



DLF LIMITED

RED HERRING PROSPECTUS

(will be updated upon RoC filing)

Please read Section 60B of the Companies Act, 1956

Dated: May 25, 2007

100% Book Built Issue

(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. [●] CRORE ("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 ISSUE OF EQUITY SHARES OTHER THAN THE EMPLOYEE RESERVATION PORTION SHALL BE CALLED THE "NET ISSUE". THE ISSUE SHALL CONSTITUTE 10.26% OF THE FULLY DILUTED POST-ISSUE CAPITAL OF OUR COMPANY.

PRICE BAND: Rs. 500 To Rs. 550 PER EQUITY SHARE OF FACE VALUE Rs. 2.

THE FACE VALUE OF EQUITY SHARES IS Rs. 2 AND THE FLOOR PRICE IS 250 TIMES THE FACE VALUE AND THE CAP PRICE IS 275 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	1	149	150	2	[●]	[●]
By Due Date	1	[●]	[●]	-	-	-
Total	2	[●]	[●]	2	[●]	[●]

* See page xxxix 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 Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page xiv.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the NSE and the BSE. We have received in-principle approval from the NSE and the BSE for the listing of our Equity Shares pursuant to letters dated January 16, 2007 and January 17, 2007 respectively. BSE shall be the Designated Stock Exchange.

GLOBAL COORDINATORS & BOOK RUNNING LEAD MANAGERS		SENIOR BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
 Kotak Mahindra Capital Co. Ltd. 1 st 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, 10 th Floor, Nariman Point Mumbai 400 021 Tel: +91 22 2262 1071 Fax: +91 22 2262 1187 Email: dlf_ipo@ml.com Website: www.dsplm.com Contact Person: Mr. N.S. Shekhar	LEHMAN BROTHERS Lehman Brothers Securities Private Limited Ceejay House, 11 th Level Plot F, Shivsagar Estate, Dr. Annie Besant Road Worli, Mumbai 400 018 Tel: +91 22 4037 4037 Fax: +91 22 4037 4111 Email: dlf.ipo@lehman.com Website: http://www.lehman.com/ibd/geographic/asia/transactions.htm Contact Person: Mr. Jwalant Navavati	 Karvy Computershare Private Limited Unit:- DLF Public Issue Plot No. 17 to 24, Vittalrao Nagar Madhapur, Hyderabad 500 081. Tel: +91 40 2343 1553; Fax: +91 40 2343 1551 Toll-free: 1-800-3454001 E-mail: dlf_ipo@karvy.com; Website: www.karvy.com Contact Person: Mr. Murali Krishna
BOOK RUNNING LEAD MANAGERS			CO-BOOK RUNNING LEAD MANAGER
 Citigroup Global Markets India Private Limited 12 th Floor, Bakhtawar 229, Nariman Point, Mumbai 400 021 Tel: +91 22 6631 9999 Fax: +91 22 6631 9803 Email: dlf.ipo@citigroup.com Website: www.citibank.co.in Contact Person: Mr. Rajiv Jumani	 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 Primary Dealership Limited ICICI Centre, H.T. Parekh Marg Mumbai 400 020 Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email: dlf_ipo@icicld.com Website: www.icicisecurities.com Contact Person: Ms. Anupama Srinivasan	 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.ubs.com/Corporates/indianipo Contact Person: Mr. Sawan Kumar
			 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. Rohan Talwar

ISSUE PROGRAMME

BID/ISSUE OPENS ON : MONDAY, JUNE 11, 2007

BID/ISSUE CLOSES ON : THURSDAY, JUNE 14, 2007

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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.
Bharat Hotels	Bharat Hotels Limited
Board/Board of Directors	The board of directors of our Company or a committee constituted thereof.
DAL	DLF Assets Private Limited, a company owned by Panchsheel Investment Company (one of our Promoters) and Kohinoor Real Estates Company and Madhur Housing and Development Company (which are two of our Promoter group entities).
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 17,000,000 Equity Shares to eligible employees as defined in the plan, as amended.
Feedback Ventures	Feedback Ventures Private Limited.
Hilton	Hilton International Co.
Laing O' Rourke	Laing O' Rourke Plc.
Land Reserves	Lands where, as of April 30, 2007, 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. The Land Reserves figures herein may include lands in respect of which we have already recognized revenue, due in part to the application of “percentage of completion” accounting, and do not include lands under acquisition for which we only have preliminary development plans.
Memorandum	Memorandum of Association of our Company.
Nakheel	Nakheel LLC, a large property developer in the United Arab Emirates.
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.
Prudential Insurance	Prudential International Insurance Holdings Ltd.

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.
“We” or “us” or “our”	Unless indicated otherwise, refers to DLF Limited and its subsidiaries, which are enumerated in “History and Certain Corporate Matters” on page 132.
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 the Amount Payable on Application.
Bankers to the Issue	ABN AMRO Bank, Deutsche Bank, ICICI Bank, HDFC Bank, Kotak Mahindra Bank, Hongkong & Shanghai Banking Corporation, Citibank N.A, Standard Chartered Bank, UTI Bank and Centurion Bank of Punjab.
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 the 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, the S-BRLM, the BRLMs and the Co-BRLM.
BRLMs/ Book Running Lead Managers	Citigroup Global Markets India Private Limited, Deutsche Equities India Private Limited, ICICI Securities Primary Dealership 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.

Term	Description
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.
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	BSE
Draft Red Herring Prospectus	The Draft Red Herring Prospectus, dated March 29, 2007, 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 jurisdictions 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 as of May 31, 2007, of the Company or its subsidiaries and based, working and present in India as on the date of submission of the Bid cum Application Form; (b) a director as of May 31, 2007, whether a whole-time director, part-time director or otherwise of the Company or its subsidiaries, and based and present in India as on the date of submission of the Bid cum Application Form, except any director who is a Promoter or member of the Promoter group.
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, S-BRLM, 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 ABN AMRO Bank, Deutsche Bank, ICICI Bank, HDFC Bank, Kotak Mahindra Bank, Hongkong & Shanghai Banking Corporation, Citibank, Standard Chartered Bank, UTI Bank and Centurion Bank of Punjab.
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 finalized 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.

Term	Description
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.
Issue Price	The final price at which Equity Shares will be issued and allotted. The Issue Price will be decided by the Company in consultation with the Global Coordinators on the Pricing Date.
Margin Amount	The amount paid by a Bidder at the time of submission of his/her Bid, being 10% to 100% of the Bid Amount.
Monitoring Agency	Industrial Development Bank of India Limited.
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 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. 150 per Equity Share. Payment Method-I is not available for 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. 500 and the maximum price (Cap Price) of Rs. 550, including any revisions thereof.
Pricing Date	The date on which the Issue Price shall be finalized in terms of the 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. 25 crore and pension funds with minimum corpus of Rs. 25 crore.
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.

Term	Description
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.
Refund Banks	ICICI Bank, Hongkong & Shanghai Banking Corporation and Standard Chartered Bank.
Registrar/Registrar to the Issue	Karvy Computershare Private Limited.
Retail Individual Bidders	Individual Bidders (including HUFs applying through their <i>karta</i> 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 their Bid cum Application Forms or any previous Revision Form(s).
RHP or Red Herring Prospectus	The Red Herring Prospectus, issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with 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.
S-BRLM/Senior Book Running Lead Manager	Lehman Brothers Securities Private Limited.
Stock Exchanges	NSE and BSE.
Syndicate or members of the Syndicate	The Global Coordinators, S-BRLM, 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 Securities 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, S-BRLM, 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
Air Act	Air (Prevention and Control of Pollution) Act, 1981.
Companies Act	The Companies Act, 1956, as amended from time to time.
Crore	Rs. 100 lac or Rs. 10 million.
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.

Term	Description
Depository Participant	A depository participant, as defined under the Depositories Act.
Fiscal Year/fiscal/Fiscal/FY	Period of 12 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.
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1997.
Water Act	Water (Prevention and Control of Pollution) Act, 1974.

Abbreviations

Abbreviation	Description
ACNielsen Report	Report dated December 2006 and prepared by ACNielsen ORG-MARG for NAREDCO, a nodal agency for the housing and real estate sector in India. The ten 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. 25 lac 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.
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.

Abbreviation	Description
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.
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code.
ISEC	ICICI Securities Primary Dealership Limited.
I.T. Act	The Income Tax Act, 1961, as amended from time to time.
KMCC	Kotak Mahindra Capital Company Limited.
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.

Abbreviation	Description
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 Red Herring Prospectus, references to “our lands” or “Land Reserves” are to lands where, as of April 30, 2007, 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. The Land Reserves figures herein may include lands in respect of which we have already recognized revenue, due in part to the application of “percentage of completion” accounting, and do not include lands under acquisition for which we only have preliminary development plans.

All references to “Rupees” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. One crore is the unit in the Indian numbering system representing 10 million or 100 lac and one lac is the unit in the Indian numbering system representing 100,000; thus, for example, Rs. 10 crore equals Rs. 100 million. All references to “US\$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our consolidated financial statements prepared in accordance with Indian GAAP and the SEBI Guidelines, which are included in this Red Herring Prospectus. Our fiscal year commences on April 1 and ends on March 31 of the next year, so all references to a particular fiscal year are to the twelve month period ended on March 31 of that year. Our consolidated financial statements have been restated to reflect our adoption of the percentage of completion accounting method, among other things.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Except to the extent of the limited summary of such differences 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 Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

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

Market and industry data used in this Red Herring Prospectus has generally been obtained or derived from industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but 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 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 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. We have retained and may retain and compensate some of the consultants for various engagements in the ordinary course of our business. We have also used in this Red Herring Prospectus, data from the 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 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
2007	43.10	45.12	42.78	46.83
Calendar month 2007				
April	41.04	42.02	40.56	43.05

On May 18, 2007, the noon buying rate was Rs. 40.36 per U.S. Dollar.

FORWARD-LOOKING STATEMENTS

This 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;
- the extent to which we own our Land Reserves;
- 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;
- the actions of land owning companies and their the shareholders as well as changes in the relevant local laws relating 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, insurance 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 and changes in property tax and stamp duty regulations;
- 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 “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages xiv and 385, respectively. 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 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. The risk factors below have been numbered to facilitate ease of reading and reference; the numbering does not in any manner indicate the importance of one risk factor over another.

Internal Risk Factors and Risks Relating to Our Business

1. We have received complaints from our minority shareholders with regard to our rights issue of debentures in 2005.

In fiscal 2006, our Company offered for subscription 3,508,007 unsecured debentures on a rights basis to shareholders of our Company as on November 18, 2005, which were optionally, fully or partly convertible at par or at premium. The offer opened on December 29, 2005 and closed on January 18, 2006, and 3,426,024 debentures were issued in respect of the applications received during the specified time period. Subsequently, and as of the date of this RHP our Company has received 519 complaints from certain shareholders of our Company, who did not participate in and/or were not allotted debentures in the rights issue of our Company for various reasons, including non-receipt of letter of the offer for the rights issue and/or the terms of such rights issue being allegedly unattractive to such shareholders. For details regarding these complaints and the actions taken by us in this connection, see “Capital Structure – Notes to the Capital Structure – Note 23 and Note 25” on page 40 and “Outstanding Litigation and Material Developments – Against our Company – Complaints Against our Company” on page 398. While we believe that we have implemented measures to address these complaints, we cannot assure you that these measures will be satisfactory to all complainants or that there will be no further complaints in this regard.

2. 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, in that there may be high transaction costs as well as little or insufficient demand for land or developed properties at the expected rental or sale price, as the case may be, 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 the valuation of 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 to 7.75% as of April 30, 2007. 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 over 3% over the past year.

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. If the demand for, or supply of, real estate financing at attractive rates were to diminish or cease to exist, our business and financial results could be adversely affected.

3. 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 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. 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.

4. The increase in our revenues and profits before tax for fiscal 2007 is due largely to the sale of certain commercial properties to a promoter group company, and may not be indicative of future financial performance.

Our revenues and profits before tax for fiscal 2007 were Rs. 4,034.1 crore and Rs. 2,549.5 crore, respectively, compared to Rs. 1,242.0 crore and Rs. 359.5 crore, respectively, during fiscal 2006. This increase was mainly on account of revenues and profit before tax of Rs. 2,207.1 crore and Rs. 1,564.0 crore respectively, from the sale of commercial property to DLF Assets Private Limited, which is a company owned and controlled by our promoters and promoter group ("DAL"). These sales represented 55% of our total revenues and 61% of our total profit before tax in fiscal 2007. The main reason for the increase in sales revenue was the sale by us of certain commercial properties to DAL. The total consideration for these sales was Rs. 2,401.5 crore. Of this amount, we recognized two sales (by DLF Info City Developers (Chennai) Limited and DLF Commercial Developers Limited, subsidiaries of the Company) aggregating Rs. 880.5 crore as sales revenue in accordance with Accounting Standard 9, 'Revenue Recognition'. In respect of the remaining consideration of Rs. 1,521 crore, Rs. 1,055 crore was recognized under other income after deducting the associated costs. Of this amount, the proceeds of Rs. 442 crore from the sale of two properties by DLF Cyber City Developers Limited were treated as profit on disposal of fixed assets in accordance with Accounting Standard 10, 'Accounting for fixed assets' and after adjusting for expenses relating thereto. Proceeds of Rs. 613 crore from the sale of shares of two companies by DLF Commercial Developers Limited were treated as profit on disposal of current investments in accordance with Accounting Standard 13, 'Accounting for Investments' and after adjusting for expenses relating thereto. For further information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Comparison of Fiscal 2007 to Fiscal 2006" on page 388. In the event that we do not make such significant one-off sales in the future, our revenues and profits in future periods may not be as high as they were for fiscal 2007.

5. 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 diversification into new business areas. We have also, within a short recent period, sought to augment our Land Reserves significantly and we have entered into or are contemplating entering into joint venture arrangements in a number of different sectors, in some of which we are very reliant on our joint venture partner's expertise.

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. Thus, as we grow and diversify, we may not be able to execute our projects efficiently and the growth process may divert management resources from areas in which they would be better occupied, which could result in delays, failures, 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 could be adversely affected.

6. We have incurred substantial indebtedness, and 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. 309.5 crore, of which Rs. 141.0 crore was capitalised and Rs. 168.5 crore was recorded as an expense in our income statement. In fiscal 2007, we incurred finance charges of Rs. 789.6 crore, of which Rs. 482.0 crore was capitalized and Rs. 307.6 crore was recorded as an expense in our income statement. The table below shows certain data relating to our outstanding loans as of the dates indicated.

Outstanding loans	March 31, 2007 (Rs. in crore)	March 31, 2006 (Rs. in crore)
Secured loans	9,205.3	3,956.0
Unsecured loans	727.5	176.0
Total loans	9,932.8	4,132.0
Of which, floating rate loans	7,489.3	3,924.9

Our debt-equity ratio as of March 31, 2007 was 2.5:1, and as of March 31, 2006 was 4.35:1. As of that date our subsidiaries had preference share capital of Rs. 949.8 crore. In addition, we had guarantees outstanding of Rs. 8.6 crore on a consolidated basis, and Rs. 462.9 crore of put option against the preference shares issued by an associate company, as of March 31, 2007. As of April 30, 2007, we had outstanding Rs. 4,395.6 crore towards payment for the acquisition of Land Reserves and Rs. 1,054.0 crore for the acquisition of 554 acres of land for which development plans are at a preliminary stage. These payments may have to be funded by the incurrence of additional debt.

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, which could result in significant increases to our overall indebtedness and leverage and therefore, our borrowing costs. 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 favorable 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.

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

General economic conditions may adversely 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.

8. 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 purchase 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. Further, developments which are contingent on receiving allocations of land by government authorities are subject to the risk of changes in government policies or failure by the relevant authority to acquire sufficient land, which may not allow us to complete the relevant project as planned, or at all. For details on our Land Reserves which are subject to the allocation by government, see “Our Business – Description of our Business – Land Reserves” on page 71.

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. Our recent land acquisitions, for example, have been significantly more expensive than our historical land acquisitions. If we are unable to compete effectively in the acquisition of suitable land, our business and prospects could be adversely affected.

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

We have Land Reserves in various regions across India. As of April 30, 2007, these Land Reserves amounted to 10,255 acres with an aggregate estimated developable area of approximately 574 million square feet, including 4 million square feet of completed development, and of which 44 million square feet (excluding the share of joint venture partners) is under construction. Details of these Land Reserves are set forth in the table below:

S. No.	Land Reserves (by category)	Acreage	% of Total Acreage	Estimated Developable Area (sq. ft. million)	% of Developable Area
	Our developments*:				
(i)	Land Owned ^{(1) (2)} :	1,160	11.3	116	20.2
	1. By DLF	55	0.5	7	1.2
	2. Through DLF's subsidiaries	1,104	10.8	109	19.0
	3. Through entities other than DLF or DLF's subsidiaries	-	-	-	-
(ii)	Land over which DLF has sole development rights ⁽⁵⁾⁽⁶⁾	4,575	44.6	217	37.9
	1. Directly by DLF	-	-	-	-
	2. Through DLF's subsidiaries ⁽¹⁰⁾	4,575	44.6	217	37.9
	3. Through entities other than DLF or DLF's subsidiaries	-	-	-	-
(iii)	MoUs/agreements to purchase/letters of acceptance ⁽³⁾⁽⁶⁾ to which DLF and/or its subsidiaries are parties, of which:	3,685	35.9	201	35.1
	1. Lands subject to government allocation ⁽⁴⁾	2,606	25.4	151	26.4
	2. Lands subject to private acquisition	1,080	10.5	50	8.7
	Sub-total ((i) + (ii) + (iii))	9,420	91.9	534	93.1
	Joint developments with partners:				
(iv)	Lands for which joint developments have been entered into ⁽⁶⁾⁽⁷⁾	248	2.4	13	2.2
	1. By DLF directly	163	1.6	6	1.0
	2. Through DLF's subsidiaries	10	0.1	3	0.6
	3. Through entities other than DLF or DLF's subsidiaries	75	0.7	4	0.6
(v)	Proportionate interest in lands owned indirectly by DLF through joint ventures ⁽⁶⁾⁽⁸⁾	587	5.7	27	4.7
	Sub-total ((iv) + (v))	835	8.1	40	6.9
	Total⁽⁹⁾ ((i) + (ii) + (iii) + (iv) + (v))	10,255	100.0	574	100.0

* Does not include 554 acres for which we have not yet finalized development plans.

- (1) Land to which the owner has freehold title.
- (2) Includes 38 acres of land which has been leased to us by governmental authorities.
- (3) The effect of MoUs, agreements to purchase and letters of acceptance is to grant a party the right to acquire property (either by way of leasehold rights or freehold rights) at a later date.
- (4) Includes our proportionate interest of 2,178 acres in the Dankuni project which comprises a total of 4,840 acres.
- (5) As described below, the commercial effect of sole development rights is to entitle us to substantially all the revenues from the relevant development.
- (6) We estimate that as of April 30, 2007, we had entered into 154 agreements in respect of these lands.
- (7) As described below, the commercial effect of joint development agreements is to entitle us to a proportion of the revenues from the development or built-up area with the joint development partner(s).
- (8) Land which is owned or leased by entities in which DLF is a shareholder.
- (9) Of these, approximately 60% comprises land for which we have not yet obtained a certificate for change of land use.
- (10) Provided or to be provided by counterparties to sole development agreements, as described below.

For a detailed description of each category of Land Reserves mentioned above, see "Our Business – Description of our Business – Land Reserves" on page 71.

As of April 30, 2007, the balance due in respect of payments for the acquisition of our Land Reserves was Rs. 4,395.6 crore out of a total consideration of Rs. 13,491.1 crore.

Approximately 60% of our total Land Reserves comprises land for which we have not yet obtained a certificate for change of land use. The procedure for obtaining a certificate for change of land use varies from state to state. However, the procedure typically followed in each state in India includes the filing of an application (along with the requisite documents) in a prescribed format with the relevant authority for obtaining a change of land use permission/certificate. Such application is considered by the relevant authority on the basis of criteria established in the relevant zoning regulations for the development of such land. A decision is communicated by the relevant authority within a prescribed period from the date of submission of the application. The applicant is also required to pay fees for a certificate of change of land use, which may vary from state to state.

Our ability to develop our Land Reserves and generate the estimated developable area is subject to a number of risks and contingencies, some of which are summarized below:

- the title to the lands we own may be defective or could be challenged;
- the MoUs and agreements to purchase land may expire, and we may not be able to renew the agreements that have expired;
- we may not receive the lands that are supposed to be allocated to us by government authorities, whether as a result of political factors or otherwise;
- we may not receive the expected benefits of the sole development rights we have been granted; and
- we may not be able to generate the estimated developable area in our Land Reserves.

Some of these risks are discussed in greater detail below. If any of these risks materialize, we may not be able to develop our Land Reserves and generate developed area in the manner we currently contemplate, which could have a material adverse effect on our business, results of operations and financial condition.

10. *Our Company owns only 0.5% of the Land Reserves.*

Though our Company and its subsidiaries own 1,160 acres, or 11.3%, of the 10,255 acres that comprise the Land Reserves as of April 30, 2007, our Company directly owns only 0.5% of these Land Reserves. The balance 10.8% is held by the subsidiaries of our Company. Of the 1,160 acres that we own, 38 acres have been leased to us by governmental authorities on a long-term basis and we have freehold title to the balance. The remaining Land Reserves are subject to agreements to purchase, development rights agreements or memoranda of understanding for acquisition. While historically we have been able to acquire or develop land subject to such arrangements, completion risk is inherent in executory contracts and rising land prices may encourage our counterparties to renege on such arrangements, resulting in the possibility of expensive disputes of uncertain outcome. For details on the Land Reserves which we own, are subject to agreements to purchase, development rights agreements and memoranda of understanding, see “– We may not be able to develop all of our Land Reserves” on page xvii and of the Land Reserves which are owned by us, see “Our Business – Description of our Business – Land Reserves” on page 71.

11. *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. 60% of our Land Reserves consist of agricultural lands for which we have not yet obtained a certificate for change of land use. 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 our joint venture partners, and we cannot assure you that these persons or entities have clear title to such lands. For details of the proportionate interests in land which we own through joint ventures, see “– We may not be able to develop all of our Land Reserves” on page xvii.

Additionally we face various practical difficulties in verifying the title of a prospective seller or lessor of property. Indian law, for example, recognizes the ability of persons to effectuate a valid mortgage on an unregistered basis by the physical delivery of original title documents to a lender. Adverse possession under Indian law also gives rise, upon 12 years' occupation, to valid ownership rights as against all parties, including government entities that are landowners, without the requirement of registration of ownership rights by the adverse possessor. Furthermore, under Indian law, a married person retains property rights to land alienated by their spouse if such married person has not consented to such alienation, effectively requiring consent by each spouse to all land transfers in order for a transferee to receive good title. Indian law also recognizes the concept of a Hindu undivided family, whereby all family members, including minor children, jointly own land and must consent to its transfer, absent whose consent a land transfer may be challenged by a non-consenting family member. Our title to land may be defective as a result of a failure on our part, or on the part of a prior transferee, to obtain the consent of all such persons. As each transfer in a chain of title may be subject to these and other defects, our title and development rights over land may be subject to various defects of which we are not aware. For these and other reasons, title insurance is not readily available in India.

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 purchase 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. For details of our Land Reserves, see "Our Business – Description of our Business – Land Reserves" on page 71 and for details on our sole development rights and our agreement to purchase with respect to our Land Reserves, see "– We may not be able to develop all of our Land Reserves" on page xvii.

12. It is often impracticable to obtain legal opinions in respect of land title in India and the counsel involved in the Issue have not provided title opinions.

There may be a number of uncertainties relating to land title in India including, among other things, difficulties in obtaining title guarantees and fragmented or defective title (see "– We face uncertainty of title to our lands" on page xix). While we seek to retain local lawyers to conduct due diligence and assessment exercises and issue title opinions prior to acquiring land, entering into joint or sole development agreements with land owners, and undertaking projects, with regard to many of the lands which comprise our Land Reserves, it is impracticable for counsel to satisfy various technical requirements which arise out of court decisions because of the uncertainties discussed above. As a consequence, we do not have title opinions in respect of all of our Land Reserves. Further, in respect of the lands for which we have obtained title opinions from the local counsels, we may not be able to assess or identify all the risks and liabilities associated with the land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights. Prospective investors should note that neither legal counsel to the Issuer nor to the Underwriters is providing opinions in respect of title to our Land Reserves. For details on the Land Reserves, see "Our Business – Description of our Business – Land Reserves" on page 71.

13. 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 from various landholders, over a period of time, for future development. These parcels of land are subsequently consolidated to form a contiguous land mass, 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, results of operations, financial condition and prospects.

14. *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 hotels. For further information on our SEZs, infrastructure and hotel plans, see “Our Business – Strategy” on page 69. Our plans in relation to these intended projects are yet to be finalised. We require statutory and regulatory approval and permits to successfully execute these projects. 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 approvals or permits required for our project plans may adversely affect our business and prospects.

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

As is common in real estate transactions in India, we or the entities that grant us development rights enter into agreements to purchase 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. For example, certain agreements for the acquisition of land in Gurgaon in respect of which we have been granted sole development rights, have expired. 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 business, results of operations, financial condition and prospects. For details on our agreements to purchase, sole development rights and joint development agreements with respect to our Land Reserves, see “– We may not be able to develop all of our Land Reserves” on page xvii and on the Land Reserves which are subject to MoUs/agreements to purchase/letters of acceptance to which the Company and/or its subsidiaries are parties, see “Our Business – Description of our Business – Land Reserves” on page 71.

16. *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.

17. *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, such failure could reduce the number of projects we undertake and slow our growth.

18. *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, and have entered into a joint venture for a life insurance business. We have little experience in these businesses and may not be able to compete effectively with established and new competitors in these businesses.

19. *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, results of operations, financial condition and prospects.

20. *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. In addition, 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.

21. *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 recognize 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.

22. *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 will depend 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 regime has only been in force for a relatively short time, the relevant regulations may be subject to inconsistent interpretation and, thus, there may be instances of divergent opinions among local, state, national and judicial authorities as to their application. Further, there has recently been tension between local groups in certain areas regarding the compulsory acquisition of land under the SEZ regime and the compensation to be paid to displaced farmers. Such situations could have serious and adverse repercussions for SEZ projects throughout the country. The SEZ regime has also attracted public interest litigation in Indian courts, including the Supreme Court of India. As a result, aspects of the SEZ regime are currently under review by the GoI and approvals of proposed SEZs have been temporarily suspended. In addition, as a result of current developments within the SEZ sector, the relevant central government authorities may prevent state governments from acquiring land on behalf of private developers of SEZs and may also reduce the area of land acquirable for SEZ developments. Accordingly, the development of certain of our proposed SEZs, which rely on the cooperation of the state governments, may be adversely affected. The uncertainty as to the future of the SEZ regime and as to the application and evolution of relevant regulations as well as the possibility of withdrawal of applicable incentives and concessions and the current suspensions of approvals of proposed SEZs create substantial risks to our current and planned investments in SEZ developments.

We have withdrawn our applications for the development of SEZs in Shamshabad (Hyderabad) and Panchkula (Haryana) because we were unable to obtain the requisite land for the planned developments. For further details of the SEZs proposed by the Company, see "Our Business – Strategy – Engage in SEZ development" on page 70.

23. *Our plans to develop infrastructure projects are subject to a number of contingencies and may not be successful.*

As part of our growth strategy, we intend to participate in the construction of infrastructure projects, including roads, bridges, tunnels, pipelines, harbors, runways and power projects, through our joint venture company, DLF Laing O'Rourke. For further information on our infrastructure development plans, see "Our Business – Strategy – Engage in infrastructure development" on page 70. The construction of infrastructure involves various risks, including, among others, regulatory risk, construction risk, financing risk and the risk that these projects may prove to be unprofitable. Additionally, infrastructure projects typically require extended periods of development and substantial investment before completion and may take months or years before positive cash flows can be generated, if at all. The time and costs required in completing a project may be subject to substantial increases due to many factors, including shortages of materials, equipment, technical skills and labor, adverse weather conditions, natural disasters, labor disputes, environmental disputes, disputes with contractors, changes in government priorities and policies, changes in market conditions, delays in obtaining the requisite licenses, permits and approvals from the relevant authorities and other unforeseeable problems and circumstances. Moreover, infrastructure projects could have an environmental impact and may result in the displacement of persons, which could give rise to private and public interest litigation seeking to delay or abort the projects. Any delays in the completion and commercial operation of our infrastructure projects as well as increases in the prices of raw materials such as cement and steel, among others, could increase the financing costs associated with the construction and cause our forecasted budget to be exceeded. In addition, the failure to complete an infrastructure project according to its original specifications or schedule, may give rise to potential liabilities and, as a result, our returns on investments may be lower than originally expected. Any of these factors may lead to delays in, or prevent the completion of, our infrastructure projects and result in costs substantially exceeding those originally budgeted for, which may adversely affect our business and prospects.

24. *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 through joint ventures with Bharat Hotels and 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 partners 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, financial condition and prospects.

25. *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. For further information on our multiplex cinema development plans, see “Our Business – New Businesses – DT Cinemas” on page 86. Our success in the development of DT Cinemas is dependent 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, demand and customer traffic in our cinemas 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.

26. *Our joint venture and strategic partners may not perform their obligations satisfactorily and their interests may differ from ours.*

We have entered into joint ventures with WSP, Laing O’Rourke, Bharat Hotels, Hilton and Akruti Nirman, among others. 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.

Additionally, our joint venture partners may hold different views about various aspects of a project and if the interests of our joint venture partners conflict with our interests, our business may be adversely affected. Arrangements governing our joint ventures may permit us only partial control over the operations of the joint ventures under certain circumstances. If we are a minority participant in a joint venture, there may exist inherent potential conflicts of interest with our majority joint venture partner, who may make significant decisions without our consent that affect our interests, such as delaying project execution timetables. Where we hold a majority interest in a joint venture, it may be necessary for us to obtain consent from a joint venture partner before we can cause the joint venture to make or implement a particular business development decision or to distribute profits to us. These and other factors may cause our joint venture partners to act in a way contrary to our interests, or otherwise be unwilling to fulfil their obligations under our joint venture arrangements. Moreover, our joint ventures that limit our ability with various parties, such as Hilton, Prudential Insurance, WSP and Laing O’ Rourke, contain restrictive covenants to dispose of our shareholding in the joint ventures for significant periods, sometimes ranging from five to ten years, which would limit our ability to exit an unsatisfactory joint venture.

