bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

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

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

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

The Equity Shares will be listed on the NSE and the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' book entry, or "demat", accounts with depository participants in India are expected to be credited 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.

If investors do not pay the Balance Amount Payable, the amount raised through the Issue will be lower than the proposed Issue size. Further, Equity Shares issued to investors will not be traded until the time these shares become fully paid.

In the Issue, the Retail Individual Bidders shall have the option to choose between the Payment Method-I or the Payment Method-II. Bidders opting for the Payment Method-I shall be required to make the payment of the Balance Amount Payable by the Due Date. The Balance Amount Payable, if any, may not be paid by some or all of the Bidders and the amount raised through the Issue may be lower than the proposed Issue size. Further, the Equity Shares issued pursuant to the Payment Method-I cannot be traded until the Balance Amount Payable is received and corporate action for appropriation of the amounts received is taken and the Equity Shares are fully paid-up. The process of corporate action may take about two weeks from the date of payment of the Balance Amount Payable. During this period, the Bidders who pay the Balance Amount Payable for the partly paid Equity Shares will not be able to trade in those Equity Shares. For more information on the Issue, see the section titled "The Issue" on page [●].

Notes to risk factors:

- Based on our restated consolidated financial statements, the net asset value per Equity Share based on our net worth of Rs. 29,258 million as of November 30, 2006 was Rs. 19.37;
- In terms of 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 Issue will be allocated on a proportionate basis to QIB Bidders, 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 Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, up to 10% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and up to 30% of the 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;
- Issue of 175,000,000 Equity Shares of Rs. 2 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 will constitute 10.27% of our post Issue paid-up equity share capital;
- Other than as stated in "Capital Structure- Notes to Capital Structure- Note 1", we have not issued any Equity Shares for consideration other than cash;

- The average cost of acquisition of our Equity Shares by our Promoters is Rs. 0.31 per Equity Share (of face value of Rs. 2 each). The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire the Equity Shares, including the issue of bonus shares to them. For more information, see the section titled "Capital Structure" on page [●];
- Under-subscription, if any, in the Non-Institutional Portion and Retail Individual Portion would be met with spillover from other categories at the sole discretion of our Company in consultation with the Book Runners;
- Except as disclosed in the sections titled "Our Promoters and Group Companies" or "Our Management" beginning on pages [●] and [●], respectively, none of our Promoters, our Directors and our key managerial employees have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner or trustee and to the extent of the benefits arising out of such shareholding;
- For details of the related party transactions, see the section titled "Financial Statements - Related Party Transactions" on page [●];
- Our Company was originally incorporated as American Universal Electric (India) Limited on July 4, 1963. On June 18, 1980, the name was changed to DLF Universal Electric Limited and on May 28, 1981, the name was changed to DLF Universal Limited. On May 27, 2006, since our Company had no longer any connection with American Universal Electric (India) Limited, the word 'Universal' from the name of our Company and a new name 'DLF Limited' was adopted to reflect the true nature of our business;
- Except for a gift of 18,800,000 Equity Shares by Mr. Rajiv Singh to Ms. Pia Singh on December 6, 2006, our Promoters, the Promoter Group and directors have not entered into any transactions of securities of our Company in the last six months;
- 1,000,000 Equity Shares, i.e., 0.06% of our post-Issue share capital, have been reserved for Employees on a competitive basis. Any under-subscription in this portion shall spill over to other categories;
- Trading in Equity Shares of our Company for all investors shall be in dematerialised form only, after the Equity Shares are made fully paid-up;
- Investors may note that in the event of over-subscription of the Issue, allotment to Qualified Institutional Buyers, Non-Institutional Bidders and Retail Bidders shall be on a proportionate basis. For more information, see the section titled "Basis of Allocation" on page [●];
- Investors are advised to refer to "Basis for Issue Price" on page [●];
- Any clarification or information relating to the Issue shall be made available by the Book Runners and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever;
- Investors may contact the Book Runners and the Syndicate Members for any complaints pertaining to the Issue; and
- During the period of our listing on the Delhi Stock Exchange, we received notices from it identifying various instances of non-compliance with the conditions of the listing agreement with the exchange. Particulars of these notices are set out below:
  - *Letter DSE/Non-Comp/02/2003/3015 dated February 26, 2003:* Failure to submit the distribution schedule for and to file audited results for specified periods;
  - *Letter DSE/LIST/8984/R/254 dated April 21, 2003:* Failure to submit the distribution schedule, annual reports, quarterly, half yearly and annual results and price sensitive information or information having bearing on performance of our Company, failure to submit a certificate from a company secretary for specified periods, and a failure to pay the necessary listing fees;
  - *Letter DSE/Non-Comp/04/2003/3015 dated April 29, 2003:* Failure to submit the distribution schedule, file audited results and to pay the necessary listing fees;
  - *Letter DSE/LIST/R/159 dated May 17, 2003:* Failure to submit the distribution schedule, annual reports, copies of all notices of meetings, results for specified fiscals, failure to intimate the date of book closure and a failure to submit a certificate from a practicing company secretary; and
  - *Letter DSE/NOT-CSR/07/2003/3015 dated July 10, 2003:* Failure to furnish a copy of the compliance certificate and a confirmation on whether an agency for share registry work had been appointed.

In addition to the above, we received a letter from Delhi Stock Exchange Association Limited (Letter

DSE/LIST 3015/R/195 dated March 25, 2003) stating that our Company had failed to submit information under Regulation 8 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 within the stipulated time frames for fiscal 1998, 1999, 2000 and 2001. We were directed to submit this information in prescribed form along with applicable penalty. Further, we were directed to submit details under Regulations 6(1), 6(3), 8(1) and (2).

Our Company has communicated its responses and its submissions as requested by the Delhi Stock Exchange Association Limited in relation to all of the notices and there are no outstanding issues in this regard. No penalties have been levied by the stock exchange us in this behalf.

SUMMARY OF OUR BUSINESS, STRENGTHS AND STRATEGIES

Overview

We are the largest real estate development company in India in terms of the area of our completed residential and commercial developments (ACNielsen Report) and our primary business is the development of residential, commercial and retail properties. Our operations span all aspects of real estate development, from the identification and acquisition of land, the planning, execution and marketing of our projects, through to the maintenance and management of our completed developments. In our residential business line, we build and sell a wide range of properties including houses, duplexes and apartments of varying sizes, with a focus on the higher end of the market. In our commercial business line, we build and sell or lease commercial office space, with a focus on properties attractive to large multinational tenants. Our retail business line develops, manages and mainly leases shopping malls, which in many cases include multiplex cinemas. We are also expanding our infrastructure, SEZs and hotel businesses.

With the growth of the Indian economy and the resulting increase in corporate and consumer income, as well as foreign investment, we see significant opportunities for growth in our three primary businesses. As part of our business expansion strategy, we have also started to diversify into other real estate related businesses such as the development of SEZs, the expansion of our multiplex cinema company, DT Cinemas, and the development of super luxury, business and budget hotels, as well as serviced apartments, through joint ventures with leading international hotel companies such as Hilton. In addition, we intend to expand into other business lines including infrastructure, multi-product SEZs and super luxury hotel developments. In order to ensure the high quality of our projects, we have entered into joint ventures with WSP to provide us with engineering and design services and Laing O'Rourke to provide construction expertise. Further, we recently acquired an interest in Feedback Ventures to provide us with management consulting services.

We have been steadily building our real estate business since we were founded in 1946. Historically, our business has had a particular focus on real estate development in the NCR, which includes Delhi and adjacent areas such as Gurgaon. We have been responsible for the development of approximately 220 million square feet. This includes approximately 195 million square feet of plots, 17 million square feet of residential properties, 6 million square feet of commercial properties and 2 million square feet of retail properties.

As of November 30, 2006, we had residential projects with a saleable area of approximately nine million square feet, which are under construction. All of these residential projects have been made available for sale. As of such date, we had commercial and retail projects with a lettable or saleable area of approximately 26 million square feet and 11 million square feet, respectively, which are under construction. Approximately nine million square feet and four million square feet of this commercial and retail property, respectively, have been made available for sale or lease. In fiscal 2007, as of the date of this Draft Red Herring Prospectus, we had signed lease agreements or letters of intent for office space aggregating 10 million square feet, in respect of commercial properties being developed by us.

We have extensive Land Reserves in various regions across India, amounting to 10,255 acres with a developable area of approximately 574 million square feet, of which 46 million square feet is under construction. Of the approximately 574 million square feet of developable area, 29 million square feet represents our equity interest in joint ventures with third parties and the balance represents lands that we own or to which we own the sole development rights. The commercial effect of these sole development rights, which cover an aggregate of approximately 200 million square feet, is to provide us with the benefits of ownership of the development, including substantially all of the revenues from the sale or lease of the development. We have paid or will pay advances to procure the sole development rights to the land, which will entitle us to substantially all the revenues from the development of such land. As of November 30, 2006, the balance due in respect of payments for the acquisition of land or sole development rights was Rs. 55,375 million.

Some of our Land Reserves are located in or near prominent cities across India and include approximately 5,269 acres in the NCR, 242 acres in Bangalore, 113 acres in Chennai, 22 acres in Mumbai, 433 acres in Chandigarh, 2,331 acres in Kolkata, 385 acres in Pune, 265 acres in Indore, 153 acres in Nagpur and 524 acres in Goa. The

remaining 518 acres of our Land Reserves are located in 16 cities comprising 40 acres in Hyderabad, 200 acres in Lucknow, 102 acres in Shimla, 54 acres in Bhubaneshwar, 25 acres in Sonepat, 13 acres in Ahmedabad, 12 acres in Baroda, 10 acres in Panipat, 8 acres in Jallandhar, 8 acres in Amritsar, 4 acres in Kochi, 3 acres in Jaipur, 2 acres in Ludhiana, 2 acres in Coimbatore, 30 acres in Kakkanad and 5 acres in Vytilla. Of our approximately 574 million square feet of developable area, we believe approximately 171 million square feet is located in or near developed urban areas, and a significant proportion of the balance is in or near areas that we believe will be developed as urban areas under the draft master plans proposed by the relevant authorities. Most of our Land Reserves are available as large, contiguous plots of land.

In addition to our Land Reserves of 574 million square feet, we hold existing completed buildings aggregating approximately 2.8 million square feet in NCR, developed plots of approximately 7.2 million square feet as well as 23 super luxury/luxury hotel sites, a golf course, clubs, and other assets in DLF Power.

For the eight months ended November 2006, our total income was Rs. 33,239 million and our net profit was Rs. 18,300 million. For the three years ended March 31, 2006, 2005 and 2004, our total income was Rs. 12,420 million, Rs. 6,260 million and Rs. 5,266 million, respectively, and our net profit was Rs. 1,917 million, Rs. 865 million and Rs. 538 million, respectively.

Strengths

We believe that the following are our primary competitive strengths:

An established brand name and reputation for project execution

We are the largest real estate development company in India in terms of the area of our completed residential and commercial developments (ACNielsen Report). We have a 60 year history of service excellence. Since we were founded in 1946, we have been responsible for the development of approximately 220 million square feet, including 22 urban colonies as well as an entire integrated 3,000 acre township - DLF City. Our position as a leading property developer is largely due to our established execution capabilities. Our reputation for providing prompt payment to landowners upon the acquisition of their land, developing and completing projects in a timely manner and conducting our business with transparency has created a relationship of trust with our customers and suppliers, many of whom have been involved with us across generations. We retain internationally and nationally renowned architectural, consultants, such as Hafeez Contractor, the Jerde Partnership Inc and Mohit Gujral, as well as design and engineering, construction and project management firms for our projects. Our suppliers provide specifically manufactured raw materials for our projects such as units to make ready-mixed concrete, elevator equipment and aluminium extrusions. Our reputation attracts multinational clients seeking to occupy multiple locations.

Extensive Land Reserves

We have extensive Land Reserves in various regions across India, amounting to 10,255 acres, with 51% of our Land Reserves in the NCR, 23% in Kolkata, 5% in Goa, 5% in Mahararashtra, 3% in Indore, 4% in Punjab, 2% in Bangalore and the balance in various other states. Our Land Reserves comprise a developable area of approximately 574 million square feet, of which 46 million square feet is under construction. Of the approximately 574 million square feet of developable area, 29 million square feet represents our equity interest in joint ventures with third parties and the balance represents lands that we own or to which we own the sole development rights. The commercial effect of these sole development rights, which cover an aggregate of approximately 200 million square feet, is to provide us with the benefits of ownership of the development, including the returns from the sale or lease of the development. We have paid or will pay advances to procure the sole development rights to the land, which will entitle us to substantially all the revenues from the development of such land. As of November 30, 2006 the balance due in respect of payments for the acquisition of land or sole development rights was Rs. 55,375 million.

While we have been acquiring land for many years, the rate at which we have been acquiring it has greatly increased in the last three years. We believe that our Land Reserves are sufficient for our planned development over the next ten years and provide us with a major competitive advantage as well as protection against land price inflation. The size of our Land Reserves also allows us to respond more effectively to changes in market conditions and demand.

Strategic locations

Our projects are strategically located. Our luxury residential developments benefit from desirable locations that appeal to our higher income customers, while our townships are developed with easy access to city centers. Our commercial developments are located in areas that are attractive to our multinational clients, particularly in the IT and ITES sectors. Our retail developments, in conjunction with our multiplex cinemas, afford convenient access to target customers of our retail clients, both in city centers and suburban locations. We believe that our ability to anticipate market trends and, in some cases, to influence the direction of these trends, provides us with the expertise to choose strategic locations.

Scale of operations

Our size allows us to benefit from economies of scale. We are able to purchase large plots of land from multiple sellers, thus enabling us to aggregate land at lower prices. We believe that we enjoy greater credibility with sellers of land as well as buyers of our properties as a result of our reputation and our scale of operations. We are able to undertake large scale projects in multiple phases, which provides us with the opportunity to monitor market acceptance and modify our projects in accordance with customer needs. We are able to integrate our residential, commercial and retail capabilities, allowing us to achieve greater value for our projects, as demonstrated by DLF City. The large scale of our developments within a business line creates demand for our other business lines. Additionally, we are able to use our bulk purchasing capabilities for the acquisition of raw materials such as cement and steel, the use of better construction technology such as pre-casting, as well as high cost equipment such as shuttering machines and tower cranes. Further, the extent and quality of our assets enable us to finance the active acquisition of land, adjust the scale of our projects and provide us with the flexibility of retaining rather than selling our developments in the event of an economic downturn.

A tradition of innovation

We have a tradition of innovation in the Indian real estate market. We were one of the first developers to anticipate the need for townships on the outskirts of fast growing cities and are generally credited with the growth of Gurgaon. We were one of the early developers to focus on theme-based projects such as The Magnolias development in DLF City, which includes a golf course. We are one of the few developers in India to provide commercial space with floor plates of over 100,000 square feet. We were an early developer of large shopping malls with integrated entertainment facilities. We continually offer our customers new designs and concepts. For example, in some of our super luxury developments, we allow purchasers to customize the layout of their new homes. Our developments typically integrate construction and safety standards which exceed nationally prescribed minimum levels and we provide management services for properties in all our business lines.

Experienced and dedicated management

We have an experienced, highly qualified and dedicated management team, many of whom have over 20 years of experience in their respective fields. Because of our established brand name and reputation for project execution, we have been able to recruit high caliber management and employees. We provide our staff with competitive compensation packages and a corporate environment that encourages responsibility, autonomy and innovation. We believe that the experience of our management team and its in-depth understanding of the real estate market in India will enable us to continue to take advantage of both current and future market opportunities.

Strategy

Our mission is to build a world class real estate development company specializing in residential, commercial and retail real estate development and also encompassing the development of SEZs, infrastructure, multiplex cinemas and hotels. We aim to achieve the highest standards of professionalism, ethics and customer service and to thereby contribute to and benefit from the growth of the Indian economy. The key elements of our business strategy are as follows:

Increase our Land Reserves in strategic locations

We recognize that continuing to build our Land Reserves is critical to our growth strategy and we intend to continue acquiring land across India for our projects. We have identified and acquired land in and around 31 cities which we believe is suitable for our residential and commercial projects and are in the process of acquiring the land to facilitate our growth strategy. In respect of our retail business, we intend to identify and acquire land in 60 cities across India. We believe that our cash reserves, sanctioned loans and sales receivables are sufficient to finance the balance due in respect of our acquisition of land or sole development rights, which amounted to approximately Rs. 55,375 million as of November 30, 2006.

Expand our core business lines nationally

As consumers' aspirations have risen, so has the demand for high quality residential developments that integrate recreational facilities. We plan to focus on the development of super luxury and luxury residential projects and townships in key locations in India. We also intend to take advantage of increasing urbanization by investing in the development of townships on the peripheries of cities around the country.

We intend to develop extensive commercial properties in selected cities, built to international standards in order to attract key multinational tenants and thereby strengthen our position as a leading developer of commercial real estate. We intend to take advantage of the growth of the Indian economy and changing consumer preferences to reinforce our position as a leading retail property developer in India. Our malls will provide modern retail space, customer service facilities and entertainment centers, along with high standard safety and security features. An important element of our growth strategy is to anticipate the expansion plans of our commercial and retail clients, thereby catering to their growing real estate requirements and advancing our strategy of geographic expansion. We are developing projects throughout India, which we estimate will involve the development of plot, residential, commercial and retail developed area of approximately 46 million square feet, 377 million square feet, 88 million square feet and 56 million square feet, respectively, totaling over 574 million square feet. We have already commenced the process of acquiring land in a number of cities across the country and have made partial payments for many of these lands.

Expand our SEZ developments

SEZs are a new business concept in India, and provide attractive fiscal incentives for both developers and tenants. SEZs are a key element of the infrastructure development plans of the central and state governments in India, which are increasingly authorizing the development of SEZs in various locations across the country. We see the development of sector-specific as well as multi-product SEZs as a major growth area for our Company. We have identified several potential locations for IT-specific SEZ development and have obtained final approvals from the Board of Approvals, GoI for two IT-specific SEZs in Gurgaon, and one each in Hyderabad and Pune. We have also received final notification for our IT-specific SEZs in Chennai. In-principle approvals have been obtained with respect to our IT-specific SEZs in Delhi and Bhubaneswar.

We are in the process of finalizing approvals for several SEZs which will cover an aggregate of 26,100 acres. Land acquisition notifications have been issued in respect of a proposed multi-sector, product-specific SEZ in Amritsar covering 1,100 acres. We have received in-principle approval for a multi-product SEZ in Ludhiana which will cover 2,500 acres. Additionally, we have received approvals from the Haryana Investment Promotion Board in respect of the development of a 20,000 acres multi-product SEZ in Gurgaon and for 2,500 acres of land in Ambala.

Expand our operations in infrastructure development

We recently entered into a joint venture with Laing O'Rourke plc, which is a leading UK-based construction company with a strong track record of major construction projects globally and have already commenced construction on 11 projects under the joint venture agreement. Through the joint venture company, DLF Laing O'Rourke, we intend to continue benefiting from Laing O'Rourke's construction expertise and experience in our development projects and also intend to participate in the construction of infrastructure projects including roads, bridges, tunnels, pipelines, harbors, runways and power projects. We believe that the joint venture has created an

opportunity to exploit new sources of revenue and has enabled our management to focus on new opportunities in our core business areas.

Expand into hotel development

We recently entered into a joint venture with Hilton, a leading US-headquartered global hospitality company, to set up a chain of hotels and serviced apartments in India. We intend to enter into joint ventures with other leading hotel companies to develop hotels in the budget, business, four star, five star and deluxe segments. We believe that the hotel business will complement our existing business and that there will be opportunities to situate our hotels in or close to our other developments such as commercial centers, IT parks and shopping malls. We also plan to develop other tourism and leisure related assets. We intend to use our existing real estate capabilities as well as our joint venture company, DLF Laing O'Rourke, to develop these assets.

Expand our operations in multiplex cinema development and operations through DT Cinemas

In response to India's rising disposable incomes and a rapidly growing middle class, we intend to expand our multiplex cinema business to provide for the highest cinematic standards and to become the preferred multiplex cinema destination. We intend to achieve this strategy by capitalizing on our position as one of India's leading developers of malls, where we intend to develop and operate our multiplex cinemas.

Enhance our design and construction capabilities

We intend to further improve the quality of our real estate developments and the time taken to bring them to market. We plan to outsource a substantial part of the design and construction activity related to our projects to the WSP and DLF Laing O'Rourke joint ventures, respectively. We believe that this joint venture will enable us to improve the construction quality of our developments, embark on more complex and ambitious projects and enable our management to focus on the development rather than the construction of our projects. The joint ventures give us access to the latest advances in design and construction techniques, which will shorten the time taken to complete projects within our existing business lines as well as our proposed ventures. We will also benefit from the use of advanced architectural techniques and construction materials, so as to create innovative, environmentally friendly and profitable developments.

Additionally, we have recently signed a memorandum of understanding with Nakheel LLC, United Arab Emirates to develop, through a joint venture, two townships in India, each spread over an area of approximately 20,000 acres.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our restated consolidated financial statements as of and for the eight month period ending November 30, 2006 and years ended March 31, 2006, 2005 and 2004. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Guidelines and are presented in the section titled "Financial Statements" beginning on page [•]. 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 [•]. Indian GAAP differs in certain significant respects from US GAAP and IFRS. For more information on these differences, see the section titled "Summary of Significant Differences Between Indian GAAP, US GAAP and IFRS" on page [•].

Summary income statement information

	Eight months ended November 30, 2006 (Rs. million)	Fiscal 2006 (Rs. million)	Fiscal 2005 (Rs. million)	Fiscal 2004 (Rs. million)
INCOME				
Sales and other receipts	**19,708**	**11,536**	**6,081**	**5,058**
of which				
-Sales revenue	17,310	9,200	4,087	3,134
-Rent and licence fee	939	422	375	340
-Maintenance income	556	481	306	209
-Power supply	653	1,087	1,035	1,149
-Others	250	346	278	226
Income from investments	**0**	**163**	**0**	**78**
Other income	**13,531**	**721**	**179**	**130**
of which				
-Interest	997	553	76	84
-Others	12,534	168	103	46
Total Income	**33,239**	**12,420**	**6,260**	**5,266**
EXPENDITURE				
Cost of Revenue	**5,148**	**5,243**	**3,165**	**2,685**
of which				
-Project cost	4,616	4,416	2,517	2,200
(Increase)/Decrease in stocks				
-Other costs	532	827	648	485
Establishment costs	**460**	**397**	**447**	**313**
Finance charges	**2,480**	**1,685**	**390**	**330**
Other expenses	**1,675**	**1,139**	**787**	**848**
Depreciation	**352**	**361**	**333**	**288**
Total Expenditure	**10,115**	**8,825**	**5,122**	**4,464**
Profit before tax and minority interest	23,124	3,595	1,138	802
Provision for tax	4,816	1,668	259	250
Net profit before minority interest	18,308	1,927	879	552
Minority interest	8	10	14	14
Net profit	**18,300**	**1,917**	**865**	**538**

Summary balance sheet information

	As at November 30, 2006 (Rs. million)	As at March 31, 2006 (Rs. million)	As at March 31, 2005 (Rs. million)
Assets			
Gross block	13,135	11,237	8,253
Less: Accumulated depreciation	2,213	1,891	1,549
Net Block	10,922	9,346	6,704
Capital work in progress	11,116	6,239	3,506
Net Block after adjustment for Revaluation Reserve	**22,038**	**15,585**	**10,210**
Investments	**1,280**	**8,300**	**400**
Current Assets, Loans and Advances			
Stocks	54,852	17,873	7,049
Sundry debtors	15,508	6,580	2,852
Cash and bank balances	6,160	1,950	424
Other current assets	95	23	20
Loans and advances	44,192	10,637	6,019
Total Current Assets, Loans and Advances	**120,807**	**37,063**	**16,364**
Goodwill	**8733**	**8,489**	**522**
Total Assets	**152,858**	**69,437**	**27,496**
Liabilities and Provisions			
Secured loans	85,298	39,560	7,952
Unsecured loans	9,152	1,760	1,724
Current liabilities and provisions	28,847	18,469	9,344
Deferred tax liability (net)	303	93	962
Total Liabilities and Provisions	**123,600**	**59,882**	**19,982**

Net worth

	As at November 30, 2006 (Rs. million)	As at March 31, 2006 (Rs. million)	As at March 31, 2005 (Rs. million)
Share capital	3,026	378	35
Reserves	26,030	9,123	7,436
Minority interest	202	54	43
Net worth	**29,258**	**9,555**	**7,514**

Summary cash flow information

	Eight months ended November 30, 2006 (Rs. million)	Fiscal 2006 (Rs. million)	Fiscal 2005 (Rs. million)
Net cash from (used in) operating activities	(62,274)	(10,951)	5,754
Net cash from (used in) investing activities	14,313	(18,660)	(7,681)
Net cash from (used in) financing activities	51,283	30,520	1,934
Cash and cash equivalents at beginning of year	**1,105**	**197**	**191**
Cash and cash equivalents at end of year	**4,427**	**1,106**	**198**

THE ISSUE

Issue:	175,000,000 Equity Shares.
Of which:	
Employee Reservation Portion:	1,000,000 Equity Shares.
Net Issue:	174,000,000 Equity Shares.
Of which:	
Qualified Institutional Buyers Portion:	At least 104,400,000 Equity Shares (allocation on proportionate basis) out of which 5% of the QIB Portion i.e., 5,220,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only (Mutual Funds Portion), and 99,180,000 Equity Shares shall be available for allocation to all QIBs, including Mutual Funds.
Non-Institutional Portion:	Not less than 17,400,000 Equity Shares available for allocation on proportionate basis.
Retail Portion:	Not less than 52,200,000 Equity Shares available for allocation on proportionate basis.
Equity Shares outstanding prior to the Issue:	1,528,639,080 Equity Shares
Equity Shares outstanding post the Issue:	1,703,639,080 Equity Shares
Objects of the Issue:	See the section titled "Objects of the Issue" on page [●].

Payment Methods

The Payment Methods for application in this Issue are as follows:

Amount payable per Equity Share	**Payment Method-I**			**Payment Method-II**		
	Retail Individual Bidders			**Any Category****		
	(Rs. per Equity Share)					
	Face Value	**Premium**	**Total**	**Face Value**	**Premium**	**Total**
On application	[●]	[●]	[●]	2	[●]	[●]
By Due Date*	[●]	[●]	[●]	-	-	-
Total	2	**[●]**	**[●]**	2	**[●]**	**[●]**

* *Retail Individual Bidders shall be required to make the payment of the Balance Amount Payable by the Due Date. They shall be notified of the Balance Amount Payable simultaneously with the approval of the basis of allocation with the Designated Stock Exchange.*

** *Bidders in the QIB category will be required to make payment of 10% of the Bid Amount, with the balance being payable on allocation, but before Allotment.*

Key Features of the Payment Methods

1. **Payment Method-I**

a) Only Retail Individual Bidders are eligible to Bid under this method. (Bidders may note that the total Bid Amount will be used to determine if a Bid is in the retail category or not, and not just the Amount Payable on Application).

b) At the time of submission of the Bid cum Application Form, the Bidder shall make a payment of Rs. [●] per Equity Share, irrespective of the Bid Amount.

c) Out of the amount of Rs. [●] paid at the time of submission of the Bid cum Application Form, Rs. [●] would be adjusted towards face value of the Equity Shares and Rs. [●] shall be adjusted towards share premium.

d) At the time of Allotment:

(i) If the Amount Payable on Application paid by a Bidder is equal to or higher than the total amount payable (being the Issue Price multiplied by the number of shares allotted) by the Bidder on the Equity Shares allotted to the Bidder, we reserve the right to adjust the excess amount towards the Balance Amount Payable and issue fully paid Equity Shares only. The excess amount, if any, after adjusting the Balance Amount Payable shall be refunded to the Bidder (i.e., refund shall be equivalent to Amount Payable on Application less the total amount payable on the Equity Shares so Allotted).

(ii) If the Amount Payable on Application paid by a Bidder is less than the total amount payable by the Bidder (being the Issue Price multiplied by the number of Equity Shares Allotted) on the Equity Shares allotted to the Bidder, we reserve the right to adjust any excess of the amount received from the Bidder over the Amount Payable on Application towards the Balance Amount Payable.

e) Equity Shares in respect of which the Balance Amount Payable remains unpaid may be forfeited, at any time after the Due Date for payment of Balance Amount Payable.

f) Indicative timetable for payment and corporate action with respect to Balance Amount Payable under paragraph d(ii) above:

	Event	Indicative time period
(i)	Basis of allocation finalized with the Designated Stock Exchange	Day X – 9
(ii)	CAN, including a statement of Balance Amount Payable per allotted Equity Share, issued to the Bidders	
Listing of Equity Shares		Day X
21 days period during which the Bidders may make payment for the Balance Amount Payable (at the designated bank branches to be announced)		Day X + 12
Corporate action of appropriation of Balance Amount Payable and for credit of fully paid Equity Shares to the demat accounts of the Bidders who have paid the amount*		Day X + 26

* *Bidders may note that these Equity Shares will not be traded until the date of corporate action for credit of fully paid Equity Shares to the demat accounts of shareholders. See risk factors on page [●]*

Important Note: If Bidders do not pay the Balance Amount Payable, the amount raised through the Issue will be lower than the proposed Issue size.

2. **Payment Method-II**

a) Retail Individual Bidders may choose this payment method. This payment method shall be mandatory for the QIB Bidders and Non-Institutional Bidders.

b) At the time of submission of the Bid cum Application Form, the Bidder shall have to pay the full Bid Amount for the Equity Shares bid. However, the QIB Bidders will be required to pay the QIB Margin Amount at the time of submission of the Bid cum Application Form, with the balance being payable as per the CAN.

3. **Illustration of Payment Method (*Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue)***

a) **Assumptions:**

- Issue Price Rs. 100 per Equity Share;
- We exercise the option to adjust the excess amount received on application; and

- Under the Payment Method-I, Rs. 10 per Equity Share is payable on application.

Amount	Payment Method – I			Payment Method – II		
	Retail Individual Bidders			Any Category**		
	Face Value	Premium	Total	Face value	Premium	Total
	(In Rs. per Equity Share)					
On application	9	1	10	10	90	100
On Allotment	1*	89*	90*	-	-	-
Total	**10**	**90**	**100**	**10**	**90***	**100***

* *Retail Individual Bidders shall be required to make the payment of the Balance Amount Payable by the Due Date. They shall be notified of the Balance Amount Payable simultaneously with the basis of allocation.*

** *QIB Bidders will be required to pay the QIB Margin Amount at the time of submission of the Bid cum Application Form, with the balance being payable as per the CAN.*

b) **Comparison of Payment Methods (for Retail Individual Bidders)**

Payment	I	II	I	II	I	II	I	II	I	II
	Illustration 1		Illustration 2		Illustration 3		Illustration 4		Illustration 5	
Application (no of Equity Shares)	150		100		200		300		500	
Subscription	3.00		2.00		1.33		1.50		10.00	
Allotment (no of Equity Shares)*	50		50		150		200		50	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Amount paid on Application	1,500	15,000	1,000	10,000	2,000	20,000	3,000	30,000	5,000	50,000
Refund, if any	Nil	10,000	Nil	5,000	Nil	5,000	Nil	10,000	Nil	45,000
By Due Date of payment of Balance Amount Payable	3,500	Nil	4,000	Nil	13,000	Nil	17,000	Nil	Nil	Nil
Total Amount	5,000	5,000	5,000	5,000	15,000	15,000	20,000	20,000	5,000	5,000
Type of share issued	Not tradable until corporation action for appropriation of Balance Amount Payable	Fully paid up and tradable	Not tradable until corporate action for appropriation of Balance Amount Payable	Fully paid up and tradable	Not tradable until corporate action for appropriation of Balance Amount Payable	Fully paid up and tradable	Not tradable until corporate action for appropriation of Balance Amount Payable	Fully paid up and tradable	Fully paid up and tradable	Fully paid up and tradable

* *Assuming Allotment arrived as per the mechanism described on page [●] and approved by the Designated Stock Exchange.*

c) With reference to the above illustration, in the event the aggregate of Equity Shares bid for by the Retail Individual Bidders exceed the Retail Portion by 10 or more times as explained in the Illustration 5 above, no further amount will be payable on Allotment by the Bidders who have Bid under the Payment Method-I. Excess amount, if any, after adjusting the full amount payable for the Equity Shares allotted will be refunded.

d) With reference to the above illustration, in the event the aggregate of Equity Shares bid for by the Retail Individual Bidders does not exceed the Retail Portion by 10 or more times as explained In

the Illustration 1 to 4 above, the successful Bidders who have Bid under the Payment Method-I, will be required to pay the Balance Amount Payable. Excess amount after adjusting the Balance Amount Payable for the Equity Shares allotted will be refunded. The balance amount shall have to be paid by the Due Date.

4. Every Bidder should indicate the Payment Method (i.e. Payment Method-I or Payment Method-II, as applicable) in the Bid cum Application Form. Once the choice is indicated, the Bidder cannot revise the selection. The Bidders cannot select both the payment methods in a Bid cum Application Form. In case no payment method is selected, then the default payment method is Payment Method-II.

5. Important Note: If Retail Individual Bidders who opt for Payment Method-I do not pay the Balance Amount Payable, the amount raised through the Issue will be lower than the proposed Issue size. Further, Equity Shares issued to the Bidders pursuant to the Payment Method-I will not be traded until the corporate action for credit of fully paid Equity Shares is completed.

GENERAL INFORMATION

Registered Office of our Company

DLF Limited
Shopping Mall, Third Floor
Arjun Marg
Phase-I, DLF City
Gurgaon 122 002
Haryana, India.

Our Company is registered at the office of the Registrar of Companies, National Capital Territory of Delhi and Haryana, located at Paryavaran Bhawan, CGO Complex, Lodi Road, New Delhi 110 003, India.

The registration number of our Company is H-2484.

The head office of our Company is located at DLF Centre, Sansad Marg, New Delhi 110 001, India.

Board of Directors

The following persons constitute our Board of Directors:

1. Mr. K.P. Singh, executive Chairman;
2. Mr. Rajiv Singh, Vice Chairman;
3. Mr. T.C. Goyal, Managing Director;
4. Ms. Pia Singh, Whole-time Director;
5. Mr. Kameshwar Swarup, Executive Director-Legal;
6. Mr. G.S. Talwar, Director;
7. Dr. D.V.Kapur, Independent Director;
8. Mr. M.M.Sabharwal, Independent Director;
9. Mr. K.N. Memani, Independent Director;
10. Mr. Ravinder Narain, Independent Director;
11. Mr. Brijendra Bhushan, Independent Director; and
12. Brig. (Retd.) Narendra Pal Singh, Independent Director.

For further details of our Chairman, Vice Chairman, Managing Director and other Directors, see section titled "Our Management" on page [•].

Company Secretary and Compliance Officer

Mr. R. Hari Haran
1E Jhandewalan Extension
Naaz Cinema Complex
New Delhi 110 055, India
Tel: +91 11 4302 3058
Fax: +91 11 4353 9579
E-mail: ipo@dlfgroup.in

Investors can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of Allotted Equity Shares in the respective beneficiary account or refund orders, etc.

Legal Advisors to the Issue

Domestic Legal Counsel to the Company

AZB & Partners
F 40, South Extension Part-1
New Delhi 110 049, India
Tel: +91 11 2461 8947
Fax: +91 11 2462 5302
E-mail: percy.billimoria@azbpartners.com

Domestic Legal Counsel to the Underwriters

Luthra & Luthra Law Offices
103, Ashoka Estate, Barakhamba Road
New Delhi 110 001, India
Tel: +91 11 4121 5100
Fax: +91 11 2372 3909
E-mail: luthra@luthra.com

International Legal Counsel to the Company

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom
Tel: + 44 20 7532 1000
Fax: + 44 20 7532 1001

International Legal Counsel to the Underwriters

Linklaters
One Silk Street
London EC2Y 8HQ
United Kingdom
Tel: +44 20 7456 2000
Fax: +44 20 7456 2222

Monitoring Agency

[●]

Bankers to the Company

ABN Amro Bank
Hansalya Building
15, Barakhamba Road
New Delhi 110 001, India
Tel: +91 11 4212 1413
Fax: +91 11 2375 5470

Citibank
4th Floor, Jeevan Bharti Building
24th Connaught Circus
New Delhi 110 001, India
Tel: +91 11 2371 2087/2371 4211
Fax: +91 11 2332 5638

Corporation Bank
1st Floor, 16/10 Main Arya Samaj Road
Karol Bagh
New Delhi 110 005, India
Tel: +91 11 2875 0155
Fax: +91 11 2875 0956

HDFC Bank Limited
26, Kailash Building
18/20, Kasturba Gandhi Marg
New Delhi 110 001, India
Tel: +91 11 4152 1334/36
Fax: +91 11 4152 1337

UCO Bank
UCO Bank Building
359, Dr. D. N. Road
Mumbai 400 023, India
Tel: +91 22 2287 0003

Hongkong & Shangai Banking Corporation Ltd.
3rd Floor Birla Towers
25, Barakhamba Road, Connaught Place
New Delhi 110 001, India
Tel: +91 11 4159 2020
Fax: +91 11 2335 7852

ICICI Bank
9A, Phelps Building
Connaught Place
New Delhi 110 001, India
Tel: +91 11 5531 0334
Fax: +91 11 5531 0341

Industrial Development Bank of India Limited
Red Cross Building
IIIrd Floor
New Delhi 110 001, India
Tel: +91 11 2371 6181
Fax: +91 11 2371 8074

ING Vysya Bank Limited
Narain Manzil
23, Barakhamba Road,
New Delhi 110 001, India
Tel: +91 11 5511 9000
Fax: +91 11 5511 9022

Kotak Mahindra Bank
7th Floor, Ambadeep
14, Kasturba Gandhi Marg
New Delhi 110 001, India
Tel: +91 11 4179 0000
Fax: +91 11 2372 5992

Standard Chartered Bank
H-2
Connaught Circus
New Delhi 110 001, India
Tel: +91 11 2340 6466
Fax: +91 11 2332 0641

State Bank of India
Jawahar Vyapar Bhawan, 14th Floor
1, Tolstoy Marg
New Delhi 110 001, India
Tel: +91 11 2337 4619
Fax: +91 11 2372 1041

State Bank of Hyderabad
Industrial Finance Branch
Topaz Amrutha Hills Punjagutta
Hyderabad 200 082, India
Tel: +91 40 2340 2101
Fax: +91 40 2340 2101

Bank of Maharashtra
D-2, 1-2 Chowk,
N.I.T. Faridabad 121 001, India
Tel: +91 129 2433 389

DBS Bank Limited
Upper Ground Floor, Birla Tower
25, Barakhamba Road
New Delhi 110 001, India
Tel: + 91 11 3041 8888
Fax: + 91 11 3041 8899

State Bank of Travancore
Travancore House,
Kasturba Gandhi Marg
New Delhi 110 001, India
Tel: +91 11 2307 0465
Fax: +91 11 2338 4189

Bank of Baroda
Bank of Baroda Building, Ground Floor
16, Sansad Marg,
New Delhi 110 001, India
Tel: + 91 11 2332 1849
Fax: +91 11 2372 1409

United Bank of India
106-109, Ansal Tower
1st Floor, 38 Nehru Place
New Delhi 110 019, India
Tel: +91 11 2642 0014
Fax: +91 11 2641 8981

Global Coordinators and Book Running Lead Managers

Kotak Mahindra Capital Company Limited
Bakhtawar, 1st Floor
229, Nariman Point
Mumbai 400 021, India
Tel: + 91 22 6634 1100
Fax: + 91 22 2284 0492
Email: dlf.ipo@kotak.com
Website: www.kotak.com
Contact Person: Mr. Gautam Handa

DSP Merrill Lynch Limited
Mafatlal Centre, 10th Floor
Nariman Point
Mumbai 400 021, India
Tel: +91 22 2262 1071
Fax: +91 22 2262 1187
Email: dlf_ipo@ml.com
Website: www.dspml.com
Contact Person: Mr. N.S. Shekhar

Book Running Lead Managers

Citigroup Global Markets India Private Limited
Bakhtawar, 4th Floor
229, Nariman Point
Mumbai 400 021, India
Tel: + 91 22 6631 9999
Fax: + 91 22 6631 9803
Email: dlf.ipo@citigroup.com
Website: www.citibank.co.in
Contact Person: Mr. Akhilesh Poddar

Deutsche Equities India Private Limited
DB House
Hazarimal Somani Marg, Fort
Mumbai 400 001, India
Tel: +91 22 6658 4600
Fax: +91 22 2200 6765
Email: dlf.ipo@db.com
Website: http://india.db.com
Contact Person: Mr. Sameer Taimni

ICICI Securities Limited
ICICI Centre
H.T. Parekh Marg
Churchgate
Mumbai 400 020, India
Tel: +91 22 2288 2460
Fax: +91 22 2283 7045
E-mail: dlf_ipo@isecltd.com
Website: www.icicisecurities.com
Contact Person: Ms. Anupama Srinivasan

Lehman Brothers Securities Private Limited
Ceejay House, 6th Level, Plot F,
Shivsagar Estate, Dr. Annie Besant Road, Worli
Mumbai 400 018, India
Tel: +91 22 6635 0467
Fax: +91 22 6635 0461
Email: dlf.ipo@lehman.com
Website: www.lehman.com
Contact Person: Mr. Jwalant Nanavati

UBS Securities India Private Limited
2/F Hoechst House
Nariman Point
Mumbai 400 021, India
Tel: +91 22 2286 2005
Fax: +91 22 2281 4676
E-mail: dlf@ubs.com
Website: www.ibb.ubs.com/Corporates/indianipo
Contact Person: Mr. Sawan Kumar

Co-Book Running Lead Manager

SBI Capital Markets Limited
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005, India
Tel: +91 22 2218 9166
Fax: +91 22 2218 8332
E-mail: dlf.ipo@sbicaps.com
Website: www.sbicaps.com
Contact Person: Mr. Mangesh Ghogre

Syndicate Members

Kotak Securities Limited
Bakhtawar, 3rd Floor
229, Nariman Point
Mumbai 400 021, India
Tel: +91 22 6634 1100
Fax: +91 22 6630 3927
Contact Person: Mr. Akhilesh Yadav

ICICI Brokerage Services Limited
ICICI Centre
H.T. Parekh Marg, Churchgate
Mumbai 400 020, India
Tel: +91 22 2288 2460
Fax: +91 22 2283 7045
Contact Person: Mr. Anil Mokashi

SBICAP Securities Limited
191, Maker Tower F
Cuffe Parade
Mumbai 400 005, India
Tel: +91 22 2218 9166
Fax: +91 22 2218 8332
Contact Person: Mr. Prasad Chitnis

Registrar to the Issue

Karvy Computershare Private Limited
Unit: DLF Public Issue
Karvy House, 21, Avenue 4
Street No. 1, Banjara Hills
Hyderabad 500 034, India
Tel: + 91 40 2331 2454
Fax: + 91 40 2331 1968
Contact Person: Mr. Murali Krishna
E-mail: dlf_ipo@karvy.com
Website: www.karvy.com

Advisor to the Company

HSBC Securities and Capital Markets (India) Private Limited
52/60 Mahatma Gandhi Road
Fort
Mumbai 400 001, India
Tel: +91 22 2267 4921
Fax: +91 22 2263 1984

Auditors

M/s. Walker, Chandiok & Co.
Chartered Accountants
41/L, Connaught Circus
New Delhi 110 001, India

Bankers to the Issue and Escrow Collection Banks

[•]
Tel: [•]
Fax: [•]
E-mail: [•]

Website: [●]
Contact Person: [●]

Statement of Inter se Allocation of Responsibilities for the Issue

The following table sets forth the distribution of responsibility and coordination for various activities among the Book Runners:

	Activities	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as type of instruments etc.	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	DSPML
2.	Due diligence of our Company's operations/ management/ business plans/ legal etc. Drafting and design of the Draft Red Herring Prospectus and statutory advertisement including memorandum containing salient features of the Prospectus. The Book Runners 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, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	KMCC
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure, corporate films etc.	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	KMCC
4.	Appointment of intermediaries viz. Registrar and Bankers to the Issue.	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	DSPML
5.	Appointment of other intermediaries viz. Printers, Advertising Agency to the Issue.	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	KMCC
6.	International institutional marketing of the Issue, which will cover, *inter alia,* – Preparing roadshow presentation and frequently asked questions; – Finalizing the list and division of investors for one to one meetings; and – Finalizing road show schedule and investor meeting schedules	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	DSPML
7	Domestic institutional marketing of the Issue, which will cover, *inter alia,* – Finalizing the list and division of investors for one to one meetings; and – Finalizing road show schedule and investor meeting schedules	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	KMCC
8.	Non-institutional and retail marketing of the Issue, which will cover, *inter alia,* – Formulating marketing strategies, preparation of publicity budget; – Finalizing media and public relation strategy; – Finalizing centres for holding conferences for brokers etc.; – Finalizing collection centres; – Follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material; and – Co-ordination with Stock Exchanges for book building software, bidding terminals and mock trading	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	KMCC
9.	Finalization of Issue Price in consultation with the Company.	KMCC and DSPML	DSPML
10.	The post bidding activities including management of escrow accounts, coordination non-institutional allocation, intimation of allocation and dispatch of refunds to Bidders etc. The post Issue activities will involve essential follow up steps, which include the finalization of listing of instruments and dispatch of certificates and	KMCC, DSPML, CITI, DEIPL, ISEC, LB, UBS, SBICAP	DSPML

	Activities	Responsibility	Coordinator
	demat delivery of shares, with the various agencies connected with the work such as the Registrar to the Issue and Bankers to the Issue and the bank handling refund business. The Book Runners shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with our Company.		

Credit Rating

As the Issue is of equity shares, credit rating is not required.

Issue Grading

We have not opted for the grading of this Issue.

Trustees

As the Issue is of equity shares, the appointment of trustees is not required.

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/Issue Closing Date.

The principal parties involved in the Book Building Process are:

1. The Company;
2. Book Runners;
3. Syndicate Members who are intermediaries registered with SEBI or registered as brokers with NSE/BSE and eligible to act as underwriters. Syndicate Members are appointed by the Managers; and
4. Registrar to the Issue.

The SEBI Guidelines have permitted an issue of securities to the public through the 100% Book Building Process, wherein at least 60% of Net Issue shall be allotted on a proportionate basis to QIBs. Of the QIB Portion, 5% would be available for allocation to Mutual Funds. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded herewith. 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.

QIBs are not allowed to withdraw their Bid(s) after the Bid/Issue Closing Date. For further details please refer to the section titled "Terms of the Issue" on page [•].

Our Company shall comply with guidelines issued by SEBI for this Issue. In this regard, our Company has appointed Kotak Mahindra Capital Company Limited and DSP Merrill Lynch Limited as the Global Coordinators and Book Running Lead Managers and Citigroup Global Markets India Private Limited, Deutsche Equities India Private Limited, ICICI Securities Limited, Lehman Brothers Securities Private Limited and UBS Securities India Private Limited as the Book Running Lead Managers and SBI Capital Markets Limited as the Co-Book Running Lead Manager to manage the Issue and to procure subscription to the Issue.

Illustration of Book Building and Price Discovery Process *(Investors may note that this illustration is solely for the purpose of easy understanding and is not specific to the Issue)*

Bidders can bid at any price within the price band. For instance, assuming a price band of Rs. 40 to Rs. 48 per share, issue size of 6,000 equity shares and receipt of nine 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 website of the NSE (www.nseindia.com) and BSE (www.bseindia.com). The illustrative book as shown below, shows the demand for the shares of the company at various prices and is collated from bids from various investors.

Number of equity shares bid for	Bid Price (Rs.)	Cumulative equity shares bid	Subscription
500	48	500	8.33%
700	47	1,200	20.00%
1,000	46	2,200	36.67%
400	45	2,600	43.33%
500	44	3,100	51.67%
200	43	3,300	55.00%
2,800	42	6,100	101.67%
800	41	6,900	115.00%
1,200	40	8,100	135.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired quantum of shares is the price at which the book cuts off i.e. Rs. 42 in the above example. The issuer, in consultation with lead managers will finalise the issue price at or below such cut off price i.e. at or below Rs. 42. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in respective category.

The process of Book Building under DIP Guidelines is relatively new and investors are advised to make their own judgment about investment through this process prior to making a Bid or Application in the Issue.

Steps to be taken for bidding:

1. Check eligibility for making a Bid (see section titled "Issue Procedure - Who Can Bid" on page [•]).
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form.
3. If your Bid is for Rs. 50,000 or more, ensure that you have mentioned your PAN and attached copies of your PAN cards or PAN allotment letter to the Bid cum Application Form (see section titled "Issue Procedure —'PAN' or 'GIR' Number" on page **[•]**.
4. Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form.

Underwriting Agreement

After the determination of the Issue Price and allocation of our Equity Shares but prior to filing of the Prospectus with RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the Book Runners shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions to closing, as specified therein.

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 RoC)

Name and Address of the Underwriters	Indicative 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, India.	[●]	[●]
DSP Merrill Lynch Limited Mafatlal Centre, 10th Floor Nariman Point Mumbai 400 021, India.	[●]	[●]
Citigroup Global Markets India Private Limited Bakhtawar, 4th Floor 229, Nariman Point Mumbai 400 021, India.	[●]	[●]
Deutsche Equities India Private Limited DB House Hazarimal Somani Marg, Fort Mumbai 400 001, India.	[●]	[●]
ICICI Securities Limited ICICI Centre H.T. Parekh Marg, Churchgate Mumbai 400 020, India.	[●]	[●]
Lehman Brothers Securities Private Limited Ceejay House 6th Level, Plot F, Shivsagar Estate Dr. Annie Besant Road, Worli Mumbai 400 018, India.	[●]	[●]
UBS Securities India Private Limited 2/F Hoechst House Nariman Point Mumbai 400 021, India.	[●]	[●]
SBI Capital Market Limited 202, Maker Tower E Cuffe Parade Mumbai 400 005	[●]	[●]
Syndicate Members		
Kotak Securities Limited Bakhtawar, 3rd Floor 229, Nariman Point Mumbai 400 021, India.	[●]	[●]
ICICI Brokerage Services Limited ICICI Centre H.T. Parekh Marg, Churchgate Mumbai 400 020, India.	[●]	[●]
SBICAP Securities Limited 191, Maker Tower F Cuffe Parade Mumbai 400 005, India	[●]	[●]

The above mentioned amount is indicative and this would be finalized after determination of Issue Price and actual allocation of the Equity Shares. The Underwriting Agreement is dated **[●]**.

In the opinion of the Board of Directors (based on a certificates dated **[●]** given to them by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the stock exchanges. The above Underwriting Agreement has been accepted by the Board of Directors and our Company has issued letters of acceptance to the Underwriters.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default, the respective Underwriter in addition to other obligations to be defined in the Underwriting Agreement, will also be required to procure/ subscribe to the extent of the defaulted amount.

CAPITAL STRUCTURE

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

(Rs. million)

		Aggregate nominal value	Aggregate Value at Issue Price
A.	Authorised Capital[1]		
	2,497,500,000 Equity Share of Rs. 2 each	4,995.00	
	50,000 Cumulative Redeemable Preference Shares of Rs. 100 each	5.00	
	Total	5,000.00	
B.	**Issued, Subscribed and Paid-Up Equity Share Capital Prior to the Issue:**		
	1,528,639,080 Equity Shares of Rs. 2 each[2]	3,057.28	
C.	**Issue in terms of the Draft Red Herring Prospectus**		
	175,000,000 Equity Shares Of which:	350.00	[•]
	Reservation for Employees 1,000,000 Equity Shares	2.00	[•]
	Net Issue to public: 174,000,000 Equity Shares Of which:	348.00	[•]
	QIB Portion of at least 104,400,000 Equity Shares of which:	208.80	[•]
	Reservation for Mutual Funds of 5,220,000 Equity Shares	10.44	[•]
	Non-Institutional Portion of not less than 17,400,000 Equity Shares	34.80	[•]
	Retail Portion of not less than 52,200,000 Equity Shares	104.40	[•]
D.	**Issued, Subscribed and Paid-Up Capital post the Issue:**		
	1,703,639,080 Equity Shares	3,407.28	[•]
F.	**Share Premium Account**		
	Prior to the Issue		Nil
	Post the Issue		[•]

[1]The authorized share capital of our Company was increased from Rs. 4,000,000 divided into 30,000 equity shares of Rs. 100 each and 10,000 redeemable preference shares of Rs. 100 each to Rs. 5,000,000 divided into 40,000 equity shares of Rs. 100 each and 10,000 redeemable preference shares of Rs. 100 each, through a resolution of the shareholders of our Company dated July 6, 1970.

The authorized share capital of our Company was further increased from Rs. 5,000,000 divided into 40,000 equity shares of Rs. 100 each and 10,000 redeemable preference shares of Rs. 100 to Rs. 10,000,000 divided into 800,000 equity shares of Rs. 10 each and 20,000 redeemable preference shares of Rs. 100 each through a resolution of the shareholders of our Company dated November 22, 1971.

The authorized share capital was increased from Rs. 10,000,000 divided into 800,000 equity shares of Rs. 10 each and 20,000 redeemable preference shares of Rs. 100 each to Rs. 20,000,000 divided into 1,600,000 equity shares of Rs. 10 each and 40,000 redeemable preference shares of Rs. 100 each through a resolution of the shareholders of our Company dated March 30, 1974.

The authorized share capital was increased from Rs. 20,000,000 divided into 1,600,000 equity shares of Rs. 10 each and 40,000 redeemable preference shares of Rs. 100 to Rs. 25,000,000 divided into 2,000,000 equity shares of Rs. 10 each and 50,000 redeemable preference shares of Rs. 100 each through a resolution of the shareholders of our Company dated September 20, 1979.

The authorized share capital was increased from Rs. 25,000,000 divided into 2,000,000 equity shares of Rs. 10 each and 50,000 redeemable preference shares of Rs. 100 each to Rs. 50,000,000 divided into 4,500,000 equity shares of Rs. 10 each and 50,000 cumulative redeemable preference shares of Rs. 100 each through a resolution of the shareholders of our Company dated May 24, 1982.

The authorized share capital was increased from Rs. 50,000,000 divided into 4,500,000 equity shares of Rs. 10 each and 50,000 cumulative redeemable preference shares of Rs. 100 to Rs. 400,000,000 divided into 39,500,000 equity shares of Rs. 10 each and 50,000 cumulative redeemable preference shares of Rs. 100 each through a resolution of the shareholders of our Company dated March 17, 2006.

The authorized share capital was increased from Rs. 400,000,000 divided into 39,500,000 equity shares of Rs. 10 each and 50,000 cumulative redeemable preference shares of Rs. 100 to Rs. 5,000,000,000 divided into 2,497,500,000 Equity Shares of Rs. 2 each and 50,000 cumulative redeemable preference shares of Rs. 100 each through a resolution of the shareholders of our Company dated April 20, 2006.

[2] Please see Note 23 below.

Notes to the Capital Structure

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

Equity Shares

The following is the history of the issued and paid-up equity share capital of our Company:

Date of Allotment or cancellation	Number of Equity Shares	Issue Price per Equity Share (in Rs.)	Face value per Equity Share (in Rs.)	Consideration (cash or other than cash.)	Reasons for Allotment	Cumulative Share Premium (in Rs.)	Cumulative Share Capital (In Rs.)
Since incorporation	5,000	100	100	Cash	Subscribers to the Memorandum and further issue of equity shares	Nil	500,000
September 24, 1963	5,000	100	100	Cash	Further issue of Shares	Nil	1,000,000
February 5, 1964	10,000	100	100	Cash	Further issue of Shares	Nil	2,000,000
May 1, 1967	6,000	100	100	Cash	Right issue	Nil	2,600,000
July 7, 1970	12,000	100	100	Cash	Preferential allotment	Nil	3,800,000
March 21,1972	200,000	10	10	Cash	Public issue	Nil	5,800,000
March 21,1972	30,000	10	10	Cash	Preferential allotment i.e. allotted to Universal Electric Company	Nil	6,100,000
January 7, 1976	51,250	10	10	Cash	Right issue	Nil	6,612,500
March 26, 1976	65,178	10	10	Cash	Right issue	Nil	7,264,280
June 8, 1976	10,000	10	10	Cash	Right issue	Nil	7,364,280

Date of Allotment or cancellation	Number of Equity Shares	Issue Price per Equity Share (in Rs.)	Face value per Equity Share (in Rs.)	Consideration (cash or other than cash.)	Reasons for Allotment	Cumulative Share Premium (in Rs.)	Cumulative Share Capital (In Rs.)
October 1, 1978	159,687	Nil	10	Cancelled	Shares held by DLF United Ltd. were cancelled vide order of Punjab and Haryana High Court dated 8.11.1979 approval for merger w.e.f. October 1, 1978	Nil	5,767,410
February 28, 1980	1,166,970	Nil	10	Other than cash	Issued pursuant to merger of DLF United Limited with American Universal Electric (India) Ltd. in the exchange ratio of 2:1 w.e.f. October 1, 1978	Nil	17,437,110
November 9, 1982	8,600	Nil	10	Other than cash	Issued pursuant to merger of DLF United Limited with American Universal Electric (India) Ltd., in the ratio of 2:1 w.e.f. October 1, 1978. This was the allotment to NRIs shareholders.	Nil	1,75,23,110
March 30, 1989	1,752,311	10	10	Cash	Right issue	Nil	35,046,220
March 30, 1989	3,385	10	10	Cash	Issued to employees	Nil	35,080,070
March 28, 2006	34,249,850	Nil	10	Cash	Conversion of Debentures in the ratio 10:1	Nil	377,578,570
March 31, 2006	10,140	Nil	10	Cash	Conversion of debentures in the ratio 10:1	Nil	377,679,970
April 17, 2006	250	Nil	10	Cash	Conversion of debentures in the ratio 10:1	Nil	377,682,470
May 2, 2006	264,377,729 (sub divided in the ratio of 5 equity shares of Rs 2 each. Accordingly the total number of equity shares as on May 2,	Capitalisation of reserves	10 (sub-divided into 5 equity shares of Rs. 2 each)	Other than cash	Bonus issue in the ratio of 7:1	Nil	3,021,459,760

Date of Allotment or cancellation	Number of Equity Shares	Issue Price per Equity Share (in Rs.)	Face value per Equity Share (in Rs.)	Consideration (cash or other than cash.)	Reasons for Allotment	Cumulative Share Premium (in Rs.)	Cumulative Share Capital (In Rs.)
	2006 were 1,510,729,880)						
November 24, 2006*	301,900	Nil	2	Cash	Conversion of debentures in the ratio 10:1 and subsequent split of face value from Rs. 10 to Rs. 2	Nil	3,022,063,560
November 24, 2006*	2,113,300	Capitalisation of reserves	2	Other than cash	Bonus issue in the ratio of 7:1	Nil	3,026,290,160
December 5, 2006*	1,757,000	Nil	2	Cash	Conversion of debentures in the ratio 10:1 and subsequent split of face value from Rs. 10 to Rs. 2	Nil	3,029,804,160
December 5, 2006*	12,299,000	Capitalisation of reserves	2	Other than cash	Bonus issue in the ratio of 7:1	Nil	3,054,402,160
December 22, 2006*	179,750	Nil	2	Cash	Conversion of debentures in the ratio 10:1 and subsequent split of face value from Rs. 10 to Rs. 2	Nil	3,054,761,660
December 22, 2006*	1,258,250	Capitalisation of reserves	2	Other than Cash	Bonus issue in the ratio of 7:1	Nil	3,057,278,160

** Please see Note 23 below.*

Convertible Debentures

The following is the history of the convertible debentures issued of our Company:

Date of Allotment	Date of Conversion	Number of Debentures	Issue Price per Debenture (in Rs.)	Face value per Debenture (in Rs.)	Consideration	Mode of Allotment
January 30, 2006	March 28, 2006	3,424,985	100.00	100.00	Cash	Rights issue (1:1)
January 30, 2006	March 31, 2006	1,014	100.00	100.00	Cash	Rights issue (1:1)
January 30, 2006	April 17, 2006	25	100.00	100.00	Cash	Rights issue (1:1)
November 24, 2006*	November 24, 2006	6,038	100.00	100.00	Cash	Rights issue (1:1)
December 5, 2006*	December 5, 2006	35,140	100.00	100.00	Cash	Rights issue (1:1)
December 22, 2006*	December 22, 2006	3,595	100.00	100.00	Cash	Rights issue (1:1)

** Please see Note 23 below.*

Preference Shares

The following is the history of the issued and paid-up preference share capital of our Company:

Date of Allotment / Redemption	Number of Preference Shares	Issue Price per Preference Share (in Rs.)	Face value per Preference Share (in Rs.)	Consideration (cash or other than cash.)	Reasons for Allotment / Redemption	Cumulative Share Premium (in Rs.)	Cumulative Share Capital (in Rs.)
March 21, 1972	12,000	100	100	Cash	Public Issue	Nil	12,00,000
February 13, 1976	4,272	100	100	Cash	Right Issue	Nil	16,27,200
March 3, 1976	5,000	100	100	Cash	Right Issue	Nil	21,27,200
March 8, 1976	2,500	100	100	Cash	Right Issue	Nil	23,77,200
February 28, 1980	568	100	100	Other than cash	Issued pursuant to merger of DLF United Limited with American Universal Electric (India) Ltd. in the exchange ratio of 1:1 w.e.f. October 1, 1978.	Nil	24,34,000
February 28, 1987	12,568	100	100	N.A.	Redemption	Nil	11,77,200
February 12, 1991	11,772	100	100	N.A.	Redemption	Nil	Nil

2. Promoters' Contribution and Lock-in

Our Promoters have agreed that 344,800,000 Equity Shares held by them may be considered as promoters' contribution and lock-in for a period of three years from the date of Allotment. These Equity Shares will constitute 20.24% of our post Issue equity share capital. Set forth below are details of the build-up of the shareholding of our Promoters, promoters' contribution and lock-in of the Equity Shares held by our Promoters:

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value** (Rs.)	Issue/ Acquisition price *** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
Mr. K. P. Singh	1963	Cash	10	10.00	10.00	10	Issued pursuant to subscription to the memorandum of association	Please refer to the note below for details of lock-in in respect of these equity shares which have since been split into Equity Shares of face value of Rs. 2 each.
	November 14, 1963	Cash	5,000	10.00	10.00	5,010	Subscribed to further issue of capital by our Company	
	March 21, 1972	Cash	1,250	10.00	10.00	6,260	Acquired in the public issue	
	March 3, 1973	600 equity shares were sold to Rajdhani Investments & Agencies Private Limited at an average price of Rs. 1.08 per equity share				5,660	N.A.	
	March 26, 1976	Cash	1,415	10.00	10.00	7,075	Secondary purchase from various sellers	
	February 28, 1980	Cash	50	10.00	10.00	7,125	Secondary purchase from various sellers	
	November 11, 1982	50 equity shares were sold to Ram Kewal Singh at an average price of Rs. 11.00 each				7,075	N.A.	

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value** (Rs.)	Issue/ Acquisition price *** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
	March 30, 1989	Cash	200	10.00	10.00	7,275	Right issue	
	September 20, 2000	Cash	16,500	10.00	211.06	23,775	Secondary purchase from various sellers	
	March 28, 2006	Otherwise than for cash	237,750	10.00	10.00	261,525	Acquired upon conversion of debentures.	
	May 2,2006*	Otherwise than for cash.	1,830,675 of Rs. 10 each (subsequently, sub-divided into 9,153,375 Equity Shares of Rs. 2 each)	2.00 (post sub-division)	Capitalisation of reserves	10,461,000 (post sub-division)	Bonus issue in the ratio of 7:1	5,700,000 Equity Shares representing 0.33% of our post Issue equity share capital shall be locked-in for a period of three years from the date of Allotment. The remaining Equity Shares shall be locked-in for a period of one year from the date of allotment

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition price ** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
Mr. Rajiv Singh	December 26, 1981	Cash	3,500	10.00	1.32	3,500	Secondary purchase from various sellers	Please refer to the note below for details of lock-in in respect of these equity shares which have since been split into Equity Shares of face value of Rs. 2 each.
	March 30, 1989	Cash	200	10.00	10.00	3,700	Right issue	
	November 13, 1996	Cash	25,875	10.00	50.69	29,575	Acquired from Unit Trust of India	
	October 17, 1997	Cash	10,500	10.00	78.45	40,075	Secondary purchase from various sellers	
	February 24, 1998	Cash	1,400	10.00	78.45	41,475	Purchased from Mr. Ajit Singh	
	September 20, 2000	N.A.	8,822	10.00	Nil	50,297	Transmission from Ch. Raghvendera Singh	
	September 2, 2002	Cash	127,962	10.00	338.22	178,259	Acquisition pursuant to public offer in terms of SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1997	
	November 23, 2002	Cash	35,259	10.00	338.22	213,518		
	November 28, 2002	Cash	4,335	10.00	338.22	217,853		
	December 30, 2002	Cash	1,700	10.00	338.22	219,553		
	January 22, 2003	Cash	2,137	10.00	338.22	221,690		
	February 17, 2003	Cash	939	10.00	338.22	222,629		
	March 6, 2003	Cash	159	10.00	338.22	222,788		
	March 27, 2003	Cash	1,082	10.00	338.22	223,870		
	April 17, 2003	Cash	10,389	10.00	338.22	234,259		
	June 24, 2003	Cash	10,919	10.00	338.22	245,178		

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition price ** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
	December 12, 2003	An aggregate of 64,350 equity shares were sold to various buyers at an average price of Rs. 338.00 per equity share				180,828	N.A.	
	January 5, 2005	An aggregate of 10,600 equity shares were sold to Panchsheel Investment Company and Sidhant Housing and Development Company at an average price of Rs. 338.00 per equity share				170,228	N.A.	
	August 24, 2005	An aggregate of 85,100 equity shares were sold to various buyers at an average price of Rs. 338.00 per equity share				85,128	N.A.	
	March 28, 2006	Other wise than for cash	851,280	10.00	10.00	936,408	Acquired upon conversion of debentures.	
	May 2, 2006*	Other wise than for cash	6,554,856 of Rs. 10 each (subsequently sub-divided into 32,774,280 Equity Shares of Rs. 2 each)	2.00 (post sub-division)	Capitalisation of reserves.	37,456,320 (post sub-division)	Bonus issue in the ratio of 7:1	
	December 6, 2006	18,800,000 Equity Shares were gifted to Ms. Pia Singh				18,656,320		8,600,000 Equity Shares representing 0.50% of our post Issue equity share capital shall be locked-in for a period of three years from the date of Allotment. The remaining Equity Shares shall be locked-in for a period of one year from the date of allotment

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition price ** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
Panchsheel Investment Company	July 28, 1987	Cash	430,175	10.00	4.50	430,175	Acquired from Panchsheel Investment Company and Rajdhani Investments & Agencies Private Limited	Please refer to the note below for details of lock-in in respect of these equity shares which have since been split into Equity Shares of face value of Rs. 2 each.
	July 15, 1988	Cash	6,865	10.00	9.10	437,040	Acquired from Mr. Hari Om Maheshwari and Ms. Usha Maheshwari	
	September 1, 1988	Cash	2,050	10.00	14.40	439,090	Secondary purchase from various sellers	
	September 30, 1988	Cash	1,850	10.00	13.90	440,940	Secondary purchase from various sellers	
	November 7, 1988	Cash	3,350	10.00	14.80	444,290	Secondary purchase from various sellers	
	March 30, 1989	Cash	829,290	10.00	10.02	1,273,580	Right issue	

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition price ** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
	April 20, 1990	An aggregate of 600,000 equity shares were sold to Madhur Housing & Development Company, Kohinoor Real Estate Company and Mallika Housing Company at an average price of Rs. 10.00 each				673,580	N.A.	
	May 28, 1990	An aggregate of 200 equity shares were sold to Megha Estates Private Limited at an average price of Rs. 11.30 each				673,380	N.A.	
	August 25, 1994	Cash	1,000	10.00	16.80	674,380	Acquired from Mr. Kishori Lal Bhardwaj	
	December 22, 2003	Cash	8,200	10.00	338.00	682,580	Acquired from Mr. Rajiv Singh	
	January 3, 2005	Cash	3,800	10.00	338.00	686,380	Acquired from Mr. Rajiv Singh	
	August 12, 2005	Cash	19,000	10.00	338.00	705,380	Acquired from Mr. Rajiv Singh	
	October 10, 2005	8,200 equity shares were sold to Buland Consultants & Investment Private Limited at an average price of Rs. 338.00 each.				697,180	N.A.	
	March 28, 2006	Otherwise than for cash	6,971,800	10.00	10.00	7,668,980	Acquired upon conversion of debentures.	
	May 2, 2006*	Otherwise than for cash.	53,682,860 of Rs. 10 each (subsequently sub-divided into 268,414,300 Equity Shares of Rs. 2 each)	2.00 (post sub-division)	Capitalisation of reserves	306,759,200 (post sub-division)	Bonus issue in the ratio of 7:1	165,100,000 Equity Shares representing 9.69% of our post Issue equity share capital shall be locked-in for a period of three years from the date of Allotment. The remaining Equity Shares shall be locked-in for a period of one year from the date of allotment

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition price ** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
Sidhant Housing and Development Company	March 30, 1989	Cash	870,000	10.00	10.00	870,000	Acquired pursuant to renunciation of rights in relation to rights issue	Please refer to the note below for details of lock-in in respect of these equity shares which have since been split into Equity Shares of face value of Rs. 2 each.
	January 3, 2005	Cash	6,800	10.00	338.00	876,800	Acquired from Mr. Rajiv Singh	
	August 12, 2005	Cash	26,700	10.00	338.00	903,500	Acquired from Mr. Rajiv Singh	
	October 10, 2005	205,000 equity shares were sold to Yashika Properties & Development Company at an average price of Rs. 10.00				698,500	N.A.	
	March 28, 2006	Otherwise than for cash	6,985,000	10.00	10.00	7,683,500	Acquired upon conversion of debentures.	
	May 2, 2006*	Otherwise than for cash	53,784,500 of Rs. 10 each (subsequently sub-divided into 268,922,500 Equity Shares of Rs. 2 each)	2.00 (post sub-division)	Capitalisation of reserves.	307,340,000	Bonus issue in the ratio of 7:1	165,400,000 Equity Shares representing 9.71% of our post Issue equity share capital shall be locked-in for a period of three years from the date of Allotment. The remaining Equity Shares shall be locked-in for a

Name of the Promoter	Date of Acquisition / Transfer	Consideration	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition price ** (Rs.)	Cumulative shareholding	Mode of Acquisition	Period of Lock-in
								period of one year from the date of allotment

* *The Equity Shares being locked-in for a period of three years from the date of Allotment and which have been issued for consideration other than cash have been issued through a bonus issue and are not from a bonus issue out of a revaluation reserves or reserves without accrual of cash resources.*

** *The equity shares were fully paid up at the time of allotment. Hence, the date of them being made fully paid up is the same as the date of allotment.*

*** *The cost of acquisition includes the stamp duty and brokerage charges paid.*

All Equity Shares, which are being included for computation of promoters' contribution and three-year lock-in are locked-in and are not ineligible for such purposes under Clause 4.6 of the SEBI Guidelines.

Share capital locked-in for one year

In addition to the lock-in of the Promoter's contribution specified above, our entire pre-Issue Equity Share capital (apart from promoters' contribution, which will be locked-in for three years) will be locked-in for a period of one year from the date of Allotment. The total number of Equity Shares, which are locked-in for one year, is 1,183,839,080 Equity Shares.

Other requirements in respect of lock-in:

In terms of Clause 4.15 of the SEBI Guidelines, the locked-in Equity Shares held by the Promoters can be pledged with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided the pledge of such shares is one of the terms of sanction of loan.

In terms of Clause 4.16.1 (a) of the SEBI Guidelines, the Equity Shares held by persons other than Promoters, prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Clause 4.14 of the SEBI Guidelines, 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.

Further, in terms of Clause 4.16.1(b) of the SEBI Guidelines, the Equity Shares held by the Promoter may be transferred to and amongst the Promoter group or to a new promoter or persons in control of the Company, 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.

In addition, the Equity Shares subject to lock-in will be transferable subject to compliance with SEBI Guidelines, as amended from time to time.

3. **Shareholding Pattern of our Company**

The table below represents the shareholding pattern of our Company:

	Before the Issue		After the Issue*	
	No. of Equity Shares	**%**	**No. of Equity Shares**	**%**
Promoters				
Mr. K. P. Singh	10,461,000	0.68	10,461,000	0.61
Mr. Rajiv Singh	18,656,320	1.22	18,656,320	1.10
Panchsheel Investment Company	306,759,200	20.07	306,759,200	18.01
Sidhant Housing and Development Company	307,340,000	20.11	307,340,000	18.04
Sub Total	**643,216,520**	**42.08**	**643,216,520**	**37.76**
Promoter Group				
Ms. Pia Singh	38,776,000	2.54	38,776,000	2.28
Ms. Renuka Talwar	1,540,000	0.10	1,540,000	0.09
Ms. Indira K P Singh	4,034,360	0.26	4,034,360	0.24
Ms. Kavita Singh	20,841,480	1.36	20,841,480	1.22
DLF Investments Pvt Ltd	37,320,800	2.44	37,320,800	2.19
Jhandewalan Ancillaries and Investments Private Limited	47,388,000	3.10	47,388,000	2.78
Prem Traders & Investments Private Limited	80,770,800	5.28	80,770,800	4.74
Raisina Agencies & Investments Private Limited	65,889,120	4.31	65,889,120	3.87
Universal Management & Sales Private Limited	5,455,560	0.36	5,455,560	0.32
Vishal Foods and Investments Private Limited	71,448,960	4.67	71,448,960	4.19
Savitri Studs & Farming Company Private Limited	9,288,400	0.61	9,288,400	0.55
Rajdhani Investments & Agencies Private Limited	46,097,920	3.02	46,097,920	2.71
Buland Consultants & Investment Private Limited	29,568,000	1.93	29,568,000	1.74
Haryana Electrical Udyog Private Limited	14,865,400	0.97	14,865,400	0.87
Megha Estates Private Limited	3,234,000	0.21	3,234,000	0.19
Lyndale Holdings Private Ltd	1,452,000	0.09	1,452,000	0.09
Macknion Estates Private Limited	1,099,120	0.07	1,099,120	0.06
Madhur Housing & Development Company	90,992,000	5.95	90,992,000	5.34
Kohinoor Real Estates Company	91,080,000	5.96	91,080,000	5.35
Mallika Housing Company	90,992,000	5.95	90,992,000	5.34
Yashika Properties and Development Company	90,200,000	5.90	90,200,000	5.29
Renkon Agencies Private Limited	4,928,000	0.32	4,928,000	0.29
Sub Total	**847,261,920**	**55.43**	**847,261,920**	**49.73**
Other Shareholders				
Realest Builders and Services Private Limited	13,831,080	0.90	13,831,080	0.81
Other public shareholders	24,329,560	1.59	199,329,560	11.70
Sub Total	**38,160,640**	**2.50**	**213,160,640**	**12.51**
Total	**1,528,639,080**	**100.00**	**1,703,639,080**	**100.00**

* *This is based on the assumption that such shareholders (apart from other public shareholders) shall continue to hold*

the same number of Equity Shares after the Issue. This does not include any Equity Shares that our Promoters, Promoter group entities and Realest Builders and Services Private Limited may subscribe to and be allotted in the Issue.

4. Our Company, our Directors, our Promoters and the Book Runners have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person.

5. In the case of over-subscription in all categories, at least 60% of the Net Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers, 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. Under subscription, if any, in the Non-Institutional Portion and Retail Individual Portion would be met with spill over from other categories at the sole discretion of our Company in consultation with the Book Runners. Under subscription, if any, in the Employees Reservation Portion would be met with spill over from the Net Issue at the sole discretion of our Company in consultation with the Book Runners.

6. A total of 0.57% of the Issue size, i.e. 1,000,000 Equity Shares, has been reserved for allocation to the Employees on a proportionate basis, subject to valid Bids being received at or above the Issue Price. Only Employees, as defined, who are Indian nationals based in India and are physically present in India on the date of submission of the Bid cum Application Form would be eligible to apply in this issue under the Employee Reservation Portion. Employees, other than as defined, are not eligible to participate in the Employee Reservation Portion. If the aggregate demand in the Employee Reservation Portion is greater than 1,000,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis subject to a maximum Allotment to any Employee of 100,000 Equity Shares. Only Employees (as defined herein) would be eligible to apply in this Issue under Employees Reservation Portion. Employees may bid in the Net Issue portion as well and such Bids shall not be treated as multiple Bids. Any under subscription in the Equity Shares under the Employee Reservation Portion would be treated as part of the Net Issue.

7. The list of our top 10 shareholders of our Company and the number of Equity Shares held by them is as under:

   (a) As on December 15, 2006 and December 1, 2006 (i.e. about 10 days before the date of this Draft Red Herring Prospectus):

Sr. No	**Name of Shareholders**	**Number of Equity Shares of Rs. 2 each**
1.	Sidhant Housing and Development Company	307,340,000
2.	Panchsheel Investment Company	306,759,200
3.	Kohinoor Real Estates Company	91,080,000
4.	Madhur Housing & Development Company	90,992,000
5.	Mallika Housing Company	90,992,000
6.	Yashika Properties and Development Company	90,200,000
7.	Prem Traders & Investments Private Limited	80,770,800
8.	Vishal Foods and Investments Private Limited	71,448,960
9.	Raisina Agencies & Investments Private Limited	65,889,120
10.	Jhandewalan Ancillaries and Investments Private Limited	47,388,000

(b) As on September 29, 2004 (i.e. about two years before date of filing of this Draft Red Herring Prospectus):

Sr. No	Name of Shareholders	Number of equity shares of Rs. 10 each
1.	Sidhant Housing and Development Company	870,000
2.	Panchsheel Investment Company	682,580
3.	Kohinoor Real Estates Company	202,500
4.	Madhur Housing & Development Company	202,300
5.	Mallika Housing Company	202,300
6.	Mr. Rajiv Singh	180,828
7.	Prem Traders & Investments Private Limited	173,770
8.	Vishal Foods and Investments Private Limited	156,384
9.	Raisina Agencies & Investments Private Limited	144,148
10.	Jhandewalan Ancillaries and Investments Private Limited	104,700

8. Except for a gift of 18,800,000 Equity Shares by Mr. Rajiv Singh to Ms. Pia Singh on December 6, 2006, our Promoters, the Promoter Group and directors have not entered into any transactions of securities of our Company in the last six months.

9. The following are the details of our employee stock option plan:

In an EGM held on April 20, 2006, an employee stock option plan was approved by our shareholders for the grant of options for 3,500,000 Equity Shares to eligible employees as defined therein.

Our Board has passed a resolution dated December 6, 2006 for increase in the number of Equity Shares under the ESOP to up to 17,000,000 Equity Shares and has recommended the same be placed before the shareholders for their approval. The ESOP shall be administered by the Compensation Committee of our Board, which will determine the quantum of the options, the eligibility criteria, the procedure and the terms for the granting, vesting and exercise of the stock options.

Under Indian GAAP, the grant of these stock options will result in a charge to our profit and loss account based on the difference between the fair value of shares determined at the date of grant and Rs. 2. This expense will be amortised over the vesting period of the options.

The stock options under the above plan have not been granted and the same may be granted by our Company, *inter alia*, at any time prior to the Allotment of the Equity Shares pursuant to this Issue.

Other than the details given above, our Company has had no previous employee stock option and employee stock purchase schemes. However, our Company issued 3,385 equity shares of Rs. 10 each through preferential allotment to the Employees on March 30, 1989.

10. An investor cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

11. Except as disclosed in the section titled "Our Management" on page [●], none of our Directors and key managerial employees hold any Equity Shares.

12. Except as disclosed under "Note 23 – Notes to the Capital Structure", there would 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 the submission of this Draft Red Herring Prospectus with SEBI until the Equity Shares to be issued pursuant to the Issue have been listed.

13. Except as disclosed under "Note 23 – Notes to the Capital Structure", we presently do not intend or propose to alter our capital structure for a period of six months from the date of filing of this Draft Red Herring

Prospectus, 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 except that if we enter into acquisitions or joint ventures, subject to necessary approvals, we may consider raising additional capital to fund such activity or use Equity Shares as currency for acquisition or participation in such joint ventures.

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

15. As on December 15, 2006, the total number of holders of Equity Shares was 1,913.

16. We have not raised any bridge loans against the proceeds of the Issue.

17. Except as disclosed in the sections titled "Capital Structure - Notes to the Capital Structure" on page [•] and "Other Regulatory and Statutory Disclosures - Issues otherwise than for Cash" on page [•], we have not issued any Equity Shares out of revaluation reserves or for consideration other than cash.

18. Other than the employee stock options proposed to be issued under the Scheme, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into our Equity Shares.

19. Our Promoters and members of the Promoter group will not participate in this Issue.

20. There are certain restrictive covenants in the agreements that our Company has entered into with banks and financial institutions for short-term loans and long-term borrowings. For further details of the terms of these agreements, please refer to the section titled "Financial Indebtedness" on page [●].

21. We have received the permission of the DIPP dated April 13, 2006 (bearing number 5(6)/2000-FC(Pt.File)) and the RBI dated April 24, 2006 (bearing number FE.CO.FID/22510/10.02.078/2005-06) for investment by FIIs in the Issue. For further details on the permissions received, see section titled Material Contracts and Documents for Inspection" on page [•].

22. The Equity Shares issued pursuant to Payment Method-I would be made fully paid up or may be forfeited within 12 months from the date of Allotment.

23. In fiscal 2006, our Company offered for subscription on a rights basis to our existing shareholders 3,508,007 unsecured debentures, which were optionally, fully or partly convertible at par or at premium. The offer was made to the shareholders of our Company as on November 18, 2005. The offer opened on December 29, 2005 and closed on January 18, 2006, and 3,426,024 debentures were issued for the applications received during the specified time period. Subsequently, our Company received complaints from certain shareholders of our Company pertaining to non-receipt of letter of offer for the rights issue. On October 10, 2006, the Board decided to revive and revalidate not more than 81,983 debentures, which were not subscribed to by the shareholders, to redress the grievances of the shareholders and to allot such shareholders the debentures according to their entitlement in terms of the rights issue. The decision of our Board was approved by the shareholders in an EGM held on November 14, 2006. Consequently, on November 24, 2006, December 5, 2006 and December 22, 2006, an aggregate of 44,773 debentures were allotted with attendant benefits (i.e. conversion into equity shares and bonus in the ratio of 7:1). Upon conversion of 44,773 debentures and issuance of bonus shares, an aggregate of 17,909,200 Equity Shares were issued on November 24, 2006, December 5, 2006 and December 22, 2006. In the event that, to redress the grievances of the shareholders, the remaining 37,210 debentures are issued with attendant benefits, our issued equity share capital may increase by 14,884,000 Equity Shares.

OBJECTS OF THE ISSUE

The objects of the Issue are to (a) finance expenditure for acquisition of land and development rights, (b) finance the construction and development costs for some of our existing projects, (c) repay certain loans of the Company and (d) achieve the benefits of listing on the Stock Exchanges.

The main object clause of our Memorandum of Association and objects incidental to the main objects enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

The net proceeds of the Issue, after deducting expenses relating to the Issue, are estimated at Rs. [•] million. The details of the utilization of the net proceeds of the Issue are as follows:

Sl. No.	Particulars	Amount (in Rs. million)
1.	Acquisition of land and development rights	Up to 65,000
2.	Development and construction costs for existing projects	34,933
3.	Prepayment of loans of our Company	[•]
	Total	[•]

The entire requirement of funds will be met though the proceeds of the Issue. Our funding requirements and the deployment of the net proceeds of the Issue are based on the estimates of our management and have not been appraised by any bank or financial institution or other independent third party. We operate in a highly competitive, dynamic and regulated industry, and may have to revise our estimates from time to time on account of new projects that we may pursue including any industry consolidation initiatives, such as potential acquisition opportunities. We may also reallocate expenditure to newer projects or those with earlier completion dates in the case of delays in our existing projects. Consequently, our fund requirements may also change accordingly. Any such change in our plans may require rescheduling of our expenditure programs, starting projects which are not currently planned, discontinuing projects currently planned and an increase or decrease in the expenditure for a particular project or land acquisition in relation to current plans, at the discretion of the Company.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and debt.

1. **Expenditure on acquisition of land and development rights.**

We are in the business of real estate development including residential, commercial and retail properties, and we intend to diversify into new businesses such as hotels, SEZs and infrastructure. For details of our business, see the section titled "Our Business" on page [•].

We recognise that extensive land reserves are the most important resource for a real estate developer. Accordingly, we intend to utilize a part of the net proceeds of the Issue to finance expenditure on acquisition of land and development rights, directly or through various subsidiaries or other forms of investment.

Estimated cost of acquisition of land and development rights and timelines.

We propose to acquire lands and development rights mainly in and around 62 cities including Greater Mumbai, Navi Mumbai, Delhi, Kolkata, Ludhiana, Amritsar, Ghaziabad, Chandigarh, Kanpur, Lucknow, Noida/Greater Noida, Jaipur, Ahmedabad, Faridabad, Gurgaon, Kochi, Trivandrum, Bangalore, Chennai, Hyderabad and Pune. These lands are at various stages of identification. Costs of acquiring land or development rights will vary depending on whether the lands are located in rural areas, metropolitan cities or other urban areas and whether such lands are located in prime locations or otherwise. We intend to utilize the entire amount earmarked for the acquisition of land during fiscal 2007, 2008 and 2009.

In respect of many of our acquisitions of land and development rights, we are required to pay an advance at the time of executing transaction agreements to purchase, with the remaining purchase price due upon completion of the acquisition. We also acquire lands through auction and prior to making a bid in the auction, we are required to pay a refundable deposit. The estimated costs described in this section include such advances and deposits.

2. **Development and construction costs for existing projects.**

We are undertaking a number of projects in various parts of India. The details of some of our projects are provided in the section titled "Our Business" on page [•].

We propose to deploy part of the net proceeds of the Issue in our projects under development in the fiscal 2007, 2008 and 2009. The total amounts we expect to deploy on these projects during five months ending March 31, 2007 and in fiscal 2008 and 2009 are Rs. 2,932 million, Rs. 20,962 million and Rs. 11,039 million, respectively.

Details of the projects

The details of these projects and the estimated project costs are provided in the following table:

	Proposed Saleable Area (Mn. Sq. Ft)	**Total Estimated Cost of the Projects (Rs. Mn.)**	**Expenditure incurred as of October 31, 2006[#] (Rs. million)**	**Estimated schedule of deployment of funds (Rs. million)**			**Current Status**
				Five months ending March 31, 2007	**Fiscal 2008**	**Fiscal 2009**	
Commercial projects*	7.15	12,368	701	2,665	7,628	1,374	All projects under execution
Retail projects**	9.82	23,743	476	267	13,334	9,665	All projects under execution
Total	**16.97**	**36,111**	**1,177**	**2,932**	**20,962**	**11,039**	

* *comprising Cybercity, Gurgaon; IT Park, Noida; IT Park, Pune and IT Park, Bangalore.*

** *comprising Southpoint Mall, Gurgaon; DLF Galleria, New Delhi; Patto Plaza, Goa; Malls at Ahmedabad, Chennai, Coimbatore, Faridabad, Hyderabad, Jallandhar, Kolkata, Ludhiana and Panipat.*

For the purposes of the above computation, in cases where projects comprise multiple phases, we have considered only those phases, which we expect to complete by fiscal 2009.

[#] *as confirmed by the auditors' certificate dated December 6, 2006*

Means of Finance

The total cost of development and construction of these projects is estimated to be Rs. 36,111 million. As confirmed by the auditors' certificate dated December 6, 2006, we have deployed Rs. 1,177 million of this total cost from our internal accruals and general loans.

The estimated expenditure to be incurred during five months ending March 31, 2007 on these projects would be Rs. 2,932 million, part of which may be met from internal accruals and subsequently replenished by net proceeds from the Issue. As on November 30, 2006, we had cash and bank balances equivalent to Rs. 6,160 million.

We propose to meet the entire remaining cost of development and construction (to be deployed in fiscal 2008 and 2009) from the net proceeds of the Issue.

3. **Prepayment of Loans**

We have a significant amount of outstanding debt. For details, see the section titled "Financial Indebtedness" on page [•].

We intend to prepay up to Rs. [•] million of our outstanding debt from the net proceeds of the Issue, including any loans we may borrow until the Closing Date.

Outstanding as of November 30, 2006

Name of the Bank	Amount (in Rs. million)
Term Loan Facilities (A)	
ICICI Bank Limited	7,371
HDFC Limited	5,820
Citibank	141
HSBC	384
Union Bank of India	736
IDBI/BOB	1,699
Standard Chartered	1,000
IDFC Limited	1,500
UCO Bank	2,000
Corporation Bank	1,500
United Bank of India	1,000
Bank of Maharashtra	1,000
Kotak Mahindra Bank Limited	2,980
State Bank of India	648
State Bank of Hyderabad	350
State Bank of Travancore	263
UTI Bank Limited	13,550
IL & FS Trust Company Limited	6,004
GE Capital Services India	715
DSP Merrill Lynch Capital Limited	6,234
HDFC Bank Ltd	16
Sub Total (A)	**54,908**
Working Capital Facilities (B)	
HSBC	2,350
ICICI Bank Limited	3,577
Citibank	209
ABN Amro Bank	1,353
Standard Chartered	260
Corporation Bank	456
State Bank of India	925
DBS Bank Limited	590
State Bank of Hyderabad	244
ING Vysya	14
HDFC Bank Limited	656

Outstanding as of November 30, 2006

Name of the Bank	Amount (in Rs. million)
State Bank of Travancore	787
Kotak Mahindra Bank Limited	253
Sub Total (B)	**11,675**
Grand Total (A+B)	**66,583**

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. We may also utilise the funds earmarked for prepayment of loans to repay such debt.

4. **Issue Related Expenses**

Issue related expenses include, among others, underwriting and selling commissions, printing and distribution expenses, legal expenses, advertisement expenses, registrar's fees and depository fees.

The details of the estimated Issue expenses are as follows:

Activity	Estimated expenses (Rs. million)	% of net proceeds of the Issue
Lead management fees, underwriting and selling commission*	[•]	[•]
Advertising and marketing expenses	[•]	[•]
Printing and Stationery	[•]	[•]
Others (Registrar's fees, legal fees etc.)	[•]	[•]

* *The Book Runners' lead management fees, underwriting and selling commissions will be finalised upon finalisation of the Issue Price.*

Interim Use of Proceeds

Pending utilization for the purposes described above, we intend to temporarily invest the Issue proceeds in high quality interest bearing liquid instruments including deposits with banks, for the necessary duration, or for reducing overdraft to save interest costs. Such investments would be in accordance with the investment policies approved by our Board from time to time.

Monitoring Utilization of Funds

Our Board and the Monitoring Agency will monitor the utilization of the Issue proceeds. We will disclose the details of the utilization of the Issue proceeds, including interim use, under a separate head in our financial statements for fiscal 2007, 2008 and 2009, 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.

No part of the proceeds from the Issue will be paid by us as consideration to our Promoters, our Directors, Promoter group companies or key managerial employees, except in the normal course of our business.

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note 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 as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC 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* in all respects with the existing Equity Shares including rights in respect of dividend**.** The allottees will be entitled to dividend or any other corporate benefits, if any, declared by our Company after the date of allotment.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act.

Face Value and Issue Price

The Equity Shares with a face value of Rs. 2 each are being issued in terms of this Draft Red Herring Prospectus at a total price of Rs. [●] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares.

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 of shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and our Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see section titled "Main Provisions of Articles of Association of the Company" on page [●].

Market Lot and Trading Lot

In terms of existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialised form for all investors. Since trading of our Equity Shares is in dematerialised mode, the tradable lot is one Equity Share. In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. Allotment through this Issue will be done only in electronic form in multiples of one Equity Share subject to a minimum allotment of [●] Equity Shares.

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidder(s),

may nominate any one person in whom, in the event of 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/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the registered office of our Company or at the registrar and transfer agent of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by our Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or
(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies 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 mode, there is no need to make a separate nomination with us. Nominations registered with the respective Depository Participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Net Issue, i.e., the Issue less the Employee Reservation Portion, including devolvement of the members of the Syndicate, if any, within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after we become liable to pay the amount, we shall pay interest as per Section 73 of the Companies Act.

If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded.

Further, in accordance with Clause 2.2.2A of the SEBI Guidelines, we shall ensure that the number of allottees, i.e. persons to whom the Equity Shares will be allotted under the Issue shall be not less than 1,000.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by us in consultation with the Global Coordinators on the basis of assessment of market demand and on the basis of the following qualitative and quantitative factors for the Equity Shares offered by the Book Building Process. The face value of the Equity Shares is Rs. 2 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

For some of the qualitative factors, which form the basis for deciding the price refer to "Our Business, Strengths" on page [●] and Risk Factors on page [●].

Quantitative Factors

Information presented in this section is derived from the Company's restated, consolidated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for deciding the price, are as follows:

1. **Adjusted Earning Per Share (EPS)**

Financial Period	Adjusted EPS (Rs.) (Based on weighted average shares of face value of Rs. 10 outstanding in that period)	Adjusted EPS (Rs.) (Adjusted for split of shares to face value of Rs 2 and bonus issue)	Weight
Year ended March 31, 2004	153.36	3.83	1
Year ended March 31, 2005	246.58	6.16	2
Year ended March 31, 2006	493.64	12.34	3
Weighted Average	354.57	8.86	

2. **Price Earning Ratio (P/E Ratio)**

A. Based on the year ended March 31, 2006 EPS (after adjusting for split of shares to face value of Rs 2 and bonus issue) is Rs. 12.34

B. P/E based on the above EPS is [●] at the Floor Price and [●] at the Cap Price.

C. Peer group P/E*

(i) Highest	305.6
(ii) Lowest	5.2
(iii) Peer group Average	51.4

* P/E based on trailing twelve month earnings for the entire construction sector
Source: Capital Market, Volume XXI/20, Dec. 04-17, 2006 (Industry-Construction)

3. **Return on Average Net Worth**

Financial Period	Adjusted PAT	Average Net Worth	RoANW(%)	Weight
Year ended March 31, 2004	538.12	6,350.77	8.47	1
Year ended March 31, 2005	865.06	7,116.15	12.16	2
Year ended March 31, 2006	1,916.92	8,534.72	22.46	3
Weighted Average	1,336.50	7,697.87	16.69	

Minimum Return on Total Net Worth post-Issue to maintain pre-Issue EPS for fiscal year ended March 31, 2006 is [●]

4. **Net Asset Value (NAV)**

(i)	NAV as at March 31, 2006	Rs. 2,460.42 per Equity Share
(ii)	NAV as at March 31, 2006 (after adjusting for split of shares to face value of Rs 2 and bonus issue)	Rs. 61.51 per Equity Share
(ii)	NAV after Issue	Rs. [●] per Equity Share
(iii)	Issue Price	Rs. [●] per Equity Share

NAV per equity share has been calculated as shareholders' equity less miscellaneous expenses as divided by weighted average number of equity shares.

5. **Comparison with other Listed Companies**

	EPS (Rs) ^^	**P/E as on November 27, 2006**	**RoNW (%)**	**NAV (Rs.)**	**Sales (Rs. in million)**
DLF			20.06		12,420
Ansal Housing	11.5	16.7	24.3	58.5	1,175
Ansal Properties	14.3	51.3	42.8	39.1	3,207
D.S. Kulkarni	7.7	29.4	62.5	86.9	166
Mahindra Gesco	0.2	305.6	2.1	164.1	1,211
Unitech	0.8	210.6	35.0	2.8	6,531

^^ EPS for trailing twelve months ending December 31, 2005 for each of the peer groups, except for Mahindra Gesco wherein EPS represents twelve months ending March 31, 2006.; Other data for peer group companies are for full fiscal 2005; except for Mahindra Gesco wherein other data are for full fiscal 2006; All figures for the Company are based on its financial statements and for year ended March 31, 2006

All figures for peer group are from Source: Capital Market, Volume XXI/20, Dec. 04-17, 2006 (Industry-Construction); Only select companies that represent real estate developer more than construction companies have been identified as peer group.

We believe that our scale of operations is significantly larger as compared to some of the peers mentioned above.

The Book Runners consider the Issue Price of Rs. [●] is justified in view of the above qualitative and quantitative parameters. For further details and to have a more informed view, see the section titled "Risk Factors" beginning on page [●] and the financials of the Company, including important profitability and return ratios as set out in the auditor's report.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
DLF Limited
Shopping Mall, 3rd Floor
Arjun Marg, Phase – I
DLF City, Gurgaon
Haryana, India

Dear Sirs,

Subject: Statement of Possible Tax Benefits

We hereby certify that the enclosed annexure states the possible tax benefits available to DLF Limited (formerly DLF Universal Limited) (the "Company") and to the Shareholders of the Company under the provisions of the Income Tax Act, 1961 and other direct and indirect 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 fulfill.

The benefits discussed in the enclosed statement are not exhaustive. 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. 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:

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

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

This 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 **Walker, Chandiok & Co**
Chartered Accountants

David Jones
Partner
Membership No. 98113

New Delhi
December 6, 2006

BENEFITS AVAILABLE UNDER INCOME TAX ACT, 1961 ('THE IT ACT')

Benefits available to the Company

In accordance with and subject to the conditions specified under Section 80-IB (10) of the IT Act, the Company is eligible for hundred percent deduction of the profits derived from development and building of housing projects approved before 31 March, 2007, by a local authority.

Under section 10(34) of the IT 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 24(a) of the IT Act, the Company is eligible for deduction of thirty percent of the annual value of the property (i.e. actual rent received or receivable on the property or any part of the property which is let out).

Under section 24(b) of the IT Act, where the property has been acquired, constructed, repaired, renewed or reconstructed with borrowed capital, the amount of interest payable on such capital shall be allowed as a deduction in computing the income from house property. In respect of property acquired or constructed with borrowed capital, the amount of interest payable for the period prior to the year in which the property has been acquired or constructed shall be allowed as deduction in computing the income from house property in five equal installments beginning with the year of acquisition or construction.

Under section 80IA of the IT 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, 2009 in case of an industrial park and March 31, 2005 for special economic zones. Subsequent to March 31, 2005 100 percent of the profits is deductible for the balance number of years (out of 10 years) under section 80IAB of the Act.

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 7 years immediately succeeding the year in which the MAT credit initially arose.

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

Under section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

Under section 48 of the IT 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 IT 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 10(38) of the IT 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 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under section 10(38) of the IT 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% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

Under section 54EC of the IT 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 IT 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. 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 IT Act for any assessment year beginning on or after April 1, 2006.

Under section 54ED of the IT Act and subject to the conditions specified therein, capital gains (in cases not covered under section 10(38) of the IT Act) arising *before 1st April, 2006* from transfer of long term capital assets, being listed securities or units, shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of capital", within a period of six (6) months from the date of such transfer and held for a period of at least one year. For the purposes of this section, "Eligible issue of capital" has been defined to mean issue of equity shares which satisfies the following conditions, namely

(a) the issue is made by a public company formed and registered in India;
(b) the shares forming part of the issue are offered for subscription to the public.

Under section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the IT 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 IT Act and other relevant provisions of the IT 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 10 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 IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

In terms of section 88E of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for rebate from the amount of income-tax on the income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax on such income. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

Benefits available to mutual funds

As per the provisions of Section 10(23D) of the IT Act, Mutual Funds registered under the Securities and Exchange Board of India or Mutual Funds set up by Public Sector Banks or Public Financial Institutions or authorized by the

Reserve Bank of India and subject to the conditions specified therein, would be eligible for exemption from income tax on their income.

Benefits available to foreign institutional investors ('FIIs')

1 Under section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

2 Under section 10(38) of the IT 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.

3 Under section 54EC of the IT 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 IT 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.

4 Under section 54ED of the IT Act and subject to the conditions specified therein, capital gains (in cases not covered under section 10(38) of the IT Act) arising *before 1st April, 2006* from transfer of long term capital assets, being listed securities or units, shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of capital", within a period of six (6) months from the date of such transfer and held for a period of at least one year. For the purposes of this section, "Eligible issue of capital" has been defined to mean issue of equity shares which satisfies the following conditions, namely

(a) the issue is made by a public company formed and registered in India;
(b) the shares forming part of the issue are offered for subscription to the public.

5 Under section 115AD (1)(ii) of the Act short term capital gains on transfer of securities shall be chargeable @ 30% and 10% (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.

6 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 @10% (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.

7 As per section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the FII would prevail over the provisions of the IT Act to the extent they are more beneficial to the FII.

8 In terms of section 88E of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for rebate from the amount of income-tax on the income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. Such rebate is to be allowed from the amount of

income tax in respect of such transactions calculated by applying average rate of income tax on such income. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

Benefits available to venture capital companies/ funds

Under section 10(23FB) of the IT 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 IT 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.

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 IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

Under section 10(38) of the IT 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 the first proviso to section 48 of the IT 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 IT 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 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under section 10(38) of the IT 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% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

Under section 54EC of the IT 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 IT 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 54ED of the IT Act and subject to the conditions specified therein, capital gains (in cases not covered under section 10(38) of the IT Act) arising *before 1st April, 2006* from transfer of long term capital

assets, being listed securities or units, shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of capital", within a period of six (6) months from the date of such transfer and held for a period of at least one year. For the purposes of this section, "Eligible issue of capital" has been defined to mean issue of equity shares which satisfies the following conditions, namely

(a) the issue is made by a public company formed and registered in India;
(b) the shares forming part of the issue are offered for subscription to the public.

Under section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the IT 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 IT Act and other relevant provisions of the IT 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 10 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 IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

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 IT 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 IT Act, long term capital gains (in cases not covered under section 10(38) of the IT 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 IT 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 provisions of section 115G of the IT 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 IT Act.

9 In terms of section 88E of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for rebate from the amount of income-tax on the income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. Such rebate is to be allowed from the amount of

income tax in respect of such transactions calculated by applying average rate of income tax on such income. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the Non-Resident/ Non- Resident India would prevail over the provisions of the IT Act to the extent they are more beneficial to the Non-Resident/ Non-Resident India.

BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957

Asset as defined under Section 2(ea) of the Wealth tax Act, 1957 does not include shares in companies and hence, shares of the Company held by the shareholders would not be liable to wealth tax.

BENEFITS AVAILABLE UNDER THE GIFT-TAX ACT

Gift tax is not leviable in respect of any gifts made on or after 1 October, 1998. Therefore, any gift of shares of the Company will not attract Gift 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; and*
- *The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.*

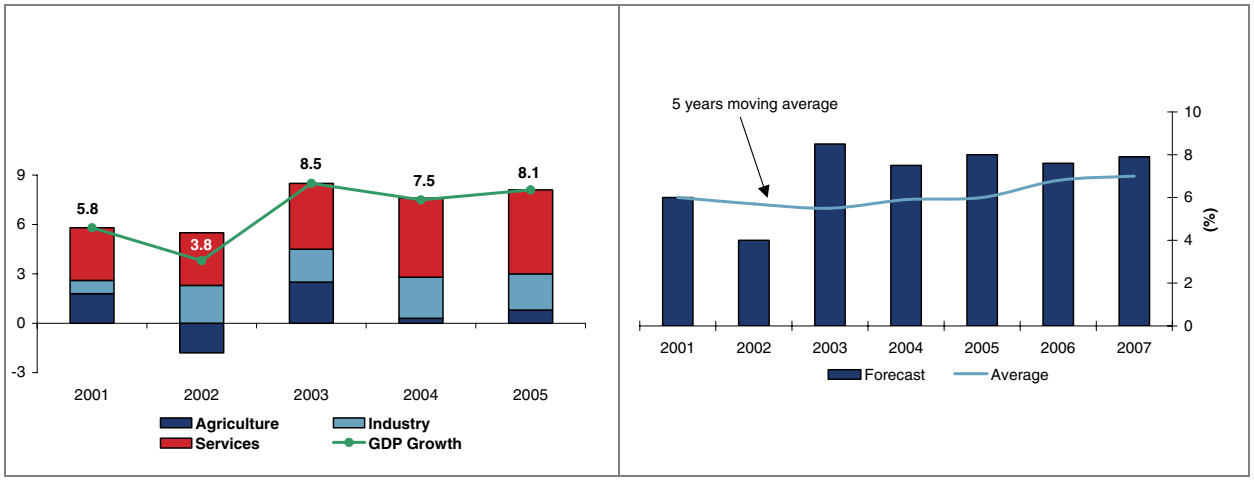
INDUSTRY OVERVIEW

The information in this section is derived from various government publications and industry sources. 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.

THE INDIAN ECONOMY

In recent years, India has experienced rapid economic growth. India's GDP grew at 7.5%, 8.1% and 8.4% in fiscal 2004, 2005 and 2006, respectively. In fiscal 2005, the industrial, agricultural and service sectors in India grew by 9.0%, 2.3% and 9.8%, respectively. An important factor in the growth of the services sector has been the strong growth of the IT and ITES sectors. These sectors benefited from the growing international trend toward off shoring and the resultant demand for skilled, low cost, English speaking workers. Indian competitiveness in this area has been aided by substantial investment in telecommunications, infrastructure and the phased liberalisation of the communications sector.

The Reserve Bank of India has reported GDP growth of 9.5% in the second half of fiscal 2007. The charts below illustrate recent GDP growth and its components, as well as projected GDP growth in fiscal 2006 and fiscal 2007:



Source: Central Statistical Organisation.

THE REAL ESTATE SECTOR IN INDIA

Historically, the real estate sector in India has been 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, accompanied by various regulatory reforms. These reforms include:

- GoI support 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 number 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 organized investment in the real estate sector by domestic and international financial institutions and has also resulted in the greater availability of financing for real estate developers. 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.

These trends have been reinforced by the substantial recent growth in the Indian economy, which has stimulated demand for land and developed real estate across our business lines. Demand for residential, commercial and retail real estate is rising throughout India, accompanied by increased demand for hotel accommodation and improved infrastructure. Additionally, the tax and other benefits applicable to SEZs are expected to result in a new source of demand.

Residential real estate development

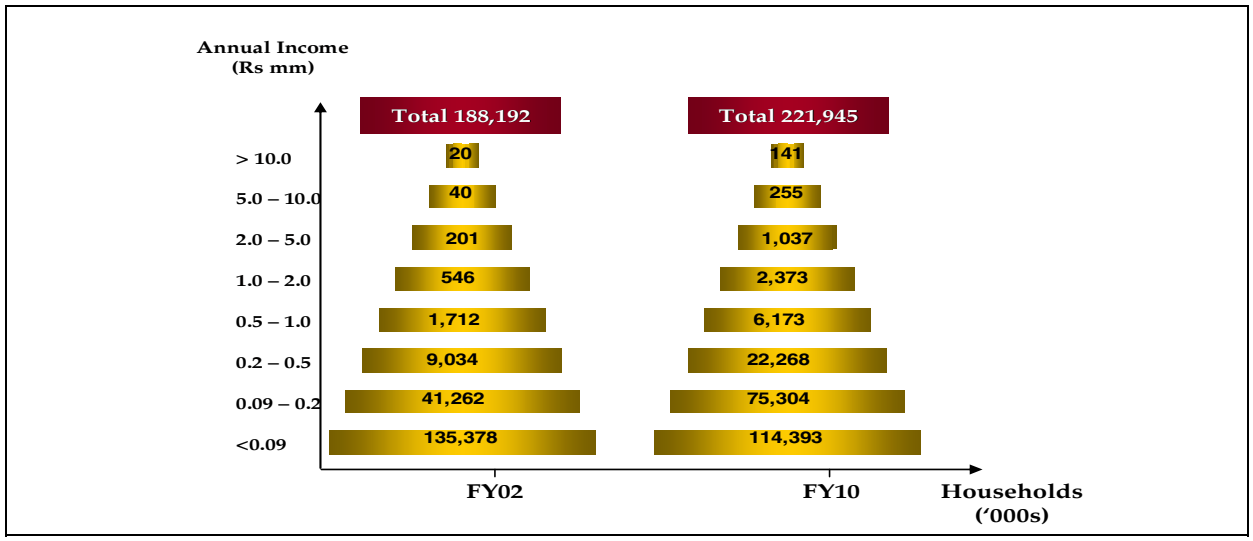
The growth in the residential real estate market in India has been largely driven by rising disposable incomes, a rapidly growing middle class, low interest rates, fiscal incentives on both interest and principal payments for housing loans and heightened customer expectations, as well as increased urbanisation and nuclearisation.

In connection with a review of opportunities in the Indian real estate sector, Jones Lang LaSalle's publication "The New Investment Mantra – Understanding Risks and Returns in the Indian Real Estate Sector" (July, 2006), highlights that:

- India's housing shortage has increased from 19.4 million units in 2004 to 22.4 million units in 2005-2006 and is expected to rise further; and
- The retail market for mortgages grew by 30% in the second quarter of 2004 and is expected to further grow at a CAGR of 17% from US$16 billion in fiscal 2006 to US$30 billion in fiscal 2009.

Further, Cushman & Wakefield have noted that there is scope for 400 township projects over the next five years spread across 30 to 35 cities, each having a population of more than 0.5 million and that the total project value dedicated to low and middle income housing in the next seven years is estimated at US$40 billion. (Source: "Opportunities for Private Equity Investment in Indian Real Estate" (4th Quarter, 2005)).

The number of households with annual incomes of between Rs. 2 million and Rs. 5 million per year, Rs. 5 million and Rs. 10 million per year and in excess of Rs. 10 million per year is expected to increase in size by 23%, 26% and 28%, respectively, between fiscal 2002 and fiscal 2010, as illustrated by the following chart:



Source: NCAER, "The Great Indian Middle Class"(2005).

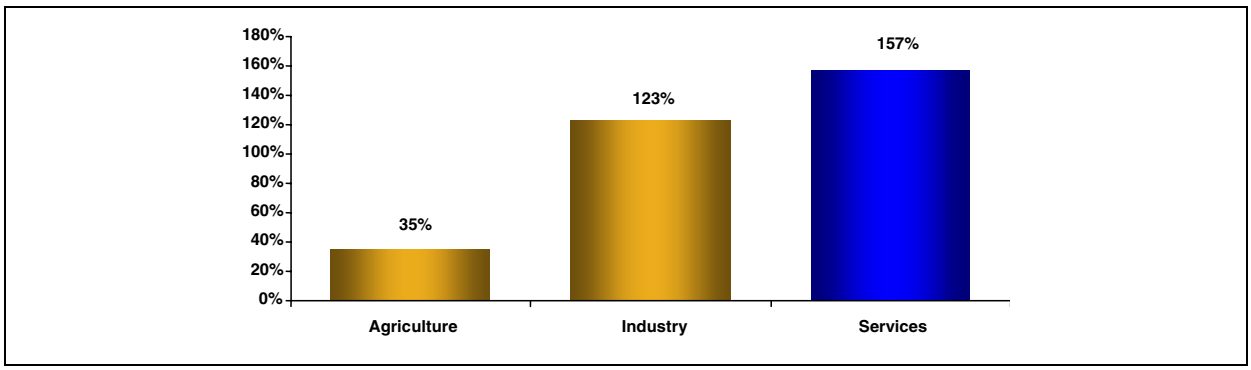
We expect that these higher income households will be target customers for our luxury and super luxury residential developments.

According to CRIS INFAC's "Housing Annual Review" (December 2005), the residential sector is expected to continue to demonstrate robust growth over the next five years, assisted by the rising penetration of housing finance and favourable tax incentives. CRIS INFAC estimates spending on new middle and higher income housing (i.e., the category it refers to as the 'urban *pucca* non-slum' or UPNS housing) at Rs. 1.72 trillion in fiscal 2005 and expects further growth at a CAGR of 18.6% over the next five years to Rs. 4.03 trillion in fiscal 2010.

Commercial real estate development

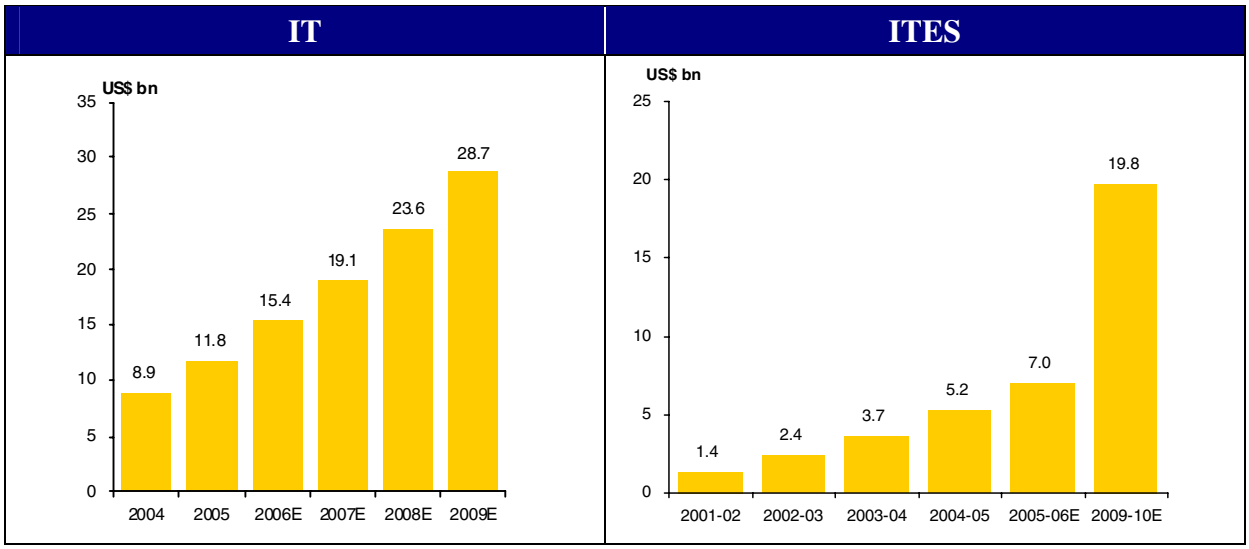
The recent growth of the commercial real estate sector in India has been fuelled, in large part, by the increased revenues of companies in the services business, particularly in the IT and ITES sectors. Industry sources expect the IT and ITES sectors to continue to grow and generate additional employment, which we expect will result in increased demand for commercial space.

According to the "Monthly Review of the Indian Economy" published by the Centre for Monitoring Indian Economy in April 2006, companies in the services sector demonstrated the highest growth over the last 12 year period amongst the three components of Indian Economy, as illustrated by the following chart:



Source: Centre for Monitoring Indian Economy "Monthly Review of the Indian Economy" (April 2006).

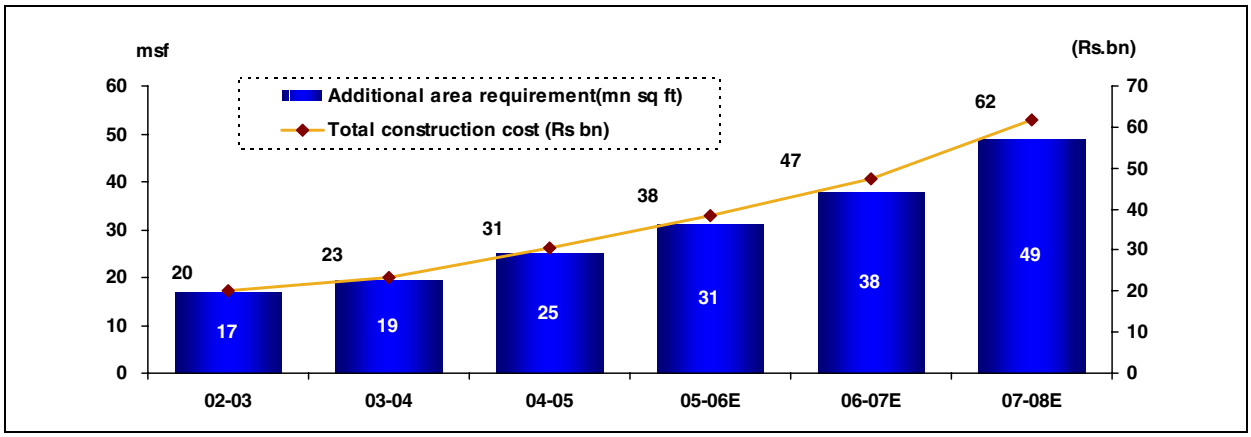
The charts below illustrates the expected growth of the IT and ITES sectors in terms of exports:



Source: CRIS INFAC "Software Annual Review" (January 2005) and CRIS INFAC "IT Enabled Services Annual Review" (February 2006).

Within the IT and ITES sectors, the Indian off shoring operations of multinational companies are expected to increase demand for commercial space. The trend for these companies has been to set up world class business centres to house their growing work force. According to Jones Lang La Salle, the total demand for commercial office real estate in 2005 in the top seven centres of Bangalore, Chennai, Delhi-NCR, Mumbai, Pune, Hyderabad and Kolkata was over 22 million square feet and is expected to be over 25 million square feet in 2006 (The New Investment Mantra – Understanding Risks and Returns in the Indian Real Estate Market (July 2006)). India continues to lead the AT Kearney Offshore Location Attractiveness Index by a significant margin.

According to CRIS INFAC, the space required for the IT and ITES sectors is expected to increase at a CAGR of 25% over the three-year period ending 2007- 2008 and at a CAGR of 24% over the five year period ending 2007-2008. The IT and ITES sectors would require additional space of approximately 87 million square feet between fiscal 2006 and 2008, as illustrated by the following chart:



Source: CRIS INFAC "Construction, Annual Review" (February 2006).

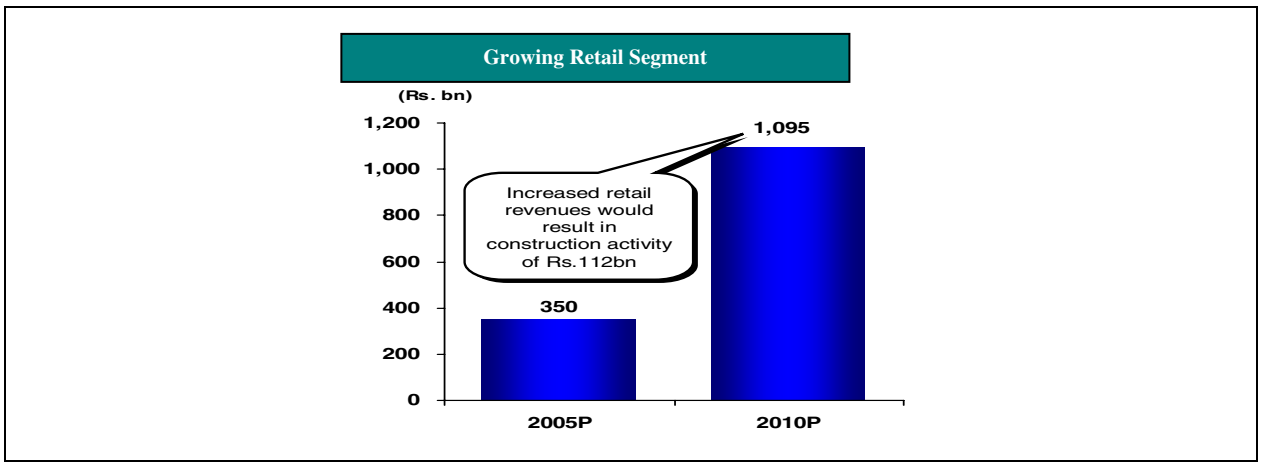
According to Cushman & Wakefield, capital flows into commercial property in 2004 increased by more than 40% over the previous year, leading to record high levels of new office development. In spite of this, higher demand has helped to stabilise vacancy rates. The IT, ITES and related sectors are estimated to account for more than 70% of net demand. Capital flows into commercial real estate over the next three years are estimated at more than US$5 billion. ("Opportunities for Private Equity Investment in Indian Real Estate" (4th Quarter, 2005)).

Retail real estate development

CRIS INFAC estimates that retail spending in India in fiscal 2005 was Rs. 9.9 trillion, of which organised retail accounted for Rs. 350 billion, or approximately 3.5%. The organised retail segment in India is expected to grow at a rate of 25% to 30% over the next five fiscal years. The growth of 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, the availability of cheap finance and the growing number of retail malls (CRIS INFAC "Retailing Annual Review" (September 2005)).

The major organised retailers in India currently include Tata-Trent, Pantaloon, Shopper's Stop and the RPG Group. While the organised retail segment has so far been limited to larger cities in the country, retailers have announced major expansion plans in smaller cities and towns. The growth of organised retail in India will also be affected by the reported entry into the sector of major business groups such as Reliance, Bennett & Coleman, Hindustan Lever, Hero Group and Bharti. International retailers such as Metro, Shoprite, Lifestyle and Dairy Farm International have already commenced operations in the country. In its publication "Retailing Annual Review" (September 2005), CRIS INFAC estimates that, over the next five years, 73.78 million square feet of floor space and Rs. 369 billion of real estate investment will be required to sustain the growing organized retail market.

CRIS INFAC also estimates that this increased activity in retail would result in increased revenues in the organised retail sector, as illustrated by the following chart:

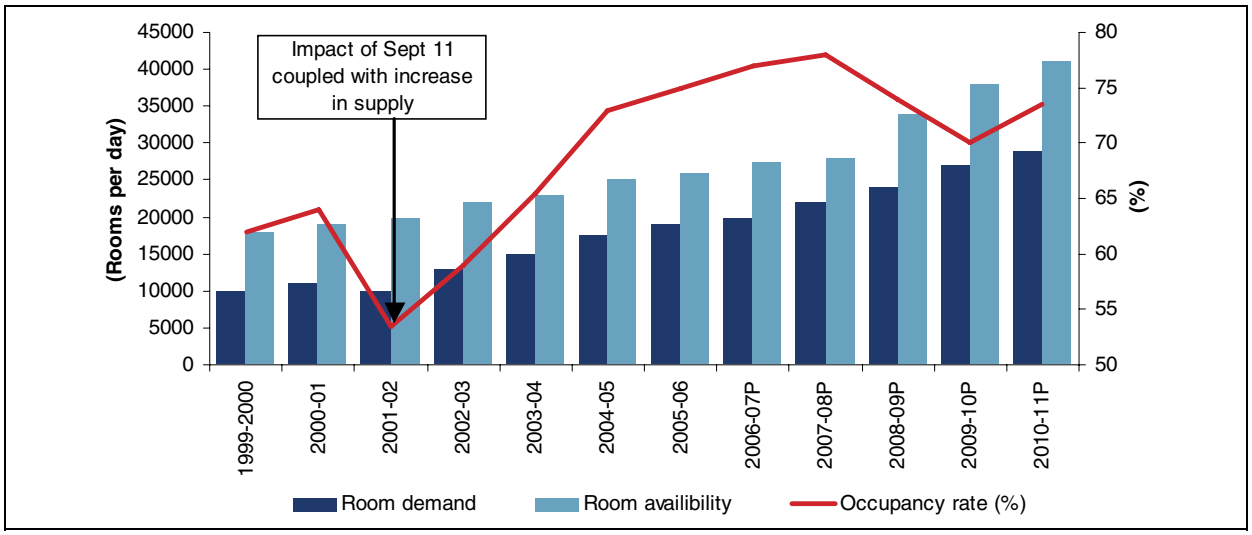


Source: CRIS INFAC, "Construction, Annual Review" (February 2006).

HOTELS

Recent growth in the hotel sector in India has primarily been caused by the growing economy, increased business travel and tourism. According to CRIS INFAC (Hotels Annual Review (July 2006)) room demand will grow at a CAGR of 10% over the next five years. This is expected to be accompanied by increases in average room rates of 20% and 10% in fiscal 2007 and 2008, respectively. It is expected that the growth in occupancy rates will be assisted by factors such as the 10% CAGR in the number of incoming travellers to India over the next five years.

The following chart shows changes in room demand and availability as well as occupation rates since fiscal 2000 and projections through to fiscal 2010:



Source: CRIS INFAC "Hotels Annual Review" (July 2006).

According to its publication "Hotels Annual Review (July 2006)", CRIS INFAC estimates that investments in the hotel industry will be approximately Rs. 90 billion over the next five years.

According to HVS International, the majority of segments in the Indian hotel industry have shown robust recent growth in room rates as well as occupancy rates ("Indian Hotel Values – Has the Summit Been Scaled?" (April 26,

2006)). With increased demand and limited availability of quality accommodation, the average room rates in metropolitan markets have shown significant growth in 2006 including 36.7% for Hyderabad, 32.5% for Delhi, 30.5% for Jaipur, 24.7% for Mumbai and 24.0% for Bangalore. Agra, Kolkata, Chennai and Goa experienced a growth range of between 17.0% and 21.0% in 2006 ("Hotels in India – Trends in India"). The general increase in both room rates and occupancy rates is expected to contribute significantly to the demand for new hotel developments.

SEZs

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. For more information about regulations and policies applicable to SEZs, see the section titled "Government Regulations and Policies" on page [●]. Regulatory approvals have been received for SEZs proposed to be developed by a number of developers, including our Company, Reliance Industries Limited and Mahindra Gesco Developers Limited. SEZs, by virtue of their size, are expected to be a significant new source of real estate demand. According to the Ministry of Commerce and Industry, 61 SEZs are currently approved and under establishment. As of March 31, 2005, there were eight functional SEZs operating in India comprising 811 units, employing over a 100,000 people. Investment per unit in these SEZs is approximately of Rs. 18 billion.

INFRASTRUCTURE

Central and state governments in India are increasingly focused on infrastructure development.

According to CRIS INFAC, investment in infrastructure will increase to Rs. 2,892 billion in 2008 from Rs. 2,655 in fiscal 2005 as illustrated by the following table:

	Total Investments (Rs. million)	
	2005-2006	**2007-2008**
Infrastrucutre		
Irrigation	423	482
Power	163	126
Roads	383	528
Urban Infrastructure	402	512
Total	**2,665**	**2,892**

Source: CRIS INFAC "Construction; No Slowdown Visible Yet" (June 2006).

A significant portion of infrastructure development is expected to be undertaken through public-private partnerships, thereby increasing the flow of private capital into infrastructure projects. Key areas of infrastructure development include transport, power, telecommunications, ports, pipelines, sanitation, water supply and irrigation. The current rate of infrastructure investment in India, at 3.5% of GDP, is well below the target rate of 8.0% proposed by the Expert Group on Commercialisation of Infrastructure Projects. The GoI has taken various initiatives to encourage this investment, such as capital grants, tax holidays and other fiscal incentives for certain types of projects.

CINEMAS

According to PricewaterhouseCoopers, the Indian entertainment industry is currently estimated at Rs. 234 billion. Films contribute a significant proportion (28%) to India's entertainment industry (The Indian Entertainment and Media Industry (FICCI - PwC Report (2006)). While the entertainment industry is expected to grow annually at almost 21% to reach approximately Rs. 617 billion by 2010, the Indian cinema industry is expected to reach Rs. 153 billion in 2010, contributing 25% to India's entertainment industry. According to PricewaterhouseCoopers, the Indian cinema sector had revenues of Rs. 53 million in 2005 (The Indian Entertainment and Media Industry (FICCI - PwC Report (2006)).

The key economic advantages of multiplex cinemas over single-screen cinemas include better occupancy ratios and the ability for cinema operators to choose to show movies in a larger or a smaller theatre based on expected audience size. Multiplex cinema operators are therefore able to maintain higher capacity utilization compared to single-screen cinemas and can also provide a greater number of film showings. As each movie has a different screening duration, a multiplex cinema operator has the flexibility to decide on the screening schedule so as to maximize the number of shows in the multiplexes, thus generating a higher number of patrons. Furthermore, multiplexes allow for better exploitation of the revenue potential of the movie.

The key growth drivers responsible for the expected increase in the number of multiplex cinemas include an increase in disposable income across an expanding Indian middle class, favourable demographic changes, strong growth in organized retail and the availability of entertainment tax benefits for multiplex cinema developers.

OUR BUSINESS

OVERVIEW

We are the largest real estate development company in India in terms of the area of our completed residential and commercial developments (ACNielsen Report) and our primary business is the development of residential, commercial and retail properties. Our operations span all aspects of real estate development, from the identification and acquisition of land, the planning, execution and marketing of our projects, through to the maintenance and management of our completed developments. In our residential business line, we build and sell a wide range of properties including houses, duplexes and apartments of varying sizes, with a focus on the higher end of the market. In our commercial business line, we build and sell or lease commercial office space, with a focus on properties attractive to large multinational tenants. Our retail business line develops, manages and mainly leases shopping malls, which in many cases include multiplex cinemas. We are also expanding our infrastructure, SEZs and hotel businesses.