27. 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.

28. 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 their shares in the company, 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.

29. 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.

30. 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. Cement prices, for example have risen significantly in the past year and steel prices have been volatile. 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.

31. 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.

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

We use the percentage of completion method of revenue recognition. Under this method, income in respect of a project is recognized 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 recognized 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.

33. 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.

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

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

	Fiscal 2007 (Rs. crore)	Fiscal 2006 (Rs. crore)	Fiscal 2005 (Rs. crore)	Fiscal 2004 (Rs. crore)
Net cash from (used in) operating activities	-5,831.1	-949.3	575.4	-220.5
Net cash from (used in) investing activities	-483.4	-2,011.9	-768.1	-72.7
Net cash from (used in) financing activities	6,458.9	3,052.0	193.4	292.0

35. Certain of our subsidiaries had negative book value per equity share and/or negative EPS in recent fiscal periods.

The following table sets certain information regarding out our subsidiaries which had negative book value per equity share and/or negative EPS in the periods, as indicated:

	Earnings per equity share (Rs.)			Book value per equity share (Rs.)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2006	Fiscal 2005	Fiscal 2004
DLF Akruiti Info Park (Pune) Limited		-1.5				
Nilgiri Cultivations Private Limited			-9.3			
Paliwal Developers Limited		-0.03	-5.4			
Beverly Park Maintenance Services Limited	-2,848.3	-667.3	-1.3	-3,506.9	-660.0	
DLF Services Limited		-2.2	-7.20		-2.6	-0.34
Gyan Real Estate Developers Private	-242.2			-232.2		

Limited						
Shivajimarg Properties Limited	-0.8		-0.5			
DLF Info City Developers (Chennai) Limited	-245.5				-235.5	
DLF Info City Developers (Hyderabad) Limited	-4.5					
DLF Info City Developers (Bangalore) Limited	-10.3				-0.3	
GKS Housing Limited	-13.3		-2.10			
Roadtech Constructions Private Limited		-0.4				
NewGen MedWorld Hospitals Limited	-0.2	-2.5			-13.6	
DLF Home Developers Limited		-0.1	-0.11			
Amishi Builders & Developers Private Limited	-58.5		-58.48		-48.5	
Jawala Real Estate Private Limited	-729.8				-719.8	
DLF Info City Developers (Noida) Limited	-4.6					
Dalmia Promoters & Developers Private Limited	-0.1	-0.3			-687.7	-687.6 -713.79
Edward Keventer (Successors) Private Limited		-0.2	-0.04			
Richmond Park Property Management Services Limited		-1.5	-1.34			
Prompt Real Estate Private Limited	-862.0		-0.22		-716.4	
Kairav Real Estate Private Limited		-5.9				
Solid Buildcon Private Limited	-4.3					
DLF Phase IV Commercial Developers Limited			-0.03			
VSK Investment & Finance Limited		-2.7	-0.80			-2.2
DLF Financial Services Limited		-0.1	-0.07			
DLF Estate Developers Limited	-609.36	-7.66	-143.17			
Breeze Constructions Private Limited	-176.9				-166.9	
DLF Real Estates Limited	-1.0					
Galleria Property Management Services Private Limited		-167.6	-22.98			-181.6 -12.99
Jai Luxmi Real Estate Private Limited	-0.13	-5.94				
Regency Park Property Management Services Private Limited	-2083.92	-317.76	-1.37	-2393.10	-310.69	
Silver Oaks Property Management Services Limited	-234.94				-182.27	
Cee Pee Maintenance Services Limited	-217.15				-166.29	
Pee Tee Property Management Services Limited	-217.85				-167.33	
Comfort Buildcon Private Limited	-861.30		-0.22		-715.72	
Sunlight Promoters Private Limited	-861.29		-0.22		-715.68	
Highvalue Builders Private Limited	-861.40				-715.37	
Eila Builders & Developers Private Limited	-0.87					
Ayushi Builders & Developers Private Limited	-58.48				-48.48	
Anjuli Builders & Developers Private Limited	-32.72				-22.72	
Galaxy Mercantiles Limited	-207.40					
Paliwal Real Estate Private Limited		-0.79	-5.38			

36. *Certain of our Promoter group companies have experienced losses and/or have negative book value per equity share.*

The following table sets out certain information regarding our Promoter group companies which have experienced losses and have had negative EPS and/or negative book value per equity share in the last three fiscal years. These losses are not expected to have a negative impact on our business.

	Book Value per share (Rs.)			Profit After Tax (Rs. thousands)			Earnings per share (Rs.)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2006	Fiscal 2005	Fiscal 2004
Adept Real Estate Developers Private Limited				-0.21			-2.10		
Altamount Real Estate Developers Private Limited				-0.21			-2.12		
Aquarius Builders & Developers Private Limited				-0.21			-2.12		
Bansal Development Company Private Limited					-1.25		-0.38		
Digital Talkies Private Limited	-154.06	-150.05	-145.61	-3.16	-3.49	-65.48	-4.01	-4.44	-83.28
Glaze Builders & Developers Private Limited				-0.21			-2.12		
Lyndale Holdings Private Limited				-0.31	-0.10		-0.17	-0.07	
Maaji Properties And Development Company				-0.26			-2.60		
Magna Real Estate Developers Private Limited					-1.25			-0.57	
Nachiketa Real Estates Private Limited				-21.40	-8.72	-4.23	-0.76	-0.29	-0.15
Northern India Theatres Private Limited	-630	-532	-426	-0.98	-1.06	-0.65	-98.13	-105.56	-64.56
Renkon Agencies Private Limited						-17.25			-10.97
Sagarika Real Estate Developers Private Limited				-0.21			-2.10		
Sanidhya Constructions Private Limited				-0.21			-2.08		
Savitri Studs & Farming Company Private Limited				-5.77	-1.71	-0.15	-0.64	-0.26	-0.15
Sukomal Builders & Developers Private Limited				-0.21			-2.10		
Sulekha Builders & Developers Private Limited				-0.21			-2.10		
Ultima Real Estate Developers Private Limited				-0.21			-2.12		
Upeksha Real Estate Developers Private Limited				-0.21			-2.12		
Uplift Real Estate Developers Private Limited				-0.21			-2.12		
Urva Real Estate Developers Private Limited				-0.22			-2.15		
Vishal Foods and Investments Private Limited						-9.68			-645.63
Yashika Properties and Development Company				-0.09			-0.88		

37. Certain of our Promoter group companies have experienced substantial declines in profits.

The following table sets out certain data regarding our Promoter group companies which have experienced substantial decreases in profit and EPS in fiscal 2005 and fiscal 2006. These decreases are not expected to have a negative impact on our business.

Name of Promoter Group	Profit After Tax (Rs. crore)			Earnings per share (Rs.)		
	2006	2005	% Change	2006	2005	% Change
Arihant Housing Company	0.3	0.4	-25%	6.36	9.87	-36%
Lyndale Holdings Private Limited	-3.1	-1.0	-210%	-0.17	-0.07	-143%
Macknion Estates Private Limited	0.5	8.9	-94%	0.05	1.58	-97%
Megha Estates Private Limited	0.8	1.2	-33%	0.04	0.07	-43%

Nachiketa Real Estates Private Limited	-214.0	-87.2	-145%	-0.76	-0.29	-162%
Savitri Studs & Farming Company Private Limited	-57.7	-17.1	-237%	-0.64	-0.26	-146%
Uttam Real Estates Company	0.3	0.6	-50%	2.42	5.04	-52%
Vishal Foods And Investments Private Limited	18.7	60.0	-69%	124.67	400.33	-69%

38. Since January 1, 2006, we have issued Equity Shares at a price that could be lower than the Issue Price.

Since January 1, 2006, we have issued Equity Shares at a price that could be lower than the Issue Price. Between March 28, 2006 and December 22, 2006, we 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 issued bonus shares to our shareholders equivalent to 1,337,559,195 Equity Shares. Additionally, on March 13, 2007, we issued shares to our shareholders upon conversion of debentures equivalent to 97,750 Equity Shares and bonus shares equivalent to 684,250 Equity Shares. Further, on May 18, 2007, we issued shares to our shareholders upon conversion of debentures equivalent to 51,540 Equity Shares and bonus shares equivalent to 360,150 Equity Shares. For further details, see Note 1 to “Capital Structure – Notes to the Capital Structure” on page 24.

39. We are involved in certain legal and other proceedings in India and may face 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 May 23, 2007:

Category	Company	Promoters	Directors	Subsidiaries	Promoter Group Companies
Monopolies and Restrictive Trade Practices Commission	37 proceedings, Rs. 3.23 crore	Nil	Nil	Nil	Nil
Consumer cases	69 proceedings, Rs. 36.7 crore	Nil	2 proceedings, Rs. 0.1 crore	Nil	Nil
Criminal proceedings	5 proceedings	Nil	2 proceedings	Nil	Nil
Civil proceedings	113 proceedings, Rs. 47.3 crore	5 proceedings	3 proceedings	41 proceedings, Rs. 141.0 crore	3 proceedings
Tax proceedings	47 proceedings, Rs. 100.7 crore	2 proceedings, Rs. 10,000	Nil	22 proceedings, Rs. 18.4 crore	18 proceedings, Rs. 4.1 crore
Securities proceedings	Nil	Nil	Nil	2 proceedings	Nil
Labor Cases	9 proceedings	Nil	Nil	3 proceedings	Nil

For details regarding these legal proceedings, see “Outstanding Litigation and Material Developments” on page 398.

40. *There is pending litigation under Indian securities laws against Bhoruka Financial Services Limited, which is 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. The 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 and (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 received a Show Cause Notice dated November 9, 2006 under Rule 4 (1) of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005. The Show Cause Notice stated that, if the allegations are established, DCDL would be liable for a penalty under SCRA, in terms of which our Subsidiary shall be liable for a penalty which may extend up to Rs. 1 crore.

DCDL replied to the Show Cause Notice on February 9, 2007. SEBI has passed an adjudication order (No. AP/AO-27/2006-2007) as on February 20, 2007, imposing the following penalty amounts: (i) Rs. 1 crore to be paid by the promoters and sellers of BFSL collectively for violation of Section 19 read with Section 23H of the SCRA; and (ii) Rs. 1 crore to be paid by DCDL for violation of Section 19 read with Section 23H of the SCRA. Such amounts are required to be paid within 45 days of the said order. Subsequent to the receipt of the order, DCDL has made payment of the amount of Rs. 1 crore.

41. *The Indian income tax authorities have recently conducted a tax survey in our offices.*

On May 17 and May 18, 2007 the income tax authorities conducted a survey at our offices under Section 133A of the Income Tax Act, 1961. This provision confers powers on the income tax authorities of inspection, verification and requiring the furnishing of information. This survey pertained to ten companies, one of which was a joint venture company in which we are shareholders, three of which were Promoter group companies and six of which were companies that have granted us sole development rights. Following the survey, the inspecting officials handed summons to certain officers of the relevant entities under Section 131/136/137 of the Act under which the IT department is empowered with powers, inter alia, of discovery and inspection, and the attendance of any person. The summons had required the principal officers of the respective companies to appear before the department on May 22, 2007. During the proceedings on May 22, 2007, the IT department requisitioned certain further information and confirmations and adjourned the matter to June 5, 2007. We are not aware of any further proceedings having been undertaken, and are at the date of this document unable to anticipate if any action will be taken in pursuance of the survey or the summons. While we do not expect the survey to result in any findings that could have an adverse effect on us or on our affiliates, no assurances can be given in this regard.

42. *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. 5 lac, which was accepted by the SEBI subject to certain conditions set forth in its letter dated February 12, 2002. For details, see “History and Certain Corporate Matters” on page 132.

43. *We delisted our equity shares from the BSE in 1982 and from the DSE in 2003. We have received complaints in relation to our prior rights issue of debentures. We have also received other complaints pertaining to non-disclosures in the draft red herring prospectus filed with SEBI as well as complaints in regard to an open offer made to shareholders of the Company by Mr. Rajiv Singh and other acquirers for acquiring equity shares of the Company.*

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

In 2003, the level of public shareholding in our Company fell below the limit specified in the listing agreement with the DSE. Thereafter, Mr. Rajiv Singh along with other acquirers (“**Acquirers**”) offered to purchase the outstanding public shareholding (“**Delisting Offer**”) rather than increase such public shareholding for strategic reasons. The Delisting Offer was made by the Acquirers at the price of Rs. 320 per equity share of face value Rs. 10 each. Subsequently, the DSE in a letter dated September 18, 2003 confirmed that the equity shares had been removed from the official list of the DSE. Further, when we were a listed company on the DSE, we received notices from the DSE identifying various instances of non-compliance with conditions of the DSE’s listing agreement. For more information, see “History and Certain Corporate Matters” on page 132.

We had filed a draft red herring prospectus with SEBI on May 12, 2006 for issuing to the public 202,000,000 Equity Shares of Rs. 2 each. Thereafter, we received 135 complaints from certain of our shareholders with regard to our rights issue of debentures in 2005. We had offered for subscription on a rights basis to our existing shareholders 35,08,007 unsecured debentures which were optionally, fully or partly convertible at par or at premium. We made this offer to our shareholders as on the record date of November 18, 2005 and had issued 34,26,024 debentures. The matter was referred by SEBI to the MCA and we were directed to consider each complaint on merits and take steps to redress the grievances. We withdrew our draft red herring prospectus filed with SEBI on August 31, 2006. We decided to withdraw the draft red herring prospectus due to significant developments in our business particularly in respect of additional land acquisition since the filing of the Draft Red Herring Prospectus on May 12, 2006.

The Board of Directors in order to redress the grievances of shareholders, decided on October 10, 2006 to revive and revalidate not more than 81,983 debentures. These debentures were to be allotted to the shareholders according to their entitlement in terms of the rights issue. This decision of the Board of Directors was approved by the shareholders in an EGM held on November 14, 2006. Thereafter, we issued 1,79,09,200 equity shares to various shareholders who satisfied the eligibility requirements to participate in the debenture issue on November 24, 2006, December 5, 2006 and December 22, 2006. These shares represent equity shares issued on conversion of debentures, split of face value and 7:1 bonus declared by the Company. We re-filed our Draft Red Herring Prospectus with SEBI on January 2, 2007.

We have further received 57 complaints from our shareholders with regard to our rights issue, since re-filing of the Draft Red Herring Prospectus with SEBI. In order to redress the grievances of such shareholders, we have till May 22, 2007 (i.e. two days prior to date of filing the Red Herring Prospectus with the RoC) allotted 11,93,600 equity shares in two tranches. We allotted 7,82,000 equity shares on March 13, 2007 to 33 shareholders and 4,11,600 equity shares on May 18, 2007 to 21 shareholders. These shares represent equity shares issued on conversion of debentures, split of face value and 7:1 bonus declared by the Company. For more details with regard to complaints connected to our rights issue see “Capital Structure – Notes to the Capital Structure – Note 23”, “History and Certain Corporate Matters – Delisting and subsequent proposal to relist the shares”, “Outstanding Litigation and Material Developments – Against our Company – Complaints Against our Company” on pages 40, 133 and 398, respectively.

We have also received complaints with regard to the Delisting Offer, disclosures in the draft red herring prospectus dated January 2, 2007 and certain other matters. For details regarding these complaints, see “Outstanding Litigation and Material Developments – Against our Company – Complaints Against our Company” on page 398.

44. *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, and our business, results of operations and prospects could be adversely affected.

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 details, see “Regulations and Policies in India” on page 104 and “Government Approvals” on page 454.

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

Like other real estate development companies in India, we are subject to the risk that governmental agencies in India may exercise rights of eminent domain, or compulsory purchase in respect of 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.

46. *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.

47. *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. In connection with our business, we may require such approvals or their renewal from time to time. 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.

The following applications filed by us are pending approval or registration:

We have applied for ‘*consents to establish*’ under the Water Act and Air Act for Aralias, Westend Heights, Summit, Magnolias, Summit, DT City Centre, Shalimar Bagh, Emporio Mall, Vasant Kunj, Promenade, Vasant Kunj, Galleria Mall, Mayur Vihar Delhi, Galleria Mall, New Delhi, South Court, Saket New Delhi, SEZ Hyderabad Project, Bhoruka IT Park, Hyderabad, SEZ Project, Silokhera Gurgaon, Jasola Towers, Saket and Cyber City Gurgaon.

We have applied for ‘*consents to operate*’ under the Water Act and Air Act for the SEZ Chennai Project.

We have applied for ‘*environmental clearance*’ from the Ministry of Environment and Forests, GoI for Jasola Saket, Chennai SEZ Project, Silokera SEZ Project, SEZ Project Bhubaneswar.

We have applied for an extension of validity of the in-principle approval for various SEZs at Ambala, Multi Product SEZ Project Gurgaon, SEZ Project Amritsar, Punjab.

South Point Mall, Gurgaon, Haryana- We have applied for an occupation certificate and completion certificate to the Director, Town and County Planning, Haryana.

DT City Centre, Shalimar Bagh, Delhi- We have applied to the Deputy Commissioner of Police, Licensing, for grant of provisional certificate in respect of proposed multiplex and to DDA for permission to occupy or use the building for the proposed multiplex.

Mumbai Textile Mill Land, Project- We have applied for revalidation certificate of the intimation of disapproval (which was granted on January 24, 2006) to the Sub Engineer, Building proposal, city.

IT Park, Kolkata- We have applied to the Director General, West Bengal Fire and Emergency Services for renewal of the no-objection certificate for partial occupancy of Tower-II.

DLF Cyber City Gurgaon, Haryana- We have applied to the Director, Town and Country Planning, Chandigarh, Haryana, for grant of occupation certificate for Building No. 3 (Block -3) and to the AAI for issuance of a no-objection certificate.

SEZ Project, Pune- We have applied to the Chief Fire Officer and Fire Advisor, Maharashtra Industrial Development Corporation for amendment of the provisional no-objection certificate.

SEZ Project, Shivajimarg Properties, New Delhi- We have applied to special secretary, Ministry of Commerce, for grant of formal approval to set up the SEZ.

SEZ Project, Chennai- We have applied, to the Chennai Metropolitan Water Supply and Sewerage Board in relation to a proposed sewerage plant.

Other SEZ Applications- We have made applications to the Ministry of Commerce and Industry, GoI to set up the SEZs at Sonipat, Noida, Dankuni (West Bengal), Gandhinagar, Industrial Estate, Haryana.

Miscellaneous Approvals- We had applied for a renewal of the contract labour registration certificate.

48. *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.

49. *We will be controlled by our Promoters and Promoter group entities and potential conflicts of interest may exist or arise as a result.*

After the completion of the Issue, our Promoters, along with the Promoter group entities, will control, directly or indirectly, in excess of 87.43% of our outstanding Equity Shares. As a result, our Promoters will continue to exercise significant influence over all matters requiring shareholder approval, including the composition of our Board of Directors, and will also have effective veto power with respect to any shareholder action or approval requiring majority voting. 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.

While our Promoters and various Promoter group entities have entered into real estate development related non-compete agreements with us, there can be no assurance that the interests of our Promoters will be aligned in all cases with the interests of our minority shareholders or the interests of our Company. Furthermore, we have sold and in the future plan to sell some of our developments to DAL. As of March 31, 2007, DAL owed us Rs. 2,350.9 crore in payment for the purchase of certain commercial properties from us and had paid Rs. 50.5 crore. The sale arrangements and negotiations with DAL may give rise to actual or perceived conflicts of interest. 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 or in the best interests of our minority shareholders.

50. *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 details regarding our related party transactions, see the disclosure on related party transactions contained in our consolidated restated financial statements included in this Red Herring Prospectus on page 260. 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 in fiscal 2007, we have recognized revenue and profit before tax of Rs. 2,207.1 crore and Rs. 1,564 crore, respectively.

51. *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.

52. *We may suffer uninsured losses or experience losses exceeding our insurance limits.*

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, are not insurable at a reasonable premium or which may exceed our insurance limits. 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.

Further, we do not carry coverage for title defects, contractors' liability, timely project completions, loss of rent or profit, construction defects or consequential damages for a tenant's loss profits. Any damage suffered by us in respect of these uninsured events would not be covered by insurance and we would bear the impact of such losses.

53. Our contingent liabilities could adversely affect our financial condition.

We had contingent liabilities in the following amounts, as disclosed in our restated consolidated financial statements as of the dates indicated:

Contingent liabilities not provided for	March 31, 2007 (Rs. crore)	March 31, 2006 (Rs. crore)
Guarantees	8.6	270
Claims against the Company not acknowledged as debts	100.7	57.4
Tax demands in excess of provisions (appeals pending):		
Income tax	53.5	39.7
Other taxes	0.6	0.4
Put option against the preference shares issued by associate company	462.9	-

54. 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 “Objects of the Issue” on page 44 is at the discretion of our Board, though it is subject to monitoring by an independent agency. As of April 30, 2007, we had not entered into any definitive agreements to utilise [●]% of the net proceeds of the Issue.

55. We have not yet identified the land proposed to be acquired with the net proceeds of the Issue.

As described in “Objects of the Issue” on page 44 we intend to use Rs. 3,500 crore (i.e., [●]% of the net proceeds of the Issue) to acquire lands. We have not yet identified these lands.

56. 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. Further, such estimates were based on market conditions and management expectations as of the date they were made. 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. For example, the significant rise in cement costs over the last year could result in an escalation of our project cost estimates. Significant revisions to our funding requirements or the deployment of Issue proceeds may result in the rescheduling of our project expenditure programmes and an increase or decrease in our proposed expenditure for a particular project.

57. 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.55.6 crore as of March 31, 2007. DLF Power’s auditors have qualified their audit report and the qualifications appear in the notes to the restated consolidated financial statements included in this Red Herring Prospectus. For details, see “Financial Statements - Notes to the Consolidated Statements of Assets and Liabilities and Profits and Losses, as Restated” on page 345. If DLF Power’s customers are unable to pay their dues in the future, its results of operations will be adversely affected.

58. 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.

We intend to grant stock options in 2007 or 2008 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.

59. *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 Red Herring Prospectus.*

While facts and other statistics in this 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 sources 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 “Industry Overview” on page 59. 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.

60. *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 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.

61. *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.

62. *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.

63. *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 entities) where he was a director.

64. *There were time and cost overruns in relation to some of our projects.*

We have experienced time and cost overruns in relation to some of our projects in the last five years. For example, there was a delay of three months and a cost overrun of Rs. 0.304 crore in the completion of DLF Exclusive Floors, which was completed in fiscal 2004; Trinity Towers, completed in fiscal 2006, had a delay of five and a half months and a cost overrun of Rs. 0.498 crore; and Western Heights which was completed in fiscal 2007 had a delay of two months and a cost overrun of Rs. 0.29 crore. In addition, we have experienced time and cost overruns in relation to Emporio, Promenade and Noida Town Square Mall. For details, see “History and Certain Corporate Matters” on page 132. 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.

65. *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 provide 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.

66. *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.

67. *Our business and growth plan could be adversely affected by the incidence and rate of property taxes and stamp duties.*

As a property owning company, we are subject to the property tax regime in each state where our properties are located. These taxes could increase in the future, and new types of property taxes may be established which would increase our overall development and maintenance costs. We also buy and sell properties throughout India; property conveyances are generally subject to stamp duty. If these duties increase, the cost of acquiring properties will rise, and sale values could also be affected. Additionally, if stamp duties were to be levied on instruments evidencing transactions which we believe are currently not subject to such duties, such as the grant or transfer of development rights, our acquisition costs and sale values would be affected, resulting in a reduction of our profitability. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse affect on our financial condition and results of operations.

External Risk Factors

68. *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 details on these restrictions, see “Regulations and Policies in India” on page 104.

69. *Our business is susceptible to adverse developments in the NCR and elsewhere.*

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 regions in which we operate or seek to develop properties 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 or discourage landowners from selling their properties or reduce the incentives available for particular or particular types of developments.

70. 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.

71. The cyclical nature of the Indian real estate market could cause us to experience fluctuations in property values and rental income over time.

Historically, the Indian real estate market has been cyclical, a phenomenon that can affect the optimal timing for both the acquisition of sites and the sale or rental of our properties. We cannot assure you that real estate market cyclicalities will not continue to affect the Indian real estate market in the future. As a result, we may experience fluctuations in property values and rental income over time which in turn may adversely affect our business, financial condition and results of operations.

72. 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. The share prices of real estate development companies in India have fluctuated significantly in recent months and may continue to do so after this Issue, which subjects an investment in our Equity Shares to substantial volatility.

73. 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; significant volatility was also seen in the first few months of 2007. 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.

74. 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.

75. 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.

76. *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 to render the partly paid up shares fully paid up shares may take about two weeks from the last date of payment of the Balance Amount Payable or from the date of receipt of Balance Amount Payable, whichever is later. 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 details on the Issue, see "The Issue" on page 8.

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. 3,976.4 crore as of March 31, 2007 was Rs. 26.22;
- 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. [●] crore. The Issue will constitute 10.26% of our post Issue paid-up equity share capital;
- 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;
- Other than as stated in "Capital Structure- Notes to the 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 "Capital Structure" on page 23;
- 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 "Our Promoters and Promoter Group" and "Our Management" on pages 203 and 109, 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 "Financial Statements – Related Party Disclosures" on page

283;

- 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 be added to the categories under the Net Issue in a proportion determined by our Company in consultation with the Book Runners;
- 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 "Issue Procedure – Basis of Allocation" on page 514;
- Investors are advised to refer to "Basis for Issue Price" on page 50;
- 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 on us in this regard.

SUMMARY OF OUR BUSINESS, STRENGTHS AND STRATEGY

OVERVIEW

We are the largest real estate development company in India in terms of the area of our completed residential and commercial developments (*Source: 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 plots, 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 business by entering into the infrastructure, SEZ 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 Hilton, a leading international hotel company and with Bharat Hotels. 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 and our predecessors have been steadily building our real estate business since 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 224 million square feet. This includes approximately 195 million square feet of land area sold as plots, 19 million square feet of residential properties, 7 million square feet of commercial properties and 3 million square feet of retail properties.

As of April 30, 2007, we had residential projects with a saleable area of approximately 7 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 27 million square feet and 10 million square feet, respectively, which are under construction. Approximately 4 million square feet of this retail property have been made available for sale or lease. Between April 1, 2006 and April 30, 2007, we had signed lease agreements or letters of intent for office space aggregating 11.2 million square feet, in respect of commercial properties being developed by us.

We have Land Reserves in various regions across India. As of April 30, 2007, these Land Reserves amounted to 10,255 acres with an aggregate estimated developable area of approximately 574 million square feet, including 4 million square feet of completed development, and of which 44 million square feet (excluding the share of joint venture partners) is under construction. Of our approximately 574 million square feet of developable area, we estimate that 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. We estimate that more than 90% of our Land Reserves are available as large, contiguous plots of land. Details of our Land Reserves are presented in the table under "Description of Our Business – Land Reserves" below.

As of April 30, 2007, in addition to our Land Reserves of 10,255 acres, we had entered into arrangements for the acquisition of land or development rights in relation to approximately 554 acres of land. The development plans for the 554 acres of land are at a preliminary stage. As of April 30, 2007, we also owned existing completed buildings in the NCR aggregating approximately 3.5 million square feet and owned plots of approximately 7.2 million square feet which do not form part of our Land Reserves. We also have plots which we expect will be developed into 23 super luxury and luxury hotel sites as well as a golf course, community clubs and power generation assets in DLF Power.

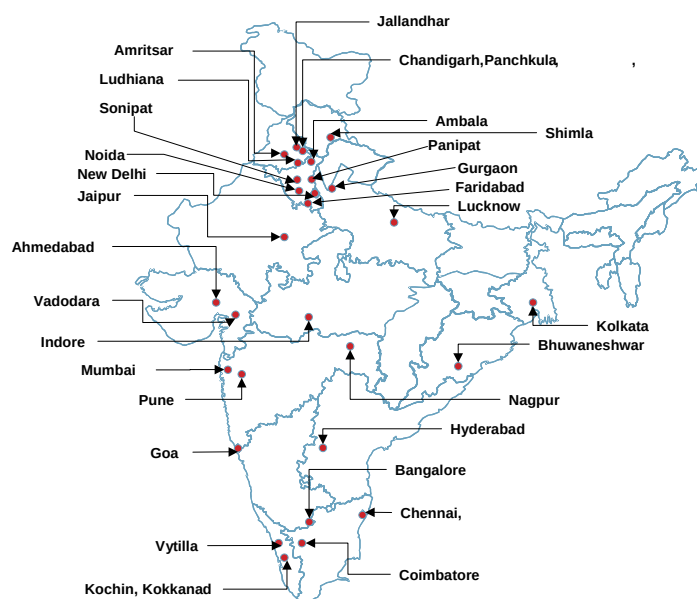
In fiscal 2007, our consolidated total income was Rs. 4,034.1 crore and our consolidated net profit was Rs. 1,941.3 crore, due in large part to the sale of certain commercial properties to DAL, which is a Promoter group company. For the three years ended March 31, 2006, 2005 and 2004, our consolidated total income was Rs. 1,242 crore, Rs. 626 crore and Rs. 526.6 crore, respectively, and our consolidated net profit was Rs. 191.7 crore, Rs. 86.5 crore and Rs. 53.8 crore, respectively.

HISTORY OF OUR BUSINESS

We and our predecessors have been steadily building our real estate business since 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 DDA, 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 Land Reserves across India, as of April 30, 2007.



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 (*Source: ACNielsen Report*). Since 1946, we have been responsible for the development of approximately 224 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.

Land Reserves

We have 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 Maharashtra, 3% in Indore, 4% in Punjab, 2% in Bangalore and the balance in various other states. 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 current 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. For example, although Delhi and Gurgaon fall within the government stipulated Earthquake Zone-IV area, our buildings are designed to comply with the more stringent standards that are applicable in Zone-V areas, and while fire safety norms require fire sprinklers to be spaced 3.5 meters apart, the fire sprinklers in our buildings are placed 3.0 meters apart. We also provide management services for properties in all of 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 Land Reserves, which amounted to approximately Rs. 4,395.6 crore as of April 30, 2007.

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. In addition to the 44 million square feet of projects that we have under construction, we have planned projects which we estimate will involve the development of plots, residential, commercial and retail developed area of approximately 46 million square feet, 375 million square feet, 60 million square feet and 44 million square feet, respectively, totaling 526 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.

Engage in SEZ development

SEZs are a new business concept in India, and provide attractive fiscal incentives for both developers and tenants. While the SEZ regime has recently been subject to controversy, 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 in 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 seeking approvals for several SEZs which will cover an aggregate area of 26,100 acres. We have received in-principle approvals for a multi-product SEZ in Ludhiana which will cover 2,500 acres and a multi-sector, product-specific SEZ in Amritsar covering 1,087.2 acres. We have received approvals from the Haryana Investment Promotion Board, which has agreed to provide support for setting up and developing a 20,000 acres multi-product SEZ in Gurgaon and for 3,000 acres of land in Ambala. For details on the procedure for setting up of a SEZ, see “Regulations and Policies in India” on page 104.

Engage 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 as of April 30, 2007, have commenced construction on 14 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. DLF Laing O’Rourke and our joint venture partner Laing O’Rourke plc have submitted 10 tenders for construction of various infrastructure projects including roads, laying of railway tracks, airport terminals and a port.

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 will also seek to collaborate with leading international real estate developers so as to benefit from their experience and know-how. For example, in November 2006, we signed a memorandum of understanding with Nakheel, a leading real estate developer based in the Middle East, to develop through a 50:50 joint venture, two projects in Gurgaon and South Maharashtra/Goa. We believe these joint ventures and collaborations 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.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our restated consolidated financial statements as of and for March 31, 2007, 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 260. 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 385. Indian GAAP differs in certain significant respects from US GAAP and IFRS. For more information on these differences, see “Summary of Significant Differences Between Indian GAAP, US GAAP and IFRS” on page 356.

Summary income statement information

	Fiscal 2007 (Rs. crore)	Fiscal 2006 (Rs. crore)	Fiscal 2005 (Rs. crore)	Fiscal 2004 (Rs. crore)
INCOME				
Sales and other receipts	2,615.2	1,153.6	608.1	505.8
of which				
-Sales revenue	2,240.6	920.0	408.7	313.4
-Rent and licence fee	154.6	42.2	37.5	34.0
-Maintenance income	81.0	48.1	30.6	20.9
-Power supply	99.7	108.7	103.5	114.9
-Others	39.3	34.6	27.8	22.6
Income from investments	2.0	16.3	0	7.8
Other income	1,416.9	72.1	17.9	13.0
of which				
-Interest	92.2	55.3	7.6	8.4
-Others	1,324.7	16.8	10.3	4.6
Total Income	4,034.1	1,242.0	626.0	526.6
EXPENDITURE				
Cost of Revenue	709.0	524.3	316.5	268.5
of which				
-Project cost	631.9	441.6	251.7	220.0
(Increase)/Decrease in stocks				
-Other costs	77.1	82.7	64.8	48.5
Establishment costs	92.2	39.7	44.7	31.3
Finance charges	307.6	168.5	39.0	33.0
Other expenses	318.7	113.9	78.7	84.8
Depreciation	57.1	36.1	33.3	28.8
Total Expenditure	1484.6	882.5	512.2	446.4
Profit before tax and minority interest	2,549.5	359.5	113.8	80.2
Share of loss/(profit) in associates	1.3			
Provision for tax	605.8	166.8	25.9	25.0
Net profit before minority interest	1943.7	192.7	87.9	55.2
Minority interest	1.1	1.0	1.4	1.4
Net profit	1941.3	191.7	86.5	53.8

Summary balance sheet information

	2007 (Rs. crore)	As at March 31, 2006 (Rs. crore)	2005 (Rs. crore)
Assets			
Gross block	1,778.7	1,302.3	825.3
Less: Accumulated depreciation	241.2	189.1	154.9
Net Block	1,537.5	1,113.2	670.4
Capital work in progress	2,649.7	591.1	350.6
Net Block after adjustment for Revaluation Reserve	4,187.2	1,704.3	1,021.0
Investments	210.7	830.0	40.0
Current Assets, Loans and Advances			
Stocks	5,700.6	1,640.9	704.9
Sundry debtors	1,519.5	658.0	285.2
Cash and bank balances	415.5	195.0	42.4
Other current assets	6.7	2.3	2.0
Loans and advances	5,237.1	1,064.2	601.9
Total Current Assets, Loans and Advances	12,879.4	3,560.4	1,636.4
Goodwill	893.5	848.9	52.2
Total Assets	18,170.8	6,943.6	2,749.6
Liabilities and Provisions			
Secured loans	9,205.3	3,956.0	<u>795.2</u>
Unsecured loans	727.5	176.0	172.4
Current liabilities and provisions	4,242.9	1,846.9	934.4
Deferred tax liability (net)	18.7	9.2	<u>96.2</u>
Total Liabilities and Provisions	14,194.4	5,988.1	1,998.2

Net worth

	2007 (Rs. crore)	As at March 31, 2006 (Rs. crore)	2005 (Rs. crore)
Share capital	1,255.7	37.8	3.5
Reserves	2,711.5	912.3	743.6
Minority interest	9.2	5.4	4.3
Net worth	3,976.4	955.5	751.4

Summary cash flow information

	Fiscal 2007 (Rs. crore)	Fiscal 2006 (Rs. crore)	Fiscal 2005 (Rs. crore)
Net cash from (used in) operating activities	-5,831.1	-949.3	575.4
Net cash from (used in) investing activities	-483.4	-2011.9	-768.1
Net cash from (used in) financing activities	6,458.9	3,052.0	193.4
Cash and cash equivalents at beginning of year	110.6	19.8	19.1
Cash and cash equivalents at end of year	255.0	110.6	19.8

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:	1,529,832,680 Equity Shares
Equity Shares outstanding post the Issue:	1,704,832,680 Equity Shares
Objects of the Issue:	See "Objects of the Issue" on page 44.

Payment Methods

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

Amount payable per Equity Share	Payment Method-I Retail Individual Bidders			Payment Method-II Any Category**		
	Face Value	Premium	(Rs. per Equity Share) Total	Face Value	Premium	Total
On application	1	149	150	2	[•]	[•]
By Due Date*	1	[•]	[•]	-	-	-
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. 150 per Equity Share, irrespective of the Bid Amount.
- c) Out of the amount of Rs. 150 paid at the time of submission of the Bid cum Application Form, Re. 1 would be adjusted towards face value of the Equity Shares and Rs. 149 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 issued to the Bidders who opt for Payment Method-I will not be traded until the Balance Amount Payable is received and corporate actions for appropriation of the amount received towards the Balance Amount Payable is completed. The corporate actions to make the partly paid up Equity Shares fully paid up may take about two weeks from the Due Date or from the date of receipt of the Balance Amount Payable, whichever is later. We shall issue the allotment notice to the investors allotted Equity Shares under Payment Method-I simultaneously with the approval of the basis of Allotment by BSE. The notice of Balance Amount Payable will be published in an English national newspaper and a Hindi national newspaper, both with wide circulation along with the statutory advertisement for the basis for Allotment.
- f) Equity Shares in respect of which the Balance Amount Payable remains unpaid on the Due Date may be forfeited. The Company reserves the right to charge interest at the rate of 12% per annum on the Balance Amount Payable till the date of payment or forfeiture. Any payment received by the Company, including after interest has become due on such Equity Shares (prior to forfeiture), shall first be adjusted towards the interest due in this behalf, then the balance premium payable on each Equity Share and any excess thereafter will be adjusted against the remaining face value payable on each Equity Share. Such Equity Shares, which have been forfeited, may be re-issued by the Company.
- g) Indicative timetable for payment and corporate actions 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 xiv.

Important Note:

- In accordance with our Articles, we shall have a first and paramount lien on all partly paid Equity Shares and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Equity Shares.***

- *If Bidders do not pay the Balance Amount Payable, the amount raised through the Issue will be lower than the proposed Issue size.*
- *Retail Individual Bidders bidding under the Payment Method-I must ensure that their demat accounts are not suspended for trading activities on any account whatsoever (including non-submission of PAN details).*

2. Payment Method-II

- Retail Individual Bidders may choose this payment method. This payment method shall be mandatory for the QIB Bidders, Non-Institutional Bidders and Employees bidding under the Employees Reservation Portion.
- 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 Retail Individual Bidders			Payment Method – II 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 Illustration 1		II Illustration 2		I Illustration 3		II Illustration 4		I 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	3,500	Nil	4,000	Nil	13,000	Nil	17,000	Nil	Nil	Nil

Payment	I	II	I	II	I	II	I	II	I	II
	Illustration 1		Illustration 2		Illustration 3		Illustration 4		Illustration 5	
of payment of Balance Amount Payable										
Total	5,000	5,000	5,000	5,000	15,000	15,000	20,000	20,000	5,000	5,000
Amount										
Type of share issued	Not tradable until corporate action for appropria tion of Balance Amount Payable	Fully paid up and tradable	Not tradable until corporate action for appropria tion of Balance Amount Payable	Fully paid up and tradable	Not tradable until corporate action for appropria tion of Balance Amount Payable	Fully paid up and tradable	Not tradable until corporate action for appropria tion 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 in “Issue Procedure” on page 493 and approved by BSE.

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, the Retail Individual Bidders bidding under the Payment Method-I must ensure that their demat accounts are not suspended for trading activities on any account whatsoever (including non-submission of PAN details). Furthermore, 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, Non-executive 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 “Our Management” on page 109.

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

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New Delhi 110 049, India
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Special Legal Counsel to the Issue

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Monitoring Agency

Industrial Development Bank Limited

Indian Redcross Society Building,
1, Redcross Road,
New Delhi 110 001
Phone: +91 11 2371 6181
Contact Person: Mr. Rajender Gupta.

Bankers to the Company

ABN Amro Bank

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Corporation Bank

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HDFC Bank Limited

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State Bank of Hyderabad

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DBS Bank Limited

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Bank of Baroda

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State Bank of India

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Global Coordinators and Book Running Lead Managers

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Registrar to the Issue**Karvy Computershare Private Limited**

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Contact Person: Mr. Murali Krishna

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Auditors

M/s. Walker, Chandiok & Co.

Chartered Accountants
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Bankers to the Issue and Escrow Collection Banks

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Website: www.utibank.com
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Centurion Bank of Punjab

Modern centre, C Wing,
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Tel: +91 22 6754 0000
Fax: +91 22 6754 0011
E-mail: mayanb@centurionbop.co.in
Website: www.centurionbop.co.in
Contact Person: Mr. Mayank Bhargava

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, LB, CITI, DEIPL, ISEC, 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, LB, CITI, DEIPL, ISEC, 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, LB, CITI, DEIPL, ISEC, UBS, SBICAP	KMCC
4.	Appointment of intermediaries viz. Registrar and Bankers to the Issue.	KMCC, DSPML, LB, CITI, DEIPL, ISEC, UBS, SBICAP	DSPML
5.	Appointment of other intermediaries viz. Printers, Advertising Agency to the Issue.	KMCC, DSPML, LB, CITI, DEIPL, ISEC, UBS, SBICAP	KMCC
6.	International institutional marketing of the Issue, which will cover, <i>inter alia</i> , – 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, LB, CITI, DEIPL, ISEC, UBS, SBICAP	DSPML
7.	Domestic institutional marketing of the Issue, which will cover, <i>inter alia</i> , – Finalizing the list and division of investors for one to one meetings; and – Finalizing road show schedule and investor meeting schedules	KMCC, DSPML, LB, CITI, DEIPL, ISEC, UBS, SBICAP	KMCC
8.	Non-institutional and retail marketing of the Issue, which will cover, <i>inter alia</i> ,	KMCC, DSPML, LB, CITI, DEIPL, ISEC, UBS,	KMCC

Activities	Responsibility	Coordinator
– 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	SBICAP	
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 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.	KMCC, DSPML, LB, CITI, DEIPL, ISEC, UBS, SBICAP	DSPML

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 RHP 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 see “Terms of the Issue” on page 48.

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; Lehman Brothers Securities Private Limited as the Senior Book Running Lead Manager; and Citigroup Global Markets India Private Limited, Deutsche Equities India Private Limited, ICICI Securities Primary Dealership 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 finalize 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 “Issue Procedure – Who Can Bid” on page 493).
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 “Issue Procedure – Permanent Account Number” on page 511)
4. Ensure that the Bid cum Application Form is duly completed as per instructions given in the RHP 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 fulfil 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 crore)
Kotak Mahindra Capital Company Limited 1 st Floor, Bakhtawar 229, Nariman Point Mumbai 400 021, India.	[•]	[•]
DSP Merrill Lynch Limited Mafatlal Centre, 10th Floor Nariman Point Mumbai 400 021, India.	[•]	[•]
Lehman Brothers Securities Private Limited Ceejay House 11 th Level, Plot F, Shivsagar Estate Dr. Annie Besant Road, Worli Mumbai 400 018, India.	[•]	[•]
Citigroup Global Markets India Private Limited Bakhtawar, 12 th 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 Primary Dealership Limited ICICI Centre H.T. Parekh Marg, Churchgate Mumbai 400 020, 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	[•]	[•]

Name and Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in crore)
Syndicate Members		
Kotak Securities Limited Bakhtawar, 3rd Floor 229, Nariman Point Mumbai 400 021, India.	[•]	[•]
ICICI Securities 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 Red Herring Prospectus is set forth below:

	Aggregate nominal value	Aggregate Value at Issue Price
(Rs. in crore)		
A. Authorised Capital¹		
2,497,500,000 Equity Share of Rs. 2 each	499.50	
50,000 Cumulative Redeemable Preference Shares of Rs. 100 each	0.50	
Total	500.00	
B. Issued, Subscribed and Paid-Up Equity Share Capital		
Prior to the Issue:		
1,529,832,680 Equity Shares of Rs. 2 each ²	305.97	
C. Issue in terms of the Red Herring Prospectus		
175,000,000 Equity Shares	35.00	[•]
Of which:		
Reservation for Employees	0.20	[•]
1,000,000 Equity Shares		
Net Issue to public:	34.80	[•]
174,000,000 Equity Shares		
Of which:		
QIB Portion of at least 104,400,000 Equity Shares of which:	20.88	[•]
Reservation for Mutual Funds of 5,220,000 Equity Shares	1.04	[•]
Non-Institutional Portion of not less than 17,400,000 Equity Shares	3.48	[•]
Retail Portion of not less than 52,200,000 Equity Shares	10.44	[•]
D. Issued, Subscribed and Paid-Up Capital post the Issue:		
1,704,832,680 Equity Shares	340.97	[•]
E. 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 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	Rights 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

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.)
January 7, 1976	7,	51,250	10	10	Cash	Rights issue	Nil	6,612,500
March 26, 1976	26,	65,178	10	10	Cash	Rights issue	Nil	7,264,280
June 8, 1976		10,000	10	10	Cash	Rights issue	Nil	7,364,280
October 1, 1978	1,	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 1989	30,	1,752,311	10	10	Cash	Rights issue	Nil	35,046,220
March 1989	30,	3,385	10	10	Cash	Issued to employees	Nil	35,080,070
March 28,		34,249,850	Nil	10	Cash	Conversion of	Nil	377,578,570

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						Debentures in the ratio 10:1		
March 2006	31,	10,140	Nil	10	Cash	Conversion of debentures in the ratio 10:1	Nil	377,679,970
April 2006	17,	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, 2006 were 1,510,729,880)	Capitalization 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
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	Capitalization 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	Capitalization 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

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.)
December 22, 2006*	1,258,250	Capitalization of reserves	2	Other than Cash	Bonus issue in the ratio of 7:1	Nil	3,057,278,160
March 13, 2007*	97,750	Nil	2	Cash	Conversion of debentures in the ratio 10:1 and subsequent split of face value from Rs. 10 to Rs. 2	Nil	3,057,473,660
March 13, 2007*	684,250	Capitalization of reserves	2	Other than Cash	Bonus issue in the ratio of 7:1	Nil	3,058,842,160
May 18, 2007*	51,450	Nil	2	Cash	Conversion of debentures in the ratio 10:1 and subsequent split of face value from Rs. 10 to Rs. 2	Nil	3,058,945,060
May 18, 2007*	360,150	Capitalization of reserves	2	Other than Cash	Bonus issue in the ratio of 7:1	Nil	3,059,665,360

* 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)
March 13, 2007*	March 13, 2007	1,955	100.00	100.00	Cash	Rights issue (1:1)
May 18, 2007*	May 18, 2007*	1,029	100.00	100.00	Cash	Rights issue (1:1)

* 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	1,200,000
February 13, 1976	4,272	100	100	Cash	Rights Issue	Nil	1,627,200
March 3, 1976	5,000	100	100	Cash	Rights Issue	Nil	2,127,200
March 8, 1976	2,500	100	100	Cash	Rights Issue	Nil	2,377,200
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	2,434,000
February 28, 1987	12,568	100	100	N.A.	Redemption	Nil	1,177,200
February 12, 1991	11,772	100	100	N.A.	Redemption	Nil	Nil

2. Promoters' Contribution and Lock-in

Our Promoters have by a written undertaking consented to have 344,800,000 Equity Shares held by them to be considered as promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Promoters' Contribution**"). These Equity Shares under the Promoters' Contribution will constitute 20.22% 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 under the Promoters' Contribution:

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 with respect of these equity shares which have since been split into Equity Shares of face value of
	November 14, 1963	Cash	5,000	10.00	10.00	5,010	Subscribed to further issue of capital by our Company	

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 21, 1972	Cash	1,250	10.00	10.00	6,260	Acquired in the public issue	Rs. 2 each.
	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.	
	March 30, 1989	Cash	200	10.00	10.00	7,275	Rights 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)	Capitalization 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 as Promoters' Contribution 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	Rights 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. Raghvendra Singh	
	September 2, 2002	Cash	127,962	10.00	338.22	178,259	Acquisition pursuant to public offer in terms of the Takeover Code	
	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		
	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	Otherwise than for cash	851,280	10.00	10.00	936,408	Acquired upon conversion of debentures.	

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
	May 2, 2006*	Otherwise 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)	Capitalization 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 as Promoters' Contribution for a period of three years from the date of Allotment. The remaining Equity Shares shall be locked in as per the following sub-sections

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

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
	July 15, 1988	Cash	6,865	10.00	9.10	437,040	Acquired from Mr. Hari Om Maheshwari and Ms. Usha Maheshwari	have since been split into Equity Shares of face value of Rs. 2 each.
	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	Rights issue	
	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	Other wise than for cash	6,971,800	10.00	10.00	7,668,980	Acquired upon conversion of debentures.	

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
	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)	Capitalization of reserves	306,759,200 (post sub-division)	Bonus issue in the ratio of 7:1	165,100,000 Equity Shares representing 9.68% of our post Issue equity share capital shall be locked- as Promoters' Contribution 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 (subsequ	2.00 (post sub-division)	Capitalization of reserves.	307,340,000	Bonus issue in the ratio of 7:1	165,400,000 Equity Shares representing

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
			ently sub-divided into 268,922,500 Equity Shares of Rs. 2 each)					9.70% of our post Issue equity share capital shall be locked-in as Promoters' Contribution from the date of Allotment. The remaining Equity Shares shall be locked-in for a 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 the Promoters' Contribution are not ineligible for such purposes under Clause 4.6 and 4.6.4A of the SEBI Guidelines.

Additional lock in for three years

In addition to the lock in of the Equity Shares under Promoters' Contribution as mentioned above, Equity Shares acquired by Mr. Rajiv Singh along with other acquirers and persons acting in concert, as mentioned below, pursuant to the open offers made under the Takeover Code ("**Open Offers**") and the bonus shares received against such Equity Shares adjusted for the subsequent split of shares will also be locked in for a period of three years from the date of Allotment. These Equity Shares aggregating 9,085,520 Equity Shares will constitute 0.53% of our post Issue equity share capital. Set forth below are details of the aforesaid Equity Shares to be locked in for a period of three years from the date of Allotment.

Name of the acquirer	Open Offer Shares	Bonus on Open Offer Shares	Total of Open Offer Shares and Bonus Shares	Total of Open Offer Shares and Bonus Shares after sub-division
	(face value of Rs. 10 each)			(face value of Rs. 2 each)
Mr. Rajiv Singh	194,881	1,364,167	1,559,048	7,795,240
Realest Builders & Services Pvt. Ltd.	31,457	220,199	251,656	1,258,280
Renkon Agencies Pvt. Ltd.	200	1,400	1,600	8,000
Vishal Foods and Investments Pvt Ltd	200	1,400	1,600	8,000
DLF Investments Pvt. Ltd.	200	1,400	1,600	8,000
Raisina Agencies & Investments Pvt. Ltd	200	1,400	1,600	8,000
Total	227,138	1,589,966	1,817,104	9,085,520

Equity Shares locked-in for one year

In addition to the lock-in of the Equity Shares under the Promoters' Contribution and other Equity Shares locked in for three years from the date of the Allotment, the pre-Issue Equity Shares held by Promoters, Promoter group entities, key managerial personnel, Directors or their relatives will be locked-in for a period of one year from the date of Allotment. In addition 1,175,000 Equity Shares held by Haryana Electrical Udyog Pvt. Ltd will be locked in for a period of one year from the date of Allotment. The remaining Equity Shares held by Haryana Electrical Udyog Pvt. Ltd. shall be locked in as per the following sub-section.

SEBI has, by its letter dated May 7, 2007, granted an exemption from the requirement of one year lock in as per Clause 4.14.1 of the SEBI Guidelines to the public shareholders who are not Promoters, Promoter group entities (except for Haryana Electrical Udyog Pvt. Ltd., whose Equity Shares will be locked-in subject to provisions below), key managerial personnel, Directors or their relatives as on March 31, 2007.

Lock-in of Equity Shares held by Haryana Electrical Udyog Pvt. Ltd.

As stated in note 25 below, to address any pending investor grievances after the date of the filing of the Red Herring Prospectus, shares held by Haryana Electrical Udyog Private Ltd. ("HUPL"), a promoter group company, may be transferred to certain shareholders (as of the record date of the rights issue) for a period of three months after the date of Allotment in the Issue or August 14, 2007, whichever is later. SEBI has, by its letter dated May 7, 2007 exempted HUPL from the lock up of one year as per 4.16 of the SEBI Guidelines to the extent such shares are transferred to shareholders for redressing any pending grievances. As of the date of this Red Herring Prospectus, HUPL holds 14,865,400 Equity Shares of which a maximum of 13,690,400 Equity Shares would be transferred to shareholders for redressing any pending grievances as mentioned in note 25 below and the balance 1,175,000 Equity Shares will be locked in for a period of one year from the date of Allotment.

In compliance with the aforesaid letter by SEBI, the Company undertakes that at the end of three months period after the date of Allotment in the Issue or August 14, 2007, whichever is later, it shall disclose the following details to the Stock Exchanges:

- (i) The number of equity shares of the Company held by HUPL as on the date of Allotment in the Issue.
- (ii) The number of equity shares of the Company transferred by HUPL to minority shareholders, during the period of three months after the date of Allotment in the Issue or August 14, 2007, whichever is later.
- (iii) The number of equity shares of the Company remaining with HUPL after the transfer of such shares to minority shareholders as stated above, which will be locked in for a period of one year from the date of Allotment.

The Company further undertakes that at the end of 90 days from the date of Allotment in the Issue or August 14, 2007, whichever is later, the equity shares of the Company, if any, remaining with HUPL after the transfer contemplated in Note 25 below, will be locked in for a period of one year from the date of Allotment.

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. Further, securities locked in as Promoters Contribution may be pledged only if, in addition to fulfilling the above condition, the loan has been granted by the such bank or financial institution for the purpose of financing one or more of the objects of the Issue.

Further, in terms of Clause 4.16.1(b) of the SEBI Guidelines, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter group or to a new promoter or persons in control of the Company, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

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	1.09
Panchsheel Investment Company	306,759,200	20.05	306,759,200	17.99
Sidhant Housing and Development Company	307,340,000	20.09	307,340,000	18.03
Sub Total	643,216,520	42.04	643,216,520	37.73
Promoter Group				
Ms. Pia Singh	38,776,000	2.53	38,776,000	2.27
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	3.86
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	0.54
Rajdhani Investments & Agencies Private Limited	46,097,920	3.01	46,097,920	2.70
Buland Consultants & Investment Private Limited	29,568,000	1.93	29,568,000	1.73
Haryana Electrical 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	5.95	91,080,000	5.34
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	55.38	847,261,920	49.70
Other Shareholders				
Realest Builders and Services Private Limited	13,831,080	0.90	13,831,080	0.81
Other public shareholders	25,523,160	1.67	200,523,160	11.76
Sub Total	39,354,240	2.57	214,354,240	12.57
Total	1,529,832,680	100.00	1,704,832,680	100.00

4. Our Company, our Directors, our Promoters, our Promoter group 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. Any under-subscription in the Employee Reservation Portion shall be added to the categories under the Net Issue in a proportion determined by 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. 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 Employee Reservation Portion shall be added to the categories under the Net Issue in a proportion determined by our Company in consultation with the Book Runners;
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 the date of the RHP and 10 days before the date of the RHP:

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 May 20, 2005 (i.e. two years before date of filing of this Red Herring Prospectus):

Sr. No	Name of Shareholders	Number of equity shares of Rs. 10 each
1.	Sidhant Housing and Development Company	876,800
2.	Panchsheel Investment Company	686,380
3.	Kohinoor Real Estates Company	202,500
4.	Madhur Housing & Development Company	202,300
5.	Mallika Housing Company	202,300
6.	Prem Traders & Investments Private Limited	173,770
7.	Mr. Rajiv Singh	170,228
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 in 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. Certain features of the ESOP were modified in the EGM held on January 4, 2007 and February 15, 2007.

In compliance with the SEBI (Employee Stock Option and Stock Purchase Scheme) Guidelines, 1999, the following disclosures have been made in the notice for the extra ordinary general meeting dated April 20, 2006 for approving the ESOP Scheme:

Total number of options to be granted	Not exceeding 17,000,000 equity shares*
Identification of classes of employees entitled to participate in the ESOP Scheme	All permanent employees of the Company and its subsidiaries are eligible to participate
Requirements of vesting, period of vesting and maximum period within which options shall be vested	The options would vest not earlier than two years and not later than six years from the date of grant**
Exercise price or pricing formula	Rs. 2 per option (face value Rs. 2 per equity share)
Exercise period and process of exercise	The exercise period shall be a period of three years from the date of the vesting of the options. The options will be exercisable by the employees by a written application to the Company to exercise the options in such manner, and on execution of such documents as may be prescribed by the Board of Directors of the Company or any committee of the Board of Directors of the Company from time to time. The options will lapse if not exercised within the specified exercise period.
The appraisal process for determining the eligibility of employees to the ESOP Scheme	The eligibility of the employees will be determined by the Board of Directors of the Company or any committee of the Board of Directors of the Company.
Maximum number of options to be issued per employees and in aggregate	The maximum number of options to be issued per employee and in the aggregate shall not exceed 0.05% of the issued capital of the Company at the time of the grant of options***. The maximum number of options to be granted will be 17,000,000 in the aggregate*.
Accounting method used by the Company to value its options	Intrinsic value method

**The number of options to be granted was increased from 3,500,000 options to 17,000,000 options by the shareholders resolution in the extra ordinary general meeting of the Company dated January 4, 2007.*

***The minimum and the maximum vesting period has been modified from one and ten years, respectively, by the shareholders resolution in the extra ordinary general meeting dated February 15, 2007.*

**** The maximum number of options to be issued per employee in one or more tranches has been increased from 0.005% to 0.05% of the issued capital of the company by the shareholders resolution in the extra ordinary general meeting of the Company held on January 4, 2007.*

The Company undertakes to conform to the accounting policies as specified in the Clause 13.1 of the ESOP Guidelines.

In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the director's report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the director's report.

The ESOP shall be administered by the 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. The ESOP Scheme is in compliance with the SEBI (Employee Stock Option and Stock Purchase Scheme) Guidelines, 1999.

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.

None of our employees and Directors who would be granted options under the ESOP Scheme would be entitled to exercise the same within three months after the date of listing of our Equity Shares, since the minimum vesting period under our ESOP scheme is two year from the date of grant.

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 "Our Management" on page 109, none of our Directors and key managerial employees hold any Equity Shares.
12. Except as disclosed under "Note 22 and 23– Notes to the Capital Structure" and except for issuance of the Equity Shares forfeited under Payment Method-I, 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 the RHP 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 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 May 18, 2007, the total number of holders of Equity Shares was 2,740.
16. We have not raised any bridge loans against the proceeds of the Issue.
17. Except as disclosed in "Capital Structure - Notes to the Capital Structure" on page 24 and "Other Regulatory and Statutory Disclosures - Issues otherwise than for Cash" on page 487, 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 “Financial Indebtedness” on page 92.
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 “Material Contracts and Documents for Inspection” on page 533.
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. Such Equity Shares, which have been forfeited, may be re-issued by the Company.
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. Further, on March 13, 2007, 1,955 debentures were allotted with attendant benefits. Upon conversion of such 1,955 debentures and issuance of bonus shares, an aggregate of 782,000 Equity Shares were issued on March 13, 2007. Further, on May 18, 2007, 1,029 debentures were allotted with attendant benefits. Upon conversion of such 1,029 debentures and issuance of bonus shares, an aggregate of 411,600 Equity Shares were issued on May 18, 2007.
24. An over-subscription to the extent of 10% of the Issue can be retained for the purposes of the rounding-off while finalizing the basis of Allotment.
25. Pending issue of debentures in respect of prior rights issue of the Company and redressal of shareholder complaints

In the rights issue of debentures undertaken by the Company in fiscal 2006, certain shareholders did not apply for/receive the allotment of debentures and consequently equity shares, for a number of reasons.