With the growth of the Indian economy and the resulting increase in corporate and consumer income, as well as foreign investment, we see significant opportunities for growth in our three primary businesses. As part of our business expansion strategy, we have also started to diversify into other real estate related businesses such as the development of SEZs, the expansion of our multiplex cinema company, DT Cinemas, and the development of super luxury, business and budget hotels, as well as serviced apartments, through joint ventures with leading international hotel companies such as Hilton. In addition, we intend to expand into other business lines including infrastructure, multi-product SEZs and super luxury hotel developments. In order to ensure the high quality of our projects, we have entered into joint ventures with WSP to provide us with engineering and design services and Laing O'Rourke to provide construction expertise. Further, we recently acquired an interest in Feedback Ventures to provide us with management consulting services.

We have been steadily building our real estate business since we were founded in 1946. Historically, our business has had a particular focus on real estate development in the NCR, which includes Delhi and adjacent areas such as Gurgaon. We have been responsible for the development of approximately 220 million square feet. This includes approximately 195 million square feet of plots, 17 million square feet of residential properties, 6 million square feet of commercial properties and 2 million square feet of retail properties.

As of November 30, 2006, we had residential projects with a saleable area of approximately nine million square feet, which are under construction. All of these residential projects have been made available for sale. As of such date, we had commercial and retail projects with a lettable or saleable area of approximately 26 million square feet and 11 million square feet, respectively, which are under construction. Approximately nine million square feet and four million square feet of this commercial and retail property, respectively, have been made available for sale or lease. In fiscal 2007, as of the date of this Draft Red Herring Prospectus, we had signed lease agreements or letters of intent for office space aggregating 10 million square feet, in respect of commercial properties being developed by us.

We have extensive Land Reserves in various regions across India, amounting to 10,255 acres with a developable area of approximately 574 million square feet, of which 46 million square feet is under construction. Of the approximately 574 million square feet of developable area, 29 million square feet represents our equity interest in joint ventures with third parties and the balance represents lands that we own or to which we own the sole development rights. The commercial effect of these sole development rights, which cover an aggregate of approximately 200 million square feet, is to provide us with the benefits of ownership of the development, including substantially all of the revenues from the sale or lease of the development. We have paid or will pay advances to procure the sole development rights to the land, which will entitle us to substantially all the revenues from the development of such land. As of November 30, 2006, the balance due in respect of payments for the acquisition of land or sole development rights was Rs. 55,375 million.

Some of our Land Reserves are located in or near prominent cities across India and include approximately 5,269 acres in the NCR, 242 acres in Bangalore, 113 acres in Chennai, 22 acres in Mumbai, 433 acres in Chandigarh, 2,331 acres in Kolkata, 385 acres in Pune, 265 acres in Indore, 153 acres in Nagpur and 524 acres in Goa. The remaining 518 acres of our Land Reserves are located in 16 cities comprising 40 acres in Hyderabad, 200 acres in

Lucknow, 102 acres in Shimla, 54 acres in Bhubaneshwar, 25 acres in Sonepat, 13 acres in Ahmedabad, 12 acres in Baroda, 10 acres in Panipat, 8 acres in Jallandhar, 8 acres in Amritsar, 4 acres in Kochi, 3 acres in Jaipur, 2 acres in Ludhiana, 2 acres in Coimbatore, 30 acres in Kakkanad and 5 acres in Vytilla. Of our approximately 574 million square feet of developable area, we believe approximately 171 million square feet is located in or near developed urban areas, and a significant proportion of the balance is in or near areas that we believe will be developed as urban areas under the draft master plans proposed by the relevant authorities. Most of our Land Reserves are available as large, contiguous plots of land.

In addition to our Land Reserves of 574 million square feet, we hold existing completed buildings aggregating approximately 2.8 million square feet in NCR, developed plots of approximately 7.2 million square feet as well as 23 super luxury and luxury hotel sites, a golf course, clubs, and other assets in DLF Power.

For the eight months ended November 2006, our consolidated total income was Rs. 33,239 million and our consolidated net profit was Rs. 18,300 million. For the three years ended March 31, 2006, 2005 and 2004, our consolidated total income was Rs. 12,420 million, Rs. 6,260 million and Rs. 5,266 million, respectively, and our consolidated net profit was Rs. 1,917 million, Rs. 865 million and Rs. 538 million, respectively.

HISTORY OF THE GROUP

The DLF Group was founded in 1946. We developed some of the first residential colonies in Delhi such as Krishna Nagar in East Delhi, which was completed in 1949. Since then we have been responsible for the development of many of Delhi's other well known urban colonies, including South Extension, Greater Kailash, Kailash Colony and Hauz Khas.

Following the passage of the Delhi Development Act in 1957, the state assumed control of real estate development activities in Delhi, which resulted in restrictions on private real estate colony development. We therefore commenced acquiring land at relatively low cost outside the area controlled by the Delhi Development Authority, particularly in the district of Gurgaon in the adjacent state of Haryana. This led to our first development, DLF Qutab Enclave, which has evolved into DLF City, our landmark project. DLF City is spread over 3,000 acres in Gurgaon and is an integrated township which includes residential, commercial and retail properties in a modern city infrastructure with schools, hospitals, hotels, shopping malls and a leading golf and country club. DLF City incorporates Cybercity, our leading commercial development, which when completed is expected to have developed area of approximately 20 million square feet.

The following map illustrates the locations of our developments, projects and lands across India, as of November 30, 2006.

STRENGTHS

We believe that the following are our primary competitive strengths:

An established brand name and reputation for project execution

We are the largest real estate development company in India in terms of the area of our completed residential and commercial developments (ACNielsen Report). We have a 60 year history of service excellence. Since we were founded in 1946, we have been responsible for the development of approximately 220 million square feet, including 22 urban colonies as well as an entire integrated 3,000 acre township - DLF City. Our position as a leading property developer is largely due to our established execution capabilities. Our reputation for providing prompt payment to landowners upon the acquisition of their land, developing and completing projects in a timely manner and conducting our business with transparency has created a relationship of trust with our customers and suppliers, many of whom have been involved with us across generations. We retain internationally and nationally renowned architectural consultants, such as Hafeez Contractor, the Jerde Partnership Inc and Mohit Gujral, as well as design and engineering, construction and project management firms for our projects. Our suppliers provide specifically manufactured raw materials for our projects such as units to make ready-mixed concrete, elevator equipment and aluminium extrusions. Our reputation attracts multinational clients seeking to occupy multiple locations.

Extensive Land Reserves

We have extensive Land Reserves in various regions across India, amounting to 10,255 acres, with 51% of our Land Reserves in the NCR, 23% in Kolkata, 5% in Goa, 5% in Mahararashtra, 3% in Indore, 4% in Punjab, 2% in Bangalore and the balance in various other states. Our Land Reserves comprise a developable area of approximately 574 million square feet, of which 46 million square feet is under construction. Of the approximately 574 million square feet of developable area, 29 million square feet represents our equity interest in joint ventures with third parties and the balance represents lands that we own or to which we own the sole development rights. The commercial effect of these sole development rights, which cover an aggregate of approximately 200 million square feet, is to provide us with the benefits of ownership of the development, including the returns from the sale or lease of the development. We have paid or will pay advances to procure the sole development rights to the land, which will entitle us to substantially all the revenues from the development of such land. As of November 30, 2006 the balance due in respect of payments for the acquisition of land or sole development rights was Rs. 55,375 million.

While we have been acquiring land for many years, the rate at which we have been acquiring it has greatly increased in the last three years. We believe that our Land Reserves are sufficient for our planned developments over the next ten years and provide us with a major competitive advantage as well as protection against land price inflation. The size of our Land Reserves also allows us to respond more effectively to changes in market conditions and demand.

Strategic locations

Our projects are strategically located. Our luxury residential developments benefit from desirable locations that appeal to our higher income customers, while our townships are developed with easy access to city centers. Our commercial developments are located in areas that are attractive to our multinational clients, particularly in the IT and ITES sectors. Our retail developments in conjunction with our multiplex cinemas afford convenient access to target customers of our retail clients, both in city centers and suburban locations. We believe that our ability to anticipate market trends and, in some cases, to influence the direction of these trends, provides us with the expertise to choose strategic locations.

Scale of operations

Our size allows us to benefit from economies of scale. We are able to purchase large plots of land from multiple sellers, thus enabling us to aggregate land at lower prices. We believe that we enjoy greater credibility with sellers of land as well as buyers of our properties as a result of our reputation and our scale of operations. We are able to undertake large scale projects in multiple phases, which provides us with the opportunity to monitor market acceptance and modify our projects in accordance with customer needs. We are able to integrate our residential, commercial and retail capabilities, allowing us to achieve greater value for our projects, as demonstrated by DLF City. The large scale of our developments within a business line creates demand for our other business lines.

Additionally, we are able to use our bulk purchasing capabilities for the acquisition of raw materials such as cement and steel, the use of better construction technology such as pre-casting, as well as high cost equipment such as shuttering machines and tower cranes. Further, the extent and quality of our assets enable us to finance the active acquisition of land, adjust the scale of our projects and provide us with the flexibility of retaining rather than selling our developments in the event of an economic downturn.

A tradition of innovation

We have a tradition of innovation in the Indian real estate market. We were one of the first developers to anticipate the need for townships on the outskirts of fast growing cities and are generally credited with the growth of Gurgaon. We were one of the early developers to focus on theme-based projects such as The Magnolias development in DLF City, which includes a golf course. We are one of the few developers in India to provide commercial space with floor plates of over 100,000 square feet. We were an early developer of large shopping malls with integrated entertainment facilities. We continually offer our customers new designs and concepts. For example, in some of our super luxury developments, we allow purchasers to customize the layout of their new homes. Our developments typically integrate construction and safety standards which exceed nationally prescribed minimum levels and we provide management services for properties in all our business lines.

Experienced and dedicated management

We have an experienced, highly qualified and dedicated management team, many of whom have over 20 years of experience in their respective fields. Because of our established brand name and reputation for project execution, we have been able to recruit high caliber management and employees. We provide our staff with competitive compensation packages and a corporate environment that encourages responsibility, autonomy and innovation. We believe that the experience of our management team and its in-depth understanding of the real estate market in India will enable us to continue to take advantage of both current and future market opportunities.

STRATEGY

Our mission is to build a world class real estate development company specializing in residential, commercial and retail real estate development and also encompassing the development of SEZs, infrastructure, multiplex cinemas and hotels. We aim to achieve the highest standards of professionalism, ethics and customer service and to thereby contribute to and benefit from the growth of the Indian economy. The key elements of our business strategy are as follows:

Increase our Land Reserves in strategic locations

We recognize that continuing to build our Land Reserves is critical to our growth strategy and we intend to continue acquiring land across India for our projects. We have identified and acquired land in and around 31 cities which we believe is suitable for our residential and commercial projects and are in the process of acquiring the land to facilitate our growth strategy. In respect of our retail business, we intend to identify and acquire land in 60 cities across India. We believe that our cash reserves, sanctioned loans and sales receivables are sufficient to finance the balance due in respect of our acquisition of land or sole development rights, which amounted to approximately Rs. 55,375 million as of November 30, 2006.

Expand our core business lines nationally

As consumers' aspirations have risen, so has the demand for high quality residential developments that integrate recreational facilities. We plan to focus on the development of super luxury and luxury residential projects and townships in key locations in India. We also intend to take advantage of increasing urbanization by investing in the development of townships on the peripheries of cities around the country.

We intend to develop extensive commercial properties in selected cities, built to international standards in order to attract key multinational tenants and thereby strengthen our position as a leading developer of commercial real estate. We intend to take advantage of the growth of the Indian economy and changing consumer preferences to

reinforce our position as a leading retail property developer in India. Our malls will provide modern retail space, customer service facilities and entertainment centers, along with high standard safety and security features. An important element of our growth strategy is to anticipate the expansion plans of our commercial and retail clients, thereby catering to their growing real estate requirements and advancing our strategy of geographic expansion. We are developing projects throughout India, which we estimate will involve the development of plot, residential, commercial and retail developed area of approximately 46 million square feet, 384 million square feet, 88 million square feet and 56 million square feet, respectively, totaling over 574 million square feet. We have already commenced the process of acquiring land in a number of cities across the country and have made partial payments for many of these lands.

Expand our SEZ developments

SEZs are a new business concept in India, and provide attractive fiscal incentives for both developers and tenants. SEZs are a key element of the infrastructure development plans of the central and state governments in India, which are increasingly authorizing the development of SEZs in various locations across the country. We see the development of sector-specific as well as multi-product SEZs as a major growth area for our Company. We have identified several potential locations for IT-specific SEZ development and have obtained final approvals from the Board of Approvals, GoI for two IT-specific SEZs in Gurgaon, and one each in Hyderabad and Pune. We have also received final notification for our IT-specific SEZs in Chennai. In-principle approvals have been obtained with respect to our IT-specific SEZs in Delhi and Bhubaneswar.

We are in the process of finalizing approvals for several SEZs which will cover an aggregate of 26,100 acres. Land acquisition notifications have been issued in respect of a proposed multi-sector, product-specific SEZ in Amritsar covering 1,100 acres. We have received in-principle approval for a multi-product SEZ in Ludhiana which will cover 2,500 acres. Additionally, we have received approvals from the Haryana Investment Promotion Board, for providing support for setting up and developing 20,000 acres multi-product SEZ in Gurgaon and for 2,500 acres of land in Ambala.

Expand our operations in infrastructure development

We recently entered into a joint venture with Laing O'Rourke plc, which is a leading UK-based construction company with a strong track record of major construction projects globally and who have already commenced construction on 11 projects. Through the joint venture company, DLF Laing O'Rourke, we intend to continue benefiting from Laing O'Rourke's construction expertise and experience in our development projects and also intend to participate in the construction of infrastructure projects including roads, bridges, tunnels, pipelines, harbors, runways and power projects. We believe that the joint venture has created an opportunity to exploit new sources of revenue and has enabled our management to focus on new opportunities in our core business areas.

Expand into hotel development

We recently entered into a joint venture with Hilton, a leading US-headquartered global hospitality company, to set up a chain of hotels and serviced apartments in India. We intend to enter into joint ventures with other leading hotel companies to develop hotels in the budget, business, four star, five star and deluxe segments. We believe that the hotel business will complement our existing business and that there will be opportunities to situate our hotels in or close to our other developments such as commercial centers, IT parks and shopping malls. We also plan to develop other tourism and leisure related assets. We intend to use our existing real estate capabilities as well as our joint venture company, DLF Laing O'Rourke, to develop these assets.

Expand our operations in multiplex cinema development and operations through DT Cinemas

In response to India's rising disposable incomes and a rapidly growing middle class, we intend to expand our multiplex cinema business to provide for the highest cinematic standards and to become the preferred multiplex cinema destination. We intend to achieve this strategy by capitalizing on our position as one of India's leading developers of malls, where we intend to develop and operate our multiplex cinemas.

Enhance our design and construction capabilities

We intend to further improve the quality of our real estate developments and the time taken to bring them to market. We plan to outsource a substantial part of the design and construction activity related to our projects to the WSP and DLF Laing O'Rourke joint ventures, respectively. We believe these joint ventures will enable us to improve the construction quality of our developments, embark on more complex and ambitious projects and enable our management to focus on the development rather than the construction of our projects. These joint ventures also give us access to the latest advances in design and construction techniques, which will shorten the time taken to complete projects within our existing business lines as well as our proposed ventures. We will also benefit from the use of advanced architectural techniques and construction materials, so as to create innovative, environmentally friendly and profitable developments.

Additionally, we have recently signed a memorandum of understanding with Nakheel LLC, United Arab Emirates ("Nakheel") to develop, through a joint venture, two townships in India, each spread over an area of approximately 20,000 acres.

DESCRIPTION OF OUR BUSINESS

Our business lines

We have three main lines of business - residential, commercial and retail real estate development, and we plan to undertake significant nationwide development within each of these business lines. We have also began to diversify into other real estate related businesses such as the development of SEZs, infrastructure construction through our joint venture with Laing O'Rourke plc, the expansion of our multiplex cinema company, DT Cinemas, and the development of luxury, business, upscale, mid-market budget hotels and serviced apartments through joint ventures with leading international hotel companies such as Hilton. In order to ensure the high quality of our projects, we have entered into joint ventures with WSP to provide us with engineering and design services, and we recently acquired a 19% share interest in Feedback Ventures to provide us with management consulting services. We are also exploring alliances and opportunities with respect to real estate related opportunities in fields such as airport management, leisure and entertainment, infrastructure development, hospitals and wind power and other opportunities in insurance.

The following table presents, as of November 30, 2006, the approximate saleable or lettable area of our completed developments, projects under construction and planned projects for which we have commenced land acquisition, with respect to our plots and in our three main lines of business:

Business line	Completed Developments	Projects Under Construction	Planned Projects
		(million sq. ft.)	
Plots	195	-	46
Residential	17	9	375
Commercial	6	26	62
Retail	2	11	45
Total	**220**	**46**	**528**

The following table sets forth the area of our projects aggregated by region, which we plan to make available for booking/sale/lease or development in the relevant fiscal year in terms of millions of square feet:

	Commercial			Residential			Retail		
	2007	**2008**	**2009**	**2007**	**2008**	**2009**	**2007**	**2008**	**2009**
NCR	5.6	10.9	8.7	6.1	6.1	8.6	6.0	0.4	-
Chennai	3.2	3.0	-	-	1.2	1.2	-	0.5	0.8
Bangalore	1.5	-	-	-	4.0	4.1	-	0.7	-
Chandigarh	0.7	0.4	0.6	-	1.8	3.6	0.2	-	1.2
Goa	-	0.1	0.5	-	3.3	4.0	-	0.6	0.1
Indore	-	0.1	0.1	-	2.3	2.3	-	0.2	0.2

	Commercial			Residential			Retail		
Kolkata	-	1.7	2.9	-	0.6	7.3	-	0.3	0.2
Mumbai	-	0.2	-	-	0.4	0.8	1.7	0.3	-
Nagpur	-	0.2	0.2	-	-	2.0	-	0.7	0.7
Pune	1.7	0.8	0.5	-	2.2	2.2	-	-	-
Others	-	4.1	0.4	-	3.1	2.8	0.5	8.4	8.0
Total	**12.7**	**21.6**	**13.9**	**6.1**	**25.0**	**38.7**	**8.4**	**12.2**	**11.1**

The following table sets forth, for each of our planned projects, the region in which the project is located, the property type, total area, and the approximate date by which we first anticipate making the project available for booking, sale, lease or development:

Our Estimate of Potential Developable Area

S. No	City	Type	Total Area (million square feet)	Expected Launch Date
1	Bangalore	Comm.	1.53	Launched
2	Bangalore	Residential	7.41	Apr-07
3	Bangalore	Residential	6.32	Oct-07
4	Bangalore	Residential	6.32	Oct-07
5	Bangalore	Retail	0.72	Oct-07
6	Chandigarh	Comm.	1.03	Oct-07
7	Chandigarh	Comm.	0.65	Launched
8	Chandigarh	Residential	2.12	Oct-07
9	Chandigarh	Residential	2.12	Oct-07
10	Chandigarh	Residential	0.53	Oct-07
11	Chandigarh	Residential	4.00	Oct-07
12	Chandigarh	Residential	4.53	Apr-08
13	Chandigarh	Retail	1.18	Apr-08
14	Chandigarh	Retail	0.19	Launched
15	Chennai	Comm.	6.64	Launched
16	Chennai	Residential	6.11	Jun-07
17	Chennai	Retail	0.81	Oct-08
18	Chennai	Retail	0.50	Jul-07
19	Goa	Comm.	0.61	Oct-07
20	Goa	Comm.	4.32	Apr-08
21	Goa	Residential	1.40	Jun-07
22	Goa	Residential	3.48	Oct-07
23	Goa	Residential	3.75	Oct-07
24	Goa	Residential	6.56	Oct-07
25	Goa	Retail	0.70	Oct-07
26	Goa	Retail	0.55	Jul-07
27	Indore	Comm.	0.40	Jun-07
28	Indore	Residential	2.31	Apr-07
29	Indore	Residential	2.48	May-07
30	Indore	Residential	4.34	Jul-07
31	Indore	Retail	0.92	Jun-07
32	Kolkatta	Comm.	6.21	Apr-08
33	Kolkatta	Comm.	1.17	Launched
34	Kolkatta	Comm.	2.81	Jun-07
35	Kolkatta	Comm.	2.61	Apr-08
36	Kolkatta	Residential	1.40	Sep-07

Our Estimate of Potential Developable Area

S. No	City	Type	Total Area (million square feet)	Expected Launch Date
37	Kolkatta	Residential	9.68	Apr-08
38	Kolkatta	Residential	47.90	Apr-08
39	Kolkatta	Residential	4.84	Apr-08
40	Kolkatta	Residential	38.61	Apr-08
41	Kolkatta	Residential	0.65	Apr-08
42	Kolkatta	Retail	3.87	Apr-08
43	Kolkatta	Retail	3.87	Apr-08
44	Kolkatta	Retail	0.34	Apr-07
45	Kolkatta	Retail	0.15	Launched
46	Mumbai	Comm.	0.22	Apr-07
47	Mumbai	Residential	0.89	Oct-07
48	Mumbai	Residential	0.06	Apr-08
49	Mumbai	Residential	0.31	Apr-08
50	Mumbai	Retail	1.69	Dec-06
51	Mumbai	Retail	0.25	Apr-07
52	Nagpur	Comm.	2.00	Oct-07
53	Nagpur	Residential	6.01	Apr-08
54	Nagpur	Retail	2.00	Oct-07
55	NCR - Gurgaon	Comm.	4.86	Dec-06
56	NCR - Noida	Comm.	2.63	Apr-08
57	NCR - Noida	Comm.	3.32	Launched
58	NCR - Delhi	Comm.	2.22	Jun-07
59	NCR - Gurgaon	Comm.	2.32	Launched
60	NCR - Gurgaon	Comm.	2.21	Launched
61	NCR - Gurgaon	Comm.	9.44	Launched
62	NCR - Gurgaon	Comm.	8.13	Launched
63	NCR - Delhi	Residential	0.39	Jan-07
64	NCR - Delhi	Residential	0.70	Feb-07
65	NCR - Gurgaon	Residential	1.03	Oct-07
66	NCR - Gurgaon	Residential	35.88	Launched
67	NCR - Gurgaon	Residential	17.42	Apr-08
68	NCR - Delhi	Residential	1.84	Jun-08
69	NCR - Delhi	Retail	0.34	Launched
70	NCR - Delhi	Retail	0.16	Launched
71	NCR – Delhi	Retail	0.25	Launched
72	NCR – Delhi	Retail	0.84	Launched
73	NCR – Delhi	Retail	0.33	Launched
74	NCR – Delhi	Retail	0.45	Launched
75	NCR – Noida	Retail	1.52	Launched
76	NCR - Gurgaon	Retail	3.93	Launched
77	NCR – Noida	Retail	0.51	Launched
78	NCR - Faridabad	Retail	0.45	Jul-07
79	NCR – Delhi	Retail	0.26	Launched
80	NCR – Gurgaon	Retail	0.17	Dec-06
81	Pune	Comm.	3.36	Launched
82	Pune	Residential	3.51	Sep-07

Our Estimate of Potential Developable Area

S. No	City	Type	Total Area (million square feet)	Expected Launch Date
83	Pune	Residential	5.85	Jul-07
84	Others	Comm.	3.40	Apr-07
85	Others	Comm.	2.47	Jun-07
86	Others	Comm.	1.80	Apr-07
87	Others	Residential	0.52	Aug-07
88	Others	Residential	0.74	May-07
89	Others	Residential	4.21	Jun-07
90	Others	Residential	0.35	May-07
91	Others	Residential	4.79	May-07
92	Others	Retail	0.19	Launched
93	Others	Retail	0.37	Apr-07
94	Others	Retail	0.37	Oct-07
95	Others	Retail	1.21	Apr-07
96	Others	Retail	2.31	Jun-07
97	Others	Retail	0.78	Apr-07
98	Others	Retail	1.30	Jun-07
99	Others	Retail	0.27	Oct-07
100	Others	Retail	0.35	Mar-07
101	Others	Retail	1.12	Apr-07
102	Others	Retail	0.21	Apr-08
103	Others	Retail	1.29	May-08
104	Others	Retail	0.63	Jun-08
105	Others	Retail	1.65	Jan-08
	Sub-Total		**366.74**	
106	Goa	Residential	0.37	After fiscal 2009
107	Kolkatta	Retail	6.97	After fiscal 2009
108	NCR - Gurgaon	Comm.	11.17	After fiscal 2009
109	NCR - Gurgaon	Comm.	0.84	After fiscal 2009
110	NCR - Gurgaon	Residential	86.25	After fiscal 2009
111	NCR - Gurgaon	Residential	8.71	After fiscal 2009
112	NCR - Gurgaon	Residential	69.52	After fiscal 2009
113	NCR - Gurgaon	Residential	1.31	After fiscal 2009
114	NCR - Gurgaon	Residential	6.47	After fiscal 2009
115	NCR - Gurgaon	Residential	0.65	After fiscal 2009
116	NCR - Gurgaon	Residential	5.21	After fiscal 2009
117	NCR - Gurgaon	Retail	6.97	After fiscal 2009
118	NCR - Gurgaon	Retail	1.05	After fiscal 2009
119	Others	Retail	1.48	After fiscal 2009
	Sub-Total		**206.97**	
	Grand Total		**573.71**	

The expected launch date with respect to a project in the preceding table is the date by which we anticipate making the first bookings, sales, leases or development with respect to that project. However, as many of our projects are

built in phases over multiple periods, the total area with respect to a particular project may not be completely booked, sold, leased or developed until a date subsequent to the expected launch date.

The preceding two tables represents our current plans with respect to our projects. However, our current plans and expectations are subject to change depending on future contingencies and unforeseen events or factors, including, among others, competition, changes to our business plans, timely receipt of statutory and regulatory approvals and permits, irregularities in title to land or in agreements related to acquisition of land, and ability of third parties to execute services on schedule and on budget. See "Risk Factors – Internal Risk Factors and Risks Relating to Our Business", including "We may not be able to compete effectively, particularly in regional markets and in our new businesses", "Some of our projects are in the preliminary stages of planning", "We face uncertainty of title to our lands", "Agreements with third parties in relation to purchase of land may expire or be invalid", and "Most of our projects require the services of third parties, which entails certain risks, and as we expand geographically, we will be using contractors with whom we are not familiar".

Our residential business

Our residential real estate projects are focused on the creation of new suburbs through large scale developments, as well as developments of luxury and super luxury residential accommodation on a smaller scale. We completed Krishna Nagar, our first residential colony, in 1949. Since then, we have been responsible for the development of approximately 220 million square feet of colonies and townships. This includes approximately 195 million square feet of plots and 17 million square feet of residential properties. In addition, as of November 30, 2006, we had launched residential projects with a saleable area of approximately 9 million square feet which are under construction. As of November 30, 2006 our Land Reserves under development aggregated 10,255 acres, representing approximately 574 million square feet of developed area or area available for development.

We have implemented innovative approaches to the development and marketing of our residential projects and were one of the early developers to focus on theme-based projects, such as The Magnolias development in DLF City, which includes a golf course. We see the leisure facilities associated with our luxury and super luxury residential accommodation as not only a powerful marketing tool, but also an additional source of revenue. Another innovation, introduced in some of our super luxury developments, is to enable our customers to customize the layout of their new homes.

Our completed residential real estate developments

Our major developments have been within DLF City in Gurgaon. The development of DLF City commenced in 1980. DLF City has since become our largest development and is an integrated township with residential, commercial, retail and entertainment components spread over 3,000 acres. Within DLF City, many of our residential developments provide high quality amenities, including security systems, power generation, air conditioning, sports and recreational facilities, as well as valet parking.

The table below provides information as of November 30, 2006 relating to certain of our completed and sold residential developments in DLF City.

Project Name	Area (million sq. ft.)	No of Units	Started (Fiscal)	Completed (Fiscal)	Sale value (Rs. million)	Avg. sale value (Rs./sq. ft.)
The Aralias	1.6	252	2003	2007	4,006	2,548
Westend Heights	1.0	368	2002	2007	2,214	2,243
Trinity Towers	0.6	234	2002	2006	877	1,567
DLF Exclusive Floors	0.8	516	2001	2004	1,039	1,350
Belvedere Park	0.5	318	2000	2003	1,123	2,086
Belvedere Towers	0.5	222	2000	2003	933	1,816
Carlton Estate	0.7	485	1999	2003	972	1,396
Princeton Estate	1.1	918	1999	2003	1,533	1,456
Wellington Estate	0.9	555	1999	2003	1,129	1,289
Oakwood Estate	0.5	322	1999	2002	740	1,412

Project Name	Area (million sq. ft.)	No of Units	Started (Fiscal)	Completed (Fiscal)	Sale value (Rs. million)	Avg. sale value (Rs./sq. ft.)
DLF Regent House	0.1	34	1999	2002	77	1,442
Ridgewood Estates	1.4	924	1999	2001	1,777	1,284
Richmond Park	0.6	280	1997	2001	988	1,747
Beverly Park-II	0.6	182	1996	1998	692	1,238
Windsor Court	0.4	132	1995	2000	779	2,030
Hamilton Court	0.7	266	1995	2000	942	1,305
Regency Park	1.2	824	1995	2000	1,428	1,169
Beverly Park-I	0.5	158	1993	1998	498	1,027
Executive Home	0.2	109	1992	1996	170	746
Silver Oaks	1.4	749	1991	1997	739	739
New Town House	0.5	333	1990	1994	322	629
Town House	0.6	540	1990	1994	412	642

Examples of our completed residential real estate projects include Trinity Towers, DLF Exclusive Floors, Belvedere Park, the Aralias and Westend Heights.

Trinity Towers. Trinity Towers was completed in fiscal 2006. The project consists of 234 residential units with approximately 0.6 million square feet of saleable space in three buildings of 20 floors each. The total area of the development is 3.7 acres with apartments ranging in size from 2,340 square feet to 3,018 square feet. All of the apartments in Trinity Towers have been sold.

Trinity Towers is a high rise luxury residential development and is situated in Gurgaon. The development benefits from amenities such as power back up. The development also provides club house facilities including a swimming pool and changing room. This residential development is adjacent to regional infrastructure such as the Mehrauli–Gurgaon Road and National Highway 8 is approximately five kilometers away. Trinity Towers is within 19 kilometers of Delhi international airport and five kilometers from our ongoing commercial project, Cybercity.

DLF Exclusive Floors. DLF Exclusive Floors was completed in fiscal 2004. The development consists of 516 residential units with approximately 0.8 million square feet of saleable space comprising 172 plots, with three 1,500 square foot units per plot. All of the units in DLF Exclusive Floors have already been sold.

DLF Exclusive Floors is a low rise luxury residential development with one unit per floor. The project is situated in Gurgaon. This residential development is close to regional infrastructure such as the Mehrauli–Gurgaon Road and National Highway 8 is approximately five kilometers away. DLF Exclusive Floors is within 19 kilometers of Delhi international airport and seven kilometers from Cybercity.

Belvedere Park. Belvedere Park was completed in fiscal 2003. The development consists of 318 residential units with approximately 0.5 million square feet of saleable space in four buildings of 18 to 20 floors. The total area of the development is 13 acres with apartments ranging in size from 1,408 square feet to 3,015 square feet. All of the apartments in Belvedere Park have already been sold.

Belvedere Park is a high rise luxury residential development situated in Gurgaon. The development benefits from amenities such as power back up and club house facilities, which include a swimming pool and a gymnasium. This residential development is adjacent to regional infrastructure such as National Highway 8 and the Mehrauli–Gurgaon Road. Belvedere Park is located within 12 kilometers of Delhi international airport and is close to Cybercity.

The Aralias. The Aralias project consists of 252 residential units with approximately 1.6 million square feet of saleable area in 11 buildings of 15 to 17 floors each. The total area of the development is 9.8 acres with apartments ranging in size from 5,822 square feet to 10,803 square feet. All of the apartments in The Aralias have already been sold.

The Aralias is a luxury residential development and is situated in close proximity to our 18 hole DLF Golf and Country Club. Owners are able to plan and design the layout of their apartments. Each apartment benefits from amenities such as a car calling (valet) system, car washing facilities, day-care as well as playschool facilities. The development also provides club house facilities, including a multipurpose room, swimming pool and changing rooms, squash and tennis courts, a gymnasium, a convenience shop and centralized services. This residential development is adjacent to regional infrastructure such as the Mehrauli–Gurgaon Road, and National Highway 8 is approximately five kilometers away. The development is within 19 kilometers of Delhi's international airport and five kilometers of our planned commercial project, Cybercity.

Westend Heights. Westend Heights consists of 368 residential units in five buildings of one floor each covering approximately one million square feet of saleable area. The total area of the development is 5.45 acres with apartments ranging from 2,610 square feet to 2,804 square feet.

Westend Heights is a luxury residential development which is situated close to our 18 hole DLF Golf and Country Club. The development also provides club house facilities, including a multi-purpose room, swimming pool and changing rooms as well as a gymnasium. This development is near the Mehrauli–Gurgaon Road and National Highway 8 and is within 19 kilometers of Delhi's international airport and five kilometers of Cybercity.

Our current residential real estate projects

We are currently constructing approximately nine million square feet of residential developments and we estimate that from fiscal 2007 to fiscal 2009, we plan to make available for booking/sale/lease or development 69.8 million square feet of residential real estate projects.

The table below provides certain information as of November 30, 2006 relating to some of our current residential real estate projects:

Project Name	Area (million sq. ft.)	No of Units	Started (Fiscal)	Scheduled Completon (Fiscal)	Sale value (Rs. million)	Avg. Sale Value (Rs./ sq. ft.)
DLF Park Place	2.2	988	2007	2010	5,404	6,567*
The Belaire	1.3	364	2007	2010	7,501	7,407*
The Magnolias	2.5	402	2006	2009	11,066	5,898*
Royalton Tower	0.2	76	2004	2007	757	3,474
The Icon	1.0	364	2004	2007	3,244	3,380
The Pinnacle	1.1	280	2004	2007	4,196	3,809
The Summit	0.7	228	2003	2008	3,198	4,506

**Sales in progress. Sales for all other projects listed have been completed.*

Examples of our current residential real estate projects include DLF Park Place, the Belaire and the Magnolias.

DLF Park Place. DLF Park Place is expected to be completed in fiscal 2010 and consists of 988 residential units with approximately 2.2 million square feet of saleable area in 13 blocks of 19 to 20 floors each. The total area of the development is 30 acres with apartments ranging from 1,875 square feet to 2,550 square feet. 300 units of DLF Park Place were booked/sold on the first day that units became available for booking/sale.

DLF Park Place is a luxury residential development offering medium sized apartments in close proximity to our 18 hole DLF Golf and Country Club. The development benefits from amenities such as a gymnasium and spa, tennis courts, yoga center, swimming pool and a small cinema and is located on Golf Course Road, near the Mehrauli-Gurgaon Road and National Highway 8. The development is within 20 kilometers of Delhi's international airport.

The Belaire. The Belaire is expected to be completed in fiscal 2010 and consists of 364 residential units with approximately 1.3 million square feet of saleable space in five blocks of 19 to 20 floors each. The total area of the development is 7.3 acres with apartments ranging from 2,425 square feet to 7,175 square feet. 211 units of the Belaire were booked/sold on the first day that units became available for booking/sale.

The Belaire is a luxury residential development and is situated in close proximity to our 18 -hole DLF Golf and Country Club. Each apartment benefits from amenities such as central air-conditioning and certain apartments also contain jacuzzis and open plan kitchens. The development also provides clubhouse facilities, including indoor and outdoor sports facilities and a small cinema. This development is adjacent to regional infrastructure such as the Mehrauli-Gurgaon Road and National Highway 8 is approximately seven kilometers away. The development is within 20 kilometers of Delhi's international airport.

The Magnolias. The Magnolias project is one of the first assignments for DLF Laing O'Rourke and we expect that this project will be completed in fiscal 2009. The project consists of 402 residential units in five buildings of 19 floors each covering approximately 2.5 million square feet of saleable area. The total area of the development is 22.77 acres with apartments ranging from 5,825 square feet to 9,800 square feet in size.

The Magnolias is a super luxury residential development which is situated adjacent to our 18 hole DLF Golf and Country Club and also benefits from its own nine hole golf course. The apartments, duplexes and penthouses in the project will have high quality amenities such as central air conditioning, car calling (valet) and car washing facilities and day-care as well as playschool facilities. The development also provides club house facilities, including a multi-purpose room, swimming pool and changing rooms, squash and tennis courts, a gymnasium, a convenience shop and centralized services. This development is near the Mehrauli–Gurgaon Road and National Highway 8 and is within 19 kilometers of Delhi's international airport and five kilometers of Cybercity.

Our planned residential real estate projects

Our goal is to build our residential real estate business across India. We plan to focus on the development of super luxury and luxury residential projects and townships in key locations in India. We also intend to take advantage of increasing urbanization by investing in the development of townships on the peripheries of cities around the country.

We have acquired 23 acres of land for a super luxury residential development in Chanakyapuri in New Delhi. We have also acquired, or are in the process of acquiring, land for township development in and around Amritsar, Bangalore, Chennai, Chandigarh, Goa, Gurgaon, Ludhiana, Indore, Jaipur, Mumbai, Pune and Shimla. Additionally, in April 2006, we won a bid, together with a joint venture partner, to acquire 35.8 acres of land in New Delhi. We intend to develop 3,500 units of affordable housing and a super luxury residential development comprising 750 units. This development is a 'public private partnership' between our joint venture and the DDA, which requires us to develop a certain proportion of low income housing within the development.

Our commercial business

Our commercial real estate projects are focused on developing an extensive portfolio of commercial properties built to international standards. Our first significant commercial development was DLF Centre, an office building located in central Delhi, which opened in 1992. DLF Centre provides leased commercial space to a number of multinational corporations and serves as our corporate headquarters. The majority of our other commercial properties are in DLF City, Gurgaon. Many of these commercial properties are part of Cybercity, which is a major commercial area that is being developed in DLF City. As of November 30, 2006, of the three million square feet of our commercial real estate which was available for rent, 98% was occupied.

We have sought to strengthen and expand our relationships with our commercial clients. For example, our relationship with a Fortune 500 IT Company started in 2000 with a leased area of 48,000 square feet. With the expansion of the client's business in India, its leased area grew ten times to 483,000 square feet in DLF City. When the client sought to expand to Chandigarh and Kolkata, it chose us for its commercial space and has committed to lease up to 230,000 square feet in Kolkata and 60,000 square feet in Chandigarh.

Our completed commercial real estate developments

The table below provides certain information as of November 30, 2006 on our completed commercial real estate developments:

Project Name	Area (million sq. ft.)	Started (Fiscal)	Completed (Fiscal)
DLF Centre	0.2	1989	1992
DLF Corporate Park	0.3	1994	1996
DLF Gateway Tower	0.1	1997	1999
Amex Tower	0.1	2002	2004
Ericsson	0.2	2003	2004
Infinity Towers	1.3	2004	2006
DLF Cyber Green	0.9	2004	2005
Kolkata IT Park	1.2	2004	2006
Chandigarh IT Park	0.7	2004	2006
Building No. 8A & 8B, Cybercity	0.8	2006	2007

Examples of our completed commercial real estate developments include Infinity Towers and DLF Cyber Green.

Infinity Towers. Infinity Towers consists of 1.3 million square feet of lettable commercial space in Gurgaon. Designed by Hafeez Contractor, one of India's leading architects, the development consists of three interconnected multi-storied towers and is designed to provide our tenants with the option of scaling up or down using floor plates ranging from 38,000 to 52,000 square feet in size. We are also able to provide up to 140,000 square feet of contiguous space on each individual floor. The buildings are designed to Seismic Zone V specifications, which is one level above the nationally prescribed level. Infinity Towers is located close to DLF Cyber Green.

DLF Cyber Green. DLF Cyber Green consists of 0.9 million square feet of lettable commercial space in Gurgaon. The complex consists of five multi-storied towers, offering high speed elevators, service lifts, a multi-level car park and power back up facilities. DLF Cyber Green also incorporates floor plates of 19,000 to 22,000 square feet with wide column spans and high floor-to-floor clearances and provides facilities such as a food court with a seating capacity of 450, a health club and ATMs. The tenants of DLF Cyber Green include Canon, Nokia, IBM-Daksh, ABN-Amro, Sapient and Microsoft. DLF Cyber Green is located just off National Highway 8 and is well connected to Delhi's international airport as well as south, central and west Delhi.

Our current commercial real estate projects

We are currently constructing a number of commercial real estate projects in locations across the country. These projects are expected to comprise approximately 26 million square feet of lettable commercial space. The table below provides certain information as of November 30, 2006 on our current commercial real estate projects:

Project Name	Actual/ Scheduled Start (Fiscal)	Scheduled Completion (Fiscal)	Area (million sq. ft.)
Gurgaon Projects			
A-II (Phase-V)	2006	2007	0.4
Silokhera	2007	2010	4.9
Sub-total			**5.3**
Cybercity Projects			
Building No. 8C	2006	2007	0.8
Building No. 9	2007	2008	1.4
W Block	2007	2008	0.9
Building No. 7A & 7B	2007	2008	0.4
Building No. 10	2007	2009	2.0
Sub-total			**5.5**
Other Projects			

Project Name	Actual/ Scheduled Start (Fiscal)	Scheduled Completion (Fiscal)	Area (million sq. ft.)
DLF IT Park I, Kolkata	2005	2008	0.2
Pune	2006	2009	1.8
Hyderabad	2006	2010	3.8
Chennai	2006	2010	6.6
Bangalore	2007	2010	1.5
NOIDA	2007	2009	1.2
Sub-total			**15.1**
Total			**25.9**

Examples of our current commercial real estate projects include DLF IT Park I in Kolkata, DLF Cybercity Hyderabad and our IT SEZ in Chennai.

DLF IT Park I, Kolkata. DLF IT Park I, Kolkata is expected to have a total lettable area of 1.32 million square feet of space, of which 0.2 million square feet will be used for commercial letting. The project will incorporate high quality technological features and will also include a retail complex. DLF IT Park I is strategically located in New Town, Kolkata and is adjacent to a new six lane highway leading to the airport.

DLF Cybercity Hyderabad. DLF Cybercity Hyderabad is expected to have a total lettable area of 3 million square feet of commercial space and some retail and service apartments, and will include high quality technological features and parking facilities. The project is strategically located Gachibowli, in the Cyberabad IT corridor, near the Old Mumbai road as well as the proposed Outer Ring road (ORR), which will be the gateway to the new international airport at Shamshabad. The site is located opposite to the CMC software facility in Gachibowli and in close proximity to Indian Institute of Information Technology, Indian School of Business, Infosys, Wipro and Microsoft.

DLF IT SEZ, Chennai. DLF IT SEZ, Chennai is expected to comprise 11 blocks covering an area of over 6.6 million square feet and will incorporate high quality technological features, modern architecture and extensive landscaping. The SEZ will cover a total area of approximately 41 acres and will be situated on Mount Poonamallee road, seven kilometers from Chennai's airport. The site is located next to the L&T ECC and L&T Infotech Park and in an emerging IT area.

In fiscal 2007, as of the date of this Draft Red Herring Prospectus, we had signed lease agreements or letters of intent for office space aggregating 10 million square feet, in respect of commercial properties being developed by us.

Our planned commercial real estate projects

The Indian commercial real estate market has witnessed strong demand. We expect that sectors such as IT and ITES will continue to drive demand for commercial real estate. We intend to develop extensive commercial properties in selected cities, built to international standards in order to attract key multinational tenants and further strengthen our position as a leading developer of commercial real estate. A key element of our growth strategy is to anticipate the expansion plans of our clients and thereby cater to their growing real estate requirements. In addition to the approximately 26 million square feet of commercial projects under construction, we have procured rights to develop approximately 62 million square feet of commercial space in various locations across India, including NCR, Pune and Kolkata. Between fiscal 2007 and fiscal 2009, we plan to make available for booking/sale/lease or development 48.2 million square feet of which approximately 26 million square feet of commercial projects is currently under construction. Most of our future developments will be in the IT specific SEZs category, and we will be leasing these buildings on long-term or perpetual leases. We plan to sell our non-SEZs office buildings.

Our sales of commercial real estate projects

During the current fiscal year, we recognized revenue of Rs. 21,595 million in relation to the sale of certain commercial properties to DLF Assets Private Limited ("DAL"), a company wholly owned by some of our

Promoters. These transactions were approved by our audit committee, following which the properties were transferred to DAL. In the future, we may sell additional commercial properties. Any such sales are expected to be conducted through a competitive bidding process which would require potential purchasers to establish capitalization rates at the time of bidding. DAL has agreed that it will not compete with us in our real estate project developments, but may act as a co-developer with us in SEZ projects.

Our retail business

Our retail business was established in the 1940s and we have evolved into one of India's leading retail real estate developers, with properties across the country. We originally established our business in the development of local markets and community shopping centers; however, given the improving Indian economy and increasing spending power and consumption, we have actively pursued modern retailing developments by building some of India's earliest malls and, since 2001, we have been developing air-conditioned mega malls and other retail spaces. We are now one of India's leading developers of retail space in terms of the development of malls, shopping centers and markets. We have six retail real estate development formats catering to the entire spectrum of the retail market. Through this broad based approach, we are able to serve the needs of customers with different buying patterns and purchasing power. These formats are stand-alone stores, shopping centers, prime downtown shopping districts, neighborhood malls, destination malls and super luxury malls.

Our malls have a superior tenant profile, including established and anchor tenants and are characterized by aesthetic design, high quality infrastructure as well as leisure and entertainment options such as multiplex cinemas, food courts and restaurants. The locations of our malls, as well as the mix of retail outlets within them, are carefully planned based on the profile of the relevant catchment areas as well as our understanding of consumer preferences, with the aim of attracting shoppers and ensuring an attractive mix of international brands, national retailers and leading local retailers. In our mall expansion strategy, we endeavor to cater to the expansion strategies of our tenants providing them with retail space in a variety of preferred locations and encouraging them to take space in a number of our developments. For example, we have a memorandum of understanding with Trent, the retail business of the Tata Group, to partner with us across their intended retail formats in our future malls, occupying a minimum of 150,000 square feet in each mall. We also have a memorandum of understanding with Metro Cash & Carry to identify suitable retail spaces in various locations across the country that would be suitable for joint development.

DT Cinemas was incorporated in 1999 and opened its first multiplex in Gurgaon in March 2003. DT Cinemas currently operates two multiplex cinemas with a total of six screens and 1,328 seats. We intend to open several new multiplex cinemas in and around New Delhi and are also in the final stages of planning the development of multiplexes in other locations across India, including Chennai, Hyderabad, Ludhiana, Mumbai and Bangalore.

Our retail business model includes both the sale and the ownership and leasing of our retail developments. In the past, we have sold almost all of the units in our retail developments, generally before completion of construction, with payments of the purchase price being made in installments after payment of an initial deposit. We intend to retain ownership of most of our retail developments as well as manage our malls in order to control the quality of the retail space and maintain an appropriate mix of tenants. We charge management fees to our tenants as part of our mall management service.

We are currently pursuing an ambitious strategy to expand our retail business. Our strategy is to cover the entire spectrum of the retail sector but with both a particular focus on retail space in prime locations where customers will have greater purchasing power and a desire for a greater variety of retail outlets, making them, in effect, retail high streets. The size of our malls is also increasing due to consumer demand for greater retail diversity and we believe that in the future, size will be an important determinant of the success of a mall. It is our intention that our city center malls will range in size from 200,000 square feet to one million square feet of lettable space and our out-of-town destination malls will each have approximately two million square feet of lettable space.

Our completed retail real estate developments

To date, all our malls have been developed in DLF City. The table below provides certain information as of November 30, 2006 on some of our completed retail developments:

Project Name	Lettable area (million sq. ft.)	Started (fiscal)	Completed (fiscal)	Aggregate sale price (Rs. million)	Average sale price (Rs./ sq. ft)
DLF Mega Mall	0.29	2002	2004	1,118	3,888
DLF City Centre	0.26	2001	2003	1,028	3,991
Galleria	0.31	1996	2000	1,421	4,626
Super Mart-I	0.19	1996	2000	228	1,230
Super Mart-II	0.03	1996	2000	39	1,387
Central Arcade	0.07	1991	1993	84	1,261
Park-N-Shop	0.01	1992	1993	14	1,418

Examples of our completed and sold retail estate developments include DLF City Centre and DLF Mega Mall.

DLF City Centre. DLF City Centre is situated in Gurgaon along the Mehrauli-Gurgaon Road. The 3.61 acre development has a total lettable area of 0.3 million square feet and is currently anchored by the Lifestyle Department Store and also houses a multiplex cinema and a number of restaurants. Other tenants include Benetton, Barista and Reebok. The mall also provides parking for up to 700 vehicles.

DLF Mega Mall. DLF Mega Mall is located in Phase I of DLF City in Gurgaon. The development has a total lettable area of approximately 0.3 million square feet and houses a multiplex cinema and offers a range of dining options. Other tenants in this development include Reebok and Sensa. The mall provides parking for up to 800 vehicles.

Our current retail real estate projects

We currently have retail projects under construction with approximately 11 million square feet of saleable or lettable retail space across the country. All of these projects are malls, many of them catering to middle and higher income groups. These malls will have high quality amenities including designer stores, comprehensive entertainment facilities including our multiplex cinemas, air conditioning and underground parking. The table below provides certain information as of November 30, 2006 on our current retail projects:

Project Name	Lettable area (million sq. ft.)	Actual/Scheduled start (fiscal)	Scheduled completion (fiscal)
Mall of India	3.90	2007	2010
Courtyard	0.51	2006	2008
Promenade (DLF Place)	0.45	2006	2008
Emporio (DLF Place)	0.32	2006	2008
Townsquare	1.50	2006	2009
DLF South Point	0.30	2006	2008
The Galleria – Mayur Vihar	0.20	2006	2008
DT City Center	0.30	2006	2007
Chandigargh Mall	0.20	2006	2007
DLF South Court	0.30	2006	2009
Jasola Mall	0.84	2006	2008
Sikenderpur Mall	0.20	2006	2009
NTC Mills	1.70	2006	2010

Examples of our current retail projects include DLF Place (which includes the Emporio Mall and Pantaloon Mall), the South Point Pantaloon Mall, the Courtyard Mall and Jasola in Delhi.

DLF Place. DLF Place is envisioned to be one of the country's foremost retail landmarks and will comprise two separate malls linked by a landscaped open air entertainment and leisure area. It will be located near Vasant Vihar in New Delhi, which has an affluent catchment area. The first of these malls will be the Emporio super luxury mall, comprising a total lettable area of approximately 0.3 million square feet of high quality retail space. Emporio's interior will be designed by a leading interior designer. The mall will have four levels and space for a large number of leading international and national luxury retailers. The second mall will be Promenade, which will have a mix of retail offerings appealing to middle to upper middle income segments. Promenade will include restaurants, a food court and a multiplex cinema and will have a total lettable area of approximately 0.4 million square feet.

South Point Mall. The South Point Mall project is located in Gurgaon and is intended to serve many of our current and planned residential developments in the area. The 3.27 acre project will comprise a total saleable or lettable area of approximately 0.3 million square feet of high quality retail space and will consist of a large supermarket, department stores, smaller retail outlets and a food court. The project will also provide parking for up to 620 vehicles.

Courtyard. The Courtyard Mall project is located at Saket in South Delhi and targets an affluent catchment area. The project is part of an integrated development with commercial space as well as a hotel. The project comprises a total saleable or lettable area of approximately 0.5 million square feet of high quality retail space and will consist of a department store, a variety of restaurants and a multiplex cinema. The project will also provide parking for up to 990 vehicles.

Jasola. Jasola is located in the NCR and is expected to have a total lettable area of approximately 0.84 million square feet, comprising 0.13 million square feet of retail space and 0.71 million square feet of commercial space. The project will include a fitness center, a food court, restaurants, power backup to offices, central air-conditioning and fiber optic connectivity. Jasola is strategically located adjacent to the main Mathura road leading to Kalindi Kunj and NOIDA.

Our planned retail real estate projects

We intend to locate our future retail real estate projects across the country, encompassing our six retail formats and have secured land for the development of approximately 45 million square feet of retail space in addition to the land for current projects. Between fiscal 2007 and fiscal 2009, we plan to develop 31.7 million square feet of retail projects, including approximately 11 million square feet which is currently under construction. A significant proportion of our planned malls will be situated in prime city centers, although a number of destination malls are also planned for the outskirts of India's major cities. Most of our planned malls will contain multiplex cinemas, developed and operated by DT Cinemas. The largest of our planned projects is the Mall of India, which will be located in Gurgaon. We believe that this project will result in India's largest mall, with a total lettable area of approximately 3.9 million square feet and a total land area of 32.87 acres. The mall is designed by the Jerde Partnership Inc., an international firm of architects, and is currently under construction by DLF Laing O'Rourke.

Our property management services

Our property management subsidiary, DLF Services, provides maintenance and management services for properties in our residential, commercial and retail business lines. DLF Services will continue to provide maintenance and management services for our new projects.

Examples of the maintenance and management services that we provide include power distribution, back-up power generation, central air conditioning, water supply, drainage pumping, janitorial services, security services, parking management, pest control, fire detection and solid waste disposal and management. We outsource most of these operations to qualified and experienced vendors, although we take responsibility for developing standard operating procedures, maintenance schedules and addressing complaints. We are ISO 9001:2000 certified in recognition of our process-driven operating structure. This international quality management standard appeals to our multinational clients, who expect superior quality standards. We also maintain transparency by conducting annual audits of expenses incurred and refunding the excess amounts, if any, that may have been collected from tenants, and believe that this contributes to customer satisfaction.

DLF Power

Our subsidiary DLF Power was founded in 1988. Its early operations included the setting up of captive power plants. Upon the opening up of electricity generation to private operators by the GoI, DLF Power commenced supplying electricity to Coal India Limited and the Assam State Electricity Board in the mid-1990s. DLF Power has five power plants in Eastern India with an aggregate capacity of 55 MW and a profit of Rs. 63 million in fiscal 2006. DLF Power has experienced difficulties in collecting dues from its customers and is currently in the process of trying to resolve these difficulties through various proceedings. We believe that DLF Power's capabilities are a valuable asset in developing captive power resources for our planned projects and will be a competitive advantage in the development of large SEZs, townships and infrastructure projects.

New businesses

Special Economic Zones

The GoI has recently taken a number of measures to encourage foreign investment in and exports from the country. These include the introduction in 2005 of a Special Economic Zone regime under which specified land is deemed to be "foreign territory" for the purposes of Indian customs controls, duties and tariffs. SEZs provide an internationally competitive and relatively unregulated environment for export oriented activities. For more information, see the section titled "Regulations and Policies in India – Special Economic Zones" on page [●].

SEZs are a new business concept in India, and provide attractive fiscal incentives for both developers and tenants. SEZs are a key element of the infrastructure development plans of the central and state governments in India, which are increasingly authorizing the development of SEZs in various locations across the country. We see the development of sector specific as well as multi-product SEZs as a major growth area for our Company. We have identified several potential locations for IT-SEZ development and have obtained final approvals from the Board of Approvals, GoI for two IT-specific SEZs in Gurgaon, and one in each of Hyderabad and Pune. We have also received final notification for our IT-specific SEZ in Chennai. In-principle approvals have been obtained with respect to our IT-specific SEZs in Delhi and Bhubaneswar.

We are in the process of finalizing approvals for several SEZs which will cover an aggregate of 26,100 acres. Land acquisition notifications have been issued in respect of proposed multi-sector, product-specific SEZ in Amritsar covering 1,100 acres. We have received in-principle approval for a multi-product SEZ in Ludhiana which will cover 2,500 acres. Additionally, we have received approvals from the Haryana Investment Promotion Board, for providng support for setting up and developing 20,000 acres multi-product SEZ in Gurgaon and for 2,500 acres of land in Ambala.

Each multi-product SEZ will be developed as an integrated township and will include residential accommodations, commercial and retail facilities, as well as schools, hospitals, hotels and other support infrastructure, including captive power generation facilities.

Hotels

There has been a substantial increase in demand for high quality accommodation across the Indian hotel sector due largely to increased business tourism, a decline in airfares and greater investment in infrastructure. We intend to develop luxury, business, upscale, mid-market and budget hotels, as well as serviced apartments. We also intend to enter into strategic partnerships, in which we shall hold at least 50% of the equity, for the development of our hotel projects in each of these segments.

We recently entered into a joint venture with Hilton to develop and own a chain of hotels and serviced apartments in India. In this regard, we executed an Alliance Agreement and Shareholder Agreement with Hilton on June 30, 2006. Under the terms of the Alliance Agreement, the joint venture company plans to acquire and develop 50 to 75 hotels and serviced apartments in India under certain Hilton brands. Hilton will manage all of the hotels developed under this joint venture. Each hotel or serviced apartment will either be owned by the joint venture company or a company in which the joint venture company holds no less than 26% of the equity share capital. The joint venture will receive

an equity investment of up to US$550 million over the next five to seven years, of which we will contribute approximately US$407 million or 74% of the total equity share capital. The remaining US$143 million or 26% of the total equity will be contributed by Hilton. The joint venture company is in the process of evaluating 22 sites for the construction of up to 5,000 rooms catering to the business, four star, five star and deluxe segments of the hotel and serviced apartments market.

In addition to our proposed joint venture with Hilton, we intend to enter into contracts or joint ventures with other leading international companies for the acquisition and development of budget and super luxury hotels as well as serviced apartments.

Tourism and Related Leisure Activities

We also plan to develop our tourism and leisure related assets. We intend to use our existing real estate capabilities as well as our joint ventures to continue building these businesses.

We believe that there will be opportunities to locate our hotels, tourism and leisure related businesses in or close to our other developments, such as commercial centers, IT parks and shopping malls.

DT Cinemas

We run our multiplex cinema business under the brand name DT Cinemas and derive revenues from ticket receipts, advertisements and concessions. DT Cinemas was incorporated in 1999 and opened its first multiplex with three screens and 895 seats in Gurgaon in March 2003. In July 2004, DT Cinemas opened its second multiplex at Mega Mall with three screens and 433 seats. We intend to open several new multiplex cinemas in and around New Delhi, including a four-screen, 1,154 seat multiplex in Shalimar Bagh in North-West Delhi, a six-screen, 1,202 seat multiplex in Saket, a seven-screen, 1,465 seat multiplex in Vasant Kunj, New Delhi, a six-screen, 1,400 seat multiplex in Noida and a three-screen, 754 seat multiplex in Chandigarh. We are also in the final stage of planning the development of multiplexes in other locations across India, including Chennai, Hyderabad, Ludhiana, Mumbai and Bangalore.

As part of our growth strategy we intend to mirror the growth exhibited in India's retail market in our multiplex cinema business by becoming an anchor client in most of our malls. Our cinemas will average four screens per multiplex.

Wind Energy

We are also considering developing a wind power business in certain Indian states where our real estate projects are located. Power generated will be distributed through the local government's infrastructure to all of our real estate projects within the state.

Other Real Estate Related Business Opportunities

In addition to exploring alliances and opportunities in real estate development, SEZ development, budget and super luxury hotel segments as well as serviced apartments, we are also exploring business opportunities in airport management, leisure and entertainment, infrastructure development, insurance, hospital properties and financial services. We also intend to form an asset management company which will raise funds for SEZs, infrastructure and super luxury hotel developments.

OUR PROJECT EXECUTION METHODOLOGY

We have established a systematic process for land identification and acquisition, project execution and the sales and marketing of our completed developments.

Land identification and acquisition

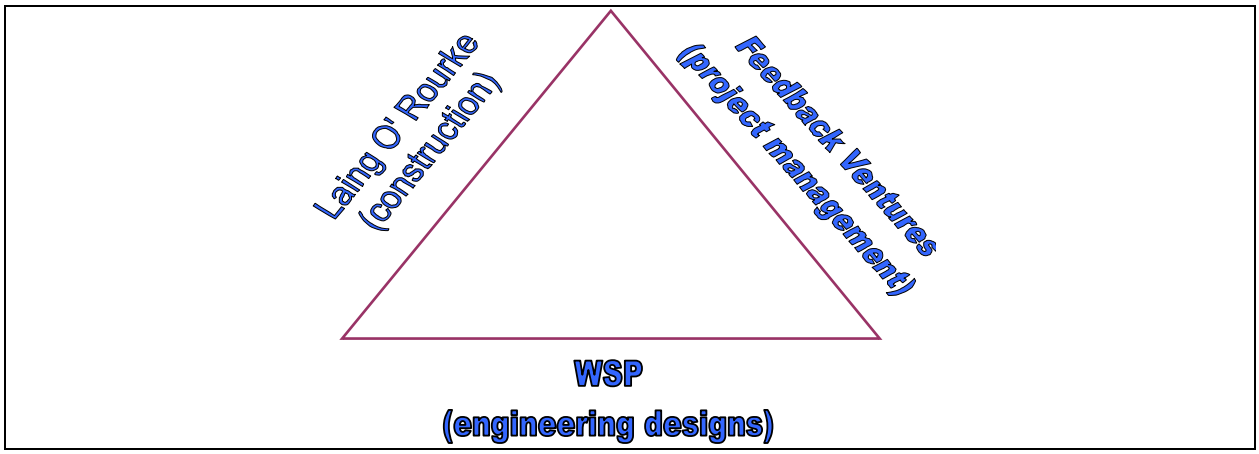
Our land acquisition team monitors real estate markets and emerging trends. The team assesses selected markets to

identify cities and localities with development potential. In addition, we have a good working relationship with major external property consultants who provide information regarding future development areas and availability. We also work closely with several large local land or property dealers who are instrumental in locating suitable plots. The initial assessment and selection of the land involves a detailed assessment of the plot with a focus on the land's development potential and location. After we conduct a preliminary land title evaluation and the land title is reviewed by local lawyers, a preliminary agreement is entered into with the landowners for the purchase of the land. Following title clearance, we either acquire the land or enter into a joint development agreement with the owners.

Project planning and execution

The project planning and execution process commences with the obtaining of requisite regulatory approvals, including environmental approvals and the development of a project concept based on the area's marketability, target customers and potential return. After a detailed review of the site parameters, we formalize an architectural brief based of the project concept which is subsequently finalized with selected architects and other external consultants. We closely monitor the development process, construction quality, actual and estimated project costs and construction schedules. We endeavor to maintain high health and safety standards in all of our real estate developments.

In order to ensure the high quality of our projects, we have entered into a series of memoranda of understanding and agreements with leading design and engineering, construction and project management companies. The following diagram illustrates our project execution methodology:



We believe these elements of our project execution methodology are essential for developing products which appeal to consumers at the higher end of the markets. Our memoranda of understanding and agreements include:

- ***Design and Engineering -*** We have recently entered into a joint venture agreement with WSP to form a joint venture company. Our Company and WSP have an equal shareholding in the joint venture company with identical rights and privileges with respect to dividends and voting rights. Our joint venture company will be jointly managed by representatives nominated by both our Company and WSP, and will be engaged in the business of providing engineering and design services, environmental and infrastructural facilities as well as project management services. We expect to take advantage of this joint venture to further the residential, commercial, retail, entertainment, mixed-use projects that are being developed or proposed by our Company or its affiliates.

- ***Construction –*** In 2006, we entered into a joint venture with a leading UK-based construction company, Laing O'Rourke plc, which has been the principal contractor for a number of major construction projects globally. These include the construction of Terminal 5 at London Heathrow airport and a terminal at the Dubai international airport. Laing O'Rourke currently operates worldwide, with operations in the UK and Ireland, the Middle East, Asia, Europe, the Far East and Australia and employs more than 23,000 people.

Through the joint venture company, DLF Laing O'Rourke, we benefit from Laing O'Rourke's construction expertise and experience, which enables our management to focus on the development rather than the construction of projects. We believe the joint venture company will improve the quality of construction in our developments and also allow us to embark on more complex and ambitious projects. As of November 30, 2006, the joint venture company had commenced the development of 11 projects, covering 20.4 million square feet and had an order-book of Rs. 39 billion. DLF Laing O'Rourke is currently executing residential projects such as the Magnolias and the Belaire, commercial projects such as the IT parks in Hyderabad, Gurgaon and Bangalore and retail projects such as Town Square Mall in Noida, Mumbai Mills Mall and Mall of India in Gurgaon and Jasola in Delhi. For more information on the joint venture arrangement, see the section titled "History and Certain Corporate Matters" on page [●].

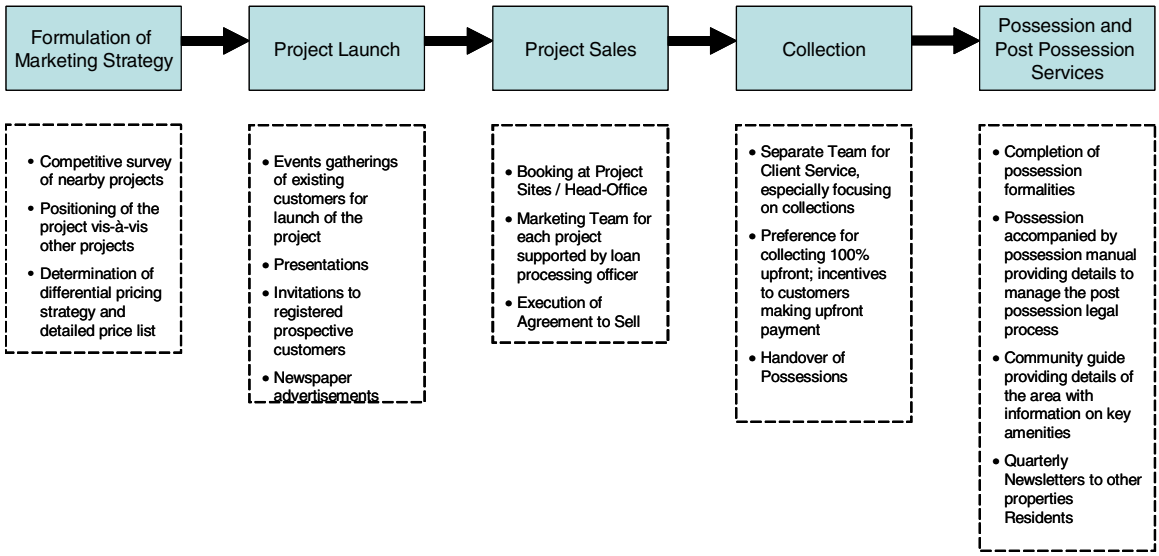
We also plan to use the joint venture as a vehicle to participate in the construction of infrastructure projects, including roads, bridges, tunnels, pipelines, harbors, runways and power plants. We believe that the joint venture will create opportunities to develop new sources of revenue, as well as enable our management to focus on the expansion of our core business areas.

Additionally, we have recently signed a memorandum of understanding with Nakheel to develop, through a joint venture, two townships in India, each spread over an area of approximately 20,000 acres. Nakheel is one of the premier real estate developers in the United Arab Emirates, with a focus on the development in residential, tourist, commercial and retail real estate. Properties developed by Nakheel include the Palm Islands, The World Islands, Jumeirah Lake Towers, Discovery Gardens, Lost City and Ibn Battuta Mall.

- ***Project Management*** - We recently paid Rs. 158.34 million to acquire a 19% share interest in Feedback Ventures, a company established in 1989 and currently employing approximately 500 technically qualified employees specializing in assisting Indian and international firms to set up new projects in infrastructure, SEZs, townships, retail and hospitality sectors across India. Feedback Ventures has become one of the largest companies providing consulting, engineering, project management and project development services for infrastructure projects in India. We intend to benefit from Feedback Ventures' experience by streamlining our planning and execution capabilities, particularly in relation to our infrastructure, SEZs and townships.

Sales and marketing

We operate three separate marketing departments, one for each of our residential, commercial and retail business lines. Our residential business line benefits from a sales department which functions in conjunction with its marketing departments. Our sales and marketing function is illustrated in the chart below.



We have a loyal customer base and encourage the participation of former buyers or tenants in our new product launches. We employ various marketing approaches depending on whether the project is residential, commercial or retail. These include launch events, corporate presentations, web marketing, direct and indirect marketing, as well as newspaper and outdoor advertising. Our marketing team sells our residential projects both directly to customers and through brokers. In our commercial and retail business lines, we market space primarily through property consultants and by using our relationships with existing tenants. Different marketing approaches are used to target anchor commercial and retail tenants.

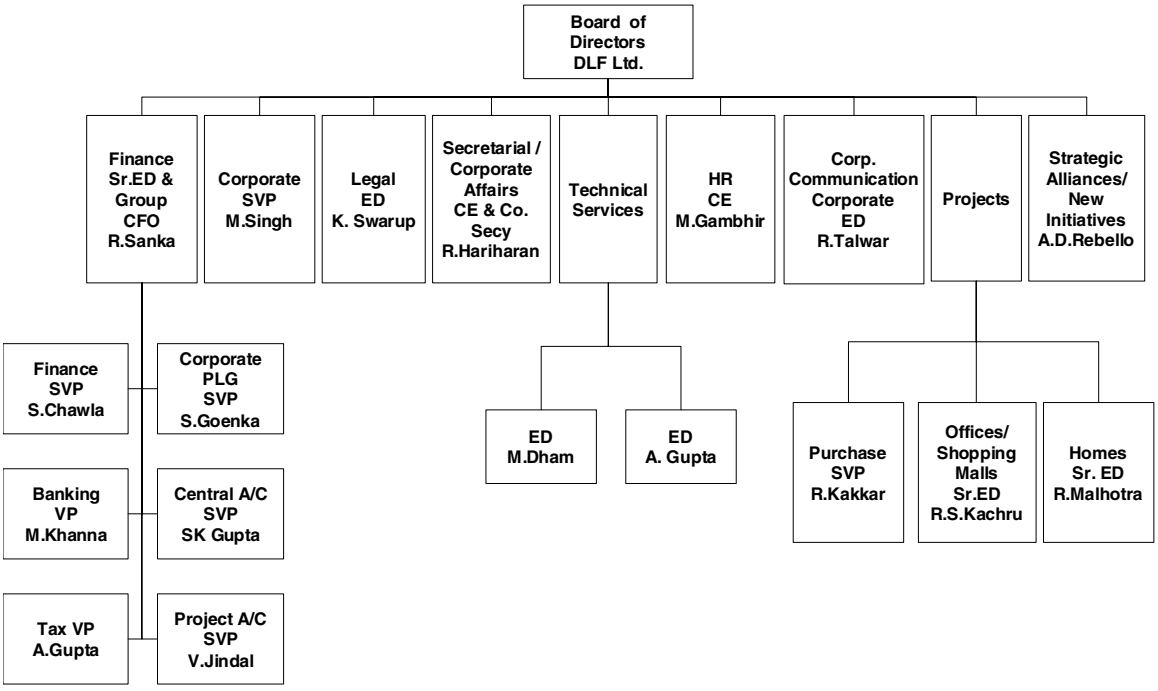
We use approximately 120 brokerage firms to market our properties. Most of the sale bookings are performed at project sites, although sales are also made at our corporate offices. Our sales teams have positive and negative compensation incentives tied to their sales performance. A client servicing team services the customer from the booking process through to the transfer of property to the new owner. We have relationships with various banks and housing finance companies which provides our customers with convenient access to finance. These banks also share some of our advertising costs.

INSURANCE

We maintain comprehensive insurance coverage with ICICI Lombard for all of our projects. Our insurance includes coverage for fire, cash transfer, cash handling, fidelity, work in progress, raw materials, accident and general insurance. We do not have coverage for contractor's liability, timely project completion, loss of rent or profit, defects in the quality of materials used or consequential damages for a tenant's lost profits. In addition, we maintain directors' and officers' liability insurance.

EMPLOYEES

As of October 31, 2006, we had approximately 1,700 employees, including 1,300 professionals. We do not count any manpower employed by our sub-contractors as our employees. We expect that with the growth of our business, human resources and employee recruitment activities will increase.



COMPETITION

The real estate development industry in India, while fragmented, is highly competitive. We expect to face competition from large domestic as well as international property development and construction companies as a consequence of, among other things, the relaxation of the FDI policy for the real estate sector, rising government expenditures on infrastructure and various policy initiatives for the development of SEZs. Moreover, as we seek to diversify our regional focus, we face the risk that some of our competitors may be better known in other markets, enjoy better relationships with landowners and international joint venture partners, gain early access to information regarding attractive parcels of land and be better placed to acquire such land.

Our competitors include real estate developers such as Unitech Limited, Hiranandani Developers Limited and the Raheja Group. We also expect to face competition in our new businesses from, among others, established construction firms, hotel companies and various other business groups.

FINANCIAL INDEBTEDNESS

We have availed of certain credit facilities from various lenders. The loans availed have been deployed for land acquisition, development and construction of various projects undertaken by us.

Set forth below is a brief summary of our aggregate borrowings as of November 30, 2006:

Category of Borrowing	Outstanding Amount (Rs. million)
Secured Loan	60,103[1]
Unsecured Loan	6,508
Total	**66,611**

[1] including vehicle loans amounting to Rs. 72.7 million and excluding non fund based limit balances.

Details of Secured Borrowings

Our secured borrowings as of November 30, 2006 are detailed below:

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
Loan Agreement dated March 30, 2006 with State Bank of Hyderabad *(2 and 3)*		
500	244.38	▪ Interest at 2% below State Bank of Hyderabad Prime Lending Rate (as on November 30, 2006 charged @ 9.5% per annum), ▪ Repayment on demand.
Loan Agreement dated September 15, 2004 with Citibank *(1 and 3)*		
1,300 (overdraft including dropline overdraft- 800 and term loan of 500)	333.53 (overdraft including dropline over draft – 208.53 and term loan – 125)	▪ Interest at 250 basis points over the Fixed Income Money Market and Derivatives Association of India-National Stock Exchange-Mumbai Inter Bank Offer Rate (as on November 30, 2006 charged @ 8.50% per annum), ▪ Repayment of term loan and dropline over draft through eight installments commencing from June 2005, ▪ Repayment of over draft is on demand, ▪ Prepayment of the loan is permissible. No prepayment charges payable.
Loan Agreement dated December 15, 2005 with ING Vysya *(2 and 3)*		
500 (letter of credit, overdraft or short term loan)	13.68	▪ Over Draft: ING Vysya Bank Reference Rate ("IVRR") less 4.5% and for short term loan IVRR less 4.75% (as on November 30, 2006 reset at 9.00% per annum), ▪ Interest to be compounded and payable on monthly rests, ▪ Repayment on demand, ▪ Prepayment of short term loan permissible with prior notice and upon payment of prepayment penalty of 0.5% per annum for the unutilized period.
Loan Agreement dated January 7, 2004 with Hongkong and Shanghai Banking Corporation *(2, 3, 6 and 9)*		
200	200	▪ Interest to be charged on daily balances at mutually agreed rates, payable monthly in arrears (as on November 30, 2006 charged @ 9.25% per annum) for short term loan, ▪ Prepayment permissible on interest reset dates and subject to funding penalties at lender's discretion.
Loan Agreement dated July 6, 2004 with Hongkong and Shanghai Banking Corporation for availing external commercial borrowing *(2,3, 6 and 9)*		

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
343.50 (USD 7.5 million)	229	▪ Interest payable in two successive periods, each of which will start on the last day of preceding one at the rate per annum which is the sum of the margin (1.10% per annum) and LIBOR i.e. London Inter Bank Offer Rate (as on November 30, 2006 charged @ 6.26% per annum), ▪ Repayment in equal installments at the end of 2nd, 3rd and 4th year from the date of draw down, ▪ Prepayment permissible upon payment of prepayment fee and fulfillment of the following: (a) Prior approval of HSBC, Offshore Banking Unit, Mauritius, (b) Additional charge equivalent to interest loss to the lender over the last day of interest, and (c) Upon receipt of approvals of regulatory authorities (if applicable).
Loan Agreement dated September 2, 2004 with Hongkong and Shanghai Banking Corporation for availing foreign currency loan *(2,3, 6 and 9)*		
231.75 (USD 5 million)	154.5	▪ Interest charged on daily balances at USD floating LIBOR plus 1.75% payable monthly arrears. LIBOR to be fixed every month (as on November 30, 2006 charged @ 7.20 % per annum), ▪ Repayment in three equal annual installments commencing two years after drawdown, ▪ Prepayment permissible subject to payment of penalties on the discretion of lender.
Loan Agreement dated August 9, 2004 with Hongkong and Shanghai Banking Corporation for overdraft *(2, 3, 6 and 9)*		
600	600	▪ Interest to be charged on daily balances at mutually agreed rates, payable monthly in arrears (as on November 30, 2006 charged @ 9.25% per annum), ▪ Repayment on demand.
Loan agreement dated January 7, 2004 with Hongkong and Shanghai Banking Corporation *(2, 3, 6 and 9)*		
124.75	50	▪ Interest to be charged on daily balances at mutually agreed rates, payable monthly in arrears (as on November 30, 2006 charged @ 9% per annum), ▪ Repayment on demand.
Sanction Letter dated February 10, 2006 with Hongkong and Shanghai Banking Corporation for non-fund based facility i.e. Bank Guarantee *(2, 3, 6 and 9)*		
810 (non-fund based limit)	671.51	Commission charged @ 0.90% or 1.80% per annum, recoverable upfront quarterly.
Loan Agreement dated October 26, 2005 with United Bank of India *(3, 5, 7 and 8)*		
1,000	1,000	▪ Interest at 8.10% per annum payable with monthly rests (fixed), ▪ Repayment in 5 equal installments of Rs. 200 million each commencing from April 1, 2011, ▪ Prepayment permissible with prior consent of the lender. Lender entitled to levy penalty at 1% on the amount.
Loan Agreement dated March 18, 2004 with ICICI Bank Limited *(2, 5 and 9)*		
3,000	2,550	▪ Interest at 3% per annum below the sum of ICICI Bank Benchmark Advance Rate (as on November 30, 2006 charged @ 10.05% per annum). ▪ Prepayment permitted any time after expiry of minimum maturity period of 45 days but before the end of 36 months from the date of the sanction of loan.

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
Loan agreement dated April 18, 2005 issued by ICICI Bank Limited *(2 and 5)*		
2,500 (fund based limit is one way interchangeable with non-fund based limit)	2136.31 including (non-fund based- 1108.9 and fund based- 1027.41)	▪ Interest at 2.9% per annum above the sum of ICICI Benchmark Advance Rate and cash credit risk premium plus applicable interest tax or other statutory levy, if any (as on November 30, 2006 charged @ 16.65 % per annum for over draft facility), ▪ Principal amount of each disbursement is to be repaid in full on its maturity date, ▪ Pre-payment permissible with the approval of the lender.
Loan Agreement dated August 17, 2005 with ICICI Bank Limited *(2, 3 and 5)*		
3,700	2,880	▪ Interest at 3.10% per annum below ICICI Benchmark Advance Rate prevailing on the date of reset date (as on November 30, 2006 charged @ 10.15% per annum), ▪ Repayment in 12 equal monthly installments commencing from July 2008.
Loan agreement dated April 7, 2006 with ICICI Bank Limited *(1, 3 and 5)*		
5,000	4,450	▪ 2.85% per annum below the sum of ICICI Benchmark Advance Rate and term premium prevailing on the date of disbursement of the term loan plus applicable interest tax or other statutory levy (as on November 30, 2006 charged @ 10.20% per annum), ▪ Repayment in 21 monthly installments. First installment commencing from 4th month of withdrawal, ▪ Prepayment permissible with the approval of the lender.
Loan Agreement dated May 5, 2005 with HDFC Limited *(3, 9 and 10)*		
2,820	2,820	▪ Interest on the outstanding principal to be paid on quarterly basis at the end of each calendar quarter on 365 days (as on November 30 charged @ 10% per annum), ▪ Repayment in lump sum at the end of 5th year from the date of first disbursement, ▪ Prepayment permissible on reset dates with prior notice to the lender on such terms and conditions as may be prescribed.
Supplementary loan agreement dated March 3, 2005 with HDFC Limited *(3 and 9)*		
3,000	3,000	▪ Interest on the outstanding principal to be paid on quarterly basis at the end of each calendar quarter on 365 days (as on November 30, 2006 charged @ 9.25% per annum for Rs 2,500 million and 10 % for Rs 500 million), ▪ Repayment in lump sum at the end of five years from the date of first disbursement, ▪ Prepayment permissible after first 90 days from the date of first disbursement on such terms and conditions as prescribed by lender.
Loan Agreement dated February 16, 2006 with ABN-AMRO Bank and now assigned to DLF Magnolias 3 Trust (IL&FS Trust Company Limited) vide letter dated July 31, 2006 *(1,4 and 5)*		
564.23	124.02	▪ Interest at applicable Interest Bench mark Rate ("INBMK") plus 107.5 points payable monthly (as on November 30, 2006 charged @ 8.35% per annum), ▪ Repayment in 12 installments commencing from March 1, 2006, ▪ Prepayment not permissible without the prior written consent of the lender.
Loan agreement dated February 16, 2006 with ABN-AMRO Bank and now assigned to Union Bank of India vide letter dated July 31, 2006. *(1, 4 and 5)*		

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
735.77	735.77	▪ Interest at applicable INBMK plus 132.5 points, payable monthly (as on November 30, 2006 charged @ 8.6% per annum), ▪ Repayment in 30 installments commencing from March 1, 2006,and ▪ Prepayment not permissible without the prior written consent of the lender.
Restricted overdraft agreement dated March 17, 2006 with ABN-AMRO Bank *(1, 4 and 5)*		
180	-	▪ Interest at 8.60% per annum, ▪ Repayment in 29 installments commencing on March 31, 2006.
Loan agreement dated May 25, 2005 with ABN-AMRO Bank *(3 and 9)*		
1,000	102.8	▪ Interest at rate specified in the draw down notice with monthly rests (as on November 30, 2006 charged @ 9.25% per annum), ▪ Repayment on demand.
Working Capital Facility Agreement dated September 21, 2005 with Development Bank of Singapore *(2, 3 and 9)*		
600	590	▪ Interest in case of overdraft at 9.10% per annum and in case of bank guarantee, at 0.5% per annum payable upfront on quarterly basis (as on November 30, 2006 charged @ 9.10 % per annum), ▪ Repayment of the amount outstanding forthwith on demand made by the lender, ▪ Prepayment permissible.
Loan Agreement dated August 24, 2005 with State Bank of India (Overdraft facility) *(2 and 3)*		
1,500 (comprising of cash credit for 1,000 and bank guarantee for 500 (fungible both ways)	925.48	▪ Interest at 2.75% below State Bank of India Advance Reference Rate (as on November 30, 2006 charged @ 8.75% per annum), ▪ Repayment by such installments and on such dates as may be stipulated by the lender, ▪ Repayment on demand in respect of over draft.
Loan agreement dated July 25, 2005 with Corporation Bank *(3 and 5)*		
500 (sub limit of Bank guarantee-300 and inland LC- 200)	470.57 (including overdraft 455.57 and bank guarantee-15)	▪ Interest at Corporation Bank Advance Reference Rate less 3% (as on November 30, 2006 charged @ 8.75% per annum), ▪ Repayable on demand subject to annual renewal, ▪ Prepayment permissible on payment of prepayment charges at rate of 1% of the amount to be prepaid.
Loan Agreement dated October 22, 2005 with Corporation Bank *(3, 5, 7 and 8)*		
1,500	1,500	▪ Interest at 8.10% per annum payable monthly (fixed rate), ▪ Repayment in five annual installments after a moratorium of five years, ▪ Prepayment permissible on payment of prepayment charges at rate of 1% of the amount to be prepaid.
Loan Agreement dated September 12, 2005 for overdraft and short term loan with Standard Chartered Bank *(2 and 5)*		
500 (overdraft and a short term loan)	260.02 including (overdraft - 10.02 and short term loan-250)	▪ Interest at 9% per annum as on November 30, 2006 together with interest tax (if applicable) for overdraft and for short term loan interest is chargeable at 8.25% ▪ Repayment on demand.

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
Loan agreement dated September 27, 2005 with Bank of Baroda *(3, 7 and 9)*		
1,000	691.70	▪ 200 BPS (Basis Point) over one year Government Security ("G-Sec") as charged by IDBI Bank Ltd. interest payable monthly with interest reset clause applicable annually after completion of two years from the date of first disbursement (as on November 30, 2006 charged @ 8.72% per annum), ▪ Repayment in eight quarterly installments of Rs. 50 million each from January 2007, and Rs. 75 million each from January 2009, ▪ Prepayment permissible without any prepayment premium at the time of reset of interest rate, ▪ Prepayment at any other time is permissible with applicable prepayment premium.
Loan Agreement dated October 22, 2005 with UCO Bank *(3, 5, 7 and 8)*		
2,000	2,000	▪ Interest at 8.10% per annum payable monthly during the term (fixed rate), ▪ Repayment in five equal annual installments commencing from 6th year from the date of first disbursement.
Loan Agreement dated October 22, 2005 with Deutsche Bank now assigned to Industrial Development Financial Corporation and informed vide letter dated March 31, 2006 *(3, 5, 7 and 8)*		
1,500	1,500	▪ Interest at 8.10% per annum calculated with monthly rests (fixed rate), ▪ Repayment in five equal annual installments commencing from 72nd month onwards from the date of first draw down, ▪ Prepayment permissible with the prior written consent of the lender and upon payment of specified penalty.
Loan Agreement dated October 26, 2005 with Bank of Maharashtra *(3, 5, 7 and 8)*		
450	450	▪ Interest at a minimum of 8.10% per annum with monthly rests (fixed rate), ▪ Repayment in equal annual installments of Rs. 90 million from 6th year to 10th year or as per available cash surplus shown in cash flow, whichever is higher.
Loan Agreement dated December 14, 2005 with Bank of Maharashtra *(3. 5, 7 and 8)*		
550	550	▪ Interest at a minimum of 8.10% per annum with monthly rests (fixed rate), ▪ Repayment in equal annual installments of Rs. 110 million from 6th year to 10th year or as per available cash surplus shown in cash flow, whichever is higher.
Loan Agreement dated July 19, 2005 with Industrial Development Bank of India ("IDBI") *(3, 7 and 9)*		
1,500	1,006	▪ 200 BPS ("Basis Point") over one year G-Sec (as on November 30, 2006 charged @ 8.0 % per annum), ▪ Repayment in eight equal quarterly installments of commencing from January 1, 2007 amounting to 75 million and eight equal quarterly installments of commencing from January 1, 2009 amounting to 112.5 million, ▪ Option to prepay the outstanding amount exists at the time of exercise of reset of interest rate without prepayment premium. Otherwise prepayment at any other point of time would attract applicable premium.
Loan Agreement dated September 21, 2005 with GE Capital Services India now assigned to IL&FS Trust Company Limited and informed vide letter dated October 3, 2005 *(1, 4, 8 and 9)*		
1,500	497.73	▪ Interest at applicable 3 year INBMK plus 120 basis points (excluding interest tax if any levied by statutory authority) payable monthly as per repayment schedule (as on November 30, 2006 charged @ 8.40% per annum),

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
		▪ Repayment in 21 installments commencing from September 2005, ▪ Prepayment not permissible.
Loan Agreement dated October 3, 2005 with GE Capital Services India now assigned to IL&FS Trust Company Limited and informed vide letter dated October 18, 2005. *(1, 4, 8 and 9)*		
666.59	232.27	▪ Interest at applicable 3 year INBMK plus 120 basis points (excluding interest tax if any levied by statutory authority) payable monthly as per repayment schedule (as on November 30, 2006 charged @ 8.40 % per annum), ▪ Repayment in 20 installments commencing October 2005, ▪ Prepayment not permissible.
Loan Agreement dated April 27, 2006 for overdraft and Agreement dated May 26, 2006 for working capital demand loan with Kotak Mahindra Bank *(2 and 5)*		
500 (Overdraft Facility and/or Working capital demand loan)	252.94 (Overdraft facility – 2.94 and working capital demand loan - 250)	▪ 4.75% below Kotak Mahindra Bank Limited Benchmark Prime Lending Rate (as on November 30, 2006 charged @ 9.75% per annum) for overdraft facility and 9.25% for short term loan ▪ Repayment on demand.
Loan Agreement dated May 11, 2006 with State Bank of Travancore *(2, 3)*		
1,000 (Overdraft Facility)	787.35	▪ Interest at 9.50% p.a.(fixed) interest payable monthly, and ▪ Repayment on Demand
Loan Agreements dated May 25, 2006 with Standard Chartered Bank now assigned to UTI Trust and informed vide letter dated June 5, 2006 *(2, 3, 5 and 9)*		
1,000	1,000	▪ Interest at 9.15% per annum payable monthly together with any interest tax (fixed rate), and ▪ Repayment within 1 year from date of 1st drawdown, i.e., by May 24, 2007.
Loan Agreements dated June 20, 2006 with Standard Chartered Bank now assigned to UTI Trust and informed vide letter dated July 10, 2006 *(2, 3, 5 and 9)*		
500	500	▪ Interest at 9.25% per annum, payable monthly, together with any interest tax (fixed rate), and ▪ Repayment on maturity at the end of 11 months i.e. May 20, 2007.
Three (3) Loan Agreements dated June 20, 2006 with Standard Chartered Bank now assigned to UTI Trust and informed vide a letter dated July 10, 2006 *(2, 3, 5 and 9)*		
750 (250 under each agreement)	750	▪ Interest at fixed rate of 9.25% per annum, payable monthly, together with any interest tax, and ▪ Repayment on maturity at the end of 11 months i.e. May 20, 2007.
Two (2) Loan Agreements dated June 20, 2006 with Standard Chartered Bank *(2, 3, 5 and 9)*		
1,000 (500 under each agreement)	750	▪ Interest at fixed rate of 9.25% per annum payable monthly together with any interest tax, and ▪ Repayment on maturity at the end of 14 months i.e. August 20, 2007.
Loan agreement dated June 8, 2006 with GE Capital Services India now assigned to IL&FS Trust Company Limited and informed with a letter of assignment dated June 19, 2006 *(2,3 and 9)*		

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
2150 (Term Loan)	2,150	▪ Interest at the rate of 9.25% (applicable INBMK plus a margin of 2.72 per annum), and ▪ Repayment at the end of tenor (i.e. June 8, 2009) with a put and call option for the borrower at the end of every 12 months.
Loan Agreement dated July 18, 2006 with GE Capital Services India now assigned to IL&FS Trust Company Limited and informed vide letter dated July 28, 2006[2,3 and 9)]		
1,500 (Term Loan)	1,500	▪ Interest at the rate of 9.50% (applicable INBMK plus margin of 2.47 per annum), and ▪ Repayment at the end of tenor of the loan (tenor is 36 months from the date of drawdown.) with a put call option for the borrower at the end of every 12 months.
Loan agreement dated June 29, 2006 with GE Capital services for Aircraft and loan agreement amended vide a supplementary agreement dated June 30, 2006 [(6 and 11)]		
759.89 (Term Loan) [USD16,480,000]	714.66	▪ Interest at the rate of 9.0% p.a. payable monthly (linked to GECSI PLR), ▪ Repayable in 84 months from the date of draw down, i.e. June 30, 2006, and ▪ Repayment in 84 equal monthly installments until July 2013 with a put/ call option at the end of 36 and 60 months from the first drawdown date
Loan Agreement dated July 28, 2006 with GE Capital Services India now assigned to IL&FS Trust Company Limited and informed vide letter dated August 22, 2006[2,3 and 9)]		
1,500 (Term Loan)	1,500	▪ Interest at the rate of 9.50% (applicable INBMK plus a margin of 2.68 per annum), ▪ Bullet Repayment at the end of tenor of the loan i.e. July 31, 2009 with a put call option for the borrower at the end of every 12 months.
Loan Agreement dated September 27, 2006 with State Bank of India[1 and 3)]		
1850	647.50	▪ Interest at the rate of 9.75% (i.e. 1.25% below State Bank Advance Rate) payable monthly ▪ Repayment in 77 monthly installments commencing from October 2007.
Loan Agreement dated September 29, 2006 with State Bank of Travancore[1,3 and 6)]		
750	262.50	▪ Interest at the rate of 9.75% (i.e. 1.75 below State Bank of Travancore Prime Lending Rate) payable monthly; ▪ Repayment in 77 monthly installments commencing from October 2007.
Loan Agreement dated September 20, 2006 with State Bank of Hyderabad [1 and 3)]		
1000	350	▪ Interest at the rate of 9.75% (i.e. 1.75% below SBAR) payable monthly ▪ Repayment in 77 monthly installments commencing from October 2007.
Loan Agreement dated October 31, 2006 with HDFC Bank Limited [2 and 3)]		
1,000 (loan-500 and overdraft limit 500 million)	656.44 including (loan-490 and overdraft-166.44)	▪ Interest at the rate of 9.25% payable monthly for overdraft and 9% for short term loan payable monthly; ▪ Overdraft is payable on demand and the short term loan by bullet repayment, one year from the date of disbursement (i.e. November 2, 2006)
Loan Agreement dated August 24, 2006 with DSP Merrill Lynch Capital Limited [1 and 3)]		
1816.45	1583.81	▪ Interest at the rate of (fixed) 9.25% per annum payable monthly**;** ▪ Repayment in 13 installments commencing from September 30, 2006 until

Amount (Rs. million)	Outstanding (Rs. million)	Repayment and interest
		March 31, 2008. ▪ Prepayment permissible with the consent of the lender on mutually agreed terms, including prepayment premium.
Loan Agreement dated October 5, 2006 with DSP Merrill Lynch Limited now assigned to UTI Bank Limited Trust series 17 to 23 informed vide letter dated November 27, 2006 ***(3)***		
9300	9300	▪ Interest at the rate of (fixed) 10.50% per annum payable monthly**;** ▪ Bullet repayment on October 5, 2009 with an option to recall/ prepay the loan on April 5, 2008; ▪ Prepayment on a day other than April 5, 2008 can be made only with prior consent of the lender.
Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Limited ***(3)***		
3,500	3,500	▪ Interest at the rate of (fixed) 10.50% per annum payable monthly**;** ▪ Bullet payment on October 5, 2009 with an option to recall/ prepay on April 5, 2008; ▪ Prepayment on a day other than April 5, 2008 can be made only with prior consent of the lender.
Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Limited ***(3)***		
1,150	1,150	▪ Interest at the rate of (fixed) 10.50% per annum payable monthly**;** ▪ Bullet payment on October 5, 2009 with an option to recall/ prepay on April 5, 2008; ▪ Prepayment on a day other than April 5, 2008 can be made only with prior consent of the lender.
Loan Agreements dated June 20, 2006 with Standard Chartered Bank ***(2, 3, 5 and 9)***		
250	250	▪ Interest at 9.25% per annum (fixed rate) payable monthly together with any interest tax, and ▪ Repayment on maturity i.e. on August 10, 2007.
Loan Sanction Letter dated August 25, 2006 with ABN Amro Bank ***(2 & 3)***		
1,250 (short term loan)	1,250	▪ Interest at the rate of 8.75 % per annum payable monthly**;** ▪ Bullet repayment after one year from the date of drawdown (i.e. September 4, 2006)

**** Details of security created:***

1. loan secured by charge over specified pool of receivables,
2. loan secured by corporate guarantee by our subsidiary,
3. loan secured by equitable mortgage of specified immovable property,
4. loan secured by exclusive charge on the escrow account and the DSR account and all monies credited/deposited therein and all investments in respect thereof,
5. loan secured by exclusive mortgage and charge/assignment by way of security of all rights, title, interest, claims, benefits, demands in respect of the specified project documents,
6. loan secured by hypothecation of specified stocks, receivables and cash collaterals,
7. loan secured by charge over/assignment of/negative lien on assignment of lease rentals arising from specified immoveable property,
8. loan secured by negative lien over existing specified immoveable property,
9. loan secured by on demand promissory note,
10. loan secured by an undertaking for assignment of rentals in the event of default.
11. loan secured by hypothecation by way of exclusive charge over the insurance pursuant to the hypothecation of assets.

Some of the corporate actions for which we require the prior written consent of our lenders include the following:

- to mortgage, dispose, sell, lease, exchange or create any charge, lien or encumbrance of any kind on specified undertakings, assets, security secured with the lender and change in use of the assets;
- to enter into an allied line of business or manufacture or to change a line of activity;
- to implement any scheme of expansion/modernization/diversification/renovation or to acquire any fixed assets during any accounting year, except under a scheme approved by the lender/when in ordinary course of business;
- to acquire or enter into any contract to acquire ownership in any other entity or person or profit sharing arrangement or royalty arrangement with any other entity or person or enter into management contract by which the business and operations of the company is managed by another person;
- to affect any material change in shareholding/ownership/management of the business or that of any subsidiary which would create an equitable mortgage on our secured properties;
- to divest, transfer, alienate, and encumber any part of our shareholding in a subsidiary or divert lender's funds to other sister associate or group concerns;
- to maintain our net worth at the level reflected in the audited balance sheet of a specified financial year;
- to declare or pay dividends or incur any capital expenditure other than in the ordinary course of business;
- transfer (voluntary or involuntary), sale, grant, lease or disposal of more than a specified portion of the book value of our assets;
- to assume, guarantee, endorse or in any manner become directly or contingently liable for or in connection with the obligation of any person, firm or corporation except for transaction in the ordinary course of business;
- to effect any reduction in paid up capital;
- to undertake or permit or enter into any transaction of any merger, de-merger, consolidation, re-organization, dissolution, scheme or arrangement or compromise with our creditors or shareholders or effect any scheme of amalgamation or reconstruction or similar transaction including those related to change in the partnership structure;
- to pay any commission to our promoters, directors, managers or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liabilities,
- to change our financial year-end or our accounting method or policies;
- to amend or modify our constitutional documents;
- to assign or transfer all or any rights, benefits or obligations under the transaction documents;
- to make any investments either by way of deposits, loans, advances or investments in share capital or otherwise in any concern or provide any credit or give any guarantee, indemnity or similar assurance;
- to avail any credit facilities from any bank or financial institution beyond the limit indicated in the loan agreement dated April 18, 2005 with ICICI for over draft facility;
- to prepay any other banks or financial institutions without prepaying the loan of the lender pro-rata in respect of syndication loan amounting to Rs 7000 million;
- to pass a resolution of voluntary winding up;
- to change its name or trade name;
- to compound or release book debts;
- to vary shareholding of directors;
- to allow receiver to be appointed, distress of execution to be levied and memorandum and articles to be altered;
- to call uncalled capital without notice to the bank;
- to withdraw or allow to be withdrawn any money brought in by the promoters and directors or relatives and friends of the promoters or directors of our company;
- to borrow or obtain credit facilities of any description from any other banks or credit agency or money lenders or enter into any hire purchase arrangement during the subsistence of the liability of the borrower; or
- to wind up, liquidate, or dissolve, initiate any voluntary winding up process or change and/or cause any circumstances to arise which could result in any person initating winding up actions against DLF, action is initiated for the dissolution of the partnership firm.

Some of our loan arrangement includes a "cross default provision" which enumerates that under the loan arrangement the bank ("Bank") may at its discretion use and enforce its right to set off and cross default between all

facilities sanctioned by the Bank to us. The Bank may, in case of an event of default on our part, at its discretion, appropriate any payments made to us under the facility towards another agreement or transaction entered into by us and/ or towards any other Indebtedness of the Borrower from the Bank. Further, if a default is committed by us under the facility, then such default shall be and deemed to be default under all the other facilities availed by us from the Bank. Further, the Bank shall regard all borrowing by us as immediately due and payable and would have a right to utilize and enforce any mortgage, charge, pledge, hypothecation, lien or any other security interest created and subsisting as on date towards recovery of its dues under the facilities.

"Indebtedness of the Borrower" means any indebtedness in respect of the monies borrowed or liabilities contracted (including any guarantees, indemnities, hire, purchase and leasing) of the borrower or liabilities towards the bank and shall be deemed to include any indebtedness of any associate/ affiliate of the borrower or a person or entity related to the borrower towards the bank and any indebtedness of the borrower and/ or of any associate affiliate of the borrower and entity related to the borrower towards any subsidiary/ associate/ affiliate company of the bank.

UNSECURED BORROWINGS

Further, we have also availed unsecured loans from various banks and financial institutions. As of November 30, 2006, the total amount outstanding for repayment under these loans (excluding fixed deposits, loans and advances from group companies and debenture application and call money amounting to Rs. 28 million) was Rs. 6480 million.

Loan Agreement dated June 26, 2006 with Kotak Mahindra Bank Limited

495 (Unsecured Revolving Term Loan)	495	▪ Interest at the fixed rate of 9.00% until the end of the first tenure ending on June 25, 2007. Subsequently rate of interest (floating) to be reset for each year of the loan (reset at INBMK applicable on date specified + 3.10% spread), and ▪ Bullet repayment on June 25, 2009, with an option to recall/ prepay the loan, first on June 27, 2007 and then on June 27, 2008.

Loan Agreement dated July 6, 2006 with Kotak Mahindra Bank Limited

495 (Unsecured Revolving Term Loan)	495	▪ Interest at the fixed rate of 8.90% until March 25, 2007. Subsequently rate of interest (floating) to be reset for each year of the loan (reset at INBMK applicable on date specified + 3.10% spread), and ▪ Bullet repayment on March 25, 2009 with an option to recall/ prepay the loan, first on March 25, 2007 and then on March 25, 2008.

Loan Agreement dated July 13, 2006 with Kotak Mahindra Bank Limited

250 (Unsecured Revolving Term Loan)	250	▪ Interest at the fixed rate of 8.90% fixed up to March 12, 2007. Subsequently rate of interest (floating) to be reset for each year of the loan (reset at INBMK applicable on date specified + 3.10% spread), and ▪ Bullet repayment on March 12, 2009 with an option to recall/ prepay the loan, first on March 12, 2007 and then on March 12, 2008.

Loan Agreement dated July 17, 2006 with Kotak Mahindra Bank Limited

495 (Unsecured Revolving Term Loan)	495	▪ Interest at the fixed rate of 8.90%, and ▪ Repayment in two installment of Rs. 470.25 million, on March 12, 2007 & Rs. 24. 75 million on July 17, 2007.

Loan Agreement dated July 25, 2006 with Kotak Mahindra Bank Limited

750 (Unsecured Term Loan)	750	▪ Interest at the fixed rate of 9.25% until July 25, 2007. Subsequently rate of interest (floating) to be reset for each year of the loan (reset at INBMK applicable on date specified + 3.15% spread), and ▪ Bullet repayment on July 25, 2009 with an option for the borrower to recall/

		prepay the loan first on July 25, 2007 and then on July 25, 2008.
Loan Agreement dated July 31, 2006 with Kotak Mahindra Bank Limited		
495 (Unsecured Term Loan)	495	▪ Interest at the fixed rate of 9.25% until end of August 1, 2007. Subsequently rate of interest (floating) to be reset for each year of the loan (reset at INBMK applicable on date specified + 3.15% spread), and ▪ Bullet repayment on August 1, 2009 with an option to recall/ prepay the loan first on August 1, 2007 and then on August 1, 2008.
Loan Agreement dated November 20, 2006 with Kotak Mahindra Prime Limited now assigned to Corporate Loan Securitization Series XXIV Trust 2006 vide letter dated November 23, 2006.		
2,000 (Non-revolving unsecured term loan)	2,000	▪ Interest at 9.33% per annum payable monthly for first 13 months from the date of drawdown. Subsequently rate of interest (floating) to be reset (reset at applicable benchmark on date specified + spread); ▪ Bullet repayment at the end of 37 months from the date of drawdown with an option to recall/prepay first after 13 months of disbursement and then after every 12 months up to the maturity of the loan;
Loan Agreement dated September 4, 2006 with HSBC Bank Limited		
1500 (Unsecured Term Loan)	1,500	▪ Interest at the rate of 9.85% per annum ▪ Bullet Repayment on September 4, 2007; ▪ Loan valid for a period of one year from disbursement (i.e. on September 5, 2006)
Additional letter of credit/ bank guarantee dated June 12, 2006 and agreement for commercial letter of credit dated July 4, 2006 with DBS Singapore		
5, 000, 000 USD (unsecured)	Not utilised	▪ Maximum tenure is 12 months.

REGULATIONS AND POLICIES IN INDIA

We are engaged in the business of real estate development. Since our business involves the acquisition of land in several states, it is subject to central and state legislation which regulates substantive and procedural aspects of the acquisition of, development and transfer of land. Additionally, our projects require, at various stages, the sanction of the concerned authorities under the relevant state legislation and local bye-laws. While the real estate development industry remains largely unregulated, we are subject to land acquisition, town planning and social security laws. We are also subject to the regulations and policies governing SEZs. The following is an overview of the important laws and regulations which are relevant to our business as a real estate developer.

CENTRAL LAWS

Laws relating to land acquisition

The Urban Land (Ceiling and Regulation) Act, 1976 prescribes the limits to urban areas that can be acquired by a single entity. It has, however, been repealed in some states and union territories under the Urban Land (Ceiling and Regulation) Repeal Act, 1999. Further, land holdings are subject to the Land Acquisition Act, 1894 which provides for the compulsory acquisition of land by the central government or appropriate state government for public purposes, including planned development and town and rural planning. However, any person having an interest in such land has the right to object to such compulsory acquisition and has the right to compensation.

Laws regulating transfer of property

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by the operation of law, is governed by the Transfer of Property Act, 1882 ("**T.P. Act**"). The T.P. Act establishes 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

The Registration Act, 1908 ("**Registration Act**") has been enacted with the object of providing public notice of the execution of documents affecting the transfer of an interest in immoveable property. The purpose of the Registration Act is the conservation of evidence, assurances, title, and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of Rs. 100 or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be 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.

The Indian Stamp Act, 1899

There is a direct link between the Registration Act and the Indian Stamp Act, 1899 ("**Stamp Act**"). Stamp duty needs to be paid on all documents specified under the Stamp Act and at the rates specified in the Schedules thereunder. The rate of stamp duty varies from state to state. The stamp duty is payable on instruments at the rates specified in Schedule I of the said Act. The applicable rates for stamp duty on these instruments, including those relating to conveyance, are prescribed by state legislation. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all.

The Easements Act, 1882

The law relating to easements is governed by the Easements Act, 1882 ("**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.

Laws relating to employment

The employment of construction workers is regulated by a wide variety of generally applicable labour laws, including the Contract Labour (Regulation and Abolition) Act, 1970, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Payment of Wages Act, 1936.

Special Economic Zones

As part of our business, we propose to develop SEZ at suitable locations across India. SEZs are regulated and governed by the Special Economic Zone, Act, 2005. 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. Any private or public company or state government or its agencies may set up an SEZ in India. Each SEZ unit functions on a self-certification basis.

An SEZ is notified by the Department of Commerce, Ministry of Commerce and Industry, GoI. One of the special features of an SEZ is that no governmental license is required for imports, including for second hand machineries and there is minimal examination of imports by customs to enable efficient operations. 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. The SEZ Board 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. The setting up and performance of business units in the SEZ is approved and monitored by an 'Approval Committee' consisting of the Development Commissioner, officers from the central and state governments and a representative of the Developer (as a special invitee). The Development Commissioner is the nodal officer for SEZs, exercising all powers vested under the SEZ Act.

The developer or co–developer is required to have at least 26% 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.

The unit has to achieve positive net foreign exchange to be calculated cumulatively for a period of five years from the commencement of production.

By establishing operations in an SEZ, an entity is eligible for the following benefits:

- as per provisions of the I.T. Act, a company is entitled to deduction of 100% of the profits and gains derived from export of goods manufactured or produced from its unit set up in Special Economic Zone for a period of five consecutive assessment years beginning with the assessment year relevant to the previous year in which the unit begins such manufacture and 50% of such profits and gains for further five consecutive assessment years. Further, for the next five consecutive assessment years, the company is entitled to deduction of such amount not exceeding 50% of the profit as is debited to Profit & Loss Account of the previous year in respect of which the deduction is to be allowed and credited to a special reserve viz. "Special Economic Zone Reinvestment Reserve Account" to be created and utilised for the purpose of the business in the manner laid down in the I.T. Act;
- Where the gross total income of an assessee, being a developer, includes any profits and gains derived by an undertaking or an enterprise from any business of developing a SEZ, notified on or after April 1, 2005 under the SEZ Act, 2005 there shall, be a deduction of an amount equal to 100% of the profits and gains

derived from such business for ten consecutive years. The deduction can be claimed by the assessee can be claimed by him for any ten consecutive assessment years out of fifteen years from the year in which a SEZ had been notified by the GoI;

- the provisions of the 'minimum alternate tax' imposed by the I.T. Act will not be applicable to the company;
- the company is also exempted from paying dividend distribution tax;
- no custom duty will be levied for any goods imported into, or service provided in, the SEZ for the purposes of its authorised operations. No custom duty is applicable to any export of goods or services from the company to any place outside India and no excise duty is applicable to goods brought from within India's domestic tariff area to the SEZ to enable the company to carry on its authorised operations; and
- Additionally, there is an exemption from service tax on taxable services provided to the company to carry on its authorised operations in the SEZ and there is an exemption from the levy of taxes on the sale or purchase of goods, as long as the goods are needed to carry on the company's authorised operations. Additional benefits may be available to a company as per the provisions of local statutes, depending on where the SEZ is located.

In addition to the above, most state governments extend additional benefits and incentives under their respective SEZ schemes such as exemption from local taxes, levies and duties, exemption from electricity, water duties, and declaration of SEZs as Public Utility Services and delegate the powers of the labour commissioner to development commissioner of the SEZ.

Industrial parks

The GoI has notified the Industrial Park Scheme (the "**Scheme**") on April 1, 2002 in relation to the establishment of industrial parks. Proposals to establish industrial parks which meet the criteria set out in the Scheme are accorded automatic government approval by the SIA. Proposals not meeting such parameters require the prior sanction of the 'Empowered Committee' set up in the Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, GoI.

Objectives of industrial parks

Any project, being an industrial park, is required to aim at setting up (a) an industrial model town for development of industrial infrastructure for carrying out integrated manufacturing activities, including research and development by providing plots or sheds and common facilities within its precincts, (b) an industrial park for development of infrastructural facilities or built-up space with common facilities in any area allotted or earmarked for the purposes of specified industrial uses, or (c) a growth centre under the growth centre scheme of the GoI.

Tax exemptions

Under the Scheme, a developer who has established an industrial park before March 31, 2006 is granted tax exemptions for a period of ten years in the form of deduction of 100% of business profits earned from the development, operation and maintenance of the industrial park. The tax benefits under the I.T. Act can be availed only after the number of units indicated in the application to the GoI, are located in the industrial park.

STATE LAWS

Urban development laws

State legislations provide for the planned development of urban areas and the establishment of regional and local development authorities charged with the responsibility of planning and development of urban areas within their jurisdiction. Real estate projects have to be planned and developed in conformity with the norms established in these laws and regulations made thereunder and require sanctions from the government departments and developmental authorities at various stages. For instance, in certain states such as Haryana, for developing a residential colony, a licence is required from the relevant local authority. Where projects are undertaken on lands which form part of the approved layout plans and/or fall within municipal limits of a town, generally the building plans of the projects have to be approved by the concerned municipal or developmental authority. Building plans are required to be approved

for each building within the project area. Clearances with respect to other aspects of development such as fire, civil aviation and pollution control are required from appropriate authorities depending on the nature, size and height of the projects. The approvals granted by the authorities generally prescribe a time limit for completion of the projects. These time limits are renewable upon payment of a prescribed fee. The regulations provide for obtaining a completion/occupancy certificate upon completion of the project.

Agricultural development laws

The acquisition of land is regulated by state land reform laws which prescribe limits up to which an entity may acquire agricultural land. Any transfer of land which results in the aggregate land holdings of the acquirer in the state exceeding this ceiling is void, and the surplus land is deemed, from the date of the transfer, to have been vested in the state government free of all encumbrances. When local authorities declare certain agricultural areas as earmarked for townships, lands are acquired by different entities. After obtaining a conversion certificate from the appropriate authority with respect to a change in the use of the land from agricultural to non-agricultural for development into townships, commercial complexes etc., such ceilings are not applicable. While granting licences for development of townships, the authorities generally levy development/ external development charges for provision of peripheral services. Such licences require approvals of layout plans for development and building plans for construction activities. The licences are transferable on permission of the appropriate authority. Similar to urban development laws, approvals of the layout plans and building plans, if applicable, need to be obtained.

REGULATIONS REGARDING FOREIGN INVESTMENT

Real estate sector

The GoI has permitted FDI of up to 100% under the automatic route in townships, housing, built-up infrastructure and construction-development projects ("**Real Estate Sector**"), subject to certain conditions contained in Press Note No. 2 (2005 series) ("**Press Note 2**"). A short summary of the conditions is as follows:

(a) Minimum area to be developed is ten hectares in case of serviced housing plots and 50,000 square metres in case of construction development projects. Where the development is a combination project, the minimum area can be either ten hectares or 50,000 square metres.

(b) Minimum capitalization of US$10 million for wholly owned subsidiary and US$5 million for a joint venture has been specified and it is required to be brought in within six months of commencement of business of the company.

(c) Further, the investment is not permitted to be repatriated before three years from completion of minimum capitalization except with prior approval from FIPB.

(d) At least 50% of the project is required to be developed within five years of obtaining all statutory clearances and the responsibility for obtaining it is cast on the foreign investor. Further, the sale of undeveloped plots is prohibited.

(e) Compliance with rules, regulations and bye-laws of state government, municipal and local body has been mandated and the investor is given the responsibility for obtaining all necessary approvals.

We have received the permission of the DIPP dated April 13, 2006 (bearing number 5(6)/2000-FC(Pt.File)) and the RBI dated April 24, 2006 (bearing number FE.CO.FID/22510/10.02.078/2005-06) for investment by FIIs in the Issue. For further details on the permissions received, see section titled "Material Contracts and Documents for Inspection" on page [•].

Industrial parks and SEZs

The GoI has permitted foreign direct investment of up to 100% FDI for setting up SEZs and Industrial Parks in India under the automatic route.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association we cannot have fewer than three directors or more than 12 directors. We currently have 12 directors on our Board of Directors.

The following table sets forth details regarding our current Directors:

Name, Father's/ Husband's Name, Designation and Occupation	Age	Address	Other Directorships
Mr. K.P.Singh S/o Late Ch. Mukhtar Singh Executive Chairman Industrialist	74 Years	14, Aurangzeb Road, New Delhi 110011, India	▪ DLF Power Limited ▪ Buland Consultants & Investment Private Limited ▪ DLF Investments Private Limited ▪ Rajdhani Investments & Agencies Private Limited ▪ Haryana Electrical Udyog Private Limited ▪ Vishal Foods and Investments Private Limited ▪ Raisina Agencies & Investments Private Limited ▪ Universal Management & Sales Private Limited ▪ Jhandewalan Ancillaries and Investments Private Limited ▪ Prem Traders & Investments Private Limited ▪ Excel Housing Construction Private Limited ▪ Anubhav Apartments Private Limited ▪ Sukh Sansar Housing Private Limited ▪ Hitech Property Developers Private Limited ▪ Pushpak Builders and Developers Private Limited ▪ Uttam Builders and Developers Private Limited ▪ Herminda Builders & Developers Pvt. Ltd. ▪ Sidhant Housing and Development Company ▪ Panchsheel Investment Company ▪ Madhur Housing & Development Company ▪ Mallika Housing Company ▪ Kohinoor Real Estates Company ▪ Trinity Housing and Construction Company ▪ Arihant Housing Company ▪ Madhukar Housing and Development Company ▪ Udyan Housing & Development Company ▪ Sambhav Housing and Development Company ▪ Yashika Properties and Development Company ▪ Savitri Memorial institute of Scientific and Industrial Research

Name, Father's/ Husband's Name, Designation and Occupation	Age	Address	Other Directorships
Mr. Rajiv Singh S/o Mr. K.P.Singh Vice Chairman & Whole-Time Director Industrialist	47 Years	16A, Aurangzeb Road, New Delhi 110011, India	▪ DLF Power Limited ▪ Buland Consultants & Investment Private Limited ▪ Rajdhani Investments & Agencies Private Limited ▪ Haryana Electrical Udyog Private Limited ▪ Vishal Foods and Investments Private Limited ▪ Raisina Agencies & Investments Private Limted ▪ Universal Management & Sales Private Limited ▪ Prem Traders & Investments Private Limited ▪ Solace Housing & Construction Private Limited ▪ Anubhav Apartments Private Limited ▪ Sukh Sansar Housing Private Limited ▪ Hitech Property Developers Private Limited ▪ Uttam Builders & Developers Private Limited ▪ Northern India Theatres Private Limited ▪ Renkon Agencies Private Limited ▪ Angus Builders & Developers Pvt. Ltd. ▪ Belicia Builders & Developers Pvt. Ltd. ▪ Sidhant Housing and Development Company ▪ Panchsheel Investment Company ▪ Madhur Housing & Development Company ▪ Mallika Housing Company ▪ Kohinoor Real Estates Company ▪ Trinity Housing And Construction Company ▪ Uttam Real Estates Company ▪ Madhukar Housing And Development Company ▪ Udyan Housing & Development Company ▪ Yashika Properties And Development Company ▪ DLF Assets Private Limited ▪ Asia Society India Centre
Mr. T.C. Goyal S/o Late Mr. Gyan Chand Goyal Managing Director Business Executive	62 Years	S-33, Panchsheel Park, New Delhi 110017, India	▪ DLF Power Limited ▪ DLF Retail Developers Limited ▪ DLF Home Developers Limited ▪ DLF Estate Developers Limited ▪ Mangal Shrusti Gruh Nirmiti Limited ▪ DLF Akruti Info Parks (Pune) Limited ▪ Dalmia Promoters & Developers Pvt. Ltd. ▪ Edward Keventer (Successors) Pvt. Ltd.
Ms. Pia Singh D/o. Mr. K.P. Singh Whole-time Director Industrialist	35 Years	14A, Aurangzeb Road, New Delhi 110011, India	▪ DLF Retail Developers Limited ▪ DLF Investments Private Limited ▪ Jhandewalan Ancillaries and Investments Private Limited ▪ Prem Traders & Investments Private Limited ▪ Solace Housing & Construction Private Limited ▪ Anubhav Apartments Private Limited ▪ Sukh Sansar Housing Private Limited ▪ Hitech Property Developers Private Limited ▪ Uttam Builders and Developers Private Limited ▪ Northern India Theatres Private Limited ▪ Raisina Agencies & Investments Private Limited ▪ Pushpak Builders and Developers Private Limited ▪ Trinity Housing and Construction Company ▪ Uttam Real Estates Company

Name, Father's/ Husband's Name, Designation and Occupation	Age	Address	Other Directorships
			▪ Arihant Housing Company
Mr. Kameshwar Swarup S/o Late Mr. S.S. Bhatnagar Whole –Time Director Corporate Executive	66 Years	H-33/31 DLF City, Phase-I, Gurgaon 122002, Haryana, India	▪ DLF Commercial Developers Limited ▪ DLF Home Developers Limited ▪ DLF Estate Developers Limited ▪ DLF Retail Developers Limited ▪ Shivajimarg Properties Limited ▪ DLF Hotels & Resorts Limited
Mr. G.S. Talwar S/o.Mr. R.S. Talwar Director Banker	58 Years	14A, Aurangzeb Road, New Delhi 110 011, India	▪ Sabre Capital Worldwide ▪ Pearson PLC ▪ Indian School of Business (Governor) ▪ NSPCC (National Society for Prevention of Cruelty to Children) U.K. ▪ Centurion Bank of Punjab Ltd. ▪ Fortis Group (Belgium and Netherlands) ▪ Schlumberger Ltd. ▪ Power Overseas Private Limited ▪ Lotus India Asset Management Company Private Limited
Dr. D.V. Kapur S/o.Mr. N.C. Kapur Director Retired Bureaucrat	77 Years	405, Aradhana Apartments, Sector-13, R.K. Puram, New Delhi 110066, India	▪ Jacobs H&G (P) Ltd. ▪ GKN Driveline (India) Ltd. ▪ Drivetech Accessories Ltd. ▪ Tata Chemicals Ltd. ▪ Honda Seil Power Products Ltd. ▪ Zenith Ltd. ▪ DLF Power Ltd. ▪ Reliance Industries Limited ▪ Reliance Jamnagar Power Private Ltd.
Mr. M.M. Sabharwal S/o Late Mr. Shiv Charan Das Sabharwal Director Corporate Executive	83 Years	S-37, Panchsheel Park, New Delhi 110017, India	▪ Nutrition Foundation of India ▪ President Emeritus, Help Age India ▪ National Council for Older Persons (Government of India) (Member)
Mr. K.N. Memani S/o Late Mr. Bhagwan Das Memani Director Chartered Accountant	67 Years	177-C, Western Avenue, W-7, Sainik Farm, New Delhi 110062, India	▪ India Glycols Limited ▪ HEG Ltd. ▪ HT Media Limited ▪ Great Eastern Energy Corporation Ltd. ▪ Yes Bank Ltd. ▪ National Engineering Industries Ltd. ▪ Indo- Rama Synthetics (I) Ltd. ▪ Kaleidoscope Entertainment Pvt. Ltd. ▪ Aegon India Business Services Pvt. Ltd. ▪ GEMS India Pvt. Ltd. ▪ HT Consultancy Services Pvt. Ltd. ▪ KNM Advisory Private Limited. ▪ Emami Ltd.

Name, Father's/ Husband's Name, Designation and Occupation	Age	Address	Other Directorships
Mr. Ravinder Narain S/o. Late Mr. Rajinder Narain Director Advocate & Solicitor	69 Years	55, Sunder Nagar, New Delhi-110003, India	▪ Nestle India Ltd., New Delhi ▪ Shree Rajasthan Syntex Ltd., Udaipur ▪ Fomento Resorts & Hotels Ltd., Goa ▪ Amber Tours Private Ltd., New Delhi
Mr. Brijendra Bhushan S/o. Late Mr. Bihari Lal Director Corporate Executive	73 Years	C-43, Inderpuri New Delhi 110012, India	▪ DLF Commercial Developers Limited ▪ Rising Commodities Private Limited
Brig. (Retd.) Narendra Pal Singh S/o Mr. Kanwal Singh Director Ex-Serviceman	69 Years	Kanwal Kunj A-215, Saket Meerut 250 006 U.P., India	▪ Dhanwantri Labs Limited ▪ Beverly Park Operation & Maintenance Services Pvt.Ltd. ▪ Super Mart Two Property Management Services Pvt. Ltd. ▪ Windsor Complex Property Management Services Pvt. Ltd. ▪ Bansal Development Co. Pvt. Ltd ▪ Pushpavali Builders & Developers Private Limited ▪ Sudarsan Estates Pvt. Ltd. ▪ Antriksh Properties Pvt. Ltd. ▪ Lyndale Holdings Private Limited

Dr. D.V. Kapoor, Mr. M.M. Sabharwal, Mr. K.N. Memani, Mr. Ravinder Narain, Mr. Brijendra Bhushan and Brig. (Retd.) Narendra Pal Singh are independent Directors of our Company.

Details of Directors

Mr. K. P. Singh, age 74 years, is the Chairman of our Company. He is a graduate in science from Meerut College and has attended the Indian Military Academy at Dehradun. Mr. Singh served in the Indian Army and has over 43 years of experience in the real estate industry. Mr. Singh has held several important industrial, financial and diplomatic positions including as a member of the International Advisory Board of Directors of General Electric, and presently, he is an honorary Consul General to the Principality of Monaco. He was a director of the Central Board of Reserve Bank of India. He is a Member-Executive Committee, Federation of Indian Chambers of Commerce and Industry. He was also the President of ASSOCHAM in 1999. He is on the governing board of several educational institutions and is a trustee of number of public charitable trusts. Mr. Singh has been awarded with 'The Samman Patra Award' for being one of the top tax payers in fiscal 2000 and 'The Delhi Ratna Award' for his valuable contribution to Delhi in 2005. In 2005, he was recognized by Times of India as a key contributor to the development of Delhi.

Mr. Rajiv Singh, age 47 years, is the Vice Chairman of our Company. He is a graduate of Massachusetts Institute of Technology (MIT), U.S.A and holds a degree in mechanical engineering. Mr. Singh has over 25 years of professional experience. Mr. Singh directs the strategy and oversees the operations of the Company's residential, commercial, retail, infrastructure, hotels and SEZ business lines. In December 2005, Mr. Singh was awarded 'The Udyog Ratna Award' for 'Valuable Contributions to Economic Development of Haryana'.

Mr. T. C. Goyal, age 62 years, is the Managing Director of our Company and is the Chairman of DLF Retail Developers Limited, DLF Estate Developers Limited and DLF Home Developers Limited. He has a degree in commerce from Shri Ram College of Commerce, Delhi University. He is a Fellow Member of the Institute of Chartered Accountants of India. Mr. Goyal has over 37 years of experience in finance and project counselling. Having worked for Birlas, he joined us in 1981. Mr. Goyal has been a member of the Managing Committee of PHD Chamber of Commerce and Industry continuously for the last ten years. He is also the managing trustee for number of charitable trusts engaged in education and welfare activities.

Ms. Pia Singh, age 35 years, is a whole-time Director of our Company. She graduated from the Wharton School of Business, University of Pennsylvania, U.S.A. with a degree in finance. Ms. Singh has worked for the risk-undertaking department of GE Capital, the investment division of General Electric, U.S.A. She heads DT Cinemas and is also actively engaged in developing the Company's luxury and super luxury retail destinations across 100 locations throughout India.

Mr. Kameshwar Swarup, age 66 years, is the Executive Director-Legal of our Company. He is a post graduate in commerce and law from University of Lucknow. Mr. Swarup is also a qualified company secretary and a Fellow Member of Institute of Company Secretary of India. Prior to joining us, he worked as the Senior General Manager of the Delhi Stock Exchange Association Limited and was also a member of various committees of SEBI as a nominee of the Delhi Stock Exchange. Mr. Swarup joined us as Senior Vice President (Legal) and rose to the position of Chief Executive (Legal) and is now designated as Executive Director (Legal). He has over 44 years of management experience in a number of corporate positions.

Mr. G.S. Talwar, age 58 years, is a Director of our Company. He holds bachelor's degree in economics from St. Stephen's College, University of Delhi. Mr. Talwar is founding Chairman and Managing Partner of Sabre Capital Worldwide, a private equity and investment company. He is Chairman of Centurion Bank of Punjab Ltd. in India, and a Non-Executive Director of Pearson Plc (UK), Fortis Group (Belgium and The Netherlands) and Schlumberger Ltd. Mr. Talwar is Governor of the Indian School of Business, a former Governor of London Business School, and is on the Stop Organised Abuse Board of the National Society for Prevention of Cruelty to Children. Mr. Talwar is the first Asian to have become the Group Chief Executive of FTSE 25 company in the UK, and is the first Asian to have been the Group Chief Executive of a major multinational bank.

Dr. D.V. Kapur, age 77 years, is an independent Director of our Company. He holds a degree in electrical engineering (with honours). Mr. Kapur was the Chairman and Managing Director of National Thermal Power Corporation. His contributions to success of NTPC have been recorded in number of Reports of the World Bank and he was described as a 'Model Manager' by the Executive Directors of the World Bank. Dr. Kapur also served as Secretary to the Government of India in the Ministries of Power, Heavy Industry and Chemicals & Petrochemicals for six years. He was awarded an honorary doctorate of science by Jawaharlal Nehru Technological University, Hyderabad, in recognition of his significant contributions in the field of technology management and industrial development.

Mr. M.M. Sabharwal, OBE, age 83 years, is an independent Director of our Company. He holds a bachelor's degree in arts (economics). Mr. Sabharwal was the Chairman of Dunlop India Ltd., Bata India Ltd, Britannia Biscuit Co. Ltd., Indian Oxygen Ltd., Needle Industries India (Pvt.) Ltd., Precision Electronics Ltd. He has also held directorships with Oil India Ltd, National Aluminium Company Ltd., Fibre Glass Pilkington Ltd., Avery India Ltd. and Ranbaxy Laboratories Ltd. In addition, he is Director of Nutrition Foundation of India and was President of PHD Chamber, New Delhi, Director of Institute of Management, Calcutta and Vice Chairman of International Management Institute, New Delhi. Mr. Sabharwal has been honoured with an honorary OBE in 1998 by the U.K. Government, a 'Life Time Achievement Award' by the International Conference on Geriatrics and Gerontology, 2004 and 'The Chirayushya Samman Award' by the Honorable Union Minister for Social Justice & Empowerment.