We have examined each of the 111 complaints filed (including 57 complaints in respect of the non-allotment of debentures and consequently equity shares and 54 complaints in respect of other matters) individually on merits and has taken steps to redress the same. The Book Runners, along with independent legal advisors, have as best as possible factually verified the details of the complaints, our replies and the steps taken by us for the redressal of the complaints. The details in respect of each of these complaints are set forth in reports dated May 24, 2007 of the special committee of our Board, comprising Mr. M.M. Sabharwal, Dr. D.V. Kapur, Mr. T.C. Goyal, Mr. Kameshwar Swarup and Brig. (Retd.) Narendra Pal Singh, in respect of the complaints pertaining to the rights

issue and the report of the IPO committee of the Board, comprising Mr. T.C. Goyal, Mr. Ravinder Narain, Mr. Brijendra Bhushan and Brig. (Retd.) Narendra Pal Singh, in respect of other complaints.

For details of outstanding complaints in this regard, see “Outstanding Litigation and Material Developments” on page 398.

The reports are included in “Material Contracts and Documents for Inspection” and may be inspected at our Registered Office from 10:00 a.m. to 4:00 p.m. on working days until the Bid/Issue Closing Date. Copies of the report have also been filed with the Ministry of Company Affairs.

As stated in Note 23 above, the Company had issued and allotted an aggregate of 47,757 debentures (and 19,102,800 Equity Shares, upon conversion of the 47,757 debentures and bonus in the ratio of 7:1) to certain of such shareholders till May 18, 2007. Subsequent to that date and till May 20, 2007 the RHP, SEBI, MCA, Stock Exchanges, Book Runners and the Company had received no complaints in the aggregate from shareholders in respect of debentures.

Steps taken up to filing of the Red Herring Prospectus

The Company has taken active steps to address and allot equity shares to its eligible shareholders (i.e. shareholders who were entitled to apply for debentures as on the record date of the rights issue of debentures i.e. November 18, 2005) who did not apply for/receive the allotment of such debentures. Until May 22, 2007, (i.e. two days prior to the date of filing of the RHP with the RoC) the Company had allotted 11,93,600 Equity Shares on this account to 54 shareholders, in two tranches, 7,82,000 Equity Shares on March 13, 2007 to 33 shareholders, resulting from an allotment of 1,955 debentures and the consequent conversion, bonus issue and split in face value, and 4,11,600 Equity Shares on May 18, 2007, to 21 shareholders, resulting from an allotment of 1,029 debentures, and the consequent conversion, bonus issue and split in face value. As on date, the status of all complaints received in respect of non allotment of debentures is as follows:

Sr. No.	Details	Total Number	Number of complainants to whom debentures allotted	Number of debentures allotted	Number of equity shares allotted (post conversion and bonus)
1.	Complaints received by SEBI and forwarded to the Company [#]	7	7	475	1,90,000
2.	Complaints received directly by the Company [#]	50	47	2,509	10,03,600
	Total	57	54	2,984	1,193,600

[#] Certain complaints were received by SEBI as well as directly by the Company. To avoid repetition, such complaints have only been included in the “Complaints received directly by the Company”.

The Company has not allotted debentures with attendant benefits to three complainants due to various reasons. These reasons *inter alia* include:

- Two complainants were not shareholders of the Company on the record date for the rights issue, i.e., November 18, 2005; and
- One complainant has not submitted application money and/or has not supplied relevant documents.

In addition to the 57 complaints mentioned in the table above, one complainant has applied for a number of debentures over and above those that have been allotted to him as per his entitlement. We have not allotted such additional debentures to the complainant, in accordance with the terms of the rights issue.

As stated in note 25 above, shares held by HUPL may be transferred to certain shareholders as of the record date of the rights issue to address any pending investor grievances after the date of this Red Herring Prospectus.

A detailed report in respect of the complaints received and the steps taken for a redressal of the same, has been provided in the Material Contracts and Documents for Inspection and may be inspected at the registered office of our Company situated at Shopping Mall, Third Floor, Arjun Marg, Phase-I, DLF City, Gurgaon, Haryana 122 002, India from 10:00 a.m. to 4:00 p.m. on working days until the Bid/Issue Closing Date.

For details of outstanding complaints in this regard, see “Outstanding Litigation and Material Developments” on page 398.

Procedure for Resolution of any Pending Complaints after the Date of the filing the RHP

For the benefit of its eligible shareholders, the Company and the Promoters have agreed to put in place the following mechanism to claim and receive equity shares:

	No. of Shareholders	No. of Debentures	No. of Equity Shares⁽¹⁾
Unsubscribed debentures	437	34,226 ⁽²⁾	1,36,90,400 [#]
Less: shareholders whose share certificates are lying with the Company since 1981, hence presumed inactive	51	4,120* ⁽²⁾	16,48,000 [#]
Less: pertaining to shareholders who have not yet encashed dividend for the financial year ended March 31, 2005 dispatched on October 17, 2005 (refer table) and, hence, presumed inactive.	219	17,434*	6973600 [#]
Balance representing possible inactive shareholders who could be probable claimants for debentures.	167	12,672*	5068800 [#]

* Number of debentures calculated in the ratio of 1:1 (one debenture of Rs. 100 each for every equity share of Rs. 10 each held on the record date).

face value of Rs. 2 each.

(1) Upon conversion of debentures into equity shares of face value of Rs. 2 each and bonus shares issued in the ratio of 7:1.

(2) As certified by the Auditors by their certificate dated May 20, 2007.

Note: This is one of the possible method for calculating inactive shareholders. Calculations are likely to vary from time to time based on actual allotment of debentures, encashment of dividend etc. in future.

- (a) The Company and Haryana Electrical Udyog Private Limited (“HUPL”), a promoter group company which currently owns 14,865,400 equity shares of the Company, have entered in to an arrangement whereby any eligible shareholder of the Company who has not participated in the rights issue of debentures for any reason (not attributable to the Company), shall be entitled to receive equivalent shares of the Company from HUPL at a price of Rs. 2 per share, after submitting the relevant documents and payments and completing the required formalities. While determining the number of equivalent shares, the Company and HUPL shall take into account the debenture entitlement of the eligible shareholder, equity shares resulting from conversion of the debentures, the split of the face value of the equity shares and the bonus issue of shares undertaken in May 2006. For every equity share of face value Rs. 10 held by the eligible shareholder as on the record date of the rights issue undertaken by the Company in fiscal 2006, HUPL will transfer, subject to submission of relevant documents and payments, and completion of necessary formalities, 400 Equity Shares of the Company, at a price of Rs. 2 per Equity Share. SEBI has, by its letter dated May 7, 2007, exempted the Equity Shares transferred to such eligible shareholders from the lock-in requirements of one year from the date of Allotment. Equity Shares remaining with HUPL after such transfer, if any, will be locked in for the balance period of one year from the date of Allotment.
- (b) The Company, HUPL and the Promoters are providing an irrevocable Power of Attorney in favour of Mr. M.M. Sabharwal and Brig. (Retd.) Narendra Pal Singh, independent directors of the Company (who shall liaise with Kotak Mahindra Capital Company and Amarchand Mangaldas & Suresh A. Shroff & Co.) to sign the demat instructions for the shares to be transferred from HUPL to persons who are eligible to receive these Equity Shares.

- (c) A list of the eligible shareholders falling in the above categories has been provided to the independent directors to enable them to confirm the eligibility of claimants to the Equity Shares.
 - (d) This benefit is only available for shareholders applying for their entitlements up to the later of (i) August 14, 2007 and (ii) 90 days from the date of allotment of Equity Shares in this Issue.
26. The Company undertakes to remain listed on the Stock Exchanges for a period of not less than three years from the date of listing and commencement of trading of the Equity Shares pursuant to the Issue. Further, the Promoters undertake not to do any act/deed directly or indirectly that may result in delisting of the Equity Shares from the Stock Exchanges for a period of not less than three years from the date of listing and commencement of trading of the Equity Shares pursuant to the Issue.

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. [●] crore. The details of the utilization of the net proceeds of the Issue are as follows:

Sl. No.	Particulars	Amount (Rs. in crore)
1.	Acquisition of land and development rights	3,500.0
2.	Development and construction costs for existing projects	3,493.4
3.	Prepayment of loans of our Company	[●]
	Total	[●]

The entire requirement of funds will be met through 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 “Our Business” on page 66.

We recognize 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. In the event that any acquisition of land is undertaken through subsidiaries or other forms of investments, the detailed terms and conditions of such investments would be decided, from time to time, on a project-wise basis.

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 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 “Our Business” on page 66.

We propose to deploy part of the net proceeds of the Issue towards meeting the development and construction costs of some of our projects under development. The total amounts we expect to deploy on these projects for fiscal 2008 and fiscal 2009 are Rs. 2,169.9 crore and Rs. 1,103.9 crore, respectively. We also propose to replenish from the net proceeds of the Issue Rs. 219.6 crore, which we have deployed in these projects after October 31, 2006 in fiscal 2007 (i.e. between November 1, 2006 and March 31, 2007).

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. in crore)	Expenditure incurred as of March 31, 2007 (Rs. in crore)	Estimated schedule of deployment of funds (Rs. in crore)		Current Status
				Fiscal 2008	Fiscal 2009	
Commercial projects*	7.15	1,236.8	262.4	837.0	137.4	All projects are under execution
Retail projects**	9.82	2,374.3	74.9	1,332.9	966.5	All projects are under execution
Total	16.97	3,611.1	337.3***	2,169.9	1,103.9	

* 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, Jalandhar, 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 March 31, 2009.

*** includes Rs. 219.6 crore that we have deployed during the time period starting November 1, 2006 till March 31, 2007, which shall also be replenished from the net proceeds of the Issue.

as confirmed by the Auditors' certificate dated May 20, 2007.

Means of Finance

The total cost of development and construction of these projects is estimated to be Rs. 3,611.1 crore. As

confirmed by the Auditors' certificate dated May 20, 2007, we have deployed Rs. 337.3 crore of this total cost from our internal accruals and general loans. As on March 31, 2007, we had cash and bank balances equivalent to Rs. 415.5 crore.

We propose to meet the entire remaining development and construction costs for fiscal 2008 and fiscal 2009 from the net proceeds of the Issue, including the funds that we have deployed, or will deploy, after March 31, 2007 till the date of the listing of our Equity Shares on the Stock Exchanges.

3. **Prepayment of Loans**

Our Company has a significant amount of outstanding debt. For details, see "Financial Indebtedness" on page 92.

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

Outstanding as of March 31, 2007

Name of the Bank	Amount (Rs. in crore)
Term Loan Facilities (A)	
ICICI Bank Limited	1,008.1
Housing Development Finance Corporation Limited	582.0
ABN Amro Bank N.V.	125.0
Citibank N.A.	7.6
The Hongkong and Shanghai Banking Corporation Limited	332.3
Union Bank of India	70.0
HDFC Bank Limited	52.5
Industrial Development Bank of India Limited	130.0
Bank of Baroda	59.2
Standard Chartered Bank	125.0
Infrastructure Development Finance Company Limited	150.0
UCO Bank	200.0
Corporation Bank	150.0
DBS Bank Limited	108.0
United Bank of India	100.0
Bank of Maharashtra	100.0
Kotak Mahindra Bank Limited	176.5
State Bank of India	65.0
State Bank of Hyderabad	35.0
State Bank of Travancore	26.2
State Bank of Patiala	50.0
UTI Bank Limited ("Trustees")	1,585.0
IL&FS Trust Company Limited	546.0
GE Capital Services India	67.8
DSP Merrill Lynch Capital Limited	279.6
Citi Corp Finance India Limited	100.0
Sub Total (A)	6,230.8
Working Capital Facilities (B)	
Citibank N.A.	26.4
ABN Amro Bank N.V.	46.0
The Hongkong and Shanghai Banking Corporation Limited	1.1
Standard Chartered Bank	14.7
Corporation Bank	45.8
State Bank of India	146.8
State Bank of Hyderabad	47.8

ING Vysya Bank Limited	49.6
HDFC Bank Limited	34.2
State Bank of Travancore	89.8
Kotak Mahindra Bank Limited	33.7
Sub Total (B)	535.9
Grand Total (A+B)	6,766.7

For details of the above borrowings, see “Financial Indebtedness” on page 92.

As confirmed by the Auditors, by a letter dated May 20, 2007, the Company has utilized the loans availed of by it from the banks and the financial institutions for the purposes for which they were sanctioned.

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. We may also utilize 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	Expenses (Rs. in crore)	% of Issue size*	% of Issue expenses*
Lead management, underwriting and selling commission	[●]*	[●]	[●]
Advertisement and marketing expenses	30.0	[●]	[●]
Printing and stationery (including expenses on transportation of the material)	22.0	[●]	[●]
Others (Registrar’s fees, legal fees, listing fees, etc.)	40.0	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

* Will be incorporated after finalization of 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 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 the 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 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 the RHP 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.

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 “Main Provisions of Articles of Association of the Company” on page 523.

Market Lot and Trading Lot

In terms of existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialized form for all investors. Since trading of our Equity Shares is in dematerialized 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 dematerialized form. Allotment through this Issue will be done only in electronic form in multiples of one Equity Share subject to a minimum allotment of 10 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 dematerialized 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 250.0 times the face value at the lower end of the Price Band and 275.0 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 68 and “Risk Factors” on page xiv.

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, 2005	246.58	6.16	1
Year ended March 31, 2006	493.64	12.34	2
Year ended March 31, 2007	12.80	12.80	3
Weighted Average		11.54	

2. Price Earning Ratio (P/E Ratio)

- A. Based on the year ended March 31, 2007 EPS (after adjusting for split of shares to face value of Rs 2 and bonus issue) is Rs. 12.80.
- B. P/E based on the above EPS is 43.3 at the Floor Price and 47.7 at the Cap Price.
- C. Peer group P/E*
 - (i) Highest 174.0
 - (ii) Lowest 13.6
 - (iii) Peer group Average 57.5

* P/E based on trailing twelve month earnings for the entire construction sector
Source: Capital Market, Volume XXII/05, May 7 - 20, 2007 (Industry-Construction)

3. Return on Average Net Worth

Financial Period	Adjusted PAT (Rs. Cr.)	Average Net Worth (Rs. Cr.)	RoANW(%)	Weight
Year ended March 31, 2005	86.5	711.6	12.16	1
Year ended March 31, 2006	191.7	853.5	22.46	2
Year ended March 31, 2007	1,941.3	2,466.0	78.72	3
Weighted Average	1,049.0	1,636.1	48.87	

Minimum Return on Total Net Worth post-Issue to maintain pre-Issue EPS for fiscal year ended March 31, 2007 is [•].

4. Net Asset Value (NAV)

(i)	NAV as at March 31, 2007	Rs. 26.22 per Equity Share
(ii)	NAV as at March 31, 2007 (after adjusting for split of shares to face value of Rs 2 and bonus issue)	Rs. 26.22 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 April 27, 2007	RoNW (%)	NAV (Rs.)	Sales (Rs. Cr.)
DLF*	12.80	-	48.82	26.22	4,034.1
Ansal Housing	10.7	13.6	24.3	55.2	117.5
Ansal Properties	4.4	31.6	42.8	71.7	320.7
D.S. Kulkarni	7.7	14.5	62.5	86.9	16.6
Mahindra Gescor*	3.5	174.0	2.1	189.3	155.5
Parsvnath Developers	5.7	-	70.0	69.9	643.8
Sobha Developers	11.8	-	95.0	96.5	596.6
Unitech	0.8	53.8	35.0	2.8	653.1

All data for peer group companies are for full fiscal 2006 except for companies marked with “*”, where data is for full fiscal 2007; all figures for the Company are based on its financial statements and for year ended March 31, 2007. The P/E is based on trailing twelve month earnings.

All figures for peer group are from Source: Capital Market, Volume Volume XXII/05, May 07 - 20, 2007 (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 “Risk Factors” on page xiv 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, Third Floor
Arjun Marg, Phase-I
DLF City, Gurgaon
Haryana 122 002

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 (IT Act) 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, Chandio & Co

Chartered Accountants

David Jones

Partner

Membership No. 98113

May 20, 2007

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. It is pertinent to mention that the benefit under section 80IA of the IT Act would not be available to the Company in respect of works contract executed with those undertakings which are availing benefit under section 80IA of the IT Act. This benefit would not be available retrospectively from AY 2000-01.

Under section 80ID of the IT Act, 100 percent of profits is deductible for 5 years commencing from the initial assessment year in case of an undertaking engaged in the hotel business (2, 3, 4 star category) located in specified areas and which is constructed and started or starts functioning between April 1, 2007 and March 31, 2010 or is engaged in business of building, owning and operating a convention centre which is constructed between April 1, 2007 to March 31, 2010.

Under section 115JAA(2A) of the IT 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.

Under section 115-O of the IT Act, no tax is chargeable on any amount declared, distributed or paid by way of dividend on or after April 1, 2005 out of current income of an undertaking or enterprise engaged in developing or developing and operating or developing, operating and maintaining a special economic zone.

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 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 IT 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 115AD (1)(ii) of the IT 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.
- 5 Under section 115AD(1)(iii) of the IT 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.
- 6 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.
- 7 In terms of section 88E of the IT 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. Income of such Venture Capital companies/ Funds would be exempt only for investments in companies which are engaged in

specified businesses. Amongst the specified businesses, the following may be relevant in the context of the Company:

- (a) business of building and operating composite hotel-cum-convention centre with seating capacity of more than 3,000; and
- (b) business of developing or operating and maintaining or developing, operating and maintaining any infrastructure facility namely:
 - Road including toll road, a bridge or a rail system;
 - Highway project including housing or other activities being an integral part of the highway project;
 - Water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system;
 - A port, airport, inland waterway or inland port.

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 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 IT 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.

- 8 In terms of section 88E of the IT 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.*

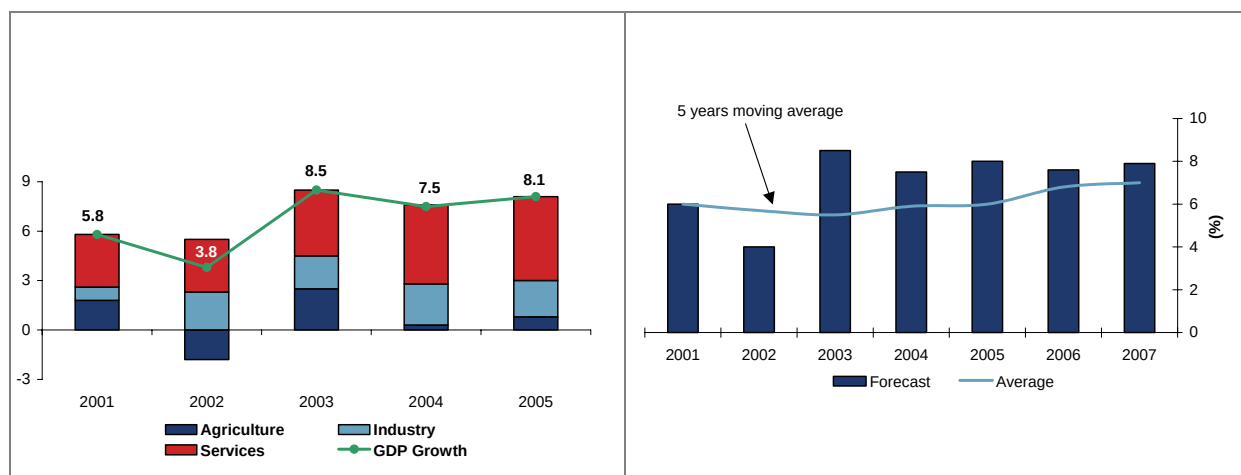
INDUSTRY OVERVIEW

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 and 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 x 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 unorganized and characterised by various factors that impeded organized 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

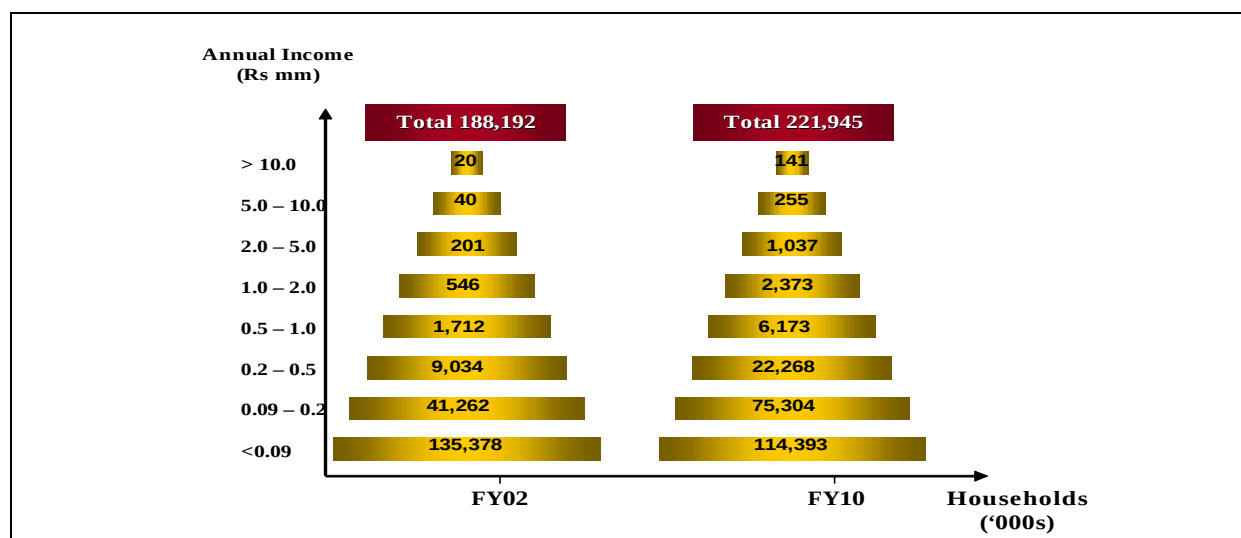
The growth in the residential real estate market in India has been largely driven by rising disposable incomes, a rapidly growing middle class, low interest rates, fiscal incentives on both interest and principal payments for housing loans and heightened customer expectations, as well as increased urbanisation 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. 0.2 crore and Rs. 0.5 crore per year, Rs. 0.5 crore and Rs. 1 crore per year and in excess of Rs. 1 crore 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).

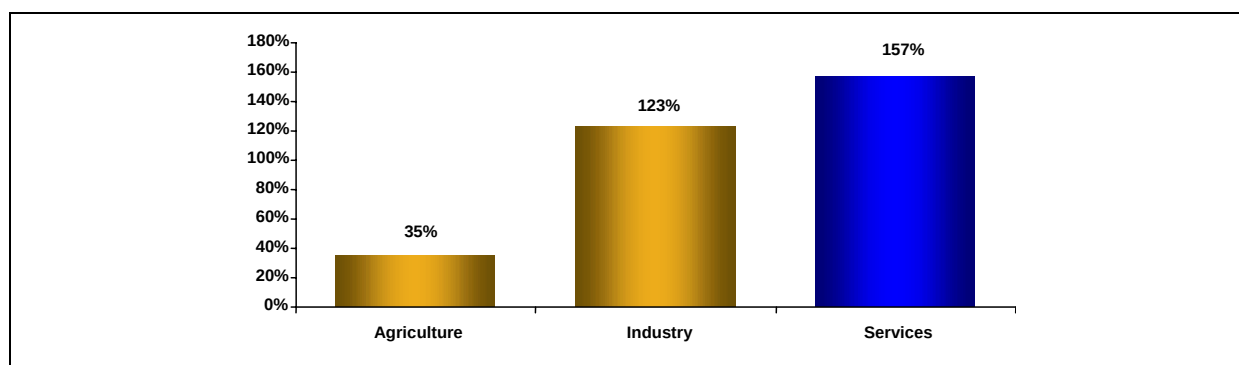
We expect that these higher income households will be target customers for our luxury and super luxury residential developments.

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 lac crore in fiscal 2005 and expects further growth at a CAGR of 18.6% over the next five years to Rs. 4.03 lac crore in fiscal 2010.

Commercial real estate development

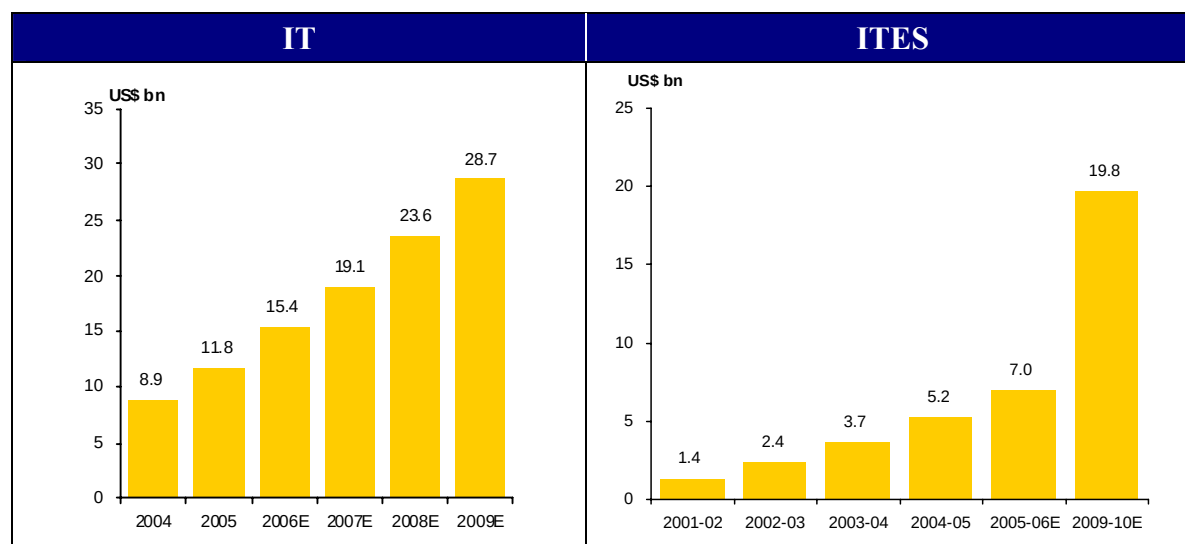
The recent growth of the commercial real estate sector in India has been fuelled, in large part, by the increased revenues of companies in the services business, particularly in the IT and ITES sectors. Industry sources expect the IT and ITES sectors to continue to grow and generate additional employment,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

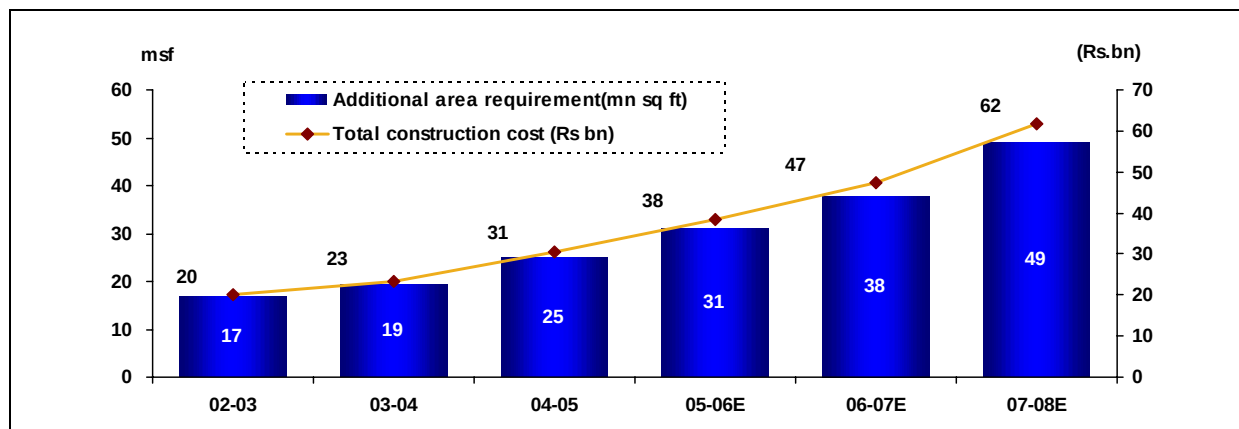


Source: CRIS INFAC "Software Annual Review" (January 2005) and CRIS INFAC "IT Enabled Services Annual Review" (February 2006).

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 centers 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).