Mr. K.N. Memani, age 67 years, is an independent Director of our Company. Mr. Memani is a Chartered Accountant and specializes in Business and Corporate Advisory, Foreign Taxation, and Financial Consultancy. Mr. Memani regularly provides consulting on corporate matters to several domestic and foreign companies. He is a member of the National Advisory Committee on Accounting Standards (NACAS) and a member of the Expert Committee for the Ministry of the Company Law for the amendment of the Companies Act. For two consecutive years, Mr. Memani was an External Audit Committee (EAC) member of the International Monetary Fund (IMF) and

was appointed the Chairman of EAC for the year 1999-2000. He is the only Indian appointed in this committee by IMF**.** He is a member of various committees including PHD Chamber of Commerce, ASSOCHAM, FICCI, American Chamber of Commerce and Indo American Chamber of Commerce.

Mr. Ravinder Narain, age 69 years, is an independent Director of our Company and holds a bachelor's degree in science and is a degree in law. Mr. Narain is an active practitioner in the Supreme Court and High Court of India and is a senior partner of the law firm, M/s.Ravinder Narain & Co. Mr. Narain has over forty years of experience as a lawyer. He has been actively associated with leading constitutional, taxation and commercial matters. He was appointed by the Ministry of Finance, GoI as a member of the High Level Committee set up to review of India's central excise and customs laws.

Mr. B. Bhushan, age 73 years, is an independent Director of our Company. He is holds a bachelor's degree in commerce. He is a Fellow Member of Institute of Chartered Accountants of India and Associate Member of the Institute of Cost and Works Accountants of India. Over the years as our director, he has been giving his valuable guidance and advice to our Company. Having experience of over 30 years in company laws including tax laws matters and is a Member of DSE.

Brig. N. P. Singh (Retd.), age 69 years, is an independent Director of our Company and holds a master's degree in arts and science. Brig. Singh is an associate member of British Institute of Management. He served in the Indian Army for 34 years prior to joining our Company's Board in 1993. Brig. Singh provides managerial guidance and advice to the Company.

Mr. Rajiv Singh and Ms. Pia Singh are children of Mr. K. P. Singh. Mr. G.S.Talwar is the son-in law of Mr. K.P. Singh. Apart therefrom, none of our Directors are related to each other.

Borrowing Powers of the Directors in our Company

Pursuant to a resolution dated April 20, 2006 passed by our shareholders in accordance with provisions of the Companies Act, our Board has been authorised to borrow sums of money for the purpose of the Company upon such terms and conditions and with or without security as the Board of Directors may think fit. Our Company may borrow money up to Rs. 500,000 million as to amount and upon such terms and in such manner as they think fit and to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.

Appointment of our Directors

Name of Directors	Contract/ Appointment Letter/Resolution	Details of Remuneration	Term
Mr. K. P. Singh	By a resolution of the shareholders of our Company dated November 28, 2003	Rs. 250,000 per month plus perquisites, allowances and commission	Re-appointed as Whole-time Director designated as Chairman for a period of five years starting October 1, 2003
Mr. Rajiv Singh	By a resolution of the shareholders of our Company dated September 29, 2004	Rs. 500,000 per month plus perquisites, allowances and commission	Re-appointed as Whole-time Director designated as Vice - Chairman for a period of five years starting April 9, 2004
Mr. T. C. Goyal	By a resolution of the shareholders of our Company dated November 28, 2003	Rs. 875,000 per month plus perquisites, allowances and commission	Re-appointed as Whole-time Director designated as Managing Director for a period of five years starting March 1, 2003
Ms. Pia Singh	By resolution of the shareholders of our Company dated November 28, 2003	Rs. 600,000 per month plus perquisites, allowances and commission	Appointed as Whole-time Director of the Company for a period of five years starting February 18, 2003

Name of Directors	Contract/ Appointment Letter/Resolution	Details of Remuneration	Term
Mr. Kameshwar Swarup	By a resolution of the shareholders of our Company dated September 29, 2006	Rs. 142,000 per month plus perquisites and allowances	Appointed as Whole time Director for a period of two year w.e.f January 1, 2006
Mr. G.S Talwar	By a resolution of the shareholders of our Company dated September 29, 2006	No remuneration paid by the Company except sitting fees	Appointed as Director liable to retire by rotation
Dr. D.V. Kapur	By a resolution of the shareholders of our Company dated September 29, 2006	No remuneration paid by the Company except sitting fees.	Appointed as Director liable to retire by rotation
Mr. M. M. Sabharwal	By a resolution of the shareholders of our Company dated September 29, 2006	No remuneration paid by the Company except sitting fees.	Appointed as Director liable to retire by rotation
Mr. K.N. Memani	By a resolution of the shareholders of our Company dated September 29, 2006	No remuneration paid by the Company except sitting fees.	Appointed as Director liable to retire by rotation
Mr. Ravinder Narain	By a resolution of the shareholders of our Company dated September 29, 2006	No remuneration paid by the Company except sitting fees.	Appointed as Director liable to retire by rotation
Mr. Brijendra Bhushan	By a resolution of the shareholders of our Company dated September 29, 2004	No remuneration paid by the Company except sitting fees.	Appointed as Director liable to retire by rotation
Brig. (Retd.) N.P.Singh	By a resolution of the shareholders of our Company dated September 29, 2005	No remuneration paid by the Company except sitting fees	Appointed as Director liable to retire by rotation

Corporate Governance

The provisions of the Listing Agreement to be entered into with NSE and BSE with respect to corporate governance and the SEBI Guidelines in respect of corporate governance will be applicable to our Company immediately upon the listing of our Equity Shares on the Stock Exchanges. Our Company undertakes to adopt the corporate governance code as per Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges for listing of our Equity Shares.

In terms of the Clause 49 of the Listing Agreement, the Company has already appointed Independent Directors and constituted the following committees:

(a) Audit Committee;
(b) Shareholders'/ Investors' Grievance Committee; and
(c) Remuneration Committee.

Audit Committee

The members of the Audit Committee of our Board are:

- Mr. K.N. Memani, an independent Director, is the chairman of our audit committee.
- Mr. M.M.Sabharwal, (Member);
- Mr. T. C. Goyal, (Member);
- Mr. B. Bhushan, (Member); and
- Dr. D.V. Kapur, (Member).

The Company Secretary of the Company acts as the secretary to our audit committee.

Terms of reference/scope of our audit committee include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

2. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of the audit fees.

3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

   (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.

   (b) Changes, if any, in accounting policies and practices and reasons for the same.

   (c) Major accounting entries involving estimates based on the exercise of judgment by the management.

   (d) Significant adjustments made in the financial statements arising out of audit findings.

   (e) Compliance with listing and other legal requirements relating to financial statements.

   (f) Disclosure of any related party transactions.

   (g) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

Shareholders'/Investors' Grievance Committee

The shareholders'/investors' grievance committee of our Board comprises:

- Dr. D.V.Kapur, Chairman;
- Brig. (Retd.) N. P. Singh, Member;
- Mr. Ravinder Narain, Member; and
- Mr. K. Swarup, Member.

The Company Secretary of the Company acts as Secretary to this Committee.

The shareholders'/investors' grievance committee is responsible for the redressal of shareholders and investors' grievances such as non-receipt of share certificates, balance sheet dividend, and others.

The Committee oversees performance of the Registrars and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors the implementation and compliance of our code of conduct for prohibition of insider trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Remuneration Committee

The remuneration committee of our Board comprises three independent Directors:

- Brig. (Retd.) N.P. Singh, Chairman;
- Mr. B. Bhushan, Member; and
- Mr. M. M. Sabharwal, Member.

The Company Secretary of the Company acts as Secretary to this Committee.

The Remuneration Committee determines the Company's remuneration policy, having regard to performance standards and existing industry practice. Under the existing policies of our Company, the Remuneration Committee, *inter alia,* determines the remuneration payable to our Directors and to the relatives of the Promoters who hold positions in our Company.

Apart from discharging the above-mentioned basic function, the remuneration committee also discharges the following functions:

- Framing policies and compensation including salaries and salary adjustments, incentives, bonuses, promotion, benefits, stock options and performance targets of the top executives;
- Remuneration of Directors; and
- Strategies for attracting and retaining employees, employee development programmes.

Shareholding of Directors in our Company

Except as below, our Directors do not hold any Equity Shares in our Company:

Name of Director	No. of Equity Shares held	Percentage of pre-Issue Equity Share Capital
Mr. K.P. Singh	10,461,000	0.68%
Mr. Rajiv Singh	18,656,320	1.22%
Ms. Pia Singh	38,776,000	2.54%
Mr. T. C. Goyal	220,000	0.01%

Interest of our Directors

All of our Directors, including independent Directors, 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 and reimbursement of expenses payable to them. The Chairman, Vice Chairman, Managing Director and our whole-time Directors are interested to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

All of our Directors, including independent directors, may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or that may be subscribed for and allotted to them, out of the present Issue in terms of the Draft Red Herring Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Our Directors, including independent directors, may also be regarded as interested in the Equity Shares, if any, held by or that may be subscribed by and allotted to the companies, firms and trust, in which they are interested as directors, members, partners or trustees.

Some of our Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees. For further details refer to the section titled "Financial Statements – Related Party Transactions" on page [•].

Changes in our Board of Directors

The changes in our Board of Directors during the last three years are as follows:

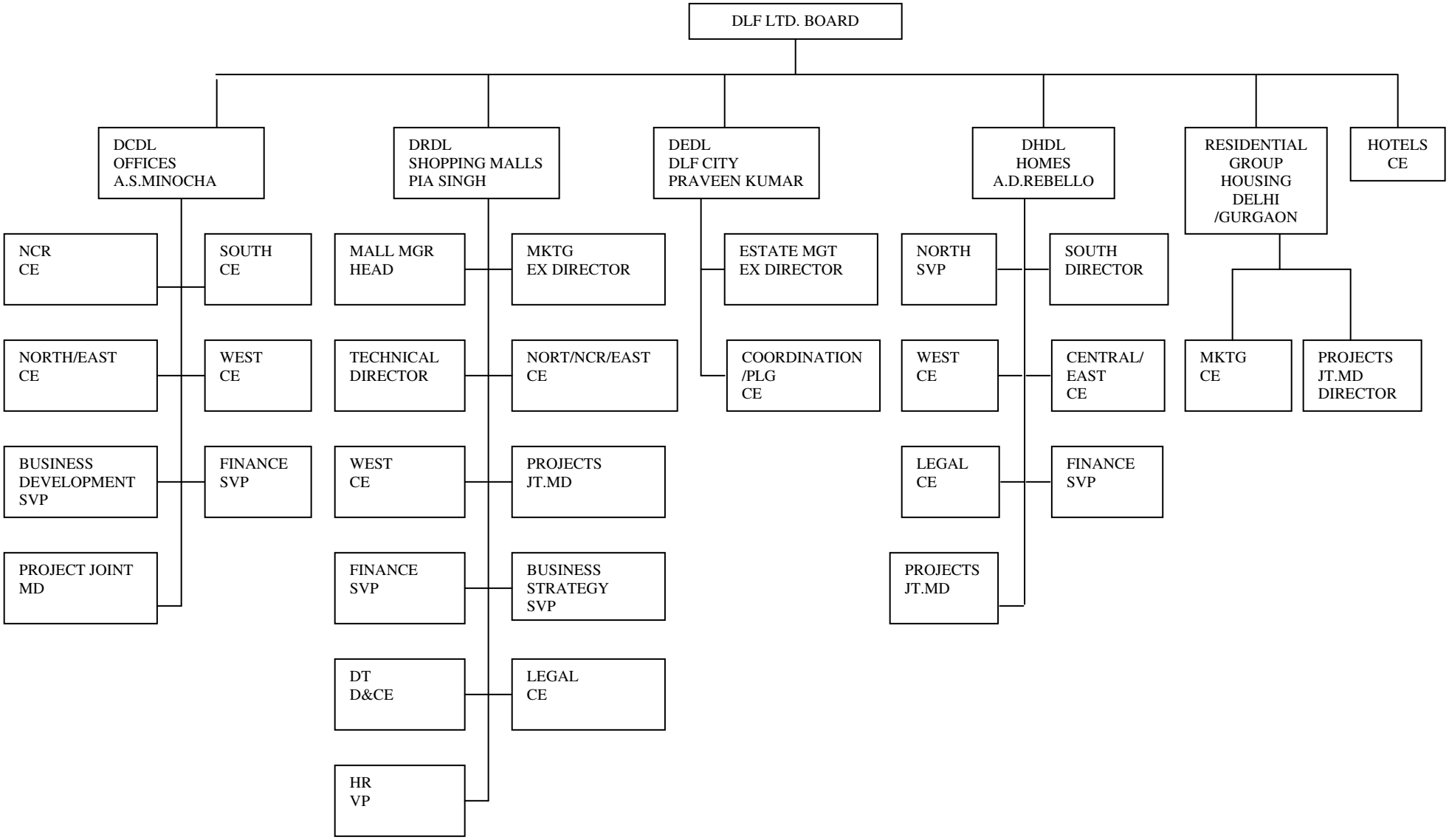
Name	Date of change	Reason
Ms. Pia Singh	February 18, 2003	Appointed
Mr. T. C. Goyal	March 1, 2003	Re-appointed
Mr. K.P.Singh	October 1, 2003	Re-appointed
Mr. B. Bhushan	March 31, 2004	Re-appointed
Mr. Rajiv Singh	April 9, 2004	Re-appointed
Mr. Rajinder Singh	December 20, 2004	Deceased
Brig. (Retd.) N.P. Singh	September 29, 2005	Re-appointed
Mr. K. Swarup	September 29, 2006	Appointed
Mr. J. K. Chandra	April 10, 2006	Resigned
Mr. G.S Talwar	September 29, 2006	Appointed
Dr. D.V. Kapur	September 29, 2006	Appointed
Mr. M.M.Sabharwal	September 29, 2006	Appointed
Mr. K.N. Memani	September 29, 2006	Appointed
Mr. Ravinder Narain	September 29, 2006	Appointed
Ms. Renuka Talwar	April 27, 2006	Resigned

The following table sets forth the details of the remuneration for the whole-time Directors for fiscal 2006.

Name	Basic Salary (in Rs. Per annum)	Commission	Super annuation	Provident Fund	Medical	Perquisites	(Rs.) Total
Mr. K. P. Singh	3,000,000	15,000,000	___	360,000	179,548	10,39,116	19,578,664
Mr. Rajiv Singh	6,000,000	42,500,000	900,000	720,000	202,346	891,934	51,214,280
Mr. T. C. Goyal	Basic : 85,80,000 HRA(70%) 60,06,000 Leave Ench. Rs. 36,46,500 _____ 18,232,500 (Basic+HRA+LE)	5,500,000	1,287,000	1,287,000	4,923	158,104	26,469,527
Ms. Pia Singh	Basic 60,00,000 HRA (70%) 42,00,000 _____ 10,200,000 (Basic + HRA)	3,000,000	900,000	720,000	32,946	-	14,852,946
Mr. K. Swarup (appointed w.e.f January 1, 2006)	Basic: 378,900 Conveyance: 150,000 Special Allowance 300,000 Personal Allowance 56,853 _____ 885,735 (Basic + Allowances)	-	-	45,468	13,758	97,144	1,042,105

Management Organisation Structure

Our management organisation structure is set forth below:



Key Managerial Employees

In addition to our whole-time Directors, the following are our key managerial employees. All of our key managerial employees are permanent employees of our Company or our subsidiaries. The details under this section are as of October 31, 2006.

Ms. Renuka Talwar (Chief Executive, International Affairs, DLF Limited): Ms. Talwar holds a bachelor's degree in economics from Lady Shri Ram College, Delhi University. She has an aggregate work experience of about 16 years in the real estate business. She was on our Board until April 27, 2006. She is currently our Chief Executive, International Affairs. For fiscal 2006, the remuneration paid by us to Ms. Talwar was Rs. 3.94 million.

Ms. Kavita Singh (Advisor, DLF Commercial Developers Limited): Ms. Singh, age 46 years, holds a bachelor's degree in commerce and a master's degree in commerce (banking) from Naz Wadia College of Commerce, Pune. She joined DLF Commercial Developers Limited in January 2002 and has an aggregate work experience of about 16 years in the real estate business. For fiscal 2006, the remuneration paid by us to Ms. Singh was Rs. 1.20 million.

Mr. A. S. Minocha (Chairman, DLF Commercial Developers Limited): Mr. Minocha, age 65 years, holds a bachelor's degree of commerce and is a post-graduate in business administration from Faculty of Management Studies, Delhi University. He is also a Fellow Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has about 40 years of experience in various capacities both in public sector and private sector organizations such as Indian Oil Corporation, Tata Motors Limited and Maruti Udyog Limited in senior management positions. Mr. Minocha joined us on March 3, 2000. For fiscal 2006, the remuneration paid by us to Mr. Minocha was Rs. 18.21 million.

Mr. AD Rebello (Managing Director, DLF Home Developers Limited): Mr. Rebello, age 45 years, holds a bachelor's degree in economics from St. Stephens College, Delhi and a master's degree in marketing and finance from Jamnalal Bajaj Institute of Management Studies, Bombay University. He has 23 years of experience in the real estate and construction business. Prior to joining us, he was the Managing Director and Chief Executive Officer of Tata Housing Development Co. Limited. He has held a number of professional positions in India such as Alternate Chairman of National Committee on Housing, Confederation of Indian Industry, ASSOCHAM, Co-Chariman of the National Committee on Housing and Works, FICCI, Confederation of Indian Industry, Chairman of Urban Infrastructure Committee, Bombay Chambers of Commerce & Industry and is currently a Member of the Expert Committee on Real Estate Mutual Funds, Association of Mutual Funds of India and Real Estate & Finance Committee, Network India (Government of Singapore). Mr. Rebello joined us on April 18, 2005. For fiscal 2006, the remuneration paid by us to Mr. Rebello was Rs. 6.77 million.

Mr. Yogesh Verma (Managing Director, DLF Info-City Developers, Chandigarh): Mr. Verma, age 49 years, holds a bachelor's and master's degree in engineering from Birla Institute of Technology & Science, Pilani. He has 24 years of work experience and has worked in various capacities with, *inter alia*, Ballarpur Industries Limited, Vardhman Group and Denson Engineers. Mr. Verma joined us on June 2, 2003 and, currently, is involved in our special economic zone business. For fiscal 2006, the remuneration paid by us to Mr. Verma was Rs. 4.54 million.

Mr. Praveen Kumar (Managing Director, DLF Estate Developers Limited): Mr. Praveen, age 54 years, is a graduate in commerce from the Sri Ram College of Commerce, Delhi University and is a qualified chartered accountant registered with the Institute of Chartered Accountants of India. He has 28 years of work experience and worked with Pal Electricals and P R Mehra before joining us in November 25, 2003. For fiscal 2006, the remuneration paid by us to Mr. Kumar was Rs. 6.33 million.

Mr. Ajay Khanna (Executive Director, DLF Retail Developers Limited & Executive Director Retail): Mr. Khanna, age 55 years, holds, inter alia, a master's degree in business administration from the Faculty of Management Studies, Delhi University. Before joining us on June 1, 1999, he had worked with JK Corporation, Growth Techno Project Limited and the Park Hotels with 33 years of aggregate work experience. For fiscal 2006, the remuneration paid by us to Mr. Khanna was Rs. 6.92 million. On April 1, 2006, Mr. Khanna was promoted to the position of the Executive Director, DLF Retail Developers Limited & Executive Director Retail.

Mr. Rajiv Malhotra (Joint Managing Director, DLF Home Developers Limited & DLF Estate Developers Limited and Senior Executive Director, Projects): Mr. Malhotra, age 51 years, holds a bachelor's and master's degree in engineering from Punjab Engineering College. Mr. Malhotra has about 29 years of work experience. Prior to joining us on May 2, 1988, he worked with STUP Consultants among others. Currently, he is a part of our Residential Projects Management Group. For fiscal 2006, the remuneration paid by us to Mr. Malhotra was Rs. 7.35 million. On April 1, 2006, Mr. Malhotra was promoted to the position of the Joint Managing Director, DLF Home Developers Limited & DLF Estate Developers Limited and Senior Executive Director, Projects.

***Mr. K K Bhattacharya (Executive Director, DLF Estate Developers Limited)*:** Mr. Bhattacharya, age 63 years, holds a bachelor's degree in electrical engineering from Jadhavpur University. He has an aggregate work experience of about 41 years. Prior to joining us on March 1, 2002, he worked in various positions with Larsen & Toubro Limited, Genelec Limited and Omnitech Engineers. Currently, he is associated with our Land Group. For fiscal 2006, the remuneration paid by us to Mr. Bhattacharya was Rs. 4.52 million.

Mr. Ravi S Kachru (Joint Managing Director, DLF Commercial Developers Limited & DLF Retail Developers Limited and Senior Executive Director, Projects): Mr. Kachru, age 58 years, is a Civil Engineer from the Birla Institute of Technology & Science, Ranchi. He has an aggregate work experience of about 34 years. Before joining us on March 4, 1991, he worked with some reputed overseas organizations like Al-Habook General Trading & Contracting Establishment, A.K.D.A. (a J N Joint Venture) and Saud & Ebrahim Al-Abdulrazak. Currently, he is a part of our Commercial & Retail Project Management Group. For fiscal 2006, the remuneration paid by us to Mr. Kachru was Rs. 10.05 million. On April 1, 2006, Mr. Kachru was promoted to the position of the Joint Managing Director, DLF Commercial Developers Limited & DLF Retail Developers Limited and Senior Executive Director, Projects.

Ms. Kajal Aijaz (Director & Chief Executive, DT Cinemas): Ms. Aijaz, age 36 years, holds a bachelor's degree in arts from Jesus & Mary College, Delhi University and a post graduate diploma in sales and marketing from Bhartiya Vidya Bhawan, Delhi University. She has an aggregate work experience of 16 years and has worked with Wave Cinemas, Cineasia Cathay and PVR Limited. Ms. Aijaz joined us on February 1, 2002 and is currently associated with our cinema multiplex. For fiscal 2006, the remuneration paid by us to Ms. Aijaz was Rs. 2.33 million.

Mr. Deepak Banerjee (Director, DLF Retail Developers Limited & Chief Executive, Retail -NCR): Mr. Banerjee, age 55 years, holds a bachelor's degree in technology from Indian Institute of Technology, Delhi. He has an aggregate work experience of 33 years and has worked with organizations like Siel Limited and Landbase India Limited. Mr. Banerjee joined us on September 16, 2003. For fiscal 2006, the remuneration paid by us to Mr. Banerjee was Rs. 4.19 million. On April 1, 2006, Mr. Banerjee was promoted to the position of the Director, DLF Retail Developers Limited& Chief Executive, Retail -NCR.

Mr. R Hari Haran (Chief Executive Corporate Affairs cum Company Secretary): Mr. Hari Haran, age 57 years, is a Fellow Member of Institute of the Costs and Works Accountants of India and the Institute of the Company Secretaries of India. He is also an Associate Member of the Institute of Chartered Secretaries and Administrators, London (U.K.). He also holds a master's degree in commerce from R.A. Poddar College of Commerce and Economics, Mumbai University. Before joining us on April 19, 1995, he worked in various capacities with the Dalmia Group, the Jindal Group and the G.D. Somani Group. He has a total of 37 years of experience to his credit. For fiscal 2006, the remuneration paid by us to Mr. Hari Haran was Rs. 4.69 million.

Mr. Ramesh Sanka (Senior Executive Director, Finance & Group CFO): Mr. Sanka, age 46 years, holds a bachelor's degree in mechanical engineering from Jawahar Lal Nehru Technological University and a master's in management studies (finance) from Bombay University. He has about 22 years of work experience and has been with us since June 1, 2004. Prior to joining us, he was the Finance Controller of Moser Baer and Chief Financial Officer of Bharti Mobitel. For fiscal 2006, the remuneration paid by us to Mr. Sanka was Rs. 7.32 million. On April 1, 2006, Mr. Sanka was promoted to the position of the Senior Executive Director, Finance & Group CFO.

Mr. J Subrahmanian (Chief Executive, Southern Region): Mr. Subrahmanian, age 51 years, holds a bachelor's degree in technology from Indian Institute of Technology and a post graduate diploma from Indian Institute of Management, Bangalore. Mr. Subrahmanian has a total work experience of 25 years spread over organizations like Ashiana Group of Companies, Kuala Lumpur and DLF Cements. Mr. Subrahmanian joined us on January 15, 2004. For fiscal 2006, the remuneration paid by us to Mr. Subrahmanian was Rs. 5.09 million.

Mr. Anil Gupta (Director, DLF Retail Developers Limited & Executive Director, Technical): Mr. Gupta, age 50 years, holds a bachelor's degree in architecture from the University of Roorkee. He has an aggregate work experience of about 27 years and has worked with Bhasin Associates Limited, STUP Consultants and Arvind Gupta Associates Private Limited. He joined us on May 7, 1990 and, currently, heads our Architectural Council Coordination. For fiscal 2006, the remuneration paid by us to Mr. Gupta was Rs. 6.97 million. On April 1, 2006, Mr. Gupta was promoted to the position of the Director, DLF Retail Developers Limited & Executive Director, Technical.

Mr. Rakesh Kumar Sharma (Chief Executive, Western Region): Mr. Sharma, age 47 years, holds a bachelor's degree in technology from Indian Institute of Technology, Delhi and a post graduate diploma in management from the Indian Institute of Management, Calcutta. He has worked with Mahindra & Mahindra, The Indian Hotels Company and Metdist Industries and has an aggregate work experience of about 26 years. Mr. Sharma joined us on February 1, 2005. For fiscal 2006, the remuneration paid by us to Mr. Sharma was Rs. 4.29 million.

Mr. Vinay Verma (Chief Executive, Commercial – NCR): Mr. Verma, age 54 years, is qualified as a marine engineer from Directorate of Marine Engineering and Training and has 32 years of work experience. Mr. Verma has worked with, inter alia, Dell International, Scope International and Indian Express Multimedia. Since he joined us on April 24, 2006, no remuneration was paid to him during fiscal 2006.

Mr. Shakti Singh (Chief Executive, Hotel Business): Mr. Singh, age 37 years, holds a bachelor's degree in economics from Wharton School, University of Pennsylvania, U.S. along with a master's degree in business administration from University of Chicago, U.S. Mr. Singh has an aggregate work experience of about 13 years and has worked with Ajuba Int'l, Deutsche Bank and Rechtel Enterprises. Mr. Singh joined us on April 1, 2006 and, hence, no remuneration was paid to him during fiscal 2006.

Mr. Jagdish Kumar Gadi (Group Chief, Internal Audit): Mr. Gadi, age 55 years, holds a bachelor's of commerce degree from Shri Ram College of Commerce, Delhi University and is a Fellow Member of the Institute of Chartered Accountants of India. Mr. Gadi has an aggregate work experience of about 34 years including his stints with Ranbaxy Laboratories Limited, Walker, Chandiok & Co. and Jaipur Udyog Limited. He recently joined us on March 1, 2006 and the remuneration paid by us to Mr. Gadi for the month of March 2006 was Rs. 0.25 million.

Mr. Devinder Singh (Chief Executive, Planning): Mr. Singh, age 43 years, holds a bachelor's degree in civil engineering and a master's degree in business administration from Management Development Institute, Gurgaon. Mr. Singh joined us on November 25, 1985 and has spent 21 valuable years with us. He currently heads planning and coordination with our Land Group. For fiscal 2006, the remuneration paid by us to Mr. Singh was Rs. 2.81 million. On July 1, 2006, Mr. Singh was promoted to the position of our Chief Executive, Planning.

Ms. Valsala (Chief Executive, Marketing): Ms. Valsala, age 45 years, holds a master's degree in arts from Delhi University and a diploma in business management from Indira Gandhi Open University. She has an aggregate work experience of about 27 years. She joined us on March 21, 1983 and currently heads the marketing and customer services function of our residential division. For fiscal 2006, the remuneration paid by us to Ms. Valsala was Rs. 3.02 million. On July 1, 2006, Ms. Valsala was promoted to the position of our Chief Executive, Marketing.

Ms. Madhu Kumar Gambhir (Chief Executive, Human Resources): Ms. Gambhir, age 47 years, holds a master's degree in social works from Delhi School of Social Works and a diploma in personnel management from the Faculty of Management Studies. She has an aggregate work experience of about 24 years and has worked with ITDC, East India Hotels and Clarion Advertising. She joined us on August 5, 1992 and currently heads our human resources development. For fiscal 2006, the remuneration paid by us to Ms. Gambhir was Rs. 2.69 million. On July 1, 2006, Ms. Gambhir was promoted to the position of our Chief Executive, Human Resources.

Mr. Joy Saxena (Senior Vice President, Finance): Mr. Saxena, age 46 years, has recently joined us on March 21, 2006 and heads the financial operations of our retail business. He holds a bachelor's degree in science and is a Fellow Member of the Institute of Chartered Accountants of India, an Associate Member of Institute of Cost and Works Accountants of India and also holds a post graduate diploma in business administration. Mr. Saxena has an aggregate work experience of 21 years. Prior to joining us, he has worked as the Chief Financial Officer with Flex Industries Limited. He also worked with the Sterlite/Vedanta group as the Chief Financial Officer of

Madras Aluminium Company Limited. For period starting March 21, 2006 till end of fiscal 2006, the remuneration payable by us to Mr. Saxena was Rs. 0.11 million.

Mr. Bhupesh Gupta (Chief Executive, Business Development): Mr. Gupta, age 45 years, is a law graduate and holds a master's in business administration from the Faculty of Management Studies, Delhi University. Mr. Gupta is also an Associate Member of the Institute of Company Secretaries. He has an aggregate work experience of 22 years. Prior to joining us on December 8, 2003, he has worked with Bits India Consultants, Kailash Nath & Associates and Ansal Group of Companies. For fiscal 2006, the remuneration paid by us to Mr. Gupta was Rs. 2.84 million. On April 1, 2006, Mr. Gupta was promoted to the position of our Chief Executive, Business Development.

Mr. Saurabh Chawla (Senior Vice President, Finance): Mr. Chawla, age 42 years, holds a bachelor's degree in commerce from Sri Ventaeshwara College, Delhi University and a master's in business administration from Pace University, New York. Mr. Chawla has 15 years of experience with organizations of repute like Moser Baer India Limited, Intellistudent Services Private Limited and G.E Capital. Since he joined us on April 3, 2006, no remuneration was paid to him during fiscal 2006.

Mr. Surojit Basak (Senior Vice President, Finance): Mr. Basak, age 50 years, is a qualified chartered accountant with the Institute of Chartered Accountants of India and is a Fellow Member of Institute of Cost and Works Accountants of India. Mr. Basak has 27 years of experience and has worked with Berger Paints, JN&N Exports and UK Paints. Since he joined us on April 3, 2006, no remuneration was paid to him during fiscal 2006.

Mr. Surinder Singh Chawla (Senior Vice President, Business Development): Mr. Chawla, age 51 years, is a qualified chartered accountant with the Institute of Chartered Accountants of India and holds a master's degree in business administration from Faculty of Management Studies, Delhi University. He has 29 years of work experience and has worked with DSM Anti Infectives India Limited, Max India Limited and Indian Airlines. Since he joined us on April 4, 2006, no remuneration was paid to him during fiscal 2006.

Mr. Jerold Chagas Pereira (Senior Vice President, Business Strategy and Planning - Retail): Mr. Pereira, age 36 years, holds a bachelor's degree in commerce from Mumbai University, a diploma in export management from St. Xaviers College Mumbai and a master's degree in business administration from University of Norte Dame, USA. He has 11 years of experience and has worked with Ashok Piramal Group, Piramyd Retail Limited, Piramal Holding Limited and the Indian Hotels Co. Limited. (Taj Group). Since he joined us on April 17, 2006, no remuneration was paid to him during fiscal 2006.

Mr. Ramesh Kakkar (Senior Vice President, Purchase): Mr. Kakkar, age 57 years, is a mechanical engineer and joined us on September 9, 1992. Prior to joining us, he worked with Delton Cables Limited. He has an aggregate work experience of 36 years. For fiscal 2006, the remuneration paid by us to Mr. Kakkar was Rs. 2.57 million. On July 1, 2006, Mr. Kakkar was promoted to the position of our Senior Vice President, Purchase.

Mr. Vipen Jindal (Senior Vice President, Finance): Handling finance and accounts at operations, Mr. Jindal, age 50 years, is a Fellow Member of the Institute of Chartered Accountants. He joined us on October 5, 1994 after working with Unitech Limited with a total work experience of 24 years. For fiscal 2006, the remuneration paid by us to Mr. Jindal was Rs. 2.50 million. On July 1, 2006, Mr. Jindal was promoted to the position of our Senior Vice President, Finance.

Mr. S.K. Gupta (Senior Vice President, Finance): A Fellow Member of the Institute of Chartered Accountants and is a qualified company secretary and a graduate in law from the Delhi University, Mr. Gupta, age 47 years, has a total of 26 years of total experience to his credit. His earlier experiences include work with the National Diary Development Board and Steel Authority India Limited. Mr. Gupta joined us on February 12, 1996. For fiscal 2006, the remuneration paid by us to Mr. Gupta was Rs. 2.09 million. On July 1, 2006, Mr. Gupta was promoted to the position of our Senior Vice President, Finance.

Mr. Mahendra Singh (Senior Vice President, Corporate): Mr. Singh, age 62 years, has spent about 37 valuable years with us. He joined us on August 20, 1969 and has since been attached to the Administration Department. For fiscal 2006, the remuneration paid by us to Mr. Singh was Rs. 1.90 million. On July 1, 2006, Mr. Singh was promoted to the position of our Senior Vice President, Corporate.

Mr. K.K. Yadav (Vice President, Business Development): Mr. Yadav, age 51 years, has been consistently working with DLF since August 6, 1981 and is currently handling the Land Acquisition portfolio at our head

office. Mr. Yadav has an aggregate work experience of 30 years. For fiscal 2006, the remuneration paid by us to Mr. Yadav was Rs. 1.72 million. On April 1, 2006, Mr. Yadav was promoted to the position of our Vice President, Business Development.

Ms. Ananta Raghuvanshi (Senior Vice President, Marketing): A post-graduate from Delhi University, Ms Ananta, age 37 years, has also acquired a Diploma in Marketing Management followed by a master's degree in business administration from IGNOU. Ms. Raghuvanshi has an aggregate work experience of 15 years. She joined us on June 17, 1991 after working and has since been associated with the Retail Marketing department. For fiscal 2006, the remuneration paid by us to Ms. Raghuvanshi was Rs. 1.99 million. On July 1, 2006, Mr. Raghuvanshi was promoted to the position of our Senior Vice President, Marketing.

Mr. Sanjay Goenka (Senior Vice President, Corporate Planning): Mr. Goenka, age 42 years, is currently the head of our group corporate planning and management information systems. He is a graduate in law from Sir LA Shah Law College, Ahmedabad. Mr. Goenka has an aggregate work experience of 20 years and, prior to joining us on June 15, 1992, worked with Jay Engineering Works Limited, M/s Jain Saxena & Nagalia, Chartered Accountants and M. P. Oil Limited. For fiscal 2006, the remuneration paid by us to Mr. Goenka was Rs. 1.70 million. On July 1, 2006, Mr. Goenka was promoted to the position of our Senior Vice President, Corporate Planning.

Mr. Pradeep Varshney (Senior Vice President, Business Development): A bachelor of science with a master's degree in business administration from the Faculty of Management Studies, Delhi University, Mr. Varshney, age 45 years, has spent of total of 23 years with organizations of repute like Ansal Buildwel Limited, Weston Electronics and Samtech Indian Limited before joining us. Mr. Varshney joined us on May 2, 2005. For fiscal 2006, the remuneration paid by us to Mr. Varshney was Rs. 1.91 million. On July 1, 2006, Mr. Varshney was promoted to the position of our Senior Vice President, Business Development.

Mr. Dinesh Mahadeo Raste (Vice President, Business Development): Mr. Raste, age 43 years, holds a bachelor's degree in commerce and a master's degree in business administration from Symbiosis Institute of Business Management, Pune. Mr. Raste has an aggregate work experience of 22 years and has worked with Aditya Builders and MMRC Pune. Since he joined us on April 25, 2006, no remuneration was paid to him during fiscal 2006.

Mr. Jatinder Chopra (Senior Vice President, Finance): Mr. Chopra, age 49 years, holds a bachelor's degree in commerce and is a chartered accountant with the Institute of Chartered Accountants of India and also a Company Secretary with the Institute of Company Secretaries of India. He has an aggregate work experience of 23 years. Before joining us, Mr. Chopra was associated with VA Tech Escher Wyes Flovel Limited, R. R. Corporate Securities Limited and the Punj Group of Companies. He joined us on May 4, 2006 and hence no remuneration was paid by us to him during fiscal 2006.

Mr. Pawan Kumar Mehra (Vice President, Business Coordination): Mr. Mehra, age 50 years, holds a post graduate degree in public administration from Punjab University Chandigarh and also a post graduate degree in material management from Punjab University. He has an aggregate work experience of about 26 years and his previous employers include Horizon Pulp and Paper, Ballarpur Industries Limited and Pt. Pindo Deli Pulp and Paper Mill. Mr. Mehra joined us on May 11, 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. R. Ram Kumar (Chief Executive, Southern Region): A bachelor of technology in chemical engineering, Mr. Kumar, age 48 years, also holds a master's degree in management from the Indian Institute of Technology, Chennai, a bachelor's degree in law from M. K. University, Madurai, a post graduate diploma in tax law from the Indian Institute of Taxation, Trivandrum and also a Ph. D. in management studies from the University of Madras, Chennai. He has an aggregate work experience of 24 years and has worked with the Coromandel Engineering Company Limited and the Building Materials Group, both of the Murugappa Group) as well as Sundaram Clayton Limited. Mr. Kumar joined us on May 15, 2006 and hence, no remuneration was paid to him during fiscal 2006. On October 1, 2006, Mr. Kumar was promoted to the position of our Chief Executive, Southern Region.

Mr. Alok Aggarwal (Vice-President, Business Development): A bachelor of technology in civil engineering from the Indian Institute of Technology, Delhi and a master of business administration from the Indian School of Business, Hyderabad, Mr. Aggarwal, age 41 years, has over 20 years of experience. He was previously associated with TCG Urban Infrastructure Holdings Limited (of The Chatterjee Group), Mahendra Gesco

Developers Limited and Delta Mechcons Private Limited. Mr. Aggarwal joined us on May 16, 2006 and hence, no remuneration was paid to him during fiscal year 2006.

Mr. Yogeshwar Kumar Tyagi (Chief Executive, Infrastructure): Mr. Tyagi, age 56 years, holds a bachelor of technology degree in civil engineering from the Indian Institute of Technology, Delhi and is also the holder of a post graduate diploma in business management from Delhi University. He has an aggregate work experience of 35 years and has worked with the World Bank-IFC, Indo Rama Synthetics and also the Anand Group. Mr. Tyagi joined us on May 17, 2006 and hence no remuneration was paid to him during the fiscal 2006.

Mr. S. Vasudevan (Chief Executive, Commercial - Chennai): A bachelor of commerce from Loyola College, Madras University and a member of the Institute of Chartered Accountants of India, Mr. Vasudevan, age 52 years, has an aggregate work experience of 27 years. He was previously associated with the South India Corporation (Agencies) Limited of the MAC Group, the SANMAR Group and V. Nagarajan and Company (Chartered Accountants). He joined us on June 8, 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. Vijay Kumar Gupta (Vice-President, Business Development): Mr. Gupta, age 49 years, holds a master's degree in commerce from Delhi University, is a member of the Institute of Cost and Works Accountants of India, Institute of Chartered Accountants of India, Indian Institute of Bankers and the Institute of Company Secretaries of India. He has an aggregate work experience of about 28 years and has worked with Taneja Developers & Infrastructure, Eldeco Infrastructure Properties Limited and Jaypee Greens Limited. Mr. Gupta joined us on June 12, 2006 and hence, no remuneration was paid to him during the fiscal 2006.

Mr. Makarand Dhruwakant Desai (Chief Executive, Special Projects, West & South): Mr. Desai, age 48 years, holds a bachelor of technology in mechanical engineering from the Indian Institute of Technology, Delhi and also a post graduate diploma in management from the Indian Institute of Management, Bangalore. He has an aggregate work experience of about 23 years. Prior to joining us, Mr. Desai worked with organizations like the Tata Power Company Limited, Raychem RPG Limited, and RPG Enterprises Limited. He joined us on June 15, 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. Sunil Chander Nair (Senior Vice President, Strategic Marketing): Mr. Nair, age 35 years, holds a bachelor of science from Mar Ivanios College, University of Kerala as well as a post graduate diploma in management from the Indian Institute of Management, Bangalore. With an aggregate work experience of 13 years, he has had the opportunity of being associated with reputed organizations such as Piramyd Retail, CNBC-TV 18 and ICICI-PFS. He joined us on July 3, 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. Rajeev Talwar (Group Executive Director, Corporate Strategy): Previously an Indian Administrative Service officer, Mr. Talwar, age 52 years, has a bachelor's and a master's degree in arts from St. Stephen's College, Delhi. He has an aggregate work experience of over 28 years, and has worked with organizations such as the Indian Tourism Development Corporation, the Government of NCT of Delhi and the Ministry of Home Affairs, Government of India. He joined us on August 24, 2006 and hence no remuneration was paid to him during fiscal 2006.

Mr. Sanjay Sethi (Vice-President, Finance): Mr. Sethi, age 41 years, holds a bachelor's degree in commerce from P.G.D.A.V., Delhi and a master's degree in commerce from the Delhi School of Economics. He is also a member of the Institute of Chartered Accountants of India and the Institute of Costs and Works Accountants of India. Mr. Sethi has an aggregate work experience of 16 years and has worked with the Sumaria Group, BG Broadband India Private Limited and Bharati Televentures Limited. Mr. Sethi joined us on September 11, 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. Gaurav Monga (Vice- President, Finance): A bachelor of technology in mechanical engineering from Punjab Engineering College, Chandigarh, Mr. Monga, age 35 years, also holds a master's in business administration from the Faculty of Management Studies, New Delhi. He has an aggregate work experience of 12 years. Prior to joining us, Mr. Monga worked with ING Vysya Bank, Mphasis Corporation, Singapore and ABN Amro Bank. Mr. Monga joined us on September 18, 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. Atul Goyal (Vice President, Finance): Mr. Goyal, age 39 years, holds a bachelor's degree in commerce from Sukhadia University and is also a member of the Institute of Chartered Accountants of India. Mr. Goyal

has an aggregate work experience of 14 years and has worked with the HT Media, Samtel Group and Indian Photographic Co. Limited. Mr. Goyal joined us on August 1, 2005 and for fiscal 2006, the remuneration paid by us to him was Rs. 0.91 million. On October 1, 2006, Mr. Goyal was promoted to the position of our Vice-President, Finance.

Mr. Chetan Narain Kapur (Vice President, Human Resources): Mr. Kapur, age 59 years, holds a bachelor's degree in electronics and communications engineering from Roorkee University. He is a law graduate from Delhi University and also holds a master's degree in technology (business administration) from the Indian Institute of Technology, New Delhi. He has an aggregate work experience of 38 years and has worked with Ballarpur Industries, Pertech Computers and also the Indian Air Force. Mr. Kapur joined us on July 13, 2006 and hence, no remuneration was paid to him during fiscal 2006

Ms. Vijaya Singh (Vice- President & Officer on Special Duty): Ms. Singh, age 33 years, holds a bachelor of arts degree in economics from the University of Chicago. She has an aggregate work experience of about 10 years and has worked with Amrop International, Digital Talkies and also Citibank N. A. She joined us on October 3, 2006 and hence, no remuneration was paid to her during fiscal 2006.

Lt. Gen. Manikath Govindan Girish (Vice President, Business Development): Lt. Gen. Girish, age 60 years, holds a bachelor's degree in technology (mechanical engineering) from the College of Military Engineering, Pune and a master's in management studies from Osmania University, Hyderabad. He has had the experience of working with the Indian Army for the last 40 years. He joined us on October 16, 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. Mukesh Dham (Executive Director (Coord.)): Mr. Dham, age 50 years, holds a bachelor's degree in civil engineering from the Institute of Engineers and also a law graduate from Delhi University. He has an aggregate work experience of about 30 years. He was previously employed by Start Estate Management, Ansal Properties and I.T.D.C. Mr. Dham joined us in 2006 and hence, no remuneration was paid to him during fiscal 2006.

Mr. Rajesh Kumar (Vice-President, Marketing): Mr. Kumar, age 38 years, holds a bachelor's degree in civil engineering from Bangalore University and a post graduate diploma in business management from the International Management Institute, New Delhi. He has an aggregate work experience of 17 years and has previously worked with Unitech Limited, NHCL and also Optimal Designs. Mr. Kumar joined us on July 1, 2002 and for fiscal 2006, the remuneration paid by us to Mr. Kumar was Rs. 0.96 million. On October 1, 2006, Mr. Kumar was promoted to the position of our Vice-President, Marketing.

Mr. Goutam Karmakar (Vice-President, Marketing): Mr. Karmakar, age 38 years, holds a master's degree in science from Meerut University, a post graduate diploma in marketing & sales management from the Institute of Productivity & Management, Meerut and also a master's in business administration from the Institute of Management Studies. He has an aggregate work experience of 15 years and has previously worked with DACOS, Patel Roadways Limited and also the National Radio & Electronics Company Limited (of Tata Enterprises). Mr. Karmakar joined us on March 10, 2000 and for fiscal 2006, the remuneration paid by us him was Rs. 1.07 million. On October 1, 2006, Mr. Karmakar was promoted to the position of our Vice-President, Marketing.

Mr. Sidharth Chowdhury (Vice President, Projects): Mr. Chowdhury, age 55 years, holds a bachelor of engineering degree from Birla Institute of Technology and Science, Pilani with master's degree in Structural Science from USA. Before joining us on December 3, 2003, he has a previous work experience with the Ministry of Planning, Republic of Iraq, Shivangani Constructions Limited and Ansal Properties & Industries. He is proud of 30 years of total work experience. For fiscal 2006, the remuneration paid by us to Mr. Chowdhury was Rs. 1.69 million.

Mr. Dinesh C. Haran (Vice President, Projects): Mr. Haran, age 55 years, holds a bachelor of civil engineering from VJTI, Bombay University and has vast work experience of around 32 years. Previously he was employed by Nagarjuna Construction Company Limited, M/s JMC Projects India Limited and Gannon Dunkerly and Company Limited. Mr. Haran joined us January 21, 2004 and for fiscal 2006, the remuneration paid by us to him was Rs. 1.71 million. On October 1, 2006, Mr. Haran was promoted to the position of our Vice-President, Projects.

Mr. Shekhar Basu (Vice-President, Projects): Mr. Basu, age 51 years, holds a bachelor's degree in civil engineering from Bengal Engineering College. He has an aggregate work experience of 29 years and was

previously employed by reputed organizations such as L & T, Gammon India and Alma Geotechnical. He joined us on May 1, 1990 and for fiscal 2006, the remuneration paid by us to him was Rs. 1.69 million. On October 1, 2006, Mr. Basu was promoted to the position of our Vice-President, Projects.

Mr. Vimal Kaul (Vice-President, Projects): Mr. Kaul, age 45 years, is a bachelor of engineering from BITS, Pilani. With an aggregate work experience of 23 years, he has had the opportunity of working with M/s D. S. Construction Private Limited, M/s Nehru Place Hotels Limited and M/s Diwan Chand B A. He joined us on May 10, 1989 and for fiscal 2006, the remuneration paid by us to Mr. Kaul was Rs. 1.28 million. On October 1, 2006, Mr. Kaul was promoted to the position of our Vice-President, Projects.

Mr. Romesh Kumar Bhatt (Vice-President, Projects): Mr. Bhatt, age 45 years, is a bachelor of engineering (civil) the Regional Engineering College, Srinagar, Kashmir University. With an aggregate work experience of 24 years, he has had the opportunity of working with Simplex Concrete Piles, JCC Construction Company and the State Government of Jammu & Kashmir. He joined us on April 23, 1993 and for fiscal 2006, the remuneration paid by us to Mr. Bhatt was Rs. 1.21 million. On October 1, 2006, Mr. Bhatt was promoted to the position of our Vice-President, Projects.

Mr. Sanjay Chawla (Vice-President, Mall Operations): Mr. Chawla, age 44 years, holds a bachelor's degree in technology from the Indian Institute of Technology, Delhi and master's degree in business administration from Faculty of Management Studies, Delhi. With an aggregate work experience of 21 years, he has had the opportunity of working with Honeywell International, The Great Eastern Shipping Company and Ansals Property and Industries Limited. He joined us on December 2, 2004 and for fiscal 2006, the remuneration paid by us to Mr. Chawla was Rs. 2.21 million. On April 1, 2006, Mr. Chawla was promoted to the position of our Vice-President, Mall Operations.

Mr. Sunil Koul (Chief Architect): A bachelor of architecture from Sir J. J. College of Architecture, Mumbai, Mr. Koul, age 47 years, has an aggregate work experience of 21 years. Prior to joining us on April 9, 1993, he worked with Rajinder Kumar & Associates, New Delhi, Lokhandwala Consultants, Mumbai and Spatial Designs Mumbai. For fiscal 2006, the remuneration paid by us to Mr. Koul was Rs. 1.43 million. On October 1, 2006, Mr. Koul was promoted to the position of our Chief Architect.

Mr. Alok Kumar (Chief Architect): Mr. Kumar, age 44 years, holds a bachelor's in architecture from the Jawaharlal Nehru Technical University, Andhra Pradesh and a master's in planning from SPA, New Delhi. He has an aggregate work experience of 21 years. His previous employers include Arvind Gupta Associates, P. Narayan and R K Bhalla & Associates. Mr. Kumar joined us on April 2, 1993 and for fiscal 2006, the remuneration paid by us to him was Rs. 1.39 million. On October 1, 2006, Mr. Kumar was promoted to the position of our Chief Architect.

Mr. Giri Raj Shah (Chief Architect): A bachelor of architecture from Sir J.J. College of Architecture, Mr. Shah, age 48 years, has an aggregate work experience of 24 years. He has worked with Consulting Engineering Services (India) Private Limited and Chowdhury & Gulzar Singh. Mr. Shah joined us on June 16, 2004 and for fiscal 2006, the remuneration paid by us to him was Rs. 1.47 million. On October 1, 2006, Mr. Shah was promoted to the position of our Chief Architect.

Mr. D. P. Banker (Vice President, Club): Mr. Banker, age 45 years, holds a bachelor's of science degree in zoology from Sri Venkateshwara College and a diploma in hotel management from IHMC, Pusa. He has an aggregate work experience of 24 years and has previously been employed by Hotel Imperial and the Indian Hotel Company of the Taj Group. Mr. Banker joined us on September 1, 1998 and for fiscal 2006, the remuneration paid by us to him was Rs. 2.01 million. On October 1, 2006, Mr. Banker was promoted to the position of our Vice President, Club.

Mr. Adesh Gupta (Vice President, Taxation): Mr. Gupta, age 47 years, holds a bachelor's degree in commerce. He has an aggregate work experience of 35 years. Prior to joining us he worked with Golden Textiles Private Limited, Kamal & Company and Ravi K. Tandon and Company, (Chartered Accountants). He joined us on September 1, 1987 and for fiscal 2006, the remuneration paid by us to Mr. Gupta was Rs. 1.04 million. On October 1, 2006, Mr. Gupta was promoted to the position of our Vice President, Taxation.

Mr. Manik Khanna (Vice President, Finance): Mr. Khanna, age 39 years, is a member of the Institute of Costs and Works Accountants of India and is also a law graduate from Delhi University. He has an aggregate work experience of 17 years and has worked with ITC, Unichem Laboratories Limited and also Stencil Apparels

Private Limited. Mr. Khanna joined us on October 8, 1992. For fiscal 2006, the remuneration paid by us to Mr. Khanna was Rs. 1.08 million. On October 1, 2006, Mr. Khanna was promoted to the position of our Vice President, Finance.

Ms. Renuka Talwar is daughter of Mr. K P Singh and sister of Mr. Rajiv Singh and Ms. Pia Singh, our Directors and Ms. Kavita Singh is wife of Mr. Rajiv Singh. Apart from them, none of our key managerial employees is related to each other or to our Directors.

Shareholding of the Key Managerial Employees

None of our key managerial employees hold our Equity Shares, except as below:

Name	No. of Equity Shares (pre-Issue)
Ms. Renuka Talwar	1,540,000
Ms. Kavita Singh	20,841,480
Mr. Vipen Jindal	22,000

Bonus or Profit Sharing Plan for our Key Managerial Employees

There is no bonus or profit sharing plan for our key managerial employees.

Interest of Key Managerial Employees

Except as disclosed below none of our key managerial employees have any interest in the Company except to the extent of remuneration and reimbursement of expenses.

Set forth below are our key managerial employees who are directors in our Promoter group companies:

	Name	Directorships
1.	Ms. Renuka Talwar	▪ Buland Consultants & Investment Private Limited ▪ Rajdhani Investments & Agencies Private Limited ▪ Vishal Foods and Investments Private Limited ▪ Excel Housing Construction Private Limited ▪ Renkon Agencies Private Limited ▪ Universal Management & Sales Private Limited ▪ Raisina Agencies & Investments Private Limited ▪ Madhur Housing and Development Company ▪ Mallika Housing Company ▪ Kohinoor Real Estates Company ▪ Madhukar Housing & Development Company ▪ Udyan Housing & Development Company ▪ Sambhav Housing & Development Company ▪ Herminda Builders & Developers Private Limited
2.	Ms. Kavita Singh	▪ Hitech Property Developers Private Limited ▪ Uttam Builders and Developers Private Limited ▪ Megha Estates Private Limited ▪ Trinity Housing and Construction Company ▪ Uttam Real Estates Company ▪ Angus Builders & Developers Private Limited ▪ Belicia Builders & Developers Private Limited ▪ DLF Assets Private Limited
3.	Mr. S.K.Gupta	▪ Macknion Estates Private Limited ▪ Maaji Properties and Development Company ▪ Uplift Real Estate Developers Private Limited ▪ Altamount Real Estate Developers Private Limited ▪ Ultima Real Estate Developers Private Limited ▪ Upeksha Real Estate Developers Private Limited ▪ Urva Real Estate Developers Private Limited ▪ Aquarius Builders & Developers Private Limited ▪ Glaze Builders & Developers Private Limited ▪ Adept Real Estate Developers Private Limited ▪ Sulekha Builders & Developers Private Limited

	Name	Directorships
		▪ Sagarika Real Estate Developers Private Limited ▪ Sukomal Builders & Developers Private Limited ▪ Sanidhya Constructions Private Limited ▪ Aeshya Estates Private Limited ▪ Beverly Park Operation and Maintenance Services Private Limited ▪ Centre Point Property Management Services Private Limited ▪ Pushpavali Builders & Developers Private Limited ▪ Super Mart Two Property Management Services Private Limited
4.	Mr. Mahendra Singh	▪ Upeksha Real Estate Developers Private Limited ▪ Urva Real Estate Developers Private Limited ▪ Aquarius Builders & Developers Private Limited ▪ Glaze Builders & Developers Private Limited ▪ Sagarika Real Estate Developers Private Limited ▪ Sukomal Builders & Developers Private Limited ▪ Bansal Development Company Private Limited ▪ Aeshya Estates Private Limited ▪ Magna Real Estate Developers Private Limited ▪ Parvati Estates Private Limited ▪ Super Mart One Property Management Services Private Limited ▪ Super Mart Two Property Management Services Private Limited
5.	Mr. Praveen Kumar	▪ Nachiketa Real Estates Private Limited
6.	Mr. Ramesh Sanka	▪ Digital Talkies Private Limited
7.	Ms. Vijaya Singh	▪ Digital Talkies Private Limited
8.	Mr. Adesh Gupta	▪ Altamount Real Estate Developers Private Limited ▪ Aquarius Builders & Developers Private Limited ▪ Glaze Builders & Developers Private Limited ▪ Megha Estates Private Limited ▪ Macknion Estates Private Limited ▪ Maaji Properties And Development Company ▪ Sagarika Real Estate Developers Private Limited ▪ Sanidhya Constructions Private Limited ▪ Savitri Studs & Farming Company Private Limited ▪ Sukomal Builders & Developers Private Limited ▪ Sulekha Builders & Developers Private Limited ▪ Upeksha Real Estate Developers Private Limited ▪ Uplift Real Estate Developers Private Limited ▪ Urva Real Estate Developers Private Limited

Changes in our Key Managerial Employees

The changes in our key managerial employees during the last three years are as follows:

Name	Designation	Date of change*	Reason
Lt. Gen. Manikath Govindan Girish	Vice President, Business Development	October 16, 2006	Appointed
Vijaya Singh	Vice-President & Officer on Special Duty	October 3, 2006	Appointed
Manik Khanna	Vice President, Finance	October 1, 2006	Promoted
Atul Goyal	Vice President, Finance	October 1, 2006	Promoted
Romesh Kr. Bhatt	Vice President, Projects	October 1, 2006	Promoted
Adesh Gupta	Vice President, Taxation	October 1, 2006	Promoted
D. P. Banker	Vice President, Club	October 1, 2006	Promoted
Alok Kumar	Chief Architect	October 1, 2006	Promoted
Sunil Koul	Chief Architect	October 1, 2006	Promoted
Giri Raj Shah	Chief Architect	October 1, 2006	Promoted
Vimal Kaul	Vice President, Projects	October 1, 2006	Promoted
Shekhar Basu	Vice President, Projects	October 1, 2006	Promoted
Dinesh C. Haran	Vice President, Projects	October 1, 2006	Promoted
Goutam Karmakar	Vice-President, Marketing	October 1, 2006	Promoted
Rajesh Kumar	Vice-President, Marketing	October 1, 2006	Promoted
Mukesh Dham	Executive Director (Coord.)	October 1, 2006	Appointed
Gaurav Monga	Vice-President, Finance	September 18, 2006	Appointed

Name	Designation	Date of change*	Reason
Sanjay Sethi	Vice-President, Finance	September 11, 2006	Appointed
Rajeev Talwar	Group Executive Director - Corporate Strategy	August 24, 2006	Appointed
Chetan Narain Kapur	Vice-President, Human Resources	July 13, 2006	Appointed
Sunil Chander Nair	Senior Vice President, Strategic Marketing	July 3, 2006	Appointed
Devinder Singh	Chief Executive, Planning	July 1, 2006	Promoted
Valsala	Chief Executive, Marketing	July 1, 2006	Promoted
Madhu Kumar Gambhir	Chief Executive, Human Resources	July 1, 2006	Promoted
Ramesh Kakkar	Senior Vice President, Purchase	July 1, 2006	Promoted
Vipen Jindal	Senior Vice President, Finance	July 1, 2006	Promoted
S K Gupta	Senior Vice President, Finance	July 1, 2006	Promoted
Mahendra Singh	Senior Vice President, Corporate	July 1, 2006	Promoted
Ananta Raghuvanshi	Senior Vice President, Marketing	July 1, 2006	Promoted
Sanjay Goenka	Senior Vice President, Corporate Planning	July 1, 2006	Promoted
Pradeep Varshney	Senior Vice President, Business Development	July 1, 2006	Promoted
Makarand Dhruwakant Desai	Chief Executive, Special Projects, West & South	June 15, 2006	Appointed
Vijay Vancheshwar	Vice President, Corporate Communication	June 12, 2006	Resigned
Vijay Kumar Gupta	Vice-President, Business Development	June 12, 2006	Appointed
S. Vasudevan	Chief Engineer, Commercial, Chennai	June 8, 2006	Appointed
Yogeshwar Kumar Tyagi	Chief Executive, Infrastructure	May 17, 2006	Appointed
Alok Aggarwal	Vice-President, Business Development	May 16, 2006	Appointed
Harish Chandra Sehgal	Senior Vice President, Legal	May 15, 2006	Resigned
R. Ram Kumar	Chief Executive, Southern Region	May 15, 2006	Appointed
Pawan Kumar Mehra	Vice President, Business Coordination	May 11, 2006	Appointed
Jatinder Chopra	Senior Vice President, Finance	May 4, 2006	Appointed
Arvind Khanna	Chief Executive, Marketing	April 30, 2006	Resigned
Renuka Talwar	Chief Executive, International Affairs	April 27, 2006	Appointed
Dinesh Mahadeo Raste	Vice President, Business Development	April 25, 2006	Appointed
Vinay Verma	Chief Executive, Commercial – NCR	April 24, 2006	Appointed
Jerold Chagas Pereira	Senior Vice President, Business Strategy and Planning – Retail	April 17, 2006	Appointed
Surinder Singh Chawla	Senior Vice President, Business Development	April 4, 2006	Appointed
Saurabh Chawla	Senior Vice President, Finance	April 3, 2006	Appointed
Surojit Basak	Senior Vice President, Finance	April 3, 2006	Appointed
Bhupesh Gupta	Chief Executive, Business Development	April 1, 2006	Promoted
K K Yadav	Vice President, Business Development	April 1, 2006	Promoted
Sanjay Chawla	Vice President, Mall Operations	April 1, 2006	Promoted
Ajay Khanna	Executive Director, DLF Retail Developers Limited & Executive Director Retail	April 1, 2006	Promoted
Rajiv Malhotra	Joint Managing Director, DLF Home Developers Limited & DLF Estate Developers Limited and Senior Executive Director, Projects	April 1, 2006	Promoted
Ravi S Kachru	Joint Managing Director, DLF Commercial Developers Limited & DLF Retail Developers Limited and Senior Executive Director, Projects	April 1, 2006	Promoted
Deepak Banerjee	Director, DLF Retail Developers Limited & Chief Executive, Retail –NCR	April 1, 2006	Promoted
Ramesh Sanka	Senior Executive Director, Finance & Group CFO	April 1, 2006	Promoted
Anil Gupta	Director, DLF Retail Developers Limited & Executive Director, Technical	April 1, 2006	Promoted
Joy Saxena	Senior Vice President, Finance and Chief Financial Officer – Retail	March 21, 2006	Appointed
Jagdish Kumar Gadi	Group Chief, Internal Audit	March 1, 2006	Appointed
Harish Chandra	Senior Vice President, Legal	March 1, 2006	Appointed

Name	Designation	Date of change*	Reason
Sehgal			
R. Dayal	Vice President, Legal	January 9, 2006	Resigned
G. Kannan	Company Secretary cum Vice President, Corporate Affairs	December 14, 2005	Resigned
Sidharth Chowdhary	Vice President, Projects	October 1, 2005	Promoted
B.K.Mohanty	Vice President, Commercial	July 12, 2005	Resigned
Yogesh Verma	Managing Director, DLF Info-City Developers	April 1, 2005	Appointed
A.D. Rebello	Managing Director, DLF Home Developers Limited	April 1, 2005	Appointed
Praveen Kumar	Managing Director, DLF Estate Developers Limited	April 1, 2005	Appointed
Ajay Khanna	Executive Director, DLF Retail Developers Limited	April 1, 2005	Appointed
Rajiv Malhotra	Executive Director, DLF Home Developers Limited & DLF Estate Developers Limited	April 1, 2005	Appointed
K.K.Bhattacharya	Executive Director, DLF Estate Developers Limited	April 1, 2005	Appointed
Ravi S Kachru	Executive Director, DLF Commercial Developers Limited & DLF Retail Developers Limited	April 1, 2005	Appointed
Deepak Banerjee	Director, DLF Retail Developers Limited	April 1, 2005	Appointed
R. Hari Haran	Chief Executive cum Company Secretary	April 1, 2005	Promoted
Vinay Kr. Mittal	Vice President (Coord)	April 1, 2005	Resigned
Rakesh Kumar Sharma	Chief Executive, Western Region	February 1, 2005	Appointed
Dinesh Chander Chandiok	Chief Executive	January 31, 2005	Resigned
Ramesh Sanka	Chief Financial Officer	June 1, 2004	Appointed
S B Agrawal	Vice President, Finance	May 1, 2004	Expired
J Subrahmanian	Chief Executive, Southern Region	January 15, 2004	Appointed

** Some of our key managerial employees have been promoted more than once in the last three years. The above table enumerates the details of last promotion in relation to such key managerial employees.*

Employees Share Purchase Scheme/Employee Stock Option Scheme

We do not have any employees share purchase scheme. For details of our employee stock option scheme, please see the section titled "Capital Structure-Notes to Capital Structure" beginning on page [•].

Payment or benefit to officers of our Company

Except for statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

HISTORY AND CERTAIN CORPORATE MATTERS

History of the DLF Group

The DLF Group, founded by the late Mr. Raghvendra Singh and our Promoter, Mr. K.P. Singh, has a history of over six decades, commencing with the incorporation of Raisina Cold Storage and Ice Company Private Limited on March 16, 1946 and Delhi Land and Finance Private Limited on September 18, 1946.

Pursuant to the order of the Delhi High Court dated October 26, 1970, Delhi Land and Finance Private Limited and Raisina Cold Storage and Ice Company Private Limited along with another DLF Group company, DLF Housing and Construction Private Limited, merged with DLF United Private Limited with effect from September 30, 1970.

Thereafter, DLF United Limited merged with our Company, then known as American Universal Electric (India) Limited, with effect from October 1, 1978, under a scheme of amalgamation sanctioned by the Delhi High Court and the Punjab and Haryana High Court. The merged entity was renamed as 'DLF Universal Electric Limited' with effect from June 18, 1980.

Key events and milestones relating to the DLF Group

Year	Key events, milestones and achievements
1963	Incorporation of American Universal Electric (India) Limited
1979	DLF United Limited amalgamates with American Universal Electric (India) Limited to form DLF Universal Electric Limited
1981	DLF Universal Electric Limited changes name to DLF Universal Limited
1981	DLF Universal Limited obtains its first licence from the State Government of Haryana and commences development of the 'DLF City' in Gurgaon, Haryana
1985	The DLF Group initiates plotted development, sells first plot in Gurgaon, Haryana. Consolidates development of DLF City for township development
1991	Construction of the DLF Group's first office complex, '*DLF Centre'*, at New Delhi
1993	Completion of the DLF Group's first condominium project, '*Silver Oaks*', at DLF City, Gurgaon, Haryana
1996	Construction of '*DLF Corporate Park*', DLF Group's first office complex at DLF City, Gurgaon, Haryana
1999	Development of the DLF golf course
2002	The DLF Group ventures into retail development in Gurgaon, Haryana
2002	The DLF Group offers integrated family entertainment centres with the commencement of operation of '*DT Cinemas*' at Gurgaon, Haryana
2003-04	Development of '*DLF Cybercity*', an integrated IT park measuring approximately 90 acres at Gurgaon, Haryana.
2005	• Acquisition of 16.62 acres (approx) of mill land in Mumbai • Receives `Corporate Buildings Award' instituted by "Indian Architect & Builder", a publication of Jasubhai Media Group, Mumbai • Receives 'Superbrand' award from Hon'ble Minister for Civil Aviation, Mr. Praful Patel.
2006	Construction joint venture signed between DLF Universal Limited and U.K. based Laing O'Rourke Plc to form DLF Laing O'Rourke (India) Limited
2006	DLF Universal Limited changes name to DLF Limited
2006	Alliance agreement signed between DLF and Hilton International Co. to incorporate a joint venture company in India to develop, own, acquire 50 to 75 hotels and services apartments.
2006	DLF enters into a joint venure with WSP Group Plc for the purposes of providing engineering and design services, environmental and infrastructural facilities and also project management services.

In respect of projects undertaken by us in the last five years, there were time and cost overrun in relation to some of our projects. For instance, there was a delay of three months and a cost overrun of Rs. 10.1 million in the completion of DLF Exclusive Floors, which was completed in fiscal 2004; and Trinity Towers, completed in fiscal 2006, had a delay of six months and a cost overrun of Rs. 46.5 million. In addition, we have not been able to complete the development of two malls in each of Vasant Kunj and Saket and one in NOIDA, within the scheduled time period which has resulted in a cost overrun of Rs. 150 million.

History of our Company

Our Company was incorporated on July 4, 1963 as American Universal Electric (India) Limited and renamed on June 18, 1980 as DLF Universal Electric Limited. Subsequently, on May 28, 1981, 'DLF Universal Electric Limited' was renamed as DLF Universal Limited. Thereafter, on May 27, 2006, we changed our name from DLF Universal Limited to DLF Limited.

Another DLF Group company, DLF Industries Limited, was amalgamated with our Company pursuant to orders passed by the Delhi High Court on August 8, 2000 and by the Punjab and Haryana High Court on July 28, 2000. The scheme of amalgamation was effective from April 1, 1999.

At incorporation, our registered office was situated at Holiday Inn Buildings, Mathura Road, Faridabad, Punjab State, India and shifted on November 1, 1964 to Sector 11, Model Town, Faridabad, Haryana. With effect from October 22, 1992, our registered office was shifted to DLF Qutab Enclave, Phase I, Gurgaon, Haryana 122 022. This area was subsequently renamed as DLF City, Phase I, Gurgaon. Since October 31, 2000, our registered office has been situated at Shopping Mall, 3rd Floor, Arjun Marg, DLF City Phase I, Gurgaon, Haryana 122 002. Our corporate office is situated at DLF Centre, Sansad Marg, New Delhi 110 001.

The equity shares of our Company were originally traded on the Bombay Stock Exchange Limited and the Delhi Stock Exchange Association Limited.

We entered into the listing agreement with the Delhi Stock Exchange Association Limited and Bombay Stock Exchange on September 20, 1976 and May 1, 1975, respectively.

We decided to delist our equity shares from the Bombay Stock Exchange and by a letter dated January 8, 1982, the Bombay Stock Exchange confirmed that our equity shares had been removed from its official list.

When the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 came in to effect (February 20, 1997), the shareholding of Mr. Rajiv Singh along with other acquirers ("**Acquirers**") and persons acting in concert ("**PAC**") was 89.45%. These entities, inadvertently acquired a further 1.54% of the paid-up capital, between February 20, 1997 and January 23, 2002, which resulted in a violation of Regulation 11(3) of the said regulations.

Thereafter, Mr. Rajiv Singh (our promoter) by way of a letter dated January 23, 2002 addressed to SEBI preferred to admit the said violation under the aforesaid regulations and volunteered to pay a penalty of Rs. 500,000. Such penalty was accepted by SEBI subject to certain conditions prescribed in its letter bearing reference no. FITTC/TO/AS/2512/02 dated February 12, 2002.

As a strategic decision and based on the options available as per the applicable law, the then promoters of the Company offered to buy back the outstanding public shareholding instead of increasing the public shareholding and keeping the Company listed, which resulted in delisting of our equity shares from Delhi Stock Exchange. The acquirers and persons acting in concert made the first and second open offers which opened on June 21, 2002 and September 25, 2002 respectively.

Subsequently, a final exit option was availed by the Acquirers and PAC's, in accordance with Delhi Stock exchange letter dated March 13, 2003 (bearing registration no DSE/LIST/3015/R/228), to the remaining 1307 shareholders comprising 3.74% of the paid-up capital of our Company. The delisting offer was made by the then promoters of our Company at the price of Rs. 320 per equity share of face value of Rs. 10 each.

Additionally, pursuant to a direction from SEBI (bearing reference no. TO/AS/2415/03) dated January 31, 2003 stating that the level of public shareholding in our Company had fallen below the limit specified in the exchange's listing agreement and consequent to our Promoter and certain persons in concert making the public offers, our equity shares were delisted from the Delhi Stock Exchange with effect from September 22, 2003.

We had earlier filed a draft red herring prospectus with SEBI on May 12, 2006 which was later withdrawn by us on August 31, 2006. We decided to withdraw the same due to significant positive developments in our business particularly in respect of additional land acquisition since the filing of the draft red herring prospectus earlier. It was considered appropriate by our Company to modify the draft red herring prospectus.

We have 68 direct and indirect subsidiaries, brief particulars of which are set out under "Details of our

subsidiaries" below.

Main objects

Some of our main objects, as contained in our Memorandum of Association, are as follows:

1. to carry on business as proprietors, developers, Builders, Managers, Operators, hirers and dealers of all kinds of immovable properties, including but not limited to that of lands, buildings, farms, cinemas, hotels and cold stores and to carry on all incidental or allied activities and business as are usually carried on by Proprietors, Builders, Managers, Operators, Hirers and Dealers etc. of such properties and to carry on business as hirers of machinery;

2. to acquire by purchase, lease, concession, grant licence or otherwise, such lands, buildings, minerals, waterworks plants, machinery, stock in trade, stores and spare parts, rights, privileges, easements and other property as may from time to time be deemed necessary for carrying on the business of the Company, and to build or erect upon any land of the Company howsoever acquired such manufacturing workshops, warehouse offices, residences and other buildings and to erect such roads, tramways, railways branches, or siding ways, bridges, water courses, hydraulic works;

3. to sell, lease, rent, grant licences, easements and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company, or any part thereof for such consideration the Company many think fit;

4. to erect, build, construct, alter, equip, maintain or replace and to manage buildings, factories, sheds, offices, warehouses, workshops, stores, dwellings, mills, shops, roads, tanks, waterworks and other works and conveniences which may seem necessary for the purpose of the Company;

5. to take or otherwise acquire and hold shares, stocks, debentures or other securities of or interests in any other Company having purposes altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company;

6. to form, incorporate or promote any Company or companies, whether in India- or in any foreign country having amongst its or their purposes the acquisition of all or any of the assets or control, management or development of the Company or any other purposes or purpose which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or Company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscription of the placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company or any stock, shares, bonds, debentures, obligations or securities of any other Company held or owned by the Company or in which the Company may have an interest or in or about the formation or promotion of the Company or the conduct of its business or in or about the promotion or formation of any other Company in which the Company may have an interest;

7. to do all or any of the above things in any part of the world and either as principals, agents, trustees or otherwise, and either alone or in conjunction with others and by or through agents, sub-contractors, trustees or otherwise;

8. to do all such things as are incidental or in the opinion of the Company conducive to the attainment of all or any of the object(s) mentioned in the Memorandum of Association;

9. to conceive, design, develop, set up and maintain an integrated techno township, technology parks, software' parks, cybercity and to carry on business of all related services and allied activities relating thereto;

10. to carry on the business of colonisers, developers of modern multi-dimensional residential township, commercial complexes, and providers of hitech infrastructural facilities, telecommunication facilities including but not limited to optical fibre telephone exchanges, earth-stations, bandwidth data

communication facilities, power, roads, water and drainage systems;

11. to pay for any property or rights acquired by the Company either in cash or by the issue of fully or partly paid shares or by the issue of the securities or partly in one mode or partly in another and on such terms as may be determined;

12. to payout of funds of the Company all costs, charges and expenses which the Company may lawfully pay for the promotion of any project of any nature and payment of technical fees' or with respect to the promotion, formation establishment and registration of any Company and/or the issue of its capital or which the Company shall consider to be preliminary, including there in the cost of printing and stationery, brokers fees and lawyers or any other experts fees and expenses attendant upon the formation of agencies, branches and local board;

13. to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture of reciprocal concession with any person or persons, partnership firm/firms, or company or companies carrying on or engaged in any business or transaction which the company is authorised to carry on or engaged in;

14. to obtain any information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company or may appear likely to be advantageous or useful to the Company and to use, exercise, develop or grant licences, privileges in respect or otherwise turn to account the property rights or information so acquired and to assist, encourage and spend money in making experiments of all inventions, patents and rights which the Company may acquire or propose to acquire;

15. to act as electricians, electrical and mechanical engineers, consultant, adviser, architect for the projects relating to generation, storage, accumulation, transmission, distribution, supply, purchase, sale, exchange, export, import and trading of electricity power and other sources of energy and to carry on experiments, research and development in the field of generation of electricity, Power and other source of Energy whether conventional or non conventional anywhere in India or abroad;

16. to improve, manage, cultivate, develop, exchange, let on lease, mortgage, sell, dispose of, turn to account, grant rights and privileges in respect of or otherwise deal with all or any part of the properties and rights of the company on such terms as the Company shall determine, and to supply power, light and heat and to layout land for building processes and to sell the same, to build on, improve let on building leases, advance money to persons building or otherwise to develop the same;

17. to purchase or otherwise acquire, any land, plot(s) of land or immovable property or any right or interest therein either singly or jointly or in partnership with any person(s) or body corporate or partnership Firm and to develop and construct thereon commercial complex or complex(es) either singly or jointly or in partnership, comprising offices for sale or self use or for earning rental income thereon by letting out individual units comprised in such building(s);

18. to purchase or otherwise acquire, take on lease or in exchange, hire or otherwise acquire, an interest in any movable or immovable property including industrial, commercial, residential, agricultural or farm lands, plots, building, houses, apartments, flats or areas within or outside the limits of Municipal Corporation or other local bodies, anywhere within India, to divide the same into suitable plots, and or to rent or sell the plots to the people for building houses, bungalows and business premises and to build residential houses and business premises and colonies and rent or sell the same to the public and realize consideration thereof in lump sum or easy instalments or by hire purchase system or otherwise;

19. to purchase, sell and otherwise carry on the businesses of builders, contractors, architects, engineers, Estate agents, decorators, surveyors, Merchants and dealers in stone, sand cement, bricks, timber, iron and steel, hardware and other building requisites, bricks and tiles and terra cotta markers, job makers, carriers, house and estate agents;

20. to purchase for investment or resale and to trade in land and house and other immovable property of any tenure and any interest therein and to create, sell and deal in freehold and leasehold lands, and to make advances upon the Security of land or house, or other property or any interest therein and to deal in trade by way of sale, lease exchange, or otherwise land and house property and any other immovable

property whether real or otherwise;

21. to construct, execute, carry out, equip, support, maintain, operate, improve, work, develop, administer, manage, control and superintend within or outside the country or any where in the world all kinds of works, public or otherwise, buildings, houses and other constructions or conveniences of all kinds, which expression in this memorandum includes roads, railways, and tramways, docks, harbours, Piers, wharves, canals, serial runways and hangers, airports, reservoirs, embankments, irrigations, reclamation, improvements, sewage, sanitary, water, gas, electronic light, Telephonic, telegraphic and power supply works and hotels, cold storages, warehouses, cinema houses, markets, public and other buildings and all other works and conveniences of public or private utility, to apply for purchase or otherwise acquire any contracts, decrease, concessions, for or in relation to the construction, execution, carrying out equipment, improvement, administration or control of all such works and conveniences as aforesaid and to undertake, execute, carry out, dispose of or otherwise turn to account the same;

22. to acquire by purchase, lease, exchange, or otherwise land buildings and hereditaments of any tenure of description situate in India, any estate or interest therein and any rights over or connected with land so situated and to turn the same to account as may seen expedient, and in particular by preparing building site and by constructing, reconstructing, altering, improving decorating, finishing and maintaining offices, flats, houses, factories, warehouses, shops, wharves, buildings, works and conveniences of all kinds and by consolidating or connecting or sub dividing properties and by leasing and disposing of the same; and

23. to construct, purchase, develop or otherwise acquire, foreclose, purchase on auction, hire, lease, sell or sell on hire purchase system any buildings, houses, bungalows, factories, sheds, recreational clubs and facilities including golf course, sports and social clubs, trade premises, plant, machinery, public buildings, lands, farms, or any other kind of asset, estate or property (movable or immovable rights) or chose in auction and to carry on the business as proprietors, developers, builders, managers, operators, hirers and dealers of land and all kinds of movable and immovable properties.

Provided that nothing herein contained shall be deemed to empower the company to carry on business of banking And it hereby declared that the word "Company", save when used in reference to this Company in this Clause, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, whether domiciled in India or elsewhere.

Amendments to our Memorandum of Association

Date	Amendment
July 06, 1970	Increase in authorised share capital from Rs 4,000,000 (Rupees Four Million) to Rs.5,000,000 (Rupees Five Million)
November 22, 1971	Increase in authorised share capital from Rs. 5,000,000 (Rupees Five Million) to Rs. 10,000,000 (Rupees Ten Million)
March 30, 1974	Increase in authorised share capital from Rs. 10,000,000 (Rupees Ten Million) to Rs. 20,000,000 (Rupees Twenty Million)
March 31, 1979	Amendment in objects clause by inserting new clause 5A
September 20,1979	Increase in authorised share capital from Rs.20, 000,000 (Rupees Twenty Million) to Rs. 25,000,000 (Rupees Twenty Five Million)
April 29, 1980 (w.e.f. June 18, 1980)	Change in name of the company from 'American Universal Electric (India) Limited." to "DLF Universal Electric Limited.'
March 31,1981 (w.e.f. May 28, 1981	Change in name of the company from 'DLF Universal Electric Limited.' to 'DLF Universal Limited'
May 24, 1982	Increase in authorised share capital from Rs. 25,000,000 (Rupees Twenty Five Million) to Rs. 50.000,000 (Rupees Fifty Million)
December 19, 2000	Addition of main objects (see numbers 40 to 60 of the Memorandum of Association)

Date	Amendment
January 20,2000	Amendment in the objects clause by inserting new clauses (See number 5B to 5F of the Memorandum of Association)
September 28, 2001	Addition of main objects (see numbers 61 to 73 of the Memorandum of Association) and substitution of existing clause 39 with a new clause 39
September 29, 2005	Addition of main objects (see numbers 74 to 79 of the Memorandum of Association)
November 18, 2005	Addition of main objects (see numbers 80 to 90 of the Memorandum of Association)
March 17, 2006	Increase in the authorized share capital from Rs. 50,000,000 (Rupees Fifty Million) to Rs. 400,000,000 (Rupees Four Hundred Million)
April 20, 2006	Sub-Division of Equity Shares of nominal value of Rs. 10/- in to five Equity Shares of Rs. 2/- each and increase in the authorised share capital from Rs. 400,000,000 (Rupees Four Hundred Million) to Rs. 5,000,000,000 (Rupees Five Billion)
April 20, 2006 (with effect from May 27, 2006)	Change in name of the company from "DLF Universal Limited" to “DLF Limited"

Joint Ventures and Other Arranagements

Our Company and certain of our subsidiaries have entered into joint ventures or similar arrangements (including equity participation) with various entities for undertaking real estate development. Such ventures or similar arrangements include Kenneth Builders and Developers Private Limited, Caitlin Builders and Developers Private Limited, Bridget Builders and Developers Private Limited, Mangal Shrusti Gruh Nirmiti Private Limited and Delenco Real Estates Private Limited.

In addition, we have also entered into joint venture agreements or such agreements for jointly undertaking activities other than real estate development with certain third parties, some of which are summarised hereinbelow:

DLF Laing O'Rourke (India) Limited

DLF Laing O'Rourke (India) Limited ("**DLF Laing O'Rourke**") was incorporated on January 31, 2006 as DLF Laing O'Rourke (India) Private Limited and subsequently converted into a public limited company on November 2, 2006. It has its registered office at Shopping Mall, 3rd Floor, Arjun Marg, DLF City Phase I, Gurgaon, Haryana 122 002.

DLF Laing O'Rourke is a joint venture between our Company, Laing O'Rourke Plc and LOR Holdings Limited. The joint venture is governed in accordance with (a) a 'Joint Venture and Subscription cum Shareholders' Agreement' dated February 01, 2006, between our Company, Laing O’Rourke Plc, LOR Holdings Limited and DLF Laing O'Rourke (the "**Laing O’Rourke JVA**"), (b) a 'Name User Agreement' between Laing O’Rourke Plc and DLF Laing O'Rourke, effective from January 31, 2006, pursuant to which DLF Laing O’Rourke has been granted a non-exclusive licence to use the name 'Laing O'Rourke' in its corporate name, and (c) a 'Technical and Commercial Agreement' dated February 01, 2006 between our Company, Laing O' Rourke Plc, LOR Holdings Limited and DLF Laing O'Rourke (the "**Laing O’Rourke TCA**"). The Laing O’Rourke TCA and the Laing O'Rourke JVA are described below.

The Laing O'Rourke TCA

As per the Laing O'Rourke TCA, our Company has agreed to engage DLF Laing O'Rourke for carrying out ground works, structure, finishing, plumbing, fire-fighting, mechanical, electrical, vertical transportation, external developments, landscaping and other specialist activities in relation to the identified DLF projects for a built-up space of approximately 50 million square feet over a term of 5 years for the date of the agreement, with a minimum of 6 million square feet in each calendar year (unless mutually agreed otherwise), and subject to DLF Laing O'Rourke being able to perform its obligations under the projects. Upon the exhaustion of the 50 million square feet, the parties may mutually agree upon future construction plans in relation to DLF projects.

In relation to each agreed DLF project for which DLF Laing O'Rourke shall render construction and related services, our Company and DLF Laing O'Rourke will enter into a construction contract with our Company, broadly on the basis of a 'model agreement' annexed to Laing O'Rourke TCA. All such contracts between our company and DLF Laing O'Rourke have been agreed to be on a 'cost plus' basis, taking into account factors such as time schedules and cost estimates to be prepared by our Company, and as may be varied subject to mutual agreement.

Further, Laing O'Rourke Plc has agreed that it shall, in relation to each project involving DLF Laing O' Rourke, issue a corporate guarantee in favour of our Company (or our affiliate, as the case may be) in order to secure DLF Laing O' Rourke's performance under the projects. The corporate guarantee shall be for an amount representing 2.5% of value of the contract under each DLF project.

The Laing O'Rourke JVA

Unless terminated in accordance with its terms, the Laing O'Rourke JVA is valid until the shareholding of our Company or Laing O'Rourke (together with the shareholding of any affiliate) falls below 26% of the total paid - up equity share capital of DLF Laing O'Rourke. The principal provisions of the Laing O'Rourke JVA are described below:

Non-compete, exclusivity

- Laing O'Rourke Plc is required to assist DLF Laing O'Rourke in bidding for various construction projects. Wherever bid conditions require Laing O'Rourke Plc to bid directly, it shall do so subject to entering into sub-contracting or assignment arrangements with DLF Laing O'Rourke, in order to ensure that the economic benefits of such projects are captured in DLF Laing O'Rourke. In case the skill sets and capability available with DLF Laing O'Rourke do not justify such sub-contracting or assignment arrangements, Laing O'Rourke Plc is permitted to undertake such projects independently (or together with a third party), subject to the prior consent of DLF Laing O'Rourke's management committee. Laing O'Rourke is permitted to continue servicing its commitments existing as on the date of the Laing O'Rourke JVA. Further, our Company has agreed to not compete with the existing business of DLF Laing O'Rourke and Laing O'Rourke Plc has agreed that it shall not compete with the existing identified business of DLF Laing O'Rourke in India;

Reserved matters:

- Our Company and Laing O'Rourke have agreed that so long as each of us hold not less than 26% of the total paid-up equity share capital of DLF Laing O'Rourke, none of the reserved matters shall occur with respect to DLF Laing O'Rourke or any of its subsidiaries, unless such resolutions or transactions have been approved by (a) one director each of our Company and Laing O'Rourke Plc, as well as (b) by each of our Company and Laing O'Rourke Plc (together with our respective affiliates) as shareholders of DLF Laing O'Rourke, where such decisions are statutorily reserved for the approval of the shareholders.

Board

- Our Company and Laing O'Rourke Plc have agreed that so long as we each hold at least 50% of the total paid-up equity share capital of DLF Laing O' Rourke, we shall each be entitled to nominate directors representing half the strength of the board. The total strength of the board shall be between 4 and 12 directors. The presence of nominee director of each shareholder is required to constitute valid quorum for a board meeting. The non-executive chairman of the board shall be appointed by our Company and Laing O'Rourke Plc alternatively by rotation on an annual basis. The chairman shall not be entitled to a casting vote;

Management:

- The chief executive officer of DLF Laing O'Rourke shall be nominated by Laing O'Rourke Plc and the chief financial officer shall be nominated by our Company;

Transfer of shares:

- Neither shareholder is permitted to transfer its shares to a third party for a period of five years commencing on the Closing Date (as defined). However, a transfer of shares to an affiliate is permitted, subject to such affiliate transferee executing a deed of adherence, agreeing to be bound by the terms of the Laing O'Rourke JVA. Subject to the above, if any shareholder intends to transfer any shares to a third party, the selling shareholder is required to first offer to irrevocably transfer such shares to the non-selling shareholder at the same price, for cash. In case the non-selling shareholder does not respond to the prescribed offer notice within 15 business days or upon receipt, or elects not to accept the offer, the selling shareholder shall be entitled to transfer the offered shares to the proposed transferee on terms no more favourable than those offered to the non-selling shareholder. Notwithstanding anything to the contrary, no transfer of shares is permitted to a competitor;

Dispute resolution:

- Disputes between the parties have been agreed to be referred for mediation to chief executive or equivalent officers of both parties. In case the dispute is not amicably resolved within 30 days of reference to mediation proceedings, the matter shall be settled through arbitration under the Arbitration and Conciliation Act, 1996 at New Delhi; and

Governing law:

- The Laing O'Rourke JVA is governed by the laws of India.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Solid Buildcon Private Limited	10024994	(approx) 50
Laing O'Rourke Holding Limited	10025000	50
Adesh Gupta and Solid Buildocon Private Limited	1	Negligible
Sanjay Goenka and Solid Buildcon Private Limited	1	Negligible
K.K. Vohra and Solid Buildcon Private Limited	1	Negligible
S.K. Sharma and Solid Buildcon Private Limited	1	Negligible
Y.N. Sharma and Solid Buildcon Private Limited	1	Negligible
S.K. Gupta and Solid Buildcon Private Limited	1	Negligible

Board of Directors as on November 30, 2006

The Board of Directors of DLF Laing O'Rourke (India) Limited currently comprises Mr. R.S. Kachru, Mr. Rajiv Malhotra, Mr. J.K. Chandra, Mr. Ramesh Sanka representatives of our Company and Mr. A.J. Jaganathan, Mr. Norman Haste, Mr. Brian Antony Emerton, Mr. Dhiraj Singh representatives of Laing O' Rourke Holding Limited.

Financial performance

	(Rs. million except per share data) **September, 2006**
Sales and other income	216.05
Profit/Loss after tax	(13.48)
Equity capital (par value Rs.10 per share)	200.50
Earnings per share (Rs.)	(1.22)
Book value per equity share (Rs.)	9.32
Reserves & Surplus	-

Joint Venture with Hilton

We have recently entered into a joint venture with Hilton International Co ("**Hilton**") for the development and ownership of a chain of hotels and serviced apartments in India. In this regard, on June 30, 2006, we executed an alliance agreement ("**Alliance Agreement'**') and a shareholders' agreement ("**SHA**") with Hilton.

Alliance Agreement

The Alliance Agreement contemplates an alliance for purposes of acquiring, owning, developing and managing hotels and serviced apartments and using certain Hilton brands in India. The principle provisions of the Alliance Agreement are summarised below:

Alliance: A joint venture company ("**JVCo**") would be incorporated in accordance with the SHA. Each hotel or serviced apartment property would be owned by either the JVCo or a company in which not less than 26% of the equity share capital will be held by the JVCo. The Alliance Agreement contemplates that the JVCo will develop and own 50 to 75 hotels and serviced apartments and that the joint venture will involve an equity investment of up to USD 550 million over the next five to seven years, approximately USD 143 million or 26% of which will be contributed by Hilton and/or its affiliates and the remainder of which will be contributed by the Company. The hotels and serviced apartments will be operated and managed by a wholly-owned subsidiary of Hilton ("**Operator**").

Hotel Brand Area Exclusivity: Hilton has agreed to grant the JVCo, for a specified period, the exclusive right to use certain Hilton brands in India for the hotels and serviced apartments that will be managed by the Operator. Save for certain specified exceptions, during the exclusivity period, our company will not, without the prior consent of Hilton, directly or through any of our affiliates (as defined therein), develop, acquire, own, franchise, operate, lease or manage any hotel or serviced apartment that targets the same market segment as the JVCo. Under certain specified circumstances, Hilton will have a right to terminate the exclusivity rights of the JVCo.

New Franchises by Hilton: Subject to certain conditions, Hilton and its affiliates may enter into franchise arrangements with third parties. For this purpose, Hilton and its affiliates may also grant non-exclusive licenses to such franchisees for the usage of all or some of their brands. However, Hilton and its affiliates would not be entitled to undertake such franchise arrangements within certain specified areas (being a specified area around the hotels or serviced apartments that are developed under the joint venture).

Other Agreements: As per the terms of the Alliance Agreement, certain other agreements would be executed for fulfilling the objectives of the alliance with respect to each hotel or serviced apartment set up by the JV Co, including a brand license agreement, a hotel operating agreement and an international marketing and technical services agreement.

Shareholders' Agreement

The SHA provides detailed terms and conditions pursuant to which Hilton and/or its affiliates and our Company will give effect to the joint venture arrangement. The principle provisions of the SHA are summarised below:

Shareholding: Our Company, together with our nominees, hold a 74% of the equity share capital of the JVCo and Hilton and or its affiliates, together with Hilton's nominees, will hold a 26% of the equity share capital of the JVCo.

Board: So long as we hold at least 74% of the equity share capital of the JVCo, we will be entitled to nominate seven directors on the board. Further, as long as Hilton and/or its affiliates hold 26% of the equity share capital of the JVCo, Hilton will be entitled to appoint three directors on the board. The chairman will be a nominee of our Company and the vice chairman will be the nominee of Hilton. Neither the chairman nor the vice chairman will have a casting vote.

Management: So long as Hilton and/or its affiliates hold 26% of the equity share capital of JVCo, the chief executive officer of the JVCo will be nominated by Hilton following consultation with our Company. Further, the chief financial officer of the JVCo will be nominated by our Company following consultation with Hilton, provided that we hold not less than 26% of the equity share capital of JVCo.

Reserved matters: Subject to each of our Company and Hilton and/or its affiliates holding not less than 26% of

the equity share capital of the JVCo, both our Company and Hilton will have affirmative voting rights in relation to certain reserved matters. Such affirmative voting rights entail that none of the reserved matters will occur with respect to JVCo or any of its subsidiaries, unless such resolutions or transactions have been approved by one director each of our Company and Hilton, unless such decisions are statutorily reserved for the approval of the shareholders. Further, subject to each party holding not less than 26% of the equity share capital of the JVCo, no decision with respect to reserved matters will be taken by the JVCo unless approved by the authorized representatives of each of Hilton and our Company.

Transfer of shares: There are certain restrictions on the transferability of equity shares of the JVCo until the successful completion of an initial public offering or for a period of seven years from the closing date (as defined therein), whichever is earlier. During this period, neither shareholder is permitted to transfer its equity shares to a third party if such transfer would reduce the shareholder's holding to less than 26% of the share capital of the JVCo.

Subject to the above, if any shareholder intends to transfer any equity shares of the JVCo to a third party, the selling shareholder is required to first offer to transfer such shares to the non-selling shareholder at the same price for cash. If the non-selling shareholder does not respond within the prescribed time or elects not to accept the offer, the selling shareholder may transfer the offered shares to the proposed transferee on terms that are no more favourable than those offered to the non-selling shareholder and subject to the proposed buyer executing a deed of adherence. Further, if any shareholder is negotiating a sale of its equity shares, it will use reasonable commercial endeavours to agree with the proposed transferee that such transferee will also offer to purchase the shares of the other shareholders under the same terms and conditions (including price).

Termination: The SHA would terminate if, inter alia, either the shareholding of our Company and affiliates or the shareholding of Hilton and its affiliates falls below 12.5% of the equity share capital of the JVCo.

Joint Venture with WSP Group Plc ("WSP")

We have entered into a joint venture and subscription cum shareholders agreement ("**Agreement**") with WSP Group Plc on November 23, 2006. The principal provisions of the Agreement are summarized below:

Joint venture company: A joint venture company ("**JV Co**") is to be established to provide engineering and design services, environmental and infrastructural facilities and also project management services ("**Services**"). The Services of the JV Co. will be engaged for the development of residential, commercial, retail, entertainment, mixed use projects and such other real estate projects to undertaken by our Company or its affiliates.

Shareholding: Our Company and WSP have equal shareholding in the JV Co and have identical rights and privileges with respect to dividend paid and voting rights.

Board: The board shall consist of six directors. Both our Company and WSP would be entitled to nominate at least three directors each on the board. In the event the shareholding of either our Company or WSP falls below 26%, the shareholder holding the majority shares would be entitled to nominate the more directors on the board claiming majority on the board. The chairman shall be a nominee of our Company and the vice chairman shall be the nominee of WSP. The Agreement envisages that the parties would alternate between nominating the chairman and the vice chairman every two and a half years from the date of first appointment. The chairman shall not have a casting vote.

Management: The chief executive officer of the JV Co would be appointed by WSP and the chief financial officer would be appointed by our Company. Both the chief executive officer and the chief financial officer shall not be a director of the JV Co.

Quorum: All board and shareholders meetings of the JV Co require a quorum of at least two members of our Company and two members of WSP. The Agreement, however, envisages that so long as the shareholders hold at least 26%, one representative of both shareholders present at the meeting would represent a valid quorum.

Reserved matters: Subject to each of our Company and WSP holding not less than 26% of the equity share capital of the JV Co, both our Company and WSP shall have affirmative voting rights in relation to certain reserved matters. Such affirmative voting rights entail that none of the reserved matters shall occur with respect to JV Co or any of its subsidiaries, unless such resolutions or transactions have been approved by one director

each of our Company and WSP, unless such decisions are statutorily reserved for the approval of the shareholders. Further, subject to each of our Company and WSP holding not less than 26% of the equity share capital of the JV Co, no decision with respect to reserved matters shall be taken by the JV Co, unless approved by authorized representatives of each of our Company and WSP.

Transfer of shares: The Agreement envisages a lock-in period of five years from 15 days after receiving the certificate of commencement of the JV Co. However, either shareholder may transfer the shares held by it to an affiliate of such shareholder within the lock –in period, provided such affiliate undertakes to be bound by the terms of the Agreement and executes a deed of adherence to that effect.

Subject to the above, if a shareholder intends to transfer any shares of the JV Co to a third party, the selling shareholder is required to first offer such shares to the non-selling shareholder at the same terms and conditions as offered to the proposed transferee. In case the non-selling shareholder does not respond to the offer notice within the prescribed time or upon receipt elects not to accept the offer, the selling shareholder shall be entitled to transfer the offered shares to the proposed transferee on terms no more favourable than those offered to the non-selling shareholder. However, a transfer of shares to a competitor is not permitted without the prior written consent of the other shareholders. Further, if any shareholder is negotiating a sale of its equity shares, it shall use reasonable commercial endeavours to agree with the proposed transferee that such transferee shall also offer to purchase at the same terms and conditions (including price) the shares of the other shareholders.

Non-Compete and Exclusivity: The Agreement stipulates that WSP Consulting Services Limited, WSP's operating company in India, would be permitted to operate as an independent supplier of consulting services to its current clients and also new clients, at any time within 18 months from signing of this Agreement. The JV Co, on the expiry of the initial 18 month period, will be responsible for providing Services on projects identified by our Company. The JV Co would also target such clients, as decided by the board, from time to time. This Agreement further envisages that after 18 months from the effective date, WSP and our Company would use best endeavours to target, acquire and undertake consultancy projects related to the business of the JV Co, other than project management services, from all new clients in India, as agreed between the parties.

Termination: The Agreement will be terminated in the event either party breaches any term and condition of the Agreement.

Acquisition of 19% stake in Feedback Ventures by our subsidiary.

One of our subsidiaries (Necia Builders and Developers Private Limited) has recently acquired 19% stake by purchase of 2,049,338 shares in a company named Feedback Ventures at a price of Rs 72.50 per share. The acquisition of shares is governed in accordance with (a) Deed of adherence executed by our subsidiary Necia Builders and Developers Private Limited in favour of and for the benefit of Feedback Ventures and its existing shareholder i.e. M/s Mission Holding Private Limited, Housing and Development Finance Corporation Limited, Infrastructure Development Finance Company, NewQuest Corporation Limited, Datuk Kunasingam V. Sittampalam on October 6, 2006 and (b) Deed of adherence by direct subscription of shares of Feedback Ventures executed on October 6, 2006 between Necia and Feedback Ventures. In lieu of our investment, we have a right to nominate two (2) directors on the board of Feedback Ventures and in exercise of such rights, our subsidiary has nominated Ramesh Sanka and A.D. Rebello as the directors on the board of Feedback Ventures.

Memorandum of Understanding with Nakheel

Additionally, we have recently signed a memorandum of understanding with Nakheel to develop, through a joint venture, two townships in India, each spread over an area of around 20,000 acres. Nakheel is one of the premier real estate developers in the United Arab Emirates, with a focus on the development in residential, tourist, commercial and retail real estate. Properties developed by Nakheel include the Palm Islands, The World Islands, Jumeirah Lake Towers, Discovery Gardens, Lost City and Ibn Battuta Mall.

Our Subsidiaries

We have 68 subsidiaries, brief details of which are set forth below.

DLF Akruti Info Park (Pune) Limited

DLF Akruti Info Park (Pune) Limited was incorporated on October 01, 2004 as 'Akruti Info Parks Limited' and changed its name to 'DLF Akruti Info Parks (Pune) Limited' with effect from February 28, 2005. DLF Akruti Info Park (Pune) Limited has its registered office at Akruti Trade Centre, Road No.7, Marol, MIDC, Andheri (East), Mumbai 400 093 and is engaged in the business of development of I.T. parks and business parks.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Limited	101837	66.99
Akruti Nirman Limited and Vyomesh Shah	24975	16.24
Akruti Nirman Limited and Hemant M. Shah	24975	16.24
Akruti Nirman Limited and Kamal Matalia	10	0.00
Akruti Nirman Limited and Mayur Shah	10	0.00
Akruti Nirman Limited and R.Venkataraghavan	10	0.00
Akruti Nirman Limited and Madhukar Chobe	10	0.00
Akruti Nirman Limited and Rajendra K Shah	10	0.00
Sanjay Goenka and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
Hemant M. Shah (HUF)	5	0.00
Kunjal H. Shah	5	0.00
Akruti Nirman Limited	160	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Akruti Info Park (Pune) Limited comprises Mr. Hemant M. Shah, Mr. Vyomesh Shah, Mr. Bhupesh Gupta and Mr. T.C. Goyal.

Financial performance

(Rs. million except per share data)

	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	-	-	0.32
Profit/Loss after tax	-	(0.17)	0.09
Equity capital (par value Rs.10 per share)	-	1.52	1.17
Earnings per share (Rs.)	-	(1.49)	0.60
Book value per equity share (Rs.)	-	7.12	9.44
Reserves & Surplus	-	(0.17)	(0.09)

DLF Commercial Developers Limited

DLF Commercial Developers Limited was originally incorporated as a partnership firm under the name 'DLF Commercial Developers'. It was converted into joint stock company in the name of DLF Commercial Developers Limited by a certificate of incorporation dated January 01, 2002, issued by the office of Registrar of Companies, NCT of Delhi. DLF Commercial Developers Limited has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. DLF Commercial Developers Limited is engaged in the business of acquisition of immovable and movable properties and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Adesh Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
Hari Haran and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
DLF Limited	399994	99.99

Directors as on November 30, 2006

The Board of Directors of DLF Commercial Developers Limited comprises Mr. A.S. Minocha, Mr. Ramesh Sanka, Mr. R.S. Kachru, Mr. Anil Gupta, Mr. K. Swarup and Mr. B. Bhushan Deora.

Financial performance

		(Rs. million except per share data)	
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	760.33	840.90	5235.08
Profit/Loss after tax	142.37	150.17	1765.83
Equity capital (par value Rs. 10 per share)	4	4	4
Earnings per share (Rs.)	358.10	375.42	4409.32
Book value per equity share (Rs.)	626.10	1002.11	5411.42
Reserves & Surplus	246.68	396.84	2160.57

Nilgiri Cultivations Private Limited

Nilgiri Cultivations Private Limited was incorporated on August 21, 1989. Pursuant to an order passed by the High Court of Punjab and Haryana, Aravalli Cultivations Limited and 24 other companies merged into, Nilgiri Cultivations Private Limited with effect from April 01, 1999. Nilgiri Cultivations Private Limited has its registered office at Shopping Mall, 3rd Floor, Arjun Marg, DLF City Phase I, Gurgaon-122 002, Haryana and is engaged in the business of development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Sanjay Goenka and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00
Raj Arora and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
DLF Limited	496929	99.99

Directors as on November 30, 2006

The Board of Directors of Nilgiri Cultivations Private Limited comprises Mr. Sanjay Goenka, Mr. Gopal Ram Dev and Mr. Ramesh Sanka.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	95.61	53.08	35.57
Profit/Loss after tax	0.18	1.73	4.60
Equity capital (par value Rs. 10 per share)	4.97	4.97	4.97
Earnings per share (Rs.)	(9.28)	3.24	9.32
Book value per equity share (Rs.)	271.57	274.81	284.13
Reserves & Surplus	129.98	131.59	136.22

Paliwal Developers Limited

Paliwal Developers Limited was incorporated on November 13, 2003 as 'Paliwal Developers Private Limited'. This entity became a public company with effect from April 15, 2004 and has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. Paliwal Developers Limited is engaged in the business of development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
Adesh Gupta and DLF Limited	1	0.01
S.K. Gupta and DLF Limited	1	0.01
Sanjay Goenka and DLF Limited	1	0.01
K.K. Vohra and DLF Limited	1	0.01
A.P. Garg and DLF Limited	1	0.01
Gopal Ramdev and DLF Limited	1	0.01
DLF Limited	9994	99.94

In addition, Paliwal Developers Limited has issued 4000- 9% non-cumulative redeemable preference shares of Rs. 100 each to our Company.

Directors as on November 30, 2006

The Board of Directors of Paliwal Developers Limited comprises Mr. A.P. Garg, Mr. Gopal Ramdev and Mr. K.K. Vohra.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	0.01	0.03	388.57
Profit/Loss after tax	(0.05)	-	137.12
Equity capital (par value Rs. 10 per share)	0.10	0.10	0.10
Earnings per share (Rs.)	(5.38)	(0.03)	13711.72
Book value per equity share (Rs.)	43.70	47.73	13760.40
Reserves & Surplus	(0.01)	(0.01)	137.10

Beverly Park Maintenance Services Limited

This entity was originally incorporated as 'Beverly Park Maintenance Services Private Limited' on February 02, 1999 for the purpose of operation and maintenance of services in relation to various properties/buildings, and was converted to a public company on April 13, 2004. Beverly Park Maintenance Services Limited has its registered office at Shopping Mall, Phase I, DLF City, Gurgaon, Haryana 122 002. It is engaged in the business of real estate development.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Y.N. Sharma and DLF Limited	1	0.01
S.K. Gupta and DLF Limited	1	0.01
Sanjay Goenka and DLF Limited	1	0.01
K.K. Vohra and DLF Limited	1	0.01
A.P. Garg and DLF Limited	1	0.01
Adesh Gupta and DLF Limited	1	0.01
DLF Limited	8994	99.94

In addition, Beverly Park Maintenance Services Limited has issued 4000- 9% non-cumulative redeemable preference shares of Rs 100 each and 100- 12% non-cumulative redeemable preference shares of Rs 100 each to our Company.

Directors as on November 30, 2006

The Board of Directors of Beverly Park Maintenance Services Limited comprises Mr. Sanjay Goenka, Mr. Vikas Jewallikar and Mr. Gopal Ramdev.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	0.01	0.02	0.31
Profit/Loss after tax	(0.01)	(6.01)	(25.63)
Equity capital (par value Rs. 10 per share)	0.09	0.09	0.09
Earnings per share (Rs.)	(1.29)	(667.27)	(2848.30)
Book value per equity share (Rs.)	7.30	(659.97)	(3506.86)
Reserves & Surplus	(0.01)	(6.02)	(31.65)

DLF Services Limited

DLF Services Limited was originally incorporated as 'Ridgewood Estate Management Services Private Limited' on June 08, 1999, renamed as 'Grand Cinema Private Limited' on October 31, 2002 and 'DT Cinemas Private Limited' on January 10, 2003. This entity became a public company and its name was changed to 'DT Cinemas Limited' on March 13, 2003. Pursuant to an order dated August 25, 2005 passed by the High Court of Punjab and Haryana, DLF Services Limited was merged into 'DT Cinemas Limited', with effect from April 1, 2004 and the name of the amalgamated entity was changed to 'DLF Services Limited'. The fresh certificate of incorporation pursuant to change of name to DLF Services Limited was issued on November 11, 2005. DLF Services Limited has its registered office at DLF City Centre, Mehrauli Gurgaon Road, Opposite Beverly Park, Part I, Gurgaon, Haryana 122 002 and is engaged in the operation of cinemas and maintenance of properties.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Limited	7803564	99.99
Sanjay Goenka and DLF Limited	1	0.00
K.K. Vohra and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
Hari Haran and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Services Limited comprises Mr. S.K. Dheri, Ms. Kajal Aijaz, Mr. Rajiv Sekhri, Mr. Ramesh Sanka, Mr. S.K. Gupta, Mr. Ajay Khanna and Mr. Vinay Verma.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	88.79	116.55	637.73
Profit/Loss after tax	(36.02)	(11.14)	18.04
Equity capital (par value Rs. 10 per share)	50	50	78.04
Earnings per share (Rs.)	(7.20)	(2.23)	2.31
Book value per equity share (Rs.)	(0.34)	(2.57)	253.79
Reserves & Surplus	(51.70)	(62.85)	77.24

Gyan Real Estate Developers Private Limited

Gyan Real Estate Developers Private Limited was incorporated on August 23, 2005 and has its registered office at 1-E, Jhandewalan Extension, New Delhi 110 055. It is currently engaged in real estate development activities.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Limited	9994	99.94
S.K. Gupta and DLF Limited	1	0.01
A.P. Garg and DLF Limited	1	0.01
Sanjay Goenka and DLF Limited	1	0.01
Manik Khanna and DLF Limited	1	0.01
Adesh Gupta and DLF Limited	1	0.01
Y.N. Sharma and DLF Limited	1	0.01

Shareholders as on November 30, 2006

The Board of Directors of Gyan Real Estate Developers Private Limited comprises Mr. Y.N. Sharma, Mr. Adesh Gupta and Mr. Manik Khanna.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(2.42)
Equity capital (par value Rs. 10 per share)	-	-	0.10
Earnings per share (Rs.)	-	-	(242.20)
Book value per equity share (Rs.)	-	-	(232.20)
Reserves & Surplus			(2.42)

DLF Golf Resorts Limited

DLF Golf Resorts Limited was incorporated on September 24, 1998 in the name of DLF Rolling Greens Private Limited. Subsequently, the word 'Private' was deleted from the name with effect from October 30, 1998. The name of the Company has been changed to DLF Golf Resorts Private Limited on November 02, 1998. The Company converted into a public company on March 04, 2002. DLF Golf Resorts Limited has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in business of development, operation and maintenance of golf courses and resorts.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Adesh Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
K.K. Vohra and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
DLF Limited	39,994	99.98

In addition, DLF Golf Resorts Limited has issued 10 of 10% non cumulative redeemable preference shares of Rs. 100 each to our Company.

Directors as on November 30, 2006

The Board of Directors of DLF Golf Resorts Limited comprises Mr. A.S. Minocha, Mr. Praveen Kumar and Mr. J.K. Chandra.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	1.45	1.61	2.36
Profit/Loss after tax	0.90	0.99	1.07
Equity capital (par value Rs. 10 per share)	4	4	4
Earnings per share (Rs.)	2.26	2.47	2.67
Book value per equity share (Rs.)	21.39	23.86	26.54
Reserves & Surplus	4.56	5.54	6.61

Shivajimarg Properties Limited

Shivajimarg Properties Limited was incorporated on December 26, 2002 and has its current registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49994	99.98
Adesh Gupta and DLF Commercial Developers Limited	1	0.00
Gopal Ram Dev and DLF Commercial Developers Limited	1	0.00
Sanjay Goenka and DLF Commercial Developers Limited	1	0.00
Y.N. Sharma and DLF Commercial Developers Limited	1	0.00
Hari Haran and DLF Commercial Developers Limited	1	0.00
A.P. Garg and DLF Commercial Developers Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Shivajimarg Properties Limited comprises Mr. Ramesh Sanka, Mr. K Swarup, Mr. Jaykrishna Subrahmanian and Mr. Mukesh Dham.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	0.16	-
Profit/Loss after tax	(0.03)	0.14	(0.04)
Equity capital (par value Rs. 10 per share)	0.50	0.50	0.50
Earnings per share (Rs.)	(0.53)	2.72	(0.81)
Book value per equity share (Rs.)	9.47	12.19	11.38
Reserves & Surplus	(0.03)	0.11	0.07

DLF Info City Developers (Chennai) Limited

DLF Info City Developers (Chennai) Limited was incorporated on March 17, 2005 and has its registered office at 10th Floor, Gateway Tower, DLF City, Phase – III, Gurgaon – 122 002. It is engaged in the business of developing I.T. Parks.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Commercial Developers Limited	49,994	99.98
A.S. Minocha and DLF Commercial Developers Limited	1	0.00
Arvind Khanna and DLF Commercial Developers Limited	1	0.00
Jaykrishna Subrahmanian and DLF Commercial Developers Limited	1	0.00
A.P. Garg and DLF Commercial Developers Limited	1	0.00
S.K. Gupta and DLF Commercial Developers Limited	1	0.00
Adesh Gupta and DLF Commercial Developers Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Info City Developers (Chennai) Limited comprises Mr. A.S. Minocha, Mr. Jaykrishna Subrahmanian (Managing Director) and Mr. T.V.Ganesan.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(12.28)
Equity capital (par value Rs. 10 per share)	-	-	0.50
Earnings per share (Rs.)	-	-	(245.52)
Book value per equity share (Rs.)	-	-	(235.52)
Reserves & Surplus			(12.28)

DLF Info City Developers (Hyderabad) Limited

DLF Info City Developers (Hyderabad) Limited was incorporated on March 17, 2005 and has its registered office at 10th Floor, Gateway Tower, DLF City, Phase - III, Gurgaon - 122 002. It is engaged in the business of developing I.T. parks.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49,994	99.98
A.S. Minocha and DLF Commercial Developers Limited	1	0.00
Arvind Khanna and DLF Commercial Developers Limited	1	0.00
Jaykrishna Subrahmanian and DLF Commercial Developers Limited	1	0.00
A.P. Garg and DLF Commercial Developers Limited	1	0.00
S.K. Gupta and DLF Commercial Developers Limited	1	0.00
Adesh Gupta and DLF Commercial Developers Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Info City Developers (Hyderabad) Limited comprises Mr. A.S.Minocha, Mr. Jaykrishna Subrahmanian (Managing Director) and Mr. T.V.Ganesan.

Financial performance

			(Rs. million except per share data)
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.23)
Equity capital (par value Rs. 10 per share)	-	-	0.50
Earnings per share (Rs.)	-	-	(4.50)
Book value per equity share (Rs.)	-	-	5.50
Reserves & Surplus			(0.23)

DLF Info City Developers (Bangalore) Limited

DLF Info City Developers (Bangalore) Limited was incorporated on March 17, 2005 and has its registered office at 10th Floor, Gateway Tower, DLF City, Phase - III, Gurgaon - 122 002. It is engaged in the business of developing I.T. Parks.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49,994	99.98
A.S. Minocha and DLF Commercial Developers Limited	1	0.00
Arvind Khanna and DLF Commercial Developers Limited	1	0.00
Jaykrishna Subrahmanian and DLF Commercial Developers Limited	1	0.00
A.P. Garg and DLF Commercial Developers Limited	1	0.00
S.K. Gupta and DLF Commercial Developers Limited	1	0.00
Adesh Gupta and DLF Commercial Developers Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Info City Developers (Bangalore) Limited comprises Mr. A.S. Minocha, Mr. Jaykrishna Subrahmanian and Mr. T.V.Ganesan.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.52)
Equity capital (par value Rs. 10 per share)	-	-	0.50
Earnings per share (Rs.)	-	-	(10.33)
Book value per equity share (Rs.)	-	-	(0.33)
Reserves & Surplus			(0.52)

Bhoruka Financial Services Limited

Bhoruka Financial Services Limited was incorporated on October 19, 1971 originally as 'Bangalore Rolling and Structurals Limited'. The name of this entity was changed to 'Bhoruka Financial Services Limited' with effect from February 04, 1993. Bhoruka Financial Services Limited has its registered office at Whitefield Road, Mahadevapura Post, Bangalore 560 048 and it is engaged in the activities of development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Commercial Developers Limited	198850	98.73
Lalith Tulsyan	1250	0.62
Pramchandra Bhartia	50	0.02
Raj Kumar Biyani	50	0.02
Puliyawada GC Chengappa	50	0.02
E.V.J. Cunia	50	0.02
Vivekanand Chowdhary	50	0.02
Manoj Kumar Chotia	50	0.02
V.N. Choudhary and Sons (HUF)	50	0.02
Joshephine Steela Rose'D	50	0.02
Jitesh Kumar Goenka	50	0.02
B.S. Jayalakshmi	50	0.02
Vinita Kedia	50	0.02
Sangeeta Kedia	50	0.02
D.N. Khaitan and Sons (HUF)	50	0.02
Jaiswal Dev Kumar	50	0.02
Prem Kumar Mohta	50	0.02
R.C. Purohit	50	0.02
Bhanwari Devi Prajapati	50	0.02
Gayatri Devi Pandey	100	0.05
Ram Niwas Paliwal	50	0.02
Rakesh Pratap Pandey	50	0.02
Seema Agarwal	50	0.02
M.P. Agarwal and Sons (HUF)	50	0.02
Rajesh Kumar Agarwal	50	0.02
Ashok Kumar Agarwal	50	0.02
Jayshree Agarwal	50	0.02

Directors as on November 30, 2006

The Board of Directors of Bhoruka Financial Services Limited comprises Mr. Yogesh Verma, Mr. Jaykrishna Subrahmanian and Mr. T.V.Ganesan.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	18.14	51.22	59.98
Profit/Loss after tax	14.23	46.60	49.03
Equity capital (par value Rs. 10 per share)	2.01	2.01	2.01
Earnings per share (Rs.)	70.65	231.36	243.47
Book value per equity share (Rs.)	326.75	557.04	800.51
Reserves & Surplus	63.79	110.17	159.21

GKS Housing Limited

GKS Housing Limited was incorporated on July 23, 1996 and has its registered office at 1/124, Shivaji Gardens, Moonlight Stop, Nandambakkam Post, Ramapuram, Mount Poonamallee Road, Chennai 600 089. It is engaged in the business of acquiring and developing real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Commercial Developers Limited	47,400	94.80
Adesh Gupta and DLF Commercial Developers Limited	100	0.20
Gopal Ram Dev and DLF Commercial Developers Limited	100	0.20
Y.N. Sharma and DLF Commercial Developers Limited	100	0.20
S.K. Gupta and DLF Commercial Developers Limited	100	0.20
A.P. Garg and DLF Commercial Developers Limited	100	0.20
Roadtech Constructions Private Limited	2100	4.20

Directors as on November 30, 2006

The Board of Directors of G K S Housing Limited comprises Mr. Yogesh Verma, Mr. Jaykrishna Subrahmanian and Mr. T.V.Ganesan.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-0.06	109.02	-
Profit/Loss after tax	(0.11)	2.73	(0.66)
Equity capital (par value Rs. 10 per share)	0.50	0.50	0.50
Earnings per share (Rs.)	(2.10)	54.64	(13.27)
Book value per equity share (Rs.)	7.43	62.11	48.93
Reserves & Surplus	(0.12)	2.61	1.95

Roadtech Constructions Private Limited

Roadtech Constructions Private Limited was incorporated on October 05, 1990 and has its registered office at 1/124, Shivaji Gardens, Moonlight Stop, Nandambakkam Post, Ramapuram Mount Poonamallee Road, Chennai 600 089. It is engaged in the business of acting as a real estate developer and agent.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Commercial Developers Limited	73,970	99.91
Adesh Gupta and DLF Commercial Developers Limited	10	0.13
Gopal Ram Dev and DLF Commercial Developers Limited	10	0.13
Sanjay Goenka and DLF Commercial Developers Limited	10	0.13
Y.N. Sharma and DLF Commercial Developers Limited	10	0.13
S.K. Gupta and DLF Commercial Developers Limited	10	0.13
A.P. Garg and DLF Commercial Developers Limited	10	0.13

Directors as on November 30, 2006

The Board of Directors of Roadtech Constructions Private Limited comprises Mr. Yogesh Verma, Mr. Jaykrishna Subrahmanian and Mr. T.V.Ganesan.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	0.91	0.14	54.31
Profit/Loss after tax	-0.66	(0.03)	42.02
Equity capital (par value Rs. 100 per share)	7.40	7.40	7.40
Earnings per share (Rs.)	-8.91	(0.43)	567.60
Book value per equity share (Rs.)	-186.94	186.51	754.11
Reserves & Surplus	6.44	6.40	48.42

NewGen MedWorld Hospitals Limited

NewGen MedWorld Hospitals Limited was incorporated on November 04, 2004 and has its registered office at 10th Floor, Gateway Tower, DLF City, Phase - III, Gurgaon 122 002. It is engaged in the business of designing, building, acquiring, maintaining and running hospitals and healthcare facilities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Limited	49,994	99.99
Ramesh Sanka and DLF Limited	1	0.00
Manik Khanna and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of NewGen MedWorld Hospitals Limited comprises Mr. Yogesh Verma, Mr. Praveen Kumar and Mr. Jaykrishna Subrahmanian.

Financial performance

	March 31, 2004	(Rs. million except per share data) March 31, 2005	March 31, 2006
Sales and other income	-	-	-
Profit/Loss after tax	-	(0.12)	(0.01)
Equity capital (par value Rs. 10 per share)	-	0.50	0.50
Earnings per share (Rs.)	-	(2.46)	(0.20)
Book value per equity share (Rs.)	-	28.50	(13.61)
Reserves & Surplus		(0.12)	(0.13)

DLF Home Developers Limited

DLF Home Developers Limited was incorporated originally on December 29, 1995 as 'Uppal Hotels Private Limited' and was converted into a public company on July 13, 2000 by deleting the word 'Private' from its corporate name. The fresh certificate of incorporation consequent upon the change of name, on conversion to public company was granted on October 19, 2001. The name of this entity was changed to 'DLF Home Developers Limited' on June 19, 2004. DLF Home Developers Limited has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001 and is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Adesh Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
Hari Haran and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
DLF Limited	2489184	99.99

Directors as on November 30, 2006

The Board of Directors of DLF Home Developers Limited comprises Mr. T.C. Goyal, Mr. A.D. Rebello, Mr. Ramesh Sanka, Mr. Rajiv Malhotra, Mr. K.K. Bhattacharya, Mr. A.K. Gupta, Mr. K. Swarup.

Financial performance

	March 31, 2004	(Rs. million except per share data) March 31, 2005	March 31, 2006
Sales and other income	0.02	0.02	572.24
Profit/Loss after tax	(0.29)	(0.34)	81.51
Equity capital (par value Rs. 10 per share)	24.89	24.89	24.89
Earnings per share (Rs.)	(0.11)	(0.11)	32.73
Book value per equity share (Rs.)	15.55	15.41	48.14
Reserves & Surplus	13.81	13.48	94.95

Amishi Builders & Developers Private Limited

Amishi Builders & Developers Private Limited was incorporated on December 12, 2005 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049. It is engaged in real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Home Developers Limited	9994	99.94
Adesh Gupta and DLF Home Developers Limited	1	0.01
Sanjay Goenka and DLF Home Developers Limited	1	0.01
S.K. Sharma and DLF Home Developers Limited	1	0.01
K.K. Vohra and DLF Home Developers Limited	1	0.01
Manik Khanna and DLF Home Developers Limited	1	0.01
Gopal Ram Dev and DLF Home Developers Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Amishi Builders & Developers Private Limited comprises Mr. Agam Gupta, Mr. S.K. Gupta, and Mr. Manjit Singh.

Financial performance

			(Rs. million except per share data)
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.58)
Equity capital (par value Rs. 10 per share)	-	-	0.10
Earnings per share (Rs.)	-	-	(58.48)
Book value per equity share (Rs.)	-	-	(48.48)
Reserves & Surplus	-	-	(0.58)

Jawala Real Estate Private Limited

Jawala Real Estate Private Limited was incorporated on April 27, 2005 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049. It is engaged in real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	9994	99.94
Sanjay Goenka and DLF Retail Developers Limited	1	0.01
S.K. Gupta and DLF Retail Developers Limited	1	0.01
Y.N. Sharma and DLF Retail Developers Limited	1	0.01
Adesh Gupta and DLF Retail Developers Limited	1	0.01
A.P. Garg and DLF Retail Developers Limited	1	0.01
Manik Khanna and DLF Retail Developers Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Jawala Real Estate Private Limited comprises Mr. Sanjay Goenka, Mr. Y.N. Sharma and Mr. A.P. Garg and Mr. Ramesh Kumar Sharma.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	0.005
Profit/Loss after tax	-	-	(7.30)
Equity capital (par value Rs. 10 per share)	-	-	0.10
Earnings per share (Rs.)	-	-	(729.77)
Book value per equity share (Rs.)	-	-	(719.77)
Reserves & Surplus	-	-	(7.30)

DLF Retail Developers Limited

DLF Retail Developers Limited was originally incorporated on November 26, 1980 as 'Yatayat Investments Limited', renamed 'Eastern Yatayat Limited' on February 1, 1985 and further renamed to 'Western Yatayat Limited' on February 3, 1989. The name of this entity was changed into 'Jai Yatayat Limited' on August 8, 1995. With effect from December 28, 2001, the registered office was shifted from 303, Maker Chamber, Nariman Point, Mumbai, Maharasthra 400 021 to the present registered office at Shopping Mall, 3rd Floor, Arjun Marg, DLF City Phase I, Gurgaon, Haryana 122 002. It was further renamed 'DLF Retail Developers Limited' with effect from January 19, 2005. DLF Retail Developers Limited is engaged in leasing, developing and managing retail spaces, including shopping malls.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Limited	999994	99.99
Adesh Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
Hari Haran and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Retail Developers Limited comprises Ms. Pia Singh, Mr. Ajay Khanna, Mr. T.C. Goyal, Mr. Ravi Kachru, Mr. Deepak Banerjee, Mr. K. Swarup and Mr. Ramesh Sanka.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	537.71	430.68	1403.34
Profit/Loss after tax	(22.09)	(24.05)	331.69
Equity capital (par value Rs. 10 per share)	10	10	10
Earnings per share (Rs.)	128.21	121.28	344.15
Book value per equity share (Rs.)	301.25	277.20	608.86
Reserves & Surplus	291.25	267.20	598.86

DLF Info City Developers (Noida) Limited

DLF Info City Developers (Noida) Limited was incorporated on May 11, 2005 and has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in the business of conceiving, designing, developing, setting up and maintaining integrated techno townships, technology parks, software parks and electronic and hardware technology parks and providing services related thereto.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Limited	49994	99.98
A.P. Garg and DLF Limited	1	0.00
Manik Khanna and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Info City Developers (Noida) Limited comprises Mr. Mukesh Dham, Mr. Deepak Banerjee and Mr. Vinay Verma.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.23)
Equity capital (par value Rs. 10 per share)	-	-	0.50
Earnings per share (Rs.)	-	-	(4.64)
Book value per equity share (Rs.)	-	-	5.36
Reserves & Surplus	-	-	(0.23)

Dalmia Promoters & Developers Private Limited

Dalmia Promoters & Developers Private Limited was incorporated on February 24, 1989 and has its registered office at 1-E, Jhandewalan Extension, New Delhi 110 055. It is engaged in the business of acquisition, purchase, lease, hire of immovable properties.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Limited	99994	99.99
Y.N. Sharma and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
Manik Khanna and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Dalmia Promoters & Developers Private Limited comprises Mr. T.C. Goyal, Mr. Hari Haran, Mr. Ramesh Sanka and Mr. Mukesh Dham.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	0.27	0.001	0.001
Profit/Loss after tax	0.07	(0.03)	(0.01)
Equity capital (par value Rs. 10 per share)	1	1	1
Earnings per share (Rs.)	0.74	(0.31)	(0.09)
Book value per equity share (Rs.)	(713.79)	(687.65)	(687.74)
Reserves & Surplus	(69.73)	(69.76)	(69.77)

Edward Keventer (Successors) Private Limited

Edward Keventer (Successors) Private Limited was incorporated on June 6, 1946 and has its registered office at 1-E, Jhandewalan Extension, New Delhi 110 055. It is engaged in the business of acquisition and development of real estate development.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Limited	961494	99.99
Y.N. Sharma and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
Manik Khanna and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Edward Keventer (Successors) Private Limited comprises Mr. T.C. Goyal, Mr. Hari Haran, Mr. Ramesh Sanka and Mr. Mukesh Dham.

Financial performance

	(Rs. in million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	0.53	0.55	3.66
Profit/Loss after tax	(0.04)	(0.16)	2.32
Equity capital (par value Rs. 10 per share)	9.62	9.62	9.62
Earnings per share (Rs.)	(0.04)	(0.17)	2.48
Book value per equity share (Rs.)	0.85	0.69	3.17
Reserves & Surplus	(8.79)	(8.95)	(6.57)

Richmond Park Property Management Services Limited

Richmond Park Property Management Services Limited was incorporated on April 5, 1999 and subsequently converted into a public company on July 2, 2004. The registered office of the Company is situated at Shopping Mall, DLF City, Phase-I, Gurgaon, Haryana 122 022. It is engaged in the business of is engaged in the business of development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	8994	99.93
Joy Saxena and DLF Retail Developers Limited	1	0.01
Gopal Ramdev and DLF Retail Developers Limited	1	0.01
Atul Goyal and DLF Retail Developers Limited	1	0.01
Ankur Jain and DLF Retail Developers Limited	1	0.01
Pankaj Jain and DLF Retail Developers Limited	1	0.01
Neeraj Jain and DLF Retail Developers Limited	1	0.01

In addition, Richmond Park Property Management Services Limited has issued 100- 12% non-cumulative redeemable preference shares of Rs 100 each and 4000– 9% non-cumulative redeemable preference shares of Rs 100 each to DLF Retail Developers Limited.

Directors as on November 30, 2006

The Board of Directors of Richmond Park Property Management Services Limited comprises Mr. Hari Haran, Mr. Sanjay Goenka and Mr. A.P. Garg.

Financial performance

		(Rs. million except per share data)	
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	0.01	0.02	0.03
Profit/Loss after tax	(0.01)	(0.01)	0.01
Equity capital (par value Rs.10 per share)	0.09	0.09	0.09
Earnings per share (Rs.)	(1.34)	(1.47)	1.41
Book value per equity share (Rs.)	8.38	6.91	8.31
Reserves and Surplus	(0.01)	(0.03)	(0.02)

Prompt Real Estate Private Limited

Prompt Real Estate Private Limited was incorporated on November 13, 2003. The registered office of the Company is situated at 1-E, Jhandewalan Extension, New Delhi- 110 055. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
A.P. Garg and Paliwal Real Estate Private Limited	1	0.01
S.K. Gupta and Paliwal Real Estate Private Limited	1	0.01
Sanjay Goenka and Paliwal Real Estate Private Limited	1	0.01
Gopal Ramdev and Paliwal Real Estate Private Limited	1	0.01
Y.N. Sharma and Paliwal Real Estate Private Limited	1	0.01
Manik Khanna and Paliwal Real Estate Private Limited	1	0.01
Paliwal Real Estate Private Limited	9,994	99.94

In addition, Prompt Real Estate Private Limited has issued 4000- 9% non-cumulative redeemable preference shares of Rs 100 each to Paliwal Real Estate Private Limited.

Directors as on November 30, 2006

The Board of Directors of Prompt Real Estate Private Limited comprises Mr. Y.N. Sharma, Mr. Manik Khanna and Mr. Gopal Ramdev.

Financial performance

		(Rs. in million except per share data)	
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	1.39	.00
Profit/Loss after tax	(0.002)	1.35	(8.62)
Equity capital (par value Rs. 10 per share)	.10	.10	.10
Earnings per share (Rs.)	(0.22)	135.85	(862.02)
Book value per equity share (Rs.)	8.82	145.63	(716.38)
Reserves & Surplus	(0.002)	1.35	(7.26)

Kairav Real Estate Private Limited

Kairav Real Estate Private Limited was incorporated on August 30, 2004 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Limited	49994	99.99
Sanjay Goenka and DLF Limited	1	0.00
Gopal Ramdev and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
Sandeep Datta and DLF Limited	1	0.00
Raj Arora and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Kairav Real Estate Private Limited comprises Mr. Ankur Jain, Mr. S.C. Ansal and Mr. S.K. Sharma.

Financial performance

		(Rs. million except per share data)	
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	0.19
Profit/Loss after tax	-	(0.06)	0.01
Equity capital (par value Rs. 10 per share)	-	0.10	0.50
Earnings per share (Rs.)	-	(5.94)	0.11
Book value per equity share (Rs.)	-	0.81	8.93
Reserves & Surplus		(0.06)	(0.05)

Solid Buildcon Private Limited

Solid Buildcon Private Limited was incorporated on April 27, 2005 and has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
Kairav Real Estate Private Limited	49994	99.99
Sanjay Goenka and Kairav Real Estate Private Limited	1	0.00
S.K. Gupta and Kairav Real Estate Private Limited	1	0.00
Gopal Ram Dev and Kairav Real Estate Private Limited	1	0.00
Adesh Gupta and Kairav Real Estate Private Limited	1	0.00
K.K. Vohra and Kairav Real Estate Private Limited	1	0.00
Raj Arora and Kairav Real Estate Private Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of Solid Buildcon Private Limited comprises Mr. Nilesh Ramjiyani, Mr. Ankur Jain and Mr. S.C. Ansal.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.22)
Equity capital (par value Rs. 10 per share)	-	-	0.50
Earnings per share (Rs.)	-	-	(4.30)
Book value per equity share (Rs.)	-	-	5.70
Reserves & Surplus			(0.22)

Prateep Estates Private Limited

Prateep Estates Private Limited was incorporated on March 29, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the real estate development activities.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Home Developers Limited	9994	99.94
Vijay Kumar Gupta	1	0.01
Joydeep Dasgupta	1	0.01
Rajib Kumar Routray	1	0.01
Neeraj Kumar Aggarwal	1	0.01
A.P. Pandey	1	0.01
Rajesh Bhatia	1	0.01

Directors as on November 30, 2006

The Board of Directors of Prateep Estates Private Limited comprises Mr. Arun Kumar Bhagat, Mr. Vipen Jindal and Mr. Vijay Kumar Gupta.

Financial performance

Prateep Estates Private Limited has not completed its first accounting year.

DLF Power Limited

DLF Power Limited was incorporated on June 8, 1988 and has its registered office at DLF Galleria, 12th Floor, DLF City, Phase-IV, Gurgaon, Haryana. It is engaged in the business of generation, storage, supply and otherwise dealing with power.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Limited	69,320,030	99.99
Raj Arora and DLF Limited	1	0.00
K.K. Vohra and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00
A.P.Garg and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Power Limited comprises Mr. K.P. Singh, Mr. Rajiv Singh, Dr. D.V. Kapur, Mr. T.C. Goyal, Mr. Surinder Singh Bagai, Mr. A.S. Minocha, Mr. R.S. Cheema, Mr. C.P. Poonacha, Mr. J.K. Ahuja and Mr. K.K. Bhattacharya.

Financial performance

		(Rs. million except per share data)	
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	1150.07	1065.32	1114.13
Profit/Loss after tax	64.59	67.28	63.04
Equity capital (par value Rs.10 per share)	693.20	693.20	693.20
Earnings per share (Rs.)	0.93	0.97	0.91
Book value per equity share (Rs.)	20.74	21.71	22.62
Reserves & Surplus	744.56	811.83	874.88

DLF Phase IV Commercial Developers Limited

DLF Phase IV Commercial Developers Limited was incorporated on August 01, 2002 and has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Limited	399994	99.99
Adesh Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
Hari Haran and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Phase IV Commercial Developers Limited comprises Mr. S.K. Gupta, Mr. Adesh Gupta and Mr. S.K.Sharma.

Financial performance

		(Rs. million except per share data)	
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	0.19	0.25
Profit/Loss after tax	(0.01)	0.10	0.15
Equity capital (par value Rs.10 per share)	4	4	4
Earnings per share (Rs.)	(0.03)	0.25	0.37
Book value per equity share (Rs.)	9.65	9.90	10.26
Reserves & Surplus	(0.14)	(0.04)	0.10

VSK Investment & Finance Limited

VSK Investment & Finance Limited was incorporated on December 16, 1994 as a private company. Subsequently, it was converted to a public company on March 04, 2002. VSK Investment & Finance Limited has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

A) Equity Share Capital

Shareholder	No. of shares	%
DLF Limited	6514	99.99
Y.N. Sharma and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
Sanjay Goenka and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00

B) Preference Share Capital

Preference Shareholder	No. of shares	%
DLF Limited	4348	100.00

Directors as on November 30, 2006

The Board of Directors of VSK Investment & Finance Limited comprises Mr. S.K. Gupta, Mr. Sanjay Goenka, Mr. Ramesh Sanka, Mr. Tejpal, Mr. Mata Din, Mr. Chattarpal, Mr. Satpal and Mr. Mahender.

Financial performance

		(Rs. million except per share data)	
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	-	-	0.76
Profit/Loss after tax	(0.01)	(0.02)	0.04
Equity capital (par value Rs.10 per share)	0.07	0.07	0.07
Earnings per share (Rs.)	(0.80)	(2.69)	6.37
Book value per equity share (Rs.)	0.51	(2.18)	4.42
Reserves & Surplus	(0.06)	(0.08)	(0.04)

DLF Financial Services Limited

DLF Financial Services Limited was incorporated on December 01, 1988 and has its registered office at Shopping Mall, 3rd Floor, Arjun Marg, DLF City Phase I, Gurgaon, Haryana 122 002. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Sanjay Goenka and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
V.K. Bhatia and DLF Limited	1	0.00
Gopal Ramdev and DLF Limited	1	0.00
Raj Arora and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
DLF Limited	239,994	99.98

Directors as on November 30, 2006

The Board of Directors of DLF Financial Services Limited comprises Mr. S.K. Gupta, Mr. Adesh Gupta, Mr. Ramesh Sanka, Mr. Kishanchand, Mr. Gaj Raj Singh and Mr. Ramanand.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	0.76
Profit/Loss after tax	(0.02)	(0.02)	0.05
Equity capital (par value Rs.10 per share)	2.40	2.40	2.40
Earnings per share (Rs.)	(0.07)	(0.10)	0.21
Book value per equity share (Rs.)	23.31	23.21	23.62
Reserves & Surplus	3.20	3.17	3.22

DLF Estate Developers Limited

DLF Estate Developers Limited was incorporated as Realest Super Services Private Limited on May 15, 1989, renamed as DLF Property Management Services Limited and converted into a public company on August 17, 2001. Subsequently, on June 17, 2004, this entity was renamed as DLF Estate Developers Limited. DLF Estate Developers Limited has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in the business of maintenance of properties.

Shareholders as on November 30, 2006

A) Equity Share Capital

Shareholder	**No. of shares**	**%**
DLF Limited	5096	99.94
S.K. Sharma and DLF Limited	1	0.01
K.K. Vohra and DLF Limited	1	0.01
Sanjay Goenka and DLF Limited	1	0.01
A.P. Garg and DLF Limited	1	0.01
Y.N. Sharma and DLF Limited	1	0.01
S.K. Gupta and DLF Limited	1	0.01

B) Preference Share Capital

Preference Shareholder	**No. of shares**	**%**
DLF Limited	4500	100.00

Directors as on November 30, 2006

The Board of Directors of DLF Estate Developers Limited comprises Mr. T.C. Goyal, Mr. Rajiv Malhotra, Mr. K. Swarup, Mr. Ramesh Sanka, Mr. Praveen Kumar and Mr. K.K. Bhattacharya.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	41.46	27.22	30.16
Profit/Loss after tax	(0.73)	(0.04)	(3.11)
Equity capital (par value Rs.10 per share)	0.05	0.05	0.05
Earnings per share (Rs.)	(143.17)	(7.66)	(609.36)
Book value per equity share (Rs.)	3505.29	3497.84	2888.48
Reserves & Surplus	17.38	17.35	14.24

Nilayam Builders & Developers Limited

Nilayam Builders & Developers Limited was incorporated on November 25, 1991 as a private limited company and converted into a public company on September 6, 2001. With effect from May 13, 2002 it shifted its registered office from DLF Centre, Sansad Marg, New Delhi-110 001 to Shopping Mall, 3rd Floor, Arjun Marg,

DLF City Phase-I, Gurgaon, Haryana 122 022. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

A) Equity Share Capital

Shareholder	No. of shares	%
Nilgiri Cultivation Private Limited	19994	99.97
Raj Arora and Nilgiri Cultivation Private Limited	1	0.00
A.P. Garg and Nilgiri Cultivation Private Limited	1	0.00
Sandeep Datta and Nilgiri Cultivation Private Limited	1	0.00
S.K. Gupta and Nilgiri Cultivation Private Limited	1	0.00
Y.N. Sharma and Nilgiri Cultivation Private Limited	1	0.00
Sanjay Goenka and Nilgiri Cultivation Private Limited	1	0.00

B) Preference Share Capital

Preference Shareholder	No. of shares	%
Nilgiri Cultivation Private Limited	35010	100.00

Directors as on November 30, 2006

The Board of Directors of Nilayam Builders & Developers Limited comprises Mr. A.P. Garg, Mr. Adesh Gupta, Mr. Ramesh Sanka, Mr. Satish Mann, Mr. Umang Mann and Mrs. Shanta.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	1.97	0.33	0.50
Profit/Loss after tax	1.96	0.29	0.48
Equity capital (par value Rs.10 per share)	0.20	0.20	0.20
Earnings per share (Rs.)	98.01	14.61	24.07
Book value per equity share (Rs.)	129.50	144.11	168.18
Reserves & Surplus	2.39	2.68	3.16

DLF Housing & Construction Limited

DLF Housing & Construction Limited was incorporated on January 2, 1981. DLF Housing & Construction Limited originally had its registered office at DLF Centre, Sansad Marg, New Delhi 110 001 and with effect from February, 22, 2002, the registered office shifted to Shopping Mall, 3rd Floor, Arjun Marg, DLF City Phase-I, Gurgaon, Haryana, 122 022. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

A) Equity Share Capital

Shareholder	No. of shares	%
DLF Limited	27349	99.97
V. K. Bhatia and DLF Limited	1	0.00
Y.N. Sharma and DLF Limited	1	0.00
A.P. Garg and DLF Limited	1	0.00
S.K. Gupta and DLF Limited	1	0.00
K.K. Vohra and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00

B) Preference Share Capital

Preference Shareholder	No. of shares	%
DLF Limited	2265	100.00

Directors as on November 30, 2006

The Board of Directors of DLF Housing & Construction Limited comprises Mr. K.K. Vohra, Mr. Hari Haran, Mr. Adesh Gupta and Mr. S. Prakash.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	199.08	45.14	21.04
Profit/Loss after tax	10.77	2.86	2.93
Equity capital (par value Rs.10 per share)	0.27	0.27	0.27
Earnings per share (Rs.)	394.99	102.53	107.23
Book value per equity share (Rs.)	1827.56	1921.84	2029.03
Reserves & Surplus	49.49	52.30	55.23

Breeze Constructions Private Limited

Breeze Constructions Private Limited was incorporated on April 27, 2005. The registered office of the Company is situated at P-39, Basement, N.D.S.E., Part II, New Delhi-110 049. It is engaged in the business of development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Limited	9994	99.94
Adesh Gupta and DLF Limited	1	0.01
Sanjay Goenka and DLF Limited	1	0.01
Raj Arora and DLF Limited	1	0.01
Gopal Ramdev and DLF Limited	1	0.01
Sandeep Datta and DLF Limited	1	0.01
Manik Khanna and DLF Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Breeze Constructions Private Limited comprises Mr. A.P. Garg, Mr. Y.N. Sharma and Mr. S.K. Gupta.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(1.77)
Equity capital (par value Rs.10 per share)	-	-	0.10
Earnings per share (Rs.)	-	-	(176.90)
Book value per equity share (Rs.)	-	-	(166.90)
Reserves & Surplus			(1.77)

DLF Real Estates Limited

DLF Real Estates Limited was incorporated on December 12, 2005 and has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49994	99.94
Ramesh Sanka and DLF Commercial Developers Limited	1	0.00
S.K. Gupta and DLF Commercial Developers	1	0.00
Sanjay Goenka and DLF Commercial Developers Limited	1	0.00
Manik Khanna and DLF Commercial Developers Limited	1	0.00
A.P. Garg and DLF Commercial Developers Limited	1	0.00
K.K. Vohra and DLF Commercial Developers Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Real Estates Limited comprises Mr. S.K. Sharma, Mr. S.K. Gupta and Mr. Sanjay Goenka.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.05)
Equity capital (par value Rs.10 per share)	-	-	0.50
Earnings per share (Rs.)	-	-	(0.99)
Book value per equity share (Rs.)	-	-	9.01
Reserves & Surplus			(0.05)

Catriona Builders & Constructions Private Limited

Catriona Builders & Constructions Private Limited was incorporated on March 21, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Catriona Builders & Constructions Private Limited comprises Mr. Krishan Parkash Jhamb & Ms. Inderjeet K. Sidhu.

Financial performance

Catriona Builders & Constructions Private Limited has not completed its first accounting year.

Bhamini Real Estate Developers Private Limited

Bhamini Real Estate Developers Private Limited was incorporated on March 16, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the real estate development

activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Bhamini Real Estate Developers Private Limited comprises Ms. Poonam Madan, Ms. Madhu Gambhir and Ms. Inderjeet K. Sidhu.

Financial performance

Bhamini Real Estate Developers Private Limited has not completed its first accounting year.

Adelie Builders & Developers Private Limited

Adelie Builders & Developers Private Limited was incorporated on March 16, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Adelie Builders & Developers Private Limited comprises Mr. Krishan Parkash Jhamb and Ms. Madhu Gambhir.

Financial performance

Adelie Builders & Developers Private Limited has not completed its first accounting year.

Muafa Real Estates Private Limited

Muafa Real Estates Private Limited was incorporated on March 16, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Muafa Real Estates Private Limited comprises Mr. Puneet Rakheja, Mr. Narinder Duggal and Mr. Rajendra Gupta.

Financial performance

Muafa Real Estates Private Limited has not completed its first accounting year.

Carmen Builders & Constructions Private Limited

Carmen Builders & Constructions Private Limited was incorporated on March 9, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Carmen Builders & Constructions Private Limited comprises Mr. Ankur Jain, Mr. Narinder Duggal and Mr. Rajendra Gupta.

Financial performance

Carmen Builders & Constructions Private Limited has not completed its first accounting year.

DLF Hotels & Resorts Limited

DLF Hotels & Resorts Limited was incorporated on September 22, 2006 and has its registered office at DLF Centre, Sansad Marg, New Delhi 110001. It is engaged in owning/ holding/ operating/ managing/ developing/ marketing franchise hotels, budget hotels, luxury and super luxury hotels, service apartments, revenue management pertaining to hotels, tourist resorts and apartment houses and entertainment of all kinds.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Home Developers Limited	49994	99.99
Sanjay Goenka	1	0.002
S.K. Gupta	1	0.002
A.P. Garg	1	0.002
Gopal Ramdev	1	0.002
Y.N. Sharma	1	0.002
Adesh Gupta	1	0.002

Directors as on November 30, 2006

The Board of Directors of DLF Hotels & Resorts Limited comprises Mr. Surojit Basak, Mr. K. Swarup and Mr. J.K. Chandra.

Financial performance
DLF Hotels & Resorts Limited has not completed its first accounting year.

Delanco Home & Resorts Private Limited

Delanco Home & Resorts Private Limited was incorporated on March, 23, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Annabel Builders & Developers Private Limited	9500	95
Carmen Builders & Constructions Private Limited	500	5

Directors as on November 30, 2006

The Board of Directors of Delanco Home & Resorts Private Limited comprises Mr. Surojit Basak, Ms. Poonam Madan and Mr. V.K. Gupta.

Financial performance

Delanco Home & Resorts Private Limited has not completed its first accounting year.

Isabel Builders & Developers Private Limited

Isabel Builders & Developers Private Limited was incorporated on March, 9, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Isabel Builders & Developers Private Limited comprises Mr. Lovekush Sharma, Mr. Nilesh Ramjiyani, Joydeep Dasgupta and Mr. Mohit Gujral.

Financial performance

Isabel Builders & Developers Private Limited has not completed its first accounting year.

Marala Real Estates Private Limited

Marala Real Estates Private Limited was incorporated on March, 13, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Marala Real Estates Private Limited comprises Ms. Poonam Madan, Mr. Krishan Parkash Jhamb and Ms. Inderjeet K. Sidhu.

Financial performance

Marala Real Estates Private Limited has not completed its first accounting year.

Chandrajyoti Estate Developers Private Limited

Chandrajyoti Estate Developers Private Limited was incorporated on March 10, 2006 and has its registered office at P-39, Basement, NDSE Part-II, New Delhi. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
M/s DLF Commercial Developers Limited	9994	99.94
Mr Sanjay Goenka and DLF Commercial Developers Ltd	1	0.01
Mr Gopal Ramdev and DLF Commercial Developers Ltd	1	0.01
Mr Adesh Gupta and DLF Commercial Developers Ltd	1	0.01
Mr Y.N Sharma and DLF Commercial Developers Ltd	1	0.01
Mr K.K Vohra and DLF Commercial Developers Ltd	1	0.01
Mrs Raj Arora and DLF Commercial Developers Ltd	1	0.01

Directors as on November 30, 2006

The Board of Directors of M/s Chandrajyoti Estate Developers Private Limited comprises Mr. Lovekush Sharma, Mr Rajendra Gupta and Mr Nilesh Ramjiyani.

Financial performance

M/s Chandrajyoti Estate Developers Private Limited has not completed its first accounting year.

DLF Hotel Holdings Limited

DLF Hotel Holdings Limited was incorporated on August 31, 2006 and has its registered office at DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Home Developers Limited	49994	99.98
Sanjay Goenka and DLF Home Developers Limited	1	0.00
S.K. Gupta and DLF Home Developers Limited	1	0.00
A.P. Garg and DLF Home Developers Limited	1	0.00
Y.N. Sharma and DLF Home Developers Limited	1	0.00
Adesh Gupta and DLF Home Developers Limited	1	0.00
Gopal Ram Dev and DLF Home Developers Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of DLF Hotel Holdings Limited comprises Mr. A.D. Rebello, Mr. Surojit Basak, and Mr. Shakti Singh.

Financial performance

DLF Hotel Holdings Limited has not completed its first accounting year.

Galleria Property Management Services Private Limited

Galleria Property Management Services Private Limited was incorporated on March 17, 1999 and subsequently converted into a public company on April 2, 2004. The Company was again converted into a private company on July 2, 2004. The registered office of the Company is situated at Shopping Mall, DLF City, Phase-I, Gurgaon, Haryana 122 022. It is engaged in the business of is engaged in the business of development of real

estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
K.K. Vohra	1	0.01
S.K. Gupta	1	0.01
Beverly Park Maintenance Services Limited	3250	36.11
Richmond Park Property Management Services Limited	3250	36.11
Kirtimaan Builders Limited	1498	16.64
Ujagar Estates Limited	1000	11.11

In addition, Galleria Property Management Services Private Limited has issued 100- 12% non-cumulative redeemable preference shares of Rs 100 each and 4000– 9% non-cumulative redeemable preference shares of Rs 100 each to Kirtimaan Builders Limited.

Directors as on November 30, 2006

The Board of Directors of Galleria Property Management Services Private Limited comprises Mr. Adesh Gupta and Mr. Sanjay Goenka.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	0.01	0.02	408.80
Profit/Loss after tax	(0.20)	(1.51)	2.42
Equity capital (par value Rs.10 per share)	0.09	0.09	0.09
Earnings per share (Rs.)	(22.98)	(167.62)	268.99
Book value per equity share (Rs.)	(12.99)	(181.56)	88.39
Reserves and Surplus	(0.20)	(1.72)	0.71

Jai Luxmi Real Estate Private Limited

Jai Luxmi Real Estate Private Limited was incorporated on August 30, 2004 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
S.K. Gupta and DLF Limited	1	0.00
Goodvalue Properties Private Limited	3750	7.50
Bestvalue Housing and Constructions Private Limited	3750	7.50
DLF Estate Developers Limited	10000	20.00
DLF Commercial Developers Limited	10000	20.00
DLF Limited	22499	45.00

Directors as on November 30, 2006

The Board of Directors of Jai Luxmi Real Estate Private Limited comprises Mr. A.P. Garg, Mr. Manik Khanna and Mr. Y.N. Sharma.

Financial performance

	March 31, 2004	(Rs. million except per share data) March 31, 2005	March 31, 2006
Sales and other income	-	-	-
Profit/Loss after tax	-	(0.06)	(0.01)
Equity capital (par value Rs. 10 per share)	-	0.10	0.50
Earnings per share (Rs.)	-	(5.94)	(0.13)
Book value per equity share (Rs.)	-	4.06	8.68
Reserves and Surplus		(0.06)	(0.07)

Regency Park Property Management Services Private Limited

Regency Park Property Management Services Private Limited was incorporated on March 17, 1999 and subsequently converted into a public limited company on April 13, 2004. The Company was again converted into private company on July 5, 2004. The registered office of the Company is situated at Shopping Mall, DLF City, Phase-I, Gurgaon, Haryana 122 022. It is engaged in the business of is engaged in the business of development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
K.K. Vohra	1	0.01
S.P. Jain	1	0.01
Galleria Property Management Services Private Limited	3250	36.11
Richmond Park Property Management Services Limited	3250	36.11
Kirtimaan Builders Limited	1498	16.64
Ujagar Estates Limited	1000	11.11

In addition, Regency Park Property Management Services Private Limited has issued 100- 12% non-cumulative redeemable preference shares of Rs 100 each and 4000– 9% non-cumulative redeemable preference shares of Rs 100 each to Kirtimaan Builders Limited.

Directors as on November 30, 2006

The Board of Directors of Regency Park Property Management Services Private Limited comprises Mr. Adesh Gupta and Maj. Gen. (Retd.) S. P. Jain.

Financial performance

	March 31, 2004	(Rs. million except per share data) March 31, 2005	March 31, 2006
Sales and other income	0.01	0.03	-
Profit/Loss after tax	(0.01)	(2.86)	(18.76)
Equity capital (par value Rs.10 per share)	0.09	0.09	0.09
Earnings per share (Rs.)	(1.37)	(317.76)	(2083.92)
Book value per equity share (Rs.)	7.07	(310.69)	(2393.10)
Reserves and Surplus	(0.01)	(2.87)	(21.63)

Silver Oaks Property Management Services Limited

Silver Oaks Property Management Services Limited was incorporated on March 17, 1999 as a private limited company and subsequently converted into a public limited company on April 13, 2004. The registered office is situated at Shopping Mall, DLF City, Phase I, Gurgaon-122 002, Haryana. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Manik Khanna and Prompt Real Estate Private Limited	1	0.00
K.K. Vohra and Prompt Real Estate Private Limited	1	0.00
Sandeep Datta and Prompt Real Estate Private Limited	1	0.00
A.P. Garg and Prompt Real Estate Private Limited	1	0.00
S.K. Sharma and Prompt Real Estate Private Limited	1	0.00
Raj Arora and Prompt Real Estate Private Limited	1	0.00
Prompt Real Estate Private Limited	39,994	99.98

In addition, Silver Oaks Property Management Services Limited has issued 3000- 10% non-cumulative redeemable preference shares of Rs 100 each to Prompt Real Estate Private Limited.

Directors as on November 30, 2006

The Board of Directors of Silver Oaks Property Management Services Limited comprises Mr. Adesh Gupta, Mr. Manik Khanna and Mr. S.K. Gupta.

Financial performance

			(Rs. in million except per share data)
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	.47	1.49	.00
Profit/Loss after tax	.40	1.43	(9.39)
Equity capital (par value Rs. 10 per share)	.40	.40	.40
Earnings per share (Rs.)	10.20	35.86	(234.94)
Book value per equity share (Rs.)	16.81	52.67	(182.27)
Reserves & Surplus	.40	1.84	(7.55)

Cee Pee Maintenance Services Limited

Cee Pee Maintenance Services Limited was incorporated on February 2, 1999 as a private limited company and subsequently converted into a public limited company on April 2, 2004. The registered office is situated at Shopping Mall, DLF City, Phase I, Gurgaon-122 002, Haryana. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Adesh Gupta and Prompt Real Estate Private Limited	1	0.00
K.K. Vohra and Prompt Real Estate Private Limited	1	0.00
Sandeep Datta and Prompt Real Estate Private Limited	1	0.00
Manik Khanna and Prompt Real Estate Private Limited	1	0.00
Raj Arora and Prompt Real Estate Private Limited	1	0.00
S.K. Sharma and Prompt Real Estate Private Limited	1	0.00
Prompt Real Estate Private Limited	39,994	99.98

In addition, Cee Pee Maintenance Services Limited has issued 3000- 10% non-cumulative Redeemable preference shares of Rs 100 each to Prompt Real Estate Private Limited.

Directors as on November 30, 2006

The Board of Directors of Cee Pee Maintenance Services Limited comprises Mr. Gopal Ramdev, Mr. Manik Khanna and Mr. Sanjay Goenka.

Financial performance

		(Rs. in million except per share data)	
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	.47	1.38	.00
Profit/Loss after tax	.40	1.29	(8.68)
Equity capital (par value Rs. 10 per share)	.40	.40	.40
Earnings per share (Rs.)	10.17	32.37	(217.15)
Book value per equity share (Rs.)	16.79	50.01	(166.29)
Reserves & Surplus	.40	1.70	(6.98)

Pee Tee Property Management Services Limited

Pee Tee Property Management Services Limited was incorporated on February 2, 1999 as a private limited company and subsequently converted into a public limited company on April 2, 2004. The registered office is situated at Shopping Mall, DLF City, Phase I, Gurgaon-122 002, Haryana. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
K.K. Vohra and Prompt Real Estate Private Limited	1	0.00
Raj Arora and Prompt Real Estate Private Limited	1	0.00
Manik Khanna and Prompt Real Estate Private Limited	1	0.00
Adesh Gupta and Prompt Real Estate Private Limited	1	0.00
Sandeep Datta and Prompt Real Estate Private Limited	1	0.00
S.K. Sharma and Prompt Real Estate Private Limited	1	0.00
Prompt Real Estate Private Limited	39,994	99.98

In addition, Pee Tee Property Management Services Limited has issued 3000- 10% non-cumulative redeemable preference shares of Rs. 100 each to Prompt Real Estate Private Limited, 8000- 10% non-cumulative redeemable preference shares of Rs. 100 each to Comfort Buildcon Private Limited and 12000- 10% non-cumulative redeemable preference shares of Rs. 100 each to Highvalue Builders Private Limited.

Directors as on November 30, 2006

The Board of Directors of Pee Tee Property Management Services Limited comprises Mr. Gopal Ramdev, Mr. Manik Khanna and Mr. Sanjay Goenka.

Financial performance

		(Rs. in million except per share data)	
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	.47	1.38	-
Profit/Loss after tax	.40	1.27	(8.71)
Equity capital (par value Rs. 10 per share)	.40	.40	.40
Earnings per share (Rs.)	10.20	32.00	(217.85)
Book value per equity share (Rs.)	16.82	49.67	(167.33)
Reserves & Surplus	.40	1.68	(7.02)

Comfort Buildcon Private Limited

Comfort Buildcon Private Limited was incorporated on November 13, 2003. The registered office is situated at 1-E, Jhandewalan Extension, New Delhi- 110 055. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
K.K. Vohra and Prompt Real Estate Private Limited	1	0.01
Adesh Gupta and Prompt Real Estate Private Limited	1	0.01
Sanjay Goenka and Prompt Real Estate Private Limited	1	0.01
Raj Arora and Prompt Real Estate Private Limited	1	0.01
Sandeep Datta and Prompt Real Estate Private Limited	1	0.01
S.K. Sharma and Prompt Real Estate Private Limited	1	0.01
Prompt Real Estate Private Limited	9,994	99.94

In addition, Comfort Buildcon Private Limited has issued 4000-9% non-cumulative redeemable preference shares of Rs. 100 each to Prompt Real Estate Private Limited.

Directors as on November 30, 2006

The Board of Directors of Comfort Buildcon Private Limited comprises Mr. A.P. Garg, Mr. Manik Khanna and Mr. Y.N. Sharma.

Financial performance

		(Rs. in million except per share data)	
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	1.39	.00
Profit/Loss after tax	(.00)	1.35	(8.61)
Equity capital (par value Rs. 10 per share)	.10	.10	.10
Earnings per share (Rs.)	(.22)	135.81	(861.30)
Book value per equity share (Rs.)	8.82	145.58	(715.72)
Reserves & Surplus	(.00)	1.35	(7.25)

Sunlight Promoters Private Limited

Sunlight Promoters Private Limited was incorporated on November 13, 2003. The registered office is situated at 1-E, Jhandewalan Extension, New Delhi- 110 055. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
K.K. Vohra and Prompt Real Estate Private Limited	1	0.01
Adesh Gupta and Prompt Real Estate Private Limited	1	0.01
A. P. Garg and Prompt Real Estate Private Limited	1	0.01
Raj Arora and Prompt Real Estate Private Limited	1	0.01
Sandeep Datta and Prompt Real Estate Private Limited	1	0.01
S.K. Sharma and Prompt Real Estate Private Limited	1	0.01
Prompt Real Estate Private Limited	9,994	99.94

In addition, Sunlight Promoters Private Limited has issued 4000- 9% non-cumulative redeemable preference shares of Rs 100 each to Prompt Real Estate Private Limited.

Directors as on November 30, 2006

The Board of Directors of Sunlight Promoters Private Limited comprises Mr. Gopal Ramdev, Mr. Manik Khanna and Mr. Y.N. Sharma.

Financial performance

	(Rs. in million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	1.39	.01
Profit/Loss after tax	(.00)	1.35	(8.61)
Equity capital (par value Rs. 10 per share)	.10	.10	.10
Earnings per share (Rs.)	(0.22)	135.82	(861.29)
Book value per equity share (Rs.)	8.83	145.60	(715.68)
Reserves & Surplus	(.00)	1.35	(7.25)

Highvalue Builders Private Limited

Highvalue Builders Private Limited was incorporated on May 13, 2004. The registered office is situated at 1-E, Jhandewalan Extension, New Delhi- 110 055. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
K.K. Vohra and Prompt Real Estate Private Limited	1	0.01
Adesh Gupta and Prompt Real Estate Private Limited	1	0.01
Sanjay Goenka and Prompt Real Estate Private Limited	1	0.01
Raj Arora and Prompt Real Estate Private Limited	1	0.01
Sandeep Datta and Prompt Real Estate Private Limited	1	0.01
S.K. Sharma and Prompt Real Estate Private Limited	1	0.01
Prompt Real Estate Private Limited	9,994	99.94

In addition, Highvalue Builders Private Limited has issued 4000- 9% non-cumulative redeemable preference shares of Rs. 100 each to Prompt Real Estate Private Limited.

Directors as on November 30, 2006

The Board of Directors of Highvalue Builders Private Limited comprises Mr. Gopal Ramdev, Mr. S.K. Gupta and Mr. Y.N. Sharma.

Financial performance

	(Rs. in million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	1.39	.01
Profit/Loss after tax	-	1.35	(8.61)
Equity capital (par value Rs. 10 per share)	-	.10	.10
Earnings per share (Rs.)	-	135.98	(861.40)
Book value per equity share (Rs.)	-	145.97	(715.37)
Reserves & Surplus	-	1.35	(7.25)

Dominga Builders & Constructions Private Limited

Dominga Builders & Constructions Private Limited was incorporated on March 10, 2006. Registered Office of the Company is situated at P-39, Basement, NDSE, Part II, New Delhi-110 049. It is engaged in real estate development business.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Home Developers Limited	49994	99.97
S.K. Gupta and DLF Home Developers Limited	1	0.00
A.P. Garg and DLF Home Developers Limited	1	0.00
Y.N. Sharma and DLF Home Developers Limited	1	0.00
Adesh Gupta and DLF Home Developers Limited	1	0.00
Sanjay Goenka and DLF Home Developers Limited	1	0.00
S.K. Sharma and DLF Home Developers Limited	1	0.00

Directors as on November 30, 2006

The Board of Directors of the Dominga Builders & Constructions Private Limited comprises Mr. Puneet Rakheja, Mr. Rajendra Gupta and Mr. S.K. Sharma.

Financial performance

Dominga Builders & Constructions Private Limited has not completed its first accounting year.

Necia Builders and Developers Private Limited

Necia Builders and Developers Private Limited was incorporated on March 16, 2006 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049 and is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	9994	99.94
Joy Saxena and DLF Retail Developers Limited	1	0.01
Atul Goyal and DLF Retail Developers Limited	1	0.01
Gopal Ramdev and DLF Retail Developers Limited	1	0.01
Ankur Jain and DLF Retail Developers Limited	1	0.01
Neeraj Jain and DLF Retail Developers Limited	1	0.01
Pankaj Jain and DLF Retail Developers Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Necia Builders and Developers Private Limited comprises Ms. Inderjeet K Sidhu, Ms. Poonam Madan and Ms. Madhu Gambhir.

Financial performance

Necia Builders and Developers Private Limited has not completed its first accounting year.

Pat Infrastructures Private Limited

Pat Infrastructures Private Limited was incorporated on July12, 2006 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049 and is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	9994	99.94
Sanjay Goenka and DLF Retail Developers Limited	1	0.01
Gopal Ramdev and DLF Retail Developers Limited	1	0.01
Atul Goyal and DLF Retail Developers Limited	1	0.01
Joy Saxena and DLF Retail Developers Limited	1	0.01
Neeraj Jain and DLF Retail Developers Limited	1	0.01
Pankaj Jain and DLF Retail Developers Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Pat Infrastructres Private Limited comprises Mr. Joy Saxena and Mr. Bhupesh Gupta.

Financial performance

Pat Infrastructres Private Limited has not completed its first accounting year.

Annabel Builders & Developers Private Limited

Annabel Builders & Developers Private Limited was incorporated on March 10, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in the real estate development activities.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on November 30, 2006

The Board of Directors of Annabel Builders & Developers Private Limited comprises Mr. S.K. Pandey, Mr. Ankur Jain and Mr. Joydeep Dasgupta.

Financial performance

Annabel Builders & Developers Private Limited has not completed its first accounting year.

DLF Cyber City Developers Limited

DLF Cyber City Developers Limited was incorporated by conversion of DLF Cyber City, a partnership firm in to a limited company under Part IX of the Companies Act, 1956, on March 2, 2006. It has its registered office at Shopping Mall, 3rd Floor, Arjun Marg, Phase-I, DLF City, Gurgaon 122 002. It is engaged in the business of developing, setting up and maintenance of cyber city, technology parks & software parks.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Silver Oaks Property Management Services Limited	65000	13
Cee Pee Maintenance Services Limited	60000	12
Pee Tee Property Management Services Limited	60000	12
Comfort Buildcon Private Limited	60000	12
Sunlight Promoters Private Limited	60000	12
Prompt Real Estates Private Limited	60000	12
High Value Builders Private Limited	60000	12
DLF Limited	25000	5
DLF Retail Developers Limited	25000	5
DLF Housing & Construction Limited	25000	5

Directors as on November 30, 2006

The Board of Directors comprises Mr. Ramesh Sanka, Mr S.K. Gupta, Mr Sanjay Goenka, Mr. A.S. Minocha and Vinay Verma.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	55.77
Profit/Loss after tax	-	-	13.37
Equity capital (par value Rs. 10 per share)	-	-	5
Earnings per share (Rs.)	-	-	26.75
Book value per equity share (Rs.)	-	-	36.75
Reserves & Surplus	-	-	13.37

Catherine Builders and Developers Private Limited

Catherine Builders and Developers Private Limited was incorporated on March 10, 2006 and our registered office is situated at P–39, Basement, NDSE, Part II, New Delhi 110 049. Catherine Builders and Developers Private Limited is engaged in the business of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Home Developers Ltd.	9994	99.94
Adesh Gupta and DLF Home Developers Ltd.	1	0.01
Sanjay Goenka and DLF Home Developers Ltd.	1	0.01
Manik Khanna and DLF Home Developers Ltd.	1	0.01
Y.N. Sharma and DLF Home Developers Ltd.	1	0.01
S.K. Sharma and DLF Home Developers Ltd.	1	0.01
S.K. Gupta and DLF Home Developers Ltd.	1	0.01

Board of Directors as on November 30, 006

The Board of Directors of Catherine Builders and Developers Private Limited comprises Mr. Nilesh Ramjiyani, Mr. Ankur Jain and Mr. Puneet Rakheja.

Financial performance

Catherine Builders and Developers Private Limited has not completed its first accounting year.

Eila Builders & Developers Private Limited

Eila Builders & Developers Private Limited was incorporated on January 2, 2006 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Limited	9994	99.94
Sanjay Goenka and DLF Limited	1	0.01
Manik Khanna and DLF Limited	1	0.01
Adesh Gupta and DLF Limited	1	0.01
A.P. Garg and DLF Limited	1	0.01
Sandeep Datta and DLF Limited	1	0.01
Raj Arora and DLF Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Eila Builders & Developers Private Limited comprises Mr. Atul Goyal, Mr. Manjit Singh and Mr. Agam Gupta.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.01)
Equity capital (par value Rs. 10 per share)	-	-	0.10
Earnings per share (Rs.)	-	-	(0.87)
Book value per equity share (Rs.)	-	-	9.13
Reserves & Surplus			(0.01)

Ayushi Builders & Developers Private Limited

Ayushi Builders & Developers Private Limited was incorporated on December 12, 2005 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	**No. of shares**	**%**
DLF Home Developers Limited	9994	99.94
Adesh Gupta and DLF Home Developers Limited	1	0.01
Sanjay Goenka and DLF Home Developers Limited	1	0.01
S.K. Sharma and DLF Home Developers Limited	1	0.01
K.K. Vohra and DLF Home Developers Limited	1	0.01
Manik Khanna and DLF Home Developers Limited	1	0.01
Gopal Ram Dev and DLF Home Developers Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Ayushi Builders & Developers Private Limited comprises Mr. Agam Gupta, Mr. Manjit Singh and Mr. Y.N. Sharma.

Financial performance

	(Rs. million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.58)
Equity capital (par value Rs. 10 per share)	-	-	0.10
Earnings per share (Rs.)	-	-	(58.48)
Book value per equity share (Rs.)	-	-	(48.48)
Reserves & Surplus			(0.58)

Anjuli Builders & Developers Private Limited

Anjuli Builders & Developers Private Limited was incorporated on December 12, 2005 and has its registered office at P-39, Basement, N.D.S.E., Part II, New Delhi 110 049. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
DLF Home Developers Limited	9994	99.94
Adesh Gupta and DLF Home Developers Limited	1	0.01
Sanjay Goenka and DLF Home Developers Limited	1	0.01
S.K. Sharma and DLF Home Developers Limited	1	0.01
K.K. Vohra and DLF Home Developers Limited	1	0.01
Manik Khanna and DLF Home Developers Limited	1	0.01
Gopal Ram Dev and DLF Home Developers Limited	1	0.01

Directors as on November 30, 2006

The Board of Directors of Anjuli Builders & Developers Private Limited comprises Mr. Agam Gupta, Mr. Manik Khanna and Mr. Y.N. Sharma.

Financial performance

		(Rs. million except per share data)	
	March 31, 2004	March 31, 2005	March 31, 2006
Sales and other income	-	-	-
Profit/Loss after tax	-	-	(0.33)
Equity capital (par value Rs.10 per share)	-	-	0.10
Earnings per share (Rs.)	-	-	(32.72)
Book value per equity share (Rs.)	-	-	(22.72)
Reserves & Surplus			(0.33)

Galaxy Mercantiles Limited

Galaxy Mercantiles Limited was originally incorporated on June 2, 1980 as Galaxy Properties Private Limited. Subsequently, it was converted into a public company with effect from September 18, 1986. Further, Galaxy Properties Limited changed its name to Galaxy Mercantiles Limited on October 3, 1986. At incorporation, its registered office was situated at B-72, Himalaya House, 7th Floor, 23, K.G. Marg, New Delhi 110 001 and shifted on to K- 101, Hauz Khas, New Delhi with effect from February 9, 1983, and thereafter shifted to A–23, New Office Complex, Defence Colony, New Delhi 110 024 from December 5, 1987. With effect from May 5, 2006 our registered office shifted to the second floor of A–23, New Office Complex, Defence Colony, New Delhi 110 024. On November 2, 2006 Galaxy Mercantiles Limited have filed a petition before the Company Law Board for change of the registered office from one state to another i.e. from present address to the state of Haryana, which is currently pending before the Company Law Board. Galaxy Mercantiles Limited is engaged in the business of contractors for construction of roads, buildings, houses, hotels etc.

Shareholders as on November 30, 2006

A) Equity Shares

Shareholder	No. of shares	%
Deluxe Investments Pvt. Ltd.	825	2.43
Eastern India Power & Minning Co. Ltd.	10	0.03
IST Limited	10	0.03
Antique Investment Co. Ltd.	10	0.03
GPC Technology Ltd.	10	0.03
Mrs. Sarla Gupta	755	2.22
IST Technology Infrastructure Pvt. Ltd.	5000	14.73
DSL Properties Pvt. Ltd.	3312	9.76
Riddhi Softech Pvt. Ltd.	3308	9.74
DLF Commercial Developers Ltd.	20709	61.00

B) Preference Shares*

Shareholder	No. of shares	%
IST Technology Infrastructure Pvt. Ltd.	574000	47.83
Delux Investments Pvt. Ltd.	5000	0.42
Eastern India Power & Minning Co. Ltd.	21000	1.75
DSL Properties Pvt. Ltd.	300000	25.00
Riddhi Softech Pvt. Ltd.	300000	25.00

* *0.5% cumulative redeemable preference shares (series – A) of Rs. 100 each.*

Directors as on November 30, 2006

The Board of Directors of Galaxy Mercantiles Limited comprises Mr. S.S. Chawla, Mr. Jaykrishna Subrahmanian, Mr. Vinay Verma, Mr. Nirmal Singh, Mr. S.C. Jain, and Mr. N. M. Kakrania.

Financial performance

			(Rs. in million except per share data)
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	0.00	0.00	1.40
Profit/Loss after tax	-	(0.01)	(2.98)
Equity capital (par value Rs. 10 per share)	1.32	1.32	1.32
Earnings per share (Rs.)	0.00	0.00	(207.40)
Book value per equity share (Rs.)	329.76	329.01	104.17

Paliwal Real Estate Private Limited

Paliwal Real Estate Private Limited was incorporated on November 13, 2003 and subsequently converted into a public limited company on April 20, 2004. The Company was again converted into private limited company on May 16, 2005. The registered office is situated at DLF Centre, Sansad Marg, New Delhi-110 001. It is engaged in the business of acquisition and development of real estate.

Shareholders as on November 30, 2006

Shareholder	No. of shares	%
Manik Khanna and Diwakar Estates Limited	1	0.0
Raj Arora and Diwakar Estates Limited	1	0.0
Adesh Gupta and Diwakar Estates Limited	1	0.0
Y.N. Sharma and Diwakar Estates Limited	1	0.0
Sandeep Datta and Diwakar Estates Limited	1	0.0
Sanjay Goenka and Diwakar Estates Limited	1	0.0
Diwakar Estates Limited	9,994	1.00
DLF Limited	10,00,000	99.00

In addition, Paliwal Real Estate Private Limited has issued 25000-9% non-cumulative redeemable preference shares of Rs. 100 each to Diwakar Estates Limited.

Directors as on November 30, 2006

The Board of Directors of Paliwal Real Estate Private Limited comprises Mr. A. P. Garg, Mr. K.K. Vohra and Mr. Gopal Ramdev.

Financial performance

	(Rs. in million except per share data)		
	March 31, 2004	**March 31, 2005**	**March 31, 2006**
Sales and other income	.00	.06	.14
Profit/Loss after tax	(.05)	(.17)	.05
Equity capital (par value Rs. 10 per share)	.10	5.10	5.10
Earnings per share (Rs.)	(5.38)	(0.79)	0.12
Book value per equity share (Rs.)	3.67	22.27	22.39
Reserves & Surplus	(.05)	(.22)	(.16)

Details of the Promoter Group Companies

For details pertaining to the Promoter Group Companies, please refer to [●].

Certain Matters in Relation to the DSE

During the period of our listing on the DSE, we received notices from them identifying various instances of non-compliance with the conditions of the listing agreement with the exchange. Particulars of these notices are set out below:

- *Letter DSE/Non-Comp/02/2003/3015 dated February 26, 2003:* Failure to submit the distribution schedule for and to file audited results for specified periods;

- *Letter DSE/LIST/8984/R/254 dated April 21, 2003:* Failure to submit the distribution schedule, annual reports, quarterly, half yearly and annual results and price sensitive information or information having bearing on performance of our Company, failure to submit a certificate from a company secretary for specified periods, and a failure to pay the necessary listing fees;

- *Letter DSE/Non-Comp/04/2003/3015 dated April 29, 2003:* Failure to submit the distribution schedule, file audited results and to pay the necessary listing fees;

- *Letter DSE/LIST/R/159 dated May 17, 2003:* Failure to submit the distribution schedule, annual reports, copies of all notices of meetings, results for specified fiscals, failure to intimate the date of book closure and a failure to submit a certificate from a practicing company secretary; and

- *Letter DSE/NOT-CSR/07/2003/3015 dated July 10, 2003:* Failure to furnish a copy of the compliance certificate and a confirmation on whether an agency for share registry work had been appointed.

In addition to the above, we received a letter from DSE (Letter DSE/LIST 3015/R/195 dated March 25, 2003) stating that our Company had failed to submit information under Regulation 8 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 within the stipulated time frames for fiscal 1998, 1999, 2000 and 2001. We were directed to submit this information in prescribed form along with applicable penalty. Further, we were directed to submit details under Regulations 6(1), 6(3), 8(1) and (2).

Our Company has communicated its responses and its submissions as requested by the DSE in relation to all of the notices and there are no outstanding issues in this regard. No penalties have been levied by the stock exchange us in this behalf.

Investor Grievances and Complaints

In fiscal 2006, our Company had offered for subscription on rights basis to our existing shareholders 3,508,007 unsecured debentures, which were optionally, fully or partly convertible at par or at premium. The offer was made to the shareholders of our Company as on November 18, 2005. The offer had opened on December 29, 2005 and closed on January 18, 2006 and 3,426,024 debentures were issued for the applications received during the specified time period.

Subsequently, we had received approximately 135 complaints from various shareholders of our Company pertaining to non-receipt of the letter of offer for issue of debentures on a rights basis. On October 10, 2006, the Board decided to revive and revalidate not exceeding 81,983 debentures, which were not subscribed to by the

shareholders to redress the grievances of the shareholders and to allot such shareholders the debentures according to their entitlement in terms of the rights issue. The decision of our Board was approved by the shareholders in an EGM held on November 14, 2006. Consequently, on November 24, 2006, December 5, 2006 and December 22, 2006, an aggregate of 44,471 debentures were allotted with attendant benefits (i.e. conversion into equity shares and bonus in the ratio of 7:1). Upon conversion of 44,471 debentures and issuance of bonus shares, an aggregate of 17,788,400 Equity Shares were issued on November 24, 2006, December 5, 2006 and December 22, 2006. In the event, to redress the grievances of the shareholders, the remaining 37,512 debentures are issued with attendant benefits, our issued equity share capital may increase by 15,004,800 Equity Shares.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Our Promoters are Mr. K P Singh, Mr. Rajiv Singh, Sidhant Housing and Development Company and Panchsheel Investment Company.

Mr. K. P. Singh, age 74 years, (passport number: Z1378740, voter identity number: not available, driving license number: P02042001118999) is the Chairman of our Company. He is a graduate in science from Meerut College and has attended the Indian Military Academy at Dehradun. Mr. Singh served in the Indian army and has over 43 years of experience in the real estate industry. Mr. Singh has held several important industrial, financial and diplomatic positions including being a member of the International Advisory Board of Directors of General Electric, and presently, he is an honorary Consul General to the Principality of Monaco. He was a director of the Central Board of Reserve Bank of India and is a Member-Executive Committee, Federation of Indian Chambers of Commerce and Industry; Member-Governing Council, Construction Industry Development Council. He was also the president of ASSOCHAM. He is also on the governing board of several educational institutions and is a trustee of number of public charitable trusts. Mr. Singh has been awarded with 'The Samman Patra Award' for being one of the top taxpayers in fiscal 2000 and 'The Delhi Ratna Award' for his valuable contribution to Delhi in 2005. In 2005, he was recognized by Times of India as a key contributor to the development of Delhi.

Mr. Rajiv Singh, age 47 years, (passport number: Z1378826, voter identity number: not available, driving license number: P02051999106458) is the Vice Chairman of our Company. He is a graduate in mechanical engineering from Massachusetts Institute of Technology (MIT); U.S.A. Mr. Singh has over 25 years of professional experience in the real estate industry. Mr. Singh directs the strategy as well as oversees the operations of the Company's residential, commercial, retail, infrastructure, hotels and SEZs business lines. In December 2005, Mr. Singh was awarded 'The Udyog Ratna Award' for 'Valuable Contributions to Economic Development of Haryana'.

For details of the terms of appointment of Mr. K. P. Singh and Mr. Rajiv Singh as our Directors, see the section titled "Our Management" beginning on page [•].

SIDHANT HOUSING AND DEVELOPMENT COMPANY
(A private company with unlimited liability)

The company was incorporated as a private company with unlimited liability under the Companies Act, on March 25, 1988 (company registration No: 55-31092, permanent account no: AAACS0115k, bank account no: 000705004071). The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in shares of group companies. The promoters of the company are Mr. K.P. Singh, Mr. Rajiv Singh, Panchsheel Investment Company, Haryana Electrical Udyog Private Limited, Buland Consultants & Investment Private Limited and Rajdhani Investments & Agencies Private Limited.

Details of Promoters of Sidhant Housing And Development Company

a) *Mr. K.P. Singh:* As given above under the section titled "our promoters".

b) *Mr. Rajiv Singh:* As given above under the section titled "our promoters".

c) *Panchsheel Investment Company:* As given below under the section titled "our promoters".

d) *Haryana Electrical Udyog Private Limited:* The company was incorporated as a private limited company under the Companies Act on June 16, 1972. The registered office of the company is situated at Shopping Mall, DLF Qutab Enclave Complex, Phase-I, Gurgaon, Haryana 122 002. The company invests in the shares of group companies. The promoters of the company are Rajdhani Investments & Agencies Private Limited, Buland Consultants & Investment Private Limited and Panchsheel Investment Company.

e) *Buland Consultants & Investment Private Limited:* The company was incorporated as a private limited company under the Companies Acton September 19, 1972. The company has changed its registered office from Civil Lines, adjacent to telephone exchange, Bulandshahar (U.P.) to Commercial Plot No-003, Block-M, Sector-18, Noida (U.P.) on March 18, 2005. The company invests in the shares of group companies. The promoters of the company are Rajdhani Investments & Agencies Private Limited, Haryana Electrical Udyog Private Limited and Panchsheel Investment Company

f) *Rajdhani Investments & Agencies Private Limited:* The company was incorporated as a private limited company under the Companies Acton November 27, 1972 with its registered office situated at Shopping Mall, DLF Qutab Enclave Complex, Phase-I, Gurgaon-122002, Haryana. The company invests in shares of group companies. The promoters of the company are Haryana Electrical Udyog Private Limited, Buland Consultants & Investment Private Limited and Panchsheel Investment Company.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Ordinary 'A' Shares of Rs. 100 each	Mr. Rajiv Singh	1	0.09
	Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust)	101	9.15
	Panchsheel Investment Company*	250	22.69
	Haryana Electrical Udyog Private Limited	250	22.69
	Buland Consultants & Investment Private Limited	250	22.69
	Rajdhani Investments & Agencies Private Limited	250	22.69

* a private company with unlimited liability.

In addition to above, the company's capital has 21896 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust).

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Mr. Rajiv Singh.

There has been no change in the management of the company.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Ordinary "A" Capital	110	110	110
Ordinary "B" Capital*	2,700	2,700	2,700
Reserves (excluding revaluation reserves)	15,515	12,052	8,659
Income	3,714	3,682	3,500
Profit After Tax	3,463	3,392	3,256
Earnings per Ordinary "A" share (In Rs.)	3,142.42	3,078.47	2,955.06
Book value per ordinary "A" share (In Rs.)	14,178.95	11,036.30	7,957.35

* Right to equal dividend as ordinary "A" share, with no voting rights or participation in the surplus in the event of winding up of the company.

PANCHSHEEL INVESTMENT COMPANY
(A private company with unlimited liability)

The company was incorporated as a private company with unlimited liability under the Companies Act, on October 18, 1973 with its registered office at DLF Centre, Sansad Marg, New Delhi 110 001 (company registration no: 55-6898, permanent account no: AAACP6938R, bank account no: 000705004074). The company is registered as a non-banking financial company under the Reserve Bank of India Act, 1934 and invests in the shares of group companies. The promoters of the company are Mr. K.P. Singh, Mr. Rajiv Singh, Haryana Electrical Udyog Private Limited, Rajdhani Investments & Agencies Private Limited and Buland Consultants & Investment Private Limited.

Details of Promoters of Panchsheel Investment Company: details of the promoters of Panchsheel Investment Company are as given above under the heading "our promoters".

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Rs. 100 each	Haryana Electrical Udyog Private Limited	334	33.4
	Rajdhani Investments & Agencies Private Limited	333	33.3
	Buland Consultants & Investment Private Limited	333	33.3

In addition to above, the Company's capital has 14,992 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P. Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust).

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Mr. Rajiv Singh.

Change in the management of the company

There has been no change in the management of the company.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	15,732	1,2874	10,179
Income	2,977	2,803	2,806
Profit After Tax	2,857	2,696	2,696
Earnings per share (In Rs.)	2,857.17	2,695.63	2,696.22
Book value per share (In Rs.)	15,832.00	12,974.00	10,279.00

Interest in promotion of our Company

Our Company had been incorporated by Mr. K.P. Singh amongst others. For this purpose, he had subscribed to our Memorandum of Association and to the initial issue of our equity shares.

Interest in the property of our Company

The Promoters do not have any interest in any property acquired by our Company within two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Payment of benefits to our Promoters during the last two years

Except as stated in the section titled "Financial Statements - Related Party Transactions" beginning on page [•], there has been no payment of benefits to our Promoters during the last two years from the date of filing of this Draft red Herring Prospectus.

Related Party Transactions

For details of the related party transactions, see the section titled "Financial Statements- Related Party Transactions" beginning on page [•].

Other Undertakings and Confirmations

We undertake that the details of the permanent account numbers, bank account numbers and passport numbers (for individuals), company registration number and the addresses of the registrar of companies where our Promoter companies are registered will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus with the Stock Exchanges.

Further, our Promoters have confirmed that they have not been detained as willful defaulters by the RBI or any other Governmental authority and, except for those disclosed in the section titled "History and Certain Corporate Matters" and "Risk Factors" on page [•] and [•], respectively, there are no violations of securities laws committed by them in the past or are pending against them.

Promoter Group Companies & Entities

In addition to our Promoters the following individuals (being the immediate relatives of our Promoters), companies and entities shall form part of our Promoter group:

1. Mrs. Indira K.P. Singh
2. Mrs. Kavita Singh
3. Ms. Savitri Singh
4. Ms. Anushka Singh
5. Ms. Pia Singh
6. Mrs. Renuka Talwar
7. Mrs. Vikram Devi Singh
8. Adept Real Estate Developers Private Limited
9. Aeshya Estates Private Limited

10. Altamount Real Estate Developers Private Limited
11. Angus Builders & Developers Private Limited
12. Anubhav Apartments Private Limited
13. Aquarius Builders & Developers Private Limited
14. Arihant Housing Company
15. Bansal Development Company Private Limited
16. Belicia Builders & Developers Private Limited
17. Beverly Park Operation And Maintenance Services Private Limited
18. Buland Consultants & Investment Private Limited
19. Centre Point Property Management Services Private Limited
20. Cian Builders & Developers Private Limited
21. Digital Talkies Private Limited
22. DLF Assets Private Limited
23. DLF Investments Private Limited
24. Excel Housing Construction Private Limited
25. Glaze Builders & Developers Private Limited
26. Haryana Electrical Udyog Private Limited
27. Herminda Builders & Developers Private Limited
28. Hitech Property Developers Private Limited
29. Jhandewalan Ancillaries And Investments Private Limited
30. Kohinoor Real Estates Company
31. Lyndale Holdings Private Limited
32. Maaji Properties And Development Company
33. Macknion Estates Private Limited
34. Madhukar Housing And Development Company
35. Madhur Housing & Development Company
36. Magna Real Estate Developers Private Limited
37. Mallika Housing Company
38. Megha Estates Private Limited
39. Nachiketa Real Estates Private Limited
40. Northern India Theatres Private Limited
41. Panchvati Estates Private Limited
42. Parvati Estates Private Limited
43. Prem Traders & Investments Private Limited
44. Pushpak Builders And Developers Private Limited
45. Pushpavali Builders & Developers Private Limited
46. Raisina Agencies & Investments Private Limited
47. Rajdhani Investments & Agencies Private Limited
48. Renkon Agencies Private Limited
49. Sagarika Real Estate Developers Private Limited
50. Sambhav Housing And Development Company
51. Sanidhya Constructions Private Limited
52. Savitri Studs & Farming Company Private Limited
53. Solace Housing And Construction Private Limited
54. Sukh Sansar Housing Private Limited
55. Sukomal Builders & Developers Private Limited
56. Sulekha Builders & Developers Private Limited
57. Super Mart One Property Management Services Private Limited
58. Super Mart Two Property Management Services Private Limited
59. Trinity Housing And Construction Company
60. Udyan Housing And Development Company
61. Ultima Real Estate Developers Private Limited
62. Universal Management & Sales Private Limited
63. Upeksha Real Estate Developers Private Limited
64. Uplift Real Estate Developers Private Limited
65. Urva Real Estate Developers Private Limited
66. Uttam Builders And Developers Private Limited
67. Uttam Real Estates Company
68. Vishal Foods And Investments Private Limited
69. Yashika Properties And Development Company

Mr. K.P. Singh and Mrs. Vikram Devi Singh (sister of Mr. K.P. Singh) have entered into a business separation agreement dated May 5, 2006, whereby they have, inter alia, decided not to influence or hold any interest in the respective businesses of the other. Accordingly, the details of ventures and companies, which Mrs. Vikram Devi Singh has promoted or in which she holds substantial shareholding, have not been disclosed in this Draft Red Herring Prospectus.

The details of our Promoter group companies are as below:

Adept Real Estate Developers Private Limited

The company was incorporated on July 25, 2005 as a private limited company under the Companies Act. Its registered office is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in the real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 10 each	Raisina Agencies & Investments Private Limited	5,000	50
	Universal Management & Sales Private Limited		
		5,000	50

In addition to above, the company's capital has 4,000 - 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Centre Point Property Management Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. M. S. Rathee, Mr. K. K. Vohra and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) **Fiscal 2006**
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.10)
Book value per share (in Rs.)	7.90

Altamount Real Estate Developers Private Limited

The company was incorporated on July 13, 2005 as a private limited company under the Companies Act having its registered office at DLF Centre, Sansad Marg, New Delhi 110 001, for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 10 each	Raisina Agencies & Investments Private Limited	5,000	50
	Mallika Housing Company*		
		5,000	50

* *A private company with unlimited liability.*

In addition to above, the company's capital has 4,000- 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Centre Point Property Management Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. M. S. Rathee; and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) **Fiscal 2006**
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.12)
Book value per share (in Rs.)	7.88

Aquarius Builders & Developers Private Limited

The company was incorporated on July 13, 2005 as a private limited company under the Companies Act. Its registered office is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in the real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 10 each	Prem Traders & Investments Private Limited	5,000	50
	Jhandewalan Ancillaries and Investments Private Limited		
		5,000	50

In addition to above, the company's capital has 4,000- 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Super Mart Two Property Management Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. Mahendra Singh and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) Fiscal, 2006
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.12)
Book value per share (in Rs.)	7.88

Aeshya Estates Private Limited.

The company was incorporated on October 30, 1991 as a private limited company under the Companies Act. The company was converted into public limited company on August 17, 2001. The company was again converted into a private limited company on May 26, 2005. The registered office of the company is currently located at Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase I, Gurgaon-122 002, Haryana. The company is involved in real estate business through partnerships firms.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity shares of Rs. 10 each	Y. N. Sharma & Panchvati Estates Pvt. Ltd.	1	0.05
	Raj Arora & Panchvati Estates Pvt. Ltd.	1	0.05
	A. P. Garg & Panchvati Estates Pvt. Ltd.	1	0.05
	Adesh Gupta & Panchvati Estates Pvt. Ltd.	1	0.05
	Manik Khanna & Panchvati Estates Pvt. Ltd.	1	0.05
	Sanjay Goenka & Panchvati Estates Pvt. Ltd.	1	0.05
	Panchvati Estates Pvt. Ltd.	1,874	99.70

In addition to above, the company's capital has 4812- 12% non-cumulative redeemable preference shares of Rs.100 each in the name of Panchvati Estates Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Maj. Gen. Narinder Lal Bery (Retd.), Mrs. Razia Javeri, Mr. S. K. Gupta, Mrs. Punam Singh and Mr. K. K. Vohra.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated) Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	19	19	19
Reserves (excluding revaluation reserves)	179,144	56,085	12,601
Income	123,148	43,512	2,179
Profit After Tax	123,059	43,484	2,173
Earnings per share (In Rs.)	65,457	23,130.00	1,156.00
Book value per share (In Rs.)	95,299.47	29,842.02	6,712.77

Arihant Housing Company

The company was incorporated on March 25, 1988 as a private company with unlimited liability under the Companies Act. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mrs. Indira K.P.Singh	10	2.50
	Ms. Pia Singh	10	2.50
	Mr. K.P.Singh	10	2.50
	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	370	92.50

In addition to above, the Company's capital has 13% non-cumulative redeemable preference shares of Rs. 100 each, 3200 shares in the name of Raisina Agencies & Investments Private Limited and 5,000 shares in the name of Savitri Studs & Farming Company Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises

1. Mr. K. P. Singh;
2. Mrs. Indira K. P. Singh; and
3. Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

			(Rs. in 000's, unless otherwise stated)
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	4	4	4
Reserves (excluding revaluation reserves)	8	5	1
Income	20	20	19
Profit After Tax	3	4	2
Earnings per share (In Rs.)	6.36	9.87	4.41
Book value per share (In Rs.)	30.00	22.50	12.50

Anubhav Apartments Private Limited

The company was incorporated on March 11, 1988 as a private limited company under the Companies Act. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mrs. Indira K.P.Singh	510	1.39
	Mr. K.P.Singh	34,999	95.58
	Mr. Rajiv Singh	510	1.39
	Mrs. Renuka Talwar	300	0.82
	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	300	0.82
	Panchsheel Investment Company*	1	0.00#

rounded off to nil.
* a private company with unlimited liability.

In addition to above, the Company's capital has 5000-13% non-cumulative redeemable preference shares of Rs. 100 each in the name of Mr. K.P.Singh.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

			(Rs. in 000's, unless otherwise stated)
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	366	366	366
Reserves (excluding revaluation reserves)	11	5	-
Income	21	21	20
Profit After Tax	6	5	1
Earnings per share (In Rs.)	0.17	0.14	0.04
Book value per share (In Rs.)	10.29	10.13	9.99

Angus Builders & Developers Private Limited

The company was incorporated as a private company on March 10, 2006. The registered office of the company was situated at P-39, Basement, NDSE, Part-II, New Delhi - 110049. With effect from June 1, 2006, the registered office of the company was shifted to DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in the real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Ms. Anushka Singh	9996	99.96
	Mr. Rajiv Singh	2	0.02
	Mrs. Kavita Singh	2	0.02

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Rajiv Singh and Mrs. Kavita Singh.

Financial Performance

As the company was incorporated on March 10, 2006, hence no audited financial statements are available.

Bansal Development Company Private Limited

The company was incorporated on December 8, 1971 as a private limited company under the Companies Act. The registered office of the company is situated at Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase I, Gurgaon-122 002, Haryana. The company is engaged in the real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 10 each	A. P. Garg & Diwakar Estates Limited	1	0.00#
	Sanjay Goenka & Diwakar Estates Limited	1	0.00#
	S. K. Gupta & Diwakar Estates Limited	1	0.00#
	Gopal Ramdev & Diwakar Estates Limited	1	0.00#
	Adesh Gupta & Diwakar Estates Limited	1	0.00#
	Y. N. Sharma & Diwakar Estates Limited	1	0.00#
	Diwakar Estates Limited	16,314	1.08
	Savitri Studs & Farming Company Private Limited	14,80,000	97.57
	Prem Traders & Investments (P) Limited	10,000	0.66
	Jhandewalan Ancillaries and Investments Private Limited	10,000	0.66
Equity A Shares of Rs. 10 each*	Ms. Pia Singh	500	0.03

rounded off to nil.
* with no voting rights.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Brig. (Retd.) Narendra Pal Singh, Mr. Mahendra Singh, Mrs. Punam Singh and Mr. K. K. Vohra.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	7,663	7,663	163
Equity "A" Capital*	5	-	-
Reserves (excluding revaluation reserves)	628	446	571
Income	339	141	220
Profit After Tax	182	(125)	41
Earnings per equity share (In Rs.)	0.24	(0.38)	2.52
Book value per equity share (In Rs.)	10.82	10.58	449.75

*With no voting right

Beverly Park Operation And Maintenance Services Private Limited

The company was incorporated on February 2, 1999 as a private limited company under the Companies Act. The Company was converted into public limited company on April 2, 2004. The company was again converted into private limited company on June 15, 2005. The registered office of the company is situated at Shopping

Mall, DLF City, Phase I, Gurgaon 122 002, Haryana. The company is engaged in the real estate business in India through partnership firms.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 10 each	Vanutsar Properties Private Limited	19,997	100
	A. P. Garg & Vanutsar Properties Private Limited	1	0.00#
	Hari Haran & Vanutsar Properties Private Limited	1	0.00#
	Adesh Gupta & Vanutsar Properties Private Limited	1	0.00#
	Raj Arora & Vanutsar Properties Private Limited	1	0.00#
	Y. N. Sharma & Vanutsar Properties Private Limited	1	0.00#
	Sanjay Goenka & Vanutsar Properties Private Limited	1	0.00#

 # rounded off to nil

In addition to above, the company's capital has 10,000 Equity A Shares of Rs. 10 each, with no voting rights or participation in the surplus in the event of winding up, in the name of Mrs. Indira K. P. Singh and 3,000- 12% non-cumulative redeemable preference shares of Rs.100 each in the name of Vanutsar Properties Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Brig. (Retd.) Narinder Pal Singh, Mr. K.K Vohra, Mrs. Gopa Kumar and Mr. Shiv Kumar Gupta.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	200	200	200
Equity "A" Capital*	100		
Reserves (excluding revaluation reserves)	736,409	526,377	362,245
Income	210,111	164,184	179,427
Profit After Tax	210,032	164,131	179,387
Earnings per equity share (In Rs.)	10,500	8,205.00	8,968.00
Book value per equity share (In Rs.)	36,824.93	26,324.90	18,119.53

* No voting rights or participation in surplus in the event of winding up of the company.

Belicia Builders & Developers Private Limited

The company was incorporated as a private company under the Companies Act on March 10, 2006. The registered office of the company was situated at P-39, Basement, NDSE, Part-II, New Delhi 110 049. With effect from June 1, 2006, the registered office of the company was shifted to DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in the real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Ms. Savitri Devi Singh	9996	99.96
	Mr. Rajiv Singh	2	0.02
	Mrs. Kavita Singh	2	0.02

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Rajiv Singh and Mrs. Kavita Singh.

Financial Performance

As the company was incorporated on March 10, 2006, hence no audited financial statements are available.

Buland Consultants & Investment Private Limited

The company was incorporated as a private limited company under the Companies Act on September 19, 1972. The company has changed its registered office from Civil Lines, adjacent to telephone exchange, Bulandshahar (U.P.) to Commercial Plot No-003, Block-M, Sector-18, Noida (U.P.) on 18-03-2005. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 100 each	Rajdhani Investments & Agencies Private Limited	500	50.00
	Panchsheel Investment Company*	270	27.00
	Haryana Electrical Udyog Private Limited	230	23.00

* a private company with unlimited liability.

In addition to above, the Company's capital has in the name of Mr. K.P,Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust) 3,000 preference shares of Rs. 100 each (with voting rights) and 4,900-20% non-cumulative preference shares of Rs. 100 each.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

			(Rs. in 000's, unless otherwise stated)
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	2,655	2,428	2,215
Income	298	292	496
Profit After Tax	226	213	412
Earnings per share (In Rs.)	226.15	213.33	412.29
Book value per share (In Rs.)	2,755	2,528	2,315

Centre Point Property Management Services Private Limited

The company was incorporated on March 17, 1999 as a private limited company under the Companies Act. The company was converted into a public limited company on April 6, 2004. The company was again converted into private limited company on April 29, 2005. The registered office of the company is situated at Shopping Mall, DLF City, Phase I, Gurgaon-122 002, Haryana. The company is engaged in real estate business in India through partnership firms.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 10 each	Parvati Estates Pvt. Ltd.	19,996	100
	Sanjay Goenka & Parvati Estates Pvt. Ltd.	1	0.00#
	A. P. Garg & Parvati Estates Pvt. Ltd.	1	0.00#
	Hari Haran & Parvati Estates Pvt. Ltd.	1	0.00#
	Adesh Gupta & Parvati Estates Pvt. Ltd.	1	0.00#
	Y. N. Sharma & Parvati Estates Pvt. Ltd.	1	0.00#
	Raj Arora & Parvati Estates Pvt. Ltd.	1	0.00#

 # rounded off to nil.

In addition to above, the company's capital has 10,000 Equity A Shares of Rs. 10 each, with no voting rights or participation in the surplus in the event of winding up, in the name of Mrs. Renuka Talwar and 3,000- 12% non-cumulative redeemable preference shares of Rs.100 each in the name of Parvati Estates Pvt. Ltd.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Maj. Gen. Narinder Lal Bery (Retd.), Mrs. Razia Javeri, Mr. Shiv Kumar Gupta, Mrs. Punam Singh and Mr. Adesh Gupta.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	200	200	200
Equity "A" Capital*	100	-	-
Reserves (excluding revaluation reserves)	268,403	199,798	133,103
Income	68,684	66,750	74,871
Profit After Tax	68,605	66,695	74,832
Earnings per equity share (In Rs.)	3,430	3,334.00	3,741.00
Book value per equity share (In Rs.)	13,428.81	9,998.90	6,664.48

* No voting rights or participation in surplus in the event of winding up of the company

Cian Builders & Developers Private Limited

Cian Builders & Developers Private Limited was incorporated on March 10, 2006. The company is engaged in the business of development of real estate. The registered office of the company is situated at P-39, Basement, NDSE, Part II, New Delhi 110 049.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Rajiv Singh	5,000	50
	Kavita Singh	5,000	50

There has been no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr Sunil Pandey, Mr. Puneet Rakheja and Mr. Rajendra Gupta.

Financial Performance

As the company was incorporated on March 10, 2006, no audited financial statements are available.

Digital Talkies Private Limited

The company was incorporated on August 18, 2000 as a private limited company under the Companies Act. The registered office of the company is located at 1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi 110055. The company is engaged in the business of producing and distributing all kinds of films, animations and contents or other similar items.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Mr. Hari Shankar Bhartia	10	0.01
	Ms. Pia Singh	30,510	38.80
	Mr. Suhel Seth	10	0.01
	DLF Commercial Developers Limited	8,850	11.26
	Jubilant Empro Limited		
		39,250	49.92

In addition to above, the company's capital has 12% non- cumulative redeemable preference shares of Rs.100 each, 3,000 in the name of Vijaya Singh and 80680 in the name of DLF Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Hari Shankar Bhartiya, Mr. Suhel Seth, Mr. Vijaya Singh and Mr. Ramesh Sanka.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	786	786	786
Reserves (excluding revaluation reserves)	(12,900)	(12,584)	(12,235)
Income	0	6	159
Profit/(Loss) After Tax	(316)	(349)	(6,548)
Earnings per share (in Rs.)	(4.01)	(4.44)	(83.28)

Book value per share (in Rs.)	(154.06)	(150.05)	(145.61)

DLF Assets Private Limited

The company was incorporated under the name of Lavonne Builders & Developers Private Limited on March 10, 2006. The company has changed its name from Lavonne Builders & Developers Private Limited to DLF Assets Private Limited with effect from August 23, 2006. The company is engaged in the business of development of real estate. The registered office of the company is situated at P-39, Basement, NDSE, Part II, New Delhi 110 049.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Kohinoor Real Estates Company	4,900	49
	Mallika Housing Company	3,000	30
	Panchsheel Investment Company	2,100	21

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Rajiv Singh, Mrs. Kavita Singh and Mr. Y.N. Sharma.

Financial Performance

As the company was incorporated on March 10, 2006, no audited financial statements are available.

DLF Investments Private Limited

The company was incorporated as a private limited company under the Companies Act on March 23, 1971. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 100 each	Kohinoor Real Estates Company*	500	50.00
	Vishal Foods and Investments Private Limited	500	50.00

* a private company with unlimited liability.

In addition to above, the Company's capital has 2,500 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust) and 7,000-20% non-cumulative preference shares of Rs. 100 each in the name of Mr. Rajiv Singh.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2004, 2005 and 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	5,488	5,134	4830
Income	420	405	616
Profit After Tax	354	304	466
Earnings per share (In Rs.)	353.96	303.75	465.70
Book value per share (In Rs.)	5,588	5,234	4930

Excel Housing Construction Private Limited

The company was incorporated as a private limited company under the Companies Act on March 11, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Re. 1 each	Mrs. Indira K.P.Singh	10	0.03
	Mrs. Renuka Talwar	498	1.38
	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Renuka Rahul Trust)	35510	98.59
	Madhukar Housing and Development Company*	1	0.00#
	Sambhav Housing and Development Company*	1	0.00#

rounded off to nil.
* a private company with unlimited liability.

In addition to above, the Company's capital has 324,180 ordinary shares of Re. 1 each, with fixed non-cumulative dividend of 14%, no voting rights or participation in the surplus in the event of winding up.

Name of Shareholder	**Number of Shares**
Mrs. Indira K.P.Singh	90
Mr. K.P.Singh	319,590
Mrs. Renuka Talwar	4,500

Further, the Company's capital has 5,000-13% non-cumulative redeemable preference shares of Rs. 100 each in the name of Vishal Foods and Investments Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	36	36	36
Ordinary Capital	324	324	324
Reserves (excluding revaluation reserves)	21	15	9
Income	21	21	20
Profit After Tax	7	6	2
Earnings per equity share (In Rs.)*	0.19	0.16	0.05
Book value per equity share (In Rs.)	1.59	1.42	1.25

* EPS calculated on Equity Shares

Glaze Builders & Developers Private Limited

The company was incorporated on July 13, 2005 as a private limited company under the Companies Act. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in real estate business.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approx.)**
Equity Shares of Rs. 10 each	Sidhant Housing and Development Company*	5,000	50.00
	Buland Consultants & Investment Private Limited	5,000	50.00

**a private company with unlimited liability.*

In addition to above, the company's capital has 4,000- 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Beverly Park Operation and Maintenance Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. Mahendra Singh and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 (the first year of operations) are set forth below:

	(Rs. in 000's, unless otherwise stated)
	Fiscal 2006
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.12)
Book value per share (in Rs.)	7.88

Haryana Electrical Udyog Private Limited

The company was incorporated as a private limited company under the Companies Act on June 16, 1972. The registered office of the company is situated at Shopping Mall, DLF Qutab Enclave Complex, Phase-I, Gurgaon, Haryana 122002. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 100 each	Rajdhani Investments & Agencies Private Limited	330	33.00
	Buland Consultants & Investment Private Limited	330	33.00
	Panchsheel Investment Company*	340	34.00

* a private company with unlimited liability.

In addition to above, the company's capital has in the name of Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust) 3,000 preference shares of Rs. 100 each (with voting rights) and 1,750-20% non-cumulative preference shares of Rs. 100 each.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Mr. Rajiv Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	1,478	1,375	1,301
Income	145	140	377
Profit After Tax	103	74	301
Earnings per share (In Rs.)	102.93	73.99	300.62
Book value per share (In Rs.)	1,578	1,475	1,401

Herminda Builders & Developers Private Limited

The company was incorporated as a private company under the Companies Act, 1956 on March 10, 2006. The company has changed its registered office from P-39, Basement, NDSE, Part-II, New Delhi –110 049 to DLF Centre, Sansad Marg, New Delhi 110 001 on June 1, 2006. The company is engaged in real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mrs. Renuka Talwar	2,500	25.00
	Mr. Rahul Talwar	2,500	25.00
	Raisina Agencies & Investments Private Limited	2,500	25.00
	Mallika Housing Company*	2,500	25.00

* a private company with unlimited liability

There was no change in the capital structure of the company in the last six months.

Board of Directors

The Board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Mrs. Renuka Talwar

Financial Performance

As the company was incorporated on March 10, 2006, no audited financial statements are available.

Hitech Property Developers Private Limited

The company was incorporated as a private limited company under the Companies Act on March 11, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Rs. 10 each	Mrs. Indira K.P.Singh	10	0.03
	Mrs. Kavita Singh	500	1.39
	Mr. Rajiv Singh	35,509	98.58
	Uttam Builders and Developers Private Limited	1	0.00#

rounded off to nil.

In addition to above, the company's capital has 13% non-cumulative redeemable preference shares of Rs. 100 each, 2,500 shares in the name of Buland Consultants & Investment Private Limited and 1,400 shares in the name of Panchsheel Investment Company (A Private Company with Unlimited Liability).

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises, Mr. K. P. Singh, Ms. Pia Singh, Mr. Rajiv Singh and Mrs. Kavita Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	360	360	360
Reserves (excluding revaluation reserves)	186	180	175
Income	20	20	19
Profit After Tax	6	5	1
Earnings per share (In Rs.)	0.17	0.14	0.03
Book value per share (In Rs.)	15.16	14.99	14.85

Jhandewalan Ancillaries And Investments Private Limited

The company was incorporated as a private limited company under the Companies Act on September 10, 1973. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 100 each	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	100	32.26
	Savitri Studs & Farming Company Private Limited	110	35.48
	Prem Traders & Investments Private Limited	100	32.26

In addition to above, the company's capital has in the name of Ms. Pia Singh 10,790-20% non-cumulative preference shares of Rs. 100 each and 900-11% non-cumulative redeemable preference shares of Rs. 100 each.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	31	31	31
Reserves (excluding revaluation reserves)	3,920	3,471	3,056
Income	503	497	564
Profit After Tax	448	415	458
Earnings per share (In Rs.)	1,446.01	1,339.16	1,477.74
Book value per share (In Rs.)	12,745.16	11,297.55	9,958.39

Kohinoor Real Estates Company

The company was incorporated as a private company with unlimited liability under the Companies Act on July 26, 1989. The registered office of the Company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Ordinary 'A' Shares of Rs. 100 each	Vishal Foods and Investments Private Limited	52	34.22
	DLF Investments Private Limited	50	32.89
	Madhur Housing and Development Company*	50	32.89

* *a private company with unlimited liability.*

In addition to above, the company's capital has 4,748 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust).

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Ordinary Capital#	2,020	2,020	2,020
Ordinary "A" Capital	15	15	15
Reserves (excluding revaluation reserves)	3,983	3,188	2,450
Income	850	811	976
Profit After Tax	795	738	891
Earnings per ordinary 'A "share (In Rs.)*	5,229.59	4,856.57	5,857.45
Book value per ordinary "A" share (In Rs.)	26,302.63	21,072.37	16216.48

#Right to equal dividend as Ordinary A Shares, with no voting rights or participation rights in the surplus in the event of winding up but repayment of capital shall be made prior to Ordinary"A" Shares.

* EPS calculated on ordinary "A" Shares

Lyndale Holdings Private Limited

The company was incorporated on July 21, 1986 under the Companies Act with its name as Lyndale Estates Private Limited. The name was subsequently changed on February 2, 2005 to Lyndale Holdings Private Limited. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Rs. 10 each	Mrs. Renuka Talwar	180,010	97.29
	Mallika Housing Company*	10	0.01
	Renkon Agencies Private Limited	5,000	2.70

* *a private company with unlimited liability*

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. K. Vohra, Mr. M. S. Rathee, Mrs. Punam Singh and Brig. (Retd) N. P. Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	1,850	1,850	850
Reserves (excluding revaluation reserves)	(456)	(424)	(414)
Income	48	58	44
Profit/(Loss) After Tax	(31)	(10)	(-)
Earnings per share (In Rs.)	(0.17)	(0.07)	0.00
Book value per share (In Rs.)	7.53	7.71	5.13

Megha Estates Private Limited

The company was incorporated as a private limited company under the Companies Act on October 30, 1986. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. Rajiv Singh	190,010	96.68
	Mrs. Kavita Singh	6,500	3.31
	Ms. Savitri Devi Singh	10	0.01

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. A.P.Garg, Mrs. Indira K.P. Singh and Mrs. Kavita Singh

Financial Performance

The financial results of the company for the years ended March 31, 2004, 2005 and 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	1,965	1,965	1,265
Reserves (excluding revaluation reserves)	(581)	(588)	(600)
Income	46	58	43
Profit After Tax	8	12	13
Earnings per share (In Rs.)	0.04	0.07	0.10
Book value per share (In Rs.)	7.04	7.01	5.26

Macknion Estates Private Limited

The company was incorporated as a private limited company under the Companies Act on July 21, 1986. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies and provides accounting and secretarial services.

The equity shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. K.P.Singh	48,260	50.00
	Mrs. Indira K.P.Singh	48,258	49.99
	Ms. Pia Singh	2	0.01

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. S. K. Gupta, Mr. N. L. Bery, Mrs. Razia Zaveri and Mrs. Punam Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	965	965	165
Reserves (excluding revaluation reserves)	287	282	193
Income	1,747	1,777	1,699
Profit/(Loss) After Tax	5	89	293
Earnings per share (In Rs.)	0.05	1.58	17.74
Book value per share (In Rs.)	12.97	12.92	21.67

Maaji Properties And Development Company

The company was incorporated as a private company with unlimited liability under the Companies Act on August 10, 2005 for doing real estate business in India. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under :-

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Kohinoor Real Estates Company*	5,000	50.00
	Macknion Estates Private Limited	5,000	50.00

* a private company with unlimited liability.

In addition to above, the company's capital has 4,000-10% non-cumulative redeemable preference shares of Rs. 100 each in the name of Beverly Park Operation & Maintenance Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. S. K. Gupta, Mrs. Gopa Kumar and Mrs. Madhumeet Cheema.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in 000's, unless otherwise stated)	Fiscal 2006
Equity Capital	100
Reserves (excluding revaluation reserves)	(26)
Income	-
Profit\(Loss) After Tax	(26)
Earnings per share (In Rs.)	(2.60)
Book value per share (In Rs.)	7.40

Madhukar Housing And Development Company

The company was incorporated as a private company with unlimited liability under the Companies Act on June 8, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. K.P.Singh	10	4.55
	Mrs. Indira K.P.Singh	10	4.55
	Mrs. Renuka Talwar	198	90.00
	Sambhav Housing and Development Company*	1	0.45
	Udyan Housing and Development Company*	1	0.45

* a private company with unlimited liability.

In addition to above, the company's capital has 13% non-cumulative redeemable preference shares as given below:

Name of Shareholder	Number of Shares
Kohinoor Real Estates Company*	3,300
Madhur Housing & Development Company*	750
Mallika Housing Company*	750
Vishal Foods and Investments Private Limited	3,500

* a private company with unlimited liability.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2004, 2005 and 2006 are set forth below:

(Rs. in 000's, unless otherwise stated)	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	2	2	2
Reserves (excluding revaluation reserves)	12	6	0
Income	20	20	19
Profit After Tax	7	6	2
Earnings per share (In Rs.)	30.14	25.56	8.37
Book value per share (In Rs.)	63.64	35.40	9.84

Madhur Housing & Development Company

(*A private company with unlimited liability)*

The company was incorporated as a private company with unlimited liability under the Companies Act on March 25, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Ordinary 'A' Shares of Rs. 100 each	Vishal Foods and Investments Private Limited	100	33.11
	DLF Investments Private Limited	102	33.78
	Kohinoor Real Estates Company*	100	33.11

** a private company with unlimited liability.*

In addition to above, the Company's capital has 4,648 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust).

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K.P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Ordinary Capital[#]	1,020	1,020	1,020
Ordinary "A" Capital	30	30	30
Ordinary "B" Capital[##]	700	700	700
Reserves (excluding revaluation reserves)	3,854	3,061	2,324
Income	848	810	914
Profit After Tax	793	737	830
Earnings per ordinary A share (In Rs.)*	2,625.57	2,440.01	2,748.79
Book value per ordinary "A" share (In Rs.)	12,860.93	10,235.76	7,794.70

 # Right to equal dividend as ordinary "A"/Oridinary "B"shares, with no voting rights or participation in the surplus in the event of winding up of the company but repayment of capital shall be made prior to Ordinary "B" Shares and Ordinary"A" Shares.

Right to equal dividend as ordinary" A "/Oridinary "B"shares, with no voting rights or participation in the surplus in the event of winding up of the company but repayment of capital shall be made after the repayment of capital to Ordinary Shares but prior to repayment to Ordinary"A" Shares.

* EPS calculated on ordinary "A" shares

Mallika Housing Company
(A private company with unlimited liability)

The company was incorporated as a private company with unlimited liability under the Companies Act on July

26, 1989. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The share holding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Ordinary 'A' Shares of Rs. 100 each	Raisina Agencies & Investments Private Limited	76	50
	Universal Management & Sales Private Limited	76	50

In addition to the above, the company's capital has 7,000 Ordinary 'B' shares (with no voting rights or participation in the surplus in the event of winding up of the company) in the name of Mrs. Renuka Talwar.

Further, the company's capital has 4,698 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P.Singh jointly with Mrs. Indira K.P.Singh jointly with Mrs. Renuka Talwar (held on behalf of R R Family Trust).

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2004, 2005 and 2006 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Ordinary Capital[#]	1,020	1,020	1,020
Ordinary "A" Capital	15	15	15
Ordinary "B" Capital[##]	700	700	700
Reserves (excluding revaluation reserves)	3,891	3,100	2,365
Income	849	810	937
Profit After Tax	791	735	852
Earnings per Ordinary A share (In Rs.) *	5,204.25	4,830.17	5,611.20
Book value per ordinary "A" share (In Rs.)	25,697.37	20,493.42	15,657.89

 # Right to equal dividend as ordinary "A"/Oridinary "B"shares, with no voting rights or participation in the surplus in the event of winding up of the company but repayment of capital shall be made prior to Ordinary "B" Shares and Ordinary"A" Shares.

Right to equal dividend as ordinary" A "/Oridinary "B"shares, with no voting rights or participation in the surplus in the event of winding up of the company but repayment of capital shall be made after the repayment of capital to Ordinary Shares but prior to repayment to Ordinary"A" Shares.

* EPS calculated on Ordinary "A" shares.

Magna Real Estate Developers Private Limited

The company was incorporated on November 10, 2003 as a public limited company under the Companies Act, The company was converted into private limited company on April 5, 2005. The registered office is situated at DLF Center, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as of

November 30, 2006, is as follows:

Class of shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx..)
Equity shares of Rs. 10 each	Y N. Sharma & Diwakar Estates Limited	1	0.00#
	Sandeep Datta & Diwakar Estates Limited	1	0.00#
	Manik Khanna & Diwakar Estates Limited	1	0.00#
	S K Sharma & Diwakar Estates Limited	1	0.00#
	Raj Arora & Diwakar Estates Limited	1	0.00#
	Gopal Ram Dev & Diwakar Estates Limited	1	0.00#
	Diwakar Estates Limited	9,994	0.99
	Lyndale Estates Private Limited.	990,000	98.02
	Mallika Housing Company*	3,300	0.33
	Raisina Agencies & Investments Private Limited	3,300	0.33
	Universal Management & Sales Private Limited	3,400	0.33

**A Company with Unlimited Liability*
 # rounded off to nil.

In addition to above, the company's capital has 500 Equity A Shares of Rs. 10 each, with no voting rights or participation in the surplus in the event of winding up, in the name of Mrs. Renuka Talwar and 4,000- 6% non cumulative redeemable preference shares of Rs.100 each in the name of Diwakar Estates Limited.

There was no change in the capital structure of the company in the last six months

Board of Directors

The board of directors of the company comprises Mr. Mahendra Singh, Ms. Madhri Bery, Mr. Kanwar Narendra Singh, Mrs. Gopa Kumar; and Mr. Mahinder Singh Rathee.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

		(**Rs. in 000's, unless otherwise stated**)	
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	5,100	5,100	100
Equity "A" Capital*	5		
Reserves (excluding revaluation reserves)	(12)	(125)	-
Income	254	102	6
Profit After Tax	112	(125)	0
Earnings per equity share (In Rs.)	0.22	(0.57)	0.03
Book value per equity share (In Rs.)	9.98	9.75	10.00

* No voting rights or participation in surplus in the event of winding up of the company

Nachiketa Real Estates Private Limited

The company was incorporated as a private limited company under the Companies Act on November 11,1998 and became a deemed public company on August 27, 1999. Thereafter the company was converted into a public limited company on February 5, 2001. Seventeen companies were amalgamated with the company effective from April 1, 2003. The company was converted into a private limited company on October 25, 2004. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on

November 30, 2006 is as under:-

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs 10 each	Mr. K.P.Singh	11	0.00#
	Mr. Rajiv Singh	11	0.00#
	Mrs. Kavita Singh	11	0.00#
	Ms. Pia Singh	11	0.00#
	Panchsheel Investment Company*	11	0.00#
	Sidhant Housing and Development Company*	11	0.00#
	Realest Builders and Services Private Limited	2826967	100

* a private company with unlimited liability
# rounded off to nil

In addition to above, the company's capital has 82 Equity 'A-I' shares and 39 Equity 'A-II'shares which are not entitled to any dividend or voting rights.

However, they are entitled to use of certain specified areas under the House Building Scheme of the Company.

Class of Shares	Name of Shareholder	Number of Shares
Equity A-I Shares of Rs. 15 lacs each	Mr.K.P.Singh	16
	Mrs. Renuka Talwar	16
	Ms. Pia Singh	13
	Mr. Rajiv Singh	14
	Mrs. Kavita Singh	12
	Beverly Park Operation & Maintenance Services Private Limited	3
	Centre Point Property Management Services Private Limited	3
	Super Mat Two Property Management Services Private Limited	3
	Megha Estates Private Limited	2
Equity A-II Shares of Rs. 30 lacs each	Maaji Properties And Development Company*	3
	Sanidhya Constructions Private Limited	3
	Glaze Builders & Developers Private Limited	3
	Upeksha Real Estate Developers Private Limited	3
	Urva Real Estate Developers Private Limited	3
	Sulekha Builders & Developers Private Limited	3
	Uplift Real Estate Developers Private Limited	3
	Altamount Real Estate Developers Private Limited	3
	Ultima Real Estate Developers Private Limited	3
	Aquarius Builders & Developers Private Limited	3
	Sukomal Builders & Developers Private Limited	3
	Adept Real Estate Developers Private Limited	3
	Sagarika Real Estate Developers Private Limited	3

* a private company with unlimited liability

Further the company's capital has 125,000-9% non-cumulative redeemable preference shares and 4,643-10% non-cumulative redeemable preference shares as given below:

Class of Shares	Name of Shareholder	Number of Shares
9% Non-Cumulative Redeemable Preference Shares of Rs. 10 each	Realest Builders and Services Private Limited	113,000
	DLF Commercial Developers Limited	12,000
10% Non-Cumulative Redeemable Preference Shares of Rs. 10 each	Realest Builders and Services Private Limited	4,643

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. S. S. Bagai, Mr. Praveen Kumar and Brig. Retd. K. N. Singh

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	28,270	28,270	28,270
Equity A-I Capital *	12,300	-	-
Equity A-II Capital *	5,850	-	-
Reserves (excluding revaluation reserves)	(4,486)	(2,346)	(1,533)**
Income	1,757	1,442	2,107
Profit/(Loss) After Tax	(2140)	(872)	(423)
Earnings per Equity share (In Rs.)	(0.76)	(0.29)	(0.15)
Book value per equity share (In Rs.)	8.41	9.17	9.46

*Not entitled to any dividend, voting rights or participation in surplus in the event of winding up of the company
** Includes Rs. 1109 on amalgamation of seventeen companies.

Northern India Theatres Private Limited

The company was incorporated as a private limited company under the Companies Act on December 20, 1955. The registered office of the company is situated at 1, M. M. Road, Jhandewalan Estate, New Delhi-110055. The company is engaged in real estate business.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Rs. 100 each	Mr. Rajiv Singh	183	18.30
	Mrs. Renuka Talwar	183	18.30
	Ms. Pia Singh	534	53.40
	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	10	1.00
	DLF Limited	90	9.00

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Rajiv Singh, Mrs. Indira K. P. Singh, Mr. Y.N.Sharma and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	(730)	(632)	(526)
Income	-	-	-
Profit/(Loss) After Tax	(98)	(106)	(65)
Earnings per share (In Rs.)	(98.13)	(105.56)	(64.56)
Book value per share (In Rs.)	(630)	(532)	(426)

Prem Traders & Investments Private Limited

The company was incorporated on October 16, 1967 in the name of Yadavendra Exports Private Limited under the Companies Act and its name was changed to Prem Traders & Investments Private Limited on September 18, 1974. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Ordinary Shares of Rs. 10 each	Mrs. Indira K.P.Singh; Mr. K.P.Singh-Executors of the Estate of Ch. Raghvendra Singh.	1	0.01
	Ms. Pia Singh	6,097	60.97
	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	902	9.02
	Jhandewalan Ancillaries and Investments Private Limited	1,500	15.00
	Savitri Studs & Farming Company Private Limited	1,500	15.00

In addition to above, the company's capital has 20,000-20% non-cumulative preference shares of Rs. 100 each in the name of Ms. Pia Singh.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Ordinary Capital	100	100	100
Reserves (excluding revaluation reserves)	4,733	3,957	3,242
Income	866	809	878
Profit After Tax	777	715	781
Earnings per share (In Rs.)	77.66	71.48	77.69
Book value per share (In Rs.)	483. 30	405.70	334.20

Pushpavali Builders & Developers Private Limited

The company was incorporated on October 30, 1991 as a private limited company under the Companies Act. The company was converted into public limited company on August 21, 2001. The company was again converted into private limited company on April 29, 2005. The registered office of the company is situated at Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase I, Gurgaon-122 002, Haryana. The company is engaged in the business of real estate in India through partnership firm.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity shares of Rs. 10 each	Adesh Gupta & Parvati Estates Private Limited	1	0.05
	Sanjay Goenka & Parvati Estates Pvt. Ltd.	1	0.05
	Ajay Prakash Garg & Parvati Estates Pvt. Ltd.	1	0.05
	Gopal Ramdev & Parvati Estates Pvt. Ltd.	1	0.05
	Hari Haran & Parvati Estates Pvt. Ltd.	1	0.05
	Yogendra Nath Sharma & Parvati Estates Pvt. Ltd.	1	0.05
	Parvati Estates Pvt. Ltd.	1,874	99.70

In addition to above, the company's capital has 4,812- 12% non-cumulative redeemable preference shares of Rs.100 each in the name of Parvati Estates Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Brig. Narendra Pal Singh, (Retd.), Mr. K.K Vohra, Mrs. Gopa Kumar and Mr. S.K Gupta.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	Rs. in 000's, (unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	19	19	19
Reserves (excluding revaluation reserves)	178,707	55,646	12,161
Income	123,148	43,512	1,833
Profit After Tax	123,061	43,485	1,838
Earnings per share (In Rs.)	65,457.84	2,3130.35	977.77
Book value per share (In Rs.)	95,067.02	29,609.04	6,478.72

Pushpak Builders and Developers Private Limited

The company was incorporated as a private limited company under the Companies Act, on March 11, 1988 with its registered office situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in the business of agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	22,700	63.02
	Ms. Pia Singh	13,210	36.67
	Mr. K.P.Singh	100	0.28
	Mrs. Indira K.P.Singh	10	0.03

In addition to above, the company's capital has 5,500-13% non-cumulative redeemable preference shares of Rs. 100 each in the name of Savitri Studs & Farming Company Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	360	360	360
Reserves (excluding revaluation reserves)	23	17	13
Income	20	20	19
Profit After Tax	6	5	1
Earnings per share (In Rs.)	0.17	0.14	0.03
Book value Book value per share (In Rs.)	10.63	10.47	10.36

Parvati Estates Private Limited

The company was incorporated on August 27, 1991 as a private limited company under the Companies Act, with its registered office at Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase I, Gurgaon-122 002, Haryana. The Company is engaged in the business of real estate in India through partnership firm.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity shares of Rs.10 each	Ajay Prakash Garg & Magna Real Estate Developers Pvt. Ltd.	1	0.05
	Sanjay Goenka & Magna Real Estate Developers Pvt. Ltd	1	0.05
	Hari Haran & Magna Real Estate Developers Pvt. Ltd	1	0.05
	Shiv Kumar Gupta & Magna Real Estate Developers Pvt. Ltd	1	0.05
	S. K. Sharma & Magna Real Estate Developers Pvt. Ltd	1	0.05
	Gopal Ramdev & Magna Real Estate Developers Pvt. Ltd	1	0.05
	Magna Real Estate Developers Pvt. Limited	1,994	99.70

In addition to above, the company's capital has 500 Equity A Shares of Rs. 10 each, with no voting rights or participation in the surplus in the event of winding up, in the name of Mrs. Renuka Talwar and 4,800- 12% non-cumulative redeemable preference shares of Rs.100 each in the name of Magna Real Estate Developers Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Brig. Kanwar Narendra Singh, (Retd.), Mrs. Madhumeet Cheema, Mrs. Gopa Kumar, Mr. Adesh Gupta and Mr. Mahendra Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

		(Rs. in 000's, unless otherwise stated)	
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	20	20	20
Equity "A" Capital*	5	-	-
Reserves (excluding revaluation reserves)	42,802	28,206	11,530
Income	14,638	16,688	1,208
Profit After Tax	14,596	16,676	1,210
Earnings per equity share (In Rs.)	7,298	8,338.00	605.00
Book value per equity share (In Rs.)	2,1411.00	14,113.00	5,775.00

* No voting rights or participation in surplus in the event of the winding up of the company

Panchvati Estates Private Limited

The company was incorporated on October 30, 1991 as a private limited company under the Companies Act, The company was converted into public limited company on August 13, 2001. The company was again converted into private limited company on April 29, 2005. The registered office of the company is situated at Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase I, Gurgaon-122 002, Haryana. The company is engaged in the business of real estate in India through the partnership firm.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (Approx.)**
Equity shares of Rs. 10 each	Raj Arora & Bansal Development Company Pvt. Ltd.	1	0.05
	S. K. Sharma & Bansal Development Company Pvt. Ltd.	1	0.05
	Sanjay Goenka & Bansal Development Company Pvt. Ltd.	1	0.05
	Ajay Prakash Garg & Bansal Development Company Pvt. Ltd.	1	0.05
	Shiv Kumar Gupta & Bansal development Company Pvt. Ltd.	1	0.05
	Gopal Ramdev & Bansal Development Company Pvt. Ltd.	1	0.05
	Bansal Development Company Pvt. Ltd.	1,994	99.70

In addition to above, the company's capital has 500 Equity A Shares of Rs. 10 each, with no voting rights or participation in the surplus in the event of winding up, in the name of Ms. Pia Singh and 4,800- 12% non-cumulative redeemable preference shares of Rs.100 each in the name of Bansal Development Company Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Brig. Kanwar Narendra Singh, (Retd.), Mrs. Madhumeet Cheema, Mrs. Gopa Kumar, Mr. Adesh Gupta and Mr. Mahinder Singh Rathee.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

			(Rs. in 000's, unless otherwise stated)
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	20	20	20
Equity "A" Capital*	5	-	-
Reserves (excluding revaluation reserves)	44,559	29,370	12,138
Income	15,227	17,245	1,800
Profit After Tax	15,189	17,232	1,798
Earnings per equity share (In Rs.)	7,595	8,616.00	898.00
Book value per equity share (In Rs.)	22,289.50	14,695.00	6,079.00

***** No voting rights or participation in surplus in the event of winding up of the company.

Raisina Agencies & Investments Private Limited

The company was incorporated as a private limited company under the Companies Act, on November 24, 1973 with its registered office situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Rs. 100 each	Universal Management & Sales Private Limited	500	50.00
	Mallika Housing Company*	500	50.00

* a private company with unlimited liability.

In addition to above, the Company's capital has 2,500 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P.Singh jointly with Mrs. Indira K.P.Singh jointly with Mrs. Renuka Talwar (held on behalf of R R Family Trust) and 15,000-20% non-cumulative preference shares of Rs. 100 each in the name of Mrs. Renuka Talwar.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh, Mrs. Renuka Talwar and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

			(Rs. in 000's, unless otherwise stated)
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	5,124	4,539	4,024
Income	659	601	688
Profit After Tax	585	515	575
Earnings per share (In Rs.)	585.25	514.68	575.16
Book value Book value per share (In Rs.)	5,224.00	4,639.00	4,124.00

Rajdhani Investments & Agencies Private Limited

The company was incorporated as a private limited company under the Companies Act on November 27, 1972 with its registered office situated at Shopping Mall, DLF Qutab Enclave Complex, Phase-I, Gurgaon 122 002, Haryana. The company invests in shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 100 each	Buland Consultants & Investment Private Limited	320	32.00
	Haryana Electrical Udyog Private Limited	340	34.00
	Panchsheel Investment Company*	340	34.00

* a private company with unlimited liability.

In addition to above, the company's capital has in the name of Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust) 6,000 preference shares of Rs. 100 each (with voting rights) and 8,000-20% non-cumulative preference shares of Rs. 100 each.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	3,138	2,755	2,416
Income	439	414	643
Profit After Tax	383	339	530
Earnings per share (In Rs.)	383.12	339.58	529.79
Book value per share (In Rs.)	3,238.00	2,855.00	2,516.00

Renkon Agencies Private Limited

The company was incorporated as a private limited company under the Companies Act, on November 28, 1984 with its registered office situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. K.P.Singh jointly with Mrs. Indira K.P.Singh jointly with Mrs. Renuka Talwar (held on behalf of R R Family Trust)	2,750	54.78
	Mrs. Renuka Talwar	2,268	45.18
	Mallika Housing Company*	1	0.02
	Raisina Agencies & Investments Private Limited	1	0.02

* a private company with unlimited liability.

In addition to above, the company's capital has 152,210 Equity 'A' Shares (with no voting rights) in the name of Master Rahul Talwar U/G Mrs. Renuka Talwar.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mrs. Renuka Talwar, Mrs. Indira K. P. Singh and Mr. Rajiv Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	50	50	50
Equity "A" Capital	1,522	1,522	1,522
Reserves (excluding revaluation reserves)	4,230	4,189	4,184
Income	93	80	340
Profit After Tax	42	5	(1,725)
Earnings per share (In Rs.)*	0.26	0.03	(10.97)
Book value per equity share (In Rs.)	834.76	826.48	825.57

*EPS calculated on Equity & Equity "A" Shares

Sagarika Real Estate Developers Private Limited

The company was incorporated on July 25, 2005 as a private limited company under the Companies Act. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Prem Traders & Investments Private Limited	5,000	50
	Jhandewalan Ancillaries and Investments Private Limited	5,000	50

In addition to above, the company's capital has 4,000- 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Super Mart Two Property Management Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. Mahendra Singh and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.10)
Book value per share (in Rs.)	7.90

Sambhav Housing and Development Company
(A private company with unlimited liability)

The company was incorporated as a private company with unlimited liability under the Companies Act on March 25, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and carries on agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Rs. 10 each	Mrs. Indira K.P.Singh	10	1.92
	Mr. K.P.Singh	10	1.92
	Mrs. Renuka Talwar	498	95.78
	Excel Housing Construction Private Limited	1	0.19
	Madhukar Housing and Development Company*	1	0.19

* a private company with unlimited liability.

In addition to above, the Company's capital has 8,200-13% non-cumulative redeemable preference shares of Rs. 100 each in the name of Vishal Foods and Investments Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	5	5	5
Reserves (excluding revaluation reserves)	12	5	(1)
Income	20	20	19
Profit After Tax	7	6	2
Earnings per share (In Rs.)	12.54	10.63	3.43
Book value per share (In Rs.)	32.69	19.23	7.69

Sanidhya Constructions Private Limited

The company was incorporated on August 9, 2005 as a private limited company under the Companies Act, having its registered office at DLF Centre, Sansad Marg, New Delhi-110 001, for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (appr.)**
Equity Shares of Rs. 10 each	Megha Estates Private Limited	5,000	50
	Madhur Housing and Development Company*	5,000	50

*a private company with unlimited liability.

In addition to above, the company's capital has 4,000 -10% non-cumulative redeemable preference shares of Rs.100 each in the name of Megha Estates Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. M. S. Rathee and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) **Fiscal 2006**
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.08)
Book value per share (in Rs.)	7.92

Savitri Studs & Farming Company Private Limited

The company was incorporated as a private limited company under the Companies Act on August 31, 1981 with its registered office situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds investment in group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity Shares of Re. 1 each	Mrs. Indira K.P. Singh and Mr. K.P. Singh as executors of the Estate of Ch. Raghvendra Singh.	901	0.10
	Mr. K.P. Singh and Mr. Rajiv Singh	101	0.01
	Ms. Pia Singh	884,998	98.33
	Jhandewalan Ancillaries and Investments Private Limited	7,000	0.78
	Prem Traders & Investments Private Limited	7,000	0.78

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. M. S. Rathee, Brig. (Retd.) K. N. Singh, Mrs. Madhvi Bery and Mrs. Gopa Kumar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	900	900	100
Reserves (excluding revaluation reserves)	2,653	3,230	3,401
Income	105	113	228
Profit/(Loss) After Tax	(577)	(171)	(15)
Earnings per share (In Rs.)	(0.64)	(0.26)	(0.15)
Book value per share (In Rs.)	3.95	4.58	35.01

Solace Housing and Construction Private Limited

The company was incorporated as a private limited company under the Companies Act on March 11, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and carries on agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mrs. Indira K.P.Singh	30	0.08
	Mr. K.P.Singh	50	0.13
	Ms. Pia Singh	70	0.18
	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	38,920	99.61

In addition to above, the company's capital has 13% non-cumulative redeemable preference shares of Rs. 100 each, 3,500 shares in the name of DLF Investments Private limited and 1,500 shares in the name of Savitri Studs & Farming Company Private limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Ms. Pia Singh, Mrs. Indira K. P. Singh and Mr. Rajiv Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	391	391	391
Reserves (excluding revaluation reserves)	39	32	27
Income	20	20	19
Profit After Tax	6	5	2
Earnings per share (In Rs.)	0.17	0.14	0.05
Book value per share (In Rs.)	11.01	10.83	10.70

Sukh Sansar Housing Private Limited

The company was incorporated as a private limited company under the Companies Act on March 11, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and carries on agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. K.P.Singh	100	0.28
	Ms. Pia Singh	13220	36.70
	Mr. K.P.Singh and Mr. Rajiv Singh (held on behalf of Prem's Will Trust)	22700	63.02

In addition to above, the company's capital has 13% non-cumulative redeemable preference shares of Rs. 100 each, 1,500 shares in the name of DLF Investments Private limited and 4,000 shares in the name of Savitri Studs & Farming Company Private limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Ms. Pia Singh and Mr. Rajiv Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	360	360	360
Reserves (excluding revaluation reserves)	26	20	14
Income	20	20	19
Profit After Tax	6	6	2
Earnings per share (In Rs.)	0.18	0.15	0.05
Book value per share (In Rs.)	10.72	10.55	10.38

Sukomal Builders & Developers Private Limited

The company was incorporated on July 25, 2005 as a private limited company under the Companies Act. Its registered office is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company is engaged in real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr..)
Equity Shares of Rs. 10 each	Mallika Housing Company*	5,000	50
	Raisina Agencies & Investments Private Limited	5,000	50

*a private company with unlimited liability.

In addition to above, the company's capital has 4,000- 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Centre Point Property Management Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. Mahendra Singh and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) **Fiscal 2006**
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.10)
Book value per share (in Rs.)	7.90

Sulekha Builders & Developers Private Limited

The company was incorporated on July 25, 2005 as a private limited company under the Companies Act, having its registered office at DLF Centre, Sansad Marg, New Delhi 110 001, for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Megha Estates Private Limited	5,000	50
	Madhur Housing and Development Company*	5,000	50

*a private company with unlimited liability.

In addition to above, the company's capital has 4,000- 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Megha Estates Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. M. S. Rathee and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.10)
Book value per share (in Rs.)	7.90

Super Mart One Property Management Services Private Limited

The company was incorporated on April 5, 1999 as a private limited company under the Companies Act. The company was converted into public limited company on April 13, 2004. The company was again converted into private limited company on April 5, 2005. The registered office of the company is situated at Shopping Mall, DLF City, Phase I, Gurgaon-122 002, Haryana. The company is involved in real estate business through partnerships firms.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approx.)**
Equity shares of Rs.10 each	S. K. Sharma & Diwakar Estates Limited	1	0.00#
	Manik Khanna & Diwakar Estates Limited	1	0.00#
	K. K. Vohra & Diwakar Estates Limited	1	0.00#
	Raj Arora & Diwakar Estates Limited	1	0.00#
	Sandeep Datta & Diwakar Estates Limited	1	0.00#
	Sanjay Goenka & Diwakar Estates Limited	1	0.00#
	Diwakar Estates Limited	39,994	1.96
	Macknion Estates Private Limited	1,980,000	97.06
	Haryana Electrical Udyog Private Limited	10,000	0.49
	Buland Consultants & Investments Private Limited	10,000	0.49

rounded off to nil.

In addition to above, the company's capital has 500 Equity A Shares of Rs. 10 each, with no voting rights or participation in the surplus in the event of winding up, in the name of Mrs. Indira K.P. Singh and 3,000- 10% non-cumulative redeemable preference shares of Rs.100 each in the name of Diwakar Estates Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Brig. (Retd.) Kanwar Narendra Singh, Mrs. Madhumeet Cheema, Mrs. Gopa Kumar, Mr. Mahendra Singh and Mr. Mahinder Singh Rathee.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	10,400	10,400	400
Equity "A" Capital*	5	-	-
Reserves (excluding revaluation reserves)	98	25	-
Income	465	192	-
Profit After Tax	73	25	-
Earnings per equity share (In Rs.)	0.09	0.62	-
Book value per equity share (In Rs.)	10.09	10.02	10.00

* No voting rights or participation in surplus in the event of winding up of the company.

Super Mart Two Property Management Services Private Limited

The company was incorporated on March 17, 1999 as a private limited company under the Companies Act. The company was converted into a public limited company on April 6, 2004. The company was again converted into a private limited company on May 26, 2005. The registered office of the company is situated at Shopping Mall, DLF City, Phase I, Gurgaon-122 002, Haryana. The company is involved in real estate business through partnerships firms.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as follows:

Class of shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
Equity shares of Rs. 10 each	Panchvati Estates Pvt. Limited	19,996	100
	Sanjay Goenka & Panchvati Estates Pvt. Ltd.	1	0.00#
	A. P. Garg & Panchvati Estates Pvt. Ltd.	1	0.00#
	Hari Haran & Panchvati Estates Pt. Ltd	1	0.00#
	Adesh Gupta & Panchvati Estates Pvt. Ltd	1	0.00#
	Raj Arora & Panchvati Estates Pvt. Ltd	1	0.00#
	Y. N. Sharma & Panchvati Estates Pvt. Ltd	1	0.00#

rounded off to nil.

In addition to above, the company's capital has 10,000 Equity A Shares of Rs. 10 each, with no voting rights or participation in the surplus in the event of winding up, in the name of Ms. Pia Singh and 3,000- 12% non-cumulative redeemable preference shares of Rs.100 each in the name of Panchvati Estates Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Brig. (Retd.) Narendra Pal Singh, Mr. Mahendra Singh, Mrs. Gopa Kumar and Mr. Shiv Kumar Gupta.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	Fiscal 2006	Fiscal 2005	(Rs. in 000's, unless otherwise stated) Fiscal 2004
Equity Capital	200	200	200
Equity "A" Capital*	100		
Reserves (excluding revaluation reserves)	296,336	224,971	156,044
Income	71,444	68,978	7,7884
Profit After Tax	71,365	68,927	7,7842
Earnings per equity share (In Rs.)	3,568	3,446.00	3,892.00
Book value per equity share (In Rs.)	14,825.32	11,257.42	7,811.42

* No voting rights or participation in surplus in the event of winding up of the company.

Trinity Housing and Construction Company

The company was incorporated as a private company with unlimited liability under the Companies Act on March 25, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. Rajiv Singh	210	91.30
	Mrs. Kavita Singh	10	4.35
	Mrs. Indira K.P.Singh	10	4.35

In addition to above, the company's capital has 13% non-cumulative redeemable preference shares of Rs. 100 each as given below:

Name of Shareholder	Number of Shares
Buland Consultants & Investment Private Limited	1,500
Panchsheel Investment Company*	2,300
Rajdhani Investments & Agencies Private Limited	3,000

* a private company with unlimited liability.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mr. Rajiv Singh, Ms. Pia Singh and Mrs. Kavita Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2004, 2005 and 2006 are set forth below:

	Fiscal 2006	Fiscal 2005	(Rs. in 000's, unless otherwise stated) Fiscal 2004
Equity Capital	2	2	2
Reserves (excluding revaluation reserves)	144	138	132
Income	20	20	19
Profit After Tax	6	6	2
Earnings per share (In Rs.)	28.20	23.69	7.67
Book value per share (In Rs.)	634.78	608.70	582.61

Udyan Housing and Development Company
(A private company with unlimited liability)

The company was incorporated as a private company with unlimited liability under the Companies Act on March 25, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. K.P.Singh	10	1.92
	Mrs. Indira K.P.Singh	10	1.92
	Mrs. Renuka Talwar	498	95.78
	Madhukar Housing and Development Company*	1	0.19
	Excel Housing Construction Private Limited	1	0.19

* a private company with unlimited liability.

In addition to above, the company's capital has 8,400-13% non-cumulative redeemable preference shares of Rs. 100 each in the name of Vishal Foods and Investments Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	5	5	5
Reserves (excluding revaluation reserves)	13	7	1
Income	20	20	20
Profit After Tax	7	6	2
Earnings per share (In Rs.)	12.90	10.94	3.62
Book value per share (In Rs.)	34.62	23.08	11.54

Ultima Real Estate Developers Private Limited

The company was incorporated on July 13, 2005 as a private limited company under the Companies Act, having its registered office at DLF Centre, Sansad Marg, New Delhi 110 001, for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Prem Traders & Investments Private Limited.	5,000	50.00
	Jhandewalan Ancillaries and Investments Private Limited	5,000	50.00

In addition to above, the company's capital has 4,000 -10% non-cumulative redeemable preference shares of Rs.100 each in the name of Super Mart Two Property Management Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. M. S. Rathee and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) **Fiscal 2006**
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.12)
Book value per share (in Rs.)	7.88

Upeksha Real Estate Developers Private Limited

The company was incorporated on July 13, 2005 as a private limited company under the Companies Act, having its registered office at DLF Centre, Sansad Marg, New Delhi 110 001, for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (appr.)**
Equity Shares of Rs. 10 each	Panchsheel Investments Company*	5,000	50.00
	Rajdhani Investments & Agencies Private Limited	5,000	50.00

*a private company with unlimited liability.

In addition to above, the company's capital has 4,000 -10% non-cumulative redeemable preference shares of Rs.100 each in the name of Beverly Park Operation and Maintenance Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. Mahendra Singh and Mr. S. K. Gupta

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) **Fiscal 2006**
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)

Earnings per share (in Rs.)	(2.12)
Book value per share (in Rs.)	7.88

Uplift Real Estate Developers Private Limited

The company was incorporated on July 13, 2005 as a private limited company under the Companies Act, having its registered office at DLF Centre, Sansad Marg, New Delhi 110 001, for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Vishal Foods and Investments Private Limited	5,000	50.00
	Madhur Housing and Development Company*	5,000	50.00

*a private company with unlimited liability.

In addition to above, the company's capital has 4,000 -10% non-cumulative redeemable preference shares of Rs.100 each in the name of Beverly Park Operation and Maintenance Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. K. K. Vohra and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) Fiscal 2006
Equity Capital	100
Reserves (excluding revaluation reserves)	(21)
Income	Nil
Profit/(Loss) After Tax	(21)
Earnings per share (in Rs.)	(2.12)
Book value per share (in Rs.)	7.88

Urva Real Estate Developers Private Limited

The company was incorporated on July 13, 2005 as a private limited company under the Companies Act, having its registered office at DLF Centre, Sansad Marg, New Delhi 110 001, for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	DLF Investments Private Limited	5,000	50.00
	Haryana Electrical Udyog Private Limited	5,000	50.00

In addition to above, the company's capital has 4,000 -10% non-cumulative redeemable preference shares of Rs.100 each in the name of Beverly Park Operation and Maintenance Services Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Adesh Gupta, Mr. Mahendra Singh and Mr. S. K. Gupta.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in 000's, unless otherwise stated) **Fiscal 2006**
Equity Capital	100
Reserves (excluding revaluation reserves)	(22)
Income	Nil
Profit/(Loss) After Tax	(22)
Earnings per share (in Rs.)	(2.15)
Book value per share (in Rs.)	7.85

Universal Management & Sales Private Limited

The company was incorporated as a private limited company under the Companies Act on July 8, 1963. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company invests in the shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 100 each	Raisina Agencies & Investments Private Limited	493	49.05
	Mallika Housing Company*	492	48.96
	Mr. K.P.Singh jointly with Mrs. Indira K.P.Singh jointly with Mrs. Renuka Talwar (held on behalf of R R Family Trust)	20	1.99

* a private company with unlimited liability.

In addition to above, the company's capital has in the name of Mr. K.P.Singh jointly with Mrs. Indira K.P.Singh and Mrs. Renuka Talwar (held on behalf of R R Family Trust) 1,320 preference shares of Rs. 100 each (with voting rights) and 4,675-16% non-cumulative redeemable preference shares of Rs. 100 each.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and

Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2004, 2005 and 2006 are set forth below:

			(Rs. in 000's, unless otherwise stated)
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	100	100	100
Reserves (excluding revaluation reserves)	360	312	272
Income	63	60	154
Profit After Tax	48	40	136
Earnings per share (In Rs.)	47.53	40.29	135.21
Book value per share (In Rs.)	457.71	409.95	370.15

Uttam Builders and Developers Private Limited

The company was incorporated as a private limited company under the Companies Act on March 11, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Rs. 10 each	Mrs. Indira K.P.Singh	10	0.03
	Mrs. Kavita Singh	400	1.11
	Mr. K.P.Singh	100	0.28
	Mr. Rajiv Singh	35,510	98.58

In addition to above, the company's capital has 13% non-cumulative redeemable preference shares of Rs. 100 each, 1,100 shares in the name of Panchsheel Investment Company (a private company with unlimited liability) and 3,000 shares in the name of Rajdhani Investments & Agencies Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mr. Rajiv Singh, Ms. Pia Singh and Mrs. Kavita Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

			(Rs. in 000's, unless otherwise stated)
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	360	360	360
Reserves (excluding revaluation reserves)	173	167	162
Income	20	20	19
Profit After Tax	6	5	1
Earnings per share (In Rs.)	0.17	0.14	0.03
Book value per share (In Rs.)	14.81	14.63	14.49

Uttam Real Estates Company
(A private company with unlimited liability)

The company was incorporated as a private company with unlimited liability under the Companies Act on March 25, 1988. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. The company holds agricultural land and is engaged in agricultural operations.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 10 each	Mr. K.P.Singh	10	0.93
	Mrs. Indira K.P.Singh	50	4.68
	Mrs. Kavita Singh	10	0.93
	Mr. Rajiv Singh	1,000	93.46

In addition to above, the company's capital has 13% non-cumulative redeemable preference shares of Rs. 100 each, 3,500 shares in the name of Panchsheel Investment Company (a private company with unlimited liability) and 4,000 shares in the name of Rajdhani Investments & Agencies Private Limited.

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. Rajiv Singh, Mrs Kavita Singh and Ms. Pia Singh.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

	(Rs. in 000's, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	11	11	11
Reserves (excluding revaluation reserves)	62	60	54
Income	20	20	19
Profit After Tax	3	6	2
Earnings per share (In Rs.)	2.42	5.04	1.63
Book value per share (In Rs.)	68.22	66.36	60.75

Vishal Foods and Investments Private Limited

The company was incorporated as a private limited company under the Companies Act on December 15, 1973. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001. It is registered as Non Banking Financial Company under Reserve Bank of India Act, 1934 and invests in shares of group companies.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
Equity Shares of Rs. 100 each	Madhur Housing and Development Company*	500	33.33
	DLF Investments Private Limited	500	33.33
	Kohinoor Real Estates Company*	500	33.34

* a private company with unlimited liability.

In addition to above, the Company's capital has 7000 preference shares of Rs. 100 each (with voting rights) in the name of Mr. K.P.Singh jointly with Mr. Rajiv Singh (held on behalf of Singh Family Trust) and 13,000-20% non-cumulative preference shares of Rs. 100 each in the name of Mr. K.P.Singh jointly with Mrs. Indira K.P.Singh (held on behalf of General Marketing Corporation).

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh, Mr. Rajiv Singh and Mrs. Renuka Talwar.

Financial Performance

The financial results of the company for the years ended March 31, 2006, 2005 and 2004 are set forth below:

			(**Rs. in 000's, unless otherwise stated**)
	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**
Equity Capital	150	150	150
Reserves (excluding revaluation reserves)	9,070	8,883	8,282
Income	733	699	958
Profit/(Loss) After Tax	187	600	(968)
Earnings per share (In Rs.)	124.67	400.33	(645.63)
Book value per share (In Rs.)	6,146.67	6,022.00	5,621.33

Yashika Properties and Development Company
(A private company with unlimited liability)

The company was incorporated as a private company with unlimited liability under the Companies Act on August 10, 2005. The registered office of the company is situated at DLF Centre, Sansad Marg, New Delhi 110 001 for doing real estate business in India.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on November 30, 2006 is as under: -

Class of Shares	**Name of Shareholder**	**Number of Shares**	**% of Equity Capital (approximated)**
Equity Shares of Rs. 10 each	Rajiv Singh jointly with Sidhant Housing and Development Company*	1	0.01
	Sidhant Housing and Development Company*	9,999	99.99

* a private company with unlimited liability

There was no change in the capital structure of the company in the last six months.

Board of Directors

The board of directors of the company comprises Mr. K. P. Singh, Mrs. Indira K. P. Singh and Mr. Rajiv Singh.

Financial Performance

The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in 000's, unless otherwise stated)

	Fiscal 2006
Equity Capital	100
Reserves (excluding revaluation reserves)	(9)
Income	16
Profit\(Loss) After Tax	(9)
Earnings per share (In Rs.)	(0.88)
Book value per share (In Rs.)	9.12

Past Ventures of our Promoters

Companies with which our Promoters have disassociated themselves in the last three years are as provided below:

Name of the Promoter	Name of the Company	Year of Disassociation	Reason for disassociation
Panchsheel Investment Company	Realest Builders & Services Private Limited (Formerly Realest Builder & Services Limited)	2005	Change in the business decision
Sidhant Housing and Development Company	Realest Builders & Services Private Limited (Formerly Realest Builders & Services Limited)	2005	Change in the business decision

Conflict of Interest

Most of the promoter group companies are engaged in the business of real estate development. The Promoter group companies and our Company have executed non-compete agreements. As per the agreements, the Promoter group companies have agreed not to compete with us in the business of real estate and infrastructure development.