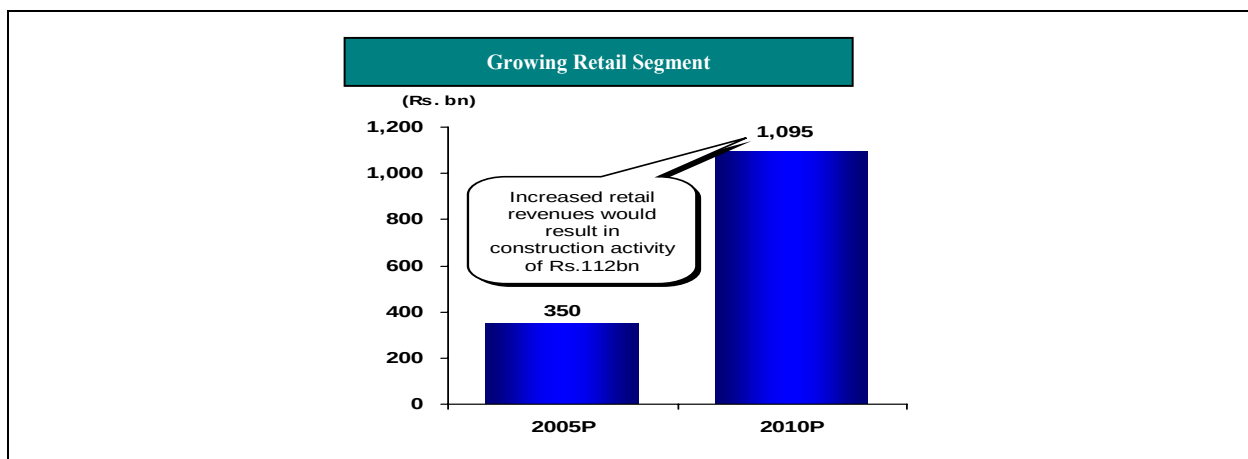
According to Cushman & Wakefield, capital flows into commercial property in 2004 increased by more than 40% over the previous year, leading to record high levels of new office development. In spite of this, higher demand has helped to stabilise vacancy rates. The IT, ITES and related sectors are estimated 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. (Source: “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 lac crore, of which organized retail accounted for Rs. 35,000 crore, or approximately 3.5%. The organized retail segment in India is expected to grow at a rate of 25% to 30% over the next five fiscal years. The growth of organized 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 organized retailers in India currently include Tata-Trent, Pantaloon, Shopper’s Stop and the RPG Group. While the organized 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 organized 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. 36,900 crore 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 organized retail sector, as illustrated by the following chart:

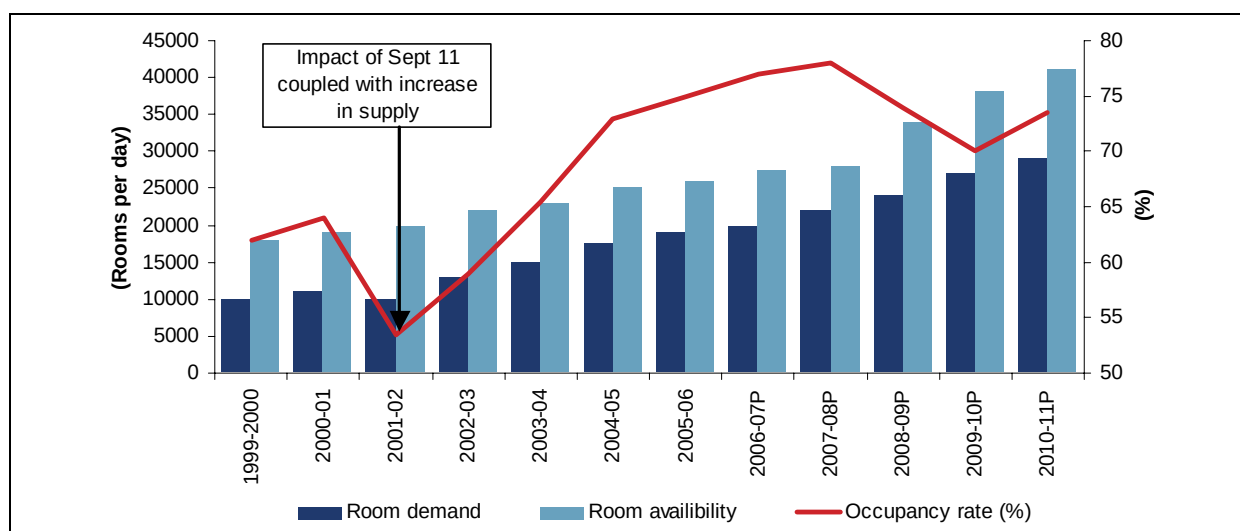


Source: CRIS INFAC, "Construction, Annual Review" (February 2006).

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. 9,000 crore 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 details about regulations and policies applicable to SEZs, see “Regulations and Policies in India” on page 104. 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 Rs. 1,800 crore.

INFRASTRUCTURE

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

According to CRIS INFAC, investment in infrastructure will increase to Rs. 2,89,200 crore in 2008 from Rs. 2,65,500 crore in fiscal 2005 as illustrated by the following table:

	Total Investments Rs. crore	
	2005-2006	2007-2008
Infrastructure		
Irrigation	42,300	48,200
Power	16,300	12,600
Roads	38,300	52,800
Urban Infrastructure	40,200	51,200
Total	2,65,500	2,89,200

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. 23,400 crore. Films contribute a significant proportion (28%) to India’s entertainment industry (Source: *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. 61,700 crore by 2010, the Indian cinema industry is expected to reach Rs. 15,300 crore in 2010, contributing 25% to India’s entertainment industry. According to PricewaterhouseCoopers, the Indian cinema sector had revenues of Rs. 5.3 crore in 2005 (The Indian Entertainment and Media Industry (Source: *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 (*Source: 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 plots, 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 business by entering into the infrastructure, SEZ 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 Hilton, a leading international hotel company and with Bharat Hotels. 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 and our predecessors have been steadily building our real estate business since 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 224 million square feet. This includes approximately 195 million square feet of land area sold as plots, 19 million square feet of residential properties, 7 million square feet of commercial properties and 3 million square feet of retail properties.

As of April 30, 2007, we had residential projects with a saleable area of approximately 7 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 27 million square feet and 10 million square feet, respectively, which are under construction. Approximately 4 million square feet of this retail property have been made available for sale or lease. Between April 1, 2006 and April 30, 2007, we had signed lease agreements or letters of intent for office space aggregating 11.2 million square feet, in respect of commercial properties being developed by us.

We have Land Reserves in various regions across India. As of April 30, 2007, these Land Reserves amounted to 10,255 acres with an aggregate estimated developable area of approximately 574 million square feet, including 4 million square feet of completed development, and of which 44 million square feet (excluding the share of joint venture partners) is under construction. Of our approximately 574 million square feet of developable area, we estimate that 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. We estimate that more than 90% of our Land Reserves are available as large, contiguous plots of land. Details of our Land Reserves are presented in the table under "Description of Our Business – Land Reserves" below.

As of April 30, 2007, in addition to our Land Reserves of 10,255 acres, we had entered into arrangements for the acquisition of land or development rights in relation to approximately 554 acres of land. The development plans for the 554 acres of land are at a preliminary stage. As of April 30, 2007, we also owned existing completed buildings in the NCR aggregating approximately 3.5 million square feet and owned plots of approximately 7.2 million square feet which

do not form part of our Land Reserves. We also have plots which we expect will be developed into 23 super luxury and luxury hotel sites as well as a golf course, community clubs and power generation assets in DLF Power.

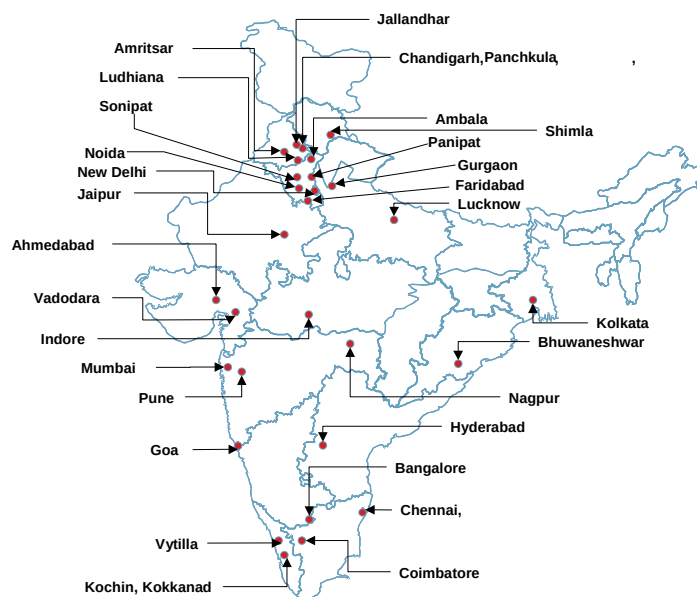
In fiscal 2007, our consolidated total income was Rs. 4,034.1 crore and our consolidated net profit was Rs. 1,941.3 crore, due in large part to the sale of certain commercial properties to DAL, which is a Promoter group company. For the three years ended March 31, 2006, 2005 and 2004, our consolidated total income was Rs. 1,242 crore, Rs. 626 crore and Rs. 526.6 crore, respectively, and our consolidated net profit was Rs. 191.7 crore, Rs. 86.5 crore and Rs. 53.8 crore, respectively.

HISTORY OF OUR BUSINESS

We and our predecessors have been steadily building our real estate business since 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 DDA, 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 Land Reserves across India, as of April 30, 2007.



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 (*Source: ACNielsen Report*). Since 1946, we have been responsible for the development of approximately 224 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.

Land Reserves

We have 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 Maharashtra, 3% in Indore, 4% in Punjab, 2% in Bangalore and the balance in various other states. 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 current 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. For example, although Delhi and Gurgaon fall within the government stipulated Earthquake Zone-IV area, our buildings are designed to comply with the more stringent standards that are applicable in Zone-V areas, and while fire safety norms require fire sprinklers to be spaced 3.5 meters apart, the fire sprinklers in our buildings are placed 3.0 meters apart. We also provide management services for properties in all of 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 Land Reserves, which amounted to approximately Rs. 4,395.6 crore as of April 30, 2007.

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. In addition to the 44 million square feet of projects that we have under construction, we have planned projects which we estimate will involve the

development of plots, residential, commercial and retail developed area of approximately 46 million square feet, 375 million square feet, 60 million square feet and 44 million square feet, respectively, totaling 526 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.

Engage in SEZ development

SEZs are a new business concept in India, and provide attractive fiscal incentives for both developers and tenants. While the SEZ regime has recently been subject to controversy, 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 in 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 seeking approvals for several SEZs which will cover an aggregate area of 26,100 acres. We have received in-principle approvals for a multi-product SEZ in Ludhiana which will cover 2,500 acres and a multi-sector, product-specific SEZ in Amritsar covering 1,087.2 acres. We have received approvals from the Haryana Investment Promotion Board, which has agreed to provide support for setting up and developing a 20,000 acres multi-product SEZ in Gurgaon and for 3,000 acres of land in Ambala. For details on the procedure for setting up of a SEZ, see “Regulations and Policies in India ” on page 104.

Engage 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 as of April 30, 2007, have commenced construction on 14 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. DLF Laing O’Rourke and our joint venture partner Laing O’Rourke plc have submitted 10 tenders for construction of various infrastructure projects including roads, laying of railway tracks, airport terminals and a port.

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 will also seek to collaborate with leading international real estate

developers so as to benefit from their experience and know-how. For example, in November 2006, we signed a memorandum of understanding with Nakheel, a leading real estate developer based in the Middle East, to develop through a 50:50 joint venture, two projects in Gurgaon and South Maharashtra/Goa. We believe these joint ventures and collaborations 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.

RECENT DEVELOPMENTS

In April 2007, we agreed in principle with Prudential International Investments Corporation (“PIIC”) to establish an asset management joint venture company (“AMC JV”) primarily focused on the Indian capital markets. The minimum paid up capital of the joint venture will be the equivalent of US\$8.3 million of which US\$ 3.3 million would be contributed by our Company and the remaining US\$ 5 million by PIIC and it, and an associated trustee company, will initially be 60% owned by PIIC and 40% owned by us.

Further, in April 2007, we signed a Memorandum of Cooperation with Fraport AG Frankfurt Airport Services Worldwide (“Fraport”) to establish a special purpose vehicle (“DLF Fraport SPV”) for the purposes of focusing on the development and management of certain airport projects in India. The memorandum states that the shareholding of each of the parties in DLF Fraport SPV shall be mutually agreed such that each of parties shall hold not less than 26% in the ultimate management company.

DESCRIPTION OF OUR BUSINESS

Land Reserves

We have Land Reserves in various regions across India. As of April 30, 2007, these Land Reserves amounted to 10,255 acres with an aggregate estimated developable area of approximately 574 million square feet, including 4 million square feet of completed development, and of which 44 million square feet (excluding the share of joint venture partners) is under construction. Details of these Land Reserves are set forth in the table below:

S. No.	Land Reserves (by category)	Acreage	% of Total Acreage	Estimated Developable Area (sq. ft. million)	% of Developable Area
	Our developments*:				
(i)	Land Owned ^{(1) (2)} :	1,160	11.3	116	20.2
	1. By DLF	55	0.5	7	1.2
	2. Through DLF's subsidiaries	1,104	10.8	109	19.0
	3. Through entities other than DLF or DLF's subsidiaries	-	-	-	-
(ii)	Land over which DLF has sole development rights ⁽⁵⁾⁽⁶⁾	4,575	44.6	217	37.9
	1. Directly by DLF	-	-	-	-
	2. Through DLF's subsidiaries ⁽¹⁰⁾	4,575	44.6	217	37.9
	3. Through entities other than DLF or DLF's subsidiaries	-	-	-	-
(iii)	MoUs/agreements to purchase/letters of acceptance ⁽³⁾⁽⁶⁾ to which DLF and/or its subsidiaries are parties, of which:	3,685	35.9	201	35.1
	1. Lands subject to government allocation ⁽⁴⁾	2,606	25.4	151	26.4
	2. Lands subject to private acquisition	1,080	10.5	50	8.7
	Sub-total ((i) + (ii) + (iii))	9,420	91.9	534	93.1
	Joint developments with partners:				
(iv)	Lands for which joint developments have been entered into ⁽⁶⁾⁽⁷⁾	248	2.4	13	2.2
	1. By DLF directly	163	1.6	6	1.0
	2. Through DLF's subsidiaries	10	0.1	3	0.6
	3. Through entities other than DLF or DLF's subsidiaries	75	0.7	4	0.6
(v)	Proportionate interest in lands owned indirectly by DLF through joint ventures ⁽⁶⁾⁽⁸⁾	587	5.7	27	4.7
	Sub-total ((iv) + (v))	835	8.1	40	6.9
	Total⁽⁹⁾ ((i) + (ii) + (iii) + (iv) + (v))	10,255	100.0	574	100.0

* Does not include 554 acres for which we have not yet finalized development plans.

- (1) Land to which the owner has freehold title.
- (2) Includes 38 acres of land which has been leased to us by governmental authorities.
- (3) The effect of MoUs, agreements to purchase and letters of acceptance is to grant a party the right to acquire property (either by way of leasehold rights or freehold rights) at a later date.
- (4) Includes our proportionate interest of 2,178 acres in the Dankuni project which comprises a total of 4,840 acres.
- (5) As described below, the commercial effect of sole development rights is to entitle us to substantially all the revenues from the relevant development.
- (6) We estimate that as of April 30, 2007, we had entered into 154 agreements in respect of these lands.
- (7) As described below, the commercial effect of joint development agreements is to entitle us to a proportion of the revenues from the development or built-up area with the joint development partner(s).
- (8) Land which is owned or leased by entities in which DLF is a shareholder.
- (9) Of these, approximately 60% comprises land for which we have not yet obtained a certificate for change of land use. For details, see "Risk Factors – We may not be able to develop all of our Land Reserves" on page xvii.
- (10) Provided or to be provided by counterparties to sole development agreements, as described below.

Land Owned

Land Reserves that we own are lands for which sale deeds or lease deeds in perpetuity have been executed and registered in our favour. For details on risks associated with the Land Reserves, see, "Risk Factors – We may not be able to

replenish our Land Reserves by acquiring suitable sites” on page xvi, “Risk Factors – We may not be able to develop all of our Land Reserves” on page xvii, “Risk Factors – We face uncertainty of title to our lands” on page xix and “Risk Factors – It is often impracticable to obtain legal opinions in respect of land title in India and the counsel involved in the Issue have not provided title opinions” on page xx.

Sole Development Rights

We acquire sole development rights pursuant to sole development agreements, under which the land owner grants us the right to develop the land for a fixed consideration. In addition, these agreements give us the right to substantially all the revenues from the development, and we would also have the authority to transfer the title to the land. Ordinarily, the cost of development of the land is borne by us. Out of 4,575 acres for which we have sole development rights, we have entered into arrangements pursuant to which counterparties have agreed to make available to us for sole development 4,304 acres of land. In respect of these 4,304 acres, the counterparties have indicated that, as of April 30, 2007, they have, directly or indirectly, acquired 1,485 acres of land, for which sole development rights have been already granted to us, and have entered into agreements to acquire a further 313 acres of land. In addition to 4,304 acres as mentioned above, we have arrangements under which we have been granted sole development rights for 271 acres of land, out of which 124 acres have been acquired and arrangements have been entered into to acquire a further 140 acres. For details on associated risks, see “Risk Factors – We face uncertainty of title to our lands” on page xix, “Risk Factors – We may not be able to replenish our land reserves by acquiring suitable sites” on page xvi, “Risk Factors – We may not be able to develop all of our Land Reserves” on page xvii, “Risk Factors – It is often impracticable to obtain legal opinions in respect of land title in India and the counsel involved in the Issue have not provided title opinions” on page xx, “Risk Factors – Our Company owns only 0.5% of the Land Reserves” on page xix and “Risk Factors – Agreements with third parties in relation to the purchase of land may expire or be invalid” on page xxi.

MoUs/Agreements to Purchase/Letters of Acceptance

We enter into agreements to purchase or MoUs to acquire identified lands. Sale or conveyance deeds for such lands are executed after we have conducted satisfactory due diligence and obtained approvals. In addition, our Land Reserves comprise rights obtained pursuant to letters of allotment issued by government or governmental bodies. These letters of allotment are expected to be followed by the execution of definitive agreements, such as sale deeds or development agreements in our favour. For details on associated risks, see “Risk Factors – We face uncertainty of title to our lands” on page xix, “Risk Factors – We may not be able to replenish our land reserves by acquiring suitable sites” on page xvi, “Risk Factors – We may not be able to develop all of our Land Reserves” on page xvii, “Risk Factors – It is often impracticable to obtain legal opinions in respect of land title in India and the counsel involved in the Issue have not provided title opinions” on page xx, “Risk Factors – Our Company owns only 0.5% of the Land Reserves” on page xix and “Risk Factors – Agreements with third parties in relation to the purchase of land may expire or be invalid” on page xxi.

Joint Developments Arrangements

Under the joint development agreements that we have for certain of the Land Reserves, the counterparty is typically a land owner who grants us the right to develop the land. The revenues from the development or built-up area is shared between the parties in a mutually agreed proportion. Ordinarily, we bear the costs of development of the land. For details on associated risks, see “Risk Factors – We face uncertainty of title to our lands” on page xix, “Risk Factors – We may not be able to replenish our land reserves by acquiring suitable sites” on page xvi, “Risk Factors – We may not be able to develop all of our Land Reserves” on page xvii, “Risk Factors – It is often impracticable to obtain legal opinions in respect of land title in India and the counsel involved in the Issue have not provided title opinions” on page xx, and “Risk Factors – Our Company owns only 0.5% of the Land Reserves” on page xix.

Joint Venture Arrangements

Under the joint venture agreements that we have, the profits from the development are shared in the proportion of equity ownership in the joint venture. For details on associated risks, see “Risk Factors – We face uncertainty of title to our lands” on page xix, “Risk Factors – We may not be able to replenish our land reserves by acquiring suitable sites” on page xvi, “Risk Factors – We may not be able to develop all of our Land Reserves” on page xvii, “Risk Factors – It is often impracticable to obtain legal opinions in respect of land title in India and the counsel involved in the Issue have not

provided title opinions” on page xx and “Risk Factors – Our Company owns only 0.5% of the Land Reserves” on page xix.

Material Agreements

The table below sets forth ‘material agreements’ relating to the Land Reserves, which SEBI defines as agreements representing at least 10% of the ‘aggregate agreement value’ of lands falling under the relevant category.

S.No	Instrument	Parties	Date/Validity Period	Agreement Value/ Amount Paid/ Source of Funds	Unilateral Termination/ Revocation
<i>Category – Memorandum of Understanding/Agreements to Acquire/Letters of Acceptance to which the Company and/or its subsidiaries and/or its group companies are parties</i>					
1.	Development Agreement	Kolkata Metropolitan Development Authority, DLF Limited and the Government of West Bengal	Date of execution of the agreement: February 19, 2007 Term: The agreement expires on the completion of development of the Core Infrastructure ^A , including land development, as per the Approved Master Plan ^B and in accordance with the Implementation Schedule ⁽⁴⁾ .	Agreement Value: Rs. 1,221.2 crore ⁽¹⁾ Amount Paid: Rs. 136.2 crore (11.2% of total) ⁽³⁾ Source of Funds: Our cash flows	None
<i>Category - Proportionate interest in lands owned indirectly by DLF through joint ventures</i>					
2.	Memorandum of Understanding	Mr. Sudhir. K. Thackersey and Others, Vishal Nirman (India) Private Limited and Chaitra Realty Limited	Date of execution of the MoU: May 8, 2006 Term: From the date of execution until terminated	MoU Value: Rs. 360.0 crore ⁽²⁾ Amount Paid: Rs. 203.5 crore (56.5% of total) Source of Funds: Our cash flows	None
3.	Communication issued by DDA mentioning Kenneth Builders & Developers (P) Ltd. as the successful bidder	DDA and Kenneth Builders & Developers (P) Ltd.	April 26, 2006	Agreement Value: Rs. 225.0 crore Amount Paid: Rs. 225.0 crore (100.0% of total) Source of Funds: Our cash flows	None

⁽¹⁾ Represents our proportionate payment in respect of 2,178 acres of the 4,840 acres.

^A As defined in the development agreement

^B As defined in the development agreement

⁽²⁾ Includes bank guarantees of Rs. 160 crore.

⁽³⁾ If we are unable to tie up with a joint venture partner for the development of the project, we will be solely liable for paying the entire amount.

⁽⁴⁾ As defined in the development agreement.

Other Agreements

The table below sets forth other agreements relating to the Land Reserves, which represent less than 10% of the 'aggregate agreement value' of lands falling under the relevant category.

Land Bank / Land Reserves (Category wise)	Aggregate Agreement Value (Rs. Crore)	Aggregate Amount Paid (Rs. Crore)	Amount Paid as % of Aggregate Agreement Value	Revocation Clauses, if any
Land over which DLF and/or its subsidiaries have sole development rights	4,253	3,287	77.3%	None
MOU/agreement to acquire/letters of acceptance to which DLF and/or its subsidiaries are parties	2,215	777	35.1%	None
Land for which DLF and or its subsidiaries have entered into JDA	-	-	N.A.	None
Proportionate interest in lands owned indirectly by DLF through joint ventures	550	240	43.6%	None
Total	7,018	4,304	61.3%	

As of April 30, 2007, the balance due in respect of payments for the acquisition of our Land Reserves (in relation to our Land Reserves of 10,255 acres) was Rs. 4,395.6 crore out of a total consideration of Rs. 13,491.1 crore.

Most 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 Bhubaneswar, 25 acres in Sonapat, 13 acres in Ahmedabad, 12 acres in Baroda, 10 acres in Panipat, 8 acres in Jalandhar, 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 estimate that 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. We estimate that more than 90% of our Land Reserves are available as large, contiguous plots of land.

In addition to our Land Reserves of 10,255 acres, we have entered into arrangements for the acquisition of land or development rights in relation to approximately 554 acres of land located in and around five cities, comprising approximately 162 acres in the NCR, 156 acres in Chennai, 176 acres in Chandigarh, 35 acres in Ahmedabad and 25 acres in Gandhinagar. The development plans for these 554 acres of land are at a preliminary stage. Of these 554 acres of land, approximately 90% pertains to land for which we have entered into memoranda of understanding or agreements to purchase and 6% pertains to land which has been allotted to us by relevant local authorities, for both of which we have not completed the acquisition. The remaining 4% of these additional lands (i.e., 22 acres) represents our share under a collaboration arrangement that we have entered into in respect of such lands. As of April 30, 2007, the balance due in respect of payments for the acquisition of these additional lands was Rs. 1,054.0 crore.

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 begun 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 and mid-market budget hotels and serviced apartments through joint ventures with Hilton, a leading international hotel company and Bharat Hotels. In order to ensure the high quality of our projects, we have entered into a joint venture 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 April 30, 2007, 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 (million sq. ft.)	Planned Projects
Plots	195	-	46
Residential	19	7	375
Commercial	7	27	60
Retail	3	10	44
Total	224	44	526

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 224 million square feet of colonies and townships. This includes approximately 195 million square feet of plots and 19 million square feet of residential properties, with the balance being distributed across our commercial and retail properties. In addition, as of April 30, 2007, we had launched residential projects with a saleable area of approximately 7 million square feet which are under construction.

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 April 30, 2007 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. crore)	Avg. Sale Value (Rs./sq. ft.)
Royalton Tower	0.2	76	2004	2007	75.7	3,474
The Icon	1.0	364	2004	2007	324.4	3,380
The Pinnacle	1.1	280	2004	2007	422.2	3,820
The Aralias	1.6	252	2003	2007	400.6	2,548
Westend Heights	1.0	368	2002	2007	221.4	2,243

Project Name	Area (million sq. ft.)	No of Units	Started (Fiscal)	Completed (Fiscal)	Sale Value (Rs. crore)	Avg. Sale Value (Rs./sq. ft.)
Trinity Towers	0.6	234	2002	2006	87.7	1,567
DLF Exclusive Floors	0.8	516	2001	2004	103.9	1,350
Belvedere Park	0.5	318	2000	2003	112.3	2,086
Belvedere Towers	0.5	222	2000	2003	93.3	1,816
Carlton Estate	0.7	485	1999	2003	97.2	1,396
Princeton Estate	1.1	918	1999	2003	153.3	1,456
Wellington Estate	0.9	555	1999	2003	112.9	1,289
Oakwood Estate	0.5	322	1999	2002	74.0	1,412
DLF Regent House	0.1	34	1999	2002	7.7	1,442
Ridgewood Estates	1.4	924	1999	2001	177.7	1,284
Richmond Park	0.6	280	1997	2001	98.8	1,747
Beverly Park-II	0.6	182	1996	1998	69.2	1,238
Windsor Court	0.4	132	1995	2000	77.9	2,030
Hamilton Court	0.7	266	1995	2000	94.2	1,305
Regency Park	1.2	824	1995	2000	142.8	1,169
Beverly Park-I	0.5	158	1993	1998	49.8	1,027
Executive Home	0.2	109	1992	1996	17.0	746
Silver Oaks	1.4	749	1991	1997	73.9	739
New Town House	0.5	333	1990	1994	32.2	629
Town House	0.6	540	1990	1994	41.2	642

We have experienced time and cost overruns in relation to some of our residential projects in the last five years. For example, there was a delay of three months and a cost overrun of Rs. 0.304 crore in the completion of DLF Exclusive Floors, which was completed in fiscal 2004; and Trinity Towers, completed in fiscal 2006, had a delay of five and a half months and a cost overrun of Rs. 0.498 crore and Western Heights which was completed in fiscal 2007 had a delay of two months and a cost overrun of Rs. 0.29 crore. For details, see “History and Certain Corporate Matters” on page 132.

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 backup. 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 commercial project, DLF 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 DLF 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 Cybercity.

Westend Heights. Westend Heights consists of 368 residential units in five buildings of 17 to 19 floors 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 DLF Cybercity.

Our current residential real estate projects

We are currently constructing approximately 7 million square feet of residential developments. The table below provides certain information as of April 30, 2007 relating to some of our current residential real estate projects:

Project Name	Area (million sq. ft.)	No of Units	Started (Fiscal)	Scheduled Completion (Fiscal)	Sale Value (Rs. crore)	Avg. Sale Value (Rs./ sq. ft.)
DLF Park Place	2.2	988	2007	2010	873.8	7,088*
The Belaire	1.3	364	2007	2010	744.1	7,412*
The Magnolias	2.5	402	2006	2009	1159.2	5,982*
The Summit	0.7	228	2003	2008	319.8	4,506

**Sales in progress. Sales for all the 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. As of April 30, 2007, 307 residential units had been sold.

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, on which 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 DLF Cybercity, which is a major commercial area that is being developed in DLF City. As of April 30, 2007, of the 4.6 million square feet of our commercial real estate which was available for rent, 97.4% 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 April 30, 2007 on our completed commercial real estate developments:

Project Name	Area (million sq. ft.)	Started (Fiscal)	Completed (Fiscal)
A-II (Phase-V)	0.4	2006	2007
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	1.3	2004	2007
Chandigarh IT Park	0.7	2004	2006
Building No. 7B, Cybercity	0.2	2007	2008
Building No. 8A & 8B, Cybercity	0.8	2006	2007
Building No. 8C, Cybercity	0.8	2006	2007

Examples of our completed commercial real estate developments include Infinity Towers, DLF Cyber Green and DLF IT Park I in Kolkata.

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, ABN-Amro 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.

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 retail 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.

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 27 million square feet of lettable commercial space. The table below provides certain information as of April 30, 2007 on our current commercial real estate projects:

Project Name	Actual/ Scheduled Start (Fiscal)	Scheduled Completion (Fiscal)	Area (million sq. ft.)
Gurgaon Projects			
Silokhera	2007	2010	4.9
Sub-total			4.9
Cybercity Projects			

Project Name	Actual/ Scheduled Start (Fiscal)	Scheduled Completion (Fiscal)	Area (million sq. ft.)
Building No. 9	2007	2008	1.4
W Block	2007	2008	0.9
Building No. 7A	2007	2008	0.3
Building No. 10	2007	2009	2.0
Sub-total			4.5
Other Projects			
Kolkata (25 acres)	2008	2010	2.8
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			17.7
Total			27.1

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

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.

As of April 30, 2007, we had signed lease agreements or letters of intent for office space aggregating 11.2 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 27 million square feet of commercial projects under construction, we have procured rights to develop approximately 60 million square feet of commercial space in various locations across India, including NCR, Pune and Kolkata. Approximately 27 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

In fiscal 2007, we recognized revenue of Rs. 2,207.1 crore in relation to the sale of certain commercial properties to DAL. 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 by 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 April 30, 2007 on some of our completed retail developments:

Project Name	Lettable area (million sq. ft.)	Started (fiscal)	Completed (fiscal)	Aggregate Sale Price (Rs. crore)	Average Sale Price (Rs./ sq. ft)
DLF Mega Mall	0.29	2002	2004	112.8	4,532
DLF City Centre	0.26	2001	2003	102.8	4,003

Galleria	0.31	1996	2000	142.8	4,675
Super Mart-I	0.19	1996	2000	22.8	1,294
Super Mart-II	0.03	1996	2000	3.9	1,393
Central Arcade	0.07	1991	1993	8.4	1,480
DLF South Point	0.28	2006	2007	69.1	4,053
The Galleria – Mayur Vihar	0.16	2006	2007	88.4	11,976
Chandigarh Mall ¹	0.19	2006	2007	-	-
Park-N-Shop	0.01	1992	1993	1.4	2,460
DT City Center	0.30	2006	2007	76.90	5,711

¹ Chandigarh Mall is currently being leased.

We have experienced time and cost overruns in relation to some of our retail projects in the last five years. For example, there have been delays in the development of Emporio, Promenade and Noida Town Square Mall. For further details, see “History and Certain Corporate Matters” on page 132.

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 10 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 April 30, 2007 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)	0.50	2006	2008
Emporio (DLF Place)	0.32	2006	2008
Townsquare	1.50	2006	2009
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 Promenade 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.

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 44 million square feet of retail space in addition to the land for current projects. Approximately 10 million square feet of such projects 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 recognized a profit of Rs. 6.3 crore 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 details, see "Regulations and Policies in India – Special Economic Zones" on page 105.

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 seeking approvals for several SEZs which will cover an aggregate area of 26,100 acres. We have received in-principle approvals for a multi-product SEZ in Ludhiana which will cover 2,500 acres and a multi-sector, product-specific SEZ in Amritsar covering 1,087.2 acres. We have received approvals from the Haryana Investment Promotion Board, who has agreed to provide support for setting up and developing 20,000 acres multi-product SEZ in Gurgaon and for 3,000 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.

The SEZ regime faces a number of public interest, regulatory, political and litigation challenges, and the risks facing our SEZ business are discussed under "Risk Factors – Our plans to develop SEZs are subject to a number of contingencies and may not be successful".

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 a 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. For details of the terms of the Shareholder Agreement with Hilton, see “History and Certain Corporate Matters” on page 132.

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.

Joint Venture with Prudential Insurance

In February 2007, we entered into an agreement with US-based Prudential Insurance to establish a joint venture company to develop, promote market and sell life insurance products in India. Under the terms of the agreement, the parties will contribute a joint equity investment of up to US\$250 million in the joint venture company over seven years, in proportion to our respective shareholdings, of which DLF is currently holding 74%.

Wind Energy

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

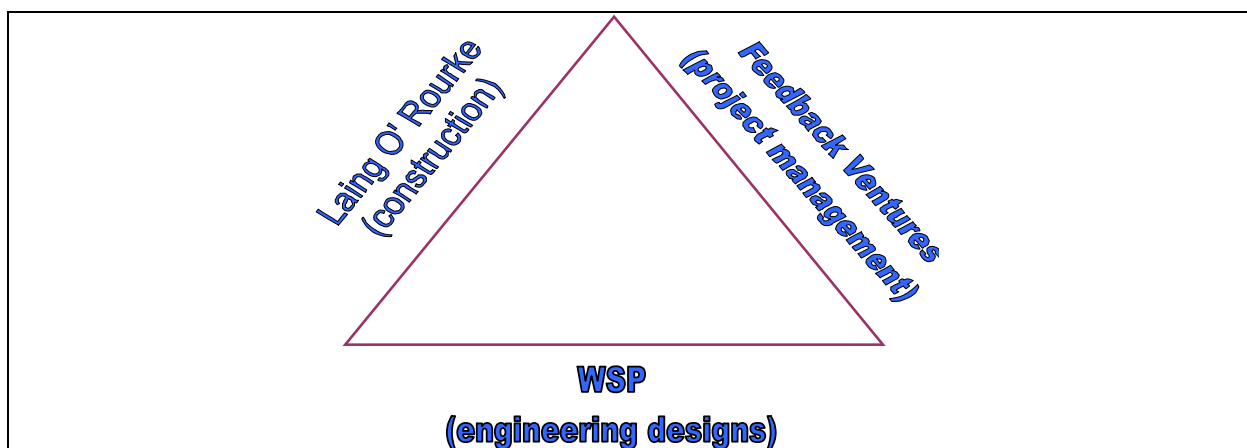
Land identification and acquisition

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. For details on the land for which we have entered into joint development agreements, see "Risk Factors 9 – We may not be able to develop all of our Land Reserves".

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 on 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 and 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 April 30, 2007, the joint venture company had commenced the development of 14 projects covering a total area of 25.7 million square feet with an order-book of Rs. 4,172.1 crore. 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 the Mall of India in Gurgaon and Jasola in Delhi. For details on the joint venture arrangement, see "History and Certain Corporate Matters" on page 132.

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.

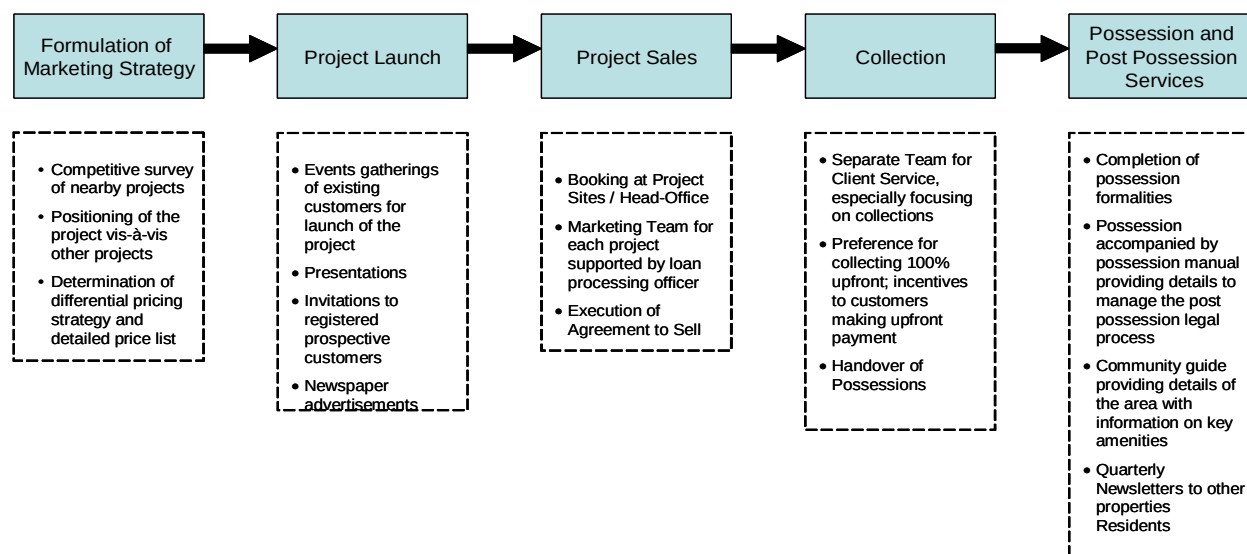
Additionally, in November 2006, we signed a memorandum of understanding with Nakheel to develop, through a 50:50 joint venture, two projects in Gurgaon and South Maharashtra/Goa. Nakheel is one of the premier real estate developers in the United Arab Emirates, with a focus on the development of residential, 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. 15.83 crore 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 projects, 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 believe that 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 financing. These banks also share some of our advertising costs.

SAFETY MEASURES

We have implemented a number of precautionary measures for the safety of our customers while undertaking the development of various projects, including the following:

- The structural design and construction of our buildings are carried out in accordance with the relevant provisions of National Building Code, applicable building bylaws, as stipulated by the Bureau of Indian Standards.
- The buildings are designed and built for the prevalent appropriate seismic loads, all dead loads and live loads, and wind pressure. In all cases, normal strengthening is provided in the designs of buildings to resist distress during an earthquake.
- To ensure fire safety in the buildings, we comply with the applicable statutory fire safety standards as stipulated by the National Building Code involving provisions of fire detection and fire fighting equipment, including fire alarm systems, wet riser systems, sprinkler systems, smoke detectors and fire doors. Moreover, fire escape stairs or ramps, are provided for evacuation. We also organize periodic fire safety and evacuation mock drills at our projects at regular intervals to improve fire safety awareness. Additionally, inspections of our fire safety systems and equipment are undertaken at regular intervals to ensure their operational effectiveness.
- To ensure safety against flooding, suitable design measures are adopted, including the provision of storm water drainage systems, drains in basements connected to collection sumps with sump pumps, and raised plinth levels in the buildings.
- All buildings are insured.

Additionally, we have employed various measures and technologies to maximize the life of the buildings, and we undertake regular inspections to repair any damage caused by normal wear and tear. We also utilize scientific methods to check the land mass strength needed for constructing multi-storey buildings. Based on the scientific tests performed on soil load bearing capacity and other soil properties, suitable foundation arrangements and design are implemented to ensure a safe and stable structure.

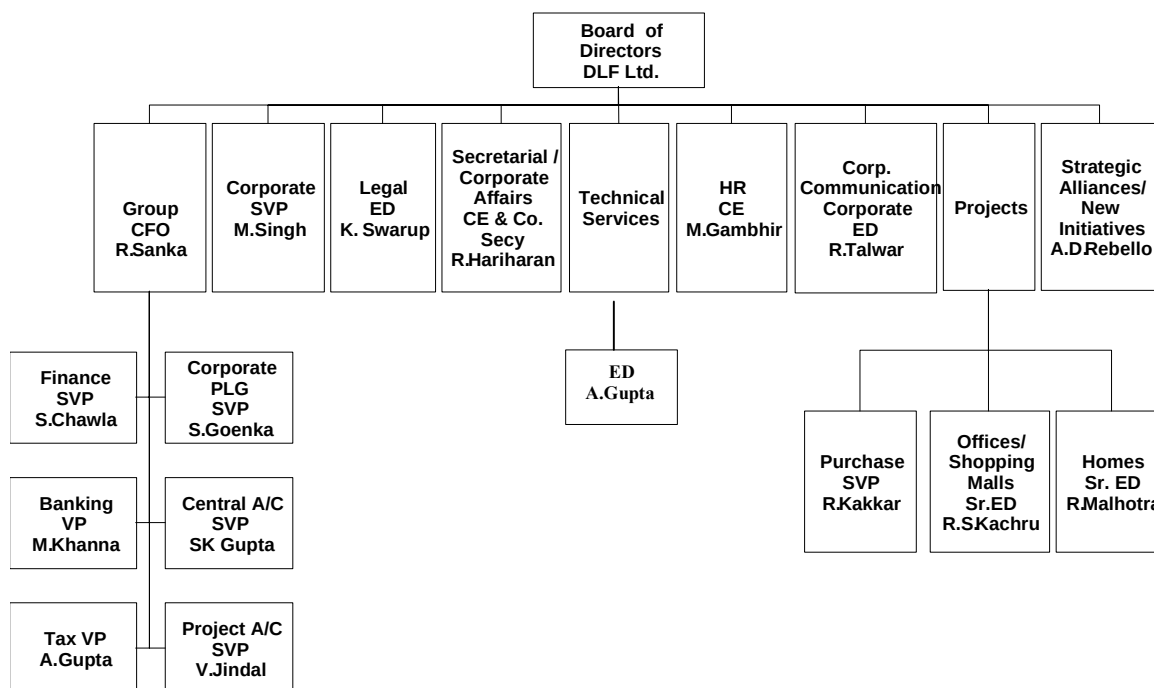
INSURANCE

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 April 30, 2007, we had approximately 2,600 employees, including 2,100 professionals, an increase of 800 since October 31, 2006. This increase reflected the continuing expansion of our business. 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. We recruit employees directly from universities, colleges and institutions and also through advertisements and public notices.

The following chart illustrates the organizational structure of our Company:



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

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

Set forth below is a brief summary of our Company's aggregate borrowings as of March 31, 2007:

Category of Borrowing	Outstanding Amount (Rs. Crore)
Secured Loan	6,242.8 ¹
Unsecured Loan	526.5
Total	6,769.3

¹ including vehicle loans amounting to Rs. 9.0 crore and excluding non fund based limit utilisation of Rs. 113.4 crore and interest accrued and due on loans for Rs. 0.1 crore.

Details of Secured Borrowings

Secured borrowings of our Company as of March 31, 2007 are detailed below:

Amount (Rs. crore)	Outstanding (Rs. crore)	Repayment and interest
<i>Loan Agreement dated March 30, 2006 with State Bank of Hyderabad ^(2 and 3)</i>		
50	47.8	▪ Interest at 2% below State Bank of Hyderabad Prime Lending Rate (as on March 31, 2007 charged @10.50% per annum), ▪ Repayment on demand.
<i>Loan Agreement dated September 15, 2004 with Citibank ^(1 and 3)</i>		
130 (overdraft including dropline overdraft- 80 and term loan of 50)	32.6 (overdraft including dropline over draft – 26.4 and term loan 6.2)	▪ 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 March 31, 2007 charged @ 10.50% 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.
<i>Loan Agreement dated December 15, 2005 with ING Vysya ^(2 and 3)</i>		
50 (letter of credit, overdraft or short term loan)	49.6	▪ Over Draft: ING Vysya Bank Reference Rate ("IVRR") less 4.5% and for short term loan IVRR less 4.75% (as on March 31, 2007 reset at 10.50% 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.
<i>Loan Agreement dated January 7, 2004 with Hong Kong and Shanghai Banking Corporation ^(2, 3, 6 and 9)</i>		
20	5.1 (1.1 overdraft and short term loan- 4.0)	▪ Interest to be charged on daily balances at mutually agreed rates, payable monthly in arrears (as on March 31, 2007 charged @ 10.60% per annum) for short term loan and for overdraft charged @ 13.25% p.a.

- Prepayment permissible on interest reset dates and subject to funding penalties at lender's discretion.

Loan Agreement dated July 6, 2004 with Hong Kong and Shanghai Banking Corporation for availing external commercial borrowing ^(2,3, 6 and 9)

34.35 (USD 0.75 million)	22.9	▪ 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 March 31, 2007 charged @ 6.46% 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).
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Loan Agreement dated September 2, 2004 with Hong Kong and Shanghai Banking Corporation for availing foreign currency loan ^(2,3, 6 and 9)

23.17 (USD 0.5 million)	15.4	▪ Interest charged on daily balances at USD floating LIBOR plus 1.75% payable monthly arrears. LIBOR to be fixed every month (as on March 31, 2007 charged @ 7.12 % 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.
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Loan Agreement dated August 9, 2004 with Hong Kong and Shanghai Banking Corporation for overdraft ^(2, 3, 6 and 9)

60	60	▪ Interest to be charged on daily balances at mutually agreed rates, payable monthly in arrears (as on March 31, 2007 charged @ 10.60% per annum), ▪ Repayment on demand.
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Loan agreement dated January 7, 2004 with Hong Kong and Shanghai Banking Corporation ^(2, 3, 6 and 9)

12.47	5.0	▪ Interest to be charged on daily balances at mutually agreed rates, payable monthly in arrears (as on March 31, 2007 charged @ 10.70% per annum), ▪ Repayment on demand.
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Sanction Letter dated February 10, 2006 with Hong Kong and Shanghai Banking Corporation for non-fund based facility (i.e. Bank Guarantee) and amended on January 9, 2007, January 16, 2007 and February 21, 2007 ^(2, 3, 6 and 9)

1.00 (non-fund based limit)	0.8	▪ Commission charged @ 0.90% per annum, recoverable upfront.
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Loan Agreement dated October 26, 2005 with United Bank of India ^(3, 5, 7 and 8)

100	100	▪ Interest at 8.10% per annum payable with monthly rests (fixed), ▪ Repayment in 5 equal installments of Rs. 20 crore each commencing from April 1, 2011, ▪ Prepayment permissible with prior consent of the lender. Lender entitled to levy penalty at 1% on the amount.
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Loan agreement dated April 18, 2005 issued by ICICI Bank Limited and supplementary and amendatory agreement to the master loan agreement dated January 19, 2007 ^(2 and 3)

300 (150 fund based limit is one way interchangeable with non-fund based limit & non-fund based limit is 150)	202.3 (Non-fund based- 102.3 and fund based- 100)	including	- Interest at 1.25% 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 March 31, 2007 charged @ 16.50% per annum for over draft facility & for short-term loan charged @ 10.94% per annum. - Principal amount of each disbursement is to be repaid in full on its maturity date, - Pre-payment permissible with the approval of the lender.
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Loan Agreement dated August 17, 2005 with ICICI Bank Limited ^(2, 3 and 5)

370	288	- Interest at 3.10% per annum below ICICI Benchmark Advance Rate prevailing on the date of reset date (as on March 31, 2007 charged @ 10.15% per annum), - Repayment in 12 equal monthly installments commencing from July 2008.
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Loan agreement dated April 7, 2006 with ICICI Bank Limited ^(1, 3 and 5)

500	365	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 March 31, 2007 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.
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Loan Agreement dated May 5, 2005 with HDFC Limited ^(3, 9 and 10)

282	282	- Interest on the outstanding principal to be paid on quarterly basis at the end of each calendar quarter on 365 days (as on March 31, 2007 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.
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Supplementary loan agreement dated March 3, 2005 with HDFC Limited ^(3 and 9)

300	300	- Interest on the outstanding principal to be paid on quarterly basis at the end of each calendar quarter on 365 days (as on March 31, 2007 charged @ 12.75% per annum for Rs 250 crore and 10 % for Rs 50 crore), - 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.
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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)

73.57	70	- Interest at applicable INBMK plus 132.5 points, payable monthly (as on March 31, 2007 charged @ 9.00% per annum), - Repayment in 30 installments commencing from March 1, 2006, and - Prepayment not permissible without the prior written consent of the lender.
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Restricted overdraft agreement dated March 17, 2006 with ABN-AMRO Bank ^(1, 4 and 5)

18	-	- Interest at 8.60% per annum, - Repayment in 29 installments commencing on March 31, 2006.
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Loan agreement dated May 25, 2005 with ABN-AMRO Bank ^(3 and 9)

100	46	- Interest at rate specified in the draw down notice with monthly rests (as on March 31, 2007 charged @ 10.75% per annum), - Repayment on demand.
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Working Capital Facility Agreement dated September 21, 2005 with Development Bank of Singapore and supplemental working capital facilities agreement dated July 20, 2006 and December 13, 2006 ^(2, 3 and 9)

110 (Fund based limit is both way interchangeable with non-fund based limit)	108	- As on March 31, 2007 interest charged @10.25% per annum for 59 crore and 10.95% per annum for 49 crore, and in case of bank guarantee, at 0.5% per annum payable upfront on quarterly basis - Repayment of the amount outstanding forthwith on demand made by the lender, - Prepayment permissible.
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Loan Agreement dated August 24, 2005 with State Bank of India (Overdraft facility) ^(2 and 3)

150 (comprising of cash credit for 100 and bank guarantee for 50 (fungible both ways)	148.1 including (Non-fund based- 1.3 and fund based-overdraft 146.8)	- Interest at 2.25% below State Bank of India Advance Reference Rate (as on March 31, 2007 charged @ 10.00% 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.
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Loan agreement dated July 25, 2005 with Corporation Bank ^(3 and 5)

50 (sub limit of Bank guarantee- 30 and inland LC- 20)	47.3 (including overdraft 45.8 and bank guarantee-1.50)	- Interest at Corporation Bank Advance Reference Rate (as on March 31, 2007 charged 12.50% 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.
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Loan Agreement dated October 22, 2005 with Corporation Bank ^(3, 5, 7 and 8)

150	150	- Interest at 12.50. % per annum payable monthly, - 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.
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Loan Agreement dated September 12, 2005 for overdraft and short term loan with Standard Chartered Bank ^(2 and 5)

50 (overdraft and a short term loan)	39.7 including (overdraft - 14.7 and short term loan-25)	- Interest at 10.85% per annum as on March 31, 2007 together with interest tax (if applicable) for overdraft and for short term loan interest is chargeable at 11.95 % per annum - Repayment on demand.
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Loan agreement dated September 27, 2005 with Bank of Baroda ^(3, 7 and 9)

100	59.2	200 BPS (Basis Point) over one year Government Security ("G-Sec") as charged by Industrial Development Bank Ltd. interest payable monthly with interest reset clause applicable annually after completion of two years from the date of first disbursement (as on March 31, 2007 charged @ 8.91% per annum),
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- Repayment in eight quarterly installments of Rs. 5 crore each from January 2007, and Rs. 7.5 crore 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)

- | | | |
|-----|-----|---|
| 200 | 200 | <ul style="list-style-type: none"> ▪ 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 Infrastructure Development Finance Company Limited and informed vide letter dated March 31, 2006 ^(3, 5, 7 and 8)

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|-----|-----|--|
| 150 | 150 | <ul style="list-style-type: none"> ▪ 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. |
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Loan Agreement dated October 26, 2005 with Bank of Maharashtra ^(3, 5, 7 and 8)

- | | | |
|----|----|---|
| 45 | 45 | <ul style="list-style-type: none"> ▪ Interest at a minimum of 8.10% per annum with monthly rests (fixed rate), ▪ Repayment in equal annual installments of Rs. 9 crore from the 6th year to 10th year or as per available cash surplus shown in cash flow, whichever is higher. |
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Loan Agreement dated December 14, 2005 with Bank of Maharashtra ^(3, 5, 7 and 8)

- | | | |
|----|----|--|
| 55 | 55 | <ul style="list-style-type: none"> ▪ Interest at a minimum of 8.10% per annum with monthly rests (fixed rate), ▪ Repayment in equal annual installments of Rs. 11 crore from the 6th year to 10th year or as per available cash surplus shown in cash flow, whichever is higher. |
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Loan Agreement dated July 19, 2005 with Industrial Development Bank of India ^(3, 7 and 9)

- | | | |
|-----|-----|--|
| 150 | 130 | <ul style="list-style-type: none"> ▪ 200 BPS ("Basis Point") over one year G-Sec (as on March 31, 2007 charged @ 8.72% per annum), ▪ Repayment in eight equal quarterly installments of commencing from January 1, 2007 amounting to 7.5 crore and eight equal quarterly installments of commencing from January 1, 2009 amounting to 11.25 crore, ▪ 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. |
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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)

- | | | |
|-----|-------|--|
| 150 | 21.10 | <ul style="list-style-type: none"> ▪ 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 March 31, 2007 charged @ 8.40% per annum), ▪ Repayment in 21 installments commencing from September 2005, ▪ Prepayment not permissible. |
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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)

66.65	9.9	- 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 March 31, 2007 charged @ 8.40 % per annum), - Repayment in 20 installments commencing October 2005, - Prepayment not permissible.
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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)

50 (Overdraft Facility and/or Working capital demand loan)	33.7 (Overdraft facility)	5.25% below Kotak Mahindra Bank Limited Benchmark Prime Lending Rate (as on March 31, 2007 charged @ 12.50% per annum) for overdraft facility. - Repayment on demand.
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Loan Agreement dated May 11, 2006 with State Bank of Travancore ^(2, 3)

100 (Overdraft Facility)	97.3 including (Non-fund based – 7.5 and Fund based-overdraft 89.8)	- Interest at 9.50% p.a.(fixed) interest payable monthly, and - Repayment on Demand
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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)

100	100	- 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.
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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)

50	50	- 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.
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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)

75 (25 under each agreement)	75	- 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.
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Two (2) Loan Agreements dated June 20, 2006 with Standard Chartered Bank ^(2, 3, 5 and 9)

100 (50 under each agreement)	75	- 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.
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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)

215 (Term Loan)	215	- 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.
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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)

150 (Term Loan)	150	- 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.
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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)

75.98 (Term Loan) [USD16,480,000]	67.8	- Interest at the rate of 11% 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
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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)

150 (Term Loan)	150	- Interest at the rate of 9.50% p.a. (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.
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Loan Agreement dated September 27, 2006 with State Bank of India^(1 and 3)

185	65	- Interest at the rate of 11% p.a. (i.e. 1.25% below State Bank Advance Rate) payable monthly - Repayment in 77 monthly installments commencing from October 2007.
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Loan Agreement dated September 29, 2006 with State Bank of Travancore^(1,3 and 6)

75	26.2	- Interest at the rate of 11% p.a. (i.e. 1.75 % below State Bank of Travancore Prime Lending Rate) payable monthly; - Repayment in 77 monthly installments commencing from October 2007.
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Loan Agreement dated September 20, 2006 with State Bank of Hyderabad^(1 and 3)

100	35	- Interest at the rate of 10.75% p.a. (i.e. 1.75% below SBAR) payable monthly - Repayment in 77 monthly installments commencing from October 2007.
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Loan Agreement dated October 31, 2006 with HDFC Bank Limited^(2 and 3)

100 (loan-50 and overdraft limit 50 crore)	84.2 including (loan-50 and overdraft 34.2)	- Interest at the rate of 11.50% p.a. payable monthly for overdraft and 10.50% p.a. 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)
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Loan Agreement dated August 24, 2006 with DSP Merrill Lynch Capital Limited^(1 and 3)

181.64	94.6	- Interest at the rate of (fixed) 9.25% per annum payable monthly; - Repayment in 13 installments commencing from September 30, 2006 until March 31, 2008.
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- 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 Capital Limited now assigned to UTI Bank Limited Trust series 17 to 23 informed vide letter dated November 27, 2006 ⁽³⁾

930	930	▪ 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.
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Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Capital Limited now assigned to UTI Bank Limited Trust series 24 informed vide letter dated December 12, 2006 ⁽³⁾

95	95	▪ Interest at the rate of (fixed) 10.50% per annum payable monthly; ▪ Bullet payment 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.
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Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Capital Limited now assigned to UTI Bank Limited Trust series 35 informed vide letter dated February 12, 2007⁽³⁾

100	100	▪ Interest at the rate of (fixed) 10.50% per annum payable monthly; ▪ Bullet payment 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.
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Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Capital Limited ⁽³⁾

120	120	▪ 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.
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Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Capital Limited now assigned to UTI Bank Limited Trust series 36 informed vide letter dated March 20, 2007 ⁽³⁾

35	35	▪ 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.
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Loan Agreements dated June 20, 2006 with Standard Chartered Bank^(2, 3, 5 and 9)

25	25	▪ 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.
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Loan Sanction Letter dated August 25, 2006 with ABN Amro Bank ^(2 & 3)

125 (short term loan)	125	▪ 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)
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Loan Agreement dated January 5, 2007 with Citicorp Finance India Limited. ⁽³⁾

100	100	- Interest at the rate of 10.25% per annum payable annually in arrears; - Bullet repayment falling one year from the date of Agreement (i.e. January 4, 2007)
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Loan Agreement dated January 12, 2007 with Hong Kong & Shanghai Banking Corporation Limited ^(3 & 9)

75	75	- Interest at the rate of 11.65% per annum payable monthly; - Bullet repayment in 12 months from first drawdown (i.e. January 16, 2007)
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Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Capital Limited ⁽³⁾

65	65	- Interest at the rate of 10.50% per annum (fixed rate) 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.
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Loan Agreement dated November 20, 2006 with DSP Merrill Lynch Capital Limited now assigned to State Bank of Patiala informed vide letter dated March 1, 2007 ⁽³⁾

50	50	- Interest at the rate of 10.50% (fixed rate) 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.
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Facility Loan Agreement dated March 16, 2007 with ICICI Bank ^(2 and 3)

250	250	- Interest charged at 2.55% below the ICICI Benchmark Advance Rate and the term premium prevailing on the date of the disbursement plus interest tax. The interest rate shall be reset at the end of every six months from the date of disbursement (as on March 31, 2007 @ 12.00 % per annum). - Repayment of the term loan in 12 monthly installments, the first installment would be due on the 13th month from the date of the first disbursement. - The Borrower shall have the option to prepay the outstanding amount of the rupee term loan or any part thereof without prepayment premium within seven days of any reset dates upon giving at least four days prior written notice. Any notice of prepayment once given shall be irrevocable and the Borrower shall be bound to make the prepayment of the amount(s) specified therein.
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**** 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 700 crore;
- 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 initiating 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, our Company has also availed unsecured loans from various banks and financial institutions. As of March 31, 2007, the total amount outstanding for repayment under these loans (excluding fixed deposits, loans and advances from group companies amounting to Rs. 27,000) was Rs. 526.5 crore.

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

49.5 (Unsecured Revolving Term Loan)	49.5	- Interest at the fixed rate of 9.00% per annum 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.
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Loan Agreement dated July 17, 2006 with Kotak Mahindra Bank Limited

49.5 (Unsecured Revolving Term Loan)	2.5	- Interest at the fixed rate of 8.90% per annum, and - Repayment in two installment of Rs. 47.02 crore, on March 12, 2007 & Rs. 2.47 crore on July 17, 2007.
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Loan Agreement dated July 25, 2006 with Kotak Mahindra Bank Limited

75 (Unsecured Term Loan)	75	- Interest at the fixed rate of 9.25% per annum 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.
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Loan Agreement dated July 31, 2006 with Kotak Mahindra Bank Limited

49.5 (Unsecured Term Loan)	49.5	- Interest at the fixed rate of 9.25% per annum 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.
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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.

200 (Non-revolving unsecured term loan)	200	- 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
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after every 12 months up to the maturity of the loan;

Loan Agreement dated September 4, 2006 with Hong Kong & Shanghai Banking Corporation Limited

150 (Unsecured Term Loan)	150	▪ 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)
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Additional letter of credit/ bank guarantee dated June 12, 2006 and agreement for commercial letter of credit dated July 4, 2006 with DBS Singapore

21.79 5, 000, 000 USD (unsecured)	Nil	▪ Maximum tenure is 12 months.
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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 labor laws, including the Contract Labor (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 (“**SEZ Act**”). 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 SEZs 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 procedure for setting up of a SEZ is as follows:

1. An application for setting up of an SEZ should be made to the SEZ Board in the prescribed format; specifying, *inter alia*, the details of applicant, location of proposed SEZ, investment and shareholding details of the developer, proposed activity in the processing and non-processing area of SEZ, undertaking to abide by SEZ Act, etc. The proposal for a SEZ is to be recommended by the state government either before the approval is granted by the SEZ Board or it may be obtained by the developer within six months from the date of grant of approval by the SEZ Board.
2. Within specified period of receipt of communication from the SEZ Board, a Letter of Approval in the prescribed format is issued by the Central Government (Ministry of Commerce) to the developer. The Letter of Approval remains valid for a period of three years, within which time effective steps is to be taken by the developer to implement the approved proposal. The SEZ Board may, at its discretion, extend the validity of the Letter of Approval for a period not exceeding two years.
3. Upon grant of the Letter of Approval from the Central Government, the developer is required to submit the exact particulars of the land identified. Upon satisfying itself of compliance with all conditions with respect of the land and other requirements under the SEZ Act and rules, the Central Government notifies the area as a SEZ. Further, the Central Government may also notify additional area to already existing SEZs.
4. Additionally, a developer is required to submit to the SEZ Board details of the "authorized operations" to be undertaken within the SEZ at the time of seeking approval for setting up of a SEZ or after the Letter of Approval has been granted in this regard. The SEZ Board approves the "authorized operations" for a SEZ. Only

subsequent to such approval, would the SEZ Board allow the developer to claim exemptions, drawbacks and other fiscal benefits with respect to goods or services procured by him to carry on authorized operations within the zone.