Related Party Transactions

For details of the related party transactions, see section titled Financial Statements- Related Party Transactions beginning on page [•].

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition.

The table below provides information of dividends declared by our Company during the last five fiscal years.

	Fiscal 2006	**Fiscal 2005**	**Fiscal 2004**	**Fiscal 2003**	**Fiscal 2002**
Face value of equity shares (Rs. per share)	2	10	10	10	10
Dividend (Rs. in million)	15.53	14.03	14.03	14.03	14.03
Dividend Tax (Rs. in million)	2.18	1.83	1.80	1.80	Nil
Dividend per equity share (Rs.)	0.80	4.00	4.00	4.00	4.00
Dividend Rate (%)	40.00	40.00	40.00	40.00	40.00

We require written consent of some of our lenders prior to declaration or payment of any dividend. For details, see section titled "Financial Indebtedness" on page [•].

FINANCIAL STATEMENTS

DLF LIMITED - STATEMENT OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED, FOR THE EIGHT MONTHS ENDED NOVEMBER 30, 2006 AND FOR THE YEARS ENDED MARCH 31, 2006, 2005, 2004, 2003 AND 2002

Auditors' report as required by Part II of Schedule II of the Companies Act, 1956

To,

The Board of Directors
DLF Limited
Shopping Mall, 3rd Floor
Arjun Marg, Phase – I
DLF City, Gurgaon
Haryana, India

Dear Sirs,

We have examined the financial information of DLF Limited (formerly DLF Universal Limited) ('the Company') annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ('the DRHP'). This financial information has been prepared by management and approved by the Board of Directors of the Company for the purpose of disclosure in the Offer Document being issued by the Company in connection with the with the Initial Public Offering ('IPO') for the issue of 175,000,000 equity shares having a face value of Rs. 2 each at an issue price to be arrived at by a book building process (referred to as 'the Issue'). This financial information has been prepared in accordance with the requirements of:

i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act');

ii) The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the 'SEBI Guidelines') issued by the Securities and Exchange Board of India ('SEBI') in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments;

iii) The Guidance Note on the Reports in Company Prospectuses and the Guidance Note on Audit Reports/Certificates on Financial Information in Offer document issued by the Institute of Chartered Accountants of India ('ICAI'); and

iv) In accordance with the terms of reference received from the Company requesting us to carry out work in connection with the offer document being issued by the Company in connection with its IPO of Equity Shares.

A. Financial Information as per Audited Financial Statements:

1. We have examined the attached 'Summary Statement of Assets and Liabilities, As Restated' of the Company as at November 30, 2006 and as at March 31, 2006, 2005, 2004, 2003 and 2002 (Annexure I) and the attached 'Summary Statement of Profits and Losses, As Restated' (Annexure II) for the eight months ended November 30, 2006 and for the years ended March 31, 2006, 2005, 2004, 2003, and 2002, together referred to as 'Restated Summary Statements'. The Restated Summary Statements, including the adjustments and regroupings which are more fully described in the note on adjustments appearing in Annexure XXIV to this report have been extracted from the Audited Financial Statements of the Company as of and for the eight months ended November 30, 2006 and as of and for the years ended March 31, 2006, 2005, 2004, 2003 and 2002. Based on our examination of these summary statements, we state that:

a) The Restated Summary Statements have to be read in conjunction with the Statement of Significant Accounting Policies and Notes given in Annexure XXIII and XXIV respectively, to this report.

b) The Restated Summary Statements of the Company have been restated with retrospective effect to reflect the significant accounting policies being adopted by the Company as at November 30, 2006, as stated in the Notes forming part of the Restated Summary Statements given in Annexure XXIV to this report.

c) The restated profits have been arrived at after making such adjustments and regroupings as in our opinion are appropriate in the year / period to which they relate as described in the Notes forming part of the Restated Summary Statements given in Annexure XXIV.

B. Other Financial Information:

We have examined the following information in respect of the eight months ended November 30, 2006 and for the years ended March 31, 2006, 2005, 2004, 2003, and 2002 of the Company, proposed to be included in the DRHP, as approved by the Board of Directors and annexed to this report:

(a) Statement of Cash Flows, As Restated (Annexure III)
(b) Statement of Share Capital, As Restated (Annexure IV);
(c) Statement of Reserves And Surplus, As Restated (Annexure V);
(d) Statement of Secured Loans, As Restated (Annexure VI);
(e) Statement of Unsecured Loans, As Restated (Annexure VII);
(f) Statement of Stocks, As Restated (Annexure VIII);
(g) Statement of Debtors, As Restated (Annexure IX);
(h) Statement of Loans and Advances, As Restated (Annexure X);
(i) Statement of Cash and Bank Balances, As Restated (Annexure XI);
(j) Statement of Current Liabilities and Provisions, As Restated (Annexure XII);
(k) Statement of Sales and Other Income, As Restated (Annexure XIII);
(l) Statement of Cost of Revenue, As Restated (Annexure XIV);
(m) Statement of Establishment Expenses, As Restated (Annexure XV);
(n) Statement of Other Expenses, As Restated (Annexure XVI);
(o) Statement of Finance Charges, As Restated (Annexure XVII);
(p) Statement of Dividend Paid (Annexure XVIII);
(q) Capitalisation Statement (Annexure XIX);
(r) Summary of Accounting Ratios, As Restated (Annexure XX);
(s) Related Party Disclosures (Annexure XXI); and
(t) Statement of Tax Shelters (Annexure XXII)

In our opinion, the Financial Information as per audited financial statements and 'Other Financial Information' mentioned above for the eight months ended November 30, 2006 and for the years ended on March 31, 2006, 2005, 2004, 2003 and 2002 have been prepared in accordance with Part II of the Act and the SEBI Guidelines.

The sufficiency of the procedures, as set forth in the above paragraphs, is the sole responsibility of the Company. We make no representation regarding the sufficiency of the procedures described above either for the purposes for which this report has been requested or for any other purpose.

This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to therein.

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

For **Walker, Chandiok & Co**
Chartered Accountants

David Jones
Partner
Membership No. 98113

New Delhi
December 6, 2006

ANNEXURE I: SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
A. Fixed Assets						
Gross block	2,182	1,089	988	836	438	469
Less: Accumulated depreciation	337	292	268	267	254	262
Net Block	**1,845**	**797**	**720**	**569**	**184**	**207**
Capital work in progress	2,843	4,567	4,066	24	2	-
	4,688	**5,364**	**4,786**	**593**	**186**	**207**
B. Investments	6,652	13,973	1,738	1,773	1,674	1,593
C. Current Assets, Loans and Advances						
Stocks	35,416	4,938	3,865	7,797	4,321	2,483
Sundry debtors	2,841	266	35	1,055	545	359
Cash and bank balances	1,739	1,270	220	107	45	16
Other current assets	77	37	18	49	87	152
Loans and advances	43,281	24,590	9,621	4,995	1,700	2,805
	83,354	**31,101**	**13,759**	**14,003**	**6,698**	**5,815**
D. Liabilities and Provisions						
Secured loans	60,103	30,109	6,302	5,579	138	360
Unsecured loans	6,508	30	30	32	86	101
Current liabilities and provisions	17,647	13,752	8,035	5,172	2,904	2,528
	84,258	**43,891**	**14,367**	**10,783**	**3,128**	**2,989**
E. Deferred tax liability (net)	145	71	737	850	907	723
Net Worth (A+B+C-D-E)	**10,291**	**6,476**	**5,179**	**4,736**	**4,523**	**3,903**
Represented by:						
F. Share capital	3,026	378	35	35	35	35
G. Reserves	7,265	6,098	5,144	4,701	4,488	3,868
Net Worth (F+G)	**10,291**	**6,476**	**5,179**	**4,736**	**4,523**	**3,903**

ANNEXURE - II: SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Income						
Sales and other receipts						
Sales and other income	10,356	11,450	4,798	4,958	2,858	3,495
Total income	**10,356**	**11,450**	**4,798**	**4,958**	**2,858**	**3,495**
Expenditure						
Cost of revenue	1,280	5,802	2,593	3,715	1,899	2,450
Establishment expenses	108	168	333	214	157	142
Finance charges	2,472	1,461	331	94	54	200
Other expenses	624	501	538	427	347	288
Depreciation	55	39	34	27	25	43
Total expenditure	**4,539**	**7,971**	**3,829**	**4,477**	**2,482**	**3,123**
Profit before tax	**5,817**	**3,479**	**969**	**481**	**376**	**372**
Fringe benefit tax	18	5	-	-	-	-
Current tax	1,860	1,200	294	120	122	51
Deferred tax	89	0	(2)	6	(9)	(13)
Net profit	**3,850**	**2,274**	**677**	**355**	**263**	**334**
Adjustments on account of:						
Adoption of Percentage of Completion Method						
Constructed properties	-	(1,851)	(369)	(141)	569	287
Plots	(49)	(115)	43	(46)	17	151
Retirement Benefits Adjustment	-	(2)	(2)	(1)	(1)	(3)
Unclaimed balances	-	-	-	-	-	(2)
Prior period items	-	-	-	-	-	(4)
Income tax- earlier years	-	(7)	-	-	(5)	50
Tax impact of adjustments	17	662	110	63	(197)	(146)
Total	**(32)**	**(1,313)**	**(218)**	**(125)**	**383**	**333**
Adjusted profit after tax	**3,818**	**961**	**459**	**230**	**646**	**667**

ANNEXURE - III: STATEMENT OF CASH FLOWS, AS RESTATED

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before tax	**5,768**	**1,504**	**641**	**293**	**956**	**851**
Adjustment for:						
Depreciation	55	39	34	28	25	43
(Profit)/ Loss on sale of fixed assets	1	2	(2)	2	9	(3)
(Profit)/ Loss on sale of investments	-	-	0	(0)	(5)	(1)
Assets written off	-	-	0	0	4	-
Interest/ Guarantee charges	2,472	1,461	331	94	54	200
Interest/ dividend income	(1,734)	(1,549)	(240)	(107)	(78)	(292)
(Profit)/Loss-net from partnership firms	-	(49)	(98)	(88)	(27)	(174)
Rental income - non operational	-	-	-	-	-	(10)
Compensation received		-	-	-	-	(23)
Prior period adjustments	(9)	-	(0)	-	(3)	3
Provision/(Reversal of provision) for doubtful debts/advances	-	1	-	-	(7)	3
Provision/(Reversal of provision) for investment	-	-	8	-	(1)	-
Provision for retirement benefits	(21)	29	11	16	11	4
Operating profit before working capital changes	**6,532**	**1,438**	**685**	**238**	**938**	**601**
Adjustment for:						
Trade and other receivables	(20,286)	(15,217)	(3,646)	(3,485)	(654)	(456)
Advances to subsidiary companies and Partnership firms	12,212	10,286	1,930	3,001	396	54
Inventories	(27,798)	(940)	3,927	(3,614)	44	6,153
Trade and other payables	289	28	(185)	(294)	255	1,336
Payables to subsidiary companies/firms	(9)	17	99	84	135	209
Realisation under agreement to sell	1,390	4,148	2,874	2,365	(111)	(7,403)
Cash generated from operations	**(27,670)**	**(240)**	**5,684**	**(1,705)**	**1,003**	**494**
Direct taxes paid	(1,326)	(453)	(275)	(128)	(231)	(52)
Net cash flow from operating activities	**(28,996)**	**(693)**	**5,409**	**(1,833)**	**772**	**442**
CASH FLOW FOR INVESTING ACTIVITIES						
Purchase/Acquisition of fixed assets	(1,354)	(512)	(4,076)	(429)	(15)	(13)
Purchase/Acquisition of investments						-
Subsidiary companies/firms	(383)	(4,409)	(60)	(142)	(89)	(170)
Others	(1,021)	(7,837)	(12)	(353)	(1,550)	(468)
Proceeds from disposal of:						-
Fixed assets	12	58	9	1	6	86

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Investments :						-
In subsidiary companies/firms	16	11	98	44	8	162
Others	7,837	-	0	353	1,555	469
Interest/Dividend received	1,696	1,529	271	143	145	303
Profit/ (Loss)-net from partnership firms	-	49	98	88	27	174
Rental income - non operational	-	-	-	-	-	10
Compensation received	-	-	-	-	-	23
Advances to subsidiary companies / firms	(12,203)	(10,303)	(2,029)	(3,085)	(532)	(263)
Net cash flow from investing activities	**(5,400)**	**(21,414)**	**(5,701)**	**(3,380)**	**(445)**	**313**
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from issuing of Share Capital	1	343	-	-	-	-
Proceeds from long term borrowings	43,110	22,929	4,990	4,600	3	-
Repayment of long term borrowings	(6,712)	(2,040)	(3,660)	-	(41)	(653)
Proceeds/ (Repayment) from short term borrowings	73	2,920	(610)	787	(197)	114
Interest paid	(2,461)	(1,622)	(467)	(89)	(57)	(201)
Dividend paid	(16)	(14)	(14)	(14)	(14)	(14)
Net cash flow from financing activities	**33,995**	**22,516**	**239**	**5,284**	**(306)**	**(754)**
Net increase/ (decrease) in cash and cash equivalents	**(401)**	**409**	**(53)**	**71**	**21**	**1**
Opening cash and cash equivalents	460	51	104	33	12	11
Closing cash and cash equivalents	59	460	51	104	33	12
	(401)	**409**	**(53)**	**71**	**21**	**1**
Cash and bank balance	1,739	1,270	220	107	45	16
Less: Fixed deposit accounts with banks						
Pledged / under lien / earmarked	1,680	810	169	3	12	4
Closing cash and cash equivalents	**59**	**460**	**51**	**104**	**33**	**12**

Note: The Cash Flow Statements have been prepared under indirect method as set out in Accounting Standard-3 on Cash Flow Statements as issued by ICAI.

ANNEXURE - IV: DETAILS OF SHARE CAPITAL, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Authorised						
2,497,500,000 (Previous year 39,500,000 Equity shares of Rs 10 each) Equity shares of Rs 2 each	4,995	395	45	45	45	45
50,000 Cumulative redeemable preference shares of Rs 100 each	5	5	5	5	5	5
	5,000	**400**	**50**	**50**	**50**	**50**
Issued						
1,513,145,080 (Previous year 37,878,300 Equity shares of Rs 10 each) Equity shares of Rs 2 each	3,026	379	36	36	36	36
	3,026	**379**	**36**	**36**	**36**	**36**
Subscribed and paid						
1,513,145,080 (Previous year 37,767,997 Equity shares of Rs 10 each fully paid) Equity shares of Rs 2 each	3,026	378	35	35	35	35
	3,026	**378**	**35**	**35**	**35**	**35**

Notes:

1. The above issued, subscribed and paid up share capital includes:

   a. 5,877,850 equity shares of Rs. 2 each (originally 1,175,570 shares of Rs.10 each) fully paid were allotted without payment being received in cash.

   b. 1,324,001,945 equity shares of Rs. 2 each, fully paid issued as bonus shares after capitalization of free reserves and share premium.

2. During the year ended March 31 2006, the Company issued 3,426,024, “2% Unsecured Optionally Convertible Debentures” to the share holders of the Company on a right basis, in the ratio of 1 debenture of Rs. 100 for each equity share of Rs. 10 held. Further, vide resolutions passed in the meetings of Board of Directors held on March 28, 2006, and on March 31, 2006, except for 25 debentures, all such debentures were converted in to fully paid equity shares, at par, by issuing 10 equity shares for each debenture.

3. As a result of conversion, the paid-up share capital of the Company increased by 34,259,990 of equity shares of Rs.10 each.

4. On April 17, 2006, the Board of Directors approved conversion of the balance 25, 2% Unsecured Optionally Convertible Debentures into equity shares, at par, by issuing 10 equity shares of Rs.10 each for each debenture held.

5. On May 2, 2006, the Company has issued seven bonus shares for each share held by the shareholders on record as on April 27, 2006 by utilizing its free reserves and share premium balance.

6. On May 2, 2006, the Company also sub-divided each equity share of face value of Rs. 10 into five equity shares of Rs. 2 each.

7. (a) In the Extra Ordinary General meeting held on November 14, 2006, shareholders approved the issue of "2% Unsecured Optionally Convertible Debentures" of Rs. 100 each, not exceeding 81,983 in number, to the shareholders of the Company in terms of the letter of offer dated

December 21, 2005 issued to the shareholders.

(b). This approval was effected by a special committee of the Board of Directors on November 24, 2006 wherein;

(i) 6038 "2% Unsecured Optionally Convertible Debentures" of Rs. 100 each were allotted.

(ii) These debentures were converted in to fully paid equity shares of Rs. 2 each, at par, by issuing 50 equity shares for each debenture held.

(iii) The issue of 7 bonus shares against each of these shares by utilizing the free reserves of the Company was approved.

Pursuant to the above transactions, the paid up share capital of the Company increased by Rs. 2,648,610,190 (1,513,145,080 equity shares) during the period from April 1 - November 30, 2006.

8. Subsequent to November 30, 2006, the following transactions were approved by a special committee of the Board of Directors on December 5, 2006 in furtherance of the approval granted by the shareholders in the extra ordinary general meeting held on November 14, 2006 (as explained in note 7 above)

(i) Allotment of 35,140 "2% Unsecured Optionally Convertible Debentures" of Rs 100 each.
(ii) Conversion of these debentures in to fully paid equity shares of Rs 2 each, at par, by issuing 50 equity shares for each debenture held.
(iii) Issue of 7 bonus shares against each of these shares by utilizing the free reserves of the Company.

ANNEXURE - V: STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

Rs. in Million

Particulars	**As at November 30, 2006**	**As at March 31,**				
		2006	**2005**	**2004**	**2003**	**2002**
Capital reserve	39	39	109	109	115	122
Capital redemption reserve	2	2	2	2	2	2
Share premium	-	97	97	97	97	97
Debenture redemption reserve	-	-	-	-	-	9
General reserve	270	695	425	345	303	273
Surplus						
As per profit and loss account	6,954	5,265	4,511	4,148	3,971	3,365
Total	**7,265**	**6,098**	**5,144**	**4,701**	**4,488**	**3,868**

ANNEXURE VI: STATEMENT OF SECURED LOANS, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
A - TERM LOANS						
From banks						
CITIBANK	125	313	500	-	-	-
CITIBANK	-	2,040	-	-	-	-
United Bank of India	1,000	1,000	-	-	-	-
ICICI Bank	2,880	2,880	-	-	-	-
ICICI Bank	4,450	-	-	-	-	-
Bank of Maharashtra	450	450	-	-	-	-
Bank of Maharashtra	550	550	-	-	-	-
ABN AMRO Bank	860	1,404	-	-	-	-
ABN AMRO Bank	1,250	-	-	-	-	-
HSBC Bank	229	344	344	-	-	-
HSBC Bank	650	674	300	690	-	-
HSBC Bank	155	232	232	-	-	-
Bank of Baroda	692	692	-	-	-	-
IDBI Bank	1,007	850	-	-	-	-
UCO Bank	2,000	2,000	-	-	-	-
Corporation Bank	1,500	1,500	-	-	-	-
Standard Chartered Bank	-	2,000	-	-	-	-
Standard Chartered Bank	1,000	-	-	-	-	-
State Bank of India	648	-	-	-	-	-
State Bank of Hyderabad	350	-	-	-	-	-
State Bank of Travancore	263	-	-	-	-	-
ICICI Bank	-	-	-	-	-	20
SUB TOTAL	**20,059**	**16,929**	**1,376**	**690**	**-**	**20**
B – FROM OTHERS						
IL & FS Trust Company Ltd	497	1,070	-	-	-	-
IL & FS Trust Company Ltd	233	500	-	-	-	-
UTI Bank Limited (DAS Trust Series I)	1,000	-	-	-	-	-
UTI Bank Limited (DAS Trust Series II)	1,250	-	-	-	-	-
IDFC Ltd	1,500	1,500	-	-	-	-
HDFC Limited	3,000	3,000	3,000	-	-	-
GE Capital Services India	714	-	-	-	-	-
IL & FS Trust Company Ltd	1,500	-	-	-	-	-
IL & FS Trust Company Ltd	1,500	-	-	-	-	-
IL & FS Trust Company Ltd	2,150	-	-	-	-	-
DSP Merrill Lynch Capital Limited	1,584	-	-	-	-	-
DSP Merrill Lynch Capital Limited	4,650	-	-	-	-	-
UTI Bank Limited (Trust Series 18 to 23)	9,300	-	-	-	-	-
HDFC Limited	2,820	2,820	-	3,000	-	-
SUB TOTAL	**31,698**	**8,890**	**3,000**	**3,000**	**-**	**-**

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
C - WORKING CAPITAL LOANS						
CITIBANK	209	439	354	405	-	-
HDFC Bank Limited	656	-	-	-	-	-
HSBC Bank	200	200	-	200	-	271
Standard Chartered Bank	260	291	-	-	-	-
Kotak Mahindra Bank Limited	253	-	-	-	-	-
State Bank of India	925	1,498	-	-	-	-
ING Vysya Bank	14	-	-	-	-	-
Development Bank of Singapore	590	590	-	-	-	-
Corporation Bank	456	468	-	-	-	-
ICICI Bank						
STL	-	-	-	375	-	-
LOC	2,550	-	1,550	900	-	-
Overdraft	1,027	91	-	-	134	48
State Bank of Hyderabad	244	490	-	-	-	-
State Bank of Travancore	787	-	-	-	-	-
ABN AMRO Bank	102	199	-	-	-	-
SUB TOTAL	**8,273**	**4,266**	**1,904**	**1,880**	**134**	**319**
D - VEHICLE/EQUIPMENT LOANS						
From Banks	73	24	22	9	4	5
SUB TOTAL	**73**	**24**	**22**	**9**	**4**	**5**
E - DEBENTURES						
Redeemable	-	-	-	-	-	14
Interest Accrued & Due	-	-	-	-	-	2
SUB TOTAL	**-**	**-**	**-**	**-**	**-**	**16**
Grand Total	**60,103**	**30,109**	**6,302**	**5,579**	**138**	**360**

ANNEXURE - VII: STATEMENT OF UNSECURED LOANS, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Fixed deposits						
Directors	-	-	-	1	31	21
Others	-	5	8	19	30	36
Interest accrued and due	-	-	-	-	-	-
	-	**5**	**8**	**20**	**61**	**57**
Other term loans and Advances						
Directors	-	-	13	4	-	14
Others	-	21	9	8	24	25
Kotak Mahindra Bank	2,980	-	-	-	-	-
Hongkong Shanghai Banking Corporation	1,500	-	-	-	-	-
UTI Bank Limited (Series XXIV 2006)	2,000	-	-	-	-	-
From subsidiary companies	4					
Other body corporates	20	4	-	-	1	4
Interest accrued and due	-	0	-	-	-	1
Debentures application and call money (Pending allottment)	4	-	-	-	-	-
	6,508	**25**	**22**	**12**	**25**	**44**
Total	**6,508**	**30**	**30**	**32**	**86**	**101**

ANNEXURE - VIII: STATEMENT OF STOCKS, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Land, Development and Construction Work in progress	10,154	3,662	1,326	918	1,011	49
Land including plots	147	73	682	517	587	248
Advance and part payment under agreement to purchase land/constructed Properties	24,665	747	1,392	5,888	2,250	1,707
Rented Building (including Land)	-	-	-	-	-	-
Lease hold	304	304	304	304	304	304
Free hold	258	258	258	258	248	245
	562	**562**	**562**	**562**	**552**	**549**
Less: Depreciation on buildings	112	106	97	88	79	70
	450	**456**	**465**	**474**	**473**	**479**
Total	**35,416**	**4,938**	**3,865**	**7,797**	**4,321**	**2,483**

ANNEXURE - IX: STATEMENT OF DEBTORS, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
SUNDRY DEBTORS						
DEBTS OVER SIX MONTHS						
Secured	11	7	0	-	-	-
Unsecured	5	25	34	6	22	11
Considered Doubtful	-	-	-	-	-	-
Due from Firms in which Company is a partner	-	-	-	-	144	77
	16	32	34	6	166	88
OTHER DEBTS						
Secured	-	1	1	45	363	36
Unsecured	2,825	233	0	1,000	13	238
Others	-	-	0	4	3	-
	2,825	**234**	**1**	**1,049**	**379**	**274**
Less: Provision for doubtful debts	-	-	-	-	-	3
TOTAL	**2,841**	**266**	**35**	**1,055**	**545**	**359**

ANNEXURE - X: STATEMENT OF LOANS AND ADVANCES, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
LOANS AND ADVANCES						
(Unsecured, considered good)						
Advances recoverable in cash or in kind or for value to be received	11,831	6,146	1,806	376	162	2,277
Security deposits	29	25	21	29	25	10
Due from Subsidiary Companies	29,244	17,222	5,225	2,372	348	-
Due from Body Corporate	-	-	1,712	1,635	658	217
Advance tax Paid	2,179	1,198	857	583	507	303
	43,283	**24,591**	**9,621**	**4,995**	**1,700**	**2,807**
Less Doubtful and Provided for	2	1	-	-	-	2
TOTAL	**43,281**	**24,590**	**9,621**	**4,995**	**1,700**	**2,805**

ANNEXURE - XI: STATEMENT OF CASH AND BANK BALANCES, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Cash/cheques in hand	4	1	1	1	1	3
Bank balance						
With scheduled banks in :						
Current accounts	51	117	49	74	33	10
Fixed deposit accounts						
Pledged/under lien/earmarked	1,680	810	168	3	5	3
Others	-	341	-	28	6	0
With HSBC Bank plc, London, UK, in current account, a non - scheduled bank	4	1	2	1	0	-
Total	**1,739**	**1,270**	**220**	**107**	**45**	**16**

ANNEXURE - XII: STATEMENT OF CURRENT LIABILITIES AND PROVISIONS, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
CURRENT LIABILITIES						
Sundry Creditors	330	429	342	686	759	470
Due to Subsidiary Companies	-	6	37	-	-	155
Due to firms in which the Company and/ or its subsidiary are partners in Current account	56	56	59	160	194	259
Uncashed Dividend	1	1	1	1	1	1
Due To Joint Venture - Niharika	0	17	-	-	-	-
Realisation under agreement to sell	11,826	10,293	6,012	3,136	772	804
Advances against contracts						
Other Liabilities	1,623	1,221	984	908	997	789
Interest Accrued but not due on loans	610	24	18	6	0	1
	14,446	**12,047**	**7,453**	**4,897**	**2,723**	**2,479**
PROVISIONS						
Proposed dividend	-	16	14	14	14	14
Tax on dividend	-	2	2	2	-	-
Tax	3,113	1,578	488	194	120	-
Retirement benefits	88	109	78	65	47	35
	3,201	**1,705**	**582**	**275**	**181**	**49**
TOTAL	**17,647**	**13,752**	**8,035**	**5,172**	**2,904**	**2,528**

ANNEXURE - XIII: STATEMENT OF SALES AND OTHER INCOME, AS RESTATED

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Revenue from Construction Properties and Plots	8,397	9,530	4,117	4,457	2,450	2,696
Compensation received	-	-	0	-	0	23
Rent & Licence fee	214	309	298	272	251	235
Farm Receipts	0	0	0	0	0	0
Forfeiture of properties	4	5	5	19	13	33
Lease Income	-	-	-	-	-	14
Total	**8,615**	**9,844**	**4,420**	**4,748**	**2,714**	**3,001**
Income from Investments						
Interest on long term investment	-	163	-	0	-	71
Profit from partnership firms	-	49	98	88	27	174
	-	**212**	**98**	**88**	**27**	**245**
Details of Other Income						
Interest (gross) from:						
Bank deposits	57	32	5	1	1	-
Customers	36	28	16	37	56	193
Loans and deposits	1,640	1,323	219	63	4	22
Income-tax refunds	-	3	-	5	17	-
Others	1	-	0	1	-	6
	1,734	**1,386**	**240**	**107**	**78**	**221**
Exchange gain/ (loss)	0	(0)	0	(0)	(0)	0
Profit on disposal of fixed assets	0	0	7	0	2	15
Profit on disposal of long term investments (trade investments)	-	-	-	0	-	-
Profit on disposal of current investments (other than trade)	-	-	-	0	5	-
Income from Short term Investments	-	-	-	-	-	1
Unclaimed balances written back	0	0	0	1	8	2
Finance arrangement fee	-	-	-	8	17	-
Miscellaneous income	7	8	33	6	7	10
	7	**8**	**40**	**15**	**39**	**28**
	1,741	**1,394**	**280**	**122**	**117**	**249**
Total	**10,356**	**11,450**	**4,798**	**4,958**	**2,858**	**3,495**

ANNEXURE - XIV: STATEMENT OF COST OF REVENUE, AS RESTATED

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Project Cost	1,197	5,802	2,757	3,651	2,057	2,414
Add: (Increase)/ Decrease in stocks	83	(0)	(165)	63	(160)	36
Others	-	-	1	1	2	-
Total	**1,280**	**5,802**	**2,593**	**3,715**	**1,899**	**2,450**

ANNEXURE - XV: STATEMENT OF ESTABLISHMENT EXPENSES, AS RESTATED

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Salaries, wages and bonus	118	140	281	169	123	121
Contribution to provident and other funds	7	7	24	17	12	10
Retirement Benefits	(21)	18	17	19	14	3
Staff welfare	4	3	11	9	8	8
Total	**108**	**168**	**333**	**214**	**157**	**142**

ANNEXURE - XVI: STATEMENT OF OTHER EXPENSES, AS RESTATED

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Commission and Brokerage	182	216	183	151	63	43
Advertisement and Publicity	147	45	34	31	43	30
Travelling and Conveyance	29	23	37	30	34	28
Legal and Professional	117	65	71	35	21	19
Others	149	152	213	180	186	168
Total	**624**	**501**	**538**	**427**	**347**	**288**

ANNEXURE - XVII: STATEMENT OF FINANCE CHARGES, AS RESTATED

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Interest						
Debentures and fixed periods loans	1,991	1,195	273	67	21	82
Others	184	164	27	22	29	114
	2,175	**1,359**	**300**	**89**	**50**	**196**
Guarantee and bank charges	297	102	31	5	4	4
Total	**2,472**	**1,461**	**331**	**94**	**54**	**200**

ANNEXURE - XVIII: STATEMENT OF DIVIDEND PAID

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Number of Equity Shares (No. in Millions)	1,510.73	37.77	3.51	3.51	3.51	3.51
Rate of Dividend (%)						
Interim		-	-	-	-	-
Final	0%	40%*	40%	40%	40%	40%
Amount of Dividend on Equity Shares (Rs. Millions)						
Interim	-	-	-	-	-	-
Final	-	16	14	14	14	14
Total tax on Dividend (Rs. Millions)	**-**	**2**	**2**	**2**	**2**	**-**

* Dividend has been paid prorata from the date of issue of shares

ANNEXURE XIX: CAPITALISATION STATEMENT

Rs. in Million

PARTICULARS	November 30, 2006	March 31, 2006
Borrowings :		
Short-term Debt	10,453	5,151
Long-term Debt	56,158	24,988
Total Debt	**66,611**	**30,139**
Shareholders' funds:		
Share Capital	3,026	378
Reserves	7,265	6,098
Total Shareholders' Funds	**10,291**	**6,476**
Long-term Debt/Equity ratio	5	4
Total Debt/Equity ratio	**6**	**5**

ANNEXURE XX: SUMMARY OF ACCOUNTING RATIOS, AS RESTATED

S.NO.	PARTICULARS	For the eight months ended November 30, 2006	For the years ended March 31, 2006	2005	2004	2003	2002
1)	Adjusted profit to income from operations (%)	67.34	19.11	15.65	6.40	29.02	24.46
2)(a)	Earnings per share *	2.53	247.59	130.78	65.25	184.19	190.28
(b)	Restated earnings per share *	2.53	6.19	3.27	1.63	4.60	4.76
3)(a)	Cash earnings per share *	2.56	257.63	140.46	73.13	191.40	202.45
(b)	Restated cash earnings per share *	2.56	6.44	3.51	1.83	4.78	5.06
4)(a)	Net asset value per share (Rs.) *	6.81	1,667.82	1,476.36	1,350.19	1,289.37	1,112.67
(b)	Restated Net asset value per share (Rs.) *	6.81	41.70	36.91	33.75	32.23	27.82
5)	Return on net worth (%)	37.11	14.84	8.86	4.83	14.29	17.10
6)(a)	No. of Equity shares *	1,510,798,512	3,883,376	3,508,007	3,508,007	3,508,007	3,508,007
(b)	Restated No. of Equity Shares *	1,510,798,512	155,335,024	140,320,280	140,320,280	140,320,280	140,320,280

*** Face Value of Rs.2**

Notes :-

1) The ratio has been computed as below :

$$\text{Adjusted profit to income from operations (\%)} = \frac{\text{Adjusted profit before tax}}{\text{Income from operations}}$$

$$\text{Earnings per share-Basic and Diluted} = \frac{\text{Adjusted profit/(loss) after tax but before extraordinary items}}{\text{Weighted average number of Equity shares outstanding during the year}}$$

$$\text{Cash earnings per share} = \frac{\text{Adjusted profit after tax but before depreciation}}{\text{Weighted average number of Equity shares outstanding during the year}}$$

$$\text{Net asset value per share(Rs.)} = \frac{\text{Net worth excluding revaluation reserve}}{\text{Weighted average number of Equity shares outstanding during the year}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Adjusted profit/(loss) after tax but before extraordinary items}}{\text{Net worth excluding revaluation reserve}}$$

2) Earnings per share has been calculated in accordance with Accounting Standard 20 "Earning Per Share" issued by the Institute of Chartered Accountants of India.

3) Restated shares have been computed pursuant to the issue of bonus shares in the ratio of seven shares for each share held by the shareholders of record on April 27, 2006, by utilising the free reserves and the share premium balances.Further pursuant to the approval granted by the shareholders at the Extra Ordinary General Meeting held on May 2, 2006, the equity share of face value of Rs.10 each has been subdivided into 5 equity shares of Rs.2 each.

4) Restated profit and loss has been considered for the purpose of computing the above ratios.

ANNEXURE XXI: RELATED PARTY DISCLOSURES

List of Related Parties

a) Relationship :

(i) Subsidiary companies at any time during the year

1	Aadarshini Real Estate Developers Private Ltd.	52	Eila Builders and Developers Pvt.Ltd
2	Abhiraj Real Estate Private Ltd.	53	Falguni Builders Pvt. Ltd.
3	Adelie Buildersand Developers Pvt. Ltd.	54	G K S Housing Ltd.
4	Aloki Real Estate Developers Pvt. Ltd.	55	Galaxy Mercantiles Ltd.
5	Amishi Builders and Developers Pvt. Ltd	56	Galleria Property Mgt. Services Private Ltd.
6	Ananti Builders and Construction Pvt. Ltd.	57	Ganika Builders Pvt. Ltd.
7	Anjuli Builders and Developers Pvt.Ltd	58	Gulika Home Developers Private Ltd.
8	Annabel Builders and Developers Pvt. Ltd.	59	Gyan Real Estate Developers P. Ltd.
9	Avinashi Bldrs. and Developers Pvt. Ltd.	60	Highvalue Bldrs. Pvt. Ltd.
10	Ayushi Builders and Developers Pvt.Ltd	61	Isabel Builders and Developers Pvt.Ltd

11 Belden Homes Pvt.Ltd
12 Beverly Park Maintenance Services Ltd.
13 Bhamini Real Estate Developers Pvt. Ltd
14 Bhoruka Financial Services Ltd.
15 Breeze Construction Pvt. Ltd.
16 Camila Builders and Constructions Pvt Ltd.
17 Carlton Real Estate Developers Pvt. Ltd.
18 Carmen Builders and Constructions Pvt.Ltd
19 Catherine Builders and Developers Pvt. Ltd.
20 Catriona Builders and Constructions Pvt Ltd
21 Cee Pee Maintenance Services Ltd.
22 Chandrajyoti Estate Developers Pvt. Ltd.
23 Comfort Buildcon Pvt. Ltd.
24 Dalmia Promoters And Developers Pvt. Ltd.
25 Delanco Home and Resorts Pvt. Ltd.
26 Deltaland Real Estate Pvt. Ltd.
27 Dhoomketu Bldrs. and Developers Pvt. Ltd.
28 Dhyan Constructions Pvt. Ltd.
29 DLF Akruti Info Park (Pune) Ltd.
30 DLF Commercial Developers Ltd.
31 DLF Cyber City Developers Ltd.
32 DLF Estate Developers Ltd.
33 DLF Financial Services Ltd.
34 DLF Golf Resorts Ltd.
35 DLF Home Developers Ltd
36 DLF Hotels and Resorts Ltd.
37 DLF Hotels Holdings Ltd.
38 DLF Housing and Constructions Ltd.
39 DLF Info City Developers (Noida) Ltd.
40 DLF Info City Developers (Chandigarh) Ltd. (upto November 29, 2006)
41 DLF Info City Developers (Kolkatta) Ltd. (upto November 28, 2006)
42 DLF Info City Developers (Bangalore) Ltd.
43 DLF Info City Developers (Chennai) Ltd.
44 DLF Info City Developers (Hyderabad) Ltd.
45 DLF Phase IV Commercial Developers Ltd.
46 DLF Power Ltd.
47 DLF Real Estates Ltd.
48 DLF Retail Developers Ltd.
49 DLF Services Ltd.
50 Dominga Builders and Construction Pvt. Ltd.
51 Edward Keventor (Successors) Pvt. Ltd.
62 Jai Luxmi Real Estate Pvt. Ltd.
63 Jawala Real Estate Private Ltd.
64 Kairav Real Estate Pvt. Ltd.
65 Kamini Home Developers Private Ltd.
66 Kenneth Builders and Developers Pvt Ltd (Upto April 25, 2006)
67 Marala Real Estates Pvt. Ltd.
68 Monishka Builders and Developers Private Ltd.
69 Muafa Real Estates Pvt.Ltd
70 Natwar Builders and Developers Pvt. Ltd.
71 Necia Builders and Developers Pvt. Ltd.
72 Newgen Medworld Hospitals Ltd.
73 Nilayam Builders and Developers Ltd.
74 Nilgiri Cultivations Pvt. Ltd.
75 Nilima Real Estate Developers Pvt. Ltd.
76 Paliwal Developers Ltd.
77 Paliwal Real Estate Pvt. Ltd.
78 Passion Builders and Developers Pvt. Ltd.
79 Pee Tee Property Mgt. Services Ltd.
80 PAT Infrastructure Pvt. Ltd.
81 Prateep Estates Pvt.Ltd
82 Prompt Real Estate Pvt. Ltd.
83 Rajika Estate Developers Pvt. Ltd.
84 Regency Park Property Mgt. Services Pvt. Ltd.
85 Richmond Park Property Mgt. Services Pvt Ltd.
86 Roadtech Construction Private Ltd.
87 Royalton Builders and Developers Pvt. Ltd
88 Sanchali Real Estate Developers Pvt. Ltd.
89 Shivajimarg Properties Ltd.
90 Shrila Builders and Developers Pvt. Ltd.
91 Silver Oaks Property Mgt. Services Ltd.
92 Simbala Builders and Developers Pvt. Ltd.
93 Solid Buildcon Pvt. Ltd.
94 Sumedha Homes Pvt. Ltd.
95 Sunlight Promoters Pvt. Ltd.
96 Talika Real Estate Developers Pvt. Ltd.
97 Trisha Real Estate Developers Pvt. Ltd.
98 Tuhina Real Estate Developers Pvt. Ltd.
99 Umed Construction Pvt. Ltd.
100 Valini Builders and Developers Pvt. Ltd.
101 VSK Investment and Finance Ltd.
102 Wellington Real Estate Developers Pvt. Ltd.

Partnership Firms

1 DLF Commercial Projects Corporation
2 DLF Office Developers
3 DLF Property Developers
4 DLF Residential Partner
5 DLF Recreational Foundation
6 DLF Residential Builders
7 DLF City Centre
8 DLF South Point
9 DLF Residential Developers
10 Kavicon Partners
11 Rational Builders and Developers
12 Real Estate Builders

(ii) Joint Ventures

1 DLF Laing O' Rourke (India) Ltd.
2 Kenneth Builders and Developers Pvt. Ltd. (wef April 25, 2006)
3 Niharika Shopping Mall

(iii) Associates

1 Caitlin Builders and Developers Pvt. Ltd.
2 Bridget Builders and Developers Pvt. Ltd.
3 Mangal Shrusti Gruh Nirmiti Pvt Ltd.
4 Delenco Real Estates (Pvt) Ltd.

(iv) Key management Personnel

Name	Designation	Relatives (Relation)*
a) Mr. K.P. Singh	Chairman	Mrs. Indira K.P.Singh (Wife), Mrs. Vikram Devi (Sister)
b) Mr. Rajiv Singh	Vice Chairman	Mrs. Kavita Singh(Wife), Mrs. Savitri Devi Singh and Miss. Anushka Singh(Daughters)
c) Ms. Renuka Talwar	Whole Time Director	Master Rahul SinghTalwar (Son)
d) Mr. T.C. Goyal	Managing Director	
e) Mr. J.K.Chandra	Sr. Executive Director	
f) Ms. Pia Singh	Whole Time Director	
g) Mr. K. Swarup	Executive Director	

* Relatives of key management personnel (other than key management personnel themselves) with whom there were transactions during the year

(v) Other enterprises under control of the key management personnel and their relatives:

1	A.S.G. Realcon Pvt. Ltd.	51	Nachiketa Real Estates Private Ltd.
2	Adampur Agricultural Farm	52	Northern India Theatres Private Ltd.
3	Adept Real Estate Developers Pvt. Ltd.	53	Pace Financial Services Ltd
4	Aeshya Estates Pvt. Ltd.	54	Panchsheel Invetsment Company
5	AGS Buildtech Pvt. Ltd.	55	Panchvati Estates Pvt. Ltd.
6	Altamount Real Estate Developers Private Ltd.	56	Parvati Estates Pvt. Ltd.
7	Angus Builders and Developers Private Ltd.	57	Pia Pariwar Trust
8	Antriksh Properties Private Ltd.	58	Plaza Partners
9	Anubhav Apartments Private Ltd.	59	Power Overseas Private Ltd.
10	Aquarius Builders and Developers Private Ltd.	60	Prem Traders and Investments Private Ltd.
11	Arihant Housing Company	61	Prem's Will Trust
12	Atria Partners	62	Pushpak Builders and Developers Private Ltd.
13	Bansal Development Company Pvt. Ltd.	63	Pushpavali Bldrs. and Developers Pvt. Ltd.
14	Belicia Builders and Developers Private Ltd.	64	Raghvendra Public Charitable Trust
15	Beverly Park Operation and Maintenance Services Pvt. Ltd.	65	Raisina Agencies and Investments Private Ltd.
16	Buland Consultants and Investments (P) Ltd	66	Rajdhani Investments and Agencies Private Ltd.
17	Centre Point Property Mgt. Services Pvt. Ltd.	67	Rajiv Kavita Trust
18	Ch.Lal Chand Memorial Charitable Trust	68	Realest Builders and Services Pvt. Ltd.
19	Cian Builders and Developers Pvt. Ltd.	69	Rekan and Co.
20	Desent Promoters and Developers Private Ltd.	70	Renkon Agencies Private Ltd.
21	Digital Talkies Private Ltd.	71	Renkon Partners
22	DLF Assets Pvt. Ltd.	72	Renuka Pariwar Trust
23	DLF Commercial Enterprises	73	Renuka Rahul Trust
24	DLF Finance Corporation	74	Sagarika Real Estate Developers Pvt. Ltd.
25	DLF Investments Private Limited	75	Sambhav Housing and Development Company
26	DLF M.T.FBD Medical and Commiunity Charitable Trust	76	Sanidhya Constructions Private Ltd
27	DLF Q.E.C. Education Charitable Trust	77	Savitri Studs and Farming Company (P) Ltd.
28	DLF Q.E.C. Medical Charitable Trust	78	Sidhant Housing and Development Company
29	DLF Raghvendra Temple Trust	79	Sketch Investment Private Ltd.
30	Excel Housing Construction Private Ltd.	80	Smt.Savitri Devi Memorial Charitable Trust
31	Gangrol Agricultural Farm	81	Solace Housing and Construction Private Ltd.
32	General Marketing Corporation	82	Sudarshan Estates Private Ltd.
33	Glaze Builders and Developers Private Ltd.	83	Sukh Sansar Housing Private Ltd.
34	Haryana Electrical Udyog Private Ltd.	84	Sukomal Builders and Developers Pvt. Ltd.
35	Herminda Builders and Developers Private Ltd.	85	Sulekha Builders and Developers Pvt. Ltd
36	Hitech Property Developers Private Ltd.	86	Super Mart One Property Mgt. Services Pvt. Ltd.
37	Indira Trust	87	Super Mart Two Property Mgt. Services Pvt. Ltd.
38	Jagpriya Portfolio and Technofin Services Pvt Ltd	88	Trinity Housing and Construction Company
39	Jhandewalan Ancillaries and Investments (P) Ltd.	89	Udyan Housing and Development Company
40	Kohinoor Real Estates Company	90	Ultima Real Estate Developers Private Ltd.
41	Krishna Public Charitable Trust	91	Universal Management and Sales Private Ltd.

42	Lal Chand Public Charitable Trust	92	Upeksha Real Estate Developers Private Ltd.
43	Lyndale Holdings Private Limited	93	Uplift Real Estate Developers Pvt. Ltd.
44	Maaji Properties and Development Company	94	Urva Real Estate Developers Private Ltd.
45	Macknion Estates Private Limited	95	Uttam Builders and Developers Private Ltd.
46	Madhukar Housing and Development Company	96	Uttam Real Estates Company
47	Madhur Housing and Development Company	97	Vanutsar Properties Pvt. Ltd.
48	Magna Real Estate Developers Pvt. Ltd.	98	Vishal foods and Investments Private Ltd.
49	Mallika Housing Company	99	Windsor Complex Property Mgt. Services Pvt. Ltd.
50	Megha Estates Private Ltd.	100	Yashika Properties and Development Company

Transactions/ balances outstanding undertaken with related parties:

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ending March 31,				
		2006	2005	2004	2003	2002
Subsidiary companies						
Transactions during the year						
Sale of land, properties and material	211	1	5	0	0	1
Sale of fixed assets	12	58	-	0	1	0
Interest income	1,602	912	208	43	3	21
Dividend income	-	-	-	-	-	69
Miscellaneous income	-	2	2	3	-	-
Rent received	1	1	1	1	1	0
Service charge received	-	-	-	2	5	1
Service charge paid	2	-	2	2	-	-
Expenses recovered	635	237	19	1	2	3
Purchase of land and material	1,617	788	516	543	33	66
Rent paid	0	0	0	0	0	0
Cost of staff on deputation	3	-	20	15	12	3
Maintenance charges paid	8	-	22	17	25	43
Interest paid	0	0	1	3	6	11
Business promotion	-	-	2	1	0	1
Expenses paid	26	27	0	-	-	-
Investment Sold/Received	-	0	2	12	75	156
Interest received on debentures	-	31	-	-	-	-
Loans given	31,732	11,053	4,076	2,762	260	59
Guarantees given	21,220	9,140	1,632	-	20	1,443
Advances received under agreement to sell	390	2	15	-	9	22
Advance received under agreement to sell refunded	-	4	-	71	-	-
Advance paid under agreement to purchase	23,460	421	-	-	-	-

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ending March 31,				
		2006	2005	2004	2003	2002
Balance at the end of the year						
Debtors	192	1	-	-	-	-
Investments	5,882	-	1,324	1,325	1,316	1,242
Advances given	140	17,223	5,226	2,372	348	1,421
Advance and part payments under agreement to purchase land/ constructed properties	24,223	625	1,157	3,664	1,657	-
Miscellaneous expenses recoverable	-	-	0	0	0	-
Creditors/payables	43	62	50	38	87	160
Inter corporate deposit	-	3	-	-	-	-
Guarantees given	36,079	15,139	3,038	1,364	3,288	3,930
Advances received under agreement to sell	531	6	12	37	24	27
Loan and Advances given	27,658	-	-	-	-	-
Interest receivable	1,515	-	-	-	-	-
Expenses receivable	722					
Inter corporate deposit	4	-	-	-	-	-
Interest payable on Inter Corporate Deposits	0	-	-	-	-	-
Advance paid	2,352	-	-	-	-	-
Joint ventures and associates						
Transactions during the year						
Sale of land, properties and material	-	-	-	1,000	1	287
Sale of fixed assets	-	-	4	-	-	41
Interest income	7	402	10	-	-	2
Rent received	-	-	-	-	-	-
Service charge received	-	-	-	-	-	-
Expenses recovered	12	318	7	0	0	-
Purchase of land and material	-	-	0	2	-	3
Purchase of fixed assets	-	-	1	1	-	-
Rent paid	-	-	1	1	1	1
Cost of staff on deputation	-	-	7	3	1	-
Maintenance charges paid	-	-	-	-	-	-
Interest paid	-	-	-	-	-	74
Business promotion	-	-	-	-	-	-
Expenses paid	-	13	-	-	-	-
Investment Sold/Received	-	-	62	131	14	14
Interest received on debentures	-	65	-	-	-	-
Loans given	-	546	1,111	81	-	-
Guarantees given	-	800	1,230	-	-	-

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ending March 31, 2006	2005	2004	2003	2002
Advances received under agreement to sell	-	53	3	-	-	68
Advance received under agreement to sell refunded	-	33	-	-	-	-
Advance paid under agreement to purchase	74	120	-	-	-	-
Investment in Debentures - debentures redeemed	7,836	-	-	-	-	-
Balance at the end of the year						
Debtors	-	-	-	1,000	156	315
Investments	155	-	414	447	358	351
Advances given	14	3,598	2,824	1,635	665	245
Advances and part payments under agreement to purchase land/ constructed properties	-	-	3	2,223	32	-
Miscellaneous expenses recoverable	-	-	0	4	2	-
Creditors/payables	-	-	59	161	194	259
Inter corporate deposit	-	-	-	-	-	-
Guarantees given	-	2,700	1,230	-	-	-
Advances received under agreement to sell	4	20	31	-	-	68
Loan and Advances given	-	-	-	-	-	-
Interest receivable	129	-	-	-	-	-
Expenses receivable - Others	115	-	-	-	-	-
Expenses receivable - Const and Other Div	57	-	-	-	-	-
Expenses-Receivables - DUL - Allocated	59	-	-	-	-	-
Key management personnel						
Transactions during the year						
Remuneration paid	34	123	105	56	44	41
Interest paid	-	1	1	3	3	6
Advances received under agreement to sell	-	-	-	4	5	-
Fixed Deposit refunded	5	-	-	-	-	-
Debentures issued	-	21	-	-	-	-
Debentures converted in to equity shares	-	21	-	-	-	-
Balances at the year end						
Creditors/ Payables	-	73	73	33	63	59
Realisation under agreement to sell	-	3	3	3	8	-
Advances and part payments under agreement to purchase land/ constructed properties	-	-	27	1	1	-
Investments	-	-	8	-	-	-
Amount recoverable from registered trusts	-	-	2	2	12	-

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ending March 31, 2006	2005	2004	2003	2002
Rent recoverable	-	-	-	-	-	-
Share application money pending allotment	-	-	-	8	-	-
Entities over which key management personnel is able to exercise significant influence						
Transactions during the year						
Rent paid	-	5	4	4	4	4
Interest paid	1	2	1	2	4	4
Purchase of land/ materials	4	5	2	-	4	-
Rent received	-	-	-	-	-	-
Provision for diminution in value of investment	-	-	8	-	-	-
Investments	-	-	8	-	-	-
Fixed deposit refunded	-	1	-	-	-	-
Debentures issued	-	320	-	-	-	-
Debentures converted in to equity shares	-	320	-	-	-	-
Expenses recovered	-	0	-	-	-	-
Inter corporate deposit received	-	13	-	-	-	-
Intercorporate deposit refunded	-	11	-	-	-	-
Claims paid	-	12	-	-	-	-
Advances received under agreement to sell	-	31	-	-	-	-
Balances at the year end						
Advances given	-	1	1	-	-	66
Earnest money and part payments under agreement to purchase land/ constructed properties	-	22	-	-	-	-
Creditors/ Payables	-	23	11	17	37	25
Loan given	2,197	-	-	-	-	-
Interest Receivable	87	-	-	-	-	-
Expenses Receivable	169	-	-	-	-	-
Advances received under agreement to sell	-	28	45	18	18	24
Inter corporate deposit	21	-	-	-	-	-
Interest payable ICD	1	-	-	-	-	-
Investments	9	-	-	-	-	-

ANNEXURE XXII: STATEMENT OF TAX SHELTERS

Rs. in Million

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Profit before tax as restated	**5,768**	**1,504**	**641**	**292**	**955**	**851**
Tax rate	**33.66**	**33.66**	**36.59**	**35.88**	**36.75**	**35.70**
Tax as per actual rate on profits (A)	**1,942**	**506**	**234**	**105**	**351**	**304**
Adjustments						
Permanent Difference						
Indexation difference in long term capital gain/loss	-	(14)	(0)	(1)	(0)	0
Deduction under sec. 24 of the Income tax Act	22	30	29	26	22	19
Income from investment in partnership firms	-	16	36	32	10	62
Amount written off	-	-	-	(1)	-	-
Allowance of expenditure in tax return	-	-	-	-	74	-
Dividend exempt under section 10 (34)	-	-	-	-	-	25
Profit charegeable to tax u/s 41	-	-	-	-	-	(2)
Wealth tax disallowed	1	(1)	(1)	(1)	(1)	(1)
Enhanced compensation claimed to be exempt	-	-	-	-	-	1
Others	0	(2)	3	(5)	1	1
Charity and donations	2	(3)	(1)	(0)	(0)	0
Total permanent difference (B)	**25**	**26**	**66**	**50**	**106**	**105**
Timing difference						
Tax depreciation and book value depreciation	79	11	7	12	(6)	(11)
Provision for doubtful debts	-	-	-	-	3	(2)
Others	-	-	(3)	-	-	0
Provision for Retirement benefits	5	(10)	(5)	(6)	(6)	-
Deduction claimed under the provisions of Income tax Act,1961	-	-	(1)	-	-	-
Tax Impact of restatement adjustments	(14)	(665)	(121)	(68)	210	172
Total timing difference (C)	**70**	**(664)**	**(123)**	**(62)**	**201**	**159**
Total adjustments (B+C)=D	**95**	**(638)**	**(57)**	**(12)**	**307**	**264**
Tax payable for the year (A-D)	1,847	1,144	291	117	44	41
Current tax	1,847	1,144	291	117	44	41
Interest under section 234B & 234C of the Income Tax Act, 1961(As per income tax return)	-	40	1	-	-	-
Total tax payable	**1,847**	**1,184**	**292**	**117**	**44**	**41**

ANNEXURE XXIII – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the accounting standards and relevant guidance note issued by the Institute of Chartered Accountants (ICAI), of India, the relevant provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Disclosure and Investor Protection Guidelines), 2000, issued by the Securities and Exchange Board of India.

2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

3. Fixed assets and depreciation

a) Fixed assets (gross block) are stated at historical cost. Steel shutterings are capitalised at the costs directly relating to their fabrication and are included under plant and machinery.

Depreciation on assets (including buildings and related equipments rented out and included under current assets as stocks) is provided on straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956 except in the case of steel shuttering where the estimated useful life has been determined as seven years.

b) Amounts paid for leasehold land, are not amortised being on perpetual lease.

4. Investments

Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost and provision for diminution in their value, other than temporary, is made in the accounts.

Profit/ loss on sale of investments is computed with reference to the average cost of the investment.

5. Stocks

Stocks are valued as under:

a) Land and plots (including under agreements to sell) other than area transferred to constructed properties at the commencement of construction are valued at cost, approximate average cost or as revalued on conversion to stock, as applicable. Costs include land acquisition cost, estimated internal development costs and external development charges.

b) Constructed properties includes the cost of land (including under agreements to purchase), internal development costs, external development charges, construction costs, development/construction materials, and is valued at cost or estimated cost, as applicable.

c) Earnest money and part payment under agreement to purchase land/ constructed properties represents amounts paid by the Company to acquire irrevocable and exclusive licenses and development rights in identified land and constructed properties, the acquisition of which by the payee is at an advanced stage.

d) Rented buildings and related equipments are valued at cost less depreciation.

6. Revenue recognition

a) Sale of land and plots is recognized in the financial year in which the agreement to sell is executed.

b) Revenue from constructed properties:

Assets given on perpetual lease are considered sold in the year in which the agreement to sell is executed and revenue is recognised on the Percentage of Completion method of accounting referred to in c below.

Revenue from constructed properties is recognized on the "Percentage of Completion method" of accounting. Sale consideration receivable as per the agreements to sell constructed properties entered into is recognized as revenue on the basis of percentage of actual project costs incurred thereon, including cost of land, estimated construction and development cost of such properties subject to such actual cost incurred being 30 percent or more of the total estimated project cost. The estimates of the saleable area and costs are reviewed periodically and effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

7. Profit /Loss from partnership firms

Share of profit / loss from firms in which the Company is a partner is accounted for in the financial year ending on (or before) the date of the balance sheet.

8. Rent and Licence fees, Service receipts and Interest from customers under agreements to sell

Rent and Licence fees, Service receipts and Interest from customers under agreements to sell is accounted for on an accrual basis except in cases where ultimate collection is considered doubtful.

9. Cost of revenue

a) Cost of land and plots includes land acquisition cost, estimated internal development costs and external development charges, which is charged to the profit and loss account proportionate to land / plotted area in respect of which revenue is recognised as per accounting policy no. 6 above, in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the applicable scheme.

b) Cost of constructed properties includes cost of land (including under agreements to purchase), internal development costs, external development charges, construction costs and development/ construction materials, which is charged to the profit and loss account proportionate to the revenue recognised as per accounting policy no. 6 above, in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the applicable project.

10. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit and loss account as incurred.

11. Taxation

Provision for tax for the year comprises current income-tax, deferred tax and fringe benefit tax. Current income-tax is determined to be payable in respect of taxable income with deferred tax being determined as the tax effect of timing differences 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). Such deferred tax is quantified using rates and laws enacted or substantively

enacted as at the end of the financial year. Pursuant to the introduction of fringe benefit tax effective April 1, 2005, a provision in accordance with the provisions of sections 115 WC of the Income tax Act, 1961 has been made.

12. Foreign currency transactions

Transactions in foreign currency and non monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end rate. Income and expenditure of the liaison office is translated at the yearly average rate of exchange.

The exchange differences arising on such conversion and on the settlement of the transactions, except for those relating to acquisition of fixed assets which are adjusted to the carrying amount of the related fixed asset are dealt with in the profit and loss account.

13. Retirement benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard 15 - Employee Benefits (Revised 2005) issued by the ICAI.

(i) Provident fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the Profit and loss account in the year in which such gains or losses arises.

(iii) Earned leave

Liability in respect of earned leave becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of earned leaves becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent Actuary using the projected unit credit method.

(iv) Other short term benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

14. Leases

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the profit and loss account.

15. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be

impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

16. Contingent liabilities

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter.

ANNEXURE XXIV – NOTES TO THE STATEMENTS OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED

(All amounts in Rupees millions, unless otherwise stated)

1. Adjustments resulting from changes in accounting policies

a) During the year ended March 31, 2006, the Company revised the accounting policy for recognising revenue on constructed properties from date of registration of sale deed/ transfer of ownership to percentage of completion method. This change has been adopted pursuant to the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the ICAI. The cumulative effect of this change was recorded in the year ended March 31, 2006. Accordingly, revenue from sale of constructed properties has been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of the change pertaining to periods ended on or before March 31, 2001.

b) During the period ended November 30, 2006, the Company revised the accounting policy for recognising revenue on developed plots from the date of registration of sale deeds to date of execution of the sale agreement. This change has been adopted pursuant to the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the ICAI. The impact of the above change was not significant; however, the cumulative effect of this change was recorded in the period ended November 30, 2006. Accordingly, revenue for sale of developed plots has been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006 and for the eight months ended November 30, 2006. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of the change pertaining to periods ended on or before March 31, 2001.

c) During the period ended November 30, 2006, pursuant to the applicability of the revised Accounting Standard 15 on "Employee Benefits, issued by the ICAI and effective for all enterprises with effect from April 1, 2006, the Company" adopted the provisions of this standard with effect from April 1, 2006. The impact of the above change was not significant; however, the cumulative effect of this change was recorded in the period ended November 30, 2006. Accordingly, establishment expenses have been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006 and for the eight months ended November 30, 2006. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of the change pertaining to periods ended on or before March 31, 2001.

2. Adjustments relating to previous years

a) Prior period items

The Company recorded prior period items in respect of annual periods from April 1, 2001 to March 31, 2006 and for the eight months period from April 1, 2006 to November 30, 2006,

the effect of these items have been charged in the respective periods of origination with a corresponding credit to the 'Summary Statement of Profits and Losses, as Restated..

b) ***Write back of excess provisions pertaining to prior years***

The Company has written back to the profit and loss account provisions and accruals made on estimates which had been provided for in earlier years but no longer considered payable. Accordingly, the effect of these write backs has been considered in the respective years in which these accruals were originally recorded with a corresponding reduction in the recorded period expenses in the 'Summary Statement of Profits and Losses, as Restated'.

c) ***Tax earlier years***

The Company recorded tax earlier years which primarily resulted on completion of assessments made by the Income tax authorities and any difference was recorded as credit/ charge in the financial statements. Accordingly, the effect of these items has been adjusted in the period to which the tax related to with a corresponding charge/ credit to the recorded period in the 'Summary Statement of Profits and Losses, as Restated.'

3. Tax impact of adjustments

The 'Summary Statement of Profits and Losses, as Restated' has been adjusted for respective years in respect of short/excess provision for income tax as compared to the tax payable as per the income tax returns filed by the Company for the respective years.

4. Commitments and Contingencies

a) The estimated value of contracts remaining to be executed on capital account and not provided for is Rs. 1,923.

b) Contingencies

The Company is involved in certain claims and tax assessments arising in the ordinary course of business.

A summary of the contingencies existing as at November 30, 2006 is as follows:

Nature of Contingency	**November 30, 2006**
Guarantees	
Subsidiaries	36,079
Others	1,520
Claims against the Company not acknowledged as debts	592
Demands in excess of provisions (pending in appeals)	
Income Tax	376
Total	**38,567**

5. The profit/loss from sale of developed plots of land in DLF City, Gurgaon (Complex) is accounted for in the books in the year of execution of the sale agreements. The Complex comprises lands owned by the Company as also those under agreements to purchase entered into with subsidiary/ coordinating companies. In terms of such agreements, the Company has purchased 2.55 lacs sq. mts. of plotted area during the eight months period ended November 30, 2006. from the land owning companies consequent to registration of the sale deeds/ transfer of ownership at the average cost of land to the Company and/ or the land owning companies. The average estimated internal development costs and external development charges, in respect of the plots sold have been written off in terms of accounting policy no. 9 stated in Annexure XXIII above. Final adjustment, if any, will be made on completion of the applicable schemes / projects.

6. In respect of houses, flats etc. the construction work of which was substantially completed upto March 31, 1991, revenue is recognised proportionate to the sale proceeds, the cost of construction for which has been determined by excluding the cost of land based on market price prevailing at the time of booking of such properties.

7. In terms of the agreement entered into with DLF Housing and Construction Limited and Mayur Recreational and Development Limited (merged, effective from April 1, 2003 with Nachiketa Real Estates Limited. The Company has agreed to develop the lands owned by the said companies lands alongwith its own lands at Loni (Ankur Vihar) into a colony. In terms of the said agreement, the Company is entitled to realise and retain the entire sale proceeds and against the same to pay the cost of land, incidentals etc. plus a sum of Rs. 0.10 lacs per acre to the aforesaid land owners on registration of the properties and revenue is recognised on proportionate realisation basis.

8. In respect of Dilshad Garden II Scheme, the profit/loss on sale of developed plots is accounted by adjusting cost proportionate to the realisations made.

9. The Company is engaged in the business of colonisation and real estate development, which as per Accounting Standard 17 on 'Segment Reporting' issued by the ICAI is recognised to be the only reportable business segment. The company is operating in the same geographical segment.

10. The scheme of amalgamation under section 391-394 of the Companies Act, 1956, of DLF Power Limited and DLF Phase IV Commercial Developers Limited (Wholly owned subsidiaries of DLF Limited) with DLF Limited effective from April 1, 2004 has been approved by the respective shareholders and filed for sanction with the Hon'ble High Courts of Delhi and Punjab & Haryana. The Formal Order for sanction of the Scheme from both the respective High Courts is awaited and hence, no effect thereto has been given in these financial statements.

11. Employees Share Option Scheme ("ESOP")

During the period ended November 30, 2006, the company announced employee share option scheme for all the employees of the company. The scheme is yet to be implemented and hence no effect has been given in the financials relating to ESOP accounting.

12. Material reclassification

During the eight months period ended November 30, 2006, the Company reclassified land and construction work in progress from "Capital work in progress" to "Stocks".

DLF LIMITED - CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED, FOR THE EIGHT MONTHS ENDED NOVEMBER 30, 2006 AND FOR THE YEARS ENDED MARCH 31, 2006, 2005, 2004, 2003 and 2002

Auditors' report as required by Part II of Schedule II of the Companies Act, 1956

To,

The Board of Directors
DLF Limited
Shopping Mall, 3rd Floor
Arjun Marg, Phase – I
DLF City, Gurgaon
Haryana, India

Dear Sirs,

We have examined the consolidated financial information of DLF Limited (formerly DLF Universal Limited) (the'Company') and its subsidiaries, associates and joint ventures (refer Annexure XXI), (collectively referred to as the 'Group') annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus (the'DRHP'). This financial information has been prepared by management and approved by the Board of Directors of the Company for the purpose of disclosure in the Offer Document being issued by the Company in connection with the Initial Public Offering ('IPO') for the issue of 175,000,000 equity shares having a face value of Rs. 2 each at an issue price to be arrived at by a book building process (referred to as 'the Issue'). This consolidated financial information has been in accordance with the requirements of:

(i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act');

(ii) The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the'SEBI Guidelines') issued by the Securities and Exchange Board of India ('SEBI') in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments;

(iii) The Guidance Note on the Reports in Company Prospectuses and the Guidance Note on Audit Reports/Certificates on Financial Information in Offer document issued by the Institute of Chartered Accountants of India ('ICAI'); and

(iv) In accordance with the terms of reference received from the Company requesting us to carry out work in connection with the offer document being issued by the Company in connection with its IPO of Equity Shares.

A. Consolidated Financial Information as per Audited Financial Statements:

We have examined the attached 'Consolidated Summary Statement of Assets and Liabilities, as Restated' of the Group as at November 30, 2006 and as at March 31, 2006, 2005, 2004, 2003 and 2002 (Annexure I) and the attached 'Consolidated Summary Statement of Profits and Losses, as Restated' (Annexure II) for the eight months ended November 30, 2006 and for the years ended March 31, 2006, 2005, 2004, 2003 and 2002, together referred to as 'Consolidated Restated Summary Statements'. The Consolidated Restated Summary Statements, including the adjustments and regroupings which are more fully described in the note on adjustments appearing in Annexure XXIII to this report have been extracted from the Consolidated Audited Financial Statements of the Company as of and for the eight months ended November 30, 2006 and as of and for the years ended March 31, 2006 and 2002. The Company did not prepare consolidated financials statements as of and for the years ended March 31, 2005, 2004 and 2003. The Consolidated Restated Summary Statements as of and for the years ended March 31, 2005, 2004 and 2003 have been extracted from the Company's and its subsidiaries unconsolidated financial statements as of and for the years ended March 31, 2005, 2004 and 2003.

We did not audit the financial statements of certain consolidated entities whose financial statements as of and for the period ended November 30, 2006 and as of and for the years ended March 31, 2006, 2005, 2004, 2003 and 2002 reflect total assets of Rs 53,041 million, Rs 20,578 million, Rs. 9,534 million, Rs. 8,574 million, Rs. 6,031 million and Rs. 6,294 million respectively. These financial

statements and other financial information have been audited by other auditors whose reports have been furnished to us.

Based on our examination of these Consolidated Restated Summary Statements, we state that:

(i) The Consolidated Restated Summary Statements have to be read in conjunction with the Statement of Significant Accounting Policies and Notes given in Annexure XXII and XXIII respectively, to this report.

(ii) The Consolidated Restated Summary Statements of the Company have been restated with retrospective effect to reflect the significant accounting policies being adopted by the Company as at November 30, 2006, as stated in the Notes forming part of the Consolidated Restated Summary Statements given in Annexure XXIII to this report.

(iii) The restated profits have been arrived at after charging all expenses including depreciation and after making such adjustments and regroupings as in our opinion are appropriate in the year / period to which they relate as described in the Notes forming part of the Consolidated Restated Summary Statements given in Annexure XXIII.

(iv) Qualifications in the auditors' report which do not require any corrective adjustments in the financial statements are reproduced in the Notes forming part of the Consolidated Restated Summary Statements given in Annexure XXIII to this report.

B. Consolidated other Financial Information:

We have examined the following information in respect of the eight months ended November 30, 2006 and for the years ended March 31, 2006, 2005, 2004, 2003 and 2002 of the Group, proposed to be included in the DRHP, as approved by the Board of Directors and annexed to this report:

i) Consolidated Statement of Cash Flows, As Restated (Annexure III)
ii) Statement of Share Capital, As Restated (Annexure IV)
iii) Consolidated Statement of Reserves And Surplus, As Restated (Annexure V)
iv) Consolidated Statement of Secured Loans, As Restated (Annexure VI)
v) Consolidated Statement of Unsecured Loans, As Restated (Annexure VII)
vi) Consolidated Statement of Stocks, As Restated (Annexure VIII)
vii) Consolidated Statement of Sundry Debtors, As Restated (Annexure IX)
viii) Consolidated Statement of Loans and Advances, As Restated (Annexure X)
ix) Consolidated Statement of Cash and Bank Balances, As Restated (Annexure XI)
x) Consolidated Statement of Current Liabilities and Provisions, As Restated (Annexure XII)
xi) Consolidated Statement of Sales and Other Income, As Restated (Annexure XIII)
xii) Consolidated Statement of Cost of Revenues, As Restated (Annexure XIV)
xiii) Consolidated Statement of Establishment Expenses, As Restated (Annexure XV)
xiv) Consolidated Statement of Finance Charges, As Restated (Annexure XVI)
xv) Consolidated Statement of Other Expenses, As Restated (Annexure XVII)
xvi) Details of Quoted Investments (Annexure XVIII)
xvii) Consolidated Capitalisation Statement (Annexure XIX)
xviii) Consolidated summary of Accounting Ratios, As Restated (Annexure XX)
xix) Related Party Disclosure (Annexure XXI)

In our opinion, the Consolidated Financial Information as per audited financial statements and 'Consolidated Other Financial Information' mentioned above for the eight months ended November 30, 2006 and for the years ended on March 31, 2006, 2005, 2004, 2003 and 2002 have been prepared in accordance with Part II of Schedule II of the Act and SEBI Guidelines.

The sufficiency of the procedures, as set forth in the above paragraphs, is the sole responsibility of the Company. We make no representation regarding the sufficiency of the procedures described above either for the purposes for which this report has been requested or for any other purpose.

This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us or by any other firm of Chartered Accountants nor should it be construed as a new opinion on any of the financial statements referred to therein.

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

For **Walker, Chandiok & Co**
Chartered Accountants

David Jones
Partner
Membership No. 98113

New Delhi
December 6, 2006

ANNEXURE - I: CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
A. Fixed Assets						
Gross block	13,135	11,237	8,253	5,083	4,159	3,488
Less: Accumulated depreciation	2,213	1,891	1,549	1,260	1,017	820
Net Block	**10,922**	**9,346**	**6,704**	**3,823**	**3,142**	**2,668**
Capital work in progress	11,116	6,239	3,506	128	8	785
	22,038	**15,585**	**10,210**	**3,951**	**3,150**	**3,453**
B. Investments	1,280	8,300	400	991	939	77
C. Current Assets, Loans and Advances						
Stocks	54,852	17,873	7,049	6,566	6,269	5,543
Sundry debtors	15,508	6,580	2,852	9,009	2,672	1,849
Cash and bank balances	6,160	1,950	424	279	246	98
Other current assets	95	23	20	36	105	178
Loans and advances	44,192	10,637	6,019	5,603	1,837	2,914
	120,807	**37,063**	**16,364**	**21,493**	**11,129**	**10,582**
D. Goodwill	8,733	8,489	522	522	515	515
E. Liabilities and Provisions						
Secured loans	85,298	39,560	7,952	5,604	3,156	4,494
Unsecured loans	9,152	1,760	1,724	1,505	581	813
Current liabilities and provisions	28,847	18,469	9,344	11,935	4,663	3,507
	123,297	**59,789**	**19,020**	**19,044**	**8,400**	**8,814**
F. Deferred tax liability (net)	303	93	962	1,195	1,349	895
Net Worth (A+B+C+D-E-F)	**29,258**	**9,555**	**7,514**	**6,718**	**5,984**	**4,918**
Represented by:						
G. Share capital	3,026	378	35	35	35	35
H. Reserves	26,030	9,123	7,436	6,575	5,875	4,798
I. Minority interest	202	54	43	108	74	85
Net Worth (G+H+I)	**29,258**	**9,555**	**7,514**	**6,718**	**5,984**	**4,918**

ANNEXURE - II: CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSSES, AS RESTATED

Rs in Millions

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Income						
Sales and other receipts						
Sales and other income	33,239	12,420	6,260	5,266	5,710	4,977
Total income	**33,239**	**12,420**	**6,260**	**5,266**	**5,710**	**4,977**
Expenditure						
Cost of revenue	5,148	5,243	3,165	2,685	2,531	2,034
Establishment	460	397	447	313	236	240
Finance charges	2,480	1,685	390	330	535	689
Other expenses	1,675	1,139	787	848	693	837
Depreciation	352	361	333	288	236	273
Total expenditure	**10,115**	**8,825**	**5,122**	**4,464**	**4,231**	**4,073**
Profit before tax and minority interest	23,124	3,595	1,138	802	1,479	904
Provision for tax	4,816	1,668	259	250	463	240
Net profit before minority interest	18,308	1,927	879	552	1,016	664
Minority interest	8	10	14	14	5	50
Net Profit	**18,300**	**1,917**	**865**	**538**	**1,011**	**614**

ANNEXURE - III: CONSOLIDATED STATEMENT OF CASH FLOWS, AS RESTATED

Rs in Millions

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
A. CASH FLOW FROM OPERATING ACTIVITIES						
Net profit/(loss) before taxation and minority interest, as restated	**23,124**	**3,595**	**1,138**	**802**	**1,479**	**904**
Adjustments for:						
Depreciation	352	361	333	288	236	273
(Profit)/ loss on sale of fixed assets	(4,706)	(51)	(6)	48	-	8
Interest paid	2,480	1,685	391	330	535	675
Provision for doubtful debts	36	208	5	137	101	38
Advances written off	-	-	-	-	-	13
Profit on the sale of investments	(7,709)	(59)	-	-	(6)	-
Interest / dividend income	(997)	(715)	(75)	(207)	(102)	(261)
Operating profit before working capital changes	**12,580**	**5,024**	**1,786**	**1,398**	**2,243**	**1,650**
Movements in working capital:						
(Increase)/decrease in sundry debtors	(8,891)	(3,911)	6,155	(6,678)	(822)	(253)
(Increase)/decrease in loans and advances	(31,525)	(4,528)	(119)	(3,511)	1,811	4,244
(Increase)/decrease in inventories	(36,979)	(13,479)	1,439	(298)	(714)	3,762
Increase/(decrease) in current liabilities and provisions	5,440	6,694	(3,059)	7,202	765	(7,424)
Cash generated from operations	**(59,375)**	**(10,200)**	**6,202**	**(1,887)**	**3,283**	**1,979**
Direct taxes paid (net of refunds)	(2,899)	(751)	(448)	(318)	(371)	(317)
Net cash from/ (used in) operating activities	**(62,274)**	**(10,951)**	**5,754**	**(2,205)**	**2,912**	**1,662**
B. CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of fixed assets and movement in capital work in progress	(6,805)	(4,002)	(8,329)	(959)	(24)	(933)
Proceeds from sale of fixed assets	5,986	139	30	104	56	88
Interest received	507	712	92	155	175	260
Purchase of investments	(2,469)	(8,005)	-	(52)	(962)	(468)
Proceeds from sale of investments	16,954	66	591	-	6	469
Acquisition of shares	-	(7,581)	-	(7)	-	(222)
Minority interest	140	11	(65)	32	(9)	84
Net cash used in investing activities	**14,313**	**(18,660)**	**(7,681)**	**(727)**	**(758)**	**(722)**
C. CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from issue of debentures*	-	343	-	-	-	-
Proceeds from long-term borrowings	55,450	35,105	6,211	5,267	383	1,360
Repayment of long-term borrowings	(15,157)	(5,437)	(3,612)	(3,917)	(1,962)	(1,508)

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
(Repayment)/proceeds of short term borrowings (net)	12,836	2,009	(4)	2,167	-	(69)
Dividend paid	(18)	(16)	(16)	(14)	(14)	(14)
Increase in share capital	1	-	-	-	-	-
Interest/finance charges	(1,829)	(1,484)	(645)	(583)	(456)	(700)
Net cash (used in)/from financing activities	**51,283**	**30,520**	**1,934**	**2,920**	**(2,049)**	**(931)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**3,322**	**909**	**7**	**(12)**	**105**	**9**
Cash and cash equivalents at the beginning of the year	**1,105**	**197**	**191**	**203**	**98**	**91**
Cash and cash equivalents at the end of the year (a)	**4,427**	**1,106**	**198**	**191**	**203**	**100**

Supplementary disclosures* **343**

Conversion of debentures into equity shares

Notes:

1. The cash flows Statements has been prepared under indirect method as set out in Accounting Standard - 3 on Cash Flow Statements as issued by ICAI.

2. Negative figures have been shown in brackets.

ANNEXURE - IV: STATEMENT OF SHARE CAPITAL, AS RESTATED

Particulars	As at November 30, 2006	Rs in Millions As at March 31,				
		2006	2005	2004	2003	2002
Authorised						
2,497,500,000 (Previous year 39,500,000 Equity shares of Rs 10 each)						
Equity shares of Rs 2 each	4,995	395	45	45	45	45
50,000 Cumulative redeemable preference shares of Rs 100 each	5	5	5	5	5	5
	5,000	**400**	**50**	**50**	**50**	**50**
Issued						
1,513,145,080 (Previous year 37,878,300 Equity shares of Rs 10 each)						
Equity shares of Rs 2 each	3,026	379	36	36	36	36
	3,026	**379**	**36**	**36**	**36**	**36**
Subscribed and paid						
1,513,145,080 (Previous year 37,767,997 Equity shares of Rs 10 each fully paid) Equity shares of Rs 2 each	3,026	378	35	35	35	35
TOTAL	**3,026**	**378**	**35**	**35**	**35**	**35**

Notes:

1. The above issued, subscribed and paid up share capital includes:

   a. 5,877,850 equity shares of Rs. 2 each (originally 1,175,570 shares of Rs.10 each) fully paid were allotted without payment being received in cash.

   b. 1,324,001,945 equity shares of Rs. 2 each, fully paid issued as bonus shares after capitalization of free reserves and share premium.

2. During the year ended March 31, 2006, the Company issued 3,426,024, "2% Unsecured Optionally Convertible Debentures" to the share holders of the Company on a right basis, in the ratio of 1 debenture of Rs. 100 for each equity share of Rs. 10 held. Further, vide resolutions passed in the meetings of Board of Directors held on March 28, 2006 and on March 31, 2006 except for 25 debentures, all such debentures were converted into fully paid equity shares, at par, by issuing 10 equity shares for each debenture.

3. As a result of conversion, the paid-up share capital of the Company increased by 34,259,990 of equity shares of Rs.10 each.

4. On April 17, 2006, the Board of Directors approved conversion of the balance 25, 2% Unsecured Optionally Convertible Debentures into equity shares, at par, by issuing 10 equity shares of Rs.10 each for each debenture held.

5. On May 2, 2006, the Company has issued seven bonus shares for each share held by the shareholders on

record as on April 27, 2006 by utilizing its free reserves and share premium balance.

6. On May 2, 2006, the Company also sub-divided each equity share of face value of Rs. 10 into five equity shares of Rs. 2 each.

7. (a). In the extra Ordinary General meeting held on November 14, 2006, shareholders approved the issue of "2% Unsecured Optionally Convertible Debentures" of Rs. 100 each, not exceeding 81,983 in number, to the shareholders of the Company in terms of the letter of offer dated December 21, 2005 issued to the shareholders.

(b) This approval was effected by a special committee of the Board of Directors on November 24, 2006 wherein;

(i) 6038 "2% Unsecured Optionally Convertible Debentures" of Rs. 100 each were allotted.
(ii) These debentures were converted into fully paid equity shares of Rs. 2 each, at par, by issuing 50 equity shares for each debenture held.
(iii) The issue of 7 bonus shares against each of these shares by utilizing the free reserves of the Company was approved.

Pursuant to the above transactions, the paid up share capital of the Company increased by Rs. 2,648,610,190 (1,513,145,080 equity shares) during the period from April 1- November 30, 2006.

8. Subsequent to November 30, 2006, the following transactions were approved by a special committee of the Board of Directors on December 5, 2006 in furtherance of the approval granted by the shareholders in the extra ordinary general meeting held on November 14, 2006 (as explained in note 7 above)

(i) Allotment of 35,140 "2% Unsecured Optionally Convertible Debentures" of Rs 100 each.
(ii) Conversion of these debentures into fully paid equity shares of Rs 2 each, at par, by issuing 50 equity shares for each debenture held.
(iii) Issue of 7 bonus shares against each of these shares by utilizing the free reserves of the Company.

ANNEXURE - V: CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Reserves						
Capital reserve	191	191	270	416	572	321
Amalgmation reserve	7	7	7	7	7	7
Share premium	117	214	209	209	209	97
Debenture redemption reserve						9
Statutory reserve fund	21	21	-	0	0	0
Contingency reserve	90	90	90	90	90	90
General reserve	300	698	428	347	298	276
Surplus						
As per profit and loss account	25,304	7,902	6,432	5,506	4,699	3,998
TOTAL	**26,030**	**9,123**	**7,436**	**6,575**	**5,875**	**4,798**

ANNEXURE VI: CONSOLIDATED STATEMENT OF SECURED LOANS, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
A – TERM LOANS						
From banks						
CITIBANK	125	313	500	-	-	-
CITIBANK	-	2,040	-	-	-	-
United Bank of India	1,000	1,000	-	-	-	-
ICICI Bank	2,880	2,880	-	-	-	-
ICICI Bank	4,450	-	-	-	-	-
Bank of Maharashtra	450	450	-	-	-	-
Bank of Maharashtra	550	550	-	-	-	-
ABN AMRO Bank	860	1,404	-	-	-	-
ABN AMRO BANK	1250	199	-	-	-	-
HSBC Bank	229	344	344	-	-	-

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
HSBC Bank	650	874	300	690	-	-
HSBC Bank	155	232	232	-	-	-
Bank of Baroda	692	692	-	-	-	-
IDBI Bank	1,007	850	-	-	-	-
UCO Bank	2,000	2,000	-	-	-	-
Corporation Bank	1,500	1,500	-	-	-	-
Standard Chartered Bank	-	2,000	-	-	-	-
Standard Chartered Bank	1,000	-	-	-	-	-
State Bank of India	648	-	-	-	-	-
State Bank of Hyderabad	350	-	-	-	-	-
State Bank of Travancore	263	-	-	-	-	-
ICICI Bank	1,288	1,808	1,210	-	1,313	1,352
HDFC LIMITED		2,000				
UTI Bank	1,190	-	-	-	-	-
ICICI Bank	1,433	-	-	-	-	-
ING Vysya Bank	600	-	-	-	-	-
UTI Bank	-	-	-	-	-	-
UTI Bank	2,379	-	-	-	-	-
State Bank of Patiala	1,000	-	-	-	-	-
OBC	-	638	-	-	-	-
United Bank of India	-	626	-	-	-	-
Syndicate Bank	-	820	-	-	-	-
Citi Bank N.A.	158	-	-	-	-	-
Citi Bank N.A. – Jasola	-	2,700				
Indian Bank	363	-	-	-	-	-
State Bank of India	260	-	-	-	-	-
State Bank of Bikaner & Jaipur	363	-	-	-	-	-
State Bank of Hyderabad	145	-	-	-	-	-
Union Bank of India	544	-	-	-	-	-
Development Bank of Singapore	2,073	-	-	-	-	-
Development Bank of Singapore	1,060	-	-	-	-	-

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
State Bank of India	1,060	-	-	-	-	-
State Bank of Hyderabad	398	-	-	-	-	-
State Bank of Travancore	530	-	-	-	-	-
State Bank of Patiala	530	-	-	-	-	-
State Bank of Bikaner & Jaipur	265	-	-	-	-	-
State Bank of Indore	133	-	-	-	-	-
State Bank of Saurashtra	265	-	-	-	-	-
State Bank of Mysore	265	-	-	-	-	-
Allahabad Bank	530	-	-	-	-	-
Bank of Baroda	530	-	-	-	-	-
Yes Bank	950	-	-	-	-	-
Midland Bank PLC	-	-	-	-	711	724
Interest Payble	-	6	-	-	-	-
Interest Accrued & Due	-	-	-	-	102	54
ING Vysya	75	-	-	-	-	-
SUB TOTAL	**38,446**	**25,926**	**2,586**	**690**	**2,126**	**2,130**
B – FROM OTHERS						
IL & FS Trust Company Ltd	497	1,070	-	-	-	-
IL & FS Trust Company Ltd	233	500	-	-	-	-
UTI Bank Limited (DAS Trust Series I)	1,000	-	-	-	-	-
UTI Bank Limited (DAS Trust Series II)	1,250	-	-	-	-	-
IDFC Ltd.	1,500	1,500	-	-	-	-
HDFC Limited	3,000	3,000	3,000	-	-	-
GE Capital Services India	714	330	-	-	-	-
IL & FS Trust Company Ltd	1,500	-	-	-	-	-
IL & FS Trust Company Ltd	1,500	-	-	-	-	-
IL & FS Trust Company Ltd	2,150	-	-	-	-	-
DSP Merrill Lynch Capital Limited	1,584	-	-	-	-	-
DSP Merrill Lynch Capital Limited	4,650	-	-	-	-	-
UTI Bank Limited (Trust Series 18 to 23)	9,300	-	-	-	-	-
HDFC Limited	2,820	2,820	-	3,000	328	750
DSP Merrill Lynch Capital Limited	1,420	-	-	-	-	-
HDFC Limited	3,000	-	-	-	-	-
HDFC Limited	2,000	-	-	-	-	-
GE Capital Services India	268	-	422	-	540	600
ICICI	-	-	-	-	-	667
SUB TOTAL	**38,386**	**9,220**	**3,422**	**3,000**	**868**	**2,017**
C - WORKING CAPITAL LOANS						
CITI Bank	209	439	354	405	-	-
HDFC Bank Limited	656	-	-	-	-	-

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
HSBC Bank	200	-	-	200	-	271
Standard Chartered Bank	260	291	-	-	-	-
Kotak Mahindra Bank Limited	253	-	-	-	-	-
State Bank of India	925	1,498	-	-	-	-
ING Vysya Bank	14	-	-	-	-	-
Development Bank of Singapore	590	590	-	-	-	-
Corporation Bank	456	468	-	-	-	-
ICICI Bank						
STL	-	-	-	375	-	-
LOC	2,550	-	1,550	900	-	-
Overdraft	1,027	91	-	-	134	47
State Bank of Hyderabad	244	490	-	-	-	-
State Bank of Travancore	787	-	-	-	-	-
ABN AMRO Bank	102	-	-	-	-	-
Central Bank of India	**-**	**-**	8	8	8	8
IDBI						
Cash Credit	-	516	-	-	-	-
Development Bank of Singapore	105	-	-	-	-	-
SUB TOTAL	**8,378**	**4,383**	**1,912**	**1,888**	**142**	**326**
D - VEHICLE/EQUIPMENT LOANS						
From Banks	73	24	22	9	4	5
Citibank	4	7	10	17	16	-
ICICI	4					
ICICI	7					
SUB TOTAL	**88**	**31**	**32**	**26**	**20**	**5**
E DEBENTURES						
Irredeemable	-	-	-	-	-	-
Redeemable	-	-	-	-	-	14
Interest Accrued & Due	-	-	-	-	-	2
SUB TOTAL	-	-	-	-	-	**16**
Grand Total	**85,298**	**39,560**	**7,952**	**5,604**	**3,156**	**4,494**

ANNEXURE - VII: CONSOLIDATED STATEMENT OF UNSECURED LOANS, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Fixed deposits						
Directors	-	-	-	1	32	22
Others	-	6	6	19	30	39
Interest accrued and due	-	-	3	-	-	-
	-	**6**	**9**	**20**	**62**	**61**
Other term loans and Advances						
Directors	2	-	-	-	-	14
Others	7,833	261	235	44	35	211
Interest accrued and due	-	-	-	-	-	10
	7,835	**261**	**235**	**44**	**35**	**235**
Preference share capital of a wholly owned subsidiary	-	-	-	-	-	100
	-	-	-	-	-	100
Debentures	-	226	226	226	-	-
Debentures application and call money	4	-	-	-	-	-
Interest accrued and due on debentures	-	-	-	-	-	-
Refundable long term security deposit	648	604	589	569	484	417
From Banks - Foreign currency loan	665	663	651	646	-	-
From a share holder	-	-	14	-	-	-
TOTAL	**9,152**	**1,760**	**1,724**	**1,505**	**581**	**813**

ANNEXURE - VIII: CONSOLIDATED STATEMENT OF STOCKS, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Stores & spares	146	134	102	94	116	80
Land, development and construction work in progress	23,111	11,637	4,387	1,998	2,946	455
Land, including plots	9,251	5,499	1,856	1,774	2,134	2,625
Advances and part payment under agreement to purchase land/constructed properties	21,889	144	235	2,223	596	522
Rented building (Including land)						
Lease hold	304	304	304	304	304	301
Free hold	258	258	258	258	248	1,672
	562	**562**	**562**	**562**	**552**	**1,973**
Less: Depreciation on buildings	111	106	97	88	79	117
	451	**456**	**465**	**474**	**473**	**1,856**
Others	4	3	4	3	4	5
Total	**54,852**	**17,873**	**7,049**	**6,566**	**6,269**	**5,543**

ANNEXURE - IX: CONSOLIDATED STATEMENT OF DEBTORS, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
SUNDRY DEBTORS						
Debts over six months						
Secured	14	8	1	5	-	-
Unsecured	3,036	2,588	2,248	1,829	1,498	1,498
Considered doubtful	768	733	531	439	256	217
	3,818	**3,329**	**2,780**	**2,273**	**1,754**	**1,715**
Other Debts						
Secured	25	14	513	9	560	-
Unsecured	12,408	3,274	101	7,219	317	458
Considered Doubtful	-	-	2	-	-	-
Others	25	696	7	56	481	-
	12,458	**3,984**	**623**	**7,284**	**1,358**	**458**
Less: Provision for doubtful debts	768	733	551	548	440	324
TOTAL	**15,508**	**6,580**	**2,852**	**9,009**	**2,672**	**1,849**

ANNEXURE - X: CONSOLIDATED STATEMENT OF LOANS AND ADVANCES, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
LOANS AND ADVANCES						
(Unsecured, considered good)						
Advances recoverable in cash or in kind or for value to be received	20,267	8,487	2,749	3,042	523	2,568
Security deposits	107	77	93	76	65	18
Interest receivable	422	6	-	-	1	-
Deposits with Custom and Excise Department	1	1	3	3	3	5
Due from Body Corporates	18,630	204	1,896	1,638	600	-
Share application money	403					
Advance tax Paid	4,360	1,861	1,277	843	644	325
Interest accrued but not due on deposits	3	2	1	1	1	-
	44,193	**10,638**	**6,019**	**5,603**	**1,837**	**2,916**
Less Doubtful and provided for	1	1	-	-	-	2
TOTAL	**44,192**	**10,637**	**6,019**	**5,603**	**1,837**	**2,914**

ANNEXURE - XI: CONSOLIDATED STATEMENT OF CASH AND BANK BALANCES, AS RESTATED

Rs in Millions

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
Cash/cheques in hand	35	26	8	2	84	4
Bank balance						
With scheduled banks in :						
Current accounts	3,896	548	163	154	93	51
Fixed deposit accounts						
Pledged/under lien/earmarked	1,732	845	227	88	24	43
Others	494	530	24	34	45	-
With HSBC Bank plc, London, UK, in current account, a non - scheduled bank	3	1	2	1	-	-
TOTAL	**6,160**	**1,950**	**424**	**279**	**246**	**98**

ANNEXURE - XII: CONSOLIDATED STATEMENT OF CURRENT LIABILITIES AND PROVISIONS, AS RESTATED

Rs. in Million

Particulars	As at November 30, 2006	As at March 31,				
		2006	2005	2004	2003	2002
CURRENT LIABILITIES						
Sundry Creditors	1,235	1,251	963	1,084	1,076	796
Advances from Members	299	190	72	24	-	-
Book Overdraft	-	2	-	1	-	-
Security Deposits	1,563	404	230	140	66	-
Uncashed dividend	1	1	1	1	1	1
Unpaid preference shares due	-	-	-	-	100	-
Realisation under agreement to sell	13,711	11,156	5,896	7,964	1,550	1,442
Advances against contracts	20	19	-	1,147	345	-
Other liabilities	3,469	1,850	1,194	1,060	1,198	1,167
Interest accrued but not due on loans	880	222	27	46	30	44
	21,178	**15,095**	**8,383**	**11,467**	**4,366**	**3,450**
PROVISIONS						
Proposed dividend	-	16	14	14	14	14
Tax on dividend	-	2	2	2	-	-
Current tax	7,514	3,229	851	374	224	-
Retirement benefits	155	127	94	78	59	43
	7,669	**3,374**	**961**	**468**	**297**	**57**
TOTAL	**28,847**	**18,469**	**9,344**	**11,935**	**4,663**	**3,507**

ANNEXURE - XIII: CONSOLIDATED STATEMENT OF SALES AND OTHER INCOME, AS RESTATED

Rs in Millions

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Sales and other receipts						
Constructed properties/ land and plots	17,310	9,200	4,087	3,134	3,859	2,382
Rent and licence fee	939	422	375	340	314	621
Maintenance income	556	481	306	209	131	372
Power supply	653	1,087	1,035	1,149	1,112	1,114
Cable operations	3	40	37	33	23	14
Recreational income	169	176	148	98	71	81
Cinemas operations	71	124	88	67	3	-
Amount forfeited on properties	7	6	5	28	15	51
(A)	**19,708**	**11,536**	**6,081**	**5,058**	**5,528**	**4,635**
b) Income from investments						
Long term investments	-	-	-	-	-	-
Interest from debentures	-	163	-	-	-	-
Profit from partnership firm		-	-	78	-	-
(B)	**-**	**163**	**-**	**78**	**-**	**-**
Details of Other Income						
Interest (gross) from :						
Bank deposits	66	33	7	11	4	4
Customers	45	64	41	41	91	246
Loans and deposits	876	432	24	23	3	3
Income-tax refunds	-	4	-	5	1	-
Others	10	20	4	4	3	8
(C)	**997**	**553**	**76**	**84**	**102**	**261**
Profit on disposal of fixed assets	4,733	54	15	-	2	15
Profit on disposal of long term investments (trade investments)	7,709	59	-	-	6	1
Holding charges	3	5	3	1	1	-
Commission	15	4	7	4	1	-
Advertisement income	18	24	28	22	-	-
Finance arrangement fee	-	-	-	7	17	-
Miscellaneous income	56	22	50	12	53	65
(D)	**12,534**	**168**	**103**	**46**	**80**	**81**
(C+D)	**13,531**	**721**	**179**	**130**	**182**	**342**
TOTAL (A+B+C+D)	**33,239**	**12,420**	**6,260**	**5,266**	**5,710**	**4,977**

ANNEXURE - XIV: CONSOLIDATED STATEMENT OF COST OF REVENUE, AS RESTATED

Rs in Millions

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Project cost	4,616	4,416	2,517	2,200	2,237	1,837
Others	532	827	648	485	294	197
TOTAL	**5,148**	**5,243**	**3,165**	**2,685**	**2,531**	**2,034**

ANNEXURE - XV: CONSOLIDATED STATEMENT OF ESTABLISHMENT EXPENSES, AS RESTATED

Rs in Millions

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Salaries, wages and bonus	392	342	375	251	188	199
Contribution to provident and other funds	17	15	31	23	17	24
Retirement benefits	30	20	19	21	23	4
Staff welfare	21	20	22	18	8	13
TOTAL	**460**	**397**	**447**	**313**	**236**	**240**

ANNEXURE - XVI: CONSOLIDATED STATEMENT OF FINANCE CHARGES, AS RESTATED

Rs in Millions

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Interest						
Debentures and fixed periods loans	2,101	1,561	300	272	472	593
Commitment fees	3	-	-	-	-	-
Others	-	-	43	32	35	50
	2,104	**1,561**	**343**	**304**	**507**	**643**
Guarantee and bank charges	376	124	47	26	28	32
Dividend and tax thereon	-	-	-	-	-	14
TOTAL	**2,480**	**1,685**	**390**	**330**	**535**	**689**

ANNEXURE - XVII: CONSOLIDATED STATEMENT OF OTHER EXPENSES, AS RESTATED

Rs in Millions

Particulars	For the eight months ended November 30, 2006	For the year ended March 31,				
		2006	2005	2004	2003	2002
Commission and brokerage	528	251	186	156	74	61
Advertisement and publicity	156	70	40	31	45	38
Travelling and conveyance	72	68	61	53	54	50
Legal and professional	289	119	83	44	32	34
Provision for doubtful debts and advances	36	184	-	108	74	37
Other expenses	594	447	417	456	414	617
TOTAL	**1,675**	**1,139**	**787**	**848**	**693**	**837**

ANNEXURE XVIII : DETAILS OF QUOTED INVESTMENTS

Rs in Millions

Particulars	November 30, 2006	2006	2005	2004	2003	2002
Aggregated book value of Quoted Investments	-	-	-	-	-	1
Aggregated Market value of Quoted Investments	-	2	1	1	1	1

ANNEXURE XIX: CONSOLIDATED CAPITALISATION STATEMENT

Rs in Millions

Particulars	November 30, 2006	March 31, 2006
Borrowings :		
Short-term debt	12,555	5,150
Long-term debt	81,895	36,170
Total Debt	**94,450**	**41,320**
Shareholders' funds:		
Share Capital	3,026	378
Reserves	26,031	9,123
Total Shareholders' Funds	**29,057**	**9,501**
Long-term Debt/Equity ratio	3	4
Total Debt/Equity ratio	3	4

ANNEXURE XX: CONSOLIDATED SUMMARY OF ACCOUNTING RATIOS, AS RESTATED

S.no.	Particulars	Eight months ended November 30, 2006	For the years ended March 31,				
			2006	2005	2004	2003	2002
1)	Adjusted profit to income from operations (%)	117.33	31.16	18.71	15.86	26.76	19.50
2)(a)	Earnings per share *	12.11	493.64	246.58	153.36	288.20	175.03
(b)	Restated earnings per share *	12.11	12.34	6.16	3.83	7.20	4.38
3)(a)	Cash earnings per share *	12.35	586.71	341.65	235.57	355.48	252.85
(b)	Restated cash earnings per share *	12.35	14.67	8.54	5.89	8.89	6.32
4)(a)	Net asset value per share(Rs.) *	19.37	2,460.42	2,141.96	1,915.05	1,705.81	1,401.94
(b)	Restated Net asset value per share(Rs.) *	19.37	61.51	53.55	47.88	42.65	35.05
5)	Return on net worth (%)	62.55	20.06	11.51	8.01	16.90	12.48
6)(a)	No. of Equity shares (basic) *	1,510,798,512	3,883,376	3,508,007	3,508,007	3,508,007	3,508,007
(b)	Restated No. of Equity Shares *	1,510,798,512	155,335,024	140,320,280	140,320,280	140,320,280	140,320,280

*** Face Value of Rs. 2**

Notes:

1) The ratio has been computed as below :

$$\text{Adjusted profit to income from operations(\%)} = \frac{\text{Adjusted profit before tax}}{\text{Income from operations}}$$

$$\text{Earnings per share-Basic and Diluted} = \frac{\text{Adjusted profit/(loss) after tax but before extraordinary items}}{\text{Weighted average number of Equity shares outstanding during the year}}$$

$$\text{Cash earnings per share} = \frac{\text{Adjusted profit after tax but before depreciation}}{\text{Weighted average number of Equity shares outstanding during the year}}$$

$$\text{Net asset value per share (Rs.)} = \frac{\text{Net worth excluding revaluation reserve}}{\text{Weighted average number of Equity shares outstanding during the year}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Adjusted profit/(loss) after tax but before extraordinary items}}{\text{Net worth excluding revaluation reserve}}$$

2) Earnings per share has been calculated in accordance with Accounting Standard 20 "Earning per Share" issued by the Institute of Chartered Accountants of India.

3) Restated shares have been computed pursuant to the issue of bonus shares in the ratio of seven shares for each share held by the shareholders of record on April 27, 2006, by utilising the free reserves and the share premium balances.Further pursuant to the approval granted by the shareholders at the Extra Ordinary General Meeting held on May 2, 2006, the equity share of face value of Rs.10 each has been subdivided into 5 equity shares of Rs.2 each.

4) Profit and loss as restated has been considered for the purpose of computing the above ratios.

ANNEXURE XXI: RELATED PARTY DISCLOSURES

List of Related Parties

Relationship:

(i) Joint Ventures

1 DLF Laing O' Rourke (India) Ltd.
2 Kenneth Builders and Developers Pvt. Ltd. (w.e.f. April 25, 2006)
3 Niharika Shopping Mall

(ii) Associates

1 Caitlin Builders and Developers Pvt. Ltd.
2 Bridget Builders and Developers Pvt. Ltd.
3 Mangal Shrusti Gruh Nirmiti Pvt. Ltd. Ltd.
4 Delenco Real Estates (Pvt) Ltd.

(iii) Key Management Personnel

Name	Designation	Relatives (Relation)*
a) Mr. K.P. Singh	Chairman	Mrs. Indira K.P.Singh (Wife), Mrs. Vikram Devi (Sister)
b) Mr. Rajiv Singh	Vice Chairman	Mrs. Kavita Singh(Wife), Mrs. Savitri Devi Singh and Miss. Anushka Singh(Daughters)
c) Ms. Renuka Talwar	Whole Time Director	Master Rahul SinghTalwar (Son)
d) Mr. T.C. Goyal	Managing Director	
e) Mr. J.K.Chandra	Sr. Executive Director	
f) Ms. Pia Singh	Whole Time Director	
g) Mr. K. Swarup	Executive Director	

* Relatives of key management personnel (other than key management personnel themselves) with whom there were transactions during the year

(iv) Other enterprises under control of the key management personnel and their relatives :

1	A.S.G. Realcon Pvt. Ltd.	52	Megha Estates Pvt. Ltd.
2	Adampur Agricultural Farm	53	Nachiketa Real Estates Pvt. Ltd.
3	Adept Real Estate Developers Pvt. Ltd.	54	Northern India Theatres Pvt. Ltd.
4	Aeshya Estates Pvt. Ltd.	55	Pace Financial Services Ltd.
5	AGS Buildtech Pvt. Ltd.	56	Panchsheel Invetsment Company
6	Altamount Real Estate Developers Pvt. Ltd.	57	Panchvati Estates Pvt. Ltd.

(iv) Other enterprises under control of the key management personnel and their relatives :

7	Angus Builders and Developers Pvt. Ltd.	58	Parvati Estates Pvt. Ltd.
8	Antriksh Properties Pvt. Ltd.	59	Pia Pariwar Trust
9	Anubhav Apartments Pvt. Ltd.	60	Plaza Partners
10	Aquarius Builders and Developers Pvt. Ltd.	61	Power Overseas Private Ltd.
11	Arihant Housing Company	62	Prem Traders and Investments Pvt. Ltd.
12	Atria Partners	63	Prem's Will Trust
13	Bansal Development Company Pvt. Ltd.	64	Pushpak Builders and Developers Pvt. Ltd.
14	Belicia Builders and Developers Pvt. Ltd.	65	Pushpavali Bldrs. and Developers Pvt. Ltd.
15	Beverly Park Operation and Maintenance Services Pvt. Ltd.	66	Raghvendra Public Charitable Trust
16	Buland Consultants and Investments Pvt. Ltd	67	Raisina Agencies and Investments Pvt. Ltd.
17	Centre Point Property Mgt. Services Pvt. Ltd.	68	Rajdhani Investments and Agencies Pvt. Ltd.
18	Ch.Lal Chand Memorial Charitable Trust	69	Rajiv Kavita Trust
19	Cian Bldrs. and Developers Pvt. Ltd.	70	Realest Bldrs. and Services Pvt. Ltd.
20	Desent Promoters and Developers Private Ltd.	71	Rekan and co.
21	Digital Talkies Pvt. Ltd.	72	Renkon Agencies Pvt. Ltd.
22	DLF Assets Pvt. Ltd.	73	Renkon Partners
23	DLF Info City (Chandigarh) Ltd. (w.e.f. November 29, 2006)	74	Renuka Pariwar Trust
24	DLF Info City (Kolkatta) Ltd. (w.e.f. November 28, 2006)	75	Renuka Rahul Trust
25	DLF Commercial Enterprises	76	Sagarika Real Estate Developers Pvt. Ltd.
26	DLF Finance Corporation	77	Sambhav Housing and Development Company
27	DLF Investments Pvt. Ltd.	78	Sanidhya Constructions Private Ltd.
28	DLF M.T.FBD Medical and Commiunity Charitable Trust	79	Savitri Studs and Farming Company (P) Ltd.
29	DLF Q.E.C. Education Charitable Trust	80	Sidhant Housing and Development Company
30	DLF Q.E.C. Medical Charitable Trust	81	Sketch Investment Pvt. Ltd.
31	DLF Raghvendra Temple Trust	82	Smt.Savitri Devi Memorial Charitable Trust
32	Excel Housing Construction Pvt. Ltd.	83	Solace Housing and Construction Pvt. Ltd.
33	Gangrol Agricultural Farm	84	Sudarshan Estates Pvt. Ltd.
34	General Marketing Corporation	85	Sukh Sansar Housing Pvt. Ltd.
35	Glaze Builders and Developers Pvt. Ltd.	86	Sukomal Builders and Developers Pvt. Ltd.
36	Haryana Electrical Udyog Private Ltd.	87	Sulekha Builders and Developers Pvt. Ltd
37	Herminda Builders and Developers Pvt. Ltd.	88	Super Mart One Property Mgt. Services Pvt. Ltd.
38	Hitech Property Developers Pvt. Ltd.	89	Super Mart Two Property Mgt. Services Pvt. Ltd.
39	Indira Trust	90	Trinity Housing and Construction Company
40	Jagpriya Portfolio and Technofin Services Pvt. Ltd	91	Udyan Housing and Development Company
41	Jhandewalan Ancillaries and Investments Pvt. Ltd.	92	Ultima Real Estate Developers Pvt. Ltd.
42	Kohinoor Real Estates Company	93	Universal Management and Sales Pvt. Ltd.
43	Krishna Public Charitable Trust	94	Upeksha Real Estate Developers Pvt. Ltd.
44	Lal Chand Public Charitable Trust	95	Uplift Real Estate Developers Pvt. Ltd.
45	Lyndale Holdings Pvt. Limited	96	Urva Real Estate Developers Pvt. Ltd.
46	Maaji Properties and Development Company	97	Uttam Builders and Developers Pvt. Ltd.
47	Macknion Estates Private Ltd.	98	Uttam Real Estates Company
48	Madhukar Housing and Development Company	99	Vanutsar Properties Pvt. Ltd.
49	Madhur Housing and Development Company	100	Vishal foods and Investments Pvt. Ltd.

(iv) Other enterprises under control of the key management personnel and their relatives :

50	Magna Real Estate Developers Pvt. Ltd.	101	Windsor Complex Property Mgt. Services Pvt. Ltd.
51	Mallika Housing Company	102	Yashika Properties and Development Company

Balances outstanding/ transactions with related parties:

Rs in Millions

Particulars	For the eight months ended November 30, 2006	2006	2005	2004	2003	2002
Joint Ventures and Associates						
Transactions during the year						
Sale	-	-	-	1,000	-	283
Interest income	173	402	10	-	-	-
Expenses recovered	-	284	-	-	-	-
Div overhead recovered	-	9	-	-	-	-
Purchase of land and material	-	-	-	2	-	2
Cost of staff on deputation	-	3	-	-	-	-
Rent paid	-	-	1	1	1	1
Interest paid	-	-	-	-	-	3
Investment	-	-	4	-	-	-
Interest received on debentures	-	65	-	-	-	-
Advance received	-	20	3	-	-	-
Advance paid (grouped in land advance)	74	-	-	-	-	-
Loans given	2250	1,250	1,112	-	-	-
Balances at the year end						
Debtors	-	-	-	1,000	15	206
Investments	154	492	96	695	602	386
Investments in debentures	-	7,836	-	-	-	-
Advances given	74	3,594	2,824	1,635	632	-
Earnest money and part payments under agreement to purchase land / constructed properties	-	-	3	2,223	-	29
Creditors / payables (Other liab.)	-	56	0	110	8	-
Advance received under agreement to sell	-	20	31	-	-	-
Loan and advances given	2,250	-	-	-	-	-
Interest receivable	234	-	-	-	-	-
Key management personnel						
Transactions during the year						
Remuneration paid	34	123	105	56	44	41

Particulars	For the eight months ended November 30, 2006	2006	2005	2004	2003	2002
Interest paid	0	1	1	3	3	6
Advances received under agreement to sell	-	-	-	4	5	-
Fixed deposit refunded	5	0	-	-	-	-
Debentures issued	-	21	-	-	-	-
Debentures converted in to equity shares	-	21	-	-	-	-
Balances at the year end						
Creditors/ payables	-	73	73	33	63	59
Realisation under agreement to sell	-	3	3	3	8	-
Earnest money and part payments under agreement to purchase land/ constructed properties	-	-	27	1	1	-
Investments	-	-	8	-	-	-
Amount recoverable from registered trusts	-	-	2	2	12	-
Rent recoverable	-	-	-	-	-	-
Share application money pending allotment	-	-	-	8	-	-
Entities over which Key Management Personnel is able to exercise significant influence						
Transactions during the year						
Rent paid	-	5	4	4	4	4
Interest paid	7	2	1	2	4	4
Purchase of land/ materials		5	2	-	4	-
Provision for diminution in value of investment	-	-	8	-	-	-
Investments	-	-	8	-	-	-
Fixed deposit refunded	-	1	-	-	-	-
Debentures issued	-	320	-	-	-	-
Debentures converted in to equity shares	-	320	-	-	-	-
Inter corporate deposit received	-	13	-	-	-	-
Intercorporate deposit refunded	-	11	-	-	-	-
Claims paid	-	12	-	-	-	-
Advances received under agreement to sell	-	31	-	-	-	-
Sale of constructed properties	7,455	-	-	-	-	-
Sale of building	6,030	-	-	-	-	-
Sale of investment	8,110	-	-	-	-	-
Expenses recovered	1	-	-	-	-	-
Balances at the year end						
Advances given	-	1	1	-	-	66

Particulars	For the eight months ended November 30, 2006	2006	2005	2004	2003	2002
Earnest money and part payments under agreement to purchase land/ constructed properties	26	22	-	-	-	-
Creditors/ payables	-	23	11	17	37	25
Advances received under agreement to sell	0	28	45	18	18	24
Expenses recoverable	217	-	-	-	-	-
Inter corpotate deposit	21	-	-	-	-	-
Interest receivable	177	-	-	-	-	-
Investments	18	18	18	18	-	-
Debtors	7,215	-	-	-	-	-
Amount recoverable	13,880	-	-	-	-	-
Loans & advances	3,982	-	-	-	-	-
Interest payable	1	-	-	-	-	-
Guarantees	1,500	-	-	-	-	-

ANNEXURE XXII: STATEMENT OF CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

1. Background and group structure

DLF Limited (formerly DLF Universal Limited) ('DLF' or the 'Company'), a public limited company, together with its subsidiaries (hereinafter collectively referred to as the 'Group') operates as a real estate developer in India, covering residential, commercial and retail real estate development. The operations of the Group span all aspects of real estate development, from the identification and acquisition of land, to the planning, execution and marketing of the projects. The Group is also engaged in the business of generation and transmission of power and provision of maintenance services and recreational activities.

2. Basis of consolidation

The Consolidated Restated Financial Statements of the Group have been prepared in accordance with Accounting Standard (AS 21) "Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India ('ICAI') and Guidelines on "Contents of Offer Documents" issued by the Securities and Exchange Board of India ('SEBI').

Consolidated financial statements normally include consolidated balance sheet, consolidated statement of profit and loss, and notes, other statements and explanatory material that form an integral part thereof. Consolidated cash flow statement is presented in case a parent presents its own cash flow statement. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent for its separate financial statements.

The consolidated financial statements include the financial statements of the Company and all its subsidiaries, which are more than 50 percent owned or controlled and partnership firms where the profit sharing ratio is more than 50 percent, as at November 30, 2006. Investments in entities that were not more than 50 percent owned or controlled and partnership firms where the profit sharing ratio is not more than 50 percent as at November 30, 2006 have been accounted for in accordance with the provisions of Accounting Standard 13 Accounting for Investments', or Accounting Standard 27 on 'Financial Reporting of Interests in Joint Ventures issued by the ICAI, as applicable.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealized profits in full. The amounts shown in respect of reserves

comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the consolidated entity. Financial interest in joint ventures has been accounted under the proportionate consolidation method.

Minority interest represents the amount of equity attributable to minority shareholders/ partners at the date on which investment in a subsidiary/ firm is made and its share of movements in the equity since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of equity attributable to the minority on the date of investment is reflected under Reserves and Surplus.

3. Significant accounting policies

a) Basis of Accounting

The financial statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the accounting standards and relevant Guidance notes issued by the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Disclosure and Investor Protection Guidelines), 2000. issued by Securities and Exchange Board of India.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Revenue recognition

i) Real estate activities

Sale of land and plots is recognized in the financial year in which the agreement to sell is executed.

ii) Revenue from constructed properties

a. Revenue from constructed properties is recognized on the "Percentage of Completion method" of accounting. Sale consideration receivable as per the agreements to sell constructed properties entered into is recognized as revenue on the basis of percentage of actual project costs incurred thereon, including land, estimated construction and development cost of such properties subject to such actual costs incurred being 30 percent or more of the total estimated cost. The estimates of the saleable area and costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

b. Assets given on perpetual lease are considered sold on the execution of the lease agreement and revenue therefore is recognised on the Percentage of Completion method of accounting.

c. Rent and Licence fees, Service receipts and Interest from customers under agreement to sell is accounted for on an accrual basis except in cases where ultimate collection is considered doubtful.

iii) Power

a. Revenue from power supply together with claims made on customers is recognized in terms of Power Purchase Agreements entered into with the customers.

b. Revenue from energy systems development contracts is recognized on percentage of completion method and accounted for inclusive of excise duty recovered, where applicable. Accordingly, revenue is recognized when cost incurred (including appropriate portion of allocable overheads) on the contract is estimated at 30 percent or more, on the total cost to be incurred (including all foreseeable losses and an appropriate portion of allocable overheads) for the completion of contract, wherever applicable.

iv) Recreational facility income

a. Subscription fee and non refundable membership fee are recognized on a time proportion basis

b. Revenue from food and beverage is recorded net of sales tax/ value added tax (VAT).

c. Sales of merchandise are stated net of goods sold on consignment basis as agents.

d. Revenue in respect of maintenance services is recognized on accrual basis, in accordance with the terms of the respective contract.

e. Sale of cinema tickets is stated inclusive of entertainment tax.

v) Others

Dividend income is recorded when the right to receive the dividend is established.

d) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit and loss account as incurred.

e) Fixed assets and Depreciation

Fixed assets (gross block) are stated at historical cost. Steel shutterings are capitalised at the costs directly relating to their fabrication and are included under plant and machinery.

Depreciation on Fixed assets (including buildings and related equipments rented out and included under current assets as stocks) is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 or based on the estimated useful lives of assets whichever is higher as follows:

Description	Estimated useful life
Building	58 Years
Plant and machinery	4-20 Years
Computers & Softwares	2-6 Years
Furniture and fixtures	2-10 Years
Office equipment	8 Years
Vehicles	2-10 Years
Steel Shuttering	7 Years

Depreciation in respect of assets relating to the power supply division of the Group is provided on the straight line method in terms of the Electricity (Supply) Act, 1948 on the basis of Central Government Notification No. S.O 266 (E) dated March 29, 1994, from the year immediately following the year of commissioning of the assets in accordance with the clarification issued by the Central Electricity Authority as per the accounting policy specified under the Electricity (Supply) Annual Accounts Rules, 1985.

f) Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g) Investments

Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost and provision for diminution in their value, other than temporary, is made in the accounts.

Profit/ loss on sale of investments is computed with reference to the average cost of investment.

h) Stocks

Stocks are valued as under:

i) Land and plots (including under agreements to sell) other than area transferred to constructed properties at the commencement of construction are valued at cost, approximate average cost or as revalued on conversion to stock, as applicable. Costs include land acquisition cost, estimated internal development costs and external development charges.

ii) Constructed properties includes the cost of land (including under agreements to purchase), internal development costs, external development charges, construction costs, development/construction materials, and is valued at cost or estimated cost, as applicable.

iii) Earnest money and part payment under agreement to purchase land/ constructed properties represents amounts paid by the Company to acquire irrevocable and exclusive licenses and development rights in identified land and constructed properties, the acquisition of which by the payee is at an advanced stage.

iv) Rented buildings and related equipments are valued at cost less depreciation.

v) In respect of power supply division of the Group, materials & components and stores & stores are valued at lower of cost or net realisable value. The cost is determined on the basis of moving weighted average. Loose tools are valued at depreciated value, depreciation has been provided on straight line method at the rate of ten percent per annum.

vi) Stocks for recreational facilities are valued at cost or net realizable value, whichever is lower. Cost of inventories is ascertained on weighted average basis.

i) Cost of revenues

i) Cost of land and plots includes land acquisition cost, estimated internal development costs and external development charges, which is charged to the profit and loss account proportionate to land / plotted area in respect of which revenue is recognised as per accounting policy no. c above, in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the applicable scheme.

ii) Cost of constructed properties includes cost of land (including under agreements to purchase), internal development costs, external development charges, construction costs and development/ construction materials, which is charged to the profit and loss account proportionate to the revenue recognised as per accounting policy no. c above, in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the applicable project.

j) Foreign currency transactions

Transactions in foreign currencies and non monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end rate. Income and expenditure of the liaison office is translated at the yearly average rate.

The exchange differences arising on such conversion and on the settlement of the transactions except for those relating to acquisition of fixed assets, which are adjusted to the carrying amount of related fixed assets are dealt with in the profit and loss account.

k) Leases

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the profit and loss account.

l) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard – 15 on Employee Benefits (Revised 2005) issued by ICAI.

i) Provident fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

ii) Gratuity

Gratuity is a post employment benefit and is in the nature of defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the Profit and loss account in the year in which such gains or losses arises.

iii) Earned leave

Liability in respect of earned leave becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of earned leaves becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of and performed by an independent actuary using the projected unit credit method.

For certain subsidiaries the liability for earned leave is accounted for based on the assumption that such benefit is payable to all eligible employees at the end of the accounting year as per the subsidiary company's rule.

iv) Other short term benefits

Expense in respect of other short term benefit is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

For certain subsidiaries, contributions made towards superannuation fund (funded by payments to Life Insurance Corporation of India (LIC) under its Group Superannuation Scheme) and approved gratuity fund (funded by contributions to LIC under its group gratuity scheme) are charged to revenue on accrual basis.

m) Taxation

Provision for tax for the year comprises current income-tax, deferred tax and fringe benefit tax. Current income-tax is determined to be payable in respect of taxable income with deferred tax being determined as the tax effect of timing differences 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). Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year. Pursuant to the introduction of fringe benefit tax effective April 1, 2005, provision in accordance with the provisions of sections 115 WC of the Income tax Act, 1961 has been recorded.

n) Contingent liabilities

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Group not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Group, the contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter.

ANNEXURE XXIII: NOTES TO THE CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED

1. Adjustments on account of qualifications in auditors' reports

The statutory auditors of the Company's subsidiary, DLF Power Limited, had qualified their report to the members of the subsidiary, on the unconsolidated financial statements for the eight months ended November 30, 2006 and for the years ended March 31, 2006, 2005, 2004, 2003 and 2002 attributable to: (a) incorrect accounting practices, or (b) failures to make provisions or other adjustments. These qualifications along with the related notes to the accounts are reproduced below, to the extent necessary and material, based on the currently available information:

Adjustments recorded

Write off doubtful debts

The Company's subsidiary, DLF Power Limited, acquired the business of the 'Energy Systems Division' on

the close of business hours on March 31, 2001. As at November 30, 2006 and as at March 31, 2006, 2005, 2004, 2003 and 2002, the financial statements included sundry debtors of Rs. 79 million, Rs 51 million, Rs 74 million, Rs 10 million, Rs 129 million and Rs 131 million respectively. The management had confirmed to the auditors that these debts were fully recoverable based on the status of ongoing discussion/ correspondence with the concerned parties. In respect of the matters under arbitration, the management's view was based on current status of the hearings already taken place. The statutory auditors had qualified their opinion for the respective years indicating that the recoverability of these debts could not be commented upon due to the non-receipt of these amounts.

However, during the eight months ended November 30, 2006 and years ended March 31, 2006, 2005, 2004, 2003 and 2002, the Company wrote off/provided for amounts amounting to Rs. Nil, Rs. Nil, Rs. 232 million, Rs. 19 million, Rs. 130 million and Rs 232 million respectively, of the amounts that were outstanding and with regard to which the auditor's opinion had been qualified.

Accordingly, for the preparation of these Consolidated Summary Statement of Assets and Liabilities and Profits and Losses, as Restated, the Company has recorded the bad debt charge in the year to which the charge pertains in the 'Consolidated Statement of Assets and Liabilities, as Restated' with a corresponding charge to the 'Consolidated Summary Statement of Profit and Losses, as Restated'.

Adjustments not recorded

Eight months ended November 30, 2006

Auditor qualification

Recoverability of debtors

Revenue from power supply is on the basis of company's invoices/ claims raised in terms of Power Purchase Agreements. In respect of invoices/ claims aggregating Rs. 608 million outstanding as at the end of the period and included under Sundry debtors in Schedule- 5, we are unable to comment on the adjustments, if any, required, pending final acceptance thereof by the customers, as these cannot be determined at this stage.

Note 5 to the financial statements

Revenue from power supply to the Assam State Electricity Board and Central Coalfields Limited has been invoiced on the basis of the Power Purchase Agreements with the parties. However, these parties have made payments mainly on the basis of provisional rates, leaving outstanding dues aggregating Rs. 608 million which have been included under 'Sundry debtors' in Schedule 5. Necessary adjustments, if any, will be made in the accounts on final acceptance of the Company's invoices/ claims by the concerned parties.

Year ended March 31, 2006

Auditor qualification

Recoverability of debtors

Revenue from power supply is on the basis of company's invoices/ claims raised in terms of Power Purchase Agreements. In respect of invoices/ claims aggregating Rs. 605 million outstanding as at the year end and included under Sundry debtors in Schedule- 5, we are unable to comment on the adjustments, if any, required, pending final acceptance thereof by the customers, as these cannot be determined at this stage.

Note 5 to the financial statements

Revenue from power supply to the Assam State Electricity Board and Central Coalfields Limited has been invoiced on the basis of the Power Purchase Agreements with the parties. However, these parties have made payments (including payments made subsequent to March 31, 2006) mainly on the basis of provisional rates, leaving outstanding dues aggregating Rs. 605 million which have been included under 'Sundry debtors' in Schedule 5. Necessary adjustments, if any, will be made in the accounts on final acceptance of the Company's invoices/ claims by the concerned parties.

Year ended March 31, 2005

Auditor qualification

Recoverability of debtors

Revenue from power supply is on the basis of company's invoices/ claims raised in terms of Power Purchase Agreements. In respect of invoices/ claims aggregating Rs. 693 million outstanding as at year end and included under Sundry debtors in Schedule- 5, we are unable to comment on the adjustments, if any, required, pending final acceptance thereof by the customers, as these cannot be determined at this stage.

Note 5 to the financial statements

Revenue from power supply to the Assam State Electricity Board and Central Coalfields Limited has been invoiced on the basis of the Power Purchase Agreements with the parties. However, these parties have made payments (including payments made subsequent to March 31, 2005) mainly on the basis of provisional rates, leaving outstanding dues aggregating Rs. 693 million which have been included under 'Sundry debtors' in Schedule 5. Necessary adjustments, if any, will be made in the accounts on final acceptance of the Company's invoices/ claims by the concerned parties.

Year ended March 31, 2004

Auditor qualification

Recoverability of debtors

Revenue from power supply is on the basis of company's invoices/ claims raised in terms of Power Purchase Agreements. In respect of invoices/ claims aggregating Rs. 1,207 million outstanding as at year end and included under Sundry debtors In Schedule- 5, we are unable to comment on the adjusts, if any, required, pending final acceptance thereof by the customers, as these cannot be determined at this stage.

Note 5 to the financial statements

Revenue from power supply to the Assam State Electricity Board and Central Coalfields Limited has been invoiced on the basis of the Power Purchase Agreements with the parties. However, these parties have made payments (including payments made subsequent to March 31, 2004) mainly on the basis of provisional rates, leaving outstanding dues aggregating Rs. 1,207 million which have been included under 'Sundry debtors' in Schedule 5. Necessary adjustments, if any, will be made in the accounts on final acceptance of the Company's invoices/ claims by the concerned parties.

Year ended March 31, 2003

Auditor qualification

Recoverability of debtors

Revenue from power supply is on the basis of company's invoices/ claims raised in terms of Power Purchase Agreements. In respect of invoices/ claims aggregating Rs. 1,353 million (including Rs.971 million accrued in earlier years) outstanding as at year end and included under Sundry debtors In Schedule-

5, we are unable to comment on the adjustments, if any, required, pending final acceptance thereof by the customers, as these cannot be determined at this stage.

Note 5 to the financial statements

Revenue from power supply to the Assam State Electricity Board and Central Coalfields Limited has been invoiced on the basis of the Power Purchase Agreements with the parties. However, these parties have made payments (including payments made subsequent to March 31, 2003) mainly on the basis of provisional rates, leaving outstanding dues aggregating Rs. 1,353 million which have been included under 'Sundry debtors' in Schedule 5. Necessary adjustments, if any, will be made in the accounts on final acceptance of the Company's invoices/ claims by the concerned parties.

Year ended March 31, 2002

Auditor qualification

1. Recoverability of debtors

   Revenue from power supply is on the basis of company's invoices/ claims raised in terms of Power Purchase Agreements. In respect of invoices/ claims aggregating Rs. 1,369 million outstanding as at year end and included under Sundry debtors In Schedule- 5, we are unable to comment on the adjustments, if any, required, pending final acceptance thereof by the customers, as these cannot be determined at this stage

   Note 5 to the financial statements

   Revenue from power supply to the Assam State Electricity Board and Central Coalfields Limited has been invoiced on the basis of the Power Purchase Agreements with the parties. However, these parties have made payments (including payments made subsequent to March 31, 2002) mainly on the basis of provisional rates, leaving outstanding dues aggregating Rs. 1,369 million which have been included under 'Sundry debtors' in Schedule 5. Necessary adjustments, if any, will be made in the accounts on final acceptance of the Company's invoices/ claims by the concerned parties.

2. Acquisition of Energy Services Division

   Attention is invited in note 7 of schedule 11 relating to takeover of the "Energy Systems Division" pursuant to the "Memorandum Of Sales" (MOS). In terms of this MOS, all unknown liabilities and obligations of the Energy systems divisions prior to takeover thereof by the Company. Adjustments which may be required to these accounts for any unknown liabilities of the Energy Systems Division cannot be determined at this stage.