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 labor 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, 2009 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 license 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 licenses for development of townships, the authorities generally levy development/ external development charges for provision of peripheral services. Such licenses require approvals of layout plans for development and building plans for construction activities. The licenses 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 meters 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 meters.

- (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 “Material Contracts and Documents for Inspection” on page 533.

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	75 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
S/o Late Ch. Mukhtar Singh			
Executive Chairman			
Industrialist			

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	48 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 Limited ▪ 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 Shruti Gruh Nirmiti Limited ▪ DLF Akruti Info Parks (Pune) Limited ▪ Dalmia Promoters & Developers Pvt. Ltd. ▪ Edward Keventer (Successors) Pvt. Ltd. ▪ DLF SEZ Developers (Amritsar) Limited
Ms. Pia Singh D/o. Mr. K.P. Singh Whole-time Director Industrialist	36 Years	14, 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

Name, Father's/ Husband's Name, Designation and Occupation	Age	Address	Other Directorships
			▪ Uttam Real Estates Company ▪ 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 ▪ DLF Land Limited
Mr. G.S. Talwar S/o.Mr. R.S. Talwar Non-executive Director Banker	59 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 Independent Director Retired Bureaucrat	78 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 Birla India Ltd. ▪ DLF Power Ltd. ▪ Reliance Industries Limited
Mr. M.M. Sabharwal S/o Late Mr. Shiv Charan Das Sabharwal Independent Director Corporate Executive	84 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 Independent Director Chartered Accountant	68 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. ▪ ICICI Venture Funds Management Company

Name, Father's/ Husband's Name, Designation and Occupation	Age	Address	Other Directorships
			Limited
Mr. Ravinder Narain S/o. Late Mr. Rajinder Narain Independent 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 Independent Director Corporate Executive	74 Years	C-43, Inderpuri New Delhi 110012, India	▪ DLF Commercial Developers Limited ▪ Risin Commodities & Derivatives Private Limited
Brig. (Retd.) Narendra Pal Singh S/o Mr. Kanwal Singh Independent 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

Details of Directors

Mr. K. P. Singh, age 75 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 48 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 counseling. 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 36 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 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 represented the exchange on two committees formed by SEBI, on listing agreements and a uniform code numbering system for securities. 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 59 years, is a non-executive 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 was the Group Chief Executive of Standard Chartered PLC between the period 1997-2001.

Dr. D.V. Kapur, age 78 years, is an independent Director of our Company. He holds a degree in electrical engineering (with honors). Mr. Kapur was the Chairman and Managing Director of National Thermal Power Corporation. 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 contributions in the fields of technology management and industrial development.

Mr. M.M. Sabharwal, OBE, age 84 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 the 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 honored 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 Union Minister for Social Justice & Empowerment.

Mr. K.N. Memani, age 68 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 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 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 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 74 years, is an independent Director of our Company. He 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. Mr. Bhushan has over 30 years of experience in company law 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.

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 and brother-in law of Mr. Rajiv Singh and Ms. Pia Singh. Apart from these, 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. 50,000 Crore 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.

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.

Other Committees

In addition, our Board has constituted an IPO committee, a Special Committee, a Corporate Governance Committee, a Finance Committee and a Compliance Committee.

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 RHP 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 “Financial Statements - Related Party Disclosures” on page 283.

Changes in our Board of Directors

The changes in our Board of Directors during the last three years are as follows:

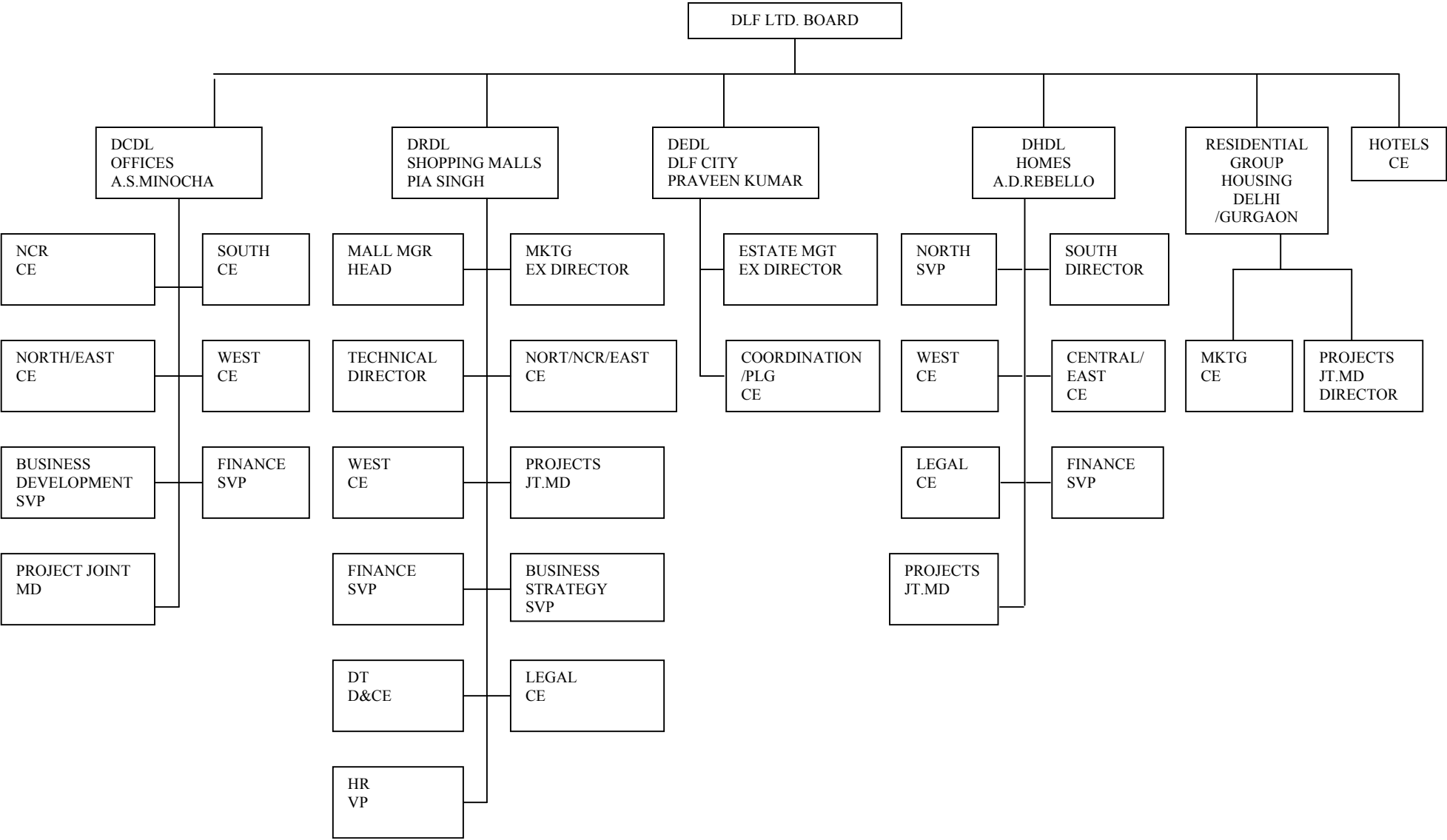
Name	Date of change	Reason
Mr. Rajinder Singh	December 20, 2004	Deceased
Brig. (Retd.) N.P. Singh	September 29, 2005	Re-appointed
Mr. K. Swarup	September 29, 2006	Appointed
Mr. J. K. Chandra	April 10, 2006	Resigned
Ms. Renuka Talwar	April 27, 2006	Resigned
Mr. G.S Talwar	September 29, 2006	Appointed
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

The following table sets forth the details of the remuneration for the whole-time Directors for fiscal 2007.

Name	Basic Salary (Per annum)	Super annuation	Provident Fund	Medical	Other Perquisites	(Rs.) Total
Mr. K. P. Singh	30,00,000	-	3,60,000	1,90,926	10,19,167	45,70,093
Mr. Rajiv Singh	60,00,000	9,00,000	7,20,000	1,66,983	13,83,483	91,70,466
Mr. T. C. Goyal	Basic: 1,05,00,000 HRA: 73,50,000 Leave Encsh: 29,50,208	15,75,000	15,17,400	6,627	16,67,020	2,55,66,255
Ms. Pia Singh	Basic: 72,00,000 HRA: 21,00,000	10,80,000	864,000	1,50,467	30,17,655	1,44,12,122
Mr. K. Swarup	17,04,000	-	204,480	6,429	70,29,058	89,43,967

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 April 30, 2007.

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 2007, the remuneration paid by us to Ms. Talwar was Rs. 40.80 lac.

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 2007, the remuneration paid by us to Ms. Singh was Rs. 11.33 lac.

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 2007, the remuneration paid by us to Mr. Minocha was Rs. 2.56 crore.

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 Jammalal 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-Chairman 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 2007, the remuneration paid by us to Mr. Rebello was Rs. 1.11 crore.

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 2007, the remuneration paid by us to Mr. Verma was Rs. 84.30 lac.

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 2007, the remuneration paid by us to Mr. Kumar was Rs. 93.86 lac.

Mr. Ajay Khanna (Executive Director, DLF Retail Developers Limited): Mr. Khanna, age 56 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. On April 1, 2006, Mr. Khanna was promoted to the position of the Executive Director, DLF Retail Developers Limited. For fiscal 2007, the remuneration paid by us to Mr. Khanna was Rs. 93.40 lac.

Mr. Rajiv Malhotra (Joint Managing Director, DLF Home Developers Limited & DLF Estate Developers Limited): Mr. Malhotra, age 52 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. On April 1, 2006, Mr. Malhotra was promoted to the position of the Joint Managing Director, DLF Home Developers Limited & DLF Estate Developers Limited. For fiscal 2007, the remuneration paid by us to Mr. Malhotra was Rs. 90.72 lac.

Mr. K K Bhattacharya (Senior Executive Director, DLF Estate Developers Limited): Mr. Bhattacharya, age 63 years, holds a bachelor's degree in electrical engineering from Jadavpur 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. Mr. Bhattacharya was promoted to the position of Senior Executive Director on February 6, 2007. For fiscal 2007, the remuneration paid by us to Mr. Bhattacharya was Rs. 60.65 lac.

Mr. Ravi S Kachru (Joint Managing Director, DLF Commercial Developers Limited & DLF Retail Developers Limited): Mr. Kachru, age 59 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. On April 1, 2006, Mr. Kachru was promoted to the position of the Joint Managing Director, DLF Commercial Developers Limited & DLF Retail Developers Limited. For fiscal 2007, the remuneration paid by us to Mr. Kachru was Rs. 1.12 crore.

Ms. Kajal Aijaz (Director & Chief Executive, DT Cinemas): Ms. Aijaz, age 37 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 2007, the remuneration paid by us to Ms. Aijaz was Rs. 26.58 lac.

Mr. Deepak Banerjee (Director, DLF Retail Developers Limited): 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 2007, the remuneration paid by us to Mr. Banerjee was Rs. 75.84 lac.

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 2007, the remuneration paid by us to Mr. Hari Haran was Rs. 59.61 lac.

Mr. Ramesh Sanka (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. On April 1, 2006, Mr. Sanka was promoted to the position of Group CFO. For fiscal 2007, the remuneration paid by us to Mr. Sanka was Rs. 1.30 crore.

Mr. J Subrahmanian (Executive Director, Southern Region (Retail), DLF Retail Developers Ltd): Mr. Subrahmanian, age 52 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. Mr. Subrahmanian was promoted to the position of Executive Director, Southern Region, for Retail on February 1, 2007. For fiscal 2007, the remuneration paid by us to Mr. Subrahmanian was Rs. 71.80 lac.

Mr. Anil Gupta (Director, DLF Retail Developers Limited): Mr. Gupta, age 51 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. On April 1, 2006, Mr. Gupta was promoted to the position of the Director, DLF Retail Developers Limited. For fiscal 2007, the remuneration paid by us to Mr. Gupta was Rs. 67.29 lac.

Mr. Rakesh Kumar Sharma (Chief Executive, Western Region): Mr. Sharma, age 48 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 2007, the remuneration paid by us to Mr. Sharma was Rs. 73.15 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Singh was Rs. 62.88 lac.

Mr. Jagdish Kumar Gadi (Group Chief, Internal Audit): Mr. Gadi, age 56 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. For fiscal 2007, the remuneration paid by us to Mr. Gadi was Rs. 36.37 lac.

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. On July 1, 2006, Mr. Singh was promoted to the position of our Chief Executive, Planning. For fiscal 2007, the remuneration paid by us to Mr. Singh was Rs. 55.56 lac.

Ms. Valsala (Chief Executive, Marketing): Ms. Valsala, age 45 years, holds a master's degree in arts from Delhi University and a degree 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. On July 1, 2006, Ms. Valsala was promoted to the position of our Chief Executive, Marketing. For fiscal 2007, the remuneration paid by us to Ms. Valsala was Rs. 55.80 lac.

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. On July 1, 2006, Ms. Gambhir was promoted to the position of our Chief Executive, Human Resources. For fiscal 2007, the remuneration paid by us to Mr. Gambhir was Rs. 55.36 lac.

Mr. Joy Saxena (Senior Vice President, Finance): Mr. Saxena, age 47 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 fiscal 2007, the remuneration paid by us to Mr. Saxena was Rs. 45.57 lac.

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. On April 1, 2006, Mr. Gupta was promoted to the position of our Chief Executive, Business Development. For fiscal 2007, the remuneration paid by us to Mr. Gupta was Rs. 73.90 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Chawla was Rs. 46.13 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Basak was Rs. 33.64 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Chawla was Rs. 33.31 lac.

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). For fiscal 2007, the remuneration paid by us to Mr. Pereira was Rs. 40.44 lac.

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. On July 1, 2006, Mr. Kakkar was promoted to the position of our Senior Vice President, Purchase. For fiscal 2007, the remuneration paid by us to Mr. Kakkar was Rs. 32.28 lac.

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 2007, the remuneration paid by us to Mr. Jindal was Rs. 34.09 lac.

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 48 years, has a total of 26 years of total experience to his credit. His earlier experiences include work with the National Dairy Development Board and Steel Authority India Limited. Mr. Gupta joined us on February 12, 1996. On July 1, 2006, Mr. Gupta was promoted to the position of our Senior Vice President, Finance. For fiscal 2007, the remuneration paid by us to Mr. Gupta was Rs. 36.62 lac.

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. On July 1, 2006, Mr. Singh was promoted to the position of our Senior Vice President, Corporate. For fiscal 2007, the remuneration paid by us to Mr. Singh was Rs. 27.08 lac.

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. On April 1, 2006, Mr. Yadav was promoted to the position of our Vice President, Business Development. For fiscal 2007, the remuneration paid by us to Mr. Yadav was Rs.27.70 lac.

Ms. Ananta Raghuvanshi (Senior Vice President, Marketing): Ms. Raghuvanshi, age 38 years, holds a Bachelor's degree in science from Miranda House, Delhi University. She also holds an MBA, an MA in English literature, a B.Ed, PG.Dip in Computer Application and a PG.Dip in Marketing Management, Advertising and Public Relations. Ms. Raghuvanshi has an aggregate work experience of over 15 years. She joined us on June 17, 1991 after working and has since been associated with the Retail Marketing department. On July 1, 2006, Mr. Raghuvanshi was promoted to the position of our Senior Vice President, Marketing. For fiscal 2007, the remuneration paid by us to Mr. Raghuvanshi was Rs. 43.95 lac.

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. On July 1, 2006, Mr. Goenka was promoted to the position of our Senior Vice President, Corporate Planning. For fiscal 2007, the remuneration paid by us to Mr. Goenka was Rs. 30.45 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Raste was Rs. 24.93 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Chopra was Rs. 38.15 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Mehra was Rs. 24.92 lac.

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. On October 1, 2006, Mr. Kumar was promoted to the position of our Chief Executive, Southern Region. For fiscal 2007, the remuneration paid by us to Mr. Kumar was Rs. 31.26 lac.

Mr. Yogeshwar Kumar Tyagi (Executive Director, Offices, DLF Commercial Developers Ltd): 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 was promoted to the position of Executive Director, Offices on February 5, 2007. For fiscal 2007, the remuneration paid by us to Mr. Tyagi was Rs. 38.67 lac.

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 for fiscal 2007, the remuneration paid by us to Mr. Gupta was Rs. 20.93 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Desai was Rs. 37.27 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Nair was Rs. 28.55 lac.

Mr. Rajeev Talwar (Head-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. For fiscal 2007, the remuneration paid by us to Mr. Talwar was Rs. 60.18 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Monga was Rs. 17.64 lac.

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 On October 1, 2006, Mr. Goyal was promoted to the position of our Vice-President, Finance. For fiscal 2007, the remuneration paid by us to Mr. Goyal was Rs. 24.89 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Kapur was Rs. 16.71 lac.

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. For fiscal 2007, the remuneration paid by us to Ms. Singh was Rs. 13.42 lac.

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. For fiscal 2007, the remuneration paid by us to Mr. Girish was Rs.10.70 lac.

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 on October 1, 2006, Mr. Kumar was promoted to the position of our Vice-President, Marketing. For fiscal 2007, the remuneration paid by us to Mr. Kumar was Rs. 20.51 lac.

Mr. Goutam Karmakar (Vice-President, Marketing): Mr. Karmakar, age 39 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 on October 1, 2006, Mr. Karmakar was promoted to the position of our Vice-President, Marketing. The remuneration paid to Mr. Karmakar for fiscal 2007 was Rs. 21.63 lac.

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 2007, the remuneration paid by us to Mr. Chowdhury was Rs.30.84 lac.

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 on October 1, 2006, Mr. Haran was promoted to the position of our Vice-President, Projects. For fiscal 2007, the remuneration paid by us to Mr. Haran was Rs. 21.34 lac.

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 on October 1, 2006, he was promoted to the position of our Vice-President, Projects. For fiscal 2007, the remuneration paid by us to Mr. Basu was Rs. 24 lac.

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 on October 1, 2006, Mr. Kaul was promoted to the position of our Vice-President, Projects. For fiscal 2007, the remuneration paid by us to Mr. Kaul was Rs. 21.67 lac.

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 on October 1, 2006, Mr. Bhatt was promoted to the position of our Vice-President, Projects. For fiscal 2007, the remuneration paid by us to Mr. Bhatt was Rs. 20.75 lac.

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. On October 1, 2006, Mr. Koul was promoted to the position of our Chief Architect. For fiscal 2007, the remuneration paid by us to Mr. Koul was Rs. 21.80 lac.

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 on October 1, 2006, Mr. Kumar was promoted to the position of our Chief Architect. For fiscal 2007, the remuneration paid by us to Mr. Kumar was Rs. 23.40 lac.

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 on October 1, 2006, Mr. Shah was promoted to the position of our Chief Architect. For fiscal 2007, the remuneration paid by us to Mr. Shah was Rs. 22.95 lac.

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 on October 1, 2006, Mr. Banker was promoted to the position of our Vice President, Club. For fiscal 2007, the remuneration paid by us to Mr. Banker was Rs. 18.61 lac.

Mr. Adesh Gupta (Vice President, Taxation): Mr. Gupta, age 48 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 on October 1, 2006, Mr. Gupta was promoted to the position of our Vice President, Taxation. For fiscal 2007, the remuneration paid by us to Mr. Gupta was Rs. 22.11 lac.

Mr. Manik Khanna (Vice President, Finance): Mr. Khanna, age 40 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. On October 1, 2006, Mr. Khanna was promoted to the position of our Vice President, Finance. For fiscal 2007, the remuneration paid by us to Mr. Khanna was Rs.22.38 lac.

Mr Harish Chandra Sehgal, (Chief Executive, Legal): Mr. Harish Chandra Sehgal, age 49 years, holds a bachelor's degree in commerce and law from Delhi University. He has an aggregate work experience of 21 years and has worked with companies like Ballarpur Industries, Indo Gulf and DCM Limited. Mr. Sehgal joined us on December 1, 2006. For fiscal 2007, the remuneration paid by us to Mr. Sehgal was Rs. 20.41 lac

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. Vipin 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

Name	Directorships
	▪ 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 ▪ 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

Name**Directorships**

- 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
Mukesh Dham	Executive Director (Coord.)	May 18, 2007	Resigned
Alok Aggarwal	Vice-President, Business Development	May 9, 2007	Resigned
Sanjay Chawla	Vice-President, Mall Operations	April 7, 2007	Resigned
Sanjay Sethi	Vice-President, Finance	March 5, 2007	Resigned
Pradeep Varshney	Senior Vice President, Business Development	January 1, 2007	Resigned
S. Vasudevan	Chief Executive, Commercial - Chennai	November 30, 2006	Resigned
Vinay Verma	Chief Executive, Commercial – NCR	December 15, 2006	Resigned
Lt. Gen. Manikath	Vice President, Business Development	October 16, 2006	Appointed
Govindan Girish			
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
Sanjay Sethi	Vice-President, Finance	September 11, 2006	Appointed
Rajeev Talwar	Head- Corporate Strategy	August 24, 2006	Appointed
Chetan Narain	Vice-President, Human Resources	July 13, 2006	Appointed
Kapur			
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	Chief Executive, Human Resources	July 1, 2006	Promoted
Gambhir			
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	Chief Executive, Special Projects, West &	June 15, 2006	Appointed
Dhruwakant Desai	South		
Vijay Vancheshwar	Vice President, Corporate Communication	June 12, 2006	Resigned

Name	Designation	Date of change*	Reason
Mukesh Dham	Executive Director (Coord.)	May 18, 2007	Resigned
Alok Aggarwal	Vice-President, Business Development	May 9, 2007	Resigned
Sanjay Chawla	Vice-President, Mall Operations	April 7, 2007	Resigned
Sanjay Sethi	Vice-President, Finance	March 5, 2007	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	April 1, 2006	Promoted
Rajiv Malhotra	Joint Managing Director, DLF Home Developers Limited & DLF Estate Developers Limited	April 1, 2006	Promoted
Ravi S Kachru	Joint Managing Director, DLF Commercial Developers Limited & DLF Retail Developers Limited	April 1, 2006	Promoted
Deepak Banerjee	Director, DLF Retail Developers Limited & Chief Executive, Retail –NCR	April 1, 2006	Promoted
Ramesh Sanka	Group CFO	April 1, 2006	Promoted
Anil Gupta	Director, DLF Retail Developers Limited	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 Sehgal	Senior Vice President, Legal	December 1, 2006	Appointed
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

Name	Designation	Date of change*	Reason
Mukesh Dham	Executive Director (Coord.)	May 18, 2007	Resigned
Alok Aggarwal	Vice-President, Business Development	May 9, 2007	Resigned
Sanjay Chawla	Vice-President, Mall Operations	April 7, 2007	Resigned
Sanjay Sethi	Vice-President, Finance	March 5, 2007	Resigned
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

** 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

For details of our ESOP scheme, see “Capital Structure - Notes to the Capital Structure” on page 24.

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 Our Business

Our business was founded by the late Mr. Raghvendra Singh and our Promoter, Mr. K.P. Singh. Our business 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. Since the inception of our Company, Mr. K.P. Singh has been the promoter of the Company.

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 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

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	We initiated plotted developments, sell first plot in Gurgaon, Haryana. Consolidate the development of DLF City for township development
1991	Construction of our first office complex, ' <i>DLF Centre</i> ', at New Delhi
1993	Completion of our first condominium project, ' <i>Silver Oaks</i> ', at DLF City, Gurgaon, Haryana
1996	Construction of ' <i>DLF Corporate Park</i> ', our first office complex at DLF City, Gurgaon, Haryana
1999	Development of the DLF golf course
2002	We venture into retail development in Gurgaon, Haryana
2002	We offer integrated family entertainment centers with the commencement of operation of ' <i>DT Cinemas</i> ' at Gurgaon, Haryana
2003-04	Development of ' <i>DLF Cybercity</i> ', an integrated IT park measuring approximately 90 acres at Gurgaon, Haryana
2005	- Acquisition of 16.62 acres (approx) of mill land in Mumbai - Received 'Corporate Buildings Award' instituted by "Indian Architect & Builder", a publication of Jasubhai Media Group, Mumbai - Received '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

Year	Key events, milestones and achievements
	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, and acquire 50 to 75 hotels and services apartments
2006	DLF enters into a joint venture with WSP Group Plc. for the purposes of providing engineering and design services, environmental and infrastructural facilities and also project management services
2007	DLF enters into a joint venture with Prudential Insurance to establish a joint venture company to undertake life insurance business in India

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. Details of the time and cost overruns which have occurred in respect of our projects undertaken in the last five years are set forth in the following table:

Project	Time Overrun (in months)	Cost Overrun (Rs. Lac)
Completed Projects:		
Westend Heights	2	29.0
DLF Exclusive Floors	3	30.4
Trinity Towers	5.5	49.8
Projects under construction:		
Promenade	7	464.6
Noida Town Square Mall	11	96.0
Emporio	7	263.2

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 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.

We have 79 direct and indirect subsidiaries, brief particulars of which are set out under "Details of our subsidiaries" below.

Delisting and subsequent proposal to relist the shares

The equity shares of our Company were originally traded on the BSE and the DSE. We had entered into the listing agreement with the DSE and BSE on September 20, 1976 and May 1, 1975, respectively. We decided to delist our equity shares from the BSE and by a letter dated January 8, 1982, the BSE confirmed that our equity shares had been removed from its official list.

When the Takeover Code came in to effect i.e on February 20, 1997, the shareholding of Mr. Rajiv Singh (our promoter) 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 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, Acquirers and the PACs offered to acquire the outstanding public shareholding instead of increasing the public shareholding and keeping the Company listed, which resulted in delisting of our equity shares from DSE. The Acquirers and PACs made the first and second open offers which opened on June 21, 2002 and September 25, 2002 respectively.

Subsequently, a final exit option was offered by the Acquirers and the PACs, in accordance with letter dated March 13, 2003 from DSE (bearing registration no DSE/LIST/3015/R/228), to the remaining 1307 shareholders comprising 3.74% of the then paid-up capital of our Company. The delisting offers were made by the Acquirers and the PACs 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 the Acquirers and PACs and certain persons in concert making the public offers, our equity shares were delisted from the DSE with effect from September 22, 2003.

We had earlier filed a draft red herring prospectus with SEBI on May 12, 2006 for the issuance of 202,000,000 Equity Shares of Rs. 2 each. Pursuant to filing of the draft red herring prospectus, we had received 135 complaints from various minority shareholders (directly and also through SEBI, the MCA, the Stock Exchanges and the RoC) alleging non-receipt of letter of offer issued by the Company in the month of December 2005, offering 3,508,007 debentures of Rs.100 each. Pursuant to reference by SEBI to the MCA on this issue, the MCA directed the Company to consider each of the complaints on merits and to take steps as warranted to redress their grievances.

The draft red herring prospectus filed on May 12, 2006 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. It was considered appropriate by our Company to modify the draft red herring prospectus.

In compliance with the MCA's instructions, the Board of Directors, in their board meeting held on October 10, 2006, revived the earlier lapsed 81,983 debentures of Rs.100 each to allot such debentures with attendant benefits (i.e., conversion of debentures into equity shares bonus shares in the ratio of 7:1 and sub-division into Rs. 2 per Equity Share) to those shareholders who had not received the letter of offer or had not applied earlier.

The decision of the Board of Directors was approved by the shareholders in the EGM held on November 14, 2006. Consequently, on November 24, 2006, December 5, 2006, December 22, 2006, March 13, 2007, and May 18, 2007, an aggregate of 47,757 debentures were allotted with attendant benefits and upon conversion of these debentures and attendant benefits 19,102,800 Equity Shares were issued.

The Company refiled the draft red herring prospectus on January 2, 2007 and an updated draft red herring prospectus on March 30, 2007. Details of the complaint received since filing of the re-filing of the draft red herring prospectus on January 2, 2007, the debentures allotted with attendant benefits and other complaints regarding non disclosure etc have been mentioned at page 40.

the acquirers who made the offer included Mr. Rajiv Singh, DLF Investments Private Limited, Vishal Foods and Investments Private Limited, Raisina Agencies & Investment Private Limited, Renkon Agencies Private Limited and Realest Builders Services Limited ("RBSL**"). The "persons deemed to be acting in concert" with the acquirers were Mr. K.P Singh, Ms. Indira K.P Singh, Ms. Pia Singh, Ms. Renuka Talwar, Ms. Kavita Singh, Prem Traders & Investments Private Limited, Jhandewalan Ancillaries and*

Investments Private Limited, Universal Management & Sales Private Limited, Savitri Studs & Farming Company Private Limited, Panchsheel Investment Company, Megha Estates Private Limited, Lyndale Estates Private Limited (now known as Lyndale Holdings Private Limited), Macknion Estates Private Limited, Sidhant Housing and Development Company, Madhur Housing and Development Company, Kohinoor Real Estates Company, Mallika Housing Company, Rajdhani Investments & Agencies Private Limited, Haryana Electrical Udyog Private Limited and Buland Consultants & Investment Private Limited.

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 licenses, 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 may 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 licenses, 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 installments 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, harbors, 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 seem 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.
24. to carry on in India or elsewhere the business to establish, organise, manage, promote, encourage, provide, conduct, sponsor, subsidise, operate, invest, develop and commercialise, insurance and assurance, business in all its branches of life insurance including whole life insurance, endowment insurance, double benefit and multiple benefit insurance, joint life insurance, human body part, limbs and organs insurance, accidental insurance and such other insurance, assurance, plans and schemes and to act as agent, representative, surveyor, sub-insurance agent, franchiser, consultant, advisor, collaborator or otherwise to deal in all incidental and allied activities related to insurance business subject to Insurance Regulation Act, 1983, Insurance Regulatory & Development Authority Act, 1999 and other applicable Acts.