   As the auditor has not quantified the potential impact of these adjustments, if any, it has not been possible to adjust the differences in the 'Consolidated Summary Statement of Assets and Liabilities, as Restated' and the 'Consolidated Summary Statement of Profits and Losses, as Restated'.

2. Adjustments resulting from changes in accounting policies

a) During the year ended March 31, 2006, the Group revised the accounting policy for recognising revenue on constructed properties from the date of registration of sale deed/ transfer of ownership to percentage of completion method. This change has been adopted pursuant to the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the ICAI. The cumulative effect of this change was been recorded in the year ended March 31, 2006. Accordingly, revenue from sale of constructed properties has been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of the change pertaining to periods ended on or before March 31, 2001.

b) During the period ended November 30, 2006, the Group revised the accounting policy for recognising revenue on developed plots from registration of sale deeds to date of execution of the sale agreement. This change has been adopted pursuant to the Guidance Note on Recognition of Revenue by Real Estate Developers, issued by the ICAI. The impact of the above change was not significant, however, the cumulative effect of this change has been recorded in the period ended November 30, 2006. Accordingly, revenue for sale of developed plots has been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of the change pertaining to periods ended on or before March 31, 2001.

c) During the period ended November 30, 2006, pursuant to the applicability of the revised Accounting Standard 15 on "Employee Benefits", issued by ICAI and effective for all enterprises with effect from April 1, 2006, The Group adopted the provisions of this standard with effect from April 1, 2006. The impact of the above change was not significant, however, the cumulative effect of this change was recorded in the period ended November 30, 2006. Accordingly, establishment expenses have been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006 and for the eight months ended November 30, 2006. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of the change pertaining to the periods ended on or before March 31, 2001.

3. Upto the year ended March 31, 2004, DLF Golf Resorts Limited (a wholly owned subsidiary of DLF Limited) recognised revenue from non refundable entrance/ membership fee in the year of receipt. During the year ended March 31, 2005 this policy was revised to recognise such receipts as revenues rateably over the tenure of membership. Accordingly, revenue from non refundable entrance/ membership fee has been recomputed for the year ended March 31, 2002, 2003 and 2004. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of this change pertaining on periods until March 31, 2001.

4. Adjustments relating to previous years

a) Prior period items

The Group recorded prior period items in respect of annual periods from April 1, 2001 to March 31, 2006 and for the eight months period from April 1, 2006 to November 30, 2006, the effect of these items have been charged in the respective periods of origination with a corresponding credit to the 'Summary Statement of Profits and Losses, as Restated.

b) Write back of excess provisions pertaining to prior years

The Group has written back to the profit and loss account provisions and accruals made on estimates which had been provided for in earlier years but no longer considered payable. Accordingly, the effect of these write backs has been considered in the respective years in which these accruals were originally recorded with a corresponding reduction in the recorded period expenses in the' Summary Statement of Profits and Losses, as Restated'.

c) Tax earlier years

The Group recorded tax earlier years which primarily resulted on completion of assessments made by the Income tax authorities and any difference was recorded as credit/ charge in the financial statements. Accordingly, the effect of these items has been adjusted in the period to which the tax related to with a corresponding charge/ credit to the recorded period in the 'Summary Statement of Profits and Losses, as Restated.'

5. Tax impact of adjustments

The 'Summary Statement of Profits and Losses, as Restated' has been adjusted for respective years in respect of short/excess provision for income tax as compared to the tax payable as per the income tax returns filed by the Company and its subsidiaries for these years.

6. Non-Adjustment items

a) Depreciation rates

During the year ended March 31, 2005, DLF Commercial Developers Limited, DLF Recreational Foundation Limited and DLF Services Limited (formerly DT Cinema Limited), subsidiaries of DLF Limited, revised the estimates of useful life for certain assets, which management believes better reflects the period over which the benefit of these assets will be derived. No adjustments have been made for earlier periods since in the opinion of the Company the impact of the same on the 'Consolidated Summary Statement of Profits and Losses, as Restated' is not material.

b) Method of Depreciation

Depreciation in respect of the maintenance division assets of DLF Estate Developers Limited and DLF Services Limited formerly DT Cinemas Limited, wholly owned subsidiaries of DLF Limited is computed on written down value method as against straight line method which is followed by the Group, however no adjustments have been made for any periods since in the opinion of the Company the impact of the same on the 'Consolidated Summary Statement of Profits and Losses, as Restated' is not material.

7. The results of one of the joint ventures namely, DLF Laing O'Rourke Limited, have been consolidated for the period ended September 30, 2006. No adjustment has been made in the Consolidated Restated Financial Statements for the remaining period of two months ending November 30, 2006, since no material transaction occurred during this period.

8. Commitments and Contingencies

a) The estimated value of contracts remaining to be executed on capital account and not provided for Rs. 6,799 million.

b) Contingencies

The Group is involved in certain claims and tax assessments arising in the ordinary course of business.

A summary of the contingencies existing as at November 30, 2006 is as follows:

Rs in Million

Nature of Contingency	**November 30, 2006**
Guarantees	1,520
Claims against the Company not acknowledged as debts	596
Demands in excess of provisions (pending in appeals)	
Income Tax	378
Other Taxes	7
Total	**2501**

9. The scheme of amalgamation under section 391-394 of the Companies Act, 1956, of DLF Power Limited and DLF Phase IV Commercial Developers Limited (subsidiaries of DLF Universal Limited) with DLF Limited effective from April 1, 2004 has been approved by the respective shareholders and filed for sanction with the Hon'ble High Courts of Delhi and Punjab & Haryana. The Formal Order for sanction of the Scheme from both the respective High Courts is awaited and hence, no effect thereto has been given in these financial statements.

10. The Company is engaged in the business of colonisation and real estate development, which as per Accounting Standard 17 on 'Segment Reporting' issued by the ICAI is recognised to be the only reportable

business segment. The company is operating in the same geographical segment.

11. Material reclassifications

During the eight month period ended November 30, 2006, a subsidiary company namely, DLF Info City Chennai Developers Limited, reclassified land and construction work in progress from "Capital work-in-progress" to "Stocks".

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP, IFRS AND U.S. GAAP

The Company's financial statements are prepared in conformity with Indian GAAP on an annual consolidated basis. No attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards.

The areas in which differences between Indian GAAP vis-à-vis IFRS and U.S. GAAP could be significant to the Company's consolidated balance sheet and consolidated statement of profit and loss are summarised below. Potential investors should not construe the summary to be exhaustive or complete and should consult their own professional advisers for their fuller understanding and impact on the financial statements set out in this Prospectus.

Further, the Company has not prepared financial statements in accordance with IFRS or U.S. GAAP. Accordingly, there can be no assurance that the summary is complete, or that the differences described would give rise to the most material differences between Indian GAAP, U.S. GAAP and IFRS. In addition, the Company cannot presently estimate the net effect of applying either IFRS or U.S. GAAP on the results of the Company's operations or financial position, which may result in material adjustments when compared to Indian GAAP.

The summary includes various IFRS, U.S. GAAP and Indian GAAP pronouncements issued for which the mandatory application dates are later than the date of this Prospectus. Indian GAAP comprises accounting standards issued by the Institute of Chartered Accountants of India and certain provisions of Listing Agreements with the stock exchanges of India. In certain cases, the Indian GAAP description also refers to Guidance Notes issued by the Institute of Chartered Accountants of India that are recommendatory but not mandatory in nature and also certain accounting treatments specified by a Court Order in a Scheme of Amalgamation/Arrangement.

Subject	IFRS	U.S. GAAP	Indian GAAP
Historical cost	Uses historical cost, but intangible assets, property plant and equipment (PPE) and investment property may be revalued. Derivatives, biological assets and certain securities must be revalued.	No revaluations except some securities and derivatives at fair value.	Uses historical cost, but property, plant and equipment may be revalued. No comprehensive guidance on derivatives and biological assets.
First-time adoption of accounting frameworks.....	Full retrospective application of all IFRSs effective at the reporting date for an entity's first IFRS financial statements, with some optional exemptions and limited mandatory exceptions.	First-time adoption of U.S. GAAP requires retrospective application. In addition, particular standards specify treatment for first-time adoption of those standards.	Similar to U.S. GAAP.
Basis of presentation	Financial statements must comply with IFRS.	Financial statements must comply with U.S. GAAP and if a public company, the U.S. Securities and Exchange Commission's (the "SEC") rules, regulations and financial interpretations. Generally, non-consolidated financial statements are not presented.	Financial statements must comply with Indian GAAP.
Contents of financial statements — General.....	Comparative two years' balance sheets, income statements, cash flow statements, changes in shareholders' equity and accounting policies and notes.	Similar to IFRS, except three years required for public companies for all statements except balance sheet where two years are provided.	Balance sheet, profit and loss account, cash flow statement, accounting policies and notes are presented for the current year, with comparatives for the previous year. Public company: Consolidated

Subject	IFRS	U.S. GAAP	Indian GAAP
			financial statements along with the standalone financial statements. For a public offering, selected financial data for the five most recent years are required, adjusted to the current accounting norms and pronouncements.
Balance sheet.....	Does not prescribe a particular format; entities should present a classified balance sheet. Assets and liabilities should be disclosed in an order which reflects their relative liquidity with current and non-current classification. Certain items must be presented on the face of the balance sheet.	Does not prescribe a particular format; entities should present a classified balance sheet. Items on the face of the balance sheet are generally presented in decreasing order of liquidity with current and non-current classification. Public companies must follow SEC guidelines regarding minimum disclosure requirements. Restricted accounts are disclosed separately on the face of the balance sheet.	The Companies Act prescribes the balance sheet format; short-term/long-term distinction is only required for certain balance sheet items. No separate disclosure on the face of the balance sheet is required for restricted accounts.
Income statement.....	Does not prescribe a standard format, although expenditure must be presented in one of two formats (function or nature). Certain items must be presented on the face of the income statement.	Present as either a single-step or multiple-step format. Expenditures must be presented by function.	No prescribed format for the profit and loss account but there are disclosure norms for certain income and expenditure items under the Companies Act and the accounting standards. Other industry regulations prescribe industry specific format.
Cash flow statements — format and method.....	Standard headings, but limited flexibility of contents. Use direct or indirect method.	Similar headings to IFRS, but more specific guidance for items included in each category. Use direct or indirect method.	Similar to IFRS, except that use of indirect method is required for listed companies.
Cash flow statements — definition of cash and cash equivalents	Cash includes overdrafts and cash equivalents with original short-term maturities (less than three months).	Cash excludes overdrafts but includes cash equivalents with original short-term maturities of three months or less. Restricted or encumbered cash is not included in cash and cash equivalents.	Similar to U.S. GAAP, except that restricted or encumbered cash included in cash and cash equivalents is required to be disclosed separately.
	Cash and cash equivalents are disclosed on the face of the balance sheet.	Cash and cash equivalents are disclosed on the face of the balance sheet.	Cash and bank balances are disclosed on the face of the balance sheet.
Cash flows — classification of specific items.....	(i) Interest and dividend paid — Operating or financing activities.	(i) Interest paid, interest received and dividend received — Operating activities. (direct method). Under the indirect method will be show as the change in the asset/liability or a as supplemental cash disclosure.	(i) Interest and dividend paid — Financing activities.
	(ii) Interest and dividend received — Operating or	(ii) Dividends paid —	(ii) Interest and dividend

Subject	IFRS	U.S. GAAP	Indian GAAP
	investing activities.	Financing activities.	received — Investing activities.
	(iii) Taxes paid — Operating — unless specific identification with financing or investing.	(iii) Taxes paid — Operating activities. Supplementary disclosure required.	(iii) Taxes paid — Similar to IFRS.
Statement of changes in Shareholders' Equity	The statement must be presented as a primary statement. The statement shows capital transactions with owners, the movement in accumulated profit and a reconciliation of all other components of equity.	Similar to IFRS. The information may be included in the notes.	No separate statement required. However, any adjustments to equity and reserve account are shown in the schedules/notes accompanying the financial statements.
Comprehensive income	The total of gains and losses recognised in the period comprises net income and the following gains and losses recognised directly in equity: fair value gains (losses) on land and buildings, available for sale investments and certain financial instruments; foreign exchange translation differences; the cumulative effect of changes in accounting policy; and changes in fair values on certain financial instruments if designated as cash flow hedges, net of tax, and cash flow hedges reclassified to income and/or the relevant hedged asset/liability. Recognised gains and losses can be presented either in the notes or separately highlighted within the primary statement of changes in shareholders' equity.	Comprehensive income is divided into net income and other comprehensive income. An enterprise that has no items of other comprehensive income in any period presented is not required to report comprehensive income. Items included in other comprehensive income shall be classified based on their nature. For example, under existing accounting standards, other comprehensive income shall be classified separately into: cumulative foreign currency translation adjustments; minimum pension liability adjustments; changes in the fair value of cash flow and net investment hedges; and unrealised gains and losses on certain investments in debt and equity securities.	No concept of comprehensive income. However, certain adjustments are allowed through reserves where prescribed by accounting standards, statute or is done in accordance with industry practices and court orders.
Correction of fundamental errors	Restatement of comparatives is mandatory.	Similar to IFRS.	Include effect in the current year income statement. The nature and amount of prior period items should be separately disclosed in the statement of profit and loss in a manner that their impact on current profit or loss can be perceived.

Subject	IFRS	U.S. GAAP	Indian GAAP
Changes in accounting policy	Restate comparatives and prior-year opening retained earnings.	Generally include effect in the current year income statement through the recognition of a cumulative effect adjustment. Disclose pro forma comparatives. Retrospective adjustments for specific items. Recent amendment requires accounting similar to IFRS. The new amendment is applicable to accounting changes that are made in fiscal years beginning after 15 December 2005.	Include effect in the income statement for the period in which the change is made except as specified in certain standards (transitional provision) where the change during the transition period resulting from adoption of the standard has to be adjusted against opening retained earnings and the impact needs to be disclosed.
Contents of financial statements — Disclosures	In general, IFRS has extensive disclosure requirements. Specific items include, among others: the fair values of each class of financial assets and liabilities, customer or other concentrations of risk, income taxes and pensions. Other disclosures include amounts set aside for general risks, contingencies and commitments and the aggregate amount of secured liabilities and the nature and carrying amount of pledged assets.	In general, U.S. GAAP has extensive disclosure requirements. Areas where U.S. GAAP requires specific additional disclosures include, among others; concentrations of credit risk, segment reporting, significant customers and suppliers, use of estimates, income taxes, pensions, and comprehensive income.	Generally, disclosures are not extensive as compared to IFRS and U.S. GAAP. Disclosures are driven by the requirements of the Companies Act and the accounting standards.
Consolidation	The consolidated financial statements include all enterprises that are controlled by the parent. Control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than one half of the voting power of an enterprise unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control can also exist in certain situations where the parent owns one half or less of the voting power of an enterprise.	A company must first evaluate whether the potential subsidiary is a variable interest entity ("VIE") and whether the Company has a variable interest in an entity. A variable interest changes with a change in an entity's net asset value and is the means through which expected losses are absorbed and expected residual returns are received. If the entity is a VIE, the Company must evaluate the potential subsidiary under the FIN 46R Consolidation of Variable Interest Entities ("FIN 46R") model. If the potential subsidiary is not a VIE, the Company should evaluate the consolidation of the potential subsidiary under the provisions of SFAS 94 Consolidation of All Majority Owned Subsidiaries ("SFAS 94"). FIN 46R addresses consolidation of VIE's in which the Company has a primary obligation to absorb losses or receive residual	Consolidation is required when there is a controlling interest, directly or indirectly through subsidiaries, by virtue of holding majority voting shares or control over board of directors

Subject	IFRS	U.S. GAAP	Indian GAAP
		returns, and the equity investment at hand is not sufficient to permit the entity to finance its activities without additional subordinated financial support, regardless of ownership interest. SFAS 94 states that all majority-owned subsidiaries (i.e., all companies in which a parent has a controlling financial interest through direct or indirect ownership of a majority voting interest) must be consolidated unless control does not rest with the majority owner.	
Accounting for joint ventures in the form of a joint controlled entity (including more than 50 per cent. owned entities)	Both the proportional consolidation and equity methods are permitted. An exception to the use of the proportional consolidation method is where an interest in a jointly controlled entity is acquired and held exclusively with a view to its subsequent disposal within 12 months of acquisition.	Predominantly use the equity method, while the practice of proportional consolidation (typically not allowed) is found in extractive oil and gas industry in limited circumstances.	In the consolidated financial statements, the venturer should consolidate the joint venture in case it is also a subsidiary or else to report its interest in the jointly controlled entity using the proportionate consolidation method. The consolidation of such an entity does not preclude other venturer(s) treating such an entity as a joint venture.
Business Combinations	All business combinations are treated as acquisitions. Assets and liabilities acquired are measured at their fair values. Pooling of interest method is prohibited. Goodwill is capitalised but not amortised. It is tested for impairment at least annually at the cash-generating unit level. After re-assessment of respective fair values of net assets acquired, any excess of acquirer's interest in the net fair values of acquirer's identifiable assets is recognised immediately in the income statement.	Similar to IFRS, except specific rules for acquired in-process research and development (generally expensed) and contingent liabilities. Similar to IFRS; however, impairment measurement model is different. In respect of any excess of acquirer's interest in the net fair values of acquirer's identifiable assets, first reduce proportionately the fair values assigned to non-current assets (with certain exceptions) and any remaining excess thereafter is recognised in the income statement immediately as an extraordinary gain.	On consolidation, for an entity acquired and held as an investment, treated as acquisition. On amalgamation of an entity, either uniting of interests or acquisition. On a business acquisition (i.e., assets and liabilities only) treated as acquisition. On consolidation, the assets and liabilities are incorporated at their existing carrying amounts. On amalgamation, they may be incorporated at their existing carrying amounts or, alternatively, the consideration is allocated to individual identifiable assets and liabilities on the basis of their fair values. On a business acquisition, they may be incorporated at their fair values or value of surrendered assets. Goodwill arising under purchase method of accounting is capitalised and amortised over useful life not exceeding five years, unless a longer period can be justified. In case of goodwill arising on consolidation, no specific guidance for

Subject	IFRS	U.S. GAAP	Indian GAAP
			amortisation. No specific guidance for impairment of goodwill arising on acquisition or consolidation. Any excess of acquirer's interest in the net fair values of acquirer's identifiable assets is recognised as capital reserve, which is neither amortised nor available for distribution to shareholders. However, in case of an amalgamation accounted under the purchase method, the fair value of intangible assets with no active market is reduced to the extent of capital reserve, if any, arising on the amalgamation.
Revenue recognition — General Criteria	Based on several criteria, which require the recognition of revenue when risks and rewards have been transferred and the revenue can be measured reliably.	Revenue is generally realised or realisable and earned when all of the four revenue recognition criteria are met: persuasive evidence of an arrangement exists; delivery has occurred or services have been rendered; the seller's price to the buyer is fixed or determinable; and collectibility is reasonably assured. U.S. GAAP generally requires title transfer prior to revenue recognition and provides extensive detailed guidance for specific transactions.	Similar to IFRS. However, under IFRS and U.S. GAAP, the revenue from auction sale would be segregated between recovery of outstanding ground rent and costs; and former classified as ground rent and excess recovery after adjusting recoverable costs as other income.

Subject	IFRS	U.S. GAAP	Indian GAAP
Real Estate Sales.....	Guided by recognition principles of IAS 18. Normally recognised when legal title passes to the buyer. However, if the equitable interest in a property vests in the buyer before legal title passes and therefore the risks and rewards of ownership have been transferred at that stage it may be appropriate to recognise revenue. However, if the seller is obliged to perform any significant acts after the transfer of the equitable and/or legal title, revenue is recognised as the acts are performed. An example is a building or other facility on which construction has not been completed. The nature and extent of the seller's continuing involvement determines how the transaction is accounted for. It may be accounted for as a sale, or as a financing, leasing or some other profit sharing arrangement. If it is accounted for as a sale, the continuing involvement of the seller may delay the recognition of revenue. Revenue is the fair value of the consideration received or receivable. This may require estimating the present value of the sale consideration.	Governed by FAS 66 and interpreted by some rules of the Emerging Issues Task Force. FAS 66 applies to all sales of real estate, including real estate with property improvements or integral equipment (it does not apply to sale of only property improvements or integral equipment without a concurrent or contemplated sale of land). In case of real land sales, FAS 66 provides recognition principles based on full accrual method, percentage of completion method, instalment method, or deposit method based on fulfilment of certain criteria. In case of a retail estate sale is other than retail land sales, profit shall be recognised in full (full accrual method) when real estate is sold, provided (a) the profit is determinable, that is, the collectibility of the sales price is reasonably assured or the amount that will not be collectible can be estimated and (b) the earnings process is virtually complete, that is, the seller is not obliged to perform significant activities after the sale to earn the profit; provided certain other criteria is satisfied. If any of the criteria is not satisfied, other methods such as the deposit method, instalment method, cost recovery method, etc. may be used. Discounting is not permitted.	The ICAI recently issued a Guidance Note on recognition of revenue for Real Estate Developers. This Guidance note recommends principles for recognition revenue arising from real estate sales and provides guidance on the application of principles for revenue recognition as enumerated in AS 9, i.e. transfer of significant risks and rewards of ownership, consideration is fixed or determinable and it is not unreasonable to expect ultimate collection. Per this note, once the seller gas transferred all the significant risks and rewards of ownership to the buyer and the other conditions for recognition of revenue specified in AS 9 are satisfied, any further acts on the real estate performed by the seller are, in substance, performed on behalf of the buyer in the manner similar to a contractor. Accordingly, in such cases revenue is recognised by applying the percentage of completion method in the manner explained in AS 7.
Construction contracts.....	Accounted for using the percentage of completion method. Completed contract method prohibited.	Under ARB 45, 'Long –Term Construction Contracts", Percentage of completion method is preferable; however, completed contract method is permitted in rare circumstances.	Similar to IFRS.
	IAS 11 allows a contractor to recognise incentive payments as contract revenue when ". . . it is probable that they will result in revenue . . .". However, the International Accounting Standards Committee (the "IASC") does not define probable, and that term does not have a universal meaning. As a consequence, contractors may not	Under SOP 81-1, a contractor must evaluate special contract provisions, such as incentive revenue, throughout the life of a contract in estimating total contract revenue to determine when to recognise earned revenues under the percentage-of-completion method of accounting. To the extent that application of the IASC's "probable" criterion	Similar to IFRS

Subject	IFRS	U.S. GAAP	Indian GAAP
	consistently apply the requirements for recognising incentive payments as contract revenue.	differs from the application of "earned," it may be possible for contractors to recognise revenue under IASC standards in an earlier period than when the revenue would be recognised under U.S. GAAP.	
	A contractor can recognise claim revenue only when it is probable that the customer will accept the claim and the contractor can reliably measure the amount of the probable claim.	A contractor can recognise claim revenue only when it is probable that the customer will accept the claim and the contractor can reliably measure the amount of the probable claim. In addition SOP 81-1 specifies four additional conditions to be specified before recognising claim revenue.	Similar to IFRS
	Under U.S. GAAP the amount recorded as claim revenue is limited to "the extent that contract costs relating to the claim have been incurred." IAS 11 provides no such limitation and therefore may not preclude the contractor from recording claim revenue on costs not incurred at the billing date.	SOP 81-1 also limits the amount recorded as claim revenue to "the extent that contract costs relating to the claim have been incurred."	Similar to IFRS
	U.S. GAAP also allows contractors to delay recording claim revenue until the amount is received or awarded. IAS 11 does not permit such an alternative treatment.	SOP 81-1 also allows contractors to delay recording claim revenue until the amount is received or awarded. Use of that alternative method can increase non-comparability between two entities applying U.S. GAAP; however, the contractor must disclose in the notes to the financial statements that the alternative method was used.	Similar to IFRS.
	Under IAS 11, a contractor can recognise revenue from a change order when it is probable that the customer will approve the change order and the amount of revenue can be reliably measured. As mentioned above, IAS 11 does not define probable. As a result, contractors may not consistently apply the guidance in paragraph 13 of IAS 11, and there may be differences in the recognition of change-order revenue between entities applying U.S. GAAP and those applying IASC standards.	Under SOP 81-1, a contractor can recognise variations in contract revenue from a change order only when the customer actually approves both the scope and the price of the change order.	Similar to IFRS.
	IAS 11 indicates that a contractor must calculate earned revenues and the cost of earned revenues based on the	SOP 81-1 allows a contractor to calculate earned revenue and cost of earned revenues in one of two ways, and either	Similar to IFRS.

Subject	IFRS	U.S. GAAP	Indian GAAP
	stage-of-completion percentage.	approach is acceptable if used on a consistent basis. Alternative A, the revenue-cost approach, multiplies the estimated percentage of completion by the estimated total revenues to determine earned revenue and multiplies the estimated percentage of completion by the estimated total contract cost to determine the cost of earned revenue. Alternative B, the gross-profit approach, multiplies the estimated percentage of completion by the estimated gross profit to determine the estimated gross profit earned to date. Under Alternative B, the cost of earned revenue is the cost incurred during the period.	
	Revenue is the fair value of the consideration received or receivable. This may require estimating the present value of the sale consideration.	Not permitted.	Not permitted.] Footnote: To be deleted?
Recognition of income under Service Concession Agreement related to infrastructure development	IASB has issued IFRIC 12 on the subject and according to the IFRIC 12, the operator shall recognise and measure revenue in accordance with IASs 11 and 18 for the services it performs. If the operator performs more than one service (ie construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable shall be allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.	There is no specific guidance in U.S. GAAP for this type of transactions. However, the general guidance with the respect to recognition of revenue under arrangements which have multiple deliverables is similar to that under IFRS.	There is no guidance in Indian GAAP for this type of transactions.
Interest expense	Recognised on an accrual basis. Effective yield method used to amortise non-cash finance charges.	Similar to IFRS.	Similar to IFRS, however, practice varies with respect to recognition of discounts, premiums and costs of borrowings.
Employee benefits — Defined benefit plans.....	Similar to U.S. GAAP conceptually, although several differences in details.	For gratuity plans, must use the projected unit credit method to determine benefit obligation. Under FASB 158, recognition of funded status is to take effect for fiscal years ending after December 15, 2006, for publicly traded entities. These entities are required to recognize funded status of defined pension	Liability for a gratuity plan and compensated absences, which are defined benefit obligations, are accrued based on an actuarial valuation. Actuarial gains or losses are recognized immediately in the statement of income.

Subject	IFRS	U.S. GAAP	Indian GAAP
		plans in the statement of financial position, which was previously being disclosed in the footnotes of the registrants. An amount equal to the "net periodic pension cost" is to be charged to the statement of financial performance regardless of whether contributions are made during the period. The net periodic pension cost is an actuarially determined amount equal to: the present value of future benefits which have accrued during the period; and an interest cost component related to the increase in the projected benefit obligation due to the passage of time; less estimated earnings on invested assets segregated to provide future benefits; and an amortisation of previously unrecognised prior service costs, transition assets/obligations and experience gains/losses. If contributions differ from the net pension cost, an asset representing prepaid pension costs or a liability for unfunded accrued pension costs arises and is recorded in the statement of financial position.	
	Recognition of minimum pension liability is not required.	Recognition of minimum pension liability is required when the accumulated benefit obligation exceeds the fair value of the plan assets and the amount of the accrued liability.	Recognition of minimum pension liability is not required.
Employee benefits — Compensated absences.....	Discounting not prohibited when computing liability for compensated absences.	Similar to IFRS.	Determine liability for compensated absences based on an actuarial valuation.
Employee share compensation	Recognise expense for services acquired. The corresponding amount will be recorded either as a liability or as an increase in equity, depending on whether the transaction is determined to be cash or equity-settled. The amount to be recorded is	FAS 123R which is effective for annual periods beginning 15 June 2005 has now dispensed with the intrinsic value method and going forward, all entities would have to use the fair value model. FAS 123 R is	It is mandatory only for listed entities. Employee stock options granted to the employees under stock option schemes are evaluated as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee

Subject	IFRS	U.S. GAAP	Indian GAAP
	measured at the fair value of the shares or share options granted.	applicable to both public and non-public entities.	Stock Purchase Scheme Guidelines, 1999 issued by the Securities and Exchange Board of India. Accordingly, the excess of the fair value of the stock option as on the date of grant of options is charged to the Profit and Loss Account on straight-line-method over the vesting period of the options. The fair value of the options is measured on the basis of an independent valuation performed or the market price in respect of stock options granted.
Deferred revenue expenditure	Expensed under IAS 38. Even advertising costs need to be expensed as incurred even though the expenditure incurred may provide future economic benefits.	Charge off, unless deferment permitted by specific literature. For example, SOP 93-7 permits deferment of cost of direct response advertising	Under Indian GAAP, after the issuance of AS 26- Intangible Assets, no such deferred revenue expenses should be recognised. The balances for these items on the date of adoption of AS 26 should continue to be expensed over the number of years originally contemplated.
Preliminary expenses	Expense as incurred under IAS 38.	Charge off under SOP 98-5.	AS - 26 requires to be expensed.
Capital issue expenses	The transaction costs of an equity transaction should be accounted for as a deduction from equity, net of any related income tax benefit. The costs of a transaction which fails to be completed should be expensed.	May be set off against the realised proceeds of share issue	May be set off against the securities premium account
Property, Plant & Equipment.....	Use historical cost or revalued amounts. Regular valuations of entire classes of assets are required, when revaluation option is chosen.	PP&E is recorded at historical acquisition cost. Revaluations are not permitted.	Use historical cost or revalued amounts. On revaluation, an entire class of assets is revalued, or selection of assets is made on systematic basis. No current requirement on frequency of valuation.
Capitalisation of asset retirement obligations.....	Includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Such asset retirement obligations are re-measured annually applying the prevailing discount rates valid for the relative balance sheet. Asset retirement asset adds to the cost basis of the asset and is amortised to expense over the economic useful life of the asset.	Discussed under FASB 143 "Accounting for Assets Retirement Obligations." Includes fair value of all asset retirement obligations. Such asset retirement obligations are measured only at discount rate on the initial date of recognition and for increases in estimated cash flows from new liabilities or changes in estimates. Amortisation method is consistent with IFRS. The recently issued FIN 47, clarifies that an entity must also record a liability for a "conditional" asset retirement obligation if the fair value of the obligation can be reasonably estimated. The types of asset retirement obligations that are covered	No specific guidance. However, in practice similar to IFRS, except that discounting of an obligation is prohibited.

Subject	IFRS	U.S. GAAP	Indian GAAP
		by this Interpretation are those for which an entity has a legal obligation to perform an asset retirement activity, however the timing and (or) method of settling the obligation are conditional on a future event that may or may not be within the control of the entity.	
Capitalisation of borrowing costs.....	Permitted for qualifying assets, but not required.	Required. FAS 34 requires interest capitalisation only to the extent that it is an acquisition cost. Accordingly, real estate projects under development are qualifying assets; however, real estate held for future development or sale is not. FAS 34, par. 11 states that interest should be capitalised on land expenditures only when development activities are in progress. Assets qualifying for interest capitalisation include real estate developments intended for sale or lease that are constructed as discrete projects. Land that is not undergoing activities necessary to prepare it for its intended use does not qualify for capitalisation. When development activities are undertaken, however, expenditures to acquire land qualify for interest capitalisation while the development activities are in process. If the resulting asset is a structure, the interest capitalised on land expenditures becomes part of the cost of the structure; if the resulting asset is developed land, the capitalised interest is part of the cost of the land. SFAS No. 34 provides guidance on determining the appropriate amount of interest to be capitalised.	Required. Accounting Standard ("AS") 16, Borrowing Costs, defines the term 'qualifying asset' as "an asset that necessarily takes a substantial period of time to get ready for its intended use or sale". The following assets ordinarily take twelve months or more to get ready for intended use or sale unless the contrary can be proved by the enterprise: assets that are constructed or otherwise produced for an enterprise's own use, e.g., assets constructed under major capital expansions; and assets intended for sale or lease that are constructed or otherwise produced as discrete projects (for example, ships or real estate developments).
Capitalisation of preoperative, incidental expenses and trial run expenses, net of revenue earned during trial run period.....	Not permitted, except certain trial run expenses may be capitalised if they are a necessary part of bringing the asset to its working condition.	Not permitted.	Required.
Depreciation and Amortisation	Allocated on a systematic basis to each accounting period over the estimated useful life of the asset. Estimated useful life should be reviewed every year. Intangible assets with indefinite life are not amortised but are	Similar to IFRS.	Depreciation is provided at the rates specified in Schedule XIV of the Companies Act. There is no concept of indefinite life intangible assets.

Subject	IFRS	U.S. GAAP	Indian GAAP
	tested for impairment annually.		
Impairment of long-lived assets	If impairment is indicated, write down assets to recoverable amount which is the higher of net selling price and value in use based on discounted cash flows. If no loss arises, reconsider useful lives of those assets.	Under FASB 144, 'Impairment of Long-Lived Assets." For assets to be held and used, impairment review based on undiscounted cash flows. If the undiscounted cash flows are less than the carrying amount, measure the impairment loss using market value or discounted cash flows.	Similar to IFRS. Accounting Standard 28 - "Impairment of Assets", is mandatory with effect from 1 April 2004.
	Impairment loss is recorded in the income statement. Reversal of loss is permitted in certain cases.	Impairment loss is recorded in the income statement as a separate line item - Reversals of impairment loses are prohibited.	
Leases - classification	A lease is a finance lease if substantially all risks and rewards of ownership are transferred. Substance rather than form is important.	Similar to IFRS, but with more extensive form-driven requirements. Specific rules must be met to record a finance or capital lease a prescribed under FASB 13	Similar to IFRS.
Leases - lessor accounting	Record amounts due under finance leases as a receivable. Allocate gross earnings to give constant rate of return based on (pre-tax) net investment method.	Similar to IFRS, but with specific rules for leveraged leases as prescribed under FAS 13.	Similar to IFRS.
Leases - lessee accounting	Record finance leases as asset and obligation for future rentals. Depreciate over useful life of asset. Apportion rental payments to give constant interest rate on outstanding obligation. Charge operating lease rentals on straight-line basis.	Similar to IFRS.	Similar to IFRS.
Leases — lessee accounting: sale and leaseback transactions	For a finance lease, defer and amortise profit arising on sale and finance leaseback. If an operating lease arises, profit recognition depends on sale proceeds compared to fair value of the asset. Consider substance/linkage of the transactions.	Timing of profit and loss recognition depends on whether seller relinquishes substantially all or a minor part of the use of the asset. Immediately recognise losses. Consider specific strict criteria if a property transaction.	Similar to IFRS.
Investment property	Measure at depreciated cost or fair value, and recognise changes in fair value in the income statement.	Treat the same as for other properties (depreciated cost).	Consider as long-term investment and carry at cost less impairment.
Inventories	Carry at lower of cost and net realisable value. Use FIFO or weighted average method to determine cost. LIFO prohibited. Reversal is required for subsequent increase in value of previous write-downs.	Similar to IFRS; however, use of LIFO permitted. Reversal of write-down prohibited.	Similar to IFRS. Reversal of write-down prohibited.

Subject	IFRS	U.S. GAAP	Indian GAAP
Real Estate Properties and Deferred Costs	In substance similar to U.S. GAAP however no detailed guidance as given under U.S. GAAP.	A variety of costs are incurred in the acquisition, development, leasing, sale, or operation of a real estate development project. SFAS No. 67, *Accounting for Costs and Initial Rental Operations of Real Estate Projects* (Accounting Standards Section Re2), provides guidance on when costs should be capitalised, deferred, or expensed. After a determination is made to capitalise a cost, it is allocated to the specific parcels or components of a project that are benefited. Guidance for situations where specific identification is not practicable is provided by SFAS No. 67. Property taxes and insurance costs incurred on real estate projects should be capitalised only during the period in which activities necessary to get the property ready for its intended use are in progress. Such costs incurred after the property is substantially complete and held available for occupancy should be charged to expense as incurred. Paragraph 22 of SFAS No. 67 states that "a real estate project shall be considered substantially completed and held available for occupancy upon completion of tenant improvements by the developer, but not later than one year from cessation of major construction activity." Incremental revenue from incidental operations in excess of related incremental costs should be accounted for as a reduction of capitalised project costs. Incremental costs in excess of incremental revenue from incidental operations should be charged to expense as incurred, because the incidental operations did not increase the costs of developing the property for its intended use.	In substance similar to U.S. GAAP however no detailed guidance as given under U.S. GAAP.
(a) Preacquisition Costs		Payments to obtain an option to acquire real property shall be capitalised as incurred. All other costs related to a property that are incurred	

Subject	IFRS	U.S. GAAP	Indian GAAP
		before the enterprise acquires the property, or before the enterprise obtains an option to acquire it, shall be capitalised if all of the following conditions are met and otherwise shall be charged to expense as incurred: (a) the costs are directly identifiable with the specific property; (b) the costs would be capitalised if the property were already acquired; and (c) acquisition of the property or of an option to acquire the property is probable. This condition requires that the prospective purchaser is actively seeking to acquire the property and has the ability to finance or obtain financing for the acquisition and that there is no indication that the property is not available for sale. Capitalised preacquisition costs (a) shall be included as project costs upon the acquisition of the property or (b) to the extent not recoverable by the sale of the options, plans, etc., shall be charged to expense when it is probable that the property will not be acquired.	
(b) Taxes and Insurance.....		Costs incurred on real estate for property taxes and insurance shall be capitalised as property cost only during periods in which activities necessary to get the property ready for its intended use are in progress. Costs incurred for such items after the property is substantially complete and ready for its intended use shall be charged to expense as incurred.	
(c) Project Costs.....		Project costs clearly associated with the acquisition, development, and construction of a real estate project shall be capitalised as a cost of that project. Indirect project costs that relate to several projects shall be capitalised and allocated to the projects to which the costs relate. Indirect costs that do not clearly relate to projects under development or construction, including general and administrative expenses, shall be charged to expense as incurred.	

Subject	IFRS	U.S. GAAP	Indian GAAP
(d) Amenities.....		Accounting for costs of amenities shall be based on management's plans for the amenities in accordance with the following: (a) if an amenity is to be sold or transferred in connection with the sale of individual units, costs in excess of anticipated proceeds shall be allocated as common costs because the amenity is clearly associated with the development and sale of the project. The common costs include expected future operating costs to be borne by the developer until they are assumed by buyers of units in a project; (b) if an amenity is to be sold separately or retained by the developer, capitalisable costs of the amenity in excess of its estimated fair value as of the expected date of its substantial physical completion shall be allocated as common costs. For the purpose of determining the amount to be capitalised as common costs, the amount of cost previously allocated to the amenity shall not be revised after the amenity is substantially completed and available for use. A later sale of the amenity at more or less than its estimated fair value as of the date of substantial physical completion, less any accumulated depreciation, results in a gain or loss that shall be included in net income in the period in which the sale occurs. Costs of amenities shall be allocated among land parcels benefited and for which development is probable.	
(e) Incidental Operations.....		Incremental revenue from incidental operations in excess of incremental costs of incidental operations shall be accounted for as a reduction of capitalised project costs. Incremental costs in excess of incremental revenue shall be charged to expense as incurred, because the incidental operations did not achieve the objective of reducing the costs of developing the property for its intended use.	

Subject	IFRS	U.S. GAAP	Indian GAAP
Allocation of Capitalised Costs to the Components of a Real Estate Project		The capitalised costs of real estate projects shall be assigned to individual components of the project based on specific identification. If specific identification is not practicable, capitalised costs shall be allocated as follows: (a) land cost and all other common costs (prior to construction) shall be allocated to each land parcel benefited. Allocation shall be based on the relative fair value before construction; and (b) construction costs shall be allocated to individual units in the phase on the basis of relative sales value of each unit. If allocation based on relative value also is impracticable, capitalised costs shall be allocated based on area methods (for example, square footage) or other value methods as appropriate under the circumstances.	
Costs Incurred to Sell Real Estate Projects		Costs incurred to sell real estate projects shall be capitalised if they (a) are reasonably expected to be recovered from the sale of the project or from incidental operations and (b) are incurred for (1) tangible assets that are used directly throughout the selling period to aid in the sale of the project or (2) services that have been performed to obtain regulatory approval of sales. Examples of costs incurred to sell real estate projects that ordinarily meet the criteria for capitalisation are costs of model units and their furnishings, sales facilities, legal fees for preparation of prospectuses, and semi permanent signs. Other costs incurred to sell real estate projects shall be capitalised as prepaid costs if they are directly associated with and their recovery is reasonably expected from sales that are being accounted for under a method of accounting other than full accrual. Costs that do not meet the criteria for capitalisation shall be	

Subject	IFRS	U.S. GAAP	Indian GAAP
		expensed as incurred. Capitalised selling costs shall be charged to expense in the period in which the related revenue is recognised as earned. When a sales contract is cancelled (with or without refund) or the related receivable is written off as uncollectible, the related unrecoverable capitalised selling costs shall be charged to expense or an allowance previously established for that purpose.	
Investments	Investments in are classified as held-to maturity, available-for-sale or held trading at acquisition. Investments classified as held-to-maturity are recorded at amortised cost less impairment, if any. Realised gains and losses are reported in earnings. Investments classified as available-for-sale are reported at fair value. Unrealised gains and losses on the change in fair value are reported in equity, less impairment, if any. Investments classified as trading are reported at fair value with unrealised gains and losses included in earnings. There is an option in IFRS to classify any financial asset "at fair value through profit or loss". Changes in fair values in respect of such securities are recognised in the income statement. This is an irrevocable option to classify a financial asset at fair value through profit or loss.	Similar to IFRS but no option to classify all financial assets "at fair value through profit or loss". Investments in listed equity securities can only be classified as available for sale or as trading. Investments in unlisted equity securities are recorded at cost less impairment, if any.	Long-term investments are carried at cost (with provision for other than temporary diminution in value). Current investments carried at lower of cost or fair value.
	Generally, in a non-consolidated financial statements, investment in subsidiary is accounted under the equity method.	Similar to IFRS.	In a non-consolidated financial statements, investment in subsidiary is carried at cost less impairment, if any.
Foreign currency transactions	Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Foreign currency assets and liabilities are restated at the year-end exchange rates.	Similar to IFRS.	Similar to IFRS, except for the following: exchange difference arising on repayment/restatement of liabilities incurred prior to 1 April 2004 for the purposes of acquiring fixed assets, is adjusted in the carrying amount of the respective fixed assets; and

Subject	IFRS	U.S. GAAP	Indian GAAP
			exchange difference arising on repayment/restatement of liabilities incurred on or after 1 April 2004 for the purposes of acquiring fixed assets from a country outside India, is adjusted in the carrying amount of the respective fixed assets. The amounts so adjusted are depreciated over the remaining useful life of the respective fixed assets.
Provisions	Record the provisions relating to present obligations from past events if outflow of resources is probable and can be reliably estimated.	Similar to IFRS Rules for specific situations (including employee termination costs, environmental liabilities and loss contingencies).	Similar to IFRS.
	Discounting required if effect is material.	Discounting required only when timing of cash flows is fixed.	Discounting is not permitted.
Contingent Assets	A possible asset that arise from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the entity's control. The item is recognised as an asset when the realisation of the associated benefit such as an insurance recovery, is virtually certain.	Contingent assets are recognised, when realised, generally upon receipt of consideration. However, there are very strict rules under FASB 5 that govern contingent gains. Usually such gains are disallowed.	Similar to IFRS, except that certain disclosures as specified in IFRS are not required.
Contingent liability	A possible obligation whose outcome will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control. It can also be a present obligation that is not recognised because it is not probable that there will be an outflow of economic benefits, or the amount of the outflow cannot be reliably measured. Contingent liabilities are disclosed unless the probability of outflows is remote.	An accrual for a loss contingency is recognised if it is probable (defined as likely) that there is a present obligation resulting from a past event and an outflow of economic resources is reasonably estimable. If a loss is probable but the amount is not estimable, the low end of a range of estimates is recorded. Contingent liabilities are disclosed unless the probability of outflows is remote.	Similar to IFRS. Disclosure may be limited compared to US GAAP and IFRS.
Debt issue costs	Permits, but does not require, direct incremental costs of issuing debt to be deferred as an asset and amortised as an adjustment to yield.	Debt issue costs should be deferred as an asset and amortised as an adjustment to yield. Amortisation should be done based on the interest method, but other methods may be used if the results are not materially different from the interest method.	Debt issue costs are expensed as incurred.
Dividends	Dividends are recorded as liabilities when declared.	Similar to IFRS.	Dividends are recorded as provisions when proposed.
Deferred income taxes	Use full provision method	Deferred income tax assets	Deferred tax assets and liabilities

Subject	IFRS	U.S. GAAP	Indian GAAP
	(some exceptions), driven by balance sheet temporary differences. Recognise deferred tax assets if recovery is probable. Deferred tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the balance sheet date.	and liabilities are determined using the balance sheet method. The net deferred tax asset or liability is based on temporary differences between the book and tax bases of assets and liabilities, and recognises enacted changes in tax rates and laws. U.S. GAAP permits deferred tax assets to be recognised for any operating loss carry forwards to the extent that it is more likely than not that they will be realised. A valuation allowance should be recorded against deferred tax assets when it is determined that realisation of the deferred tax asset is less than more likely than not. The FASB recently issued FIN 48, "Accounting for Uncertainity in Income Taxes." FIN 48 which establishes the criteria than an individual tax position would have to meet for recognition in the financial statements. FIN 48 applies to all tax positions that are accounted for under FAS 109. The term tax position includes, but is not limited to the following: • a decision not to file a tax return in a jurisdiction • the allocation of income between jurisdiction • the characterization of income in the tax return • decision to exclude taxable income in the tax return • decision to classify a transaction, entity, or other position as tax-exempt in the tax return. A separate measurement step is to be taken to determine the amount of tax benefit to be recorded for financial sstatement purposes, but only if the more-likely-than-not recognition threshold is met, and the recorded tax benefit will equal the largest amount of tax benefit that is greater than 50% likely being realized upon ultimate settlement with a tax authority.	should be recognised for all timing differences subject to consideration of prudence in respect of deferred tax assets. Where an enterprise has unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets should be recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is certain that such previously unrecognised deferred tax assets will be realised. Deferred tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the balance sheet date.
Measurement of derivative instruments and hedging	Measure derivatives and hedge instruments at fair value.	Similar to IFRS, except no 'basis adjustment' on cash	Derivatives are initially measured at cost. However, there is no

Subject	IFRS	U.S. GAAP	Indian GAAP
activities.....	Recognise the changes in fair value in the income statement, except for effective cash flow hedges, where the changes are deferred in equity until effect of the underlying transaction is recognised in the income statement. Ineffective portions of hedges are recognised in the income statement. IFRS requires extensive documentation and effectiveness testing to obtain hedge accounting. Gains/losses from hedge instruments that are used to hedge forecast transaction may be included in cost of non-financial asset/liability (basis adjustment).	flow hedges of forecast transactions.	comprehensive guidance for derivative accounting.
Fringe Benefits Tax.....	Fringe Benefits Tax is included as part of the related expense (fringe benefit) which gives rise to incurrence of the tax.	Similar to IFRS.	Fringe Benefits Tax should be disclosed as a separate item after determining profit before tax on the face of the profit and loss account for the period in which the related fringe benefits are recognised.
Derecognition of financial assets.....	Derecognise financial assets based on risks and rewards first; control is secondary test.	Derecognise based on control. Requires legal isolation of assets even in bankruptcy.	No specific guidance. In general, derecognise financial assets based on risks and rewards of ownership. A guidance note issued by ICAI on securitisation requires derecognition based on control.
Financial liabilities - classification.....	Classify capital instruments depending on substance of the issuer's obligations. Mandatorily redeemable preference shares classified as liabilities.	Where an instrument is not a share, classify as liability when obligation to transfer economic benefit exists. Similar to IFRS.	No specific guidance. In practice, classification is based on legal form rather than substance. All preference shares are shown separately as share capital under shareholders' funds.
Derecognition of financial liabilities.....	Derecognise liabilities when extinguished. The difference between the carrying amount and the amount paid is recognised in the income statement. IFRS uses 10% threshold for differentiating modification in the terms from extinguishment of liabilities	Similar to IFRS.	No specific guidance but practice is similar to IFRS. No 10% criteria is specified.
Capital instruments - purchase of own shares.....	Show as deduction from equity.	Similar to IFRS.	Purchase of own shares are permitted under limited circumstances subject to the legal requirements stipulated in the Companies Act. On purchase, such shares are required to be cancelled i.e. cannot be kept as treasury stock.
Functional currency	Currency of primary economic environment in which entity	Similar to IFRS.	Does not define functional currency. Assumes an entity

Subject	IFRS	U.S. GAAP	Indian GAAP
definition	operates.		normally uses the currency of the country in which it is domiciled in presenting its financial statements.
Financial currency - determination.....	If indicators are mixed and functional currency is not obvious, use judgement to determine the functional currency that most faithfully represents the economic results of the entity's operations by focusing on the currency of the economy that determines the pricing of transactions (not the currency in which transactions are denominated).	Similar to IFRS; however, no specific hierarchy of factors to consider. Generally the currency in which the majority of revenues and expenses are settled.	Does not require determination of functional currency. Assumes an entity normally uses the currency of the country in which it is domiciled in presenting its financial statements. If a different currency is used, requires disclosure of the reason for using a different currency.
Earnings per share - diluted ..	Use weighted average potential dilutive shares as denominator for diluted EPS. Use 'treasury share' method for share options/warrants.	Similar to IFRS	Similar to IFRS.
Post balance sheet events	Adjust the financial statements for subsequent events, providing evidence of conditions at balance sheet date and materially affecting amounts in financial statements (adjusting events). Disclosing non-adjusting events.	Similar to IFRS.	Similar to IFRS. However, non-adjusting events are not required to be disclosed in financial statements but are disclosed in report of approving authority e.g. Directors' Report.
Related Party Disclosures.....	There is no specific requirement in IFRS to disclose the name of the related party (other than the ultimate parent entity). There is a requirement to disclose the amounts involved in a transaction, as well as the balances for each major category of related parties. However, these disclosures could be required in order to present meaningfully the "elements" of the transaction, which is a disclosure requirement.	The nature and extent of any transactions with all related parties and the nature of the relationship must be disclosed, together with the amounts involved. Unlike IFRS, all material related party transactions (other than compensation arrangements, expense allowances and similar items) must be disclosed in the separate financial statements of wholly-owned subsidiaries, unless these are presented in the same financial report that includes the parent's consolidated financial statements (including those subsidiaries).	The scope of parties covered under the definition of related party could be less than under IFRS or U.S. GAAP. Unlike IFRS, the name of the related party is required to be disclosed.
Segment reporting.....	Report primary and secondary (business and geographic) segments based on risks and returns and internal reporting structure. Use group accounting policies or entity accounting policy.	Report based on operating segments and the way the chief operating decision-maker evaluates financial information for purposes of allocating resources and assessing performance. Use internal financial reporting policies (even if accounting policies differ from group accounting policy).	Similar to IFRS.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations is based on our restated consolidated financial statements as of and for the eight months ended November 30, 2006 and the years ended March 31, 2006, 2005 and 2004, including the schedules and notes thereto and the reports thereon, which appear elsewhere in this Draft Red Herring Prospectus. These financial statements are based on Indian GAAP which differs in certain significant respects from US GAAP. For more information on these differences, see the section titled "Summary of Significant Differences between Indian GAAP, US GAAP and IFRS" on page [●]. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the twelve-month period ended on March 31 of that year.

OVERVIEW

We are the largest real estate development company in India in terms of the area of our completed residential and commercial developments (ACNielsen Report) and our primary business is the development of residential, commercial and retail properties. Our operations span all aspects of real estate development, from the identification and acquisition of land, to the planning, execution and marketing of our projects, through to the maintenance and management of our completed developments. In our residential business line, we build and sell a wide range of properties including houses, duplexes and apartments of varying sizes, with a focus on the higher end of the market. In our commercial business line, we build and sell or lease commercial office space, with a focus on properties attractive to large multinational tenants. Our retail business line develops, manages and mainly leases shopping malls, which in many cases include multiplex cinemas. We are also expanding our infrastructure, SEZs and hotel businesses. Although we have historically centred our operations in the NCR, we continue to diversify our portfolio with a number of real estate development projects across the country. As of November 30, 2006, we had residential projects with a saleable area of over nine million square feet, commercial projects with a lettable or saleable area of approximately 26 million square feet and retail projects with a lettable or saleable area of approximately 11 million square feet.

We have extensive Land Reserves in various regions across India, amounting to 10,255 acres, with 51% of our Land Reserves in the NCR, 23% in Kolkata, 5% in Goa, 5% in Mahararashtra, 3% in Indore, 4% in Punjab, 2% in Bangalore and the balance in various other states. Our Land Reserves comprise a developable area of approximately 574 million square feet, of which 46 million square feet is under construction. Of the approximately 574 million square feet of developable area, 29 million square feet represents our equity interest in joint ventures with third parties and the balance represents lands that we own or to which we own the sole development rights. The commercial effect of these sole development rights, which cover an aggregate of approximately 200 million square feet, is to provide us with the benefits of ownership of the development, including the returns from the sale or lease of the development. We have paid or will pay advances to procure the sole development rights to the land, which will entitle us to substantially all the revenues from the development of such land. As of November 30, 2006 the balance due in respect of payments for the acquisition of land or sole development rights was Rs. 55,375 million.

The real estate development industry has shown an increase in demand in the past few years. Rising disposable incomes in the middle and higher income groups have resulted in an increase in demand for improved residential housing, as well as higher quality retail space. The growth in the Indian economy and specifically the success of the Indian IT sector has led to increased demand for high quality commercial space. As a result, our business has expanded and our total consolidated income increased to Rs. 12,420 million in fiscal 2006 from Rs. 4,977 million in fiscal 2002. During the same period, our consolidated net profit increased to Rs. 1,917 million from Rs. 614 million. In the eight months ended November 30, 2006 our total consolidated income was Rs. 33,239 million and our consolidated net profit was Rs. 18,300 million, driven in part by the sales to DAL booked by us.

COMPONENTS OF OUR INCOME AND EXPENDITURE

Our results of operations depend on various factors, including the following:

- the condition and performance of the property market;

- general economic and demographic conditions;
- regulations affecting the real estate industry;
- our ability to acquire suitable lands at reasonable costs;
- our ability to identify suitable projects and execute them in a timely and cost effective manner;
- the availability of financing on favourable terms for our business and for our customers; and
- competition.

Income

Historically, the principal component of our income has been revenue from the sale of residential properties. Other components of income include sales of certain retail and commercial properties, rental income from commercial and retail properties and maintenance income from our property management services. In addition, we derive a small amount of income from the power generation and supply operations of our subsidiary, DLF Power.

Our income from the sale of constructed properties is recognized using the 'percentage of completion' method. Under this method, income in respect of a project is recognized based on the project cost, including the cost of land, actually incurred as a proportion of total estimated project cost and the proportion of the estimated saleable area in the project in respect of which bookings have been made. However, if the actual project cost incurred is less than 30% of the total estimated project cost, no income is recognized in respect of that project in the relevant period. Estimates of saleable area and the related income as well as project costs are reviewed periodically. The effect of any changes to estimates is recognized in the financial statements for the period in which such changes are determined.

The percentage of completion method requires us to identify which development, or which component in a particular development, is to be treated as a separate project. This provides us with considerable flexibility as to how we are going to treat a particular development and divide it into individual projects. Once we have defined a project, we generally will not change the definition.

We estimate the saleable area of a project and the income from it based on, among other things, the size, specifications and location, of the project. We typically enter into contracts with our customers while the project is still under development. Each project is treated as having a notional completion time of two and a half years and customers wishing to buy a property in it are required to make an upfront payment at the time of booking, all or part of which may be non-refundable and pay the remaining purchase price in instalments over the period between the date of booking and the date on which the property is to be transferred. Accordingly, bookings of saleable area, rather than actual amounts received, determine revenue recognition under the percentage of completion method.

We estimate the total cost of a project, based on similar considerations, prior to its commencement. Our project planning and execution teams have extensive experience of prior projects, which enables them to estimate and monitor project costs. Our project execution teams re-evaluate project costs periodically, particularly when in their opinion there have been significant changes in market conditions, costs of labour and materials and other contingencies. Material re-evaluations will affect our income in the relevant fiscal periods.

Sale consideration from the sale of plots (i.e., lands on which we have not performed any construction) is recognized as income once the sale agreements for the land are executed, whether or not consideration has been fully paid.

The major source of our future sales revenue is our current and planned projects, which are described in the section titled "Our Business" on page [●].

Rental income from our commercial and retail real estate developments is recognized on an accrual basis in accordance with the terms of the relevant leases. We determine rent based on various factors such as the location and

construction quality of the properties, the area occupied by and the facilities offered to tenants and general market conditions.

We derive maintenance income from our property management services, which are principally provided by our subsidiary, DLF Services. Maintenance income is recognized on an accrual basis. Maintenance charges are determined based on the actual expenditure incurred by us in providing the services, plus a mark-up of 20%. We estimate maintenance charges in advance of a rental period based on actual costs incurred in the prior rental period. We adjust these charges periodically to account for actual costs.

As part of the growth and diversification of our business, we intend to generate new sources of revenue from businesses such as SEZ, hotel and infrastructure development, including through the DLF Laing O'Rourke joint venture. We derive a relatively small amount of revenue from our multiplex cinema business, from our leisure businesses such as private clubs, golf courses, from facilities maintenance and management services and from the provision of cable television services, all of which we are currently in the process of expanding.

Additional sources of income include the revenues of DLF Power from its power generation and supply operations. These revenues have been adversely affected in recent periods by the inability of DLF Power's customers to fully pay their dues. We also earn income from financial investments and interest from bank deposits and loans made to third parties.

Expenditure

The principal components of our expenditure are cost of revenue, establishment expenses, finance charges, depreciation and other expenses.

Our costs of revenue consist mainly of land acquisition costs and development and construction costs. Cost of revenue comprises cost of land and plots and cost of construction and development, in each case attributable to the properties in respect of which we have recognized revenue.

The treatment of costs of land and plots and costs of construction and development as they are incurred and prior to their recognition depends upon whether the land is to be utilized in a project which is to be sold or whether it is to be utilized in a project which will result in a property to be leased. Where the land falls into the first category, the cost of it and any subsequent related construction and development costs are treated as an increase in our stocks. Where the land falls into the second category, the cost of it is treated as an increase in our stocks, but as construction and development on that land proceeds, the cost of that land and the construction and development costs are treated as an increase in our capital work in progress. Accordingly, as we recognize sales revenue, we reduce our stocks and recognize the resulting costs of revenue and on completion of a project to be leased we reduce the related capital work in progress and correspondingly increase the value of our buildings. If a project that was originally intended to be leased is sold, the profits from the sale are recognized as "other income", after reducing fixed assets.

In stocks, we include the cost of land to which we own sole development rights. In respect of lands to which we own sole development rights, we have all the benefits and rights in respect of the developments on such land i.e. we have the exclusive right to develop it as well as control its use and disposition and should we develop plots on whole or part of such land, we have the absolute right to sell the land to prospective purchaser on such terms and conditions as may be deemed fit and proper by us. Further, we are entitled to all the revenues from the development, including rent (net of a payment of 20% of the deposit paid to the grantor of the rights, but which is limited to Rs. 0.5 million acre).

Establishment expenses comprise salaries and wages, allowances and other employee costs. Finance charges consist principally of interest paid on loans. In connection with the expansion of our business and proposed land acquisitions, we expect that we will incur significant amounts of indebtedness, which may result in an increase in our finance charges. As of November 30, 2006, our outstanding loans were Rs. 94,450 million. We expect to reduce our loans using a portion of the proceeds from the Offering. Other expenses include commission and brokerage, rental costs, provisions for doubtful debts and various categories of selling, general and administrative expenses. Depreciation includes the depreciation on our leased properties, among others.

RESULTS OF OPERATIONS

The following table sets forth, for the eight months ended November 30, 2006 and fiscal 2006, 2005 and 2004, certain items derived from our consolidated financial statements, in each case stated in absolute terms and as a percentage of total income:

	Eight months ended November 30, 2006 (Rs. million)	% of Total Income	Fiscal 2006 (Rs. million)	% of Total Income	Fiscal 2005 (Rs. million)	% of Total Income	Fiscal 2004 (Rs. million)	% of Total Income
INCOME								
Sales and other receipts	**19,708**	**59%**	**11,536**	**93%**	**6,081**	**97%**	**5,058**	**96%**
of which								
-Sales revenue	17,310	52%	9,200	74%	4,087	65%	3,134	60%
-Rent and licence fee	939	3%	422	3%	375	6%	340	6%
-Maintenance income	556	2%	481	4%	306	5%	209	4%
-Power supply	653	2%	1,087	9%	1,035	17%	1,149	22%
-Others	250	1%	346	3%	278	4%	226	4%
Income from investments	**0**	**0%**	**163**	**1%**	**0**	**0%**	**78**	**1%**
Other income	**13,531**	**41%**	**721**	**6%**	**179**	**3%**	**130**	**2%**
of which								
-Interest	997	3%	553	4%	76	1%	84	2%
-Others	12,534	38%	168	1%	103	2%	46	1%
Total Income	**33,239**		**12,420**		**6,260**		**5,266**	
EXPENDITURE								
Cost of Revenue	**5,148**		**5,243**		**3,165**		**2,685**	
of which								
-Project cost	4,616	14%	4,416	36%	2,517	40%	2,200	42%
(Increase)/Decrease in stocks								
-Other costs	532	2%	827	7%	648	10%	485	9%
Establishment costs	**460**	**1%**	**397**	**3%**	**447**	**7%**	**313**	**6%**
Finance charges	**2,480**	**7%**	**1,685**	**14%**	**390**	**6%**	**330**	**6%**
Other expenses	**1,675**	**5%**	**1,139**	**9%**	**787**	**13%**	**848**	**16%**
Depreciation	**352**	**1%**	**361**	**3%**	**333**	**5%**	**288**	**5%**
Total Expenditure	**10,115**	**30%**	**8,825**	**71%**	**5,122**	**82%**	**4,464**	**85%**
Profit before tax and minority interest	23,124	70%	3,595	29%	1,138	18%	802	15%
Provision for tax	4,816	14%	1,668	13%	259	4%	250	5%
Net profit before minority interest	18,308	55%	1,927	16%	879	14%	552	10%
Minority interest	8	0%	10	0%	14	0%	14	0%
Net profit	**18,300**	**55%**	**1,917**	**15%**	**865**	**14%**	**538**	**10%**

EIGHT MONTHS ENDED NOVEMBER 30, 2006

Income

Our total income in the eight months ended November 30, 2006 was Rs. 33,239 million. Sales revenue constituted Rs. 17,310 million, or 52%, of our total income during this period. Sales revenue was driven by the commencement and progress of construction of various major residential, retail and commercial projects in respect of which we have received significant early bookings as well as by increases in unit prices. We recognized income from bookings as well as the progress of construction in relation to residential projects, including Trinity Towers, DLF Exclusive Floors, Westend Heights, the Aralias, Royalton Tower, the Pinnacle, the Icon, the Summit, and the Magnolias as well as Belaire (which was launched in August 2006 and received substantial early bookings), retail projects

including Grand Mall and South Point in Gurgaon and the commercial and retail complex at Jasola in Delhi. We also recognized sales revenue before profit of Rs. 7,455 million from sales to DAL.

Our rent and licence fees were Rs. 939 million in the eight months ended November 30, 2006, primarily reflecting the leasing of commercial and retail properties, including commercial properties contained in certain companies in which we increased our equity interest which contributed Rs. 663 millions to our rental income for the period. Our rental income for the period included the rental income of Rs. 299 million from three commercial developments before they were sold to DAL.

Our maintenance income for the period was Rs. 556 million (or 2% of our total income), which included income from maintenance services provided for additional projects. Our recreational income for the period was Rs. 169 million, which represented 1% of our total income.

Our income from power supply for the period was Rs. 653 million or 2 % of our total income.

Our other income included a profit before tax of Rs. 12,435 million on account of disposal of certain properties to DAL. The revenues recognized from these sales accounted for 37% of our total income for the period.

Our interest income for the period was Rs. 997 million primarily due to the Rs. 876 million we derived in interest from our interest bearing loans and advances provided primarily for land acquisition.

Expenditure

Our total expenditure was Rs. 10,115 million in the eight months ended November 30, 2006. Of this, our cost of revenue was Rs. 5,148 million, reflecting the high sales revenues we recognized during the period. Our cost of revenue as a percentage of total income has decreased, generally as a result of higher sale prices of our properties in the period as compared to prior periods and also because revenues recognized from some of the sales to DAL were in the form of profits generated from such sales, and therefore did not require the separate recognition of costs relating to such properties.

Finance charges were Rs. 2,480 million in the eight months ended November 30, 2006 primarily reflecting the interest and fees paid in connection with our loans which were Rs. 94,450 million as of November 30, 2006, compared to Rs. 41,320 million as of March 31, 2006. Other expenses were Rs. 1,675 million, which included commissions and brokerage fees of Rs. 528 million reflecting increased bookings of our new developments, legal and professional fees of Rs. 289 million and advertisement and publicity expenses of Rs. 156 million.

Profit before tax

Our profit before tax and minority interest was Rs. 23,124 million in the eight months ended November 30, 2006.

Provisions for tax and net profit

Our provision for tax was in the eight months ended November 30, 2006 was Rs. 4,816 million reflecting increased profit before tax. Our net profit after minority interests was Rs. 18,300 million for the period.

COMPARISON OF FISCAL 2006 TO FISCAL 2005

Income

Our total income increased by 98% to Rs. 12,420 million in fiscal 2006 from Rs. 6,260 million in fiscal 2005. This was primarily due to the 125% increase in sales revenue to Rs. 9,200 million from Rs. 4,087 million. The increase was driven by the commencement and progress of construction of various major residential, retail and commercial projects in respect of which we have received significant early bookings and increases in unit prices. The residential projects include the Trinity Towers, DLF Exclusive Floors, Westend Heights and the Aralias projects in Gurgaon,

the retail projects include Grand Mall and DLF South Point in Gurgaon and the commercial projects include the commercial and retail complex at Jasola in Delhi.

Our rent and licence fee income increased by 13% to Rs. 422 million in fiscal 2006 from Rs. 375 million in fiscal 2005, as additional commercial and retail properties were let, although it fell as a percentage of our total income from 6% to 3%. Maintenance income increased by 57% to Rs. 481 million in fiscal 2006 from Rs. 306 million in fiscal 2005, primarily as a result of increased maintenance income from tenants of DLF Cybercity, although as a percentage of our total income, it fell from 5% to 4%.

Although our income from power supply remained relatively stable in fiscal 2006, as a percentage of our total income it fell from 17% to 9%, reflecting the overall increase in our sales revenue.

Other income increased to Rs. 721 million in fiscal 2006 from Rs. 179 million in fiscal 2005. The increase in other income was primarily due to the increase in interest income from debentures of land acquisition companies to Rs. 553 million in fiscal 2006 from Rs. 76 million in fiscal 2005.

Expenditure

Our total expenditure increased by 72% to Rs. 8,825 million in fiscal 2006 from Rs. 5,122 million in fiscal 2005. This was primarily due to the increase in sales revenue resulting in corresponding recognition of cost of revenue which rose to Rs. 5,243 million in fiscal 2006 from Rs. 3,165 million in fiscal 2005.

Finance charges increased by 332% to Rs. 1,685 million in fiscal 2006 from Rs. 390 million in fiscal 2005, primarily reflecting a substantial increase in our borrowings and the interest and fees paid in connection with those borrowings. For more information, see "- Liquidity and Capital Resources" below. Although our other expenses increased by 45% to Rs. 1,139 million in fiscal 2006 from Rs. 787 million in fiscal 2005, they declined as a percentage of our total income, reflecting the substantial increase in sales revenue. Nevertheless, there were some major changes within this category of expenditure in the year, primarily the 35% increase in commissions and brokerage fees to Rs. 251 million from Rs. 186 million, reflecting the substantial bookings of our new developments, and the increase in provisions for doubtful debts and advances because of unpaid dues to DLF Power.

Profit before tax

Our profit before tax and minority interest increased by 215% to Rs. 3,595 million in fiscal 2006 from Rs. 1,138 million in fiscal 2005, reflecting the fact that during the year, our income increased by Rs. 6,160 million, but our expenditure only increased by Rs. 3,703 million, primarily due to an increase in sales of properties with higher margins.

Provision for tax and net profit

Our provision for tax was Rs. 1,668 million in fiscal 2006 and was Rs. 259 million in fiscal 2005. The primary components in this increase were a substantial increase in our current tax liability to Rs. 3,229 million from Rs. 851 million. This reflected the increase in our profit for the year. As a result, our net profit increased by 122% to Rs. 1,917 million in fiscal 2006 from Rs. 865 million in fiscal 2005.

COMPARISON OF FISCAL 2005 TO FISCAL 2004

Income

Our total income increased by 18% to Rs. 6,260 million in fiscal 2005 from Rs. 5,266 million in fiscal 2004. This was primarily due to the 30% increase in sales revenue to Rs. 4,087 million from Rs. 3,134 million. The increase was driven by the commencement and progress of construction of various major residential, retail and commercial projects in respect of which we received significant early bookings and as a result recognized revenue. The residential projects included The Aralias, Belvedere Park and Westend Heights in Gurgaon, the retail projects

included Grand Mall and Mega Mall in Gurgaon and the commercial projects comprised an office building in Gurgaon.

Our results in fiscal 2004 were significantly different from our results in fiscal 2003, since in fiscal 2004 our sales revenue fell by 19%, compared to fiscal 2003, primarily as a result of the low cost of the land on which our previous projects had been built resulting in a delay in our reaching the cost threshold required to recognize sales revenue under the percentage of completion method.

Our rent and licence fee income increased to Rs. 375 million in fiscal 2005 from Rs. 340 million in fiscal 2004. Maintenance income increased by 46% to Rs. 306 million in fiscal 2005 from Rs. 209 million in fiscal 2004, primarily as a result of increased maintenance income from DLF Cybercity.

Our income from power supply remained relatively stable at Rs. 1,035 million in fiscal 2005 as compared to Rs. 1,149 million in fiscal 2004, although as a percentage of our total income it fell from 22% to 17%, reflecting the increase in our sales revenue.

During fiscal 2005 our income from investments was negligible. Interest income decreased marginally to Rs. 76 million in fiscal 2005 from Rs. 84 million in fiscal 2004.

Expenditure

Our total expenditure increased by 15% to Rs. 5,122 million in fiscal 2005 from Rs. 4,464 million in fiscal 2004. This was primarily due to the increase in sales revenue resulting in corresponding recognition of cost of revenue which rose to Rs. 3,165 million in fiscal 2005 from Rs. 2,685 million in fiscal 2004.

Finance charges increased marginally to Rs. 390 million in fiscal 2005 from Rs. 330 million in fiscal 2004. The increase was primarily attributable to our increased borrowings and the interest and fees paid in connection with those. For more information, see "- Liquidity and Capital Resources" below. Our other expenses decreased by 7% to Rs. 787 million in fiscal 2005 from Rs. 848 million in fiscal 2004, although they declined even more as a percentage of our total income, reflecting the substantial increase in our sales revenue.

Profit before tax

Our profit before tax and minority interests increased by 42% to Rs. 1,138 million in fiscal 2005 from Rs. 802 million in fiscal 2004, reflecting increased sales revenue.

Provision for tax and net profit

Our provision for tax remained relative stable at Rs. 259 million in fiscal 2005 from Rs. 250 million in fiscal 2004. The primary component of the slight decrease was the net effect of a slight decrease in our deferred tax liabilities to Rs. 962 million from Rs. 1,195 million and increase in our current tax liabilities Rs. 851 million from Rs. 374 million. As a result, our net profit increased by 61% to Rs. 865 million in fiscal 2005 from Rs. 538 million in fiscal 2004.

LIQUIDITY AND CAPITAL RESOURCES

Historically, our primary liquidity requirements have been to fund our purchases of land and the costs of construction and development. We have funded these primarily through borrowings and, to a lesser extent, internal accruals. In connection with our growth strategy, we are embarking on an ambitious land acquisition and project development plan, which we expect will continue to account for a substantial proportion of our cash outflow.

As of November 30, 2006, we had capital expenditure commitments (net of advances) of Rs. 6,799 million. As of November 30, 2006, we or the entities that have granted us sold development rights to the land, had entered into agreements or memoranda of understanding for the acquisition of 10,255 acres representing approximately 574

million square feet of area available for development. Approximately Rs. 55,375 million will be payable by us under these agreements and memoranda of understanding for the acquisition of the relevant properties to be completed.

Out of Rs. 55,375 million payable, Rs. 10,290 has to be paid over four years. As of November 30, 2006 our cash and bank balance stood at Rs. 6,160 million, loan commitments not utilised amounted to approximately Rs. 18,000 million and debtors aggregated Rs. 15,508. In addition we also have future receivables of 13,880 against sales made or booked by us in advance.

Our growth plans will require us to incur substantial additional expenditure in the current and future fiscal years across both our existing and new business lines. We expect that our land acquisitions as well as the construction and development costs for our projects will be funded through cash flows and borrowings, as well as through the proceeds of this Issue as described in the section titled "Objects of the Issue" on page [●]. For more information, see the section titled "Financial Indebtedness" on page [●]. Our expansion plans and planned expenditure are subject to change based on, and our ability to raise and service the required financing depends on, various factors such as interest rates, property prices and market conditions.

Cash flows

As of November 30, 2006 and March 31, 2006, 2005 and 2004, we had cash and cash equivalents of Rs. 4,427, Rs. 1,106 million, Rs. 198 million and Rs. 191 million, respectively. The following table presents selected cash flow data from our consolidated cash flow statements for the eight months ended November 30, 2006 and fiscal 2006, 2005 and 2004:

	Eight months ended November 30, 2006 (Rs. million)	Fiscal 2006 (Rs. million)	Fiscal 2005 (Rs. million)	Fiscal 2004 (Rs. million)
Net cash from (used in) operating activities	(62,274)	(10,951)	5,754	(2,205)
Net cash from (used in) investing activities	14,313	(18,660)	(7,681)	(727)
Net cash from (used in) financing activities	51,283	30,520	1,934	2,920

Cash flows from (used in) operating activities

Our cash flow used in operating activities of Rs. 62,274 in the eight months ended November 30, 2006 consisted primarily of net profit before tax and minority interest of Rs. 23,124 million adjusted downwards by Rs. 12,415 million reflecting profit on sales of certain fixed assets and shares of subsidiaries to DAL, which have been deducted from operating cash flow and are recorded as cash flow from investing activities, further adjusted for various non-cash items and various items of income not arising from operating activities, in particular interest paid of Rs. 2,479 million reflecting our increased borrowings, and for movements in working capital. Working capital movements included an increase in sundry debtors of Rs. 8,891, an increase in loans and advances of Rs. 31,525 million, an increase in inventories of Rs. 36,978 and an increase in current liabilities and provisions of Rs. 5,440. The increase in sundry debtors included payments of Rs. 7,215 million not yet received from the sale of our commercial properties to DAL, and the rest represented instalments that are overdue or not yet due from purchasers of our properties in respect of which we recognized sales revenue. The increase in loans and advances mainly represented advances paid for lands being acquired, Rs. 13,880 million in receivables relating to the sale of fixed assets and shares of subsidiaries to DAL, as well as advance taxes in respect of assessments in progress. The increase in stocks reflected our acquisitions of land and costs of construction and development.

Our cash flow used in operating activities of Rs. 10,951 million in fiscal 2006 consisted of net profit before tax and minority interest of Rs. 3,595 million, adjusted for various non-cash items and various items of income not arising from operating activities, in particular interest paid of Rs. 1,685 million and for movements in working capital. Working capital movements included an increase in sundry debtors of Rs. 3,911 million, an increase in loans and advances of Rs. 4,528 million, an increase in stocks of Rs. 13,480 million and an increase in current liabilities and provisions of Rs. 6,694 million. The increase in sundry debtors mainly represented instalments that are overdue or not yet due from purchasers of our properties in respect of which we recognized sales revenue. Correspondingly, the increase in current liabilities and provisions primarily reflected cash received from purchasers of our properties in

respect of which we had not recognized sales revenue. The increase in loans and advances mainly represented advances paid for land acquisition, reflecting our increased level of acquisition activity, as well as advance taxes in respect of assessments in progress. The increase in stocks reflected our acquisitions of land and costs of construction and development.

Our cash flow from operating activities of Rs. 5,754 million in fiscal 2005 consisted of net profit before tax and minority interest of Rs. 1,138 million, adjusted for various non-cash items and various items of income not arising from operating activities and for movements in working capital. Working capital movements included a decrease in sundry debtors of Rs. 6,155 million, a marginal increase in loans and advances of Rs. 119 million, a decrease in stocks of Rs. 1,439 million and a decrease in current liabilities and provisions of Rs. 3,059 million. The decrease in sundry debtors represented cash received from purchasers of our properties in respect of which we recognized sales revenue. Correspondingly, the decrease in current liabilities and provisions primarily reflected cash received in prior periods from purchasers of our properties in respect of which we recognized sales revenue in fiscal 2005. The increase in loans and advances mainly represented advances paid for land acquisition. The decrease in stocks reflected our recognition of costs of revenue corresponding to the sales revenue recognized in the period.

The principal factors affecting our cash flow used in operating activities in fiscal 2004 were the Rs. 6,678 million increase in sundry debtors and the Rs. 3,511 increase in loans and advances, and a corresponding increase in current liabilities and provisions of Rs. 7,202 million. These reflected the fact that substantial bookings made in prior periods were not recognized as revenue until fiscal 2004 as a result of the low cost of the land on which the relevant projects had been built, resulting in a delay in our reaching the cost threshold required to allow those bookings to be recognized as sales revenue.

Cash flows from (used in) investing activities

Our cash flow from investing activities of Rs. 14,313 million in the eight months ended November 30, 2006 consisted primarily of purchases of fixed assets and movements in capital work in progress of Rs. 6,805 million, purchases of investments of Rs. 2,469 million and the sale of fixed assets of Rs. 5,986 million. We also sold investments which generated cash of Rs. 16,954 million. The changes in purchases of fixed assets and movements in capital work in progress primarily reflected increases in capital work in progress as a result of purchases of land and the construction and development of our projects. The purchases of investments represented payments to increase our equity interest in certain subsidiaries and the sale of fixed assets represented sales of certain commercial properties to DAL. The sale of investments represented the sale of shares of certain subsidiaries to DAL and the redemption of debentures of land owning companies.

Our cash flow used in investing activities of Rs. 18,660 million in fiscal 2006 consisted primarily of purchases of fixed assets and movements in capital work in progress of Rs. 4,002 million, purchases of investments of Rs. 8,005 million and the acquisition of shares in land-owning companies amounting to Rs. 7,581 million. The changes in purchases of fixed assets and movements in capital work in progress primarily reflected increases in capital work in progress as a result of purchases of land and the construction and development of projects. The purchases of investments represented the purchase of debentures of land-acquiring companies. Cash flow used for purchase of shares in land-owning companies represents the cash element of the acquisition cost.

Our cash flow used in investing activities of Rs. 7,681 million in fiscal 2005 consisted primarily of purchases of fixed assets and movements in capital work in progress of Rs. 8,329 million. The changes in purchases of fixed assets and movements in capital work in progress primarily reflected increases in capital work in progress as a result of purchases of land and the construction and development of projects.

Cash flows from (used in) financing activities

Our cash flow from or used in our financing activities is determined primarily by the level of our borrowings, the schedule of principal and interest payments on them and the issuance of share capital.

Our cash flow from financing activities of Rs. 51,283 million in the eight months ended November 30, 2006 consisted primarily of proceeds from long term borrowings of Rs. 55,450 million, which was offset in part by the

repayment of long term borrowings of Rs. 15,157 million. The net increase in our short term borrowings was Rs. 12,836 million. Cash flow of Rs. 1,829 million was used in the payment of interest and finance charges.

Our cash flow from financing activities of Rs. 30,520 million in fiscal 2006 consisted primarily of proceeds from long term borrowings of Rs. 35,105 million and a net increase in short term borrowings of Rs. 2,009 million, against which cash flow was used in repayment of Rs. 5,437 million in long term borrowings and Rs. 1,484 million in interest and finance charges.

Our cash flow from financing activities of Rs. 1,934 million in fiscal 2005 consisted primarily of net long term borrowings of Rs. 2,599 million, against which cash flow was used in payment of Rs. 645 million in interest and finance charges.

Our cash flow from financing activities of Rs. 2,920 million in fiscal 2004 consisted primarily of net long term borrowings of Rs. 1,350 million and net short term borrowings amounting to Rs. 2,167 million, against which cash flow was used in payment of Rs. 583 million in interest and finance charges.

Financial Condition

Based on our consolidated financial statements, our net worth was Rs. 29,258 as of November 30, 2006.

Our issued and subscribed share capital as of November 30, 2006 was Rs. 3,026 million compared to Rs. 379 million as of March 31, 2006. In May 2006, we issued bonus shares to our shareholders in the ratio of 7:1, which resulted in an increase in our share capital, and a corresponding decrease in our reserves, of Rs. 2,648 million. In November 2006, we issued convertible debentures to certain minority shareholders, which were converted and were subject to a bonus share issue in the ratio of 7:1. The May and November transactions resulted in an increase in our share capital of Rs. 2,648 million. After November 30, 2006 additional debentures were issued to minority shareholders, were converted and were subject to a bonus share issue.

Based on our restated consolidated financial statements, our net worth increased by 27% to Rs. 9,555 million as of March 31, 2006 from Rs. 7,514 million as of March 31, 2005, primarily reflecting the 122% increase in net profit to Rs. 1,917 million from Rs. 865 million.

Assets

Our total assets were Rs. 152,858 million as of November 30, 2006. Of this, the principal components were fixed assets of Rs. 22,038 million, investments of Rs. 1,280 million, stocks of Rs. 54,852 million, sundry debtors of Rs. 15,508 million, cash and bank balances of Rs. 6,160 million and loans and advances of Rs. 44,192 million and goodwill of Rs. 8,733 million. In particular, the increase in the value of our fixed assets reflected the increased and ongoing construction of our commercial and retail projects including. In addition, stocks increased as a result of ongoing construction of residential developments including Summit, Icon, Pinnacle Estate, Royalton Estate, West End Heights and Aralias and retail & commercial projects – Jasola. The decrease in our investments (to Rs. 1,280 million from Rs. 8,300 million) reflected the redemption of debentures by land owning companies in which we had previously invested. The increase in our stocks (to Rs. 54,852 million from Rs. 17,873 million) reflected our increased Land Reserves resulting mainly from the sole development rights acquired from land owning companies, and construction work in progress (Rs. 23,111 million as of November 30, 2006). The increase in our loans and advances (to Rs. 44,192 million from Rs. 10,637 million) reflected advances described as well as income-tax paid. The increase in sundry debtors (to Rs. 15,508 million from Rs. 6,580 million) included payments of Rs. 7,215 million not yet received from the sale of two commercial properties to DAL, and the rest represented instalments that are overdue or not yet due from purchasers of our properties in respect of which we recognized sales revenue.

During fiscal 2006, our total assets increased by 153% to Rs. 69,437 million as of March 31, 2006 from Rs. 27,496 million as of March 31, 2005. The principal components of the increase in fiscal 2006 were increases in our fixed assets (to Rs. 15,585 million from Rs. 10,210 million), investments (to Rs. 8,300 million from Rs. 400 million) and stocks (to Rs. 17,873 million from Rs. 7,049 million) reflecting our purchases of land and project costs, including capitalized finance charges. In particular, the increase in our investments reflected our purchases of debentures

issued by land acquiring companies, with which we had executed joint development agreements. There were also increases in sundry debtors and loans and advances which are discussed above under "Cash flows from (used in) operating activities". Sundry debtors as of March 31, 2006, included Rs. 605 million in unpaid dues to DLF Power from the Assam State Electricity Board. The goodwill reflected in our balance sheet increased to Rs. 8,489 million as of March 31, 2006 from Rs. 522 million as of March 31, 2005 following the acquisition of a number of land owning companies where the goodwill represented the difference between the purchase price and the book value of the net assets of the company.

Liabilities and Provisions

Our liabilities and provisions were Rs. 123,297 million as of November 30, 2006. Of this, the principal components were Rs. 85,298 million in secured and Rs, 9,152 million in unsecured loans to finance land acquisitions and construction and project related expenses, and current liabilities and provisions of Rs. 28,847 million, reflecting our liabilities in respect of advances received for the sale of properties which have not yet been recognized in our sales revenue, as well as provisions for taxes.

Our liabilities and provisions as of March 31, 2006 had increased by 214% to Rs. 59,789 million from Rs. 19,020 million as of March 31, 2005. The principal components of the increase were increases in borrowings (to Rs. 41,320 million from Rs. 9,676 million) funding our purchases of land and the construction and development of new projects, and current liabilities and provisions (to Rs. 18,469 million from Rs. 9,344 million), reflecting our liabilities in respect of advances received for the sale of properties which have not yet been recognized in our sales revenue, as well as provision for taxes.

As of November 30, 2006, our share capital, reserves and minority interest increased to Rs. 29,258 million from Rs. 9,555 million, as of March 31, 2006 primarily reflecting an increase in our surplus from the profit and loss account to Rs. 25,304 million from Rs. 7,902 million as of March 31,2006 and an increase in our share capital as described above.

Off-balance sheet arrangements

Our off-balance sheet liabilities consist primarily of guarantees issued in respect of debt incurred by our subsidiaries. As of November 30, 2006 and March 31, 2006, we had contingent liabilities in the following amounts, as disclosed in our consolidated financial statements

Contingent liabilities not provided for	November 30, 2006 (Rs. Million)	March 31, 2006 (Rs. million)
Guarantees	1,520	2,700
Claims against the Company not acknowledged as debts	596	574
Tax demands in excess of provisions (appeals pending):		
Income tax	378	397
Other taxes	7	4

Capital expenditure commitments

We have agreements with contractors requiring payments in instalments over the construction period. As of November 30, 2006, the payments we were required to make in respect of these capital expenditure commitments aggregated Rs. 6,799 million. Our capital expenditure commitments were in addition to our commitments to pay the balance due in respect of payments for the acquisition of land or sole development rights of Rs. 55,375 million.

Related party transactions

We enter into transactions with a number of related parties. As of November 30, 2006, our balances involving transactions with joint ventures and associates included loans and advances of Rs. 2,250 million in advances to various joint ventures and associates for land acquisition. Our balances involving transactions with entities over

which key management personnel are able to exercise significant influence include investments of Rs. 18 million, Rs. 7,215 million in amounts owed from DAL in respect of certain of the sales, and Rs. 17,862 in loans and advances. For details regarding our related party transactions, see the disclosures concerning transactions with related parties in our financial statements.

Market risk

We have substantial borrowings which, as of November 30, 2006 and March 31, 2006, aggregated Rs. 94,450 million and Rs. 41,320 million, respectively, approximately 75% and 97% of which respectively bore interest at a floating rate. In connection with the expansion of our business and proposed land acquisitions, we expect that we will incur significant amounts of indebtedness, which may result in an increase in our finance charges. We expect to reduce our outstanding loans using a portion of the proceeds from the Issue. Our interest costs will be subject to changes in market interest rates, which are currently on a rising trend. We do not engage in interest rate hedging.

Estimates; Accounting policies

In the preparation of our financial statements in conformity with generally accepted accounting principles, our management has made estimates and assumptions that affect the reported amounts of assets and liabilities, both actual and contingent and the results of our operations. Although these estimates are based upon our management's best knowledge of current events and actions, actual results could differ from these estimates. Significant estimates used by us in the preparation of our financial statements include estimates of the economic useful lives of our fixed assets, provisions for bad and doubtful debts and project costs. For more information, see "- Components of our income and expenditure" above.

In fiscal 2006, pursuant to the Guidance note on Recognition of Revenue by Real Estate Developers, issued by the ICAI, we have changed the accounting policy for recognizing revenue in respect of constructed properties from the year of registration of the sale deeds of the property to percentage of completion method. The percentage of completion method results in these revenues being recognised earlier. In accordance with SEBI requirements, we have restated our financial statements for fiscal 2006, 2005, 2004, 2003 and 2002 presented in this Draft Red Herring Prospectus to reflect the use of the percentage of completion method of revenue recognition. Further, the accumulated profit and loss balance as at April 1, 2001 has been approximately adjusted to reflect the impact of changes pertaining to the prior year till March 31, 2001.

As of April 1, 2006 we adopted accounting standard AS-15 relating to accounting for employment benefits. The restatement effect of these standards in prior years was not material. As of April 1, 2006 we adopted an accounting practice pursuant to which the sale consideration from the sale of plots (i.e., lands on which we have not performed any construction) is recognized as revenue once the sale agreements for the plot are executed, whether or not consideration has been fully paid. The cumulative restatement effect of this change was to increase profits in prior years by Rs. 49 million, most of which was recorded as opening reserves as of April 1, 2001 in the restated financials presented in this Draft Red Hearing Prospectus.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company and our Subsidiaries, Directors, Promoters and Promoter Group Companies, and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company or Subsidiaries and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, Promoters or Directors. Unless stated to the contrary, the information contained in this section is as of November 30, 2006

AGAINST OUR COMPANY

Disputes pending with the Monopolies and Restrictive Trade Practices Commission

Various complaints have been filed by the allottees of residential apartments as well as shops in retail malls, with whom our Company has entered into arrangements for sale or lease of shops/apartments. Presently, there are 32 such complaints lying before the Monopolies and Restrictive Trade Practices Commission, wherein it has been alleged that our Company has indulged in restrictive and unfair trade practices such as handing over possession beyond the dates represented by us, charging unduly high interest rates, unjust forfeiture of entire earnest money, arbitrary imposition of extra charges, selling carpet area at the price of super area, unjust cancellation of allotment, charging unjust escalation charges, payment of instalments not linked with the construction of the projects, unilateral modification/alteration of the commercial terms of the agreements entered into with parties, cancellation of allotment and reduction in the allotted area. The complainants have sought compensation in all of the above cases, some of which are quantifiable and amount to Rs. 30.15 million as well as other remedies such as the striking down of covenants in the Company's agreements with the complainants amounting to unfair and restrictive trade practices. The above matters are pending before the Monopolies and Restrictive Trade Practices Commission at various stages.

Consumer disputes

- Various complaints have been filed against our Company under the Consumer Protection Act, 1986, on various alleged grounds such as the failure to hand over possession of the properties after payment of minimum amount due, failure to allot property preferred by the consumers, selling properties at a particular price and consequent reduction of price of identical properties, alleged *mala fide* enhancement in external development charges and payment of escalation charges, charging additional sums for increase in area, deficiency in construction services and alleged *mala fide* cancellation of allotment and forfeiture of earnest money. Presently, there are 82 such complaints lying before the various original as well as appellate commissions. The remedies sought by the complainants include payment of damages by our Company, restoration of allotment, delivery of possession and rectification of deficient services and refund of allotment money/excess amounts/escalation charges paid, along with interest charges. The complainants have sought compensation on the above mentioned cases, some of which are quantifiable and amount to approximately Rs. 200 million.

- Additionally, a claim of Rs. 100 million has been filed by Dilshad Extension-II Residents Welfare Association against our Company, Ghaziabad Nagar Nigam and Ghaziabad Development Authority before the National Commission, Delhi seeking directions against our Company to complete the development work including construction of boundary wall of the entire colony, a community centre, dispensary, proper sewerage and water supply mechanism etc. Failure to construct would entitle the Dilshad Extension-II Residents Welfare Association for grant of funds of more than Rs.100 million by our Company for non-provision of the above services. The matter is pending before the National Commission.

Criminal proceedings

- Intergest India International Limited has filed a petition (Cr. M. P No. 553/2004) before the Delhi High Court, praying that criminal proceedings initiated by our Company against Intergest India International Limited be quashed. These criminal proceedings initiated by our Company relate to the dishonour of 2 post-dated cheques out of 29 post dated cheques issued by Intergest India International Limited in our favour. There is no monetary liability claimed against our Company. The next hearing is scheduled for December 18 2006.

- Vimla Devi Walia has filed Criminal Misc. petition (1381 of 2006) for quashing criminal complaint No 5013/1/04 dated February 26, 2004 pending in the Metropolitan Magistrate, Patiala Court, New Delhi which was filed by us for dishonour of cheques. Vimla Dev Walia was allotted an apartment at the 'Hamilton Court Complex'. It is alleged by Vimla Devi Walia that the flat which was handed over to her, suffered from manifest defect, errors and therefore they approached the Monopolies Restrictive Trade Practice Commission seeking for an enquiry into the Unfair Trade Practice (UTP 49/2000). Vimla Devi Walia has further alleged that she cancelled the said agreement on November 15, 2000 entered for the said apartment with our Company. It is further alleged that as there was no existing contractual obligation between the parties and there was no subsisting liability on their part to make any payment in accordance with the agreement, the criminal complaint should be quashed. There is no monetary liability arising on the Company. We have been served by a notice under Section 340 of the criminal procedure code for perjury from Metropolitan Magistrate on July 14, 2006 and the matter is fixed for hearing on January 10, 2007.

- Harish Kumar Puri s/o Hans Raj Puri had lodged a FIR before the police station, Seema Puri, North East Delhi, (FIR No. 433/2006) against our Company and Directors under Section 154 Code of Criminal Procedure, 1973 requesting that the FIR be registered against our Company for the acts of criminal conspiracy, cheating, abuse of official position and contravention of the Urban Land (Ceiling and Regulation) Act, 1976 in respect of resale of the plot bearing number C 11, Dilshad Extension, New Delhi admeasuring 167.22 square yards. It has been alleged therein that Sh. Hans Raj Puri (complainant's father) was allotted Plot No C-11, Dilshad Extention-1 in the year 1954 for which he had made full payment. However, despite Hans Raj Puri having made payment of the full consideration in respect of the aforesaid land our Company had neither handed over possession of the land nor executed a sale deed in favour of Hans Raj Puri. It is further alleged that our Company cancelled the agreement to sell in respect of the aforesaid land and sought to resell the same and make unlawful gain. Hence, the present FIR has been filed. Our Company has received a letter dated August 21, 2006 from Crime Branch, Anti Land and Building Racket Section: Economic Offences Wing: Crime Branch, New Delhi requiring us to appear on August 28, 2006 and furnish the file in respect of the aforesaid land. Our Company had appeared on such date. However, we have not been given any intimation by the investigating officer for any further proceedings.

- A complaint has been made under Sections 420, 120B, 467 and 471 of the Indian Penal Code, 1860 by Taran Tej Singh Rekhi to the Senior Superintendent of Police, Gurgaon, against our Company and others alleging that he is a shareholder and director in Simran Poultries Private Limited (which has now merged with our Company), and that such transfer has been made without his consent. The Detective Staff II, SSP, Gurgaon has issued a notice dated July 7, 2006 to our Company and others, calling upon us to join in the investigation of the said case. We have supplied documents to the investigating officer and presented our case.

Civil proceedings

Before Supreme Court of India

- The GK-II Welfare Association has filed a special leave petition (SLP No. 4909/2006) before the Supreme Court, challenging an order passed by the division bench of the Delhi High Court on January 17, 2006, permitting our Company to continue construction of the Savitri Cinema Complex at Greater Kailash - II, New Delhi, without adhering to the conditions imposed by a single bench of the Delhi High Court pursuant to an order dated December 04, 2005. The Supreme Court has, on March 23, 2006, stayed the orders of the

division bench of the Delhi High Court. The matter is pending and would come up for hearing in due course.

- The Residents Welfare Society of X-Block DLF Phase-II has filed a civil writ petition (CWP No.459/2006) before the Supreme Court of India, against the Union of India and others, wherein our Company has been impleaded as a Respondent, seeking directions to our Company to immediately stop all construction activity in and around X-Block in DLF Phase-II and III and restrain our Company from parting with or alienating the plots. The petition alleges that our Company is using the plots in and around X-Block for high rise towers known as Infinity Towers and construction of commercial complex on the plots which were demarcated for residential or group housing under the master plan. It is alleged that such development is in violation of environmental laws, regulations and notifications issued by the Ministry of Environment and Forest. It is also alleged that our Company is illegally extracting water in violation of the public notice of the Central Ground Water Authority. An application for interim injunction has been filed before the Supreme Court of India, seeking directions to cease all construction activity in and around X-Block and stop extracting ground water for consumption by the commercial complexes. No monetary claim has been made against our Company and the next date of hearing has not been scheduled yet.

- M.P. Sharma has filed a special leave petition (SLP No. 7217 of 2006) before the Supreme Court seeking to restrain our Company from selling, transferring, alienating and parting with possession of the apartment No. B-022 in DLF Regency Park, DLF Qutab Enclave, Gurgaon, Haryana. In the said appeal the order dated December 1, 2005 passed by the High Court of Punjab and Haryana (Civil Revision Petition No. 5823 of 2005) has been challenged. The appeal arises from the order dated September 8, 2003 passed by the Additional District Judge, Gurgaon dismissing the stay application filed by MP Sharma for restraining our Company from alienating the suit property during the pendency of the suit (Suit No. 377/02/05) for declaration and mandatory injunction before Civil Judge (Junior Division), Gurgaon challenging the cancellation of allotment of the apartment by our Company, on account of non-payment of installment dues payable by him in respect of the aforesaid apartment and for handing over of the apartment along with marketable title and for a declaration of the cancellation of the apartment as illegal, arbitrary and void. The High Court in the said order dated December 1, 2005 upheld the order of the Additional District Judge, Gurgaon. The next date of hearing for the suit is scheduled for December 17, 2006 and the next date of hearing for the special leave petition is yet to be fixed.

Before High Court

- The Union of India through the Land and Development Officer ("**L&DO**") has filed a letter patents appeal (LPA 2560-63/2005) in the Delhi High Court, against our Company and Sarup Chand Ansal, praying for the setting aside of judgment dated March 18, 2005 passed by Delhi High Court (Single Judge) and awarding costs of litigation. The impugned judgment has quashed notice for re-entry issued by L&DO in respect of leasehold land bearing No. 124, Narindra Place, situated at Sansad Marg, New Delhi and has also quashed the demand for misuse charges for the period 1982-85 made by L&DO. These proceedings are arising out of the civil writ petition (WPC No. 5892/2001) filed in the Delhi High Court by us against Union of India, L&DO and others in March, 2001 seeking amongst others quashing of the notice for re-entry, seeking direction for refund of misuse charges for specified period. This Writ Petition was allowed by the Delhi High Court and the re-entry notice was quashed by the said judgment dated March 18, 2005. In the event the judgment dated March 18, 2005 is set aside by the Court, the monetary liabilities are estimated to be about Rs. 14.4 million. The next hearing is scheduled for January 29, 2007.

- ITC has filed a suit, against our Company and others before the Delhi High Court (Suit No. 2473/1994), for recovery of Rs. 4.7 million along with future interest at 24% per annum on the said amount from our Company along with cost of the suit. ITC contends that it had purchased 15 plots of land from our Company for which it paid consideration. ITC contends that our Company demanded a further sum as additional external development charges ("**EDC**") from ITC which was paid by it under protest. ITC claims that EDC amounts were not required to be paid by them as the sale consideration amount was inclusive of EDC. ITC contends that despite paying the said consideration our Company failed to provide electricity as a result of which ITC suffered losses. Our Company filed its written statement wherein it stated that the demand for EDC was raised consequent to the demand by the Government of Haryana which is payable by ITC as per

the terms of agreement between them. The next hearing is scheduled for January 24, 2007 for cross examination of ITC's witness.

- A winding up petition has been filed by Honeywell Automation India Limited before Punjab & Haryana High Court (Company Petition No. 66/2006) against our Company wherein it has been alleged that our Company is liable to pay a sum of Rs. 3.25 million. The Punjab & Haryana High Court has issued notice to our Company and the case is scheduled for hearing on January 18, 2007.

- Our Company had sold a plot of land bearing no. V-29/A situated at Rajouri Garden, New Delhi admeasuring 244 square yards to Bimla Rani's mother-in-law in the year 1973. Bimla Rani and others have filed a writ petition against Municipal Corporation of Delhi and others before the Delhi High Court (CWP 2611-12/06) seeking a writ of mandamus against Municipal Corporation of Delhi for directions to the effect that the action of Municipal Corporation of Delhi in demolishing structures on the said plot of land is illegal and in violation of principles of natural justice. Our Company has been made a proforma party in the case. No relief has been sought against our Company. No monetary liability has been claimed against our Company. The next date for hearing is scheduled for January 23,2007.

- Devyani International is the lessee of shop nos. 1 and 101 in City Centre, Gurgaon owned by a third party. Our Company had entered into agreement dated April 04, 2003 with Devyani International for setting and running 'Pizza Hut', (a chain of restaurants) in the said shop space with the understanding that our Company would reimburse to Devyani International any sum paid by it in excess of 12% of its net monthly sale as rent for the said property. Disputes arose between the parties and our Company vide notice dated November 10, 2005 on the ground that the accounts were not maintained diligently and truthfully by Devyani International. Each party appointed arbitrator as per the agreement. Devyani International has filed an application under Section 11 of Arbitration & Conciliation Act, 1996 for appointment of presiding arbitrator before the Punjab & Haryana High Court. The matter is listed for filingof reply by our Company to the interim application. The next date of hearing is yet to be communicated.

- SURGE and other various residents welfare associations of suburbs of Gurgaon have filed public interest litigation before Punjab and Haryana High Court at Chandigarh (CWP No. 6792/2002) against the Haryana Government and all colonisers including our Company seeking direction to explain the manner in which the money collected on account of external development charges from various residents in the suburbs of Gurgaon has been utilised. No monetary claim has been made against our Company. The next hearing is scheduled for December 6, 2006.

- A regular second appeal (RSA No.1555 of 1990) has been filed by Narinder Kumar before Punjab and Haryana High Court against order dated January 13, 1990 passed by District Judge, Gurgaon in regular first appeal (RFA 78/87) in respect of land bearing khewat no. 8, khata no. 8, rectangle no. 5, killa no. 10/1 (1-19), rectangle no. 6 killa no. 5 (5-10) total measuring 7 kanals and 9 marlas situated in village Shahpur, Gurgaon. The said land was originally granted as a gift to Narinder Kumar by one Narain Singh as a limited estate in consideration for performance of certain services. It has been contended that Narinder Kumar entered into a perpetual lease with our Company. Aggrieved by the act of Narinder Kumar, Narain Singh filed a suit for permanent injunction against Narinder Kumar before Civil Judge (Junior Division) Gurgaon which was decreed by judgment dated September 2, 1987 the suit in favour of Narain Singh. An appeal was filed against the said judgement which was dismissed vide order dated January 13, 1990. Hence the regular second appeal was filed by Narinder Kumar. Punjab and Haryana High Court at Chandigarh has passed an order dated March 19, 1991 directing that if the possession has been handed over, the possession to be given back and if not, Narinder Kumar is directed not to hand over the possession of the said land to our Company. The matter has been admitted and would come up for hearing in due course.

- Capt. (Retd.) Manmohan Lowe and others being the residents of Silver Oaks Complex in DLF City, a Group Housing Complex developed and constructed by our Company, have filed the Writ Petition (CWP No.960/2000) before the Punjab & Haryana High Court against the Haryana Government and our Company, challenging that our Company cannot recover the maintenance charges from the residents of the complex and are seeking handing over of the common areas inside the complex, such as parking space, shops, community buildings as they belong to the residents. We have contended that a declaration was filed by our

Company under the Haryana Apartment Ownership Act declaring that the common areas and facilities and amenities have been handed over to the condominium association in accordance with the provisions of the Haryana Apartment Ownership Act and the same is not with us. No monetary claim has been made against our Company. The matter was listed on November 30, 2006 and was adjourned sine die in lieu of the similar issues pending before the Supreme Court.

- H. D. Asnani and others have filed a Writ Petition (CWP No. 9534/2001) against the State of Haryana before the Punjab and Haryana High Court in which our Company has been impleaded as one of the Defendant (as the developer of the colony) challenging the action of disconnecting the water and sewerage connections for the residential premises which was granted by State Government of Haryana to colonizer by an order dated July 3, 2001 wherein our Company was granted the authority to disconnect the water and sewage connection existing in DLF Phase I-IV which are being used for commercial purposes being violation of the Plot Buyers Agreement entered with H D Asnani. No monetary claim has been made against our Company. The next date of hearing has been scheduled for December 4, 2006.

- Nagar Nigam Ghaziabad has filed an appeal (Appeal No. 894/2002) in the Allahabad High Court, against judgment dated August 27, 2002, passed by the Additional Civil Judge (Senior Division), Ghaziabad in a suit (Suit No. 410/1992) for permanent injunction filed by our Company for restraining Nagar Nigam from demolishing six shops alleged to have been constructed on Khasra Plot No. 852 in Village Brahmapura, Ghaziabad. It has been stated by our Company that two such shops of our Company on the said property have been demolished by Nagar Nigam, and that Nagar Nigam has also threatened to further demolish the other six shops. Relief sought in the suit filed by us was granted by Court vide the above mentioned judgment. Hence, Nagar Nigam Ghaziabad has filed the aforesaid appeal. There is no monetary liability claimed against our Company in the said appeal. Currently, the matter is pending disposal. The case is now scheduled for regular hearing and would come up in due course.

- Vishnu Pradhan and others are aggrieved by the acquisition of the land by Government of Uttar Pradesh for NOIDA for public purposes. A part of the land under acquisition by the Government of Uttar Pradesh (which allegedly includes Vishnu Pradhan's land) has been allotted to our Company. Aggrived by the said acquisition, Vishnu Pradhan and others have filed writ petition before Allahabad High Court (75152/2005) seeking quashing of the notifications by which the Government of Uttar Pradesh has sought acquisition of part of land Khasra No. 422 and 427 in the village of Chhelara Banger, Tehsil Dadri District, Gautam Budh Nagar. In the writ petition, Vishnu Pradhan has sought a restraining order against our Company and NOIDA to stop them from dispossessing him of the said land. An interim order in question. Vishnu Pradhan has filed a civil miscellaneous contempt petition (Civil Misc. Contempt Petition No. 4150 of 2006) before the Allahabad High Court against our Promoter, K.P. Singh, alleging that our Promoter has willfully and deliberately flouting the interim order dated December 15, 2005 was passed by the Allahabad High Court directing maintenance of status quo with respect to the land. Summons have been issued against our Promoter, K.P. Singh in the contempt petition, and the said contempt petition has been consigned to records. The next date of hearing for the writ petition has been scheduled for December 7, 2006. There is no monetary liability claimed against our Company.

- Bhawana Seth has filed a suit, before the Delhi High Court (Suit No. 2110/1998) against our Company, wherein it has been prayed that a decree be passed in favour of Bhawana Seth directing our Company to execute a sale deed in favour of Bhawana Seth, in respect of property number 149, "The Shopping Mall", DLF Qutab Enclave, Gurgaon. Our Company has cancelled the allotment of the said property due to non-payment of the consideration in terms of the agreement entered with her for the said property. The suit was dismissed by the Delhi High Court for non-appearance on May 22, 2002. However, after a lapse of more than one year and application for restoration of the suit proceedings has been filed and the suit proceedings have been restored. The next hearing is scheduled for December 14, 2006.

- Cyrus Patel and another have filed a suit (Suit No. 449/94) before the Delhi High Court, against Naveen Chaudhary and others (including our Company as Defendant No. 3), seeking declaration that Cyrus Patel and his wife (being the other plaintiff) are the rightful owners in possession of plot No. 5, A/31, Phase - I, DLF Qutab Enclave, Gurgaon and permanent injunction restraining the defendant Naveen Chaudhary and ourselves from dispossessing and interfering in the peaceful possession of the property. Cyrus Patel has also

sought direction against us that proper entries be made in our records to the effect that Cyrus Patel and his wife are the owners in possession of the property which has been disputed by wife of defendant No. 1 i.e. Naveen Chaudhary and their name has not been mutated in our records. It has been prayed that in the event the relief prayed is not granted, they be awarded damages to the extent of Rs 2 million against the defendants in particular against Naveen Chaudhary. By an order dated March 5, 2002 the plaint was amended and increase in the claim for damages from Rs 2 million to Rs 9 million was allowed. This increase in claim for damages was also upheld by the division bench in an appeal filed against the order to enhance. The next hearing is scheduled for January 16, 2007.

- Anjoo Sharma has filed a civil writ petition (CWP No. 11668/2000) pending before the Punjab and Haryana High Court, against the Director of Town & Country Planning, Haryana (Defendant No. 1), Government of Haryana (Defendant No. 2) our Company and DLF Qutab Enclave Complex Educational Charitable Trust ("**Trust**"). Anjoo Sharma, who had been allotted space for a nursery school by our Company, has sought directions from the Punjab and Haryana High Court instructing the Government of Haryana to grant approval of the building plans for the nursery school and facilitate construction of the school at the proposed site. The lease was cancelled by the Trust due to non performance of certain obligations in terms of lease deed. The land which is the subject matter of the present dispute was set apart for development of nursery schools by our Company and was transferred by our Company to the Trust in 1989, for the development and operation of educational sites. The Trust further leased the site to Anjoo Sharma to fulfil that purpose. There is no monetary liability claimed against our Company. The case was dismissed for non-prosecution on May 15, 2006. The Court has now restored and admitted the petition on August 3, 2006 on the application for restoration filed by Anjoo Sharma and has further prayed for extension/grant of order dated November 7, 2003 for maintaining status quo during the pendency of the restoration application. The petition has been restored and admitted. The matter is listed for final disposal in the week commencing January 22, 2007.

- Intergest India International Limited filed a suit against our Company (No. 1607/2005) pending before the Delhi High Court, in relation to properties agreed to be sold to them under two agreements, for which post-dated cheques had been issued in favour of our Company. Intergest India International Limited has prayed that our Company set-off certain refunds allegedly due to them in respect of one property, against instalments payable to our Company under the second agreement. It is our contention that they were not permitted to cancel any contract and that accordingly, the question of a set-off does not arise. There is no monetary liability claimed against our Company. The matter is pending. The plaint has been returned to the Plaintiff for want of territorial jurisdiction vide an order dated April 17, 2006 and it has been ordered that the plaint be presented before the appropriate forum in Gurgaon on May 1, 2006. A written statement has been filed by our Company before the Civil Judge (Senior Division) (Suit no. 126/06), Gurgaon, seeking the dismissal of the suit, being totally false and frivolous. The next date of hearing is scheduled for January 4, 2007. Intergest India International has further moved an application for amendment of the plaint and our Company has filed a reply to the same.

- SURGE an association of the residents has filed a civil writ petition (CWP No.2287/2002) before the Punjab & Haryana High Court, against the State of Haryana and others, seeking directions on the alleged misuse of residential premises for commercial purposes. Our Company has been impleaded as a respondent along with various other colonisers as the developer of the colony. There is no monetary liability claimed against our Company. The matter has been admitted and the matter would come up for hearing in due course.

- A writ petition (CWP No. 7472/2005) was filed before the Punjab & Haryana High Court by Mahendra Singh and others, residents of Village Sikanderpur Ghosi, District of Gurgaon against State of Haryana and others in opposition of acquisition of land situated in the said village on the alleged grounds that the acquisition is discriminatory as the Haryana Government has not acquired the land belonging to our Company which allegedly surrounds the land owned by the said villagers. Our Company has been made a *pro forma* party in the writ proceedings. Vide order dated July 27, 2006, the court admitted the matter ordering that the dispossession of Mahendra Singh and others shall remain stayed and the matter would be listed within two years.

- A regular second appeal has been filed by Jai Narain against Punjab National Bank before Punjab and Haryana High Court (RSA No. 4735/2004) against the order dated August 30, 2004 passed by Additional District Judge, Gurgaon. The Additional District Judge had set aside the dismissal of the suit for recovery of amount Rs. 0.09 million filed by Punjab National Bank by decree dated January 28, 2002. Our Company and DLF Hotels Limited (now merged with Nachiketa Real Estate Limited) have been impleaded as Respondent No. 5 & 6 respectively. In the original suit it has been alleged that Jai Narain took loan of Rs. 0.06 million with interest at 12.5% per annum in June 1983 from Punjab National Bank and executed document dated June 21, 1983 creating a charge on 1/3rd share of land measuring 16 bigha and 85 biswas situated in village Chakkarpur District Gurgaon. Jai Narain sold the above land on which Bank's lien was created to our Company and DLF Hotels Limited and at the time of making payment for sale consideration to Jai Narain our Company and DLF Hotels Limited retained a sum of Rs. 0.06 million as interest free security amount and is lying in our Company account and can be disbursed only with the direction of the Court. Punjab National Bank has in the same matter filed an execution petition before the Civil Judge, Gurgaon, under which we have received summons for the attachment of money to our Company and DLF Hotels Limited and directed to hold the aforesaid sum of Rs. 0.06 million subject to further orders of the court and report immediate compliance of the same.The next date of hearing for the execution petition is scheduled for January 20, 2007.

- A suit was filed by Ankur Vihar Association before Civil Judge, Delhi against us praying for mandatory injunction against us for providing the necessary infrastructure services at Ankur Vihar and permanent injunction against us to the effect that we be restrained from handing over the common amenities and properties at Ankur Vihar to the local authority. We had filed preliminary objection on the grounds of jurisdiction which was allowed and the Court held in its order dated September 24, 2003 that it does not have the requisite jurisdiction to try the matter. Ankur Vihar Association has filed a civil revision application (No. 133/2004) before the Delhi High Court, against the said order dated September 24, 2003, passed by the Civil Judge District Court, Delhi. There is no monetary liability claimed against our Company. The revision application is pending and the next hearing is scheduled for February 21, 2007.

- Nirbhay Estate has preferred three appeals (RFA No. 276, 262 and 266 of 2005) pending before the Delhi High Court, against a common order dated January 15, 2005 passed by the Additional District Judge, Tis Hazari Courts, New Delhi, dismissing three suits filed by Nirbhay Estate whereby they had challenged our decision to cancel allotment of three properties bearing no. 5101 and 5102 DLF Phase IV, Gurgaon and Villa A-14/1, DLF City Gurgaon on account of non-payment of consideration in accordance with agreed commercial terms. In the said suit (which has been dismissed) sum of Rs. 1.27 million has been claimed against our Company as damages. All three appeals are pending. The matter is admitted and would come up for hearing in due course.

- Kishan has preferred a second appeal (Appeal No. 600/97), in the Allahabad High Court, to set aside the judgment dated December 9, 1996, passed by the Additional District Judge, Ghaziabad, in the civil appeal (Civil Appeal No. 127/1995). This appeal has been filed against the judgment dated May 18, 1995, passed by the Additional Civil Judge, Ghaziabad in the suit (Original Suit No. 12/1988) by our Company against Ismile and others. The judgment decreeing the suit in our favour and the order of the Court of appeal upholding the judgment held that our Company is the owner of the land situated in Khasra No. 803 in Village Brahmapur alias Bhopura, District Ghaziabad. There is no monetary liability claimed against our Company. The case is now scheduled for regular hearing and would come up in due course.

- Subhodeep Dutta and others, residents of DLF City Phase-IV have filed a civil writ petition (CWP No. 12269/2006) before the High Court of Punjab and Haryana, against the State of Haryana & others, in which our Company has been impleaded as a Respondent. Prayer for a writ of mandamus for restraining our Company from converting the site earmarked as open space and constructing nursery schools into commercial usage which was not earmarked in the lay out plan and belongs to the apartment owners jointly. Subhodeep Dutta and others have also sought a writ of certiorari for the quashing of the declaration dated July 18, 2002 made by our Company being defective, illegal and arbitrary, and to file a declaration in accordance with the law. Subhodeep Dutta and others have also filed an application, seeking ad-interim ex-parte directions to restrain our Company from constructing the school and shops during the pendency of the

petition. No monetary claim has been made against our Company. The next date of hearing has been scheduled for February 2, 2007.

- M/s Sand Plast (India) Ltd. and Mr. Ashok Bhartia have filed a civil writ petition (CWP No.13731-32/2006) before the Delhi High Court against the Union of India and others, wherein our Company has been impleaded as the seventh Respondent. This writ petition arises from direction for the shifting of brick kilns operating in Delhi to another industrial estate in NCR and the orders of the Delhi High Court in CWP No. 2145/99 dated July 28, 1999 and August 25, 1999, whereby the Government of India issued a notification No. S.O. 563 dated September 14, 1999, for manufacture of fly ash to be utilized for producing fly ash sand lime bricks, to reduce pollution. It has been stated in the petition that M/s Sand Plast (India) Ltd. was granted a license for setting up the fly ash plant for manufacturing fly ash sand lime bricks. The petition alleges that traditional bricks are still being used for construction activities which is not only anti-environment and due to failure on the part of our Company and others to use fly ash sand lime bricks is causing immense loss and hardship to M/s Sand Plast (India) Ltd. and could result in its closure. No monetary claim has been made against our Company. The next date of hearing has been scheduled for January 25, 2006.

- Binny Engineering Limited has filed a suit (Suit No. 101/ 2005) before the High Court of Judicature at Madras, against our Company & Oriental Bank of Commerce for recovery of Rs. 2.6 million along with interest at 18% compounded quarterly purportedly from the date of claim until final payment. The claim for the said amount is arising out of a contractual arrangement between Binny Engineering Limited & our Company for supply, erection and commissioning of two tower cranes. As per the terms of the agreement, Binny Engineering Limited furnished a performance bank guarantee for Rs. 0.91 million. It is the contention of Binny Engineering Limited that our Company was not entitled to invoke the bank guarantee beyond a specified time and was contrary to terms of the contract. Aggrieved by the same, Binny Engineering Limited filed a suit (O.S. No. 14216 of 1996) in Assistant Civil Court, Chennai for declaration and permanent injunction from disbursing any amount. However, during the pendency of the said Suit, Oriental Bank of Commerce paid the guarantee amount to our Company and debited Binny Engineering Limited's account towards the same. Subsequently, the Suit was decided ex-parte in favour of Binny Engineering Limited declaring the invocation invalid. Binny Engineering Limited has, therefore, filed this suit for recovery of Rs. 2.6 million along with interest. Our company has filed the written statement and matter will be listed before court in due course.

- Bonanzo Engineering & Chemical Private Limited ("**Bonanzo**") has filed cross objections for the grant of interest quantified at the amount of Rs. 0.23 million and Rs. 0.24 million in response to the appeals filed by us before the High Court of Delhi (RFA Nos. 646/2003 & 647/2003) for setting aside the decree granted in favour of Bonanzo. Bonanzo had filed two suits for recovery of Rs. 0.35 million and Rs. 0.33 million against us before the Additional District Judge (Suit Nos. 133/2000 and 134/2000), which were decreed in their favour vide order dated April 26, 2003 and we were directed by the Court to pay Bonanzo Rs. 0.62 million. A sum of Rs. 0.06 million was disallowed by the trial court in the said suit. The said dispute pertains to Beverly Park I & II projects wherein Bonanzo was granted a contract for supply and application of textured plastic paint, etc. The said appeals have been admitted and the same will come up for regular hearings before the Delhi High Court in due course.

- Government of Uttar Pradesh has issued a notice dated May 1, 2006 (Notice No. 2/2006-07) against our Company under Section 33/47A of Indian Stamp Act for alleged shortfall of stamp duty to the tune of Rs 5.75 million pertaining to a lease agreement entered into with our Company. The said lease agreement was executed on February 25, 2005 for a commercial plot bearing no. 3, Block M, Sector 18, NOIDA admeasuring 54320.18 square meters for a consideration of premium for an amount Rs. 1.7 billion for construction of a shopping mall. A notification no. K.N.-305/11-2005 500(36) Lucknow dated January 15, 2005 was issued by the government of Uttar Pradesh exempting stamp duty in full for transfer of immovable property for shopping malls, complexes, medical and educational institutions. We had challenged the said notice by way of filing a writ petition (Writ Petition No. 38737 of 2006) before the Allahabad High Court.The High Court of Allahabad vide order dated July 24, 2006 has stayed the

proceeding in pursuance of the impugned notice. The next date of hearing is likely to be listed on December 6, 2006.

- Society for Consumers' and Investors' Protection (a society registered under the Society Registration Act, 1860) (the **"Society"**) has filed a civil writ petition (CWP No. 15467 of 2006) against Union of India and others, where our Company has been impleaded as the third Respondent, before the Delhi High Court. The petitioner has alleged that the issuance of unsecured debentures by our Company to our shareholders on right basis and the conversion of the same into equity shares of our Company along with issuance of bonus shares in the proportion of 7 equity shares for each share along with split of each share into 5 shares, was done in a manner prejudicial to the minority shareholders of our Company. The petitioner has prayed for a writ of mandamus directing that investigations be carried out into the affairs of our Company in terms of regulations 5 & 6 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulation, 2003 and also directing our Company to set aside the allotment of debentures and consequent equity shares arising out of conversion of such debentures and also restraining our Company to access the securities market for violations of the SEBI regulations. The Society has also sought a writ of mandamus seeking prosecution of our Company under section 417 of the Indian Penal Code, 1860. The Society has further filed an interim application before the Delhi High Court seeking an order restraining our Company from carrying into effect the resolutions passed in the Extra Ordinary General Meeting dated November 14, 2006 and the consequential allotment of equity shares. The Court has issued notice on the application. The date of hearing is scheduled for December 15, 2006.

- M/s Corrosion Protective Coatings have filed a petition (OMP No. 435/2006) before the High Court of Delhi against our Company. Corrosion Protective Coatings allege that they had entered into a contract with our Company for the work of Sand Blasting and Epoxy Painting of 4 x 140 TPH Boiler material of ABB-ABL make at their MRPL project at Mangalore. The plaintiff alleges that for the services provided by them our Company owes a sum of INR 0.994 million to them which remains unpaid. The plaintiffs have filed the present petition seeking appointment of an arbitrator in substitution of the arbitrator already appointed to adjudicate upon the disputes between the parties, as the arbitrator appointed has expressed his inability to adjudicate upon the dispute. The date of hearing has been scheduled for January 29, 2007.

- Rathi Udyog Limited has filed a suit before the High Court of Delhi (Suit No. 2212/2001) against us and our subsidiary DLF Commercial Developers Limited, praying for a decree of Rs 0.41 million (approximately) against us and of Rs 0.15 million (approximately) against DLF Commercial Developers Limited along with interest at 24% per annum from the date of the suit and future interest till actual realization in favour of Rathi Udyog Limited along with cost of the proceedings. Pursuant to default committed by Rathi Udyog Limited in supplying steel our Company was forced to buy steel from other supplier from the market at higher price. It is contended that pursuant to the agreed terms, we were entitled to purchase the products from others at the risk and cost of Rathi Udgog Limited. Our Company and our subsidiary have made a counter-claim of Rs. 1.32 million and prayed to the court for decree of Rs 1.32 million in ours and our subsidiaries favour and/or a decree of Rs 1.12 million in our favour and a decree of Rs 0.19 million in favour of our subsidiary along with future interest at the rate of 24% per annum from the date of institution of the suit till the date of payment. The next hearing is scheduled for January 27, 2007.

Before District Courts

- S.V. Sankaran had filed a suit before the Delhi High Court (Suit No. 1249/01) which was transferred to District Courts at Delhi on grounds of pecuniary jurisdiction. Thereafter, preliminary issue was framed with respect to territorial jurisdiction of the District Courts at Delhi and by an order dated July 9, 2004 the said plaint was returned for presentation before the appropriate courts at Gurgaon. Pursuant to the order of the Court in Delhi, S V Sankaran filed the suit before Civil Judge (Senior Division), Gurgaon (Suit No. 121/2004) for recovery of Rs.1.4 million and for permanent injunction against our Company. S.V. Sankaran, as the allottee of the apartment No. T-10A and parking no. PWT-021 in Windsor Court, DLF City, Phase-IV, Gurgaon has alleged that our Company had cancelled the allotment on account of non-payment of dues. The matter is fixed for S.V. Sankaran's evidence. The next hearing is scheduled for December 19, 2006.

- South Delhi Club Limited has filed an appeal (HTA No. 18/2006) before the District Judge, Delhi, against the Municipal Corporation of Delhi ("**MCD**"), the Lal Chand Charitable Trust and our Company seeking quashing of the assessment order dated January 30, 2006 of the MCD wherein property situated at the South Delhi Club, Greater Kailash, New Delhi has been assessed at a value of Rs. 3 million for the period December 1, 1998 to March 31, 2004. It has further been prayed that a direction be issued to MCD to not assess the property in the name of South Delhi Club Limited but in the name of the owner/lessor based on the decision i.e. either Lal Chand Charitable Trust or MCD. Additionally, it has been prayed that the MCD be directed to refund the tax received by MCD from South Delhi Club Limited. No relief has been sought by South Delhi Club Limited against our Company and there is no monetary liability claimed against our Company. The next date of hearing is fixed for December 14, 2006.

- In 1990 our Company sold the land in DLF colony at Srihind Road, Patiala to the Defendant No. 2 to 5 i.e. Sikandar Singh Phulkia, Anup Singh, Lakhbir Singh and Charan Singh to be developed as school as per the layout plan of the colony. In 2003 Harinder Pal Singh filed a civil suit (Suit No. 231 of 2005) which is pending before the Civil Court, Patiala, against our Company *inter alia* praying for a declaration that a sale deed executed by our Company in favour of the above referred Defendants No. 2 to 5 be declared void on account of under-valuation of property forming a subject matter of the dispute, and for a permanent injunction prohibiting Defendants No. 2 to 5 from continuing any construction activities and, or selling, transferring, alienating the land. There is no monetary liability claimed against our Company. The matter is reserved for final order.

- Ajit Singh has filed a suit before Civil Judge, Gurgaon (Suit No. 832/1999) for specific performance of the agreement dated May 10, 1996 entered with Narindar Kumar (Defendant No. 1) and for registering sale deed in his own name. Ajit Singh has also sought declaration that sale deed, if any, executed by our Company (Defendant No. 3) in favour of Volex Finance and Industries Limited (Defendant No. 2) be declared as null and void and prayed for restraining Volex Finance and Industries Limited (Defendant No.2) from carrying out construction activity on the specified plot of land bearing No. U-11/7 in Phase-III, DLF City, Gurgaon. Our Company has pleaded that it has already handed over the said plot of land to Narindar Kumar on December 28, 1996 in compliance with the order of Consumer Forum, Gurgaon dated November 6, 1996 passed in the complaint filed before the Consumer Forum by Narindar Kumar. There is no monetary claim against our Company. The next hearing is scheduled for February 15, 2007 for evidence of the plaintiff

- Geeta Arora had filed a suit against our Company before Civil Judge, Gurgaon (Suit No.74/2006) for specific performance of the agreement dated September 30, 1991 with respect to plot No.1604, DLF City Phase IV, Gurgaon. Upon her demise, her legal heirs pursued the case. In the alternative, Geeta Arora and her legal heirs have claimed for recovery of the amount of Rs. 3.18 million. The case has been transferred from Delhi High Court to the Gurgaon Courts on jurisdictional grounds. A monetary claim of Rs. 3.18 million has been made against our Company. The matter has been fixed for filing of written statement before the Court in Gurgaon and the Gurgaon Court has directed our Company not to alienate the said plot being the subject matter of the suit. The next hearing is scheduled for December 13, 2006.

- Swaroop Singh, the decree holder, filed an execution petition (Petition No. 5A of 1996) before the Civil Judge, Gurgaon in pursuance of the direction made by the Supreme Court vide order dated September 19, 1989 in an appeal filed by Swaroop Singh. Our Company had entered into an agreement to sell dated August 9, 1963 with Swaroop Singh for land measuring 264 kanals-12 marlas situated in village Sihi, Faridabad. In the meantime, the said land was acquired by the State of Haryana and compensation for the same was granted to our Company. Swaroop Singh appealed to the Supreme Court which directed that the compensation money be apportioned equally between the parties. Pursuant to the Apex Court's directions, our Company deposited a sum of Rs. 0.65 million in the District Court towards the satisfaction of the present execution petition. Swaroop Singh has now challenged the amount deposited by our Company and has filed an application for recalculation of the decreed amount. The proceeding is pending for arguments and consideration on the application filed by Swaroop Singh. The next hearing is scheduled for January 20, 2007.

- Our Company has been arraigned as a *proforma* party in nine civil suit proceedings relating to suits for specific performance for possession of certain specified immovable property, declaratory suits and suits for mandatory injunction which are pending in various Courts at Gurgaon, Haryana at various stages. There is no monetary liability claimed against our Company in these proceedings.

- Ramesh Kumar has filed a suit (Suit No. 281/2005) for declaration with consequential relief of mandatory injunction before Civil Judge, (Junior Division), Gurgaon against our Company seeking a declaration to the effect that he is entitled to possession of Economic Weaker Section ("EWS") Flat no. RIA-223 situated in Phase-IV, DLF Qutab Enclave Complex on the grounds that he has deposited all the requisite dues pertaining to the said property and therefore possession of the apartment should be handed over to him. There is no monetary liability claimed against our Company. Our Company has filed a written statement and the next hearing is scheduled for April 11, 2007.

- Rajan Yadav is the owner of land bearing khasra no. 429/2 in village Chakarpur adjoining DLF Phase-IV and has filed a suit (Suit No. 631/1997) for permanent injunction before the Civil Judge, (Junior Division), Gurgaon restraining our Company from blocking the road and raising a wall in front of his house. There is no monetary liability claimed against our Company. We have a filed written statement and evidence of Rajan Yadav has been completed. The matter is pending for cross examination of our witness. The next hearing is scheduled for December 8, 2006.

- Rajnish Kumar Sharma and others, who are residents of 'N' Block, Phase II, Gurgaon, have filed a suit (Suit No. 216/05) for permanent injunction against DLF Qutab Enclave Residents Welfare Association and our Company has been impleaded as a party, before Civil Judge, Gurgaon for restraining both the association and our Company from constructing a temple on the religious site no. 2502, situated in DLF City, Phase-II, Gurgaon**.** The said religious site was handed over to Haryana Urban Development Authority by our Company who in turn allotted it to the DLF Qutab Enclave Residents Welfare Association by Haryana Urban Development Authority for construction of a temple/meditation centre. The Civil Judge, Gurgaon has allowed the application of interim injunction of Rajnish Kumar Sharma and others, directing the association to maintain status quo on the site. The association and our Company have filed separate appeals against the said order. No monetary claim has been made against our Company. The matter is fixed for evidence of Rajinish Kumar Sharma and others. The next date of hearing is yet to be communicated.

- DLF City Residents Welfare Association has filed a suit (Suit no. 308/04) for injunction before Civil Judge (Senior Division), Gurgaon alleging that there are certain isolated un-acquired pockets and no efforts have been made by our Company and Director, Town and Country Planning and instead our Company is taking money from independent pocket owners and connecting them to services like roads, sewerage, storm water drains, etc. of the colony where the members of the DLF City Residents Welfare Association reside. The Association has sought an injunction against our Company from acquiring these isolated pockets of land and further restraining them from connecting these pockets to the services of the colony as they apprehend burden on their infrastructure. The Court has allowed the interim application for stay and has directed our Company and Director, Town and Country Planning to maintain status quo with respect to the services to the Colony. There is no monetary liability claimed against our Company. Our Company has filed a written statement and the matter is presently listed for filing of replication by the Association. The next hearing is scheduled for January 2, 2007. Anirudh Kumar has filed a suit (Suit No. 340/04) for declaration before Civil Judge, Gurgaon against our Company, for declaration that Anirudh Kumar is the original allottee of Flat no. A-2/113, Phase-IV, Gurgaon. According to our Company's records, Anirudh Kumar is not the original allottee and it has been contended that the title documents have been forged. Anirudh Kumar had also filed a complaint before the Consumer Forum which was dismissed by the Forum. There is no monetary liability claimed against our Company. The next hearing is scheduled for January 22, 2007.

- Indrawati and others, have filed a suit (Suit No. 123/2003) for declaration, permanent and mandatory injunction before the Civil Judge, Gurgaon against our Company seeking declaration that she is the owner of EWS (Economic Weaker Section) Property no. S-53/22, Phase-II, Gurgaon, and to record her name as owner in our Company's records. It is alleged that her late husband had purchased the said property, and that the property be recorded in his legal heir's name. However, as per the records of our Company, the said

property has been purchased by Sanjay Yadav who is still in possession of the same. There is no monetary liability claimed against our Company. The next hearing is scheduled for December 20, 2006.

- Sunny Villa Co-operative House Building Society ("**Sunny Villa**") has filed a suit (Suit No. 204/2001) for declaration and damages before Civil Judge (Senior Division), Gurgaon, arraigning our Company and another entity as defendants, alleging that our Company entered into various 'agreements to sell' with landowners, with respect to land in the revenue estate of Wazirabad in Tehsil and District Gurgaon. Sunny Villa and our Company had entered into a mutual understanding dated June 27, 1990 for the exchange of land. Sunny Villa by this suit is seeking declaration that the aforesaid mutual understanding between Sunny Villa and our Company, be declared as null and void and not binding on Sunny Villa as the same was entered into without any authority and is contrary to the Haryana Cooperative Societies Act, 1984 and rules made thereunder. An amount of Rs. 0.35 million along with interest has been claimed against our Company as damages by reason of the said amount having been allegedly paid by the Sunny Villa to our Company. The next hearing is scheduled for December 5, 2006.

- Amar Chand Tamra, has filed two civil proceedings in the nature of suits for declaration with consequential relief for permanent injunction before Civil Judge (Senior Division), Faridabad (Suit No. 133/97 & Suit No. 132/97) in respect of plot of land bearing no. C-4 and C-2, both situated in sector 11, Model Town, Faridabad. In these cases, Amar Chand Tamra has alleged that he had entered into two agreements to sell, each dated April 11, 1966 in respect of two aforesaid plots, with the specified persons to whom the suit property was allotted by our Company. It has also been stated that Amar Chand Tamra had earlier filed a suit for specific performance which was though dismissed by Sub-Judge (First Class), Ballabgarh was decided in his favour by Additional District Judge, Gurgaon in appeal proceedings. Accordingly, sale deed of the land was registered in his name. In the suits, he has sought that other sale deeds and powers of attorney executed in respect of the said property other than the one executed in his favour be declared as null and void. Our Company has been arrayed as defendant no. 2. There is no monetary liability claimed against our Company. The next hearing is scheduled for December 13, 2006.

- Mahinder Singh Verma has filed a suit (Suit No. 597/04) for declaration, permanent and mandatory injunction before Civil Judge, (Junior Division), Faridabad in respect of the community centre situated in Sector 10, Faridabad, praying for handing over of the community centre site to the concerned resident welfare association or government as contemplated in the agreement dated July 25, 1967 with the State of Haryana, and further restraining our Company from selling, leasing and/or alienating the site to any third party. Our Company has filed a written statement pleading that as per Supreme Court's judgment dated February 17, 2003 the site can be transferred/ sold to any third party. Our Company has also initiated steps to get the suit dismissed as a complaint for the same land filed by Mahinder Singh Verma before the District Consumer Redressal Forum has already been dismissed. There is no monetary liability claimed against our Company. Vide an order of Civil Judge (Junior Division), Faridabad, dated June 12, 2006, trustees of the DLF Model, Faridabad Medical & Commuinty Facilities Charitable Trust were also impleaded as necessary parties. The next hearing is scheduled for December 11, 2006.

- Bimla Sharma, allottee of an apartment has filed a suit (Suit No. 1991/2000) for declaration and mandatory injunction before Civil Judge (Junior Division), Gurgaon challenging the cancellation of apartment no. B-016, Regency Park, DLF City, Phase IV, Gurgaon by our Company on account of non- payment of instalment dues payable by Bimla Sharma in respect of the apartment allotted to her by our Company. Our Company has also filed an application for deleting the name of the second defendant who is the Chairman of our Company K.P. Singh (the Promoter) from the said suit. There is no monetary liability claimed against our Company or our promoter. The next hearing is scheduled for March 17, 2007, on the maintainablilty of the suit**.**

- Sunil Dutt, co-owner of the pocket of land bearing Khewat No. 23, Khatoni No. 28, Killa No. 430 (1-2), 432 (3-11) to the extent of 5/64th share in village Chakarpur, adjoining Phase IV, Gurgaon has filed the suit before Civil Judge (Senior Division), Gurgaon (Suit No. 515/98) for declaration and permanent injunction and claiming passage as easement of necessity. There is no monetary liability claimed against our Company. The next hearing is scheduled for December 11, 2006.

- Niranjan has filed a suit (Suit No.1360/1997) before Civil Judge (Senior Division), Gurgaon for recovery of Rs. 0.07 million against one Mewa Lal and our Company seeking restraint order against our Company from making payment to Mewa Lal (the contractor) on account of painting work carried out by the contractor at various DLF sites. An amount of Rs. 0.07 million has been claimed against our Company. The next date of hearing is November 30, 2006.

- Puri International Private Limited has filed two summary suits) under Order 37 Code of Civil Procedure, 1908 before Civil Judge (Senior Division), Gurgaon (Suit No. 94/2002 and Suit No. 95/ 2002 for recovery of the amount of Rs. 1.14 million and Rs. 1.15 million respectively. Such amounts were forfeited by our Company at the time of cancellation of allotment of apartments bearing no.'s F091 and F092 in Richmond Park DLF City, Phase IV, Gurgaon, allotted to Puri International Private Limited. Our Company has been granted leave to defend vide order dated August 12, 2004 and we have filed a written statement. Puri International Private Limited has appealed against the order granting us the leave to defend. A monetary claim amounting to Rs. 2.3 million has been made against our Company. The next hearing is scheduled for January 24, 2007.

- This is an execution petition filed by Koncar Generators before Civil Judge (Senior Division), Gurgaon (Execution Petition No. 31/2004) for enforcement of the award passed by the International Chamber of Commerce dated May 12, 2004 against our Company and our subsidiary i.e. 'DLF Power Company Ltd'. Our Company has filed reply and objections against the execution petition on the grounds which amongst other include that the award is contrary to public policy and that there is no privity of contract between the parties. Koncar Generators has also filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 for interim directions to our Company for paying the award amount Rs 75 million (approximately) or to furnish the bank guarantee for the said amount. The matter is listed for completion of pleadings and arguments on applications. In the event, Koncar Generators is successful in enforcing the award against our Company and our subsidiary, we will be liable to pay a sum of Rs 71.44 million (approximately) and interest @ 5% per annum from the date of the award. Based on the application for transfer filed by Koncar, the District Judge vide its order dated October 18, 2006 ordered that the petition pending before the Civil Judge (Senior Division) is withdrawn and assigned it to the Additional District Judge, Gurgaon. The next date of hearing before the transferree court i.e. the Additional District Judge, Gurgaon has been scheduled for December 9, 2006.

- Krishna Kumar and others, who have alleged that they are co-sharers of land bearing khewat no. 195 khata no. 257-261, khasra no.106/1 and 106/2 situated in village Sarai Khawaja, Faridabad, have filed a suit (Suit No. 574/02) for possession before Civil Judge, (Junior Division), Faridabad by way of partition through metes and bounds. Our Company has been arrayed as one of the defendants on the alleged ground that our Company has purchased some part of the land. However, our Company has filed written statements stating that part of the said land has already been developed into an industrial estate after obtaining requisite sanctions from the Haryana Government. There is no monetary liability claimed against our Company. The matter has been fixed for arguments. The next hearing is scheduled for February 19, 2007.

- Kunti Devi Jain has filed an appeal (RCA No. 868/2005), before District Judge, Tis Hazari, Delhi, against Defendant Nos. 1–8, who are the legal heirs of the co-allottee of Kunti Devi Jain i.e. Prem Lata Jain and Defendant No. 9 i.e. our Company. This appeal has been filed against the judgment dismissing the suit (Suit No. 324/2000/2002) filed by Kunti Devi, before the Civil Judge, Delhi, seeking specific performance from our Company to execute sale deed in respect of plot bearing No.B-48, Dilshad Extension-I, Delhi and a decree for partition amongst Kunti Devi Jain and defendants no. 1–8. Against the dismissal of the above suit, Kunti Devi has filed the said appeal. There is no monetary liability claimed against our Company. The next hearing is scheduled for January 6, 2007.

- Anjali Verma has filed a suit (Suit No. 211/2004), before District Judge, Delhi, wherein she has prayed for a decree declaring that the increase in the price of the suit premises i.e. E-094, Richmond Park, DLF City, Phase IV, Gurgaon, as null and void (which is alleged to have been unilaterally increased by us), and for our Company to be directed to hand over the actual and physical possession of the aforesaid suit premises, on the balance payment of the initially agreed price between the parties. She has also prayed for direction to restrain our Company from creating any third party interest of any nature whatsoever with regard to the said

premises till the disposal of such aforesaid suit. It has been alleged in the suit that our Company has threatened to cancel the allotment of the said apartment. There is no monetary liability claimed against our Company. Our Company, has filed an application objecting to the jurisdiction of the Court to try the suit in respect of property in Gurgaon and also in terms of the agreement referred in the suit vesting jurisdiction to the Courts in Gurgaon. The next hearing is scheduled for January 12, 2007.

- Parkash and sons have filed a suit (Suit No. 483/1992), before Senior Sub-Judge, Delhi against Northern Contractor (Private) Limited and our Company, wherein Parkash and sons have prayed that the suit for recovery of Rs. 0.02 million be decreed in favour of Parkash and sons, and that Northern Contractor (Private) Limited and our Company be ordered to pay to Prakash and sons future interest @ 36% per annum along with the cost of the said suit. It is contended by Parkash and sons that Northern Contractor (Private) Limited had defaulted in making payments for the goods supplied by Parkash and sons, which goods were allegedly used at the site of our Company at DLF Qutab Enclave. We have claimed that since there was no privity of contract with Prakash and sons, no claim can be made against our Company. The next hearing is scheduled for December 19, 2006.

- Ralia Ram Kapoor has filed a suit (Suit No. 196/1996), before Senior Civil Judge, Delhi, wherein it is prayed that the sale deed in respect of plot No. S–103, Greater Kailash–II, New Delhi, be rectified/cancelled and that our Company be directed to execute the sale deed in favour of Ralia Ram Kapoor, by incorporating his name in place of Vijay Kapoor (Ralia Ram Kapoor's son) and that the suit be decreed with costs in favour of Ralia Ram Kapoor. Ralia Ram Kapoor has contended that based on an affidavit that was fraudulently obtained, our Company had wrongly executed the sale deed in favour of Vijay Kapoor. Hence, the aforesaid suit for rectification is for the rectification of the sale deed in favour of Ralia Ram Kapoor. There is no monetary liability claimed against our Company. The next hearing is scheduled for January 30, 2007.

- Anwa Corporation has filed a suit (Original Suit No. 111/ 2004), before the Subordinate Court, Poonamallee, Chennai, for recovery of Rs. 0.81 million with subsequent interest @ 12% per annum, along with costs of the suit, from our Company, against the supply of rock and pinion host made by Anwa Corporation. It is our claim that since the goods supplied were of sub-standard quality due to which four labourers including an operator died in August, 1997, the said amount was not payable. The next hearing is scheduled for December 5, 2006.

- Chander Narain Saxena has filed a suit against our Company and others before Civil Judge, Delhi (Suit No. 244/2000), wherein he has prayed for a decree declaring him as the sole legal heir of late Raghubir Prasad Saxena being the original allottee of the plot of land bearing No 59 D, Block 6, Dilshad Colony, Delhi and a decree for specific performance directing our Company to execute the necessary sale deed in his favour in respect of said plot of land. Chander Narain Saxena has contended that our Company has failed to execute the sale deed in his favour and other legal heirs of late Ragubir Prasad. Our Company has filed the written statement to the suit. There is no monetary liability claimed against our Company. The next hearing is scheduled for December 4, 2006.

- K.L. Popli has filed a suit (Suit No. 59/2003) before District & Sessions Judge, Delhi, praying that a mandatory injunction be passed in his favour directing our Company to substitute/mutate and execute a sale deed for property No. G-23/3A, Rajouri Garden, New Delhi in his favour. K. L. Popli is claiming to have purchased the said property from the original allottee who has expired. Our Company filed its written statement while replying to the averments and allegations made in the suit, stated that demise of the original allottee was not intimated to our Company. There is no monetary liability claimed against our Company. The next hearing is scheduled for January 8, 2007.

- Nemi Chand Jain and Raj Kumar Jain have filed suits (Suit No 960/1998 and Suit No 961/1998 respectively) against our Company before the High Court of Delhi (now pending before the District Court) praying that they be declared as tenants of the disputed shops/Kiosks situated at Savitri Cinema Complex, Greater Kailash, Part II, New Delhi and a decree of permanent injunction restraining our Company from dispossessing them from their respective pan stalls/Kiosks or from causing any injury to them. Our Company has filed its written statement denying the claims of Nemi Chand Jain and Raj Kumar Jain,

respectively on the grounds that they were only licensees and based on the understanding that the license would be automatically terminated on the closure of Savitri. There are no monetary liabilities claimed against our Company. The next hearing is scheduled for December 18, 2006 for each of the aforesaid suits.

- R.K. Associates has filed two suits, before District Judge, Delhi, against Kishan Lal (Suit No. 60/2002 and Suit No. 200/2003). In each of such suits, it has been prayed that a decree of possession be passed in favour of R.K. Associates, and that Kishan Lal be directed to restore possession of the suit property, measuring 200 square yards, situated in Khasra No. 321/75 (private no. 87/4) and 600 square yards, situated in Khasra No. 75 (Private 87/4) in the revenue estate of Village Zamrudpur, New Delhi in the first and second suits respectively. It was further prayed that decree be passed for mesne profit in the sum of Rs. 0.01 million per month and Rs. 0.03 million per month respectively with effect from the date of dispossession till realisation be passed in favour of R.K. Associates, and that Kishan Lal be restrained from interfering with the suit property of R.K. Associates. It has been alleged that cause of action in the suit arose when Kishan Lal along with others had entered into the suit property illegally and unlawfully and taken possession of the suit property forcibly and illegally. Our Company has now sold the land in dispute to Delhi Vocational School Society and our Company is not contensting the suit.

- The Delhi Wakf Board has filed a suit before the District Judge, Delhi (Suit No. 4/1981) against the Company and 17 others, for possession of Ansari Building No. F.16, F.16/1, F.17 and F.18, Ground Floor, and No. F.40 on the first and second floor and garages 1 to 12 and Kothries and Kolkies on the rear portion and flats over garages situated in Connaught Circus, New Delhi, along with the costs of the suit. It has been alleged in the suit that *vide* the execution of a wakf deed, the aforesaid suit property was divested from the ownership and possession of Hakim Abdul Wahib Ansari. It has been alleged that since the operation of the Wakf Act, 1954 (in operation in the Union Territory of Delhi) all wakf properties including the aforesaid property in the Union Territory of Delhi vested in the Delhi Wakf Board. It has alleged that our Company has unlawfully occupied the entire suit property and has also been inducting various persons into the occupation of several parts of the said suit property. The next hearing is scheduled for March 22, 2007.

- Ripa Devi had filed a suit before the High Court, Delhi (Suit No. 1720/1984) against our Company. In suit she pleaded specific performance directing our Company to execute the sale deed in respect of said plot in her favour and to convey the possession of the same to her. In the alternative, she has also prayed for a decree for refund of an amount of Rs 0.11 million (approximately) for breach of contract. This suit was transferred to Additional District Judge, Delhi pursuant to increase in pecuniary jurisdiction of Delhi High Court. While the suit was pending Ripa Devi sold the disputed property to one Gita Bajaj who then filed an application for substituting her name in the place of Ripa Devi which application was allowed by the court and accordingly an amended plaint (Suit No 194/2000) was filed before the District Judge, Delhi substituting the name of Gita Bajaj with Ripa Devi. Our company has filed its written statement stating that Ripa Devi is a foreign national and at the time of agreement between her and our Company for sale of the plot she had not obtained requisite permission from Reserve Bank of India to purchase the property. The next hearing is scheduled for March 17, 2007.

- Delhi Development Authority has filed a revision civil appeal (RCA No. 10/2004) before the Senior Civil Judge, Tis Hazari, Delhi, against our Company. Such appeal is against the Civil Court judgment dated December 9, 2003 passed in a suit (Suit No 879/1988) for injunction filed by our Company against Delhi Development Authority to restrain it from trespassing into, encroaching upon, making construction over/in Khasra No 20/17 measuring 624 square yards in the revenue estate of village Tatarpur, now known as Rajouri Garden, New Delhi. The suit was decreed in favour of our Company by the said judgment dated December 9, 2003, against which the appeal referred above has been filed praying for setting aside the said judgment with cost. There is no monetary liability claimed against our Company. The next hearing is scheduled for February 23, 2007.

- Harshad Chimanlal Modi has filed a suit (Suit No. 135/2006) for declaration, permanent injunction and specific performance of plot buyers' agreement dated August 14, 1985 with respect to plot no. L-31/4, DLF City, Phase II, Gurgaon against our Company and Realest Builders and Services Private Limited. We have been served with a copy of the notice issued by the District Court, Gurgaon. The Court directed us to file written statement and restrained us from alienating the said property. Our Company and Realest Builders

and Services Private Limited have filed a common written statement praying for the dismissal of the suit. Our Company has moved an application for amendment of the written statement. The next date of hearing is scheduled for December 11, 2006.

- In the case of Sanjeev Sharma and others versus State of Haryana and others (Appeal No. 23/ 2004), pending before the Tribunal constituted under section 12(C) of the Punjab Schedule Road & Controlled Area Restriction of Unregulated Development Act, 1963, applications have been filed by various residents of '*DLF City*' (a colonies comprised in DLF Phase I, II,III & IV which were developed by our Company) before the Tribunal, challenging the action of the Government of Haryana against the misuse of residents premises for commercial purposes. Our Company has been made party as the developer of the colony. There is no monetary liability claimed against our Company. The next date of hearing is yet to be communicated.Kehar Singh had filed a statement of claim (I.D. No. 219/1992) before the Presiding Officer, Labour Court, Delhi against the management of our Company seeking re-instatement with full back wages and continuity of service. Kehar Singh was appointed by the management of our Company on March 7, 1987, as a driver. The management issued a charge sheet dated January 18, 1989 to Kehar Singh for using the vehicle of our Company for his personal purposes and causing substantial damages to our Company's vehicle. Kehar Singh submitted a reply to such charge sheet. Such reply not being found to be satisfactory, the management conducted a departmental enquiry and based on the findings of the enquiry officer, Kehar Singh was dismissed from service *vide* order dated August 19, 1989. The management of our Company has filed a written statement dated September 1, 1993. The next hearing is scheduled for December 12, 2006.

- Ram Rati has filed a suit (Suit No. 98/2004) before the Civil Judge (Senior division), Gurgaon seeking a decree for declaration and mandatory injunction, directing our Company to refund a sum of Rs. 204.2362 million along with interest @ 18% from the date of claim until date of payment which was, paid as deposit in respect of Apartment No.01B 044/POB 37, Oakwood Estate, DLF City, Phase-II, Gurgaon. Our Ccompany had cancelled the allotment of the said Apartment on the grounds of the transaction being a bogus benami transaction. We have filed our written statement. The next date of hearing is scheduled for December 16, 2006 for evidence of the plaintiff.

- Kultar Singh & others have filed a suit (Suit no 75/21-4-06) before Additional Civil Judge (Senior Division), Faridabad against DLF United Limited (now merged with our Company), praying for a decree to declare that Kultar Singh & others are the allottees of the plot bearing no C-2/13, situated at Sector 11, Model Town, Faridabad and to permanently restrain our Company from alienating the said plot. It is the contention of Kultar Singh & others that they are the legal representatives of the deceased Mrs. Bina Sood, the original allottee of the said plot and therefore, entitled to the said plot. There is no monetary liability against our Company. The next date of hearing is scheduled for February 6, 2007 for replication.

- Tekram and others have filed a suit (Suit No. 223/2003) before the Civil Judge, Senior Division, Gurgaon against our Company and others praying for a decree declaring that Tekram and others are the owners by adverse possession extending over 12 years- and to restrain our Company from alienating and disposing the land bearing khewat no 209 min Khata no. 285 Khasra no. 420 measuring 4 biswas situated within revenue estate of Nathupur, District Gurgaon. It is the contention of Tekram and others that they have become owners by way of adverse possession and that the entries made in the revenue records in favour of our Company and Defendants no. 2 to 18 (from whom our Company purchased the land) is false and incorrect. Court has directed the parties to maintain status quo with respect to the said land. Our Company has filed written statement and the matter is fixed for filing of replication and issues on February 7, 2007.

- Subhash Dhawan has filed a revision petition (Revision Petition No.77 (R)/2006) before the Special Secretary to the, Government of UP, Industrial Development Department (Geology & Mining), U.P. Civil Secretariat, Lucknow against the permission of District Officer Gautam Budh Nagar allowing mining of ordinary clay of 50000 cubic meter and 100000 cubic meter sand from an area of 54320 of DLF Times Square, Plot No.3, Sector 18, Noida Tehsil Dadri with effect from August 31, 2006 to December 31, 2006. In the revision petition our Company has been impleaded as the fourth Respondent. In the said revision petition Subhash Dhawan has requested for setting aside of the order dated August 31, 2006. An interim order dated October 12, 2006 was passed by the Special Secretary, Department of Industrial Development, Lucknow, staying the permission granted by the District Officer, Gautam Budh Nagar, as the permission

granted by the District Officer, Gautam Budh Nagar was in contravention of the UP Minor Mineral (Concession) Rules, 1963. The date of hearing for the revision petition has been scheduled for December 19, 2006.

- Stagedoor (a society registered, under the Societies Registration Act, 1860) has filed a suit (Civil Suit No. 209/2006) before the Court of District Judge, Delhi against our Company, seeking a decree of permanent injunction restraining our Company from depositing its construction and building material, excavated earth and maintenance of hutments on the land leased to Stagedoor and a decree of mandatory injunction directing our Company to remove all such material, labourers and hutments housed on the land leased to Stagedoor. Stagedoor has also sought a decree for recovery of an amount of Rs. 1 Million from our Company towards damages for illegal occupation, destroying the topography and the boundary wall and uprooting fruit bearing trees, plants and grass planted by Stagedoor on the land leased to it. Stagedoor has filed an application before the Court of District Judge, Delhi for interim injunction seeking an ex-parte order restraining our Company from further depositing and removing its construction material, excavated earth, labourers and hutments on the land leased to Stagedoor. The next date of hearing is scheduled for December 2, 2006**.**

- BSNL has filed a suit (Civil Suit No. 257/ 2006) before the court of Civil Judge (Senior Division), Gurgaon, against our Company seeking a decree for recovery of Rs. 0.06 Million along with interest at the rate of 18 % per annum from the date of due of the said amount till full and final realization. It has been alleged that BSNL provided our Company with a telephone connection No. 2560342 and our Company has been a regular defaulter in making payment of the bills issued by BSNL for the said telephone number. BSNL disconnected the said telephone connection for non-payment of bills and issued a legal notice dated October 22, 2005 to our Company to make the payment of the said amount along with interest. The next date of hearing is now scheduled for December 7, 2006

- Sunil Kumar has filed a suit (Suit No. 520/06) before the Civil Judge (Senior Division), Gurgaon, praying that a decree for the specific performance of the agreement to sell dated October 7, 1993 in respect of plot bearing number 1046 situated in DLF, Gurgaon, admeasuring 50 square meters, be passed in favour of Sunil Kumar and against Bhagwati Devi and our Company along with costs of the suit with a direction to Bhagwati Devi and our Company to execute and get a sale deed registered in respect of the aforesaid suit property in the name of Sunil Kumar. Sunil Kumar has also prayed for the consequential relief of permanent injunction restraining Bhagwati Devi from alienating the suit property to any person other than Sunil Kumar and restraining our Company from offering or delivering possession of the suit property to Bhagwati Devi. It has further been prayed that a decree for mandatory injunction be passed in favour of Sunil Kumar and against our Company directing our Company to deliver possession of the suit property to Sunil Kumar in the interest of justice. There is no monetary liability claimed against our Company. The next date of hearing is scheduled for December 2, 2006.

- Shree Cement Limited has filed a suit before the Civil Judge, Beawar (Suit No. 61/2001) against our Company praying that a permanent notice be issued in favour of Shree Cement Limited and against our Company, directing our Company to not encash the bank guarantee dated April 22, 2000 for an amount of Rs. 5 million from Punjab National Bank or sign on any related document, that a permanent notice be issued against Punjab National Bank barring them from providing the said bank guarantee to our Company and further that monetary costs be awarded. The aforesaid was accompanied with an application under Order 39 Rules 1 and 2, Code of Civil Procedure, 1908 seeking temporary injunction against the encashment of the bank guarantee. The said court *vide* order dated March 22, 2001 had rejected the aforesaid application, and Punjab National Bank has as of March 22, 2001 made payment of the aforesaid amount mentioned in the bank guarantee to our Company. The next date of hearing is scheduled for November 23, 2006.

- Mohanlal and others have filed a suit (Suit No 495 of 2006) dated November 18, 2006**,** before the Civil Judge, Senior Division, Gurgaon, against our Company. It has been alleged that Mohanlal and others are in joint possession without paying any rent in respect of the land bearing Khewat No. 76, Khata No. 108, Khasra No. 172 measuring 2 bihga 12 biswas situated in the revenue estate of village Nathupur, Tehsil & District, Gurgaon to the extent of half share admeasuring to 1 bhiga 6 biswas ("**Suit Land**"). Our Company

purchased the right, title and interest in the Suit Land under the sale deed vasika No. 16707 dated March 9, 2004. Mohanlal and others remained in possession to the extent of their share in the land. It has been further alleged that our Company has been wrongly recorded as owners in the revenue records. Mohanlal and others have prayed for a decree for declaration that they have acquired the status of occupancy tenants and they are the absolute owners in possession suit land. They have also prayed for a decree of permanent injunction restraining our Company from dispossessing Mohanlal and others or interfering in their possession of the suit land. Further, Mohanlal and others have prayed compensation for damages, in the event our Company succeeds in dispossessing Mohanlal and others by demolishing and removing the constructional structures raised by them, during the pendency of the suit. No monetary liability has been claimed against our Company. The date of hearing has been scheduled for March 7, 2007.

- M/s Swadeshi Manufacturing Syndicate Pvt. Ltd. has filed a suit for recovery before the Court of Civil Judge, Senior Division, Ludhiana against our Company and Ms. Pia Singh, Mr. Ajay Khanna and Mr. S.C. Ansal, praying for a decree for recovery of an amount of Rs. 6.048 million along with interest at the rate of 24% per annum from the date of the suit till realization of the entire amount. It is the contention of the plaintiff that vide sale deed dated October 27, 2005, agricultural land admeasuring 5400 square yards, situated at Village Sunet, Ludhiana, was purchased by our Company from M/s Swadeshi Manufacturing Syndicate Pvt. Ltd and an amount of Rs 5.4 million from the sale consideration was required to be kept in the Escrow account for six months which amount was to be used by our Company in obtaining the land use conversion and NOC from the Ludhiana Improvement Trust etc. which according to the plaintiff was not done by our Company. It is alleged that accordingly our Company thus forfeiting the right to retain the said amount and failed to refund the amount to the plaintiff on expiry of six months. The date of hearing has been scheduled for February 6, 2007.

- Rajender Kumar Sharma has filed a suit (Suit No. 558/2006), before the Court of Senior Civil Judge, Delhi, against Arya Samaj (a registered society under the Societies Registration Act, 1860), seeking a declaration, that Rajender Kumar Sharma is the owner of the suit property i.e. property adjacent to the Arya Samaj Mandir, GK-II, New Delhi, admeasuring 1200 square yards, and Arya Samaj has no proprietary right or concern with the suit property, and seeking a decree for the relief of permanent injunction restraining Arya Samaj its members, agents, servants etc. from dispossessing Rajender Kumar Sharma from the suit property along with the cost of litigation. The suit property had been acquired by Rajender Kumar Sharma from our Company in the year 1986. It has been stated in the suit that such acquisition was made without any interference from Arya Samaj, and subsequently, Rajender Kumar Sharma made constructions on the suit property with his funds and efforts. Our Company was impleaded as a defendant in the suit. There is no monetary liability claimed against our Company. The next date of hearing is scheduled for January 17, 2007.

- Prem Kumari has filed a suit before the Civil Judge, Gurgaon (Suit No. 63/2002) against Paramjit Kaur and our Company, and has prayed for the passing of decree for (i) mandatory injunction directing our Company to demarcate plots bearing number U-52/32 and U-52/33 both situated in DLF Qutab Enclave Complex, Phase III, Gurgaon admeasuring 60 square meters and 50 square meters respectively as per the layout plans supplied by our Company to Prem Kumari and to complete the verification of boundaries viz-a-viz Prem Kumari's plot bearing number 52/33; (ii) mandatory injunction directing Paramjit Kaur to remove the building/structure created on Prem Kumari's plot bearing number U-52/33; (iii) possession in respect of Plot No. U-52/33, DLF Qutab Enclave Complex, Phase III, Gurgaon; and (iv) passing of a perpetual injunction restraining Paramjit Kaur and our Company jointly and severally from obstructing and interfering in the use of plots bearing number U-52/32 and U-52/33 by Prem Kumari. An application has been filed by Prem Kumari for restraining Paramjeet Kaur from selling, alienating, transferring possession of plot bearing number U 52/33 DLF Qutab Enclave Complex Phase III, Gurgaon, till the disposal of the suit. The said suit was dismissed in default on May 20, 2005. However, Prem Kumari has filed an application to restore the suit. No monetary claims have been made against our Company. The next date of hearing is scheduled for March 5, 2007.

- Sumant Kakkar has filed a suit (Suit No. 198/1998) before the Civil Judge (Senior Division), Gurgaon against Sushil Kumar Sharma and eight others (our Company has been impleaded as defendant number 9) wherein she has prayed for a decree of declaration as she is allegedly the lawful owner in possession of the

suit property bearing number 19, Road No. A – 2 situated at village Chakkerpur, Tehsil and District Gurgaon, Haryana admeasuring 440.4 square meters or in the alternative for recovery by way of damages a sum of Rs. 3.7 million along with interest *pendente lite* and future @ 24 % per annum, alongwith the cost of the suit. The next date of hearing has been scheduled for December 19, 2006.

- Rajni Gupta has filed a suit (Suit No. 2768/1999, New Suit No. 207/2006), before the Additional District Judge, against our Company and our Promoter K.P Singh, wherein she has prayed that a decree of specific performance be passed in favour of her in respect of plot No. B-1/1, DLF Ankur Vihar, Ghaziabad, Uttar Pradesh, and accordingly, our Company and our promoter K.P. Singh be directed to execute a sale deed in respect of the aforesaid property and to hand over vacant and peaceful possession of the said plot to her and also award costs of the suit. It is contended that our Company has unilaterally enhanced the amount to be paid. Our Company contends that the said plot had been cancelled as Rajni Gupta had defaulted in making payments as per the agreed schedule. There is no monetary liability claimed against our Company. The next hearing is scheduled for January 15, 2007.

Before the Municipal Council, Gurgaon

- By an order dated July 26, 2006 passed by the Commissioner in revision petition (Revision Petition 9/9/2006) filed before the Commissioner and Secretary to the Government of Haryana, Department of Local Bodies, Haryana, Civil Secretariat, Chandigarh, ("**Commissioner**") by our Company and DLF Commercial Enterprises (which is a partnership firm of our Company) against the order dated April 25, 2006 passed by the Deputy Commissioner, Gurgaon. The said order had set aside the appeal made by our Company and DLF Commercial Enterprises seeking to quash/set aside the demand of house tax made by the Municipal Council, Gurgaon contained in three bills each dated July 19, 2004 and bearing number 39/03/01, 39/03/2 and 39/03/3 for an amount of Rs. 1.6 million in respect of premises located at Sector 30, Village Silokhera, Tehsil and District Gurgaon and to direct the Municipal Council, Gurgaon to re-assess the quantum of house tax in accordance with the law after affording prior opportunity of a hearing in person to our Company, DLF Commercial Enterprises and other occupants of the commercial complex. In the said order passed in the Revision Petition, the Commissioner set aside the order of the Deputy Commissioner and remanded the matter back to the Municipal Council, Gurgaon for taking the decision afresh after following due procedure of law. In the said order passed in the revision In the said order the Commissioner directs our Company and DLF Commercial Enterprises to deposit the house tax and the fire tax imposed on the first, second and third floor of the building in question situated in the aforesaid premises for the year 2004-2005 and 2005-2006 within three weeks. There is no next date of hearing.

Employees' Provident Fund Organization

- Our Company and our subsidiaries namely, DLF Commercial Developers Limited. and DLF Home Developers Limited. have received order dated August 28, 2006 and order September 28, 2006 ("**Orders**") in respect third party attachment order under Section 8F of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 by the Employees' Provident Fund Organization ("**Authority**"). The said Orders have been passed in respect Ambalal Sarabhai Enterprises Limited. ("**ASEL**") and Synbiotics Limited. ("**Synbiotics**") with whom our subsidiary DLF Retail Developers Limited had entered into a Memorandum of Agreement dated March 31, 2006 ("**MoA**") pursuant to which the Sellers agreed to sell and DLF Retail Developers Limited agreed to purchase from ASEL and Synbiotics the land situated at Vadodra subject to the fulfillment of various conditions precedent prescribed under the said MoA and subject to the execution and registration of a deed of conveyance. ASEL and Synbiotics have furnished to the Authority an undertaking whereby they have undertaken to make outstanding payments to the Authority from the sale consideration that they will receive when the conveyance deed is executed and registered in favour of DLF Retail Developers Limited. Our Company and our subsidiaries have filed an application for withdrawal of the orders against our Company and its subsidiaries other than DLF Retail Developers Limited. Pursuant to the application filed, the Authority has passed an order stating that the Orders issued against our Company and its subsidiaries will be kept at abeyance, however amounts due from ASEL and Synbiotics will become payable by DLF Retail Developers Limited once the deal between the parties 'matures', unless ASEL and Synbiotics makes the payment directly to the Authority prior to the closing of the transaction.

Arbitration proceedings

- Petron Civil Engineering Limited has initiated arbitration proceedings against our Company in respect of dispute arising from various issues pertaining to the final bill raised by Petron Civil Engineering Limited. Contract was awarded to Petron Civil Engineering Limited by our Company for undertaking civil and structural work for various structures of cement plant in Rajasthan. The dispute was referred to arbitration in terms of the agreement entered between Petron Civil Engineering Limited and us which was initiated on March 22, 2002. Petron Civil Engineering Limited has raised a claim for Rs. 28 million along with interest accruing on it. We have also made a counter claim on Petron Civil Engineering Limited for the sum of Rs. 20.8 million along with interest. The arbitration proceeding has concluded and award is awaited in the matter.

- In the arbitration proceedings initiated by us against Petron Civil Engineering Limited for not constructing the chimney as per the drawings provided to Petron Civil Engineering under the contract awarded to them by us for civil and structural work for cement plant in Rajasthan. We have raised claim of Rs 30.86 million along with interest accruing on it and legal cost and Petron Civil Engineering Ltd has made a counter claim of Rs 4.4 million along with interest and legal cost. The arbitration is before the same arbitral tribunal as above and the award would be made along with the above referred case. The next dates of hearing are scheduled for January 29, 2007 to January 31, 2007.

- NEC Engineering Limited has initiated arbitration proceedings against our Company in respect of dispute pertaining to completion of work within the time agreed between the parties. Contract was awarded to NEC Engineering Limited by our Company for undertaking civil and structural work for various structures of cement plant in Rajasthan. The dispute was referred to arbitration in terms of the agreement entered between NEC Engineering Limited and us which was initiated on November 23, 2001. NEC Engineering Limited has raised a claim for Rs. 10.55 million along with interest accruing on it. We have also made a counter claim on NEC Engineering Ltd for the sum of Rs. 31.49 million along with interest. NEC Engineering Limited has withdrawn the claim amounting to Rs. 7.87 million and balance claim amounting to Rs. 2.68 million is pending adjudication. The oral arguments were completed by both the parties on November 23, 2006. The arbitration proceedings has concluded and award is awaited in the matter.

- Sood Enterprises has initiated arbitration proceedings against our Company in respect of dispute pertaining to alleged breach of the terms of the contract. Contract was awarded to Sood Enterprises by our Company for undertaking civil and structural work for various structures of cement plant in Rajasthan. The dispute was referred to arbitration in terms of the agreement and preliminary objection on the grounds that the claim is time barred has been raised. Sood Enterprises has raised a claim for Rs. 6.35 million along with interest accruing on it. We have also made a counter claim on Sood Enterprises for the sum of Rs. 3.39 million along with interest and legal cost. Pursuant to the demise of Sh. Krishna Kumar, the arbitrator of Sood Enterprises, Sood Enterprises have *vide* their letter dated August 31, 2006 informed that it has appointed Mr. P.C. Markanda, F.I.E, Chandigarh as arbitrator. The next dates are scheduled from December 27 to 29, 2006.

- Ajay Karnani has invoked the arbitration clause and initiated arbitration proceedings before the sole arbitrator, claiming amongst others that the allotted apartments in Belvedere Park bearing Nos. BPB-171 and BPB-172 be restored to him by our Company, and further that a refund of interest on the escalated amount of the property @ 20% per annum from the date of cancellation till the date of restoration be made. Such proceedings have been initiated by Ajay Karnani who was allotted the said apartments by our Company which were subsequently cancelled due to default in the payment of the instalments for the said apartments to our Company. The matter is listed for arguments. The next hearing is scheduled for December 8, 2006.

- Birla VXL Limited and our Company had entered into agreement to sell dated April 15, 1995 between Birla VXL Limited in respect of office block No. 1 situate at DLF Corporate Park, DLF City, Phase III, Gurgaon admeasuring 24,210 square feet. Arbitration proceedings have been initiated against our Company before a sole arbitrator allegedly arising from the cancellation of the agreement by our Company vide its letter dated July 23, 1999. In the claim before Birla VXL Limited has prayed *inter alia* for a direction to our Company

to transfer and hand over vacant and peaceful possession of the aforesaid office block and compensation for delay in handing over possession at the rate of Rs. 5 per square feet until the actual date of handing over possession. In the alternative, it is prayed that our Company make payment of Rs. 57.36 million together with interest at the rate of 20% per annum from the date of payment till realisation, to Birla VXL Limited, in respect of consideration for purchase of the aforesaid office block, and also sought payment for damages amounting to Rs. 27 million for the loss suffered by Birla VXL Limited due to alleged failure of our Company. We have also filed a counter claim against Birla VXL Limited for a sum of Rs. 118.4 million for the non-payment of instalments along with interest. The next date of hearing is scheduled for January 4, 2007.

- We have received a notice dated May 16, 2006 for appearance on June 15, 2006, from the sole arbitrator, Mr. J.K. Chandra, appointed by us vide letter dated May 2, 2006, in terms of clause 100 of the agreement no. DUL/BONANZO/WC-058/RP-1/98 dated May 5, 1998 entered into with Bonanzo Engineering & Chemical Private Limited ("**Bonanzo**"), for supply and application of textured plastic paint for our Regency Park-I project. The matter was referred to arbitration by the Additional District Judge before whom a suit (Suit No. 183/2002 dated May 31, 2002) for recovery of Rs. 1.28 million along with interest. fBonanzo has made a claim against our Company vide letter no. BEPL/DLF/RP-I/316 dated April 19, 2006, pursuant to the directions issued by the Supreme Court, for an amount of Rs. 2.06 million, inclusive of interest at the rate of 20% from the date of retention of the amount. The next date of hearing is fixed for December 5, 2006.

Direct Tax Proceedings

Show Cause Notices

- We have received 15 show cause notices from the Deputy Commissioner of Income tax, Circle 10(1) for the assessment years 1989-90 to 2003-04 for initiating penalty proceedings under Section 271(1)(c) of I.T. Act. Since the appeals for the assessment years in question are pending disposal before the appellate authorities, the initiation of penalty proceedings have been kept in abeyance. The quantum of the penalty will be ascertainable only after the appeals are decided by the appellate authorities.

- A show cause notice dated March 29, 2006 for assessment year 2002-2003 from Commissioner of Income Tax, Delhi-IV under Section 263 of I.T. Act has been issued to modify the original assessment completed under Section 143(3) of I.T. Act on the issue of disallowance of management expenses under Section 14A attributable to tax free income. An order has been passed by the said Commissioner of Income Tax on July 17, 2006.

- The Deputy Commissioner of Income-Tax Circle10(1) has issued a show cause notice dated March 22, 2006 for assessment year 1999-2000 under Section 148 of I.T. Act for reopening the assessment completed under Section 143(3) of I.T. Act on the ground of income escaping assessment. The amount in dispute is to be ascertained in due course of time by the Assessing Officer after finalisation of re-assessment.

Appeals before Commissioner of Income Tax (Appeals)

- We have filed two appeals against the assessment orders passed under Section 143(3) of I.T. Act by the assessing officer in respect of assessment years 2002-2003 and 2003-2004 disallowing expenses, deductions, write offs of interest, internal development expenses and write off of cost of land, 30% deduction from rent of DLF Centre and treating the same as income from other sources, addition on account of enhanced compensation on acquisition of agricultural land, writing off maintenance charges and expenses on abandoned project. Total disallowances/additions are aggregating to Rs. 29.55 million and Rs. 246.36 million for assessment years 2002-03 and 2003-04 respectively. The Appeals are pending before Commissioner of Income Tax (Appeals)-XIII. Written submission has been filed for assessment year 2002-2003 and order is awaited. The next hearing of the appeal for assessment year 2003-2004 is scheduled for December 11, 2006.

Appeals before Income Tax Appellate Tribunal, New Delhi filed by us

- We have preferred ten appeals against the confirmation of the disallowances and, or additions made by the Commissioner of Income Tax (Appeals) on account of expense claimed for the assessment years 1992-1993, 1993-1994, 1994-1995, 1995-1996, 1996-1997, 1997-1998, 1998-1999, 1999-2000, 2000-2001 and 2001-2002 total amount of disallowances/ additions is aggregating to Rs. 1.46 billion which are pending disposal. Additionally two appeals against the confirmation of the disallowances and, or additions by the Commissioner of Income Tax (Appeals) on account of the expenses claimed amounting to Rs. 92.48 million and 23.14 million for the assessment years 1995-1996 and 1996-1997 respectively in the case of the company, namely, DLF Industries Limited which had amalgamated with us w.e.f. 1st April 1999 is pending. The appeals are yet to be decided. The next hearing of the appeals for the assessment years 1992-1993 to2000-2001 is scheduled for December 5, 2006. The next hearing for the assessment year 2001-2002 is yet to be fixed.

- The Company has preferred an appeal for the assessment year 1994-95 against the disallowances/additions confirmed by Commissioner of Income Tax (Appeals) in respect of the appeal affecting the order dated May 30, 2001 passed by Assessing Officer to the order of Commissioner of Income Tax (Appeals) amounting to Rs. 7.65 million. The hearing is scheduled for December 5, 2006.

- We have preferred six appeals against the confirmation by Commissioner of Income tax (Appeals) on additions /disallowances made by the Assessing Officer on re-opening of assessment in respect of income on account of difference in gross profit for the assessment years 1986-1987, 1987-1988, 1989-90, 1990-1991, 1992-1993 and 1993-1994 involving Rs. 98.10 million. The next date of hearing for the assessment years 1987-1988, 1989-1990, 1990-1991, 1992-1993 and 1993-1994 is scheduled for December 5, 2006. The hearing for the assessment year 1986-1987 was held on December 4, 2006 and the order in respect of this assessment year is awaited.

Appeals filed by Income Tax Department pending before Income Tax Appellate Tribunal, New Delhi

- The Income tax Department ("**IT Department**") has filed nine appeals against us in the Income Tax Appellate Tribunal, New Delhi on the issue of method of accounting followed by us and deduction of expenses allowed by the Commissioner of Income Tax (Appeals) vide orders dated March 10, 1995, September 30, 1996, January 30,1998, January 30, 2000, April 28, 2000, May 14, 2001, June 13, 2001, October 25, 2002 and September 30, 2003 passed by Commissioner of Income tax (Appeals) for the assessment years 1992-1993 to 2000-2001 involving an amount to the tune of Rs. 619.91 million. The appeals are pending disposal. The next date of hearing for each of the aforesaid appeals is scheduled for December 5, 2006.

- IT Department has filed five appeals against the orders dated December 28, 2001, January 31, 2003, January 31, 2003, January 31, 2003 and January 31, 2003 for the assessment years 1987-1988, 1989-90, 1990-1991, 1992-1993 and 1993-1994 passed by Commissioner of Income Tax (Appeals) pertaining to the relief allowed to us in respect of profit on account of difference in gross profit amounting to Rs. 21.8 million. The next date of hearing for each of the assessment years is scheduled for December 5, 2006.

- An appeal has been filed by the IT Department against the order dated May 30, 2001 passed by Commissioner of Income Tax (Appeals) against the allowance of expenses amounting to Rs 20.78 million. This appeal has been filed against the relief allowed by Commissioner Income Tax (Appeals) in respect of appeal effect order passed by Assessing Officer for the assessment year 1994-1995. The appeal for the assessment year 1994-1995 is scheduled for December 5, 2006.

Appeals filed by Company pending before High Court

- We have filed three appeals in the Delhi High Court against the orders, all dated October 11, 1985 passed by Income Tax Appellate Tribunal upholding either the additions or disallowance of the exemption claimed on the taxability of compensation of agricultural land and deduction claimed under Section 40A (8) of the I.T. Act on the interest paid by us in the assessment years 1975-1976, 1976-1977 and 1978-1979. The total

amount in dispute for all three cases would be Rs. 1.70 million. The matters are pending disposal before the Delhi High Court and the next hearing is yet to be fixed.

- We have filed an appeal against the order dated July 19, 1990 for the assessment year 1982-83 passed by Income Tax Appellate Tribunal in the Delhi High Court upholding the disallowance of embezzlement matters at our Ahmedabad Branch office. The amount of claim is Rs. 0.21 million. The disallowance is on account of loss on embezzlement made by the employee at Ahmedabad Branch as the loss could not be recovered, which constitutes business loss. The appeal is pending disposal and next hearing is yet to be fixed.

Appeals filed by Income Tax Department pending before High Court

- The IT Department has filed three appeals in the Delhi High Court against the order dated July 28, 1989 and two orders dated July 10, 1991 passed by Income Tax Appellate Tribunal granting exemption from taxability of compensation and surplus on Bangalore land for the assessment years 1973-1974, 1977-1978 and 1979-1980 and which are pending disposal. The amount in dispute is Rs.0.79 million. There are two issues involved in the appeal for the assessment year 1973-74 i.e. (i) regarding taxability of compensation on agricultural land as the same constitutes capital receipt not liable to tax; and (ii) taxability of surplus realised on sale of agricultural land at Bangalore not liable to tax under Section 2(1A) of the I.T. Act and for assessment years 1977-78 and 1979-80, the issue involved is taxability of compensation on agricultural land as the same constitutes capital receipt not liable to tax. The appeal for the assessment year 1973-1974 has been decided by the High Court on August 3, 2006 and the appeals for the assessment 1977-1978 and 1979-1980 have been decided by the said High Court on August 4, 2006. The said orders state that despite the revenue having been served in 1996 and 1997 for the aforesaid assessment years, the paperbooks have not been filed, and accordingly, the reference is returned unanswered by the aforesaid High Court.

- Against an order dated May 10, 2005 passed by Income Tax Appellate Tribunal, the IT Department has filed an appeal in the Delhi High Court challenging deduction allowed in respect of brokerage and commission paid on booking of properties and legal and professional expenses incurred by us in the assessment year 1991-1992. The amount in dispute is Rs.7.04 million. The appeal has been admitted and the next hearing is yet to be fixed.

- IT Department has filed an appeal in the case of DLF Industries Limited which had amalgamated with us w.e.f. April 1, 1999 challenging the order dated September 30, 2005 of Income Tax Appellate Tribunal for the assessment year 1993-1994. The issue for the assessment year 1993-1994 is the allowance of Rs. 0.83 million paid on account of lease rentals to a specified entity by treating the same as not genuine. This issue has been admitted to the High Court.

Indirect Tax Proceedings

Show Cause Notice

- A show cause notice dated May 26, 2006 bearing number Spl.Zone/2005-06/456 from the Government of NCT of Delhi, Department of Trade and Taxes Special Zone has been issued on the issue of the requirement of the registration of the Company under the Delhi Sales Tax on Works Contracts Act, 1999 and the Delhi Value Added Tax Act, 2004 and the payment of the tax due to the Government under the aforesaid Acts. The Company has *vide* its letter dated June 12, 2006 submitted a reply to the Value Added Tax Officer, Special Zone Department of Trade and Taxes denying that the Company requires to be registered under the aforesaid Acts.

Sales Tax under Orissa Sales TaxAct, 1947

- DLF Industries Limited (which has merged into our Company) has filed an appeal (AA458 to 461-KJB-1996-1997) before the Sales Tax Tribunal, Orissa, Cuttack, in respect of tax demands raised under Section 12 (5) of the Orissa Sales Tax Act, 1947, by the Sales Tax Officer, Assessment Unit, Barbil for the assessment years 1991-1992, 1992-1993, 1993-1994 and 1994-1995 for the following amounts – Rs. 0.17

million, Rs. 0.38 million, Rs. 2.3 million, and Rs. 0.64 million (i.e. an aggregate of Rs. 3.5 million). *Vide* an order dated December 17, 1996 passed by the Commissioner of Commercial Taxes, Orissa, Cuttack, DLF Industries Limited has been directed to pay Rs. 1 million and the balance amount of Rs. 2.5 million has been stayed till the disposal of the aforesaid appeal. The matter is pending disposal. The next date of hearing is yet to be communicated.

- DLF Industries Limited (which has merged into our Company) has filed an appeal before the Assistant Commissioner of Sales Tax, Cuttack, in respect of tax demands of Rs. 0.64 million made *vide* the assessment order dated July 3, 1997 by the Sales Tax Officer, Assessment Unit, Barbil for the assessment year 1995-1996. The stay has been allowed for Rs. 0.4 million and the balance Rs. 0.3 million has been paid as an interim deposit. The appeal is pending disposal. The next date of hearing is yet to be communicated.

Sales Tax under Haryana General Sales Tax Act, 1973

- DLF Industries Limited (which has merged into our Company) has filed an appeal FDE/8/STA dated April 21, 2000 before the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana, in respect of the imposition of sales tax on consumables, shuttering material, disallowance of tax paid purchases and wastage for the financial year 1993-94. The disputed turnover is Rs. 41.15 million and the disputed tax amount is Rs. 2.89 million. The aforementioned tax amount has already been deposited with the relevant authority. DLF Industries Limited has filed the instant appeal in order to claim the rebate (refund) of the disputed tax amount. By order dated January 30, 2003, the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana has remanded this case back to the Assessing Authority i.e. the Excise and Taxation Officer (Faridabad), Haryana. The next date of hearing is fixed for December 18, 2006.

- DLF Industries Limited (which has merged into our Company) has filed an appeal (FDE-264/STA for the financial year 1994-95), before the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana, in respect of the imposition of sales tax on consumables and wastage. The disputed turnover is Rs. 27.35 million and the disputed tax amount is Rs. 2.40 million (approximately) for the aforesaid financial year. The aforementioned tax amount has already been deposited with the relevant authority. This case has been decided by the Excise and Taxation Officer (Assessing Authority), Faridabad (East), Faridabad, Haryana, vide assessment order dated November 8, 2005 by creating an additional demand of Rs. 0.07 million which has been already deposited by us. On December 29, 2005, we filed another appeal with the Joint Excise & Taxation Commissioner (Appeals), Faridabad, Haryana against the aforesaid order. The hearing of the case has been completed and the judgment has been released on September 13, 2006 *vide* order bearing number FDE/264/STA/29.12.2005 dated August 2, 2006. The case has been remanded back to the Excise and Taxation Officer (Assessing Authority), Faridabad (East), Faridabad, Haryana with specific instruction on the issue. The next date of hearing is fixed for December 18, 2006.

- DLF Industries Limited (which has merged into our Company) has filed three appeals (GRE-62/STA for the financial year 1995-96, GRE-63/STA for the financial year 1996-97 and GRE-228/STA for the financial year 1997-98) before Joint Excise and Taxation Commissioner (Appeals), Rohtak in respect of the imposition of sales tax on consumables (for financial years 1995-1996 and 1996-1997), levy of tax on purchases for construction material and hire charges for shuttering (for financial year 1995-1996) paid by DLF Industries Limited and wastage (for financial years 1995-1996, 1996-1997 and 1997-1998). The disputed turnovers and disputed tax amounts are as follows:

S.No	Financial Year	Disputed Turnover	Disputed Tax Amount
1.	1995-96	Rs. 62.11 million (Approximately)	Rs. 5.00 million (Approximately)
2.	1996-97	Rs. 22.70 million	Rs. 0.86 million (Approximately)
3.	1997-98	Rs. 0.24 million	Rs. 0.02 million

The aforementioned tax amounts have already been deposited with the relevant authority. Our subsidiary, DLF Industries Limited has filed the said appeals in order to claim the rebate (refund) of the disputed tax amount. The last of such appeals i.e. the appeal for the financial year 1997-98 also contains a disputed penalty of Rs. 0.10 million for delayed payment of fourteen days under Section 47 of the Haryana General Sales Tax Act, 1973 vide order dated December 27, 2002 passed by the Assessing Authority, Sales Tax, Guragon (East), Haryana. The order has been reserved and is awaited.

- DLF Industries Limited (which has merged into our Company) has filed review appeals before the Haryana Tax Tribunal, Chandigarh. The disputed tax amount is Rs. 6.98 million (for the financial year 1997-1998), Rs. 5.25 million (for the financial year 1998-1999) and Rs. 2.28 million (for the financial year 1999-2000). DLF Industries Limited had claimed refund of the said amounts for the financial years mentioned above, which was rejected by the Excise and Taxation Commissioner, Haryana by order dated January 19, 2005. Aggrieved by the said order, DLF Industries Limited filed an appeal before Haryana Tax Tribunal, Chandigarh (STA No. 39-41 of 2005-2006) and appeal for refund for the said financial years was rejected by the said Tribunal by order July 1, 2005. Our Company has filed the aforementioned review appeal on September 15, 2005 for the review of its order dated July 1, 2005 in respect of the order dated January 19, 2005 passed by Excise and Taxation Commissioner. The next date of hearing for the same is fixed for December 21, 2006.

Haryana Local Area Development Tax

- Our Company has filed appeals (GRE-18/LADT for the financial year 2000-01, GRE-20/LADT for the financial year 2001-02, GRE-21/LADT for the financial year 2002-03 respectively) before the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana in respect of the applicability of the HLADT levied on the goods brought into and consumed in Haryana for the aforementioned financial years. The disputed tax amount is Rs. 0.91 million (for the financial year 2000-2001), Rs. 5.77 million (for financial year 2001-2002) and Rs. 1.75 million (for the financial year 2002-2003). The aforementioned tax amount has already been deposited with the authorities. Our Company has filed the instant appeals in order to claim the rebate (refund) of the disputed tax amount. The next date for the same is fixed for December 21, 2006.

Value Added Tax

- There are regular assessment notices made to our Company in respect of the Haryana Local Area Development Tax (dated February 2, 2006 for the financial year 2004-05) Excise and Taxation Officer (Assessing Authority), Gurgaon (East), Gurgaon, Haryana, and Trade Tax (Notice No. 8920 dated March 2, 2006), before the Assistant Commissioner (Trade Tax), Ward I, Noida, Uttar Pradesh. Each of such proceedings is under progress. These cases are not in the nature of litigation and are merely assessment of tax proceedings. However, the first of such proceedings in respect of the Haryana Local Area Development Tax may result in a penalty under Section 6(I)(e) of the Haryana Local Area Development Tax Act. The next dates of hearing are yet to be communicated.

Labour Cases

- Akshaya Kumar Samal has served a demand notice dated October 9, 1998 (Case No. 371/99), upon DLF Industries Limited (which has merged into our Company), DLF Builders and Developers Limited (renamed as Realest Builders and Services Private Limited) and our Company seeking re-instatement with full back-wages and continuity of his services with our Company. He has contended therein that he was transferred from DLF Industries Limited to DLF Builders and Developers Limited (renamed as Realest Builders and Services Private Limited) and thereafter to our Company, and was appointed as 'Supervisor Plumbing' without any powers. He has also contended that the management of our Company has not given retrenchment compensation and notice pay while terminating his employment. Hence, the aforementioned demand notice was served. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for April 26, 2007.

- Madan Lal had served a demand notice dated September 16, 1998 (Case No. 287/2000), upon our Company seeking re-instatement with full back-wages and other benefits. He has contended that the termination of his

services as the 'Operator – Builder Hoist' was wrongful. Hence, the aforementioned demand notice was served. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for January 22, 2007.

- Pravin Kumar had served a demand notice dated December 15, 1998 (Case No. 176/2000), under Section 2(A) of the Industrial Disputes Act, 1947, upon our Company seeking re-instatement with full back wages and continuity of his service on his post as a 'Project Engineer (Civil)' by reason of our Company having not paid compensation to him under Section 25 (F) of the said Act at the time of his termination and also on account of his wrongful termination. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for February 5, 2007.

- Tribhuvan Mishra had served a demand notice dated November 10, 1998 (Case No. 833/2000), under Section 2 (A) of the Industrial Disputes Act, 1947, upon our Company seeking reinstatement with full back wages with interest @ 12% and continuity of service on his post as 'Store Keeper'. He has contended therein that he was illegally and unlawfully dismissed from his service. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for January 11, 2007.

- Vinay Kumar Agarwal had served a demand notice dated December 7, 1998 (Case No. 233/2001), under Section 2 (A) of the Industrial Disputes Act, 1947, upon our Company seeking reinstatement with full back wages with interest @ 12% and continuity of his service in his previous post as 'Senior Project Engineer (Civil)'. He has contended therein that his employment was illegally terminated without any written notice. The matter has been settled for passing of an award by the Presiding Officer, Labour Court, Gurgaon.

- Divya Singh has filed a statement of claim on March 13, 2002 (Case No.583/2003) before the Conciliation Officer, Labour Office, Gurgaon, against our Company, wherein it is prayed that she be reinstated as an architect with immediate effect with full back wages, consequential benefits along with interim relief on account of unlawful termination of her services. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for January 15, 2007.

- Sunil Kumar has served a demand notice dated October 6, 1999 (Case No. 1254/2000), under Section 2 (A) of the Industrial Disputes Act, 1947, upon our Company seeking reinstatement with full back wages and continuity of his services as the 'Supervisor (Civil)'. He has contended therein that his employment was illegally and unlawfully terminated without the payment of retrenchment compensation and notice pay. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for January 29, 2007.

- Budh Ram has served a demand notice dated March 3, 1990 (Case No. 130/1997), under Section 2 (A) of the Industrial Disputes Act, 1947, upon our Company seeking reinstatement with full back wages and continuity of his services as the 'Tubewell Helper'. He has contended therein that his employment was illegally and unlawfully terminated without the payment of retrenchment compensation and notice pay. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for Janaury 11, 2007 for cross examination of witness.

AGAINST OUR DIRECTORS

- H.S. Jaggi filed a criminal complaint (Criminal Complaint No. 1443/1/03 pending before the Metropolitan Magistrate, Patiala House Courts, New Delhi) against our subsidiary DLF Commercial Developers Limited and our managing director T.C. Goyal (Managing Director) and two directors K. Swarup (Director) and Sanjay Goenka (Director). Please refer the case under the heading "Against our Subsidiaries".

- Jeet Ram, the complainant has filed a criminal complaint (Criminal Complaint No. 13/6/03/03) pending before Judicial Magistrate (First Class), Gurgaon under Section 420, 468, 471 and 120B of the Indian Penal Code, 1860 against Amrit Lal Jain and T.C. Goyal, managing director of our Company, complaining that the accused persons in connivance with the revenue officials have got the revenue records manipulated and got the mutation no. 876 in respect of khasra no.13 village Nathupur, Gurgaon sanctioned. Summons has

been issued by the First Judicial Magistrate in the matter. However, our Company has moved the Punjab and Haryana High Court for quashing the summons. There is no monetary liability claimed against our Company. The High Court as stayed the proceedings of the Trial Court. The next hearing is scheduled for December 15, 2006.

- Our Director Ravinder Narain was a director on the Board of Directors of Pratap Rajasthan Copper Foils and Laminates Limited until July 7, 1997. This company allegedly defaulted in the repayment of a loan of Rs. 29.9 million to ICICI Bank Limited, New Delhi. Ravinder Narain was also a Director on the Board of Directors of Modi Spinning and Weaving Mills Limited until March 19, 1998. Modi Spinning and Weaving Mills Limited had defaulted in the repayment of loans of Rs. 87.5 million to IFCI Limited and Rs. 29.2 million to Industrial Development Bank of India.

- Our Director Brijendra Bhushan has three cases (two under the Consumer Protection Act and one under the Negotiable Instruments Act) pending against him in relation to dishonour of cheques aggregating Rs. 0.13 million. He was not a director of the involved company at the time when the cause of action arose nor was he a signatory to the said cheques.

- One of our Directors, G. S. Talwar, who is Non-Executive Chairman of Centurian Bank of Punjab Limited, has been directed by SEBI through an ex-parte interim direction not to open fresh Demat accounts.

AGAINST OUR SUBSIDIARIES

DLF Properties Management Services Private Limited (renamed as DLF Estate Developers Limited)

Civil proceedings

- Dharambir (who runs a taxi stand at Qutab Plaza, DLF City Phase I, Gurgaon) had filed a suit (Suit No. 172/2003) before Civil Judge, Gurgaon for injunction against our subsidiary i.e. DLF Estate Developers Limited for restraining it from dispossessing him and removing the said taxi stand. The taxi stand is being operated on the property of DLF Estate Developers Limited. The injunctionapplication filed by Dharambir for stay has been allowed by Civil Judge, Gurgaon Vide order dated December 3, 2005. DLF Estate Developers Limited has filed an appeal before the Additional District Judge against this order alongwith an application seeking stay of the operation of the said order till decision of the suit. There is no monetary liability claimed against DLF Estate Developers Limited. The next date of hearing for the suit is scheduled for January 5, 2007 and for the appeal is scheduled for December 11, 2006.

- Avtar Singh Sandhu has filed a suit (Suit No. 103/2005) before the Civil Judge (Senior Division), Gurgaon for permanent injunction and has sought a restraint order against our subsidiary i.e. DLF Estate Developers Limited from taking action against him. Such suit has been filed as DLF Estate Developers Limited, which is carrying on the maintenance and allied work pertaining to the colony in DLF City, Phase I, Gurgaon has issued a notice to Avtar Singh Sandhu whose hospital on a residential plot in the said colony has encroached the public road. DLF Estate Developers Limited has filed written statement in the suit proceedings. Avtar Singh Sandhu had filed an interim application for stay against DLF Estate Developers Limited, which has been dismissed. Avtar Singh Sandhu has filed appeal before the Additional District Judge against the dismissal of the interim application. There is no monetary liability claimed against DLF Estate Developers Limited. No monetary claim has been made against our subsidiary company. The next hearing in the suit proceeding is December 2, 2006 and the next hearing for appeal is scheduled for December 7, 2006.

- 'U' Block Residents Welfare Association has filed a suit (Suit No. 144/2005) before Civil Judge (Senior Division), Gurgaon against our subsidiary DLF Estate Developers Limited and our Company and others, praying for a decree for permanent injunction restraining our Company from destroying the green belt which forms part of the high school site bearing no.2118, in DLF City, Phase-III, Gurgaon. Further, praying that in the event, of our Company succeeding in raising construction, a decree be passed for mandatory injunction directing our Company to remove the car parking and restore the said green belt. We have filed our written statements. Further, an interim application of stay filed by 'U' Block Residents Welfare Association, was dismissed vide an order dated October 11, 2005 and U Block Residents have filed an

appeal before the Court of ADJ, Gurgaon (Appeal No. 125/05-) against the dismissal of the interim application. There is no monetary liability arising from this matter. The next date of hearing is fixed for January 4, 2007 for appeal proceeding and for January 10, 2007 for hearing of the suit.

Labour Proceedings

- Phoolwati had served a demand notice dated August 24, 1999 (Case No. 754/2000), under Section 2(A) of the Industrial Disputes Act, 1947, upon DLF Properties Management Services Private Limited (renamed as DLF Estate Developers Limited, which is our subsidiary) and Radhakrishan Nursery Flowerista seeking re-instatement with full back wages and continuity of her services on her post as a 'Gardener' by reason of our DLF Properties Management Services Private Limited having terminated her services without cause. The matter is currently pending disposal before the Presiding Officer, Labour court, Gurgaon. The next date of hearing is scheduled for January 29, 2007.

- Prakhasho had served a demand notice dated April 5, 2000 (Case No.435/01), under Section 2 (A) of the Industrial Disputes Act, 1947, upon DLF Properties Management Services Private Limited (renamed as DLF Estate Developers Limited, which is our subsidiary) and Samarth Horticulture Service seeking re-instatement with full back wages and continuity of services on her post as a 'Gardener' by reason of DLF Properties Management Services Private Limited and Samarth Horticulture Service having wrongfully terminated her services and not having abided by the rules of Section 25 (F) of the said Act. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing is scheduled for February 19, 2007.

- Sadori, Kela, Resham and Dropati have served a demand notice dated August 28, 2000 (Reference Case No. 374/01, Reference Case No. 376/01, Reference Case No. 375/01, Reference Case No. 373/01), under Section 2 (A) of the Industrial Disputes Act, 1947, upon DLF Properties Management Private Limited (renamed as DLF Estate Developers Limited, which is our subsidiary) and Samarth Horticulture Services seeking reinstatement with full back wages and other facilities as 'Labourers'. They have contended that their employment was illegally and unlawfully terminated without any notice or compensation and without compliance with the provisions of Section 25 (F) of the Industrial Disputes Act, 1947. The matter is currently pending disposal before the Presiding Officer, Labour Court, Gurgaon. The next date of hearing for Sadori and Kela is scheduled for February 19, 2007. The next date of hearing for Resham is scheduled for December 11, 2006. The next date of hearing for Dropati is scheduled for December 18, 2006.

DLF Commercial Developers Limited

Criminal proceedings

- H.S. Jaggi has filed a criminal complaint (Criminal Complaint No. 1443/1/03 pending before the Metropolitan Magistrate, Patiala House Courts, New Delhi) against DLF Commercial Developers Limited, K. Swarup (Director), T.C. Goyal (Managing Director), Sanjay Goenka (Director) and three other employees under Section 420 read with Section 468 of the Indian Penal Code, 1860, alleging that the defendants had fraudulently altered an agreement to sell executed between H.S. Jaggi and DLF Commercial Developers Limited. The next hearing is scheduled for February 20, 2007.

Civil proceedings

- H.S. Jaggi, was allotted a shop no. GF-15 in Mega Mall, Gurgaon by our subsidiary i.e. 'DLF Commercial Developers Ltd'. The allotment of the said shop was cancelled on account of non-payment of instalments due for the shop. H.S. Jaggi initiated arbitration proceedings before the sole arbitrator (who is our Company Secretary) with respect to the revision in area, sale price of the shop and its cancellation. H.S. Jaggi has also filed criminal complaint against certain officials of our aforementioned subsidiary, including the said arbitrator (Refer to heading "Criminal Proceedings" below).There is no monetary liability claimed against our subsidiary. The matter before the sole arbitrator is scheduled for December 29, 2006.

- Abhishek Mehra and others are allottees of a shop no. MS-0031, in Mega Mall, Gurgaon, (whose allotment was cancelled due to non-payment of instalments by them) have filed a suit (Suit No. 734 of 2004) before the Delhi High Court against our subsidiary i.e. 'DLF Commercial Developers Limited' for specific performance of the agreement entered with DLF Commercial Developers Limited along with declaration in respect of the said shop. Since the parties under the agreement agreed to an alternate dispute resolution provision, the High Court on an application under Section 8 of Arbitration and Conciliation Act, 1996, dismissed the suit and referred the dispute in respect of quantum of Rs. 3.40 million to arbitration. Pursuant to the said order of the High Court, Abhishek Mehra and others paid the sum of Rs. 3.40 million to us and possession of the said shop was handed over to Abhishek Mehra and others. Abhishek Mehra and others have filed statement of claim before the arbitrator. DLF Services Limited has filed its claims in respect of maintenance charges and has been impleaded as the second respondent. The next date of hearing before the arbitrator is December 1, 2006. Abhishek Mehra had filed am petition for removal of the present arbitrator on the grounds that he being an employee of the Company is biased. The next hearing of the case in High Court is scheduled on January 4, 2007.

- Rathi Udyog Limited has filed a suit before the High Court of Delhi (Suit No. 2212/2001) against our Company and our subsidiary DLF Commercial Developers Limited has also been impleaded as a defendant. Please refer to the case under the heading "Civil proceedings against our Company" above.

- Shiv Sharma has preferred an appeal before the High Court of Delhi against the order dated October 20, 2005 passed by Shri Rakesh Kapoor, Assistant District Judge, Delhi in Suit No. 199/2004 filed against our subsidiary DLF Commercial Developers Limited wherein a claim of Rs. 1.6 million along with interest has been made, on the ground that the sale agreement dated June 28, 1999 relating to Shop bearing No. 68 in Galleria DLF Qutab Enclave Complex, Gurgaon is null and void. It is alleged by Shiv Sharma that the said sale agreement including the jurisdiction clause which conferred the jurisdiction on the courts in Gurgaon, was executed without his consent and knowledge as he was a minor at the time of the execution of the agreement. Further, it is contended by Shiv Sharma that the Assistant District Judge, Delhi committed a grave error by conferring jurisdiction in the courts of Gurgaon merely on the basis of consent of the parties. The Court has issued a show cause notice and the case is scheduled for hearing on December 6, 2006.

- Please refer to the proceedings under the heading Employees' Provident Fund Organization against our Company where our subsidiary DLF Commercial Developers Limited has been impleaded as a party along with our Company.

Tax proceedings

Show Cause Notices

- We have received two show cause notices dated March 28, 2002 and January 31, 2005 for the assessment years 1999-2000 and 2002-2003 respectively from Assistant Commissioner of Income Tax, Circle 31(1) for initiating penalty proceedings under Section 271(1)(c) of I.T. Act. As the appeals for the subject assessment years are pending disposal by the appellate authorities, the penalty proceedings are kept in abeyance till the decisions of the respective appeals and the amount of penalty will be ascertained on disposal of the said appeals.

Appeals before Income Tax Appellate Tribunal, New Delhi filed by the subsidiaries

- Two appeals have been preferred against the confirmation the additions/disallowance by Commissioner of Income tax (Appeals) vide orders dated March 21, 2003 and August 5, 2005. The additions /disallowances made by the Assessing Officer are on account of cost of land written off (addition in rights in land) for the assessment year 1999-2000 for Rs.1.09 million and the issue in respect of assessment year 2002-03 is on account of disallowance of repair and maintenance amounting to Rs.1.90 million treating the same as of capital nature. The hearing for the appeal for the assessment year 1999-2000 is scheduled for December 12, 2006 and the hearing for the appeal for the assessment year 2002-2003 is yet to be fixed.

Indirect Tax proceedings

Haryana Local Area Development Tax

- DLF Commercial Developers Limited has filed an appeal (The case has been remanded back to the Assessing Officer vide order dated March 28, 2003 of the Joint Excise Commissioner, Rohtak. Since the appeal has been filed recently, review number is not available at the moment), before the Assessing Authority, Gurgaon (East), Gurgaon, Haryana, in respect of the applicability of the Haryana Local Area Development Tax levied on the goods brought into and consumed in Haryana for the financial year 2000-01 for the period between May 5, 2000 to August 31, 2000. The disputed tax amount is Rs. 1.03 million (approximately) for the aforesaid financial year 2000-01. The aforementioned tax amount has already been deposited with the authorities. DLF Commercial Developers Limited has filed the instant appeal in order to claim the rebate (refund) of the disputed tax amount. An order has been passed by the Haryana Tax Tribunal, Chandigarh on August 3, 2005 remanding the case to the Assessing Authority, Gurgaon (East), Gurgaon, Haryana for a fresh assessment. The next date of hearing is yet to be communicated by the Assessing Authority.

- DLF Commercial Developers Limited has filed appeals (GRE-19/LADT for the financial year 2000-01 (September 1, 2000–March 31, 2001), GRE-22/LADT for the financial year 2001-02, and GRE-23/LADT for the financial year 2002-03) before the Joint Excise and Taxation Commissioner (Appeal), Rohtak, Haryana, in respect of the applicability of the HLADT levied on the goods brought into and consumed in Haryana for the aforementioned financial years. The disputed tax amount is Rs. 0.56 million (for the financial year 2000-2001), Rs. 0.41 million (for the financial year 2001-2002) and Rs. 0.01 million (for the financial year 2002-2003). The aforementioned tax amount has already been deposited with the authorities. DLF Commercial Developers Limited has filed the instant appeals in order to claim the rebate (refund) of the disputed tax amount. The next date of hearing is fixed for December 21, 2006.

Haryana Value Added Tax

- A notice was sent by the Assessing Authority, Gurgaon under Haryana Value Added Tax Rules, 2003, to DLF Commercial Developers Limited (which is our subsidiary) stating that the returns filed by our subsidiary for the period between April 1, 2004 and March 31 2005, has been selected for scrutiny under Section 15 (2) of the Haryana Value Added Tax Act, 2003. The next date of hearing is scheduled for December 13-15, 2006.

- A notice dated December 4, 2006 has been issued by the Excise and Taxation Officer-Cum-Assessing Authority, Gurgaon (E) in response to the letter dated March 13, 2006 and November 15, 2006 from our subsidiary DLF Commercial Developers Limited seeking an amendment in its registration certificate (TIN No. 0636-1820350). The said notice requires DLF Commercial Developers Limited to provide clarification on (a) how it proposes to pay value added tax/purchase tax under the Haryana Value Added Tax Act, 2003 by giving a power back-up for the building that is to be rented; and (b) on how DLF Commercial Developers Limited is a "dealer" and conducting "business" in terms of the Haryana Value Added Tax Act, 2003 for the aforesaid purpose. The notice directs DLF Commercial Developers Limited to provide such clarification to the Sales Tax Office, Gurgaon on or before December 20, 2006.

Bhoruka Financial Services Limited

Securities laws

- DLF Commercial Developers Limited ("**DCDL**") a subsidiary of our Company, had entered into a share purchase agreement dated July 28, 2005 ("**Share Purchase Agreement**") with the promoters of Bhoruka Financial Services Limited ("**BFSL**") to acquire all the shares held by the said promoters ("**Sellers**") which represented 98.73% of the equity share capital of BFSL, a listed company. The said Share Purchase Agreement was executed after obtaining an exemption from complying with certain provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 ("**Takeover Regulations**") including

Regulations 10 and 12, in accordance with Regulations 3(1) (l) and 4 of the Takeover Regulations on June 29, 2005. The negotiated price per share was Rs. 0.003 million.

One of the conditions in the said Share Purchase Agreement was that consideration for the shares should be paid through a designated broker of Magadh Stock Exchange Association ("**MSEA**"). Post execution of the Share Purchase Agreement, DCDL complied with the requirements of the exemption order under the Takeover Regulations and sent offer letters to each of the 26 public shareholders offering them Rs. 0.004 million per share which was the price re-negotiated with the Sellers and dispatched the necessary offer letters to each of the public shareholders.

On August 19, 2005, SEBI passed an *ex parte* interim order against the Sellers, MSEA, the broker through whom the transactions were effected on MSEA and DCDL. The said *ex parte* interim order *inter alia* alleged that DCDL had violated the provisions of the Takeover Regulations, and that it had a tacit understanding with the other parties and consciously and with pre meditated design chosen to execute the trades on MSEA with a view to avoiding regulatory attention and scrutiny and to use the mechanism of the stock exchange to artificially increase the price for collateral ends. Accordingly, in its *ex parte* interim order, SEBI (a) impounded the shares of BFSL lying with CDSL in demat form (b) prohibited DCDL from dealing in the scrip of BFSL so long as the directions in the interim order were in force. On December 6, 2005, SEBI passed an interim order ("**Impugned Order**") which confirmed the *ex parte* interim order.

DCDL had filed an appeal against the said Impugned Order before the Securities Appellate Tribunal ("**SAT**") (Appeal No. 18 of 2006). By order of May 10, 2006, the SAT has set aside the interim order of SEBI and has directed SEBI to conduct its investigations and conclude the same not later than July 31, 2006, while confirming the restraint on DCDL from transferring the shares it had acquired from the Sellers. SEBI has filed an appeal before the Supreme Court of India against the order of SAT. The Supreme Court has admitted the appeal and has the stayed the operation of the order passed by SAT and directed DCDL to not to further transfer or create any third party rights in the shares in dispute. The Supreme Court has directed SEBI to conclude the investigation expeditiously. In connection with the investigation proceedings to be undertaken by SEBI, the Adjudicating Officer has been appointed to inquire into and adjudge the alleged violations of the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") by DCDL in relation to the acquisition of the shares of BFSL. DCDL received a Show Cause Notice dated November 9, 2006 under Rule 4 (1) of Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 ("**Show Cause Notice**"). The Show Cause Notice states that, if the allegations are established, DCDL would be liable to a penalty under SCRA, in terms of which our Subsidiary shall be liable to a penalty which may extend up to Rs. 10 million.

Civil proceedings

- A show cause notice has been issued by RBI, Bangalore to Bhoruka for not issuing a Public Notice regarding the change in the management control of the Company at least three months before the change of management and selling the shares to our subsidiary DLF Commercial Developers Limited. Bhoruka has filed its reply dated October 26, 2005. Bhoruka is also addressing a request to RBI to drop the proceeding on the grounds that Bhoruka had not accepted any deposit from the public and moreover Bhoruka had on December 8, 2005 surrendered the NBFC to Reserve Bank of India.

- Sri Narayanappa and others have filed a writ petition against Chief Executive, Officer, KIADB and others before the High Court, Karnataka (Writ Petition No.21257/05) and Bhoruka has been arrayed as a respondent in the proceedings. The claim has been filed by the alleged owners of the land admeasuring 7 acres which has been allotted to Bhoruka by KAIDB, for setting aside the said allotment of land. The case is yet to be listed for hearing.

Nilgiri Cultivations Private Limited

Civil proceedings

- Moonlight Builders and Developers, which has merged into our subsidiary i.e. Nilgiri Cultivations Private Limited, had filed a suit (Suit No. 1/91) before Civil Judge (Senior Division), Gurgaon for possession by specific performance of agreement of sale dated July 4, 1989 in respect of the land situated in the revenue estate of Wazirabad, which was decreed in favour of Moonlight Builders and Developers on November 27, 1999. Jamna Devi and anothers filed an appeal (C.A. No. 67/2003) before the District Judge, Gurgaon for setting aside the judgement and decree dated November 27, 1999 and for dismissal of the suit alongwith. An application for amendment of written statement, which was allowed by the District Judge.. Against this order of the District Judge, Moonlight Builders and Developers filed a revision petition (Civil Revision No. 4874/ 2003) before the the Punjab and Haryana High Court. The High Court hasadmitted the petition and the order allowing the amendment of the written statement has been set aside. The revision has been allowed on May 3, 2006 by the Punjab and Haryana High Court. There is no monetary liability claimed against Moonlight Builders and Developers. The next hearing before the Additional District Judge is scheduled for December 6, 2006.

- Hari Singh has filed a revision petition (revision petition no 134/2004) before the Commissioner, Gurgaon against judgment dated June 15, 1993 passed by the Assistant Collector, First Grade, Gurgaon, in pursuance of a suit for partition filed before Assistant Collector, Gurgaon by Swasthya Builder, (which has merged into our subsidiary Nilgiri Cultivations Private Limited)**,** in respect of land bearing khasra numbers 1954, 1956, 1959 and 1960 situated in village Wazirabad, Tehsil and District, Gurgaon which was decreed in our favour by judgement dated June 15, 1993. Hari Singh as the co-owner of the land filed for revision of the said judgement before the District Collector which was dismissed on January 29, 2004. The District Collector dismissed the said revision petition on grounds of limitation. Hence, the aforementioned revision petition has been filed before the Commissioner, Gurgaon. There is no monetary liability claimed against Swasthya Builder. The next hearing is scheduled for December 7, 2006.

- Mohar Singh and others have filed an application (No.163/2000) before the Director of Consolidation, Haryana, under section 42 of the East Punjab Holdings (Haryana) and Consolidation and Prevention of Fragmentation Act, 1948 for review of order of consolidation dated May 5, 1998, against Biswardhan Village Bandhwari, Nilgiri Cultivations Private Limited and DLF Housing and Construction Limited and others, in respect of the land situated in village Balola (Baliawas) forming a part of DLF Gardens. Mohar Singh and others have challenged the order dated May 5, 1998 passed by the Director of Consolidation on the grounds that the said order is allegedly based on the wrong facts provided by the Department of Consolidation in connivance with our Company, offering the fertile land to big companies and have prayed for a review of the said order. Our subsidiary companies being respondents in the present matter have filed a reply to the petition. The matter was listed on September 21, 2006 for orders. However, no order has been passed and the order has been reserved.

- Rampal has filed a suit (Suit No. 101/ 2002) before Civil Judge (Senior Division), Gurgaon against Shish Ram & Others (including Nav Sansar Agro Products Private Limited, which merged into our subsidiary Niligiri Cultivations Private Limited as defendant No. 8), seeking a declaration and in the alternative for joint possession of land bearing khasra Nos. 223, 1668, 1669 and 2184 admeasuring 4 bighas 3 biswas in the revenue estate of Wazirabad, Tehsil District Gurgaon. Rampal has prayed for determination of his share. There is no monetary liability against us. The matter is fixed before Civil Judge (Junior Division) Gurgaon for filing of reply to our application on December 5, 2006.

Direct Tax proceedings

Appeals filed by Income Tax Department pending before High Court

Navsansar Agro Products (P) Limited (since merged into Nilgiri Cultivations Private Limited)

- The Income tax Department ("**IT Department**") has filed appeal against Navsansar Agro Products Private Limited (merged with Nilgiri Cultivations Private Limited) for assessment year 1993-94 in respect of deduction of expenses on account of interest and finance charges allowed by the order dated December 16, 2002 passed by Income Tax Appellate Tribunal, New Delhi involving an amount to the tune of Rs. 7.54 million. The appeal has been admitted and the next hearing is yet to be fixed by High Court.

Madhur Cultivation (P) Limited (since merged into Nilgiri Cultivation (P) Limited)

- IT Department has filed appeal against Madhur Cultivations Pvt Limited (merged with Nilgiri Cultivations Private Limited) in respect of deduction of expenses allowed by the order dated November 14, 2002 passed by Income Tax Appellate Tribunal, New Delhi for the assessment year 1993-1994. The appeal is pending disposal. There are two issues involved in appeal

  (i) Deduction of interest and finance charges amounting to Rs.7.45 million on borrowings for payment of advances under agreement to purchase plots/land.

  (ii) Interest income amounting to Rs.8.69 million received on cancellations of agreement has been held to be income from "other sources" as against of business income shown/ returned by us.

  The appeal has been admitted and the next hearing is yet to be fixed by High Court.

Moonlight Builders and Developers Limited (since merged into Nilgiri Cultivation (P) Limited)

- The IT Department has filed three appeals in Delhi High Court on 13 July 2006, against Moonlight Builders and Developers Limited, since merged with Nilgiri Cultivations Private Limited, against the consolidated order dated December 11, 2005 passed by Income Tax Appellate Tribunal, New Delhi, for the assessment years 1991-1992, 1997-1998 and 1998-1999 on the issue of taxability of plots sold under tripartite agreements. The amount in dispute are approximately Rs. 0.3 million, Rs. 0.3 million and Rs. 2.4 million respectively for the above stated assessment years (totaling approximately Rs. 3 million). The next date of hearing is scheduled for January 17, 2007.

DLF Housing and Construction Limited

Civil proceedings

- Resham Singh has filed a suit (Suit No. 40/2006) before Civil Judge, Gurgaon for permanent injunction and possession of plot no. M 3/31 situated in DLF City, Phase-III, Gurgaon and for cancellation of the sale deed dated October 29, 1990 executed in favour of Rakesh Kumar alleging that the same has been forged and is illegal. Instant Batteries Limited, which has merged into our subsidiary i.e. DLF Housing and Construction Limited has been made a *proforma* party in the *inter se* dispute between the parties. Instant Batteries Limited has filed an application for rejection of the plaint on the grounds of deficient court fees. There is no monetary liability claimed against Instant Batteries Limited. The next hearing is scheduled for January 27, 2007.

- Udmi and others have filed an appeal (Appeal No. 60 of 2004) before Additional District Judge, Gurgaon against the order dated September 30, 2004 passed by Civil Judge (Junior Division) Gurgaon in the suit for declaration and permanent injunction in respect of the khasra no. 76 and 77 of village Sikanderpur Ghosi, DLF City, Phase-III, Gurgaon. In such appeal, they have also challenged mutation no. 449 sanctioned on March 7, 1984 which was decided in favour of Anurag Construction Company, which has merged into our subsidiary i.e. DLF Housing and Construction Limited. Owing to the demise of one of the plaintiffs in this case, an application has been filed for bringing his legal heirs on record. There is no monetary liability claimed against Anurag Construction Company. The next hearing is scheduled for January 22, 2007.

- Ram Kumar and others who are co-sharers of Khasra No. 485/1/2 (0-11) situated at village Chakarpur, Tehsil and District Gurgaon, have filed a suit (Suit No. 462/2001) for partition before Civil Judge (Senior Division), Gurgaon for partition by metes and bounds of the said land, and have prayed for the separation of 1/3rd of such land. DLF Industrial Finance and Leasing Company Limited, (which has merged with our subsidiary i.e. DLF Housing and Construction Limited), has pleaded that the land was solely owned by it in its entirety. They have further pleaded that there is an erroneous entry made in the revenue records which has been relied upon by Ram Kumar and others and even otherwise the said land has been acquired by the Haryana Government and therefore is not subject to partition. There is no monetary liability claimed against DLF Industrial Finance and Leasing Co. Limited. The next hearing is scheduled for January 16, 2007.

- Harsaroop has filed suit (Suit No. 91 of 2005) for permanent injunction before Civil Judge (Senior Division), Gurgaon in respect of land bearing khewat no. 181 min, khata no. 260, rectangle no. 44, killa No.'s 22 (8-0) and 23 (8-0) situated in village Balolla, which forms part of land owned by Bhagirathi Investment's (which has merged with our subsidiary i.e. DLF Housing and Construction Limited). Bhagirathi Investment has filed an application for dismissal of this suit as separate proceedings were earlier initiated in respect of the same land which was decided in favour of our subsidiary via order dated February 23, 2005, whereby Bhagirathi Investment was declared as the owner of the said land. Against the said order Harswarup and others went in appeal before ADJ, which has also been dismissed vide order dated November 8, 2006.There is no monetary liability claimed against Bhagirathi Investment. The next date of hearing for the suit is scheduled for January 17, 2007

- Pt. Prem Raj has filed a regular first appeal (RFA No. 12/1987), before the Delhi High Court, against one of our subsidiaries DLF Housing and Construction Private Limited and Moti Ram Bhalla, wherein it is prayed that this appeal be allowed and that judgment dated March 19, 1987 be set aside. The said judgement dated March 19, 1987 was passed in the suit (Suit No. 340/1968) filed by Pt. Prem Raj against our subsidiary DLF Housing and Construction Private Limited and Moti Ram Bhalla for declaration, dissolution of partnership and rendition of accounts, and in the alternative for specific performance of the agreement to sell for land. It is alleged our subsidiary company allegedly entered into partnership with the partnership firm of Pt. Prem Raj and Moti Ram Bhalla. Consequently, the land in respect of which the partnership firm of Pt. Prem Raj and Moti Ram Bhalla had entered into an agreement to sell with the father of Pt. Prem Raj was taken over by such new partnership via agreement for sale entered by and between Pt. Prem Raj, Moti Ram Bhalla and our subsidiary on January 2, 1957. It has been alleged that to our subsidiary entering into an agreement for sale on June 11, 1958 with the father of Pt. Prem Raj, hence cancelled the earlier agreement for sale dated January 2, 1957. Aggrieved, Pt. Prem Raj filed the said suit against our subsidiary and Moti Ram Bhalla. In the aforesaid suit it has been also prayed that the agreement between the father of Pt. Prem Raj and our subsidiary be declared as void. In the alternative, it is prayed that a decree for specific performance of the agreement for sale be passed. Further, in the absence of the passing of a decree for specific performance, Pt. Prem Raj has claimed damages amounting to Rs. 0.25 million. The matter will come up for regular hearing in due course.

- Ran Singh and others had filed a suit before the Civil Judge (Senior Division), Gurgaon (Suit No. 1127/24-12-1981) against Kabootar and Apollo Land and Housing Co. Limited (which had merged with our subsidiary DLF Housing and Construction Limited) for declaration in respect of ownership of land bearing Khewat No. 59, Khatoni No. 194, Khasra No.500 (3-8) admeasuring 3 bighas 8 biswas Puktha situated in revenue estate of village Nathupur, Gurgaon by way of adverse possession. This land was purchased by our subsidiary from one Kabootar being the original owner of the said land. The suit was dismissed by the Court by its order dated November 25, 1998. Aggrieved with the order of dismissal, Ran Singh filed appeal before Additional District Judge challenging the order dated November 25, 1998. The appeal was dismissed by the Court by its order dated January 6, 2000. Ran Singh has now filed a Regular Second Appeal (RSA No. 3964/2000) before Punjab and Haryana High Court at Chandigarh aggrieved by the order dated January 6, 2000 passed by the Additional District Judge, Gurgaon. The above referred appeal stands admitted and would come up for hearing in due course.

- Bishamber Nath Malik had filed a suit for declaration, possession, permanent injunction along with damages against DLF Housing and Construction Limited before Civil Judge (Senior Division) (Suit No. 116/2006) stating that he had purchased a plot of land U-41/33 admeasuring 125.07 in DLF City Phase –III,

Gurgaon vide plot buyer's agreement dated July 30, 1990. It is alleged that DLF Housing and Construction Limited had reduced the area of the plot at sight to 81.96 square meters. DLF Housing and Construction Limited had reduced the plot area as Bishamber Nath Mailk delayed in making the payments, in taking possession and some of the villagers had encroached upon the suit. Due to these unforeseen circumstances DLF Housing and Construction Limited reduced the area and refunded the amount as per the plot buyers agreement. The refund cheque has however been returned by Bishamber Nath Malik. DLF Housing and Construction Limited has entered appearance in the matter. The matter is pending disposal. The Court has directed DLF Housing and Construction Limited to not alienate or part with the possession of the suit plot. The next hearing is scheduled for March 13, 2007.

- Public interest litigation ("**PIL**") under Article 226 of the Constitution of India, bearing Civil Writ No. 17753 of 2001 has been filed by the DLF Qutab Enclave Residents Welfare Association against the State of Haryana and DLF General Finance Limited (which has merged into our subsidiary DLF Housing & Construction Limited) and DLF Recreational Foundation Private Limited, in the High Court of Haryana and Chandigarh. The PIL alleges that the said layout plans were revised and amended several times thereby breaching the conditions of the abovementioned license. The case is currently pending at the stage of arguments. The next hearing is scheduled for December 19, 2006.

- Prem Bansal alleges to be the owner to the extent of 1/15th share of sisram land admeasuring 1 biga, 2 biswa, pukhta situated in Nathupar Tehsil. Prem Bansal had filed a review petition against our subsidiary DLF Housing & Construction Limited after 13 years of the order of partition of the said land dated June 3, 1989 passed by the Assistant Collector, Gurgaon. The review petition was filed on the ground that he was the owner in possession of the said share and had no knowledge of the partition and had not received any summons or notice from the court and should have been impleaded in the partition proceedings as a respondent. He also alleged that incorrect revenue documents were appended to obtain the order of partition. The review petition was allowed vide order dated March 13, 2003 by the Collector, Gurgaon and the matter was remanded for fresh decision to Assistant Collector, 1st Grade, Gurgaon. Aggrieved by the order dated March 13, 2004, DLF Housing & Construction Limited filed an appeal before the Commissioner on the ground that the petition for review was barred by limitation and also that the judgment dated June 3, 1989 had been implemented in the revenue record. The appeal was admitted vide order dated October 6, 2005. Prem Bansal has thereafter filed an appeal against such orderbefore the Financial Commissioner, Haryana. There is no monetary liability against our Company. The case is now listed for December 5, 2006 for the purposes of summoning of records.

- The heirs of Lalaram have claimed rights over the land bearing Khasra Nos. 2224, 2225, 2231 and 2292 situated in revenue estate number 3444 of Wazirabad, District Gurgaon on the grounds that the said land was transferred in their favour by way of court decree in the suit proceedings titled Jaivir and others v. Lalaram (Suit No. 143/1992). In pursuance of the said claim, Delhi Land and Finance Company (now merged with our subsidiary DLF Housing & Construction Limited) has received a notice from the Assistant Collector, Grade-1 requiring it to produce documents in respect of the said land. The hearing is scheduled for December 4, 2006.

- Dharam Singh and others have filed a suit for permanent injunction (Suit No. 440/2006) before the Civil Judge (Senior Division), Gurgaon, against our subsidiary DLF Housing and Construction Limited (which is our subsidiary) and Vee Dee Investment and Agencies Limited (which has now merged with one of our subsidiary being Defendant No. 1 in the suit), alleging that the our subsidiary has tried to dispossess them of their land situated at Khewat No. 37, Khata No. 56/1, Khasra No. 430 min in Village Nathupur, Tehsil and District and Gurgaon, Haryana, admeasuring 1 Bigha. Dharam Singh and others have prayed for decree of permanent injunction restraining our subsidiary, their officials and agents from dispossessing them from their land, except in accordance with the law, along with the costs of the suit. There is no monetary liability claimed against DLF Housing and Construction Limited and Vee Dee Investment and Agencies Limited. Our subsidiary has filed a counter claim denying the claims of the plaintiff but the revenue entries incorrectly mentions the plaintiffs as the "Gair marusis" and have prayed for a decree declaring the revenue entries as void and illegal and rectify the same to reflect DLF Housing and Construction Limited as the owner in possession and permanent injunctions restraining the plaintiffs from interfering with the suit land.

The application for ad interim injunction filed by Dharam Singh has been dismissed and that filed by our subsidiary has been allowed. The next date of hearing is March 5, 2007.

DLF Services Limited

Civil Proceedings

- Sarita Kohad & others have filed a case (Case No. 23/2006) before the Administrative Civil Judge, Delhi against the State and others (including the Managing Director of our subsidiary, DLF Services Limited as Defendant No 2) for grant of succession certificate in respect of debts and securities for their deceased father Mr. Yashwant Kohad. The deceased, Mr Yashwant Kohad was working as an engineer in our subsidiary, DLF Services Limited, and passed away on May 29, 2005. It is alleged by Sarita Kohad that our subsidiary, has not paid the salary amount of May 2005 nor other benefits for the month of May, 2005.The company has filed its reply and the next date of hearing is scheduled for February 23, 2007.

Direct tax proceedings

Show Cause Notices

- A show cause notice dated March 28, 2006 has been issued by Assistant Commissioner of Income Tax, Circle 49(1) New Delhi under Section 201(1) of I.T. Act to DT Cinema Limited (now merged with our subsidiary DLF Services Limited) for non-deduction of tax at source on the payments made to film distributors in the assessment year 2006-2007. The amount in dispute would be ascertainable only once the matter is decided.

Appeals before Commissioner of Income Tax (Appeals)

- An appeal has been filed against the order dated March 3, 2006 passed by the Assessment Officer under Section 143(3) of the I.T. Act in respect of assessment year 2003-2004 disallowing the expenses such as professional and consultancy fees paid, rent paid, advertisement and publicity expenses, repair and maintenance of building and disallowance under Section 43B of I.T. Act by treating the same as pre-operative expenses being capital in nature. The total disallowance/additions amounting to Rs.11.27 million. The appeal is pending before Commissioner of Income Tax (Appeals)-XIII, New Delhi and the next hearing is yet to be fixed.

Indirect Tax Proceedings

Service Tax

- DT Cinemas (which has now merged with DLF Services Limited, which is a subsidiary of our Company) has filed an application dated February 25, 2005 with the Superintendent (Service Tax), Range 3, New Delhi for a refund of the service tax amounting to Rs. 0.27 million for the financial year 2003-04. In terms of Rule 6(1) of the Service Tax Rules, 1994, service tax is payable only after the value of taxable services is received by the service provider. Hence, vide show cause notice bearing number ST-20/Refund/Div-I/98/DTC/2005/1518 dated November 22, 2005, it has been indicated that during the aforesaid financial year. DT Cinemas has paid service tax on the value of services billed instead of the value of services actually realized. Accordingly, DT Cinemas has filed revised returns to take into consideration the value of services on a realized basis. Hence, the application for refund via letter dated September 6, 2005 indicates a reduced refund amount of Rs. 0.12 million. An order bearing number 20/ST/MKS/2006/REF dated May 18, 2006 has been passed by the Assistant Commissioner, Service Tax Department, New Delhi which denies the refund sought. An appeal has been filed before the Commissioner (Appeals), Central Excise and Customs, New Delhi, wherein DLF Services Limited has prayed to set aside the aforesaid order and for allowing the appeal in full with consequential relief, grant a personal hearing and pass other orders as may be deemed fit and proper.The next date of hearing is yet to be communicated.

- A demand/show cause notice bearing number ST/DL-1/R-III/SCN/1257/06/18326 dated September 8, 2006 was issued by the Assistant Commissioner, Service Tax Division, New Delhi to DT Cinemas Limited (which is our subsidiary renamed as DLF Services Limited) for the assessment year 2005-2006 requiring DT Cinemas Limited to show cause as to why the service tax amounting to Rs. 0.003 million along with interest thereon not be paid by them as required under Section 73 and 75 of the Finance Act, 1994. DT Cinemas Limited is also required to show cause as to why an amount of Rs. 0.17 million which has been wrongly availed as CENVAT credit should not be disallowed and recovered uner Rule 14 of the CENVAT Credit Rules, 2004 and why a penalty should not be imposed on them under the provisions of Section 76 of the Finance Act, 1994 and Rule 15 (3) of the CENVAT Credit Rules, 2004 for the aforesaid reasons. The next date of hearing is yet to be communicated.

DLF Golf Resorts Limited

Indirect Tax Proceedings

- One of our subsidiaries i.e. DLF Golf Resorts Limited has filed an appeal (Appeal No. GRE-46/LADT before the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana, in respect of the applicability of the HLADT levied on the goods brought into and consumed in Haryana for the financial year 2000-01. The disputed tax amount is Rs. 0.18 million. The aforementioned tax amount has already been deposited with the authorities. DLF Golf Resorts Limited has filed the instant appeal in order to claim refund of the disputed tax amount. The hearing of this case has been completed and the judgment has been reserved by the appellate authority, which will be pronounced in due course of time.

- One of our subsidiaries i.e. DLF Golf Resorts Limited has filed an appeal no. GRE-65/LADT for the financial year 2001-02) before the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana, in respect of the applicability of the HLADT levied on the goods brought into and consumed in Haryana. The disputed tax amount is Rs. 0.27 million for the aforesaid financial year. The said tax amount has already been deposited with the authorities. DLF Golf Resorts Limited has filed the instant appeal in order to claim the rebate (refund) of the disputed tax amount. The next date of hearing is yet to be communicated by the relevant authority. The hearing of this case has been completed and the judgment has been reserved by the appellate authority, which will be pronounced in due course of time.

DLF Power Limited

Civil proceedings

- Our Company has filed a petition (CMA (Arbitration) No. 42/2005) at the District Court, Valsad, Gujarat, against Atul Limited, under Section 34 of the Arbitration and Conciliation Act, 1996 for setting aside the arbitral award dated September 7, 2005 passed by the Arbitral Tribunal. The arbitral award directs our Company to make payment of an amount of Rs. 19.4 million to Atul Limited along with simple running interest @ 10% from the date of the claim until the actual date of payment. It is contended that the Atul Limited and our Company entered into two agreements for the supply and erection of Boiler by our Company for which consideration was paid by Atul Limited to the Company. The claim awarded under the arbitral award had arisen due to alleged breach of the terms of the said agreements. The next hearing is scheduled for December 22, 2006 for arguments.

- The arbitral award dated May 15, 2005 was passed by the Arbitral Tribunal directing our Company to make payment of an amount of Rs. 37.8 million to Atul Limited along with simple running interest @ 10% from April 1, 2005 until the actual date of payment on an amount of Rs. 25.8 million comprised in the aforesaid amount of Rs. 37.8 million. The claim arises from the breach of three contracts entered with Atul Limited for design, supply and erection of Turbo Generator set of 15 MW at the site of Atul Limited. The arbitral award was challenged by our Company before the Principal District Judge, Valsad, Gujarat (OMP 26/2005) and we prayed for setting aside the award, which was dismissed. Our Company has filed a first appeal (First Appeal No. 3740/2006) against the State Bank of India, Atul Limited and Justice B.J. Divan (Retd) seeking the admission and allowance of the said appeal, and the quashing and setting aside of the order dated September 29, 2006 passed by the Additional District Judge, Valsad dismissing the challenge. The court has

stayed the operation and implementation of the order and directed the trustees to not allow withdrawal of the escrow amount. The court has admitted the appeal. The matter is yet to be listed.

- Savita Chemicals Limited has invoked arbitration proceedings (Case No. 384/2004) against our Company and DLF Industries Limited (which has merged with our Company) claiming a sum of Rs 7.1 million. The claim arises from contract entered with Savita Chemicals Limited for supply of turbine fluid (lubricating oil) to our Company. Our Company has contended that the said sums are not payable to Savita Chemicals Limited as the oil supplied by them was of substandard quality. The arbitration proceeding is pending before a sole arbitrator and the arbitrator has directed both the parties to arrive at a settlement and scheduled the next hearing for January 31, 2007 for framing of issues.

- First appeal has been filed by our Company before the Orissa High Court at Cuttack (First Appeal No. 230/1998) challenging the judgment dated February 6, 1998 passed by the Civil Judge (Senior Division), First Court, Cuttack in the suit filed by Presseles Private Limited against our Company (Suit No. 274/1993). In the said suit Presseles Private Limited has claimed compensation of Rs 1.5 million from our Company for the alleged breach of the terms of agreement/memorandum entered by and between Presseles Private Limited and our Company. Pursuant to the agreement, Presseles Private Limited had allegedly withdrawn its bid submitted in the tender floated by Kalinga Iron Works to facilitate the bid of our Company. It has been alleged that our Company had agreed to place order for supply of boilers on Presseles Private Limited which was allegedly not honoured by our Company. The next date of hearing in the matter is likely to come up for hearing in 2nd week of December, 2006.

- Saurashtra Chemicals Limited has filed a suit against our Company in the Court of Civil Judge, Porbandar Gurjarat (CMA. 15/2005) for recovery of total sum of Rs 1300 million alongwith interest @ 24% per annum until the date of payment. The claim arises from a contract for designing and supplying High Pressure and Low Pressure Turbo Generator sets to Saurashtra Chemicals Limited and Birla VXL Limited. The claim amounts includes the advances made against bank guarantee and payments made for the supplies and services to our Company, alleged claim amounts on account of abandonment of the supply by our Company, on account of liquidated damages for the alleged delay in completion of order, on account of alleged loss of profit and interest @ 24% on the total claim amount for three years. It is the contention of our Company that the said project was abandoned by Saurashtra Chemicals Limited. Moreover, it is contented by our Company that a sum of Rs 168.25 million was raised by our Company on Saurashtra Chemicals Limited in the letter addressed to them and pursuant to adjustment of sum of Rs 44.4 million which were deposited in another matter by Saurashtra Chemicals Limited and Birla VXL Limited a sum of Rs 123.8 million was demanded by our Company. The next date of hearing is fixed for December 28, 2006.

- M/s Kamal Kumar Jain has filed an application under Section 11 of the Arbitration and Conciliation Act, 1996 (Arbitration Application No. 283/06) before the Delhi High Court against DLF Power Limited (our subsidiary) for appointment of a sole arbitrator to adjudicate upon the dispute which has arisen from the contract between M/s Kamal Kumar Jain and DLF Power Limited for civil and mechanical works at DLF Captive Power Plant, Saran District, Bokaro. M/s Kamal Kumar Jain has alleged non-payment of bills amounting to Rs. 3.656 million alongwith interest @ 22% p.a. (from the date of submission of the bills till payment). Our Company has disputed the amount and moreover, M/s Kamal Kumar Jain signed the minutes of the meeting for settlement of the amount. The matter is scheduled for hearing on January 8, 2007.

- Refer to the execution petition filed by Koncar Generators before Civil Judge (Senior Division), Gurgaon (Execution Petition No.31/2004) for enforcement of the award dated May 12, 2004 passed by the International Chamber of Commerce under the heading civil proceedings against our Company where our subsidiary DLF Power Limited has been impleaded as a party along with our Company.

Direct tax proceedings

Appeal before the Commissioner of Income Tax (Appeals)- XIII, New Delhi

- The Assistant Commissioner of Income Tax, New Delhi, through its penalty order dated July 26, 2006 had imposed a penalty of Rs. 1.5 million on DLF Power Limited, under Section 271 (1) (c) of the Income Tax

Act, 1961 for the assessment year 2003-2004, disallowing deduction of an amount of Rs. 4,184,060 from total taxable income, which was claimed as loss by DLF Power Limited. DLF Power Limited has filed an appeal (CIT (Appeals) XIII – ND/28/8/2006) against the order before the Commissioner of Income Tax (Appeals)-XIII, New Delhi. The next date of hearing is yet to be communicated.

Indirect Tax Proceedings

Show Cause Notice

- A demand cum show cause notice bearing number D-III/ST/R-II/GTA/CENVAT/553/05/1084 dated March 16, 2006 has been issued by the Assistant Commissioner of Service Tax, Gurgaon to DLF Power Limited (our subsidiary) alleging that DLF Power Limited appears to have contravened provisions of Section 68 of the Finance Act, 1994 by not paying service tax amounting to Rs. 0.19 million in cash but through Cenvat Credit, for the period between January 2005 to September 2005. The notice has further required DLF Power Limited to show cause as to why service tax amounting to Rs. 0.19 million should not be demanded and recovered under Section 73 of the Finance Act, 1994 and under the provisions of Chapter VI of the Finance Act, 2004, interest and penalty not be imposed on them under Section 75 and 76 of the Finance Act, 1994 respectively. DLF Power Limited has replied to the show cause notice by its letter to the Assistant Commissioner of Service Tax, Gurgaon, dated August 24, 2006, wherein DLF Power Limited has submitted its reply to the above mentioned notice and have prayed for withdrawal of the demand of Rs. 0.19 million. The next date of hearing is yet to be communicated.

Sales Tax

- DLF Power Limited has filed an appeal (Appeal No. GRE/54/CST) dated September 6, 2006 before the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana, for the assessment year 2001-2002. The aforesaid assessment authority has *vide* interim order dated September 22, 2006 entertained the appeal subject to the limitation of time and subject to the condition that DLF Power Limited pay Rs. 1 million as deposit and furnishes security for the balance additional demand of an amount of Rs. 1.7 million (each of such aforesaid amounts has been demanded *vide* the assessment order dated March 16, 2006 passed by the Excise and Taxation Officer-cum-Assessing Authority, Gurgaon (East) for the assessment year 2001-2002 under the Central Sales Tax Act, 1956) to the satisfaction of the assessing authority within 30 days from September 22, 2006. DLF Power Limited has paid the first such aforementioned amount and submitted an indemnity bond for the balance amount to the ETO-cum-Assessing Authority, Gurgaon (East). The next date of hearing is scheduled for December 7, 2006.

Edward Keventer (Successors) Private Limited ("EKPL")

Civil proceedings

- EKPL was granted permission by Land and Development Office ("**L&DO**") by their letter dated July 24, 1992 to construct residential group housing on the Land subject to compliance with certain terms and conditions as contained in the said letter and subject to the payment of premium of Rs 41.84 million and revised ground rent @Rs 2.22 million p.a. w.e.f. February 27, 1973 up to July 14, 1992 amounting to Rs. 42.95 million. Thus a total of Rs. 84.79 million was allegedly payable by EKPL to L&DO. The withdrawal of the said permission by L&DO and quantum of the amount payable to L&DO is subject matter of the Civil Writ Petition No. 3509 of 2001 filed in Delhi High Court by EKPL against L&DO and others. The next date of hearing is fixed for Janauary 12, 2007.

Dalmia Promoters & Developers Private Limited

Direct tax proceedings

Show Cause Notice

- A show cause notice dated March 29, 2006 has been issued by Income Tax Officer, Ward 10(2), New Delhi for re-opening of the assessment for the assessment year 1999-2000 on the ground of income escaping assessment. The amount in dispute would be ascertainable only once the matter is decided. The next date of hearing is fixed for December 12, 2006.

Appeal before the Supreme Court of India

- The IT Department has filed an appeal in the Supreme Court of India in the case of Dalmia Promoters and Developers Private Limited against the order dated January 17, 2006 passed by the Delhi High Court, for the assessment year 1993-1994 on the issue of treatment of interest income amounting to Rs. 3.9 million inclusive of interest. The next date of hearing is scheduled for December 5, 2006.

DLF Financial Services Limited

Direct tax proceedings

Appeals before Income Tax Appellate Tribunal, New Delhi filed by the subsidiaries

- Two appeals have been preferred against the confirmation of additions/ disallowance by Commissioner of Income tax (Appeals) vide order dated January 31, 2000 and August 8, 2000. The addition /disallowance made by the Assessing Officer in assessment is in respect of depreciation on carbon dioxide storage tanks purchased from a specified entity (claimed by us 100% in first year i.e. assessment year 1996-1997) for the assessment years 1996-1997 and 1997-1998 involving amount of Rs. 1.7 million each. The next hearing of the appeals for assessment years 1996-1997 and 1997-1998 is yet to be communicated.

Jawala Real Estate Private Limited

Civil proceedings

Indian National Trust for Art and Culture Heritage has filed a writ petition against State of Maharashtra and others before the Bombay High Court (WP(C) No. 1650 of 2005) praying for preservation of certain heritage structures existing in the various textiles mills at Bombay. Our subsidiary company, Jwala Real Estate Private Limited has been pleaded as Respondent No. 17 in the said matter. Since no heritage structure exists on the land viz. Mumbai Textile Mills which has been acquired by our subsidiary company, our subsidiary company has sought relief of deletion of its name from the array of parties in the said matter. No monetary claim has been made against our subsidiary Company.The court *vide* an order dated May 5, 2006 has disposed of certain motions subject to the condition that permission is still required from the Municipal Commissioner for any development to the said mill land. However, some of the motions are pending before the Court.

Beverly Park Maintenance Services Limited

Civil proceedings

Before Supreme Court of India

- Ridge Bachao Andolan, a non-governmental organisation has filed a writ petition (CWP No. 202/1995) before the Supreme Court against Union of India and others for maintaining ecological balance of the ridge area. Our subsidiary Beverly Park Maintenance Services Limited was impleaded as a party through an application no. 1463/2005 after our subsidiary company was granted on lease plot of land situated in Vasant Kunj, New Delhi to construct retail malls which is alleged to be in complete violation of the order dated August 19, 1997 passed by the Supreme Court without obtaining environmental clearance and/or adhering to relevant environment and pollution laws. It has been alleged that the constructions have been carried out in flagrant violation of the statutory laws. The Andolan has prayed for direction to Delhi Development Authority to ensure that no construction activity is carried on in the area and to notify the ridge area as a reserve forest. No monetary compensation has been claimed against our Company. By an order dated May 1, 2006 the Supreme Court of India has directed our subsidiary to not to proceed with the construction on

the said plot of land until the next date of hearing i.e. July 12, 2006. On October 17, 2006, the Supreme Court has reserved orders in respect of this matter vide which the matter has been referred to the Ministry of Environment and Forests, directing the Ministry of Environment and Forests to take a decision within two months and accordingly the I.A. No. 1463 has been disposed off. The writ petition is pending disposal.

Indirect Tax Proceedings

Service Tax

- Beverly Park Maintenance Services Limited (which is our subsidiary) has filed a reply dated September 11, 2006 to show cause notice bearing number DL-I/ST/ID/278/R-II/2006/16955 dated September 4, 2006, wherein it has been alleged that Beverly Park Maintenance Services Limited has paid service tax for September 2005 for an amount of Rs. 0.4 million on October 7, 2005, while the due date was October 5, 2005 and thus is required to pay interest @ 13% per annum amounting to Rs. 0.0003 million under Section 75 of the Finance Act, 1994. The said show cause notice requires Beverly Park Maintenance Services Limited to show cause as to why the interest amount of Rs. 0.0003 million should not be demanded and recovered from it under Section 75 of the said Act, and why a penalty should not be imposed on it under Section 76 and 77 of the said Act. The next date of hearing is yet to be communicated.

Galaxy Mercantiles Limited

Indirect Tax Proceedings

Show Cause Notice

- A show cause notice bearing number 2899 dated November 17, 2006 was issued by the Assistant Commissioner (A), Trade Tax, Noida to Galaxy Mercantiles Limited (which is our subsidiary), *inter alia*, in relation to the absence of signatures in the registration forms i.e. Form 14 for U.P.T.T. registration and Form A for CST registration, the submission of proof of place of business and proof of directors identity and address. The notice also requires Galaxy Mercantiles Limited to have a hearing with the aforesaid authority. Galaxy Mercantiles Limited has filed a reply and awaits registration by the aforesaid authority.

DLF Retail Developers Limited

Civil proceedings

- Please refer to the proceedings under the heading Employees' Provident Fund Organization against our Company where our subsidiary DLF Retail Developers Limited has been impleaded as a party along with our Company.

DLF Home Developers Limited

Civil proceedings

- Please refer to the proceedings under the heading Employees' Provident Fund Organization against our Company where our subsidiary DLF Home Developers Limited has been impleaded as a party along with our Company.

AGAINST OUR PROMOTERS

Civil proceedings

- Khazan Singh and others, and Piara Lal Yadav and othershave preferred an appeal (LPA No. 69/2005 and LPA No. 82/2006) to the High Court of Punjab and Haryana at Chandigarh, against a judgement of the single bench of the High Court of Punjab and Haryana, dated January 13, 2005, delivered in the case of Suraj Bhan and others versus State of Haryana and others. The impugned judgment had dismissed the writ

petition (CWP No. 8186/1998). Mr. K.P. Singh (our Promoter and Chairman), Vikalap Agro Industries (P) Limited, Dream Land Agro Industries (P) Limited, Vishram Agro Farm Private Limited, Vidhur Cultivation Private Limited, and Prashant Krishi Udyog Private Limited (which have merged into our subsidiary i.e. Nilgiri Cultivation Private Limited) have also been impleaded as parties to the proceedings. The aforesaid entities that now form a part of our aforementioned subsidiary had originally obtained certain land belonging to the Gram Panchayat, Village Wazirabad, District of Gurgaon, in exchange for other identified immoveable property. This exchange of land has been opposed by the appellants. The next hearing for both cases is scheduled for January 16, 2007.

- Please refer to the suit filed by Rajni Gupta before the Delhi High Court (Suit No. 2768/1999) under the heading civil proceedings against our Company where our promoter has been impleaded as a party along with our Company.

- Please refer to the suit filed by Bimla Sharma before Civil Judge (Junior Division), Gurgaon (Suit No. 1991/2000) under the heading civil proceedings against our Company where our promoter has also been impleaded as party.

DIRECT TAX PROCEEDINGS

Appeals filed by Company pending before Delhi High Court

- The executor of the estate of late Chaudhary Raghvendra Singh i.e. K. P. Singh being the promoter has filed an appeal in the Delhi High Court against the order dated September 24, 1991 for the assessment year 1983-84 passed by Income Tax Appellate Tribunal upholding the disallowance/addition in respect of rental income. The amount of claim is Rs. 0.06 million. The next hearing is yet to be fixed.

Appeals filed by Income Tax Department pending before Delhi High Court

- The IT Department has filed an appeal in the Delhi High Court against the order dated May 14, 1980 passed by Income Tax Appellate Tribunal against late Chaudhary Raghvendra Singh represented by executor of the estate of late Choudhary Raghavendra Singh, i.e. K P Singh, our Promoter for the assessment year 1974-1975 for allowing interest held not to be taxable under the head "Other Sources", interest received held to be first deducted from interest paid and balance interest paid to be allowed against taxable and non-taxable income. The amount in dispute is approximately Rs.0.01 million. The next hearing is yet to be fixed.

Indirect Tax Proceedings

- Our Promoter Mr. K.P. Singh has received a summons dated August 26, 2006 for the assessment year 1994-1995 to appear before the Trade Tax Authority, Ghaziabad on October 18, 2006 in relation to the second appeal bearing number 705/2000 for Willard India Limited. However, the letter dated March 10, 2004 by the company secretary of Willard India Limited indicates that Mr. K.P.Singh is not associated with the said company in any capacity since the year 1980. Accordingly, steps are being taken to have Mr. K.P. Singh's name deleted from the list of parties in the matter. The matter was heard on October 18, 2006 and matter has been reserved for disposal.

AGAINST THE PROMOTER GROUP COMPANIES

Civil Proceedings

DLF Hotels Limited (now merged with Nachiketa Real Estate Limited)

- Rakesh Kumar Yadav and others have filed a suit for permanent injunction against Robin Groser and DLF Hotels Limited (which is now merged with Nachiketa Real Estate Limited) and others before the Civil Judge (Senior Division) Gurgaon, (Suit No. 328/2005) for restraining Robin Groser from changing the nature of the building from residential to commercial, encroaching upon the terrace, balcony and open areas, making construction on the third floor on the top of the driveway or any other portion of the building.

DLF Hotels Limited (now merged into Nachiketa Real Estate Limited) has been made a party to the suit as the suit property bearing unit no. D-1/6, Ground Floor and First Floor bearing unit no. D-1/6-FF-I and D-1/6-FF-II was sold by Nachiketa Real Estate Limited to Rakesh Kumar Yadav. No monetary liability has been claimed against Nachiketa Real Estate Limited. Nachiketa Real Estate Limited has filed a written statement stating that the suit is not maintainable against it as Rakesh Kumar Yadav has no cause of action against it. The matter is currently pending before the Civil Judge (Senior Division), Gurgaon and the next hearing is scheduled for February 23, 2007.

- Refer to the regular second appeal filed by Jai Narain against Punjab National Bank before Punjab and Haryana High Court (RSA No. 4735/2004) where DLF Hotels Limited now merged with Nachiketa Real Estates Private Limited is also impleaded as a party along with our Company mentioned under heading "Against our Company".

Savitri Studs and Farming Company Private Limited

Civil Proceedings

- Omwati filed a suit (Suit No. 489/1994) before Civil Judge (Junior Division), Gurgaon seeking permanent injunction for restraining Savitri Studs and Farming Company Private Limited (our promoter group company) and Enter India Private Limited from dispossessing Omwati from the possession of the suit property admeasuring 45 kanals 5 marlas situated in the revenue estate of Abhaipur, Sub-Tehsil Sohna, District Gurgaon. Judgment dated January 6, 2004 was passed by the Civil Judge in favour of Omwati. Hans Raj Saini and others have filed an appeal (Appeal No. 48/2006) in the Court of the Additional District Judge, Gurgaon, against Omwati and Savitri Studs and Farming Company Private Limited contending that the suit property was purchased by Hans Raj Saini and others from Savitri Studs and Farming Company Private Limited and Presco Enterprises (India) Private Limited and mutations to that effect were recorded in the revenue records. There is no monetary liability claimed against our Company in the said appeal. Currently, the matter is pending disposal. The next date of hearing is scheduled for January 15, 2007.

Mayur Recreational and Development Limited (now merged with Nachiketa Real Estates Private Limited)

Direct tax proceedings

Show cause notices

- One of our promoter group company has received ten show cause notices dated December 1, 1992, July 30, 1993, August 12, 1994, March 26, 1996, February 28, 1997, March 29, 2000, March 26, 2001, March 27, 2002, January 20, 2003, March 27, 2006 for the assessment years 1990-1991 to 1994-1995, 1997-1998 to 1999-2000, 2001-2002 and 2003-2004 respectively from the Assessing Officer for initiating penalty proceedings under Section 271(1)(c) of I.T. Act. Since the appeals for the assessment years in question are pending disposal before the appellate authorities, the initiation of penalty proceedings have been kept in abeyance. The quantum of the penalty will be ascertainable only after the appeals are decided by the appellate authorities. The next date of hearing is yet to be fixed.

Appeals before Commissioner of Income Tax (Appeals)

- Our promoter group company has filed an appeal against the assessment order dated March 27, 2006 passed under Section 143(3) of I.T. Act by the Assessing Officer in respect of assessment year 2003-2004 disallowing deduction in respect of annual letting value on swimming pool building and treated the same at Rs. 0.5 million as against returned income of Rs. 0.2 million thereby not giving deduction under section 24(1) of the I.T. Act, 1957 on account of repair & collection.

Appeals filed by Income Tax Department pending before Income Tax Appellate Tribunal, New Delhi

- The Income tax Department ("**IT Department**") has filed six appeals against our promoter group company in the Income Tax Appellate Tribunal, New Delhi pertaining to the relief allowed to by the orders dated August 26, 1996, August 11, 1997, January 23, 2001, June 21, 2001, September 2, 2002 and April 7, 2003 passed by Commissioner of Income Tax (Appeals) for the assessment years 1993-1994, 1994-1995, 1997-1998, 1998-1999, 1999-2000 and 2001-2002 respectively. The issues involved are enhancement of annual letting value of properties at 14 and 16 Aurangzeb Road, New Delhi under the head "income from house property" and enhanced annual letting value on swimming pool building and taxability of enhanced compensation which was exempted aggregating to Rs 32.77 million. The next date of hearing for the assessment year 1993-1994 is yet to be fixed. The next date of hearing for the assessment years 1994-1995, 1997-1998, 1998-1999, 1999-2000 and 2001-2002 is scheduled for January 24, 2007.

Appeals filed by Company pending before Delhi High Court

- Our promoter group company has filed two appeals in the Delhi High Court against the orders dated March 28, 2002 and December 12, 2002 passed by Income Tax Appellate Tribunal (i) in respect of assessment years 1990-1991, 1991-1992 to 1992-1993 respectively for the reasons remanding back to Income Tax Officer the issue of annual letting value at 14 & 16 Aurangzeb Road, New Delhi (old buildings) under the heading "income from house property" to decide the matter afresh; and (ii) in respect of the assessment year 1992-1993 for the taxability of enhanced compensation on sector road at DLF City, Gurgaon which was refunded back to Government of Haryana. The total amount in dispute for two cases would be Rs. 20.126 million. The next date of hearing for the assessment years 1990-1991, 1991-1992 and 1992-1993 in respect of the issue of annual letting value is yet to be fixed. The next date of hearing for the assessment year 1992-1993 in respect of the taxability of enhanced compensation is scheduled for January 12, 2007.

Northern India Theatres Private Limited

- Against an order dated March 14, 1997 passed by Income Tax Appellate Tribunal, the IT Department has filed an appeal in the Delhi High Court challenging deduction allowed by treating cinema hall as plant and machinery and not chargeable to wealth tax and not taking into account for valuation of wealth tax the value of free parking, free passes, slide show, refreshment. The issue is pertaining to assessment year 1984-1985 and the amount in dispute is Rs. 8.68 million. The appeal is pending disposal before the Delhi High Court. The date of hearing of the appeal is yet to be fixed.

Digital Talkies Private Limited

Indirect Tax Proceedings

Show Cause Notice

A show cause notice bearing number DL-I/ST/R-3/242/2005/2397 dated February 16, 2006 was issued by the Assistant Commissioner, Service Tax Division – I, New Delhi to our Promoter Group company in relation to such company not having filed its ST-3 returns in the time period prescribed for the submission of the return under the provisions laid down under Section 70 of the Finance Act, 1994 for the periods October, 2003 to March, 2004, April, 2004 to September, 2004, and October, 2004 to March, 2005. The Assistant Commissioner by the aforesssaid show cause notice has required our Promoter Group company to show cause as to why a penalty under Section 77 of the Finance Act, 1994 should not be imposed on it in view of its non-submission of returns as required under the

aforesaid act. Our Promoter Group company has filed a reply dated June 12, 2006 to the aforesaid show cause notice An order bearing number ST-20/Div-I/R-III/Adv/376/2006/24167 dated October 12, 2006 has been passed by the Assistant Commisioner of Service Tax, Division – 1, New Delhi, wherein the penalty amount of Rs. 0.004 million is imposed and appropriated by the said authority as the payment of such amount has been made as of June 9, 2006. The said order also imposes a penalty of Rs. 0.001 million under Section 77 of the said Act for the non-submission of the ST-3 return for the period October 2001 to March 2002.