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 6, 1970	Increase in authorised share capital from Rs 4,000,000 to Rs.5,000,000
November 22, 1971	Increase in authorised share capital from Rs. 5,000,000 to Rs. 10,000,000
March 30, 1974	Increase in authorised share capital from Rs. 10,000,000 to Rs. 20,000,000
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 to Rs. 25,000,000
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 to Rs. 50,000,000
December 19, 2000	Addition of main objects (see numbers 40 to 60 of the Memorandum of Association)
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 to Rs. 400,000,000
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 to Rs. 5,000,000,000
April 20, 2006 (with effect from May 27, 2006)	Change in name of the company from "DLF Universal Limited" to "DLF Limited"
May 3, 2007	Amendment in objects clause by inserting new clause 91, 92, 93

We are proposing to hold an EGM to amend the object clause of our MOA to include provisions enabling us to undertake SEZ / AMC business.

Joint Ventures and Other Arrangements

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 Shruti Gruh Nirmitti Private Limited and Delanco 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, 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 has agreed that it shall, in relation to each project involving DLF Laing O'Rourke, issue a corporate guarantee in favor 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 favorable 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 April 30, 2007

Shareholder	No. of shares	%
Solid Buildcon Private Limited	19999994	50(approx)
Laing O'Rourke India Holding Limited	20000000	50
Adesh Gupta and Solid Buildcon Private Limited	1	Negligible
Sanjay Goenka and Solid Buildcon Private Limited	1	Negligible

Shareholder	No. of shares	%
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 April 30, 2007

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. Crore, except per share data)

	September 30, 2006	March 31, 2007
Sales and other income	21.60	99.81
Profit/Loss after tax	-1.35	3.29
Equity capital (par value Rs.10 per share)	20.05	40
Earnings per share (Rs.)	-1.22	2.19
Book value per equity share (Rs.)	9.32	10.82
Reserves & Surplus	-	3.29

Joint Venture with Hilton

We have 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 principal provisions of the Alliance Agreement are summarized below:

Alliance: A joint venture company would be incorporated in accordance with the SHA. Each hotel or serviced apartment property would be owned by either the joint venture company or a company in which not less than 26% of the equity share capital will be held by the joint venture company. The Alliance Agreement contemplates that the joint venture company 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 joint venture company, 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 joint venture company. Under certain specified circumstances, Hilton will have a right to terminate the exclusivity rights of the joint venture company.

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 joint venture company, 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 principal provisions of the SHA are summarized below:

Shareholding: Our Company, together with our nominees, holds 74% of the equity share capital of the joint venture company and Hilton and or its affiliates, together with Hilton's nominees, will hold a 26% of the equity share capital of the joint venture company.

Board: So long as we hold at least 74% of the equity share capital of the joint venture company, 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 joint venture company, 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 joint venture company, the chief executive officer of the joint venture company will be nominated by Hilton following consultation with our Company. Further, the chief financial officer of the joint venture company will be nominated by our Company following consultation with Hilton, provided that we hold not less than 26% of the equity share capital of the joint venture company.

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 joint venture company, 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 the joint venture company 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 joint venture company, no decision with respect to reserved matters will be taken by the joint venture company 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 joint venture company 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 joint venture company.

Subject to the above, if any shareholder intends to transfer any equity shares of the joint venture company 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 favorable 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 endeavors 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 joint venture company.

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 is to be established to provide engineering and design consultancy services, environmental and infrastructural facilities and also project management services (“**Services**”). The Services of the joint venture company. will be engaged for the development of residential, commercial, retail, entertainment, mixed use projects and such other real estate projects to be undertaken by our Company or its affiliates.

Shareholding: Our Company by itself or through its nominee affiliate and WSP by itself or through its nominee affiliate have equal shareholding in the joint venture company 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 joint venture company 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 joint venture company.

Quorum: All board and shareholders meetings of the joint venture company 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 joint venture company, 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 joint venture company 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 joint venture company, no decision with respect to reserved matters shall be taken by the joint venture company, 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 business days after receiving the certificate of incorporation of the joint venture company. 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 joint venture company 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 favorable 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 endeavors 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 joint venture company, on the expiry of the initial 18 month period, will be responsible for providing Services on projects identified by our Company. The joint venture company 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 endeavors to target, acquire and undertake consultancy projects related to the business of the joint venture company, 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 favor 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

On November 27, 2006, we signed a memorandum of understanding (the "Framework Agreement") with Nakheel LLC, a large property developer in the United Arab Emirates, to develop large real estate projects in India, through a 50:50 joint venture company. On March 26, 2007, this Framework Agreement was amended by an implementation agreement whereby the parties agreed that the initial two projects of the joint venture will be (i) a large infrastructure project in and around the National Capital Region as defined in Schedule I of the National Capital Region Planning Board Act, 1985; and (ii) projects in South Maharashtra and/or Goa. Further, the term of the Framework Agreement has been extended until the earlier of either the signing of a joint venture agreement between the parties or June 30, 2007.

Nakheel is one of the premier real estate developers in the United Arab Emirates, with a focus on the development of 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.

Joint Venture with Prudential Insurance

Our Company has entered into a joint venture agreement, dated February 22, 2007, with Prudential Insurance to establish a joint venture company to undertake life insurance business in India. Pursuant to the joint venture agreement, the joint venture company shall develop, promote, market and sell life insurance products in India on an exclusive basis. The brief terms of the joint venture agreement are as follows:

Condition precedent: The joint venture agreement stipulates certain conditions precedent such as the due incorporation of the joint venture company and receipt of the required governmental and regulatory approvals. In the event that the conditions precedent are not satisfied within 270 days of the execution of the joint venture agreement or are waived by our Company and Prudential Insurance, the joint venture agreement shall terminate.

Shareholding: Our Company, together with its nominees, (i.e., six (6) individuals identified by the Company, who would be the initial subscribers to the memorandum of the joint venture company namely, Mr. Sanjay Goenka, Mr. S.K. Gupta, Mr. Gourav Monga, Mr. Ramesh Sanka, and Mr. Manik Khanna and Mr. Saurabh Chawla, will hold 74% of the

equity share capital of the joint venture company and Prudential Insurance, together with its nominees, will hold 26% of the equity share capital of the joint venture company. If the joint venture company wishes to raise further capital by the issuance of additional shares, it can do so by making a rights issue to the existing shareholders. The joint venture agreement contemplates an equity investment of up to US\$250 million to be contributed by our Company and Prudential Insurance, in proportion to their respective shareholding, over a period of seven years.

It is clarified that the nominated six (6) individuals would have a minimal shareholding in the joint venture company.

Board: The board of directors will comprise eight directors. Our Company has a right to nominate, replace and appoint three directors on the Board, and so long as Prudential Insurance holds not less than 26% of the equity share capital, Prudential Insurance will be entitled to nominate, remove and replace three directors on the board.

Further, as long as our Company holds not less than 30% of the equity share capital of the joint venture company, our Company will be entitled to nominate the chairman (following consultation with Prudential Insurance). As long as Prudential Insurance holds not less than 26% of the equity share capital of the joint venture company, Prudential Insurance will be entitled to nominate the vice chairman (after consultation with us). Both chairman and vice chairman so appointed will not have any casting votes. In the event that our equity shareholding in the joint venture company is reduced, our right to nominate the directors shall be correspondingly reduced, and if our shareholding falls below 15%, our Company will lose the right to appoint any director.

Additionally, in order to constitute a valid quorum for a board meeting of the joint venture company, the presence of at least one nominee director each of our Company and Prudential Insurance is required for so long as each of our Company and Prudential Insurance hold 20% of the share capital of joint venture company.

Management: So long as Prudential Insurance owns directly or indirectly 26% of the equity share capital of the joint venture company, the chief executive officer of the joint venture company will be nominated, removed and, replaced by Prudential Insurance. Further, the executive team and other senior management employees of the joint venture company will be appointed by Prudential Insurance following consultation with our Company.

Reserved matters: Subject to each of our Company and Prudential Insurance holding not less than 20% of the equity share capital of the joint venture company, both our Company and Prudential Insurance will have affirmative voting rights in relation to certain reserved matters as specified in the joint venture agreement, which include amendment to the memorandum or articles of the joint venture company, increase in the share capital, appointing or removing of auditors, winding up or establishing a subsidiary of the joint venture company, etc. Such affirmative voting rights entail that a resolution with respect to the reserved matters will be passed only if approved by a majority including one director/shareholder each of Prudential Insurance and our Company.

Lock in: Such number of equity shares of the joint venture company held by our Company, which would constitute 30% of the issued equity share capital of the joint venture company, from time to time, and the entire shareholding of Prudential Insurance would be locked in for a period of seven years from the effective date, as specified under the joint venture agreement. The remaining equity shares of the joint venture company held by our Company would be locked in for a period of 10 years from the effective date. During the lock-in period, the shareholders cannot dispose of or encumber their interest in such equity shares of the joint venture company.

Transfer of shares: In addition to the lock-in provisions, there are certain restrictions on the transferability of equity shares of the joint venture company. After the lock-in period is completed, if any shareholder wishes to sell its equity shares in the joint venture company then the other parties will have the first right to purchase the same, subject to certain conditions. Such other parties also have a tag along right, in as much as they can call upon the selling shareholder to sell their equity shares along with his/its shares to the buyer. Further, no shareholder can transfer the shares to a competitor of joint venture company.

Non-compete: The joint venture agreement restricts, subject to certain conditions, our Company and Prudential Insurance from, directly or through their group companies, undertaking or entering into any strategic alliance or other similar arrangements in relation to the life insurance business in India, unless otherwise agreed by Prudential Insurance and our Company and to the extent permitted by the joint venture agreement.

Termination: The joint venture agreement would terminate in any of the following circumstances (i) our company and Prudential Insurance mutually agree in writing to terminate the joint venture agreement (ii) an effective resolution for winding up is made; (iii) regulatory authorities cancel or terminate the licence granted to the joint venture company to carry on the business of a life insurance company in India; (iv) the conditions precedent are not satisfied; or (v) a shareholder ceases to hold any Equity Share in the joint venture company, whichever is earlier.

Joint Venture with MG Group and Delanco Real Estate Private Limited.

In June 2006, we entered into a joint venture and subscription and shareholders agreement with Gujral Design Plus Overseas Private Limited and Mohit Design Management Private Limited and Mohit Gujral (collectively the "**MG Group**") and Delanco Real Estate Private Limited to enter into an alliance through an equal ownership of the shares in a joint venture company. The joint venture company has been set up for the purposes of exploring and participating in project opportunities with financial and strategic investors. The joint venture company is engaged in the business of real estate development. The brief terms of the joint venture agreement are as follows:

Shareholding: Our Company and the MG Group will each hold 50% of the equity share capital of the joint venture company.

Exclusivity and Non-compete: As long as MG Group holds at least a 26% share interest in the joint venture company, it shall not jointly or severally, directly, or indirectly compete with the business of the joint venture company. Further, during the term of the joint venture agreement, the MG Group shall not directly or indirectly compete with the business of the joint venture company without the prior written approval of our Company.

Operations of the Company: The project opportunities identified by the joint venture company may either be implemented by the joint venture company itself or offered for investment to our Company. In the event that the project opportunity is offered to our Company, the joint venture company is entitled to participate in up to 50% of the proposed investment in the project opportunity. Our company may refuse the project opportunity offered by the joint venture company.

Board: The board of directors of the joint venture company would comprise between four and twelve directors. As long as our Company and MG Group each hold at least a 26% share interest in the joint venture company, each are entitled to appoint such number of directors that represents one half of the total strength of the board of directors. In the event that the shareholding of either our Company or MG Group falls below 26% the shareholder holding more than 26% of the shares shall be entitled to appoint a majority of the directors on the board. Our Company has the right to appoint the non executive chairman of the board. The chairman shall not have a casting vote. Further, so long as the MG Group holds 26% of the equity share capital of joint venture company, the Managing Director of the joint venture company shall be Mr. Mohit Gujral.

Consensus matters: Subject to each of DLF and MG Group holding not less than 26% of the share capital of the joint venture company, both DLF and the MG Group will have affirmative voting rights in relation to certain reserved matters as specified in the joint venture agreement, which include amendment to the memorandum or articles of the joint venture company, any material change in the nature of the business of the joint venture company, change in the share capital, appointing or removing of auditors, winding up of the joint venture company or establishing a subsidiary of joint venture company. Such affirmative voting rights entail that a resolution with respect to the reserved matters will be passed only if approved by a majority including one director/shareholder each of the MG Group and DLF.

Transfer of shares: So long as MG Group and our Company hold at least 26% of the equity share capital, neither our Company nor the MG Group, without the prior written approval of the other, shall create any encumbrance, charge or lien over its respective shareholding. In the event that either the Company or MG Group propose to transfer shares to any person other than an affiliate, the selling shareholder must first offer such shares to the non-selling shareholders. If the non-selling shareholders elect not to purchase the shares, then the selling shareholders can sell the shares to a third party. Such other shareholders also have a tag along right, in as much as they can call upon the selling shareholder to sell their equity shares along with his/its shares to the buyer. Further, no shareholder can transfer the shares to a competitor of the joint venture company without the prior written consent of the other shareholder.

Termination: The joint venture agreement would terminate if (i) either MG Group or our Company is in breach or fails to comply with any material terms covenant or obligation contained in the joint venture agreement and the breach or failure of which has not been cured or remedied within thirty days of receipt of written notice from the other non-defaulting party, or (ii) there occurs a liquidation or dissolution/winding up of the defaulting party.

Transfer Restriction Agreement with Bharat Hotels Limited

We recently entered into a transfer restriction agreement dated January 18, 2007 with Bharat Hotels Limited pursuant to a joint venture agreement dated January 18, 2007 between Eila Builders & Developers Private Limited (our wholly-owned subsidiary) and Prime Cellular Limited (wholly-owned subsidiary of Bharat Hotels Limited) for the purpose of developing and operating a hotel cum convention centre at Chandigarh. The key terms of the transfer restriction agreement are:

Transfer Restriction: Subject to certain conditions, our Company and Bharat Hotels Limited have agreed not to give assign, declare a trust, grant a security interest in or sell, encumber or otherwise dispose of the shares held by them in Eila Builders & Developers Private Limited and Prime Cellular Limited, respectively, without the prior consent of the other party.

In the event that a party intends to transfer its shares in its above subsidiary to a third party, it would be obliged to offer, subject to certain conditions, all of its shares in the subsidiary to the other party at a fair market value to be determined by an auditor.

The transfer restriction agreement also provides for tag along rights which, if exercised, would require any third party purchasing the shareholding of one party to purchase the entire shareholding of the other party in its relevant subsidiary for the same consideration per share as paid in its initial purchase.

Confidentiality: The parties have agreed not to disclose the terms of the transfer restriction agreement without the prior written consent of the other party.

Termination: The transfer restriction agreement would be terminated by (i) mutual agreement in writing by the parties; (ii) upon termination of the joint venture agreement between Eila Builders Private Limited and Prime Cellular Limited and (iii) upon a material breach by any party of its obligations or a failure to observe or comply with the material terms, under the transfer restriction agreement.

Memorandum of Understanding with Fortis Healthcare Limited

In January 2007, we signed a memorandum of understanding with Fortis Healthcare Limited to own, develop, establish, operate and manage, through a joint venture company, certain 250 to 400 bed hospitals with a minimum built up area of 20,000 sq. meters and such other healthcare facilities as may be mutually agreed between the parties. Our Company and Fortis would incorporate a joint venture company named Fortis Specialty Hospitals or such other name as mutually agreed by us and Fortis. We intend to hold a 26% share interest in the joint venture. The memorandum of understanding was further amended on April 26, 2007 whereby the validity of the memorandum of understanding was extended until (i) the execution of the Shareholders Agreement or other relevant definitive agreements or (ii) upon expiry of one hundred and twenty days from the date of the memorandum of understanding, or such extended date as may be mutually agreed, whichever is earlier.

Under the memorandum of understanding, the proposed hospitals to be named as "Centre of Excellence Hospitals" will be built by the joint venture company at various sites on land which has been either purchased or leased from our Company or its affiliates in India. The hospitals will be operated and managed under the exclusive brand of "Fortis"

Term Sheet to set up a joint venture with Prudential International Investments Corporation ("PIIC")

We signed a term sheet with PIIC (together, the “**Parties**”) on April 4, 2007 to set up an asset management joint venture company (“**AMC JV**”) whose investment expertise is required to be primarily focused on the Indian capital markets. The name of the AMC JV is required to reflect the brands of both the parties.

Our Company and PIIC will also set up a trustee joint venture company (“**Trustee JV**”). Our Company shall hold 40% of the share capital in the AMC JV and Trustee JV and the remaining 60% of the share capital will be held by PIIC. The minimum paid up capital of the AMC JV would be the equivalent of USD 0.83 crore of which USD 0.33 crore would be contributed by our Company and the remaining USD 0.5 crore would be contributed by PIIC.

The term sheet contains specific provisions for the induction of new shareholders in the AMC JV subject to the fulfillment of certain conditions. Such induction will lead to a proportional dilution of the shareholding of our Company and PIIC. However, in no event the shareholding of our Company and PIIC will be reduced below 26% and 51% respectively. In the event of identification of a new partner prior to signing of definitive agreement between Parties, the minimum paid up capital of AMC JV would be modified as per the term sheet.

PIIC shall have the right to nominate 60% of the nominee directors on the board of the AMC JV. The board of the AMC JV shall comprise three directors nominated by PIIC, two directors nominated by our Company and five independent directors. In the event of the induction of an additional partner, the board may be reconstituted. The chief executive officer and the other members of the senior management of AMC JV will be appointed by PIIC.

Both Parties have agreed not to transfer their respective shares in the AMC JV for a period of 5 years from the first infusion of capital at par. However, transfers of shares amongst affiliates of parties are permitted, which is more particularly defined in the term sheet as “*Permitted Transfers*”. Post the expiry of the 5 year lock-in, either of PIIC or our Company may transfer all or part of its shares in the AMC JV, subject to the exercise of the right of first refusal of the other party.

Our Company or our related parties can set up a competing business with the AMC JV only 24 months after we cease to be shareholders of the AMC JV or if PIIC provides a prior written consent. Further, neither of the Parties can participate in a business that competes with the business of the AMC JV in India during the term of the AMC JV. However, Prudential Real Estate Investments and DLF Pramerica Life Insurance Company Limited and their subsidiaries are exempt from this non-compete provision. Additionally, until August 31, 2007, our Company or our related parties cannot enter into any contracts with any persons other than PIIC in relation to the subject matter of the term sheet.

It may be noted that PIIC has the right, in consultation with our Company, to cause the AMC JV to undertake an acquisition of or merge with another asset management company or business in India.

All disputes in connection with the term sheet shall be resolved via arbitration in terms of the ICC Rules. The venue of arbitration shall be New York, and the governing law shall be the laws of New York. At present we have not executed any definitive agreements in this respect of the subject matter of this term sheet.

Joint Venture with Haryana State Industrial and Infrastructure Development Corporation Limited (“HSIIDC”)

We have recently entered into two joint venture agreements (“**JVs**”) both dated April 4, 2007 with HSIIDC for developing an SEZ project on land measuring i) approximately 20,000 acres in Gurgaon (“**Gurgaon Project**”) and ii) approximately 3,000 acres in Ambala (“**Ambala Project**”). Both the Gurgaon Project and Ambala Project are collectively referred to as the “**Projects**” and the land as “**Project Land**”). The principal terms of the JVs are summarized below:

Special Purpose Vehicle: A special purpose vehicle (“**SPV**”) would be created in the form of a limited company to implement the Project. The initial shares of the SPV would be held by our Company and HSIIDC. HSIIDC would facilitate with the Government of Haryana to notify the Project Land as “SEZ Zone” under the provisions of Haryana SEZ Act, 2005.

The SPV is required to arrange and procure the Project Land at its cost. In the event the SPV is unable to acquire the Project Land, it shall approach the Haryana Government to acquire the land for the project. The JV envisages that not more than 25% of the Project Land would be acquired by the Government of Haryana.

Shareholding: The SPV would be incorporated with an initial authorized share capital of Rs. 500,000 and the agreed shareholding pattern would be 90% in favour of our Company and the remaining 10% in favour of HSIIDC.

Management: On incorporation of the SPV, it would have 3 directors, one director to be nominated by HSIIDC and two directors to be nominated by our Company. Our Company would have the right to appoint the chairman and the managing director of the SPV.

HSIIDC would be entitled to a 10% of share capital as consideration towards value added services provided to the SPV in the implementation of the project and the token initial subscription of 5,000 shares of the SPV will not form part of the sweat equity.

The JVs envisages the following:

- Initial public offering of the SPV not to take place at a date later than 3 years unless otherwise agreed between our Company and HSIIDC from the date of the JVs and the final shareholding of HSIIDC after the initial public offering of the SPV not to be less than 10% of the SPV;
- Our Company to pay for subscription of shares in favour of HSIIDC in the event of sweat equity shares not being allotted to HSIIDC;
- The SPV may offer further shares to other shareholders whether through an initial public offering or not, provided that such shareholders would be bound by the terms of the JVs and sign a deed of adherence to the shareholders' agreement, if any;
- The equity holding of the Company in the SPV can not fall below 51% or the Company can not become a minority shareholder in the SPV;
- The other shareholders of the SPV, except our Company and HSIIDC, can sell shares of SPV held by them to our Company or its group companies. In the event our Company or its group companies refuses HSIIDC would have the right of first refusal. This would be subject to the total shareholding of HSIIDC in the SPV to not increase beyond 26% of the total share capital of the SPV.

Lock in Provision: In the event of the initial public offering of the SPV, our Company would contribute the shares held by it to be locked for a period of 3 years and shares held by HSIIDC would be locked only for a period on one year, as per the provisions of SEBI Guidelines.

HSIIDC has the right to sell the shares held by it in the SPV before or after the initial public offering and in such case our Company or its group would have the first right to purchase such shares at the current market price/fair price and in case our Company refuses to purchase the shares then HSIIDC would have the right to offer such shares to the public through an offer for sale in an initial public offering;

Termination: The JVs can be terminated by mutual consent of both the parties or by providing 120 days notice specifying the material breach of the JVs and the other party not rectifying such breach.

Memorandum of Cooperation with Fraport AG Frankfurt Airport Services Worldwide

We have signed a memorandum of cooperation on April 23, 2007, with Fraport AG Frankfurt Airport Services Worldwide ("**Fraport**") to establish a special purpose vehicle ("DLF Fraport SPV") for the purposes of focusing on the development and management of certain airport projects in India. The shareholding of each of the parties in DLF Fraport SPV shall be mutually agreed such that each of parties shall hold not less than 26% in the ultimate management company. We along with Fraport have identified and agreed to jointly explore and undertake initially the following

projects on an exclusive basis i.e. (i) bid for Chennai airport, (ii) design, construction, development, operation, and management of the following greenfield airport projects such as (a) South Gujarat; (b) dedicated general aviation airport in Delhi.

Memorandum of Understanding with United Kingdom Sciences Park Association

In March 2007 we signed a memorandum of understanding with United Kingdom Sciences Park Association to explore opportunities to jointly develop biotechnology parks in India.

Our Subsidiaries

We have 79 subsidiaries, brief details of which are set forth below.

DLF Akruti Info Parks (Pune) Limited

DLF Akruti Info Parks (Pune) Limited was incorporated on October 1, 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 Parks (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 April 30, 2007

Shareholder	No. of shares	%
DLF Limited	101837	66.99
Akruti Nirman Limited and Vyomesh Shah	24975	16.43
Akruti Nirman Limited and Hemant M. Shah	24975	16.43
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 April 30, 2007

The board of directors of DLF Akruti Info Parks (Pune) Limited comprises Mr. Hemant M. Shah, Mr. Vyomesh Shah, Mr. Y.K. Tyagi and Mr. T.C. Goyal.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data) March 31, 2006	March 31, 2007
Sales and other income	-	-	0.03	0.02
Profit/Loss after tax	-	-0.02	0.01	-0.01
Equity capital (par value Rs.10 per share)	-	0.2	0.2	0.2
Earnings per share (Rs.)	-	-1.5	0.6	-1.3
Book value per equity share (Rs.)	-	7.1	9.4	8.2

Reserves & Surplus	-	-0.02	0.01	-0.03
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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 9th Floor, 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 April 30, 2007

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 April 30, 2007

The board of directors of DLF Commercial Developers Limited comprises Mr. A.S. Minocha, Mr. Ramesh Sanka, Mr. R.S. Kachru, Mr. Anil Kumar Gupta, Mr. K. Swarup and Mr. B. Bhushan Deora.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	76.03	84.1	523.5	1,461.9
Profit/Loss after tax	14.2	15.0	176.6	796.7
Equity capital (par value Rs. 10 per share)	4.0	0.4	0.4	0.4
Earnings per share (Rs.)	358.1	375.4	4,409.3	19,917.3
Book value per equity share (Rs.)	626.1	1,002.1	5,411.4	25,325.7
Reserves & Surplus	24.7	39.7	216.1	1,012.6

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, Aravali 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 April 30, 2007

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

Shareholder	No. of shares	%
S.K. Gupta and DLF Limited	1	0.00
DLF Limited	496929	99.99

Directors as on April 30, 2007

The board of directors of Nilgiri Cultivations Private Limited comprises Mr. Sanjay Goenka, Mr. Gopal Ram Dev and Mr. Ramesh Sanka.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	9.6	5.3	3.5	4.5
Profit/Loss after tax	0.02	0.2	0.5	1.1
Equity capital (par value Rs. 10 per share)	4.97	0.5	0.5	0.5
Earnings per share (Rs.)	-9.3	3.2	9.3	23.4
Book value per equity share (Rs.)	271.6	274.8	284.1	307.5
Reserves & Surplus	13.0	13.2	13.6	14.8

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 April 30, 2007

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 April 30, 2007

The board of directors of Paliwal Developers Limited comprises Mr. A.P. Garg, Mr. Gopal Ramdev and Mr. K.K. Vohra.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	0.00	0.0	38.9	32.9
Profit/Loss after tax	-0.0	-	13.7	13.8
Equity capital (par value Rs. 10 per share)	0.1	0.01	0.01	0.01
Earnings per share (Rs.)	-5.4	-0.03	13,711.7	13,801.2

	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Book value per equity share (Rs.)	43.7	47.7	13,760.4	27,521.6
Reserves & Surplus	-0.0	-0.0	13.7	27.5

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 April 30, 2007

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 4,000- 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 April 30, 2007

The board of directors of Beverly Park Maintenance Services Limited comprises Mr. Sanjay Goenka, Mr. Vikas Jewallikar and Mr. Gopal Ramdev.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	0.0	0.0	0.0	0.1
Profit/Loss after tax	-0.0	-0.6	-2.6	-0.2
Equity capital (par value Rs. 10 per share)	0.09	0.01	0.01	0.01
Earnings per share (Rs.)	-1.3	-667.3	-2,848.3	-267.7
Book value per equity share (Rs.)	7.3	-660.0	-3,506.9	-3,774.6
Reserves & Surplus	-0.0	-0.6	-3.2	-3.4

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 April 30, 2007

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 April 30, 2007

The board of directors of DLF Services Limited comprises Mr. S.K. Dheri, Ms. Kajal Aijaz Ilmi, Mr. Rajiv Sekhri, Mr. Ramesh Sanka, Mr. S.K. Gupta, Mr. Ajay Khanna and Mr.Y.K. Tyagi.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31,2007
Sales and other income	8.9	11.7	63.8	101.2
Profit/Loss after tax	-3.6	-1.1	1.8	12.6
Equity capital (par value Rs. 10 per share)	50	5.0	7.8	7.8
Earnings per share (Rs.)	-7.2	-2.2	2.3	16.1
Book value per equity share (Rs.)	-0.3	-2.6	19.9	35.8
Reserves & Surplus	-5.2	-6.3	7.7	20.1

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 April 30, 2007

Shareholder	No. of shares	%
DLF Retail Developers Limited	9994	99.94
S.K. Gupta and DLF Retail Developers Limited	1	0.01
A.P. Garg and DLF Retail Developers Limited	1	0.01
Sanjay Goenka and DLF Retail Developers Limited	1	0.01
Manik Khanna and DLF Retail Developers Limited	1	0.01
Adesh Gupta and DLF Retail Developers Limited	1	0.01
Y.N. Sharma and DLF Retail Developers Limited	1	0.01

Directors as on April 30, 2007

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. crore except per share data)

	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	-	-	
Profit/Loss after tax	-	-	-0.2	-1.2
Equity capital (par value Rs. 10 per share)	-	-	0.01	0.01
Earnings per share (Rs.)	-	-	-242.2	-1,193.3
Book value per equity share (Rs.)	-	-	-232.2	-1,425.5
Reserves & Surplus			-0.2	-1.4

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, 9th Floor, Sansad Marg, New Delhi 110 001. It is engaged in business of development, operation and maintenance of golf courses and resorts.

Shareholders as on April 30, 2007

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 April 30, 2007

The board of directors of DLF Golf Resorts Limited comprises Mr. A.S. Minocha, Mr. Praveen Kumar and Mr. J.K. Chandra.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	0.1	0.2	0.2	0.4
Profit/Loss after tax	0.09	0.1	0.1	0.1
Equity capital (par value Rs. 10 per share)	4.0	0.4	0.4	0.4
Earnings per share (Rs.)	2.2	2.5	2.7	3.5
Book value per equity share (Rs.)	21.4	23.9	26.5	30.0
Reserves & Surplus	0.4	0.6	0.7	0.8

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 April 30, 2007

Shareholder	No. of shares	%
DLF Commercial Developers Limited	3749994	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

In addition, Shivajimarg Properties Limited has issued 48,000,000 0.01% non convertible, non cumulative redeemable preference shares of Rs. 100 each to LB India Holding Mauritius II Limited.

Directors as on April 30, 2007

The board of directors of Shivajimarg Properties Limited comprises Mr. Ramesh Sanka, Mr. K Swarup, Mr. Jaykrishna Subrahmanian, Mr. Mukesh Dham and Mr. Deepak Banerjee.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data) March 31, 2006	March 31, 