AGAINST THE ASSOCIATE COMPANIES

Civil Proceedings

- Manish has filed a suit (Suit No. 287/06) before the Civil Judge (Senior Division), Gurgaon, against Sukh Ram, wherein he has prayed for a decree for possession by specific performance of the agreement of sale dated February 21, 2006 executed between him and Sukh Ram in respect of land bearing Rect.no.10, killa no.s 2/2 (5-3), 3/1 (2-2), 8/2 (3-10), 9 (8-0), 10/1 (7-7) in total measuring 20 kanals 2 marlas situated in the revenue estate of Balola, Tehsil Sohna, District Gurgaon. M/s Niabi Builders & Developers Pvt. Ltd. one of our associate company was impleaded as Defendant no.2 in the said suit as it had purchased the aforesaid land from Sukh Ram vide Sale Deed dated July 11, 2006 which was executed and registered bearing Vasikha No.2082. Manish has alleged that Sukh Ram committed clear breach of the agreement of sale dated February 21, 2006 by transferring the land to our associate company. Manish has alternatively prayed that in the event the specific performance of the agreement to sale cannot be ordered, a decree for recovery of Rs.1,88,43,750/- as well as interest and damages be passed in favour of Manish. The next date of hearing is scheduled for December 12, 2006.

By the Company

Our Company is also a party to cases iniated by us. These cases include writ pettions filed by us challenging the demands raised by the government in relation to infrastructure development charges, suit for recovery of possession, suit for permenant injunction restraining construction, delivery of possession of leased premise to our Company, etc. In the event, the cases our decided against us, we would be exposed to a monetary liability of approxmiately Rs. 863 million.

OTHER MATTERS

- A charge sheet was filed on March 31, 2005 against Ajay Khanna (who was a Chief Executive of our Company at the time) and others, including certain Government officials, by the Central Bureau of Investigation under the provisions of the Prevention of Corruption Act, 1988. Our Company has not been arrayed as an accused in the charge sheet filed by the Central Bureau of Investigation.

- A FIR (no. 381/05) under section 148, 149, 323, 355, 342 and 506 of the Indian Penal Code was filed by Leelu Ram, Surpanch of village Nathupur against J.L. Malik, Chief Manager (security) of our Company and two other security personnels hired by our Company from a security agency. It is alleged that the accused formed an unlawful assembly and were making efforts to encoarch over the land of gram panchayat. The charge sheet was framed by the court and the matter is presently under trial before the court of Judicial Magistrate 1st class, Gurgaon and is fixed for December 14, 2006 for further evidence of witness. Our Company or its subsidiaries have not been arrayed as an accused.

- Bhagatraj Ahuja has moved a notice of motion (No. 254 of 2005) in the writ petition (W.P. 2617 of 2004) against the Municipal Corporation of Greater Mumbai, Slum Rehabilitation Authority, Mangal Shrushti Griha Nirmita (our associate company) and others seeking a declaration that the plans passed by Municipal Corporation of Greater Mumbai ("**MCGM**") in excess of 2.5 floor space index to be declared as void. The matter is pending before the Bombay High Court. Affidavit in reply was filed by the Mangal Shrushti Griha Nirmiti Private Limited. Our Company or its subsidiaries have not been arrayed as a party to the matter.

- Tulsiwadi Navinirman (SRA) Co-operative Housing Society Ltd has filed a writ petition (W.P. No. 2877/2006) against the MCGM, the Commissioner of Police, Mangal Shrusti Gruh Nirman Limited and

others seeking the issuance of directions to the MCGM and Commissioner of Police to exercise their powers for effective implementation of the 'Urban Renewal Scheme' for 'Tulsiwadi' in Mumbai. The petitioner has prayed that MCGM be directed (i) to evict the disgruntled occupants and complete the eviction process within a period of 2 months; (ii) to demolish the dilapidated buildings; (iii) to constitute a committee to monitor and ensure the smooth implementation of the Urban Renewal Scheme; and (iv) to issue an order restraining certain occupants from obstructing or stalling the demolition work and/or redevelopment on the property. There is no relief claimed against Mangal Shrusti Gruh Nirman Limited. The next date of hearing is fixed for January 22, 2007.

- In the opinion of our Board, except as disclosed below, there are no outstanding litigations, pertaining to matters likely to have material impact on the operations and finances of our Company:

MATERIAL DEVELOPMENTS

In the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT APPROVALS

Except as stated below, we have received the necessary approvals from the GoI and various governmental and regulatory authorities in relation to our projects under development. No further approvals are required for conducting our present business other than as described below.

APPROVALS FOR OUR PROJECTS

Some of our projects are being developed under joint development agreements. Projects are developed on freehold as well as leasehold property.

Our projects may be divided into four categories - residential and commercial including IT parks and industrial parks, retail, and SEZs. Necessary approvals which we have received under these four categories from the GoI and various governmental and regulatory authorities are described below. The details of the same are provided as on November 30, 2006.

Residential and commercial

Niharika Saiwadi, Mumbai

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Revised letter of intent for approval of the Slum Rehabilitation Scheme granted by the Slum Rehabilitation Authority, Mumbai	SRA/Ch.E/172/KE/ML/LOI	October 18, 2004	N.A.
Approval of building plan for sale commercial building no. 1 granted by Slum Rehabilitation Authority, Mumbai	SRA/Ch.E/Eng/1287/KE/ML/AP	May 20, 2005	N.A.
Approval of building plan for sale commercial building no. 2 granted by Slum Rehabilitation Authority, Mumbai	SRA/Ch.E/Eng/1399/KE/ML/AP	June 24, 2005	N.A.
Certificate of no-objection granted by the Chief Fire Officer, Mumbai in respect of the amended building plan for sale commercial building no. 1 and building no. 2	FBM/S/505/384	August 12, 2005	N.A.

Approvals applied for:

We have, on February 7, 2006, applied to the Slum Rehabilitation Authority, Mumbai for approving the amended building plans of commercial building no. 1 and 2. Further, we have on August 18, 2006 applied to the Slum Rehabilitation Authority, Mumbai for revalidation of the permission to construct of commercial building no. 1.and 2 until July 8, 2006 and September 21, 2007 respectively.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the Airport Authority of India ("**AAI**")and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Aralias, Gurgaon, Haryana

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Revalidation of the certificate of no-objection granted by the AAI	AAI /NOC 2002/102/531-33	February 28, 2006	January 16, 2008
Approval of revised building plans of building no. 1 to 11 in Zone 4 granted by the Director, Town and Country Planning, Haryana,	11937	August 28, 2003	August 27, 2008

Description	Reference	Issue Date	Expiry Date
Chandigarh			
Approval of revised zoning plan of Group Housing Scheme admeasuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Westend Heights, Gurgaon, Haryana

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Approval of revised building plans of estate 3, in Zone 7 granted by the Director, Town and Country Planning, Haryana, Chandigarh	11906	August 28, 2003	August 27, 2008
Approval of fire fighting scheme granted by the Fire Station Officer, Gurgaon, Haryana in respect of building plan of estate 3 in Zone 7	FS-2002/1014	October 15, 2003	N.A.
Approval of revised zoning plan of Group Housing Scheme admeasuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, revalidation of certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Pinnacle, Gurgaon, Haryana

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Approval of revised building plans of Zone 6 granted by the Director, Town and Country Planning, Haryana, Chandigarh	17598	December 8, 2004	Validity until December 7, 2006 if height of the buildings are less than 15 meters and December 7, 2009 for multistoried buildings
Approval of fire fighting scheme granted by the Fire Station Officer, Gurgaon, Haryana in respect of building plans in Zone 6	FS-704	October 6, 2004	N.A.
Approval of fire fighting scheme of revised building plans in Zone 6 granted by the Fire Station Officer, Gurgaon, Haryana	FS-2005/206	February 10, 2005	N.A.
Certificate of no-objection granted by the AAI	AAI /20012 /587/2004-ARI(NOC)	November 18, 2005	November 17, 2008
Approval of revised zoning plan of Group Housing Scheme admeasuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Icon, Gurgaon, Haryana

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Approval of building plans in Zone 6 granted by the Director, Town and Country Planning, Haryana, Chandigarh	17591	December 8, 2004	Validity until December 7, 2006 if height of the buildings are less than 15 meters and December 7, 2009 for multistoried buildings
Certificate of no-objection granted by the AAI	AAI /20012 /587/2004-ARI (NOC)	November 18, 2005	November 17, 2008
Approval of fire fighting scheme granted by the Fire Station Officer, Gurgaon, Haryana in respect of building plans	FS/2005/115	January 28, 2005	N.A.
Approval of revised zoning plan of Group Housing Scheme admeasuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Royalton, Gurgaon, Haryana

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Approval of building plans of estate 2, Zone 7 granted by the Director, Town and Country Planning, Haryana, Chandigarh	13979	October 4, 2004	Validity until October 3, 2006 if the height of the buildings are less than 15 meters and October 3, 2009 for multistoried buildings
Revalidation of of the no-objection granted by the AAI	AAI /NOC 2003/40/1/64-66	August 30, 2006	August 12, 2008
Approval of revised fire fighting scheme granted by the Fire Station Officer, Gurgaon, Haryana in respect of the building plans	FS/2004/69	November 23, 2004	N.A.
Approval of revised zoning plan of Group Housing Scheme admeasuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from

the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Summit, Gurgaon, Haryana

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Approval of revised zoning plan of Group Housing Scheme admeasuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.

Approvals applied for:

We have, on December 24, 2005, applied to the Director, Town and Country Planning, Haryana, Chandigarh for approval of the revised building plan in Zone 8.The approval is awaited. We have been granted a revalidation of the certification of no objection (O-27/NOC/99/63/639-41 dated December 27, 2004) granted by AAI. Although this licence expired on November 29, 2006, we have, on November 9,. 2006, applied to the AAI for issuance of a no objection certificate.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Magnolias, Gurgaon

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Revalidation of the certificate of no-objection granted by the AAI	AAI /NOC 2002/102/531-33	February 28, 2006	January 16, 2008
Approval of revised zoning plan of Group Housing Scheme admeasuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Retail

DLF Times Square Mall, Noida

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Approval of building plan, granted by NOIDA	S.No/Noida/B.C/B.P./IV-1075/85	March 10, 2006	March 9, 2008

Approvals applied for:

We have, on February 16, 2006, applied to the Uttar Pradesh Pollution Control Board for a 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981. The approval is awaited.

Approvals to be applied for:

We will be required to apply to Uttar Pradesh Pollution Control Board for 'consent to operate' and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Sikendarpur Mall, Gurgaon

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Licence to set up a commercial colony granted by the Director, Town and Country Planning, Haryana, Chandigarh	174 and 175 of 2004	December 16, 2004	December 15, 2006
Approval of demarcation and zoning plan of commercial colony granted by Director, Town and Country Planning, Haryana, Chandigarh	5251	June 6, 2005	N.A.
Approval of building plans granted by the Director, Town and Country Planning, Haryana, Chandigarh	12839	October 3, 2005	October 2, 2010
Certificate of no-objection granted by the AAI	AAI/NOC/2005/214/179-81	November 22, 2005	November 21, 2008

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, concerned Civil Surgeon and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Courtyard Mall, Saket, New Delhi

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Certificate of no objection granted by the Chief Fire Service Office, Delhi Fire Service to Building Section, Delhi Development Authority in respect of building plans	F.6.DFS/MS/BP/2005/2073	October 4, 2005	N.A.
Certificate of no-objection granted by the AAI	AAI/20012/1098/2005-ARI (NOC)	November 17, 2005	November 16, 2008
Approval of building plans granted by Building Section, Delhi Development Authority	F13(77) 2005/Building	January 19, 2006	January 11, 2011
Provisional certificate to construct multiplex having six cinema auditoriums granted by Deputy Commissioner of Police, Licensing, Delhi.	10507/DCP/Lic.(Cinema)	April 3, 2006	N.A.

Approvals applied for:

We have, on May 25, 2005, applied to the Delhi Pollution Control Committee for 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981. In accordance with Notification No S.O. 801(E) dated July 7, 2004, we have, on December 2, 2005, applied for clearance to the Ministry of Environment and Forests, GoI. The approvals are awaited.

Approvals to be applied for:

We will be required to obtain requisite environmental consents for operation of the mall, fire safety clearances for the concerned Fire Station Officer, regular cinematograph license from Deputy Commissioner of Police, Licensing, Delhi and completion and occupation certificates from the competent government authority at appropriate stages of the project.

South Point Mall, Gurgaon, Haryana

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
11 Licences to set up a commercial colony granted by the Director, Town and Country Planning, Haryana, Chandigarh admeasuring 3.272 acres	135,136 and 137 of 1998	November 15, 1998	N.A.
	138,139, 140, 141, 142, 143 and 144 of 1998	November 15, 1998	N.A. December 15, 2006
	173 of 2004	December 16, 2004	
Approval of building plans granted by the Director, Town and Country Planning, Haryana, Chandigarh in relation to land admeasuring 2.042 acres	10304	August 1, 2001	N.A.
Approval of revised zoning plans granted by the Director, Town and Country Planning, Haryana, Chandigarh, in relation to land admeasuring 2.042 acres	16306	November 12, 2003	N.A.
Approval of demarcation and zoning plan granted by the Director, Town and Country Planning, Haryana, Chandigarh in relation to land admeasuring 3.272 acres (i.e. 2.042 acres and 1.23 acres of the abovementioned properties)	4561	May 16, 2005	N.A.
Approval of building plans granted by Director, Town and Country Planning Haryana, Chandigarh on land admeasuring measuring 3.272 acres	14062	October 14, 2005	October 13, 2010
Certificate of no-objection granted by the AAI	AAI/NOC/2005/215/176-78	November 22, 2005	November 21, 2008
Approval granted by the Fire Station Officer, Gurgaon, Haryana in respect of building plans for the building to be constructed on land admeasuring 3.272 acres	FS/2005/2596	December 16, 2005	N.A.

Approvals applied for

We, have on November 6, 2006 applied to the Director, Town and County Planning, Haryana for a occupation certificate.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificate of no-objection from the concerned Civil Surgeon, Gurgaon, Haryana and completion and occupation certificates from the competent government authority at appropriate stages of the project.

DT City Centre, Shalimar Bagh, Delhi

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by the AAI	AAI/NOC/2004/87-A/386-88	August 4, 2004	August 3, 2007
Certificate of no-objection granted by the Chief Fire Officer, Delhi Fire Service to Building Section, Delhi Development Authority in respect of the building plans	F6/MS/DFS/BP/2004/2443	October 14, 2004	N.A.
Approval of building plans granted by Building Section of Delhi Development Authority	F13(77)2004/Building	January 25, 2005	January 13, 2007

Approvals applied for:

We have, on April 4, 2005, applied to the Delhi Pollution Control Board for 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 to which the Delhi Pollution Control Board granted a receipt bearing application No. 13401 on April 5, 2005. In accordance with Notification No S.O. 801(E) dated July 7, 2004, we have, on November 15, 2005, applied for clearance to the Ministry of Environment and Forests, GoI.

We have on March 29, 2005 bearing no. 9859/DCP/Lic.(Cinema) applied to Deputy Commissioner of Police, Licensing, for grant of provisional certificate in respect of proposed multiplex.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Emporio Mall, Vasant Kunj, New Delhi

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by the AAI	AAI/20012/14/2005-ARI (NOC)	March 15, 2005	March 14, 2008
Certificate of no-objection granted by Chief Fire officer, Delhi Fire Service to Building Section, Delhi Development Authority in respect of the building plans	F.6/DFS/MS/BP/2005/831	April 20, 2005	N.A.
Approval of building plans granted by Building Section, Delhi Development Authority	F13(160) 2004/Building	September 7, 2005	September 4, 2010

Approvals applied for:

We have, on April 25, 2005, applied to the Delhi Pollution Control Board for 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances for the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Promenade Mall, Vasant Kunj, New Delhi

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by the AAI	AAI/20012/1185/2004-ARI	December 8, 2004	December 7, 2007
Certificate of no-objection granted by Chief Fire Officer, Delhi Fire Service to Building Section, Delhi Development Authority in respect of the building plans	F-6/MS/DFS/ BP/ 2005/1181	June 7, 2005	N.A.
Approval of building plans granted by Building Section, Delhi Development Authority	F 13 (169) 2004/Building	October 20, 2005	October 17, 2010
Provisional certificate to construct multiplex having six cinema auditoriums granted by Deputy Commissioner of Police, Licensing, Delhi	8921/DCP/Lic.(Cinema)	March 14, 2006	N.A.

Approvals applied for:

We have, on May 16, 2005, applied to the Delhi Pollution Control Board for 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 to which the Delhi Pollution Board has provided a receipt bearing reference no. 14311 on June 03, 2005.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificate of no-objection from the Civil Surgeon, Gurgaon, Haryana and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Mall, Ludhiana Project

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Agreement by Director of Industries and Commerce Government of Punjab, granting special package of incentives to mega projects, including 100% exemption from entertainment tax for a period of 10 years, conversion of land use from agriculture to set up multiplex, relaxation under the applicable Shops and Commercial Establishment Act by the Labour Department to permit 24 hour operation, exemption from basic electricity duty (including cess) for a period of 5 years from the date of release of connection by Punjab State Electricity Board and an in-principle approval for consolidation of two plots into a single plot for the multiplex project.	N.A.	February 6, 2006	N.A.

Approvals to be applied for:

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, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, certificate of no-objection from the concerned Civil Surgeon and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Mumbai Textile Mill Land, Project

Description	Reference	Issue Date	Expiry Date
Letter of intent for redevelopment of property bearing CS.No.464, 4/464 granted by Office of Additional Collector & C.A	C/ULC/D.III/22/8127	October 15, 2005	October 14, 2010
Permission to commence construction subject to condition mentioned therein granted by Municipal office, Mumbai	EB/1342/GS/A	January 24, 2006	January 23, 2007
Enviornmental clearance for construction of commercial complex at lower Paral, Mumbai granted by Ministry of Enviornment and Forest, GoI The above mentioned approval was amended on September 21, 2006.	21-118/2006-IA.III	September 20, 2006	N.A.

Approvals to be applied for:

We will be required to obtain applicable zoning and building permissions, environmental consents and, registration under the applicable shops and commercial establishments legislation, fire safety clearances for the concerned Fire Station Officer, certificates of no-objection from the AAI, certificate of no-objection from the concerned civil surgeon and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Galleria Mall, Mayur Vihar, Delhi

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by the AAI	AAI/NOC/2005/113/1048-50	June 14, 2005	June 13, 2008
Approval of building plan granted by the Building Section, Delhi Development Authority	F13(122) 2004/Building	June 16, 2005	June 6, 2007

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, registration under the applicable shops and commercial establishments legislation, fire safety clearances from the concerned Fire Station Officer, certificate of no-objection from the concerned Civil Surgeon and completion and occupation certificates from the competent government authority at appropriate stages of the project.

South Court, Saket New Delhi

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection for Plot No. A-1, P-2B, Saket granted by Chief Fire Officer, Delhi Fire Service to Building Section, Delhi Development Authority in respect of the building plans	F.6/DFS/MS/BP/2006/2861	September 27, 2006	N.A

Approvals to be applied for:

We will be required to obtain requisite Building plans from DDA, environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, registration under the applicable shops and commercial establishments legislation, fire safety clearances from the concerned Fire Station Officer, certificate of no-objection from the concerned civil surgeon and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Jasola Towers, Saket, New Delhi

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by Chief Fire Officer, Delhi Fire Service for Plot No. 10 to Building Section, Delhi Development Authority in respect of the building plans.	F.6/DFS/MS/BP/2006/2363	September 7, 2006	N.A
Certificate of no-objection granted by Chief Fire Officer, Delhi Fire Service for Plot No. 11 to Building Section, Delhi Development Authority in respect of the building plans.	F.6/DFS/MS/BP/2006/2364	September 7, 2006	N.A

Approvals applied for

We have, on November 23, 2006 applied to the Ministry of Enviroment and Forests, GoI for enviormental clearance under Notification No. S.O. 801 (E) and on September 25, 2006 applied for 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981. The approvals are awaited.

Approvals to be applied for:

We will be required to obtain requisite Building plans from DDA, environmental consents, registration under the applicable shops and commercial establishments legislation, fire safety clearances from the concerned Fire Station Officer, certificate of no-objection from the concerned civil surgeon and completion and occupation certificates from the competent government authority at appropriate stages of the project.

IT Parks and industrial parks

IT Park, Kolkata

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Approval for setting up of infrastructure facility for software technology units, granted by the Department of Information Technology, Ministry of Communications and Information Technology, GoI	1/(18)2004-ITP	December 22, 2004	N.A.
Permission for import of items under the Custom Notification No.153/93 granted by the Department of Information Technology, Ministry of Communications and Information Technology, GoI	1/(18)2004-ITP	December 22, 2004	December 21, 2006
Permission granted by the West Bengal Housing Infrastructure Development Corporation Limited for construction of an IT park	176/HIDCO/ED (EM) MD/18	January 12, 2005	N.A.
No objection certificate granted by West Bengal Pollution Control Board granting consent to establish IT park in Blocks I and II of the project site	159-2N-444/2004, certificate no. 23786	May 3, 2005	N.A.
Approval for setting up an industrial park, granted by Department of Industrial Policy and Promotion, Ministry of Commerce, GoI, in respect of 10 acres of land	15/26/05-IP&ID	May 13, 2005	N.A.
Certificate of no-objection issued by the AAI	AAI/20012/1236/ 2004-ARI (NOC)	July 29, 2005	July 28, 2008
Revised provisional part occupancy certificate granted by the Office of the Director General, West Bengal Fire and	WBFES/8896/Raj arhat-IT	November 24, 2005	N.A.

Description	Reference	Issue Date	Expiry Date
Emergency Services, consenting to part occupancy of building	Park/141/04(157/04)		
Certificate of no-objection granted by the Office of the Director General, West Bengal Fire and Emergency Services, in respect of part occupation of the building	WBFES/340/06	January 24, 2006	To be renewed annually
Provisional certificate of no-objection granted by the Office of the Director General, West Bengal Fire and Emergency Services, permitting storage of high-speed diesel	WBF&ES/7739/1(1)	September 21, 2005	N.A.
Consent for operating diesel generator set(s) for non-industrial use, granted by West Bengal Pollution Control Board	839-2A-ZII/G/181/05.06	October 25, 2005	September 30, 2010
Certificate of no-objection granted by Office of District Magistrate, in relation to storage of high speed diesel at the buildings at project site	953/J.M	November 2, 2005	Validity concurrent with agreement between West Bengal Electronics Industry Development Corporation Limited and DLF Info City Developers (Kolkata) Limited
Grant of partial occupancy certificate for the ground and 1st, 7th and 8th floor of Block- I, building for IT/ITES Webel in Plot no. 8, Block AF by West Bengal Housing Infrastructure Development Corporation Limited	4691/HIDCO/ED(EM)/18	September 15, 2006	N.A.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, certificate of no-objection from the concerned Civil Surgeon and completion and occupation certificates from the competent government authority at appropriate stages of the project.

IT Park, Hyderabad

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
Exemption from application of zoning regulations granted by Department of Information Technology and Communications, Government of Andhra Pradesh	645/IT&C/2005	May 4, 2005 (signed on May 6, 2005)	N.A.
Approval for establishing an industrial park on 15.85 acres of land, granted by Department of Industrial Policy and Promotion, Ministry of Commerce, GoI	15/65/05-IP&ID	June 30, 2005	N.A.
Technical approval of building plans, granted by the Secunderabad Development Authority	8845/BP/CDA/2005	November 23, 2005	N.A.
Certificates of no-objection granted by the AAI	AAI/HY/ATS-59/NOC-2/2005/4672-74,AAI/HY/ATS-59/NOC-2/2005/4681-83,AAI/HY/ATS-59/NOC-2/2005/4678-80and AAI/HY/ATS-59/NOC-2/2005/4675-77	April 17, 2006	April 16, 2008

Approvals applied for:

We have, on February 2, 2006, applied to the Hyderabad Fire Service Department for grant of a certificate of no objection, and on December 15, 2005 to Andhra Pradesh Pollution Control Board for grant of environmental consents under Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

Approvals to be applied for:

We will be required to obtain requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Bhoruka IT Project, Bangalore

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Change of land use permission	-	February 24, 2006	N.A.
Certificate of no-objection granted by the AAI	AAI/20012/1390/2005-ARI(NOC)	March 3, 2006	March 2, 2009
No objection certificate for power supply granted by Bangalore Electricity Supply Company Limited for sanction of the building plan from competent authority.	CGN/BMAZ/DGM(T)/AGH-1/F-242/1902	May 22, 2006	N.A.
Approval for building plan granted by the Building Development Authority	-	July 6, 2006	July 5, 2008

Approvals applied for

We have, applied to the Karnataka Pollution Control Board for 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 to which the Karnataka Pollution Control Board granted a receipt bearing registration no. 12793 dated February 22, 2006.

Approvals to be applied for

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, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances for the concerned Fire Station Officer, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Industrial Park, Chandigarh

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Approval of building plans, Phase-I granted by the Chief Administrator, Chandigarh	2531/M-1091	February 20, 2004	February 19, 2009
Approval of building plans, Phase-II granted by the Chief Administrator, Chandigarh	1471/M-1091	December 16, 2004	December 15, 2009
Approval for setting up an infrastructure facility for Software Technology Park unit granted by the Department of Information Technology, Ministry of Communications and Information Technology, GoI	1(1)/2004/ITP	May 11, 2004	N.A.
Approval for setting up an industrial park on 8 acres of land, granted by Department of Industrial Policy and Promotion, Ministry of Commerce, GoI	15/1/04-IP & ID	December 31, 2004	N.A.

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by the Chief Fire Officer, Fire Department, Chandigarh in respect of building plans	CFO 2005/442	August 30, 2005	N.A.
Partial occupancy certificate granted by the Chief Administrator, Chandigarh	4455/SDO(B)/M-1091/2005	October 10, 2005	N.A.

Approvals applied for

We have, on December 26, 2005, applied to the Chandigarh Pollution Control Board for grant of consent under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

Approvals to be applied for

We will be required to obtain renewal of the permission and approvals which have expired and we will also be required to obtain fire safety clearances for the concerned Fire Station Officer, no objection certificate from Ministry of Environment and Forest, GoI under Notification No S.O. 801(E) dated July 7, 2004, certificate of no-objection and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Industrial Park, Chennai

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by Electronics Corporation of Tamil Nadu Limited for grant of extra FSI for IT Park	GM (IT P&D)/ ELCOT/907/ITP-FSI/2005	May 19, 2005	N.A.
Approval for setting up an industrial park on 36 acres of land, granted by the Department of Industrial Policy and Promotion, Ministry of Commerce, GoI	15/71/05-IP&ID	July 22, 2005	N.A.
Certificate of no-objection granted by the AAI	AAI/M/0-23/NCC	December 12, 2005	December 11, 2008
Certificate of no-objection granted by Tamil Nadu Fire and Rescue Service Department in respect of the building plans	4706/DI/2005	January 7, 2006	N.A.
Approval of building plans granted by Ministry of Housing and Urban Development (UDI), Department Secretariat, Chennai for: ▪ basement floor, ground floor and 9 floors in Block I; ▪ double basement floor, ground floor and 7 floors in Block II; ▪ ground floor, first floor in Block III; ▪ ground floor, mezzanine floor in Block IV; and ▪ ground floor in Block V (Service Block).	69	February 28, 2006 (signed on March 3, 2006)	N.A.

Approvals applied for

We have, on September 30, 2005, applied to the Tamil Nadu Pollution Control Board for consents under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981, and on December 26, 2005 to the Chennai Metropolitan Water Supply and Sewerage Board in relation to a proposed sewerage treatment plant.

Approvals to be applied for

We will be required to obtain fire safety clearances for the concerned Fire Station Officer, no objection certificate from Ministry of Environment and Forest, GoI under Notification No S.O. 801(E) dated July 7, 2004, certificate of

no-objection and completion and occupation certificates from the competent government authority at appropriate stages of the project.

DLF Cyber City Gurgaon, Haryana

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Eleven Licences to set up a cyber city colony granted by the Director, Town and Country Planning, Haryana, Chandigarh	7 and 8 of 2002	February 12, 2002	February 11,2007
	47 and 48 of 2002	September 4, 2002	September 3, 2007
		April 30, 2003	April 29, 2008
	4 and 5 of 2003	May 5, 2004	May 4, 2009
		June 3, 2004	June 2, 2009
	46 and 47 of 2004	December 16, 2005	December 15, 2010
	75 and 76 of 2004		
	295 of 2005		
Approval of zoning plan granted by the Director, Town and Country Planning, Haryana, Chandigarh	13329	September 27, 2002	N.A.
Approval of building plans of land admeasuring 3.16 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	1201	January 15, 2003	January 14, 2005
Approval of building plans in Zone-5 granted by Director, Town and Country Planning, Haryana, Chandigarh	12182	August 29, 2003	August 28, 2005
Approval of revised zoning plan of land admeasuring 78.3056 acres granted by the Director, Town and Country Planning, Haryana, Chandigarh	15269	October 30, 2003	N.A.
Licence to set up a cyber city colony granted by the Director, Town and Country Planning, Haryana, Chandigarh	46 and 47 of 2004	May 5, 2004	May 4, 2009
Approval for setting up of infrastructure facility for Software Technology units granted by the Ministry of Communications and Information Technology, Department of Information Technology	1(5) 2004-ITP	May 7, 2004	N.A.
Licence to set up a cyber city colony granted by the Director, Town and Country Planning, Haryana, Chandigarh	75 and 76 of 2004	June 3, 2004	June 2, 2009
Approval for setting Industrial Park granted by Department of Industrial Policy & Promotion, Ministry of Commerce & Industry on 21 acres of land	15/12/04-IP&ID	December 31, 2004	N.A.
Approval of revised building Plans of building no. 3 (Block-1, 2 & 3) in Zone-5 granted by Director, Town and Country Planning, Haryana, Chandigarh	2335	March 7, 2005	March 6, 2010
Approval of building plans of building no. 5 in Zone 1 granted by Director, Town and Country Planning, Haryana, Chandigarh	5658	June 16, 2005	June 15, 2007
Certificate of no-objection granted by the Fire Station Officer, Gurgaon, Haryana in respect of	FS-29/274	June 17, 2005	June 17, 2007

Description	Reference	Issue Date	Expiry Date
building plans of Block A & B in Zone 5			
Certificate of no-objection granted for continuing occupation for Block A & B in Zone 2 granted by Fire Station Officer, Gurgaon Haryana, Chandigarh	40/06	June 20, 2005	April 7, 2007
Approval of revised zoning plan of land admeasuring 86.2241 granted by the Director, Town and Country Planning Haryana, Chandigarh	7623	July 26, 2005	N.A.
Certificate of no-objection granted for Block D & E in Zone 2 by the Fire Station Officer, Gurgaon, Haryana	FS/2005/1637	August 16, 2005	April 7, 2006
Approval for fire fighting scheme for 5 blocks- 1, 2, 3 part of 86.2241 acres granted by Fire Station Officer, Gurgaon, Haryana	Not Legible	September 29, 2005	N.A.
Approval of building plans of building no.8 in Zone 7 granted by Director, Town and Country Planning, Haryana, Chandigarh	12849	October 5, 2005	October 4, 2007
Certificate of no-objection granted for Block –I in Zone 4 by the Fire Station Officer, Gurgaon, Haryana	FS-29/1361/06	October 28, 2005	November 7, 2007
Approval of building plans of building no. 6, in Zone 3 granted by Director, Town and Country Planning, Haryana, Chandigarh	5974	March 21, 2006	March 20, 2008
Approval of building plans of building no. 9 in Zone 4, granted by Director, Town and Country Planning, Haryana, Chandigarh	5980	March 21, 2006	March 20, 2011
Approval of revised building plan of building no. 8 in Zone 7 granted by Director, Town and Country Planning, Haryana, Chandigarh	5967	March 21, 2006	March 20, 2011
Approval for construction of temporary site office for commercial colony granted by Senior Town Planner, Gurgaon.	1973	April 10, 2006	N.A.
Certificate of no objection granted for building 3, block C by the Fire Station Officer, Gurgaon	FS/2006/455	May 8, 2006	May 7, 2007
Certificate of no objection granted for building 8, block A by the Fire Station Officer, Gurgaon, Haryana	FS/2006/467	May 8, 2006	May 7, 2007
Certificate to commence construction for building no.9 in 86.2241 acres granted by the Director Town and Country Planning, Gurgaon, Haryana	126DTP(GGN)DPC	June 2, 2006	N.A.
Certificate of no objection granted for DLF Infinity Tower by Fire Station Officer, Gurgaon Haryana.	FS-29/274	June 22, 2006	June 17, 2007
Approval of revised zoning plan of cyber city colony admeasuting 88.691 acres in Sector 24, 25 and 25A granted by the Director Town and Country Planning, Gurgaon, Haryana	24056	September 18, 2006	N.A.
Approval of service plan for building 8 Zone 7, cybercity granted by Director Town and Country Planning, Gurgaon, Haryana	SDP(III)-2006/25896	October 6, 2006	N.A.

Approvals applied for

We have, on April 7, 2006, applied to the Director, Town and Country Planning, Chandigarh, Haryana, for grant of occupation certificate for Building No 3 (Block -3). Further We have, on September 9, 2006 applied to the Haryana State Pollution Control Board for "consent to establish" under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 for building No. 7 (A&B) and building No. 5 in sector

24, Gurgaon. The approval is awaited. We have, on November 24, 2006 also applied to the Ministry of Enviroment and Forests, GoI,for environmental clearance under notification No. S.O. 801(E) dated July 7, 2004 for DLF Cyber City, Gurgaon.

We have been granted a revalidation of the certification of no objection (AAI/20012/69/1996-ARI dated October 31, 2002) granted by AAI. Although this licence expired on October 31, 2006, we have, on October 5, 2006, applied to the AAI for issuance of a no objection certificate.

Approvals to be applied for

We will be required to obtain renewal of the permissions and approvals which have expired and also be required to obtain requisite environmental consents and, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZs

SEZ Project, Silokhera, Gurgaon

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In principle approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI	F.2/137/2005-EPZ	January 17, 2006	January 16, 2007

Approvals applied for

We have, on September 29, 2006 applied to Haryana State Pollution Control Board for a 'consent to establish' under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981. The approval is awaited.

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Pune

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Letter exempting from the requirement of obtaining 'consent to establish', issued by the Maharashtra Pollution Control Board	130/Ro (P/P)/pH/B-7979	December 2, 2005	N.A.
Approval granted for setting up IT/ITES SEZ by the Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 60 acres of land	F.2/125/2005-EPZ	January 20, 2006	January 19, 2009
Environmental clearance from the Ministry of Environment and Forest, GoI, in accordance with notification No. S.O.801(E) dated July 7, 2004	J-12011/79/2005-I.A.III (CIE)	June 16, 2006	N.A.

Description	Reference	Issue Date	Expiry Date
Provisional certificate of no-objection for building no. 4 granted by Chief Fire Officer, Maharashtra Industrial Development Corporation	MIDC/Fire/394	June 12, 2006	June 11, 2007

Approvals applied for

We have, on October 27, 2006 by a letter bearing no. DLF/A/ARCH/01/Pune-IT/4307/2006 applied to the Chief fire officer and fire advisor, Maharashtra Industrial Development Corporation for amendment of the provisional no objection certificate.

Approvals to be applied for

We will be required to obtain approval of our building plans, environmental consents, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Shivajimarg Properties, New Delhi

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In principle approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI	F.2/113/2005-EPZ	January 17, 2006	January 16, 2007

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Kolkata

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In principle approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 25 acres of land	F.2/56/2005-EPZ	January 20, 2006	January 19, 2007

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI, approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Hyderabad

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In principle approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 26.22 acres of land	F.2/136/2005-EPZ	January 17, 2006	January 16, 2007

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI, approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Chennai

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Approval granted for setting up IT / ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 38.49 acres of land	F.2/124/2005-EPZ	December 2, 2005	December 1, 2008

Approvals to be applied for

We will be required to obtain approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances for the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Gurgaon

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Approval granted for setting up IT / ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 67.24 acres of land	F.2/126/2005-EPZ	January 20, 2006	January 19, 2009

Approvals to be applied for

WE will be required to obtain approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Ambala, Haryana

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In principle approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 26.22 acres of land	F.2/35/2006-EPZ	April 3, 2006	April 2, 2007

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI, approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Multi product SEZ Project, Gurgaon

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In -principle approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 1012 hectares of land	F.2/36/2006-EPZ	April 7, 2006	April 6, 2007

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI, approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Ludhiana, Punjab

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In-principle approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 1011 hectares of land	F.2/22/2006-EPZ	April 7, 2006	April 6, 2007

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI, approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Amritsar, Punjab

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In principle approval granted for setting up of a free trade warehousing zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 40 hectares of land	F.2/77/2006-EPZ	April 4, 2006	April 3, 2007
In principle approval granted for setting up a sector specific special economic zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 160 hectares of land	F.2/78/2006-EPZ	April 7, 2006	April 6, 2007
In principle approval granted for setting up of a sector specific special economic zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 140 hectares of land	F.2/79/2006-EPZ	April 7, 2006	April 6, 2007
In principle approval granted for setting up of a sector specific special economic zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 100 hectares of land	F.2/80/2006-EPZ	April 7, 2006	April 6, 2007

Approvals to be applied for

We will be required to apply for and obtain final approval for setting up the IT/ITES SEZ from Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI, approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, (Silokhera) Gurgaon

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 12.14 hectares of land	F.2/137/2005-EPZ	October 25, 2006	Ocotber 24, 2009

Approvals to be applied for

We will be required to apply for and obtain, approval of building plans, requisite environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project,Kolkata

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 10.12 hectares of land.	F.2/43/2006-EPZ	June 16,,2006	June 15, 2009

Approvals to be applied for

We will be required to apply for and obtain, environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project,Chennai

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 15 hectares of land.	F.2/124/2005-EPZ	June 22, 2006	June 21, 2009

Approvals to be applied for

We will be required to apply for and obtain, environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 801 (E) dated July 7, 2004, fire safety clearances from the concerned Fire Station Officer, certificates of no-objection from the AAI, and completion and occupation certificates from the competent government authority at appropriate stages of the project.

Miscellaneous Approvals for other Projects

We apply for renewal of various operational permissions, approvals and licenses from time to time for our completed projects from statutory and government authorities such as Director, Town and Country Planning, Haryana, Chandigarh, Haryana State Pollution Control Board, Fire Station Officer, Gurgaon, Haryana, District Magistrate, Gurgaon (for provisional cinema licence), Building Section, Delhi Development Authority, Delhi.

TAX APPROVALS

Described below are the various tax registrations that we have obtained:

Description	Reference	Issue Date/Effective Date	Expiry Date
Registration under the Haryana General Sales Tax Act, 1973	FBD/HGST/1201962	April 6, 1965	March 31, 2007
Sales Tax Registration under Section 7(1), 7(2) of Central Sales Tax Act, 1956	GRG/CST/1201962	April 6, 1965	Valid until cancelled
Sales Tax Registration under East Punjab General Sales Tax Act, 1948	FBD 1201962	April 6, 1965	N.A.
Service Tax Registration under the Section 69 of the Finance Act, 1994	Delhi-III/ST/R-I/CER/101/2004	August 5, 2004/Signed on August 6, 2004	Valid until cancelled
Registration under Delhi Sales Tax on Works Contract Act, 1999	TAN/3/373000225/09 03. Post introduction of VAT, new TIN allotted is 07393000225	December 2, 2005	Valid until cancelled
Registration under Haryana Value Added Tax Act 2003	TIN - 06561201962	April 1, 2003	Valid until cancelled
Registration under Central Sales Tax [Registration Turnover] Rules 1957	TIN - 06561201962	April 6, 1965	Valid until cancelled
Registration under Haryana Local Area Development Ordinance, 2000.	399	May 8, 2000	Valid until cancelled
Registration under Punjab VAT Act, 2005	03152010538	October 7, 2005	Valid until cancelled
Registration under Uttar Pradesh Trade Tax	ND - 0337804	September 26,	Valid until cancelled

Description	Reference	Issue Date/Effective Date	Expiry Date
Act 1948		2005	
Registration under Punjab VAT Act, 2005	(VRN/TRN) 03152010538	October 7, 2005	N.A.

INTELLECTUAL PROPERTY APPROVALS

Approvals obtained

Our Company has a registered copyright over the DLF logo bearing registration no. A-53718/97 issued on March 12, 1997.

We have received the following certificates of registration of the following names and marks, issued by the Trademark Registry, GoI, under the Fourth Schedule of the Trademark Rules, 2002:

Description	Reference	Filed on	Registered on	Expires on
"DLF City" under Class 36	1262729	January 22, 2004	October 19, 2005	January 21, 2014
"DLF" under Class 6	955388	September 12, 2000	December 29, 2003	September 11, 2010
"DLF" under Class 9	955386	September 12, 2000	November 18, 2003	September 11, 2010
"DLF" under Class 2	955390	September 12, 2000	May 13, 2005	September 11, 2010
"DLF" under Class 19	955382	September 12, 2000	August 30, 2005	September 11, 2010
"DLF" under Class 16	955384	September 12, 2000	August 29, 2005	September 11, 2010
"dlf" under Class 16	955383	September 12, 2000	August 29, 2005	September 11. 2010
"DLF" under Class 20	955380	September 12, 2000	September 1, 2005	September 11, 2010
"DLF" under Class 36	1262730	January 22, 2004	October 6, 2005	January 21, 2014
"dlf" under Class 6	955387	September 12, 2000	December 17, 2005	September 11, 2010
"dlf" under Class 9	955385	September 12, 2000	December 21, 2005	September 11, 2010

Approvals applied for

We have filed the following applications with the Trademark Registry, GoI, for grant of certificates of registration of the following names and marks under the Fourth Schedule of the Trademark Rules, 2002, all of which are currently pending registration:

Description of application for registration of trademark	Filed on	Reference
"dlf" under Class 20	September 12, 2000	955379
"dlf" under Class 19	September 12, 2000	955381
"dlf" under Class 2	September 12, 2000	955389
"dlf" under Class 36	January 22, 2004	01262731
"DLF GRAND MALL " under Class 37	October 7, 2005	1390244
"DLF CITY CENTRE" under Class 37	October 7, 2005	1390245
"THE SOUTH COURT Redefining the retail experience DLF SAKET" under Class 37	October 7, 2005	1390254
"THE SOUTH COURT Redefining the retail experience DLF SAKET" under Class 19	October 6, 2005	01389913
"DLF MEGA MALL" under Class 37	October 7, 2005	1390246
"THE COURTYARD – DLF SAKET" under Class 35	October 6, 2005	01389930
"THE COURTYARD DLF SAKET" under Class 37	October 7, 2005	1390253
"DLF STAR MALL" under Class 37	October 7, 2005	1390247
"DLF PLACE- SPACIOUS. SPECTACULAR. SUPERMALL." under Class 37	October 7, 2005	1390248
"DLF PLACE SPACIOUS. SPECTACULAR. SUPERMALL." Under Class 35	October 6, 2005	01389929
"DLF PLACE SPACIOUS. SPECTACULAR. SUPERMALL" under Class 19	October 6, 2005	01389922
"THE GALLERIA DLF MAYUR VIHAR" under Class 37	October 7, 2005	1390255
"DLF City" under Class 16	November 10, 2000	969798
"DLF City" under Class 19	November 10, 2000	969797
"DLF City" under Class 20	November 10 2000	969796
"DLF City" under Class 2	November 10, 2000	969793
"DLF City" under Class 9	November 10, 2000	969794
"DLF City" under Class 6	November 10, 2000	969795

Description of application for registration of trademark	Filed on	Reference
"DLF Promenade *Delhi's ultimate retail destination*" under Class 37	October 7, 2005	1390251
"DLF Promenade *Delhi's ultimate retail experience*" under Class 35	October 6, 2005	01389931
"AMBROSIA" under Class 19, 35 and 37	June 21, 2005	01365750
"Camellias" under Class 19, 35 and 37	June 21, 2005	01365749
"Camellia" under Class 19, 35 and 37	June 21, 2005	01365751
"E*m*PORIO The new language of luxury" under Class 19	October 6, 2005	01389919
"E*m*PORIO The new language of luxury" under Class 37	October 7, 2005	1390256
"E*m*PORIO The new language of luxury" under Class 35	October 6, 2005	01389933
"dlf CYBERCITY" under Class 9 and 35	July 28, 2004	01299115
"THE SOUTH COURT Redefining the retail experience DLF SAKET" under Class 19	October 6, 2005	01389913
"THE COURTYARD DLF SAKET" under Class 19	October 6, 2005	01389914
"DLF CITY CENTRE" under Class 19	October 6, 2005	01389915
"DLF MEGA MALL" under Class 19	October 6, 2005	01389916
"DLF STAR MALL" under Class 19	October 6, 2005	01389917
"DLF SOUTH POINT " under Class 19	October 6, 2005	01389918
"THE GALLERIA DLF MAYUR VIHAR" under Class 19	October 6, 2005	01389920
"DLF Promenade *Delhi's ultimate retail destination*" under Class 19	October 6, 2005	01389921
"DT CITY CENTRE" under Class 19	October 6, 2005	01389923
"DLF STAR MALL" under Class 35	October 6, 2005	01389925
"DLF GRAND MALL" under Class 19.	October 6, 2005	01389924
"DLF GRAND MALL" under Class 35.	October 6, 2005	01389926
"THE SOUTH COURT Redefining the retail experience DLF SAKET " under Class 35	October 6, 2005	01389927
"DT CITY CENTRE" under Class 35	October 6, 2005	01389928
"THE GALLERIA DLF MAYUR VIHAR" under Class 35	October 6, 2005	01389932
"DLF SOUTH POINT" under Class 35	October 6, 2005	01389934
"DLF MEGA MALL" under Class 35	October 6, 2005	01389935
"DLF CITY CENTRE" under Class 35	October 6, 2005	01389936
"DLF SOUTH POINT" under Class 37	October 7, 2005	01390250
"DT CITY CENTRE" under Class 37	October 7, 2005	01390252
"Malls of India" and device under Class 35	October 8, 2003	01241981
"AZALEAS" under Class 19, 37 and 35	June 25, 2005	01365748

Additionally, a certificate of registration of trademark issued to us by the Trademark Registry, GoI, in relation to the name and mark "DLF" (dated on January 15, 1996, no. 694536 issued under class 16 of the Trademark Rules, 2002) has expired. An application of renewal of this registration was filed on April 24, 2006 and we have accordingly obtained the registration.

We have, on April 18, 2006, April 19, 2006, April 20, 2006, and April 26, 2006 filed applications with the Trademark Registry, GoI, for grant of certificates of registrations in relation to "DLF Building India" under various classes.

Further we have filed application with Trademark Registry, GoI for registraing of various mark such as "Belaire", "DLF Park Place", "Silver Oaks", "Richmond Park", "DLF Hamilton Court", "DLF Beverly Park-I", "DLF Beverly Park-II", "Westend Heights", "DLF Queen Court", "DLF Kings Court" and the "Magnolias" in multi class.

MISCELLANEOUS APPROVALS

Approval obtained

Description	Reference	Issue Date/Effective Date	Expiry Date
Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Code No DL. 6643	November 1, 1980	Not Legible
Certificate of Importer Exporter Code under the Foreign Trade Development and Regulation Act, 1992	IEC No. 0596054858	January 14, 1997	N.A

Description	Reference	Issue Date/Effective Date	Expiry Date
Permanent Account Number under the Income Tax Act, 1961	AAACD3494N	N.A	N.A
Tax Deduction Account Number under the Income Tax Act, 1961	DELD00585E	N.A	N.A
Employee's State Insurance Act, 1948	11-16271-101	May 16, 1990	N.A
Approval for foreign currency loan by RBI, availed from Hongkong Shanghai Bank Corporation	DESACS/BPSD/112/04.61.19/203-04	July 14, 2004	N.A
Certificate of no objection issued by the RBI for creation of charge over immovable assets of our Company in favour of Hongkong Shanghai Bank Corporation	FE.DEL.EBCD/12509/14.03 Misc/2003-04	May 31, 2004	N.A
Certificate of no objection issued by the RBI for creation of charge over immovable assets of our subsidiary, Nilgiri Cultivation Private Limited, in favour of Hongkong Shanghai Bank Corporation	FE.DEL.EBCD/1743/14.03 Misc/2003-04	August 5, 2004	N.A.

Approvals applied for

We had, a registration certificate under the Contract Labour (Regulation and Abolition) Act, 1971 (no. CLA/PE/780/92/LC/478 effective from January 01, 1992) granted by the Registering Officer, Contract Labour (Regulation and Abolition) Act, 1971, GoI which expired on December 31, 2005. On January 31, 2006, we have applied to the Registering Officer, GoI for a renewal of the registration.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors has, pursuant to resolution passed at its meetings held on April 7, 2006 and December 6, 2006 authorised the Issue.

Our 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 meetings of our Company held on April 20, 2006 and May 2, 2006.

We have also obtained all necessary contractual consents required for the Issue. For further information, see section titled "Government and Other Approvals" on page [•].

We have received the permission of the DIPP dated April 13, 2006 (bearing number 5(6)/2000-FC(Pt.File)) and the RBI dated April 24, 2006 (bearing number FE.CO.FID/22510/10.02.078/2005-06) for investment by FIIs in the Issue. For further details on the permissions received, see section titled "Material Contracts and Documents for Inspection" on page [•].

Prohibition by SEBI

Our Company, our Directors, our Promoters, directors or the person(s) in control of our Promoter companies, Promoter group companies, our subsidiaries and companies in which we have substantial shareholding and companies in which our Directors are associated with as directors, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

Further, our Promoters and Promoter group entities have confirmed that they have not been detained 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 or are pending against them.

Eligibility for the Issue

Clause 2.2.2 of the SEBI Guidelines states as follows:

An unlisted company not complying with any of the conditions specified in Clause 2.2.1 may make an initial public offering of equity shares or any other security which may be converted into or exchanged with equity shares at a later date, only if it meets both the conditions in (a) and (b) given below:

(a)(i) The issue is made through the book build process, with at least 50% of the net offer to the public being allotted to the Qualified Institutional Buyers (QIBs), failing which the subscription monies shall be refunded.

OR

(a)(ii) The "project" has at least 15% participation by Financial Institutions/Scheduled Commercial Banks, of which at least 10% comes from the appraiser(s). In addition to this, at least 10% of the issue size shall be allotted to QIBs, failing which full subscription monies shall be refunded.

AND

(b)(i) The minimum post issue face value capital of the Company shall be Rs. 10 crores.

OR

(b)(ii) There shall be compulsory market making for at least 2 years from the date of listing of the shares subject to the following:

(a) Market makers undertake to offer buy and sell quotes for a minimum depth of 300 shares;
(b) Market makers undertake to ensure that the baid ask spread (difference between quotations for

sale and purchase) for their quotes shall not at any time exceed 10%;

(c) The inventory of the market makers on each of such stock exchanges, as on the date of allotment of securities, shall be at least 5% of the proposed issue of the company"

Accordingly, in compliance with Clause 2.2.2 of the SEBI Guidelines, the Issue is being made through the book build process, with at least 60% of the Net Issue being allotted to the QIBs. In case we do not receive subscriptions of at least 60% of the Net Issue from QIBs, we shall forthwith refund the subscription monies. The post Issue face value capital of the Company shall be Rs. 3,407.28 million, which is more than the minimum requirement of Rs. 100 million. Hence, we are eligible under Clause 2.2.2 of the SEBI Guidelines.

Further, in accordance with Clause 2.2.2A of the SEBI Guidelines, we shall ensure that the number of allottees, i.e. persons to whom the Equity Shares will be allotted under the Issue shall be not less than 1,000; otherwise, the entire application money will be refunded forthwith. In case of delay, if any, in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

Disclaimer Clause

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 RUNNERS HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AS FOR THE TIME BEING IN FORCE. 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 RUNNERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 2, 2007 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 WHICH READS AS FOLLOWS:

"(I) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE.

(II) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

THE DRAFT RED HERRING PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE

GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

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.

BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.

WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.

WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN WILL NOT BE DISPOSED/ SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS."

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of section 60B of the Companies Act, 1956. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 56, section 60 and section 60B of the Companies Act.

Disclaimer from our Company and the Book Runners

Our Company, our Directors, and the Book Runners accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone placing reliance on any other source of information, including our website, www.dlf.in would be doing so at his or her own risk.

The Book Runners accept no responsibility, save to the limited extent as provided in the memorandum of understanding entered into among the Book Runners and us dated December 22, 2006 and the Underwriting Agreement to be entered into among the Underwriters and us.

All information shall be made available by us and the Book Runners 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 or at bidding centres etc.

We shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

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 majors, 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 the applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to Eligible NRIs and FIIs). This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at New Delhi, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. NSE has given vide its letters dated [●] permission to us to use NSE's name in this Draft Red Herring Prospectus as one of the stock exchanges on which our further securities are proposed to be listed, subject to the Company fulfilling the various criteria for listing including the one related to paid up capital and market capitalization (i.e., the paid up capital shall not be less than Rs 10. crores and the market capitalization shall not be less than Rs 25. crores at the time of listing). The NSE has scrutinised this Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed to mean that this 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 this Draft Red Herring Prospectus; nor does it warrant that our 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 Company, its promoters, its management or any scheme or project of this Company.

Every Person who desires to apply for or otherwise acquires any of our securities 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.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. BSE has given vide its letter dated [●], permission to the Company to use BSE's name in this Red Herring Prospectus as one of the stock exchanges on which our further securities are proposed to be listed. BSE has scrutinised this Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. BSE does not in any manner:

(i) warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; or
(ii) warrant that this Company's securities will be listed or will continue to be listed on 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 to mean that this 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.

Filing

A copy of this Draft Red Herring Prospectus will be filed with SEBI at Corporation Finance Department, SEBI Bhavan, Plot no. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, will be delivered for registration to the RoC and a copy of the Prospectus required to be filed under Section 60 of the Companies Act will be delivered for registration to the RoC.

Listing

Applications have been made to the NSE and BSE for permission to deal in and for an official quotation of the Equity Shares. The [●] shall be the Designated Stock Exchange with which the basis of allocation will be finalised for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it (i.e., from the date of refusal or within 15 days from the date of Bid/Issue Closing Date, whichever is earlier), then our Company shall, on and from expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at both the Stock Exchanges mentioned above are taken within seven working days of finalisation of the basis of Allotment for the Issue.

Consents

Consents in writing of: (a) our Directors, the Company Secretary and Compliance Officer, the Auditors, the Legal Advisors, the Bankers to the Issue; and (b) the Book Runners, the Syndicate Members, the Escrow Collection Bankers and the Registrar to the Issue 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 Draft Red Herring Prospectus for registration with the RoC.

M/s. Walker, Chandiok & Co., Chartered Accountants, our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus for registration with the RoC.

Expenses of the Issue

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. millions)
Lead management, underwriting and selling commission*	[●]
Advertisement and marketing expenses**	[●]
Printing, stationery including transportation of the same**	[●]
Others (Registrar's fees, legal fees, listing fees, etc.)**	[●]
Total estimated Issue expenses	[●]

* Will be incorporated after finalisation of Issue Price
** Will be incorporated at the time of filing of the Red Herring Prospectus.

Fees Payable to the Book Runners and Syndicate Members

The total fees payable to the Book Runners and the Syndicate Members (including underwriting commission and selling commission) will be as stated in the engagement letter with the Book Runners, a copy of which is available for inspection at the head office of our Company and reimbursement of their out of pocket expenses.

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 Memorandum of Understanding signed with our Company, a copy of which is available for inspection at the head office of our Company.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/speed post/under certificate of posting.

Public or Rights Issues during the Last Five Years

In fiscal 2006, our Company had offered for subscription (by way of a rights issue through a letter of offer) 3,508,007 - 2% unsecured debentures of Rs. 100 each, which were optionally, fully or partly convertible at par or at premium. The offer was made to the shareholders of our Company as on November 18, 2005. The offer had opened on December 29, 2005 and closed on January 18, 2006. We received 128 valid applications for subscription to debentures and offer related documents in relation to 107 shareholders were returned undelivered. Accordingly, we issued 3,426,024 debentures.

On account of complaints from certain shareholders, the Board during its meeting held on October 10, 2006, decided to revive and revalidate not exceeding 81,983 debentures, which were not subscribed to by the shareholders to redress the grievances of the shareholders and to allot such shareholders the debentures according to their entitlement in terms of the rights issue. The decision of our Board was approved by the shareholders in an EGM held on November 14, 2006. Consequently, 44,773 debentures were issued.

The debentures were not listed on any stock exchange and have since been converted into our equity shares.

Issues otherwise than for Cash

Except as stated in Note 1 – Notes to the Capital Structure – Capital Structure beginning on page [•], we have not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid for Previous Issues

Our Company has not paid any commission and brokerage for the last three issues of securities to public or existing shareholders (as mentioned below).

Companies under the Same Management

We do not have any other company under the same management within the meaning of erstwhile Section 370(1B) of the Companies Act, save and except for the Promoter group companies mentioned in the section titled "Our Promoter and Promoter Group" beginning on page [●].

Promise vs. Performance – Last Three Issues

The last three issues of securities, to public or existing shareholders, made by our Company are as follows:

(a) rights issue of debentures in fiscal 2005;
(b) rights issue of equity shares in fiscal 1989; and
(c) public issue of redeemable debentures in fiscal 1983.

We had not made any projections in the offer documents for the rights issues made in fiscal 2005 and fiscal 1989 and for public issue made in fiscal 1983.

The object of the rights issue made by our Company in fiscal 2005 was to raise funds for increase in business activities and to finance implementation of new projects and in fiscal 1989 was for the purpose of augmentation of long term resources.

The object of the public issue of redeemable debentures in fiscal 1983 was to part finance development of group housing and housing sites in DLF Qutab Enclave, Gurgaon. We had utilized the funds for the stated purpose.

Promise vs. Performance – Last Public Issue by Promoter group companies

None of our Promoter group companies have made a public issue.

Bhorukha Financial Services Limited, one of our subsidiaries, was acquired by our Company as a listed company.

Outstanding Debentures, Bonds and Preference Shares

There are no outstanding debentures, bonds and preference shares of our Company.

Stock Market Data of our Equity Shares

The Equity Shares are not currently listed on any stock exchange in India.

Other Disclosures

Our Promoters, Promoter group companies, or the directors of our Promoter companies or our Directors have not purchased or sold any securities of our Company during a period of six months preceding the date on which this Draft Red Herring Prospectus is filed with SEBI, except as disclosed in the section titled "Notes to Capital Structure – Capital Structure" beginning on page [●].

Mechanism for Redressal of Investor Grievances by our Company

The Memorandum of Understanding between the Registrar to the Issue and us, will provide for retention of records with the Registrar to the Issue for a period of at least one year 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 shares applied for, amount paid on application, depository participant, and the bank branch or collection center where the application was submitted.

Disposal of Investor Grievances

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances shall be 15 days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. R. Hari Haran 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:

Mr. R. Hari Haran
1E Jhandewalan Extension
Naaz Cinema Complex
New Delhi 110 055, India
Tel: +91 11 4302 3058
Fax: +91 11 4353 9579
E-mail: ipo@dlfgroup.in

Mechanism for Redressal of Investor Grievances by Companies under the Same Management

We do not have any other company under the same management within the meaning of erstwhile Section 370 (1B) of the Companies Act, save and except for the Promoter group companies mentioned in the section titled "Our Promoter and Promoter Group" beginning on page [●].

Changes in Auditors

Our Company has not changed auditors in last three years.

Capitalisation of Reserves or Profits

We have not capitalised our reserves or profits at any time during last five years, except bonus issue of a total of 1,337,559,195 equity shares of Rs. 2 each in the ratio of 7:1 (i.e. seven equity shares for every equity share held). For details, see Note 1 – Notes to the Capital Structure – Capital Structure beginning on page [●].

Revaluation of Assets

There has been no revaluation of assets of our Company during last five years. However, in fiscal 1997, we had revalued land situated at Faridabad. Prior to the revaluation, the land was valued at Rs. 11,316, which was revalued to Rs. 98.50 million.

ISSUE STRUCTURE

The present Issue of 175,000,000 Equity Shares comprising Net Issue of 174,000,000 Equity Shares and a reservation for Employees of 1,000,000 Equity Shares, at a price of Rs. [●] for cash aggregating Rs. [●] million is being made through the Book Building Process.

	Employees	**QIB Bidders**	**Non-Institutional Bidders**	**Retail Individual Bidders**
Number of Equity Shares available for allocation	Up to 1,000,000 Equity Shares	At least 104,400,000 Equity Shares or Net Issue less allocation to Non-Institutional Bidders and Retail Individual Bidders.	Not less than 17,400,000 Equity Shares or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 52,200,000 Equity Shares or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue size available for allocation		At least 60% of Net Issue or Net Issue less allocation to Non-Institutional Bidders and Retail Individual Bidders	Not less than 10% of Net Issue or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 30% of Net Issue or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Basis of Allocation if respective category is oversubscribed	Proportionate	Proportionate	Proportionate	Proportionate
Minimum Bid	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs 100,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs 100,000	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. [●] million	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. 100,000
Mode of Allotment	Compulsorily in dematerialised mode	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Bid / Allotment Lot	[●] Equity Shares in multiples of [●] Equity Shares	[●] Equity Shares in multiples of [●] Equity Shares	[●] Equity Shares in multiples of [●] Equity Shares	[●] Equity Shares in multiples of [●] Equity Shares
Trading Lot	One Equity Share	One Equity Share	One Equity Share	One Equity Share
Who can Apply ***	All or any of the following: (a) a permanent employee of the Company as of [●] and based working and present in India as on the date of submission of the Bid cum Application Form. (b) a director of the Company, except any Promoters or members of the Promoter group,	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, foreign institutional investors registered with SEBI, venture capital funds registered with SEBI[#], State Industrial Development Corporations, permitted insurance companies registered with the Insurance Regulatory	Resident Indian individuals, Eligible NRIs and HUF (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts	Individuals, including Eligible NRIs and HUF (in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed Rs. 100,000 in value.

	Employees	QIB Bidders	Non-Institutional Bidders	Retail Individual Bidders
	whether a whole time Director part time Director or otherwise as of [●] and based and present in India as on the date of submission of the Bid cum Application Form.	and Development Authority, provident funds with minimum corpus of Rs. 250 Million and pension funds with minimum corpus of Rs. 250 Million in accordance with applicable law.		
Terms of Payment	Margin Amount applicable to Employees at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to QIB Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Non-Institutional Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Retail Individual Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate.
Margin Amount	100% of Bid Amount	10% of Bid Amount	100% of Bid Amount	[●]% of Bid Amount in Payment I Method and 100% of Bid Amount in Payment II Method

The Payment Methods for application in this Issue are as follows:

Amount payable per Equity Share	**Payment Method-I**			**Payment Method-II**		
	Retail Individual Bidders			**Any Category**		
	(Rs. per Equity Share)					
	Face Value	**Premium**	**Total**	**Face Value**	**Premium**	**Total**
On application	[●]	[●]	[●]	2	[●]	[●]
By Due Date	[●]	[●]	[●]	-	-	-
Total	2	**[●]**	**[●]**	2	**[●]**	**[●]**

* Subject to valid Bids being received at or above the Issue Price. Under subscription, if any, in the Non-Institutional Portion and Retail Individual Portion would be met with spill over from other categories at the sole discretion of our Company in consultation with the Book Runners. If at least 60% of the Net Issue cannot be allotted to QIB Bidders, then the entire application money will be refunded. However, if the aggregate demand by Mutual Funds is less than 5,220,000 Equity Shares (QIB Portion is 60% of the Issue size, i.e. 104,400,000 Equity Shares), the balance Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders.

** Any undersubscription in Equity Shares, if any, reserved for Employees would be included in the Net Issue and allocated in accordance with the description in Basis of Allocation as described in page [●].

*** In case the Bid Cum Application Form is submitted in joint names, the investors 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.

\# Under the SEBI (Venture Capital Funds) Regulations, 1996, a venture capital fund may raise monies from any investor, whether (i) Indian, (ii) foreign or (iii) non-resident Indian, by way of issue of units. In this Issue, venture capital funds, which have raised monies from foreign and non-resident Indian investors (i.e., categories (ii) and (iii) above), are not eligible to participate.

Withdrawal of the Issue

Our Company, in consultation with the Book Runners, reserves the right not to proceed with the Issue at anytime

after the Bid/Issue Opening Date but before Allotment, without assigning any reason therefor.

Letters of Allotment or Refund Orders

We shall give credit to the beneficiary account with depository participants within two working days from the date of the finalisation of basis of allocation. Applicants residing at 15 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 & RTGS. We shall ensure despatch 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 send a letter through ordinary post intimating them about the mode of credit of refund within 15 days of closure of Issue.

Interest in Case of Delay in Despatch of Allotment Letters/ Refund Orders.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, we undertake that:

- Allotment shall be made only in dematerialised form within 15 days from the Bid/ Issue Closing Date;
- Despatch of refund orders shall be done within 15 days from the Bid/ Issue Closing Date; and
- We shall pay interest at 15% per annum, if Allotment is not made, refund orders are not despatched and/ or demat credits are not made to investors within the 15 day time prescribed above.

We will provide adequate funds required for despatch 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 the Escrow Collection Banks 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.

Bid/Issue Programme

Bidding Period/Issue Period

BID/ISSUE OPENS ON	**[●]**
BID/ISSUE CLOSES ON	**[●]**

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form and uploaded till such time as permitted by the NSE and the BSE on the Bid/Issue Closing Date.

The Company reserves the right to revise the Price Band during the Bidding Period in accordance with SEBI Guidelines. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.

In case of revision in the Price Band, the Bidding/ Issue Period will be extended for three additional working days after revision of Price Band subject to the Bidding/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/ Issue Period, if applicable, will be widely disseminated by notification to the NSE and the BSE, by issuing a press release, and also by indicating the change on the web site of the Book Runners 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 available for allocation on a proportionate basis to QIB Bidders (in terms of Rule 19 (2) (b) of the SCRR, as this is an issue for less than 25% of the post-Issue equity share capital), including up to 5% of the QIB Portion which shall be available for allocation to the Mutual Funds only. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded. Further, not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price. Further, up to 1,000,000 Equity Shares shall be available for allocation on a proportionate basis to Employees under the Employee Reservation Portion, subject to valid bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the Syndicate. Further, QIB Bids can be submitted only through the members of the Syndicate. In case of QIB Bidders, our Company in consultation with Book Runners may reject Bid at the time of acceptance of Bid cum Application Form provided that the reasons for rejecting the same are provided to such Bidders in writing. In case of Non-Institutional Bidders, Retail Individual Bidders and bids under the Employee Reservation Portion, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that Equity Shares will be allotted to all successful Bidders only in dematerialized form. Bidders will not have the option of having the Equity Shares Transferred to them in a physical form. The Equity Shares on Transfer shall be traded only in the dematerialized 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 the 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 authorized our 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.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Indian public and Eligible NRIs applying on a non-repatriation basis	[White]
Bidders in the Employee Reservation Portion	[Pink]
Eligible NRIs or FIIs applying on a repatriation basis	[Blue]

Who can Bid?

1. Indian nationals resident in India who are majors in single, or in the names of their minor children as natural/legal guardians in single or joint names (not more than three);
2. 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;
3. Eligible NRIs on a repatriation basis or a non-repatriation basis subject to applicable laws. NRIs, other than Eligible NRIs, are not permitted to participate in this Issue;
4. Companies and corporate bodies registered under the applicable laws in India and authorized to invest in

equity shares;

5. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their constitution to hold and invest in equity shares;
6. Scientific and/or industrial research authorized to invest in equity shares;
7. Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to the RBI regulations and the SEBI guidelines and regulations, as applicable);
8. Mutual funds registered with SEBI;
9. FIIs registered with SEBI;
10. Venture capital funds registered with SEBI*;
11. State industrial development corporations;
12. Insurance companies registered with the Insurance Regulatory and Development Authority, India;
13. As permitted by the applicable laws, provident funds with minimum corpus of Rs. 250 million and who are authorized under their constitution to hold and invest in equity shares;
14. Pension funds with a minimum corpus of Rs. 250 million and who are authorized under their constitution to hold and invest in equity shares; and
15. Permanent employees or Directors (whole-time Directors, part-time Directors or otherwise) of the Company, who are Indian Nationals and are based in India. The permanent employees should be on the payroll of the Company as of [●] and the Directors should be directors on the date of the Red Herring Prospectus.

** Under the SEBI (Venture Capital Funds) Regulations, 1996, a venture capital fund may raise monies from any investor, whether (i) Indian, (ii) foreign or (iii) non-resident Indian, by way of issue of units. In this Issue, venture capital funds, which have raised monies from foreign and non-resident Indian investors (i.e., categories (ii) and (iii) above) are not eligible to participate.*

Non-residents such as 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 the Book Runners and Syndicate Members:

The Book Runners and the Syndicate Members shall not be entitled to participate in this Issue in any manner except towards fulfilling their underwriting obligation. However, associates and affiliates of the Book Runners and Syndicate Members are entitled to bid and subscribe to Equity Shares in the Issue either in the QIB Portion or in Non-Institutional Portion as may be applicable to such investors, where the allotment will be on a proportionate basis. Such bidding and subscription may be on their own account or on behalf of their clients.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter and it must be ensured that the Bid Amount payable by the Bidder does not exceed Rs. 100,000. **Bidders may note that the total Bid Amount will be used to determine if a Bid is in the retail category or not, and not just the Amount Payable on Application.** In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of option to bid at Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The option to bid at Cut-off Price is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase Equity Shares at the final Issue Price as determined at the end of the Book Building Process.

(b) **For Non-Institutional Bidders and QIB Bidders**: 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. Under existing

SEBI guidelines, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the QIB Margin Amount upon submission of the 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 QIB Bidders are not entitled to the option of bidding at Cut-off Price.

(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. Bidders in 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. The allotment in the Employee Reservation Portion will be on a proportionate basis. However, in case of an oversubscription in the Employee Reservation Portion, the maximum allotment to any Employee will be capped at up to 100,000 Equity Shares.

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 the Red Herring Prospectus.

Information for the Bidders:

(a) Our Company will file the Red Herring Prospectus with the ROC at least three days before the Bid/Issue Opening Date.

(b) The Company and the Book Runners shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date and Price Band at the time of filing the Red Herring Prospectus with RoC and also publish the same in two widely circulated national newspapers (one each in English and Hindi) and a regional language newspaper of wide circulation in the place where our Registered Office is situated. This advertisement, subject to the provisions of Section 66 of the Companies Act shall be in the format prescribed in Schedule XX–A of the SEBI DIP Guidelines, as amended vide SEBI Circular No. SEBI/CFD/DIL/DIP/14/2005/25/1 dated January 25, 2005.

(c) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors. 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 the Registered Office or from any of the members of the Syndicate.

(d) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of a member of the Syndicate. Bid cum Application Forms, which do not bear the stamp of a member of the Syndicate will be rejected.

(e) The Bidding/Issue Period shall be a minimum of three working days and shall not exceed seven working days. The members of the Syndicate shall accept Bids from the Bidders during the Bidding/Issue Period in accordance with the terms of the Syndicate Agreement.

(f) The Price Band has been fixed at Rs. [•] to Rs. [•] per Equity Share. The Bidders can bid at any price within the Price Band, in multiples of Rs. 1 (One). In accordance with the SEBI Guidelines, our Company, in consultation with the Global Coordinators, reserves the right to revise the Price Band during the Bidding Period. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.

(g) In case the Price Band is revised, the Bidding/ Issue Period may be extended, if required, by an additional

three days, subject to the total Bidding/ Issue Period not exceeding 10 working days. The revised Price Band and Bidding/ Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, and by issuing published in two national newspapers (one each in English and Hindi) and a regional language newspaper of wide circulation in the place where our Registered Office is situated and also by indicating the change on the websites of the Book Runners and at the terminals of the members of the Syndicate.

(h) We, in consultation with the Global Coordinators, can finalise the Issue Price within the Price Band, without the prior approval of, or intimation to, the Bidders.

Method and Process of Bidding

(a) Each Bid cum Application Form will give the Bidder the choice to bid for up to three optional prices (for details, see the section titled "Issue Procedure - Bids at Different Price Levels" beginning on page [●]) 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 and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.

(b) The Bidder cannot bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to a 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 section titled "Issue Procedure - Build up of the Book and Revision of Bids" beginning on page [●].

(c) 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.

(d) During the Bidding Period, Bidders may approach a member 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 this Draft Red Herring Prospectus.

(e) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "Issue Procedure - Terms of Payment" beginning on page [●].

Bids at different price levels and Revision of Bids

(a) The Bidder 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 applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB Bidders, Non-Institutional Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and such Bids from QIB Bidders, Non-Institutional Bidders and Employees shall be rejected.**

(b) Retail Individual Bidders who bid at Cut-off Price and Employees bidding under the Employee Reservation Portion at Cut-Off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-Off Price and Employees bidding under the Employee Reservation Portion at Cut-Off Price shall deposit the Bid Amount based on the Cap Price in the Escrow Account. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders, who Bid at Cut-off Price and Employees bidding under the Employee Reservation Portion at Cut-Off Price (i.e.

the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), such Bidders, who Bid at Cut-off Price, shall receive the refund of the excess amounts from the Escrow Account or the Refund Account, as the case may be.

(c) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Employees bidding under the Employee Reservation Portion at Cut-Off Price, who had bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to bid at Cut-off Price), with the member of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e. original Bid Amount plus additional payment) exceeds Rs. 100,000, the Bid by a Retail Individual Bidder will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares bid for shall be adjusted downwards for the purpose of allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

(d) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders and Employees bidding under the Employee Reservation Portion, 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 or the Refund Account, as the case may be.

(e) In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain [•] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. 5,000 to Rs. 7,000.

(f) 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 during the Bidding/Issue Period using the printed Revision Form which is a part of the Bid cum Application Form.

(g) Revisions can be made in both the desired number of Equity Shares and the Bid price 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 changed in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.

(h) The Bidder can make 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.

(i) 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.

(j) 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 the 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 upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(k) 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.**

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 and non-residents applying on a non-repatriation basis; blue colour for the Eligible NRIs, FIIs applying on a repatriation basis and [pink] colour for eligible employees applying in the Employee Reservation Portion).

(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 Bid cum Application Form or in the Revision Form.

(d) The Bids from the Retail Individual Bidders must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, subject to a maximum Bid Amount of Rs. 100,000.

(e) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares. Bids cannot be made for more than the Net 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.

(f) For Bidders bidding under the Employee Reservation Portion, the Bid must be for a minimum of [●] Equity Shares in multiple of thereafter subject to a maximum of Bid Amount does not exceed Rs. [●].

(g) 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.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Funds Portion. In the event that the demand is greater than 5,220,000 Equity Shares, allocation shall be made to Mutual Funds on proportionate basis to the extent of the Mutual Funds Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Funds Portion.

The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. 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 for which the Bid has been made.

As per the current regulations, the following restrictions are applicable for investments by Mutual Funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in 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 capital carrying voting rights.

The above information is given for the benefit of the Bidders. Our Company and the Book Runners are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations.

Bids by Eligible NRIs

Eligible NRI Bidders to comply with the following:

1. Individual Eligible NRIs can obtain the Bid cum Application Forms from the Registered Office, our head office, members of the Syndicate or the Registrar to the Issue.

2. Eligible NRI Bidders may note that only such Bids as are accompanied by payment in free foreign exchange shall be considered for allotment. Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Bid cum Application Form meant for resident Indians ([●] in color).

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 1,703,639,080 Equity Shares) Equity Shares. In respect of an FII investing in the 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. However, with the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go up to sectoral cap as prescribed in the FDI policy.. 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, an FII or its sub account may issue, deal or hold, off shore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "know your client" requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

Bids and revision of the Bids by Eligible NRIs and FIIs must be made:

1. On the Bid cum Application Form or the Revision Form, as applicable ([blue] in color), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.

2. In a single name or joint names (not more than three and in the same order as their Depository Participant details).

3. 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 for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation. Other Non-Resident Bidders must bid for a minimum of such number of Equity Shares and in multiples of [●] thereafter that the Bid Amount exceeds Rs. 100,000. For further details, see the section titled "Issue Procedure - Maximum and Minimum Bid Size" beginning on page [●].

4. Bids by Eligible NRIs on a repatriation basis and FIIs shall be in the names of individuals or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only, 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 U.S. 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 Non-Resident External (NRE) accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. We will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

It is to be distinctly understood that there is no reservation for Eligible NRIs and FIIs and they will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. Further, NRIs, who are not Eligible NRIs, are not permitted to participate in this Issue.

The above information above is given for the benefit of the Bidders. Our Company and the Book Runners are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations.

Bids by Employees

For the purpose of the Employee Reservation Portion, Employee means all or any of the following:

(a) a permanent employee of the Company as of [•] and based working and present in India as on the date of submission of the Bid cum Application Form.

(b) a director of the Company, whether a whole time director, except any Promoters or members of the Promoter group, part time director or otherwise as of [•] and based and present in India as on the date of submission of the Bid cum Application Form. Bids under Employee Reservation Portion by Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink colour Form).
- Employees, as defined above, should mention the Employee Number at the relevant place in the Bid cum Application Form.
- The sole/ first Bidder should be Employees.
- Only Employees (as defined above) would be eligible to apply in this Issue under the Employee Reservation Portion.
- Only those bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- Employees who Bid for Equity Shares of or for a value of not more than Rs. 100,000 in any of the bidding options can apply at Cut-Off Price. This facility is not available to other Employees whose Bid Amount in any of the bidding options exceeds Rs. 100,000.
- The Bids must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter. The maximum bid under Employee Reservation Portion by an Employee cannot exceed Rs. [•].
- Bid by Employees can be made also in the "Net Issue" portion and such Bids shall not be treated as multiple bids.
- If the aggregate demand in this category is less than or equal to 1,000,000 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 1,000,000 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, please see section titled "Basis of Allocation" on page [•].
- Under-subscription, if any, in the Employee Reservation portion will be added back to the Net Issue, and the ratio amongst the investor categories will be at the discretion of the Company and the Book Runners. 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.
- This is not an issue for sale within the United States of any equity shares or any other security of

the Company. Securities of the Company, including any offering of its Equity Shares, may not be offered or sold in the United States in the absence of registration under U.S. securities laws or unless exempt from registration under such laws.

PAYMENT INSTRUCTIONS

Escrow Mechanism

We shall open Escrow Accounts with the Escrow Collection Banks for collection of Margin/ Bid Amounts payable upon submission of the Bid cum Application Form and for amounts payable pursuant to allocation in this Issue. The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The monies in the Escrow Account shall be maintained by the Escrow Collection Bank(s) for and on behalf of the Bidders. 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 Banks shall transfer the monies from the Escrow Account to the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled for refunds. Payments of refunds to the Bidders shall also be made from the Refund Account(s) with the Refund Banker(s) as per the terms of the Escrow Agreement and the Draft Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between us, the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Terms of Payment and Payment into the Escrow Accounts

Each Bidder shall pay the applicable Margin Amount at the time of submission of the Bid cum Application Form by way of a cheque or demand draft in favour of the Escrow Account as per the below terms. For details of the payment methods for application under the Issue, please see section titled "The Issue – Payment Methods" on page [●]:

(a) The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Bidders till the Designated Date. 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 Issue Account. The balance amount after transfer to the Issue Account shall be transferred to the Refund Account.

(b) Each category of Bidders i.e. QIB Bidders, Non-Institutional Bidders, Retail Individual Bidders and Employees bidding under the Employee Reservation Portion would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form by way of a cheque or demand draft for the maximum amount of his/ her Bid in favour of the Escrow Account of the Escrow Collection Bank(s) and submit the same to the member of the Syndicate to whom the Bid is being submitted. (For details please see the section titled "Issue Procedure - Payment Instructions" beginning on page [●]). The Margin Amount payable by each category of Bidders is mentioned in the section titled "Issue Structure" beginning on page [●]. Bid cum Application Forms accompanied by cash shall not be accepted. The maximum Bid Price has to be paid at the time of submission of the Bid cum Application Form based on the highest bidding option of the Bidder.

(c) Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date, which shall be a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the Book Runners. 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.

(d) Where the Bidder has been allocated lesser number of Equity Shares than he or she had bid for, the excess amount paid on bidding, if any, after adjustment for Allotment, will be refunded to such Bidder in terms of the Draft Red Herring Prospectus.

(e) The payment instruments for payment into the Escrow Account should be drawn in favour of:

(i) In case of Resident QIB Bidders: **"Escrow Account – DLF Public Issue-QIB-R"**
(ii) In case of non-resident QIB Bidders: **"Escrow Account – DLF Public Issue-QIB-NR"**
(iii) In case of other resident Bidders: **"Escrow Account – DLF Public Issue"**
(iv) In case of Eligible NRIs Bidders: **"Escrow Account – DLF Public Issue - NR"**
(v) In case of Employees: **"Escrow Account- DLF Public Issue-Employee"**

(f) In case of Bids by Eligible 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 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 or FCNR account.

(g) In case of Bids by FIIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to a Special Rupee Account.

(h) Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account.

(i) The monies deposited in the Escrow Account will be held for the benefit of the Bidders till the Designated Date. 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 Issue Account.

(j) On the Designated Date and not later than 15 days from the Bid/Issue Closing Date, the Refund Banks shall refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

(k) 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 banker's 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.

(l) Bidders are advised to mention the number of the Bid cum Application Form on the reverse of the cheque or demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

(m) In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.

Payment by Stockinvest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn.

Electronic registration of Bids

(a) The members of the Syndicate will register the Bids using the on-line facilities of the NSE and the BSE. 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 NSE and the BSE 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 authorized agents during the Bidding/Issue Period. The members of the Syndicate 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.

(c) The aggregate demand and price for Bids registered on the electronic facilities of the NSE and the BSE will be displayed on-line at all bidding centers and at the websites of NSE and BSE. A graphical representation of consolidated demand and price would be made available at the bidding centers 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 Bidder(s): Bidder(s) should ensure that the name given in the Bid cum Application Form is exactly the same as the name in which the depositary account is held. In case the Bid cum Application Form is submitted in joint names, investors should ensure that the depository account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form;
- Investor category – individual, corporate, or Mutual Fund etc.;
- Numbers of Equity Shares bid for;
- Bid price;
- Bid cum Application Form number;
- Whether Margin Amount, as applicable, has been paid upon submission of Bid cum Application Form; and
- 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 either by the members of the Syndicate or our Company.

(f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(g) Incase of QIB Bidders, members of the Syndicate have the right to accept the bid or reject it. A rejection can be made only at the time of receiving the bid and only after assigning a reason for such rejection in writing. In case on Non-Institutional Bidders and Retail Individual Bidders, Bids should not be rejected except on the technical grounds as listed on page [●].

(h) It is to be distinctly understood that the permission given by the NSE and the BSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the Book Runners are cleared or approved by the NSE and the BSE; 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 our Company, our Promoters, our management or any scheme or project of our Company.

(i) It is also to be distinctly understood that the approval given by the NSE and the BSE should not in any way be deemed or construed that this Draft Red Herring Prospectus has been cleared or approved by the NSE and the BSE; 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 our Equity Shares will be listed or will continue to be listed on the NSE and the BSE.

(j) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for allocation. In case of discrepancy of data between the NSE or the BSE and the members of the Syndicate, the decision of the Book Runners, based on the physical records of Bid cum Application Forms, shall be final and binding on all concerned.

Price Discovery and Allocation

(a) After the Bid/Issue Closing Date, the Book Runners will analyse the demand generated at various price levels.

(b) We, in consultation with the Global Coordinators, shall finalise the "Issue Price" and the number of Equity Shares to be allocated in each investor category.

(c) The allocation to QIBs will be at least 60% of the Net Issue and allocation to Non-Institutional and Retail Individual Bidders will be up to 10% and 30% of the Net Issue, respectively, on a proportionate basis, in the manner specified in the SEBI Guidelines and this Draft Red Herring Prospectus and in consultation with the Designated Stock Exchange.

(d) Any undersubscription in the Employee Reservation Portion would be included in the Net Issue. Undersubscription, if any, in any category of the Net Issue, other than the QIB Portion, would be allowed to be met with spill over from any of the other categories at the discretion of our Company in consultation with the Book Runners. However, if the aggregate demand by Mutual Funds is less than 5,220,000 Equity Shares, the balance Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders.

(e) The Global Coordinators, in consultation with us, shall notify the other members of the Syndicate of the Issue Price. In the event that the aggregate demand in the QIB Portion has been met, under-subscription, if any, 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 Book Runners and the Designated Stock Exchange.

(f) We reserve the right to cancel the Issue any time after the Bid/Issue Opening Date but before the Allotment without assigning any reasons whatsoever.

(g) Allocation to FIIs and Eligible NRIs applying on repatriation basis will be subject to the applicable law.

(h) In terms of the SEBI Guidelines, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.

Signing of Underwriting Agreement and ROC Filing

(a) We, the Book Runners and the Syndicate Members shall enter into an Underwriting Agreement upon 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 and Issue size and would be complete in all material respects.

(c) We will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60, and Section 60B of the Companies Act.

(d) After filing of the Prospectus with the ROC, a statutory advertisement will be issued by our Company in a widely circulated English and Hindi national newspapers, regional language newspaper with wide circulation in the place where our Registered Office is situated. 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 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 allocation by the Designated Stock Exchange, the Book Runners or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated Equity Shares in the Issue. The approval of the basis of allocation 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 Employees bidding in the Employee Reservation Portion. Investors should note that the Company shall ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue;

(b) The Book Runners or members of the Syndicate would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of 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 paid the Margin Amount into the Escrow Account at the time of bidding shall pay the balance amount payable into the Escrow Account by the Pay-in Date specified in the CAN; and

(c) Such Bidders who have been allocated Equity Shares and who have already paid the Margin Amount for the said Equity Shares 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 their cheque or demand draft paid into the Escrow Accounts. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

(d) The issuance of CAN is subject to "Allotment Reconciliation and Revised CANs" as set forth below.

Allotment Reconciliation and Revised CANs

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bid applications received. Based on the electronic book, QIBs will be sent a CAN on or prior to [●], 2006, 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 Guidelines, 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 allocation as approved by the Designated Stock Exchange and specified in the physical book. As a result, a revised CAN may be sent to QIBs, on or prior to [●], 2006, 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) Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Issue Account and the Refund Account on the Designated Date, our Company would ensure the credit to the successful Bidders' depository accounts of the allotted Equity Shares to the allottees within two working days from the date of Allotment.

(b) As per the SEBI Guidelines, **Equity Shares will be issued 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 Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated to them pursuant to this Issue.

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 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 dispatch 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, Escrow Collection Bank(s), Bankers to the Issue nor the Book Runners 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 the following various modes:

1. ECS – Payment of refund would be done through ECS for applicants having an account at any of the following fifteen centres: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram. 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 fifteen centres, except where the applicant, being eligible, opts to receive refund through NEFT, direct credit or RTGS. Refunds through ECS may also be done at other locations based on operational efficiency and in terms of demographic details obtained by Registrar from the depository participants.

2. NEFT – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the IFSC, which can be linked to a MICR, if any, available to that particular bank branch. IFSC 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 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 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.

3. Direct Credit – Applicants having bank accounts with the Refund Banker(s), in this case being, [•] 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.

4. RTGS – Applicants having a bank account at any of the abovementioned fifteen centres and whose refund amount exceeds Rs. 1 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 our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be despatched under certificate of posting for value up to Rs. 1,500 and through Speed Post/ Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are

received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Please note that only Bidders having a bank account at any of the 15 centres where the clearing houses for the ECS are managed by the RBI are eligible to receive refunds through the modes stated above. For all the other Bidders, including Bidders who have not updated their bank particulars, along with the nine-digit MICR code, the refund orders shall be dispatched "Under Certificate of Posting" for refund orders less than Rs. 1,500 and through speed post/registered post for refund orders exceeding Rs. 1,500.

GENERAL INSTRUCTIONS

Do's:

(a) Check if you are eligible to apply.

(b) Read all the instructions carefully and complete the Bid cum Application Form (white or blue in colour) as the case may be.

(c) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.

(d) Ensure that the Bids are submitted at the bidding centers only on forms bearing the stamp of a member of the Syndicate.

(e) Ensure that you have been given a TRS for all your Bid options.

(f) Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS.

(g) Where Bid(s) is/are for Rs. 50,000 or more, each of the Bidders, should mention their PAN allotted under the IT Act. The copies of the PAN card or PAN allotment letter should be submitted with the Bid cum Application Form. If you have mentioned "Applied For" or "Not Applicable", in the Bid cum Application Form in the section dealing with PAN number, ensure that you submit Form 60 or 61, as the case may be, together with permissible documents as address proof.

(h) 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

(i) Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts:

(a) Do not Bid for lower than the minimum Bid size.

(b) Do not Bid for or revise Bid price to less than Floor Price or higher than the Cap Price.

(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 amount in cash, by money order or by postal order or by stockinvest.

(e) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only.

(f) Do not Bid at Cut-off Price (for QIB Bidders, Non-Institutional Bidders and Bidders bidding under the Employee Reservation Portion, for whom the Bid Amount exceeds 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.

Bidder's Depository Account Details and Bank Account Details

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 will obtain, from the Depositories, the Bidders' bank account details, including the nine digit 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, Escrow Collection Bank(s), Bankers to the Issue nor the Book Runners 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.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THE 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.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name and 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 demographic details of the Bidders such as address, bank account details for printing on refund orders or give credit through ECS, direct credit, RTGS or NEFT, and occupation ("Demographic Details"). Hence, Bidders should carefully fill in their Depository Account details 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 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.

In case of Bidders receiving refunds through electronic transfer of funds, 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, the Registrar, Escrow Collection Bank(s) nor the Book Runners 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 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 account number, then such Bids are liable to be rejected.

We in our absolute discretion, reserve 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/ 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.

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 and/or the Book Runners will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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 and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to reject such Bids in whole or in part, without assigning any reasons therefor.

In case of the 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, our Company reserves the right to reject such Bid.

In case of the Bids made pursuant to a power of attorney by Mutual Funds, 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, our Company reserves the right to reject such Bid in whole or in part, without assigning any reasons therefor.

Bids made by Insurance Companies

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 therefor.

Bids made by Provident Funds

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.

We, in our absolute discretion, reserve 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 we or the Book Runners may deem fit.

SUBMISSION OF BID CUM APPLICATION FORM

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts equivalent to the Margin Amount shall be submitted to the members of the Syndicate at the time of submission of the Bid.

Separate receipts shall not be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection center 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 case of Individuals

Bids may be made in single or joint names (not more than three). In 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 communication 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:

1. All applications with the same name and age will be accumulated and taken to a separate process file which would serve as a multiple master.
2. In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.
3. The Registrar will obtain, from depositories, details of the applicants' address based on the DP ID and Beneficiary Account Number provided in the Bid-cum-Application Form and create an address master.
4. The addresses of all the applicants in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of addresses and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the application processed. A print-out of the addresses will be taken to check for common names. The application with same name and same address will be treated as multiple applications.
5. The applications will be scrutinized for their DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.
6. Subsequent to the aforesaid procedures, a print out of multiple master will be taken and applications physically verified to tally signatures as also father's/husband's names. On completion of this, the applications will be identified as multiple applications.

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 for which the Bid has been made.

Bids made by Employees both under Employees Reservation Portion as well as in the Net Issue shall not be treated as multiple Bids.

The Company reserves the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

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.

Permanent Account Number

Where Bid(s) is/are for Rs. 50,000 or more, the Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. **The copy of the PAN card(s) or PAN allotment letter(s) is required to be submitted with the Bid cum Application Form. Applications without this information and documents will be considered incomplete and are 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. In case the sole/First Bidder and joint Bidder(s) is/are not required to obtain PAN, each of the Bidder(s) shall mention "Not Applicable" and in the event that the sole Bidder and/or the joint Bidder(s) have applied for PAN which has not yet been allotted each of the Bidder(s) should mention "Applied for" in the Bid cum Application Form. Further, where the Bidder(s) has mentioned "Applied for" or "Not Applicable", the sole/First Bidder and each of the joint Bidder(s), as the case may be, would be required to submit Form 60 (form of declaration to be filed by a person who does not have a permanent account number and who enters into any transaction specified in Rule 114B of the Income Tax Rules, 1962), or, Form 61 (form of declaration to be filed by a person who has agricultural income and is not in receipt of any other income chargeable to income-tax in respect of transactions specified in Rule 114B of the Income Tax Rules, 1962), as may be applicable, duly filled along with a copy of any one of the following documents in support of the address: (a) ration card (b) passport (c) driving licence (d) identity card issued by any institution (e) copy of the electricity bill or telephone bill showing residential address (f) any document or communication issued by any authority of the Central Government, state government or local bodies showing residential address (g) any other documentary evidence in support of address given in the declaration. **It may be noted that Form 60 and Form 61 have been amended by a notification issued on December 1, 2004 by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance. All Bidders are requested to furnish, where applicable, the revised Form 60 or Form 61 as the case may be.**

Unique Identification Number ("UIN") - MAPIN

With effect from July 1, 2005, SEBI had decided to suspend all fresh registrations for obtaining UIN and the requirement to contain/quote UIN under the SEBI MAPIN Regulations/Circulars vide its circular MAPIN/Cir-13/2005. However, in a recent press release dated December 30, 2005, SEBI has approved certain policy decisions and has now decided to resume registrations for obtaining UINs in a phased manner. The press release states that the cut off limit for obtaining UIN has been raised from the existing limit of trade order value of Rs.100,000 to Rs.500,000 or more. The limit will be reduced progressively. For trade order value of less than Rs.500,000, an option will be available to investors to obtain either the PAN or UIN. These changes are, however, not effective as of the date of the Draft Red Herring Prospectus and SEBI has stated in the press release that the changes will be implemented only after necessary amendments are made to the SEBI MAPIN Regulations.

Grounds for Rejections

In case of QIB Bidders, our Company, in consultation with the Book Runners, may reject a Bid at the time of acceptance of the Bid cum Application Form provided that the reasons for rejecting the same are provided to such Bidders in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Bidders are advised to note that Bids are liable to be rejected on, inter alia, the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares bid for;
2. Age of first Bidder not given;
3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no such partnership firm, shall be entitled to apply;
4. Bids by Non-Residents, if compliance with the appropriate foreign and Indian laws;
5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and insane persons;

6. **PAN photocopy, PAN communication, Form 60 or Form 61 declarations alongwith documentary evidence in support of address given in the declaration, not given if Bid is for Rs. 50,000 or more;**
7. Bids for lower number of Equity Shares than specified for that category of investors;
8. Bids at a price less than lower end of the Price Band;
9. Bids at a price more than the higher end of the Price Band;
10. Bids at Cut-off Price by Non-Institutional Bidders and QIB Bidders and by Bidders in the Employee Reservation Portion bidding in excess of Rs. 100,000;
11. Bids for number of Equity Shares, which are not in multiples of [•];
12. Category not ticked;
13. Multiple Bids as defined in this Draft Red Herring Prospectus;
14. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
15. Bids accompanied by stockinvest/money order/postal order/cash;
16. Signature of sole and/or joint Bidders missing;
17. Bid cum Application Form does not have the stamp of the Book Runners or the members of the Members;
18. Bid cum Application Form does not have the Bidder's depository account details;
19. Bid cum Application Form is not delivered by the Bidder within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Form;
20. 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 depositary participant's identity (DP ID) and the beneficiary account number;
21. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations. See the details regarding the same in the section titled "Issue Procedure – Bids at Different Price Levels" beginning on page [•];
22. Bids by OCBs and multilateral and bilateral development financial institutions;
23. Bids by US persons other than "qualified institutional buyers" as defined in Rule 144A of the Securities Act or other than in reliance on Regulation S under the Securities Act;
24. Bids by QIBs not submitted through Book Runners or members of the Syndicate;
25. Bids where the Bid cum Application Form do not reach the Registrar prior to the finalisation of the basis of Allotment;
26. Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
27. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority; and
28. Bids by any person resident outside India, if not in compliance with applicable foreign and Indian laws.

Equity Shares in dematerialised form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted 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 our Company, the respective Depositories and the Registrar to the Issue:

(a) an agreement dated May 25, 2006 between NSDL, us and Registrar to the Issue;
(b) an agreement dated April 28, 2006 between CDSL, us and Registrar to the Issue.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

(a) A Bidder applying for Equity Shares must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the Bid.

(b) The Bidder must necessarily fill in the details (including the beneficiary account number and Depository

Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

(c) Equity Shares allotted to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

(d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details with the Depository.

(e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

(f) 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.

(g) It may be noted that 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 our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

(h) The trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

COMMUNICATIONS

All future communication 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, details of Depository Participant, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

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 respective beneficiary accounts, refund orders etc.

Disposal of Investor Grievances by our Company

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances shall be seven days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. R. Hari Haran, 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:

1E Jhandewalan Extension
Naaz Cinema Complex
New Delhi 110 055, India
Tel: +91 11 4302 3058
Fax: +91 11 4353 9579
E-mail: ipo@dlfgroup.in

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 Allocation.

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 successful Retail Individual Bidders will be made at the Issue Price.

- The Issue size less allocation to Non-Institutional Bidders and QIB Bidders shall be available for allocation 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 valid Bids in this category is for less than or equal to 52,200,000 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 valid Bids in this category are for more than 52,200,000 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 multiples of [●] Equity Shares thereafter. For the method of proportionate basis of allocation, 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 Issue size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation 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 valid Bids in this category is for less than or equal to 17,400,000 Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their valid Bids.

- In case the valid Bids in this category are for more than 17,400,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate basis of allocation refer below.

C. For Employee Reservation Portion

- 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.

- If the aggregate demand in this category is less than or equal to 1,000,000 Equity Shares at or

above the Issue Price, full allocation shall be made to the Employees to the extent of their demand.

- If the aggregate demand in this category is greater than 1,000,000 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 [•] Equity Share thereafter. For the method of proportionate basis of allocation, refer below.

- Only Eligible Employees eligible to apply under Employee Reservation Portion.

D. For QIB Bidders

- At least 60% of the Net Issue shall be allotted to the QIB Bidders, failing which the full subscription monies received shall be refunded.

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the QIB Bidders will be made at the Issue Price.

- The Issue size less allocation to Non-Institutional Portion and Retail Portion shall be available for proportionate allocation to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- However, eligible Bids by Mutual Funds only shall first be considered for allocation proportionately in the Mutual Funds Portion. After completing proportionate allocation to Mutual Funds for an amount of up to 5,220,000 Equity Shares (the Mutual Funds Portion), the remaining demand by Mutual Funds, if any, shall then be considered for allocation proportionately, together with Bids by other QIBs, in the remainder of the QIB Portion (i.e. after excluding the Mutual Funds Portion). For the method of allocation in the QIB Portion, see the paragraph titled "Illustration of Allotment to QIBs" appearing below. If the valid Bids by Mutual Funds are for less than 5,220,000 Equity Shares, the balance Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and allocated proportionately to the QIB Bidders. For the purposes of this paragraph it has been assumed that the QIB Portion for the purposes of the Issue amounts to 60% of the Net Issue size, i.e. 104,400,000 Equity Shares.

- Allotment shall be undertaken in the following manner:

  (a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

    (i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.
    (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full allotment to the extent of valid bids received above the Issue Price.
    (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to all QIB Bidders as set out in (b) below;

  (b) In the second instance allocation 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 at or 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, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

Except for any Equity Shares allocated to QIB Bidders due to undersubscription in the Retail Portion and/or Non-Institutional Portion, the aggregate allocation to QIB Bidders shall be made on a proportionate basis of at least 104,400,000 Equity Shares. For the method of proportionate basis of allocation refer below.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue details

S. No	Particulars	Issue details
1	Issue size	200 million Equity Shares
2	Allocation to QIB (at least 60% of the Issue)	120 million Equity Shares
	Of which:	
	a. Reservation For Mutual Funds, (5%)	6 million Equity Shares
	b. Balance for all QIBs including Mutual Funds	114 million Equity Shares
3	Number of QIB applicants	10
4	Number of Equity Shares applied for	500 million Equity Shares

B. Details of QIB Bids

S.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 Mutual Funds), MF1-MF5 (QIB Bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/Applicants

(Number of equity shares in million)

Type of QIB bidders	Shares bid for	Allocation of 5 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 95 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	(II)	(III)	(IV)	(V)
A1	50	0	11.40	0
A2	20	0	4.56	0
A3	130	0	29.64	0
A4	50	0	11.40	0
A5	50	0	11,40	0
MF1	40	1.2	9.12	10.32
MF2	40	1.2	9.12	10.32
MF3	80	2.4	18.24	20.64
MF4	20	0.6	4.56	5.16
MF5	20	0.6	4.56	5.16
	500	**5**	**114**	**51.64**

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the section titled "Issue Structure" beginning on page [●].
2. Out of 120 million Equity Shares allocated to QIBs, 6 million (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 shares in the QIB Portion.
3. The balance 114 million Equity Shares [i.e. 120 - 6 (available for Mutual Funds only)] will be allocated on proportionate basis among 10 QIB Bidders who applied for 500 Equity Shares (including 5 Mutual Fund applicants who applied for 200 Equity Shares).
4. The figures in the fourth column titled "Allocation of balance 114 million Equity Shares to QIBs proportionately" in the above illustration are arrived as under:
    1. For QIBs other than Mutual Funds (A1 to A5)= Number of Equity Shares Bid for X 114/494
    2. 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 114/494
    3. The numerator and denominator for arriving at allocation of 114 million Equity Shares to the 10 QIBs are reduced by 6 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Method of Proportionate basis of allocation in the Issue

In the event of the Issue being over-subscribed, the Company shall finalize the basis of allocation 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 Book Runners, and the Registrar to the Issue shall be responsible for ensuring that the basis of allocation is finalized in a fair and proper manner.

Bidders will be categorized according to the number of Equity Shares applied for by them and the allotment shall be made on a proportionate basis as explained below.

(a) 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.

(b) 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.

(c) In all Bids where the proportionate allotment is less than [●] Equity Shares per Bidder, the allotment shall be made as follows:

- Each successful Bidder shall be allotted a minimum of [●] Equity Shares; and
- 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.

(d) If the proportionate allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the market 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. All Bidders in such categories would be allotted Equity Shares arrived at after such rounding off.

(e) 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 Equity 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.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS

We 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 2 (two) working days of date of Allotment. We shall dispatch refund orders, if any, of value up to Rs. 1,500, "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 and adequate funds for this purpose shall be made available to the Registrar for this purpose. In case of Bidders who receive refunds through ECS, direct credit, RTGS or NEFT, the refund instructions will be given to the clearing system and a suitable communication shall be sent to such Bidders within 15 days from the Bid/Issue Closing Date.

We 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 finalization of the basis of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines, we further undertake that:

- allotment of Equity Shares shall be made only in dematerialised form within 15 (fifteen) days of the Bid /Issue Closing Date;

- dispatch of refund orders within 15 (fifteen) days of the Bid /Issue Closing Date would be ensured; and

- we shall pay interest at 15% (fifteen) per annum (for any delay beyond the 15 (fifteen)-day time period as mentioned above), if Allotment is not made and refund orders are not dispatched and/or demat credits are not made to investors within the 15 (fifteen)-day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance pursuant to their letter No. F/8/S/79 dated July 31, 1983, as amended by their letter No. F/14/SE/85 dated September 27, 1985, addressed to the stock exchanges, and as

further modified by SEBI's Clarification XXI dated October 27, 1997, with respect to the SEBI Guidelines.

Save and except for refunds effected through an electronic mode, 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 centers will be payable by the Bidders.

Undertaking by our Company

We undertake as follows:

- that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
- that all steps will be taken for the 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 the funds required for dispatch of refund orders or allotment advice as per the modes disclosed shall be made available to the Registrar to the Issue by us;
- that the refund orders or allotment advice to the Eligible NRIs or FIIs shall be dispatched within specified time;
- 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; and
- except as disclosed under "Note 23 – Notes to the Capital Structure", no further issue of Equity Shares shall be made till the Equity Shares issued through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.

Utilisation of Issue proceeds

Our Board of Directors certifies 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 the Issue referred above shall be disclosed under an appropriate separate 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 the appropriate head in our balance sheet indicating the form in which such unutilised monies have been invested;
- details of all unutilized monies out of the funds received from the Employee Reservation Portion shall be disclosed under a separate head in the balance sheet of the Company, indicating the form in which such unutlilised monies have been kept;
- we 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 Book Runners reserves the right not to proceed with the Issue at anytime including after the Bid/ Issue Opening Date, without assigning any reason thereof. In terms of the SEBI Guidelines, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.

Restrictions on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy and FEMA. While the Industrial Policy, 1991 of Government of India 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 investments.

Press Note No. 2 (2005 series), published by the Government of India has permitted foreign direct investment ("FDI") up to 100% under the automatic route in townships, housing, built-up infrastructure and construction-development projects, subject to certain conditions enumerated therein. A short summary of the conditions is as follows:

(a) Minimum area to be developed is 10 hectares in case of serviced housing plots and 50,000 square metres in case of construction development projects. Where the development is a combination project, it can be either 10 hectares or 50,000 square metres.

(b) Minimum capitalization of US$10 million for wholly owned subsidiary and US$5 million for a joint venture has been specified and it is required to be brought in within 6 months of commencement of business of the company.

(c) Further, the investment is not permitted to be repatriated before 3 years from completion of minimum capitalization except with prior approval from FIPB.

(d) At least 50% of the project is required to be developed within 5 years of obtaining all statutory clearances and the responsibility for obtaining it is cast on the foreign investor. Further, the sale of undeveloped plots is prohibited.

We have received the permission of the DIPP dated April 13, 2006 (bearing number 5(6)/2000-FC(Pt.File)) and the RBI dated April 24, 2006 (bearing number FE.CO.FID/22510/10.02.078/2005-06) for investment by FIIs in the Issue. For further details on the permissions received, see section titled "Material Contracts and Documents for Inspection" on page [•].

Subscription by Non-Residents

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to entities that are "qualified institutional buyers", as defined in Rule 144A of the Securities Act and (ii) outside the U.S. to certain person 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.

There is no reservation for any FIIs or Eligible NRIs and such FIIs or Eligible NRIs will be treated on the same basis with other categories for the purpose of allocation.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

No single FII can hold more than 10% of our post-Issue paid up capital (i.e. 10% of 1,703,639,080 Equity Shares).

In respect of an FII investing in the 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 FIIs holding in our Company cannot exceed 26% of the total issued capital of our Company.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations, 1995, an FII or its sub account may issue, deal or hold, offshore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "know your client" requirements. An FII or sub-account

shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

As per the current regulations, the following restrictions are applicable for investments by SEBI registered VCFs:

The SEBI (Venture Capital) Regulations, 1996 prescribe investment restrictions on venture capital funds registered with SEBI. Accordingly, the holding by any VCF should not exceed 25% of the corpus of the VCF.

Under the SEBI (Venture Capital Funds) Regulations, 1996, a venture capital fund may raise monies from any investor, whether (i) Indian, (ii) foreign or (iii) non-resident Indian, by way of issue of units. In this Issue, venture capital funds, which have raised monies from foreign and non-resident Indian investors [i.e., categories (ii) and (iii) above] are not eligible to participate.

As per the current regulations, OCBs and non-residents such as multilateral and bilateral development financial institutions cannot participate in this Issue.

The above information is given for the benefit of the Bidders. Our Company and the Book Runners are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations. However, we shall update this Draft Red Herring Prospectus and keep the public informed of any material changes in matters concerning our business and operations till the listing and commencement of trading of the Equity Shares.

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF THE COMPANY

Capitalised terms used in this section have the meaning given to such terms in the Articles of Association of our Company. Pursuant to Schedule II of the Companies Act and the DIP Guidelines, the main provisions of the Articles of Association of our Company relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares/debentures and/or on their consolidation/splitting are detailed below.

The regulations contained in Table A of Schedule I of the Companies Act, 1956, shall apply to our Company in so far as they are not inconsistent with or repugnant to any of the regulations contained in the Article of Association of our Company.

Capital and shares

Increase of capital

Article 14 provides that "The Company in general meeting may from time to time by ordinary capital by such sum, divided into shares of such amount, as the resolution shall prescribe."

Redeemable preference shares

Article 4(c) provides that "The Company shall have power to issue Preference Shares carrying a right to redemption out of profits or out of the proceeds of a fresh issue of shares made for the purposes of such redemption or liable to be redeemed at the option of the Company and the Board may, subject to the provisions of Section 80 of the Act, exercise such power in such manner as may be provided in these articles."

Article 4(d) provides that "The Preference share capital shall carry a cumulative dividend of 9.5 per cent annum (free of Company's tax but subject to deduction of tax at source at the prescribed rates according to the provisions of law enforced from time to time) and/or such other rate or rates as the Company may decide in General Meeting on the capital for the time being paid up thereon and shall be compulsorily redeemable at par after a period of 12 years but not later than 15 years from the date of allotment. The Redeemable Preference Shares shall confer the right on the holders thereof, in a winding up to payment of the paid up capital and all arrears of fixed cumulative preferential dividends whether earned, declared or not, up to the date of commencement of the winding up out of the profits or assets of the Company, in priority to the Equity Shares.

The Company shall not create and/or issue in future Preference shares ranking in priority to the Preference Shares already issued. In the event of its creating and/or issuing Preference Shares in future ranking pari-passu with the Preference Shares already issued, it would do so only with the consent in writing of the holders of not less than 3/4 (three-fourth) of the Preference shares then outstanding or with the sanction of special Resolution passed in a separate meeting of the holders of Preference Shares."

Allotment of shares

Article 5 provides that "Subject to the provisions of these Articles the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times, as the Board thinks fit either at par or at a premium and for such consideration as the Board thinks fit. Provided that 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, subject to the provisions of Section 81(1A) of the Act, the Board shall issue such shares in the manner set out in Section 81 (1) of the Act. 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 General Meeting".

Further Article 16 provides that "Before the issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of new shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at premium or, subject to the provisions of Section 79 of the Act, at a discount; in default or any such provisions or so far as the Act shall not extend, the new shares may be issued in

conformity with the provisions of Article 5."

Commission for placing shares, debentures, etc

Article 8 provides that "The Company may exercise the powers of paying Commissions conferred by Section 76 of the Act, provided that the rate or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the commission shall not exceed 5 per cent of the price at which any share, in respect thereof the same is paid, are issued or 2½ percent of the price at which any debentures are issued. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in 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."

How far shares to rank with existing shares

Article 17 provides that "Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the then existing capital of the Company and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien and otherwise."

Reduction of capital

Article 19 provides that "The Company may from time to time by special resolution reduce its share capital and any capital redemption Reserve Account or share premium account in any manner for the time being 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 of shares.

Article 20 provides that "The Company in general meeting may by ordinary resolution alter the conditions of its Memorandum of Association for the following purposes:

(a) to consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) to sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum so however, that in the sub-division the proportion between amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(c) to cancel any shares which at the date of the passing of the resolution, 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."

Buyback of shares

Article 23A provides that "Pursuant to Section 77A, 77AA and 77B and other applicable provisions of the Companies Act, 1956, if any, for the time being in force and as amended from time to time and notwithstanding anything else contained to the contrary in these Articles, the Company may acquire, purchase, buy back and hold, resell or otherwise deal with its own shares or other specified securities from out of its free reserves or out of its securities premium account or out of the proceeds of an issue of shares or other specified securities or by any other mode, manner, method as may be specified under the Companies Act, 1956 and/or upon such terms and conditions and subject to such limits and such approvals as may be prescribed or permitted under the Companies Act, 1956."

Dematerialisation of securities.

Article 57A relates to provision of dematerialisation of securities.

Modification of rights

Article 23 provides that "If at any time the share capital is divided into different classes of shares the rights attached to each class, unless otherwise provided by the terms of issue of the shares of that class, may, whether or not the Company is being wound up, be varied with by the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class. To every such separate General Meeting of the provisions of these Articles relating to General Meeting shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-fifth of the issued shares of the class but so that if at any adjourned meeting of such holder a quorum as above defined is not present, those members who are present, shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and one poll shall have one vote for each share of the class of which he is the holder. This Article is not by implication to curtail the power of modification which the Company would have if this Article were omitted. The Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar."

Board of Directors to make calls

Article 25 provides that "The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks 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 persons and at the times and places appointed by the Board. A call may be made payable by instalments and shall be deemed to have been made when resolution of the Board authorising such call was passed. "

Calls to carry interest

Article 27 (i) provides that "If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the member for the time being in respect of the share for which the call shall have been made or the instalment shall be due shall pay interest for the same at the rate of 12 per cent per annum from the day appointed for the payment thereof to the time of the actual payment or at such lower rates as the Board may determine.

Article 27(ii) provides that "The Board shall be at liberty to waive payment of any such interest either wholly or in part."

Interest payable on calls in advance

Article 30 provides that "The Directors may, if they think fit, subject to the provisions 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 amount 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, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that 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 them 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.

Revocation of calls

Article 31 provides that "A call may be revoked or postponed at the discretion of the Board."

Forfeiture of shares

Article 32 provides that "If any member fails to pay any sum payable in respect of any call or any instalment on or before the appointed day for payment thereof, the Board may at any time thereafter during such time as the said sum or any instalment remains unpaid, serve a notice on such member requiring him to pay the sum together with any

interest and all expenses that may have been incurred by the Company by reason of such nonpayment."

Article 33 provides that "The notice shall name a day, not being less than fourteen days from date of the notice, and a place at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment at or before the time, and on the day appointed, the shares in respect of which such call or instalment was payable will be liable to be forfeited."

Article 34 provides that "If the requirements of any such notice as aforesaid be not complied with, and shares in respect of which such notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. The forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture."

Further, Article 35 provides that "When any share shall have been so forfeited, notice of the resolution shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or failure to give such notice or to make such entry as aforesaid."

Forfeited share to become property of the Company

Article 36 provides that "Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit."

Power to annul forfeiture

Article 37 provides that "The Board, may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof on such conditions as it thinks fit."

Liability on forfeiture

Article 38 provides that "A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding, remain liable to pay and shall forthwith pay to the Company, all calls, or instalments, interest and expenses, owing upon or in respect of such share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate not exceeding 12 per cent as the Board shall think fit and the Board may realise such payment thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so."

Company's lien on shares

Article 41 provides that "The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such share whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 12 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share. The Directors may at any time declare any shares wholly or in part to be exempt from the provision of this articles. The provisions of these articles shall mutatis mutandis apply to the debentures of the company.

Sale of shares on which Company has lien

Article 42 provides that "For the purpose of enforcing such lien the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or other legal representative as the case may be and default shall have been made by him or them in the payment of the money called or payable at a fixed time in respect of such share for seven days after the date of such notice."

Application of proceeds of sale

Article 43 provides that "The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the share before the sale) be paid to the person entitled to the share at the date of the sale."

Transfer and transmission of Shares

Form of transfer

Article 48 provides that "The instruments of transfer shall be in writing and all the provisions of section 108 of the Act shall be duly complied with in respect of all transfers of share and the registration thereof."

Transfer not to be registered except on production of instrument of transfer

Article 46 provides that "Save as provided in Section 108 of The Act, no transfer of a share shall be registered 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 has been delivered to the Company together with the certificate or, if no such certificate is in existence, the Letter of Allotment of the share. The instrument of transfer of any share shall specify the name, address and occupation (if any) of the transferee, and the transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation."

Directors may refuse to register transfer

Article 49 provides that "Subject to the provisions of Section 111 of the Act, the Board without assigning any reason may decline to register the transfer of a share or transmission of a share by operation of law to a person whom it shall not approve and the Board may also decline to register a transfer arising under Article 55. Registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or person indebted to the Company on any account whatsoever except a lien on the shares."

Transmission of shares as to survivorship

Article 54 provides that "The executor or administrator of a deceased member, not being one of several members registered jointly in respect of a share, shall be the only person recognised by the Company as having any title to the share registered in the name of such member, and, in case of the death of anyone or more of the members registered jointly in respect of any share, the survivor shall be the only person recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased member from any liability on the share held by him jointly with any other person. Before recognising any executor or administrator the Board may require him to obtain a Grant of Probate or Letters of Administration or other legal representation, as the case may be, from a competent Court in India; provided, nevertheless, that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion may consider adequate."

Transfer of shares of insane, minor, deceased or bankrupt members

Article 55 provides that "Any committee or guardian of a lunatic or minor member or any person becoming entitled to or to transfer a share in consequence of the death or bankruptcy or insolvency of any member 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 Board thinks sufficient may, with the consent of the Board, be registered as a member in respect of such share, or may, subject to the regulations as to transfer herein before contained, transfer such share."

Rights of person entitled to share by reason of death etc of member

Article 56 provides that "A person so becoming entitled under Article 55 to any share by reason of death, lunacy, bankruptcy or insolvency of the member shall, subject to the provisions of Article 80 and Section 206 of the Act to be entitled to the same dividends and other advantages to which he would be entitled if he were the registered member in respect of the share. Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the same until the requirements of the notice have been complied with."

Election by person becoming entitled to shares

Article 57 provides that

"(1) If the person becoming entitled to a share under Article 55 shall elect to be registered,as member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the shares.

(3) All the limitations, restrictions and provisions of these Articles pertaining to the right to transfer and the registration of instruments of transfer of shares shall be applicable to such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member."

Borrowing Powers

Power of borrowing

Article 58 provides that "Subject to the provisions of Section 292, 293 and 370 of the Act, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, accept deposits room members, either in advance of calls. or otherwise and generally raise or borrow either from the Directors or secure the payment of any sum or sums of money for the purposes of the Company not exceeding the aggregate paid-up capital of the company and its free reserves, not being reserves set apart for any specific purpose, provided however, where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aforesaid aggregate, the Board shall not borrow such moneys without consent of the Company in General Meeting."

Conditions on which money may be borrowed

Article 59 provides that "The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and, in particular, by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being."

General meetings

Quorum

Article 70 provides that "No business shall be transacted at any General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to transact business. Save as herein otherwise provided five members present in person shall be quorum."

How questions to be decided at meetings

Article 74 provides that "Every question submitted to a meeting shall be decided in the first instance by a show of hands. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or a casting vote."

Objection to vote

Article 88 (1) provides that "Any objection as to the admission or rejection of a vote made on a show of hands, or, on a poll, shall be referred to the Chairman of the meeting who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive."

Article 88 (2) provides that "No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes."

Votes of members

Article 78 provides that:

"(1) Save as hereinafter provided, on a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person with either as a General Proxy (as defined in Article 83) on behalf of a holder of Equity Shares. If he is not entitled to vote in his own right or, as a duly authorised representative of a body corporate, being a holder of Equity Shares, shall have one vote.

(2) Save as hereinafter provided, on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.

(3) The holders in respect of Preference Shares shall not be entitled to vote at general meetings of the Company except:

(i) On any resolution placed before the Company at a general meeting at the date on which the dividend due or any part thereof remains unpaid in respect of an aggregate period of not less than two years previous to the date of commencement of such meeting whether or not such dividend has been declared by the Company or

(ii) On any resolution placed before the Company at a general meeting which directly affects the rights attached to the Preference Shares and for this purpose any resolution for the winding up of the Company or for the repayment or reduction of its share capital shall be deemed to affect the right attached to such shares.

Where the holder of any Preference Shares has a right to vote on any resolution in accordance with the provisions of this Article his voting right on poll as such holder shall, subject to any statutory provision for the time being applicable, be in the same proportion as the capital paid up on the Preference Shares bears to the total paid up Equity Share capital of the Company for the time being as defined in section 87 (2) of the Act.

Provided that no company or body corporate shall vote by proxy unless a resolution of its Board of Directors under the provisions of Section 187 of the Act is in force."

Votes by and power of representative of member companies

Article 79 provides that "A company or body corporate (herein this article called "Member Company") which is a member of the Company, may vote by proxy or by representative duly appointed in accordance with Section 187 of the Act. A person duly appointed to represent the member company at any meeting of the Company or at any meeting of any class of members of the Company, shall be entitled to exercise the same rights and powers, including

the right to vote by proxy on behalf of the member company which he represents, as that member company could exercise if it were an individual member."

Votes in respect of deceased, insane and insolvent members

Article 80 provides that "Any person entitled under the Transmission Article 55 to transfer shares may vote at any general meeting in respect thereof in the same manner if he were the member registered in respect of such shares, provided that eight hours at least 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 Board of his right to transfer such shares, unless the Board shall have previously admitted the right to vote at such meeting in respect thereof. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such Committee or guardian may, on a poll, vote by proxy."

Votes of joint holders

Article 81 provides that "Where there are members registered jointly in respect of any share, anyone of such persons may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto; and if more than one of such members be present at any meeting either personally or by proxy, that one of the said members so present whose name stands first on the Register in respect of such share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purposes of this' Article be deemed to be members registered jointly in respect thereof."

Proxies permitted

Article 82 provides that "On a poll votes may be given either personally or by proxy, or, in the case of a body corporate, by a representative duly authorised as aforesaid."

Instrument appointing proxy to be in writing

Article 83 provides that "The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney authorised in writing or if such appointer is a body corporate be under its common seal or the hand of its officer or attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a Special Proxy. Any other proxy shall be called a General Proxy. A person may be appointed a proxy though he is not a member of the Company and every notice convening a meeting of the Company shall state this and that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him."

Instrument appointing proxy to be deposited in office

Article 84 provides that "The instrument appointing a proxy and the power of attorney other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the office not less the forty-eight hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid."

When vote by proxy valid though authority revoked

Article 85 provides that "A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, Insanity, revocation or transfer of the share shall have been received by the Company at the office before the vote is given Provided nevertheless that the Chairman of any, meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked."

Form of instrument appointing a special proxy

*Article 86 provides that "*Every instrument appointing a Special Proxy shall be retained by the Company and shall,

as nearly as circumstances will admit," be in a form as specified therein.

Chairman of general meeting

Article 72 provides that "The Chairman of the Board shall be entitled to take the chair at every general meeting. If at any General Meeting the chairman is not present, the Vice-Chairman shall be the Chairman of such general meeting. If at any meeting they shall not be present or are unwilling to act, the members present shall choose another Director as Chairman and if no Director be present or if all the Directors present decline to take the Chair then the members present shall on a show of hands or on a poll if properly demanded elect one of their number being a member entitled to vote to be the Chairman of the Meeting."

Dividend

Declaration of dividend

Article 134 provides that "The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment."

Interim dividend

Article 138 provides that "The Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company."

Divided out of profits only and not to carry interest

Article 136 provides that "Subject to the provisions of Section 205 of the Act no dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central or State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company."

Debts may be deducted

Article 139 provides that "The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company."

Notice of dividends

Article 145 provides that "Notice of any dividend, whether interim or otherwise, shall be given to the persons entitled to share therein in the manner hereinafter provided."

Dividends, how remitted

Article 146 provides that "Unless otherwise directed in accordance with Section 206 of the Act, any dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or in the case of members registered jointly to the registered address of the member first named in the Register or to such person and such address as the member or members. as the case may be, direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent"

Article 147C provides that where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, 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 that behalf in any scheduled bank, to be called "(Name of Company)Unpaid Dividend Account". Any money transferred to the unpaid dividend account of a 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.

Capitalisation

Power to capitalise

Article 130 provides that "The Company in general meeting may upon the recommendation of the Directors resolve that any moneys, investments, or other assets forming part of the undivided profits or the Company standing to the credit of the Reserves or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such members in paying up in full any un-issued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purpose of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares."

Winding up

Distribution of assets

Article 179 provides that "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 among 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 members registered in respect of shares upon special terms and conditions."

Distribution of assets of specie

Article 180 provides that "If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a Special Resolution, divide among the members, in specie or kind, the whole or 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 members, or any of them, as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities wherein there is any liability."

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 Draft 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 Draft Red Herring Prospectus, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the head office of our Company situated at DLF Centre, Sansad Marg, New Delhi 110 001, India from 10.00 a.m. to 4.00 p.m. on working days from the date of this Draft Red Herring Prospectus until the Bid/ Issue Closing Date.

Material Contracts

1. Engagement letter dated December 22, 2006 for appointment of Kotak Mahindra Capital Company Limited and DSP Merrill Lynch Limited, as Global Coordinators and Citigroup Global Markets India Private Limited, Deutsche Equities India Private Limited, ICICI Securities Limited, Lehman Brothers Securities Private Limited and UBS Securities India Private Limited as the BRLMs and SBI Capital Markets Limited as the Co-BRLM.

2. Memorandum of understanding dated December 22, 2006 amongst our Company and the Book Runners.

3. Memorandum of understanding dated April 12, 2006 executed by our Company and the Registrar to the Issue, as amended on May 11, 2006 and December 5, 2006.

4. Escrow agreement dated [•] between us, the Book Runners, Escrow Collection Banks, and the Registrar to the Issue.

5. Syndicate agreement dated [•] between us, the Book Runners and Syndicate Members.

6. Underwriting agreement dated [•] between us, the Book Runners and Syndicate Members.

Material Documents

1. Our Memorandum and Articles of Association as amended till date.

2. Shareholders' resolutions dated April 20, 2006 and May 2, 2006 in relation to this Issue and other related matters.

3. Resolutions of the Board dated April 7, 2006 authorising the Issue.

4. Resolutions of the general body for appointment and remuneration of our whole-time Directors.

5. Report of the Auditors, Chartered Accountants, prepared as per Indian GAAP and mentioned in this Draft Red Herring Prospectus and letters from the auditors dated December 6, 2006.

6. Copies of annual reports of our Company for the past five financial years.

7. Consents of the Auditors, Chartered Accountants, for inclusion of their report on accounts in the form and context in which they appear in this Draft Red Herring Prospectus.

8. General powers of attorney executed by our Directors in favour of person(s) for signing and making necessary changes to this Draft Red Herring Prospectus and other related documents.

9. Consents of Auditors, Bankers to the Company, Book Runners, Syndicate Members, Registrar to the Issue, Banker to the Issue, Domestic Legal Counsel to the Company, International Legal Counsel to the Company,

Domestic Legal Counsel to the Book Runners, International Legal Counsel to the Book Runners, Directors of our Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.

10. Listing agreements dated [•] with [•].

11. Applications dated [•] and [•] for in-principle listing approval from [•], respectively.

12. In-principle listing approval dated [•] and [•] from NSE and BSE, respectively.

13. Agreement between NSDL, our Company and the Registrar to the Issue dated May 25, 2006.

14. Agreement between CDSL, our Company and the Registrar to the Issue dated April 28, 2006.

15. Due diligence certificate dated January 2, 2007 to SEBI from the Book Runners.

16. SEBI observation letter [•] dated [•] and our in-seriatim reply to the same dated [•].

17. Clarifications/approvals from the DIPP dated April 13, 2006 (bearing number 5(6)/2000-FC(Pt.File)) and the RBI dated April 24, 2006 (bearing number FE.CO.FID/ 22510/ 10.02.078/ 2005-06) respectively.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our 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

All the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Government of India or the guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Directors

Mr. K.P.Singh, Executive Chairman	Mr. Rajiv Singh, Vice Chairman
Mr. T.C. Goyal, Managing Director	Ms. Pia Singh, Whole-time Director
Mr. Kameshwar Swarup, Executive Director-Legal	Mr. G.S. Talwar, Director *
Dr. D.V. Kapur, Director *	Mr. M.M. Sabharwal, Director *
Mr. K.N. Memani, Director *	Mr. Ravinder Narain, Director *
Mr. Brijendra Bhushan, Director *	Brig. (Retd.) Narendra Pal Singh, Director *

** Through constituted attorney Mr. Ramesh Sanka.*

Mr. Ramesh Sanka
(Senior Executive Director & Chief Financial Officer)

Date: January 2, 2007
Place: New Delhi

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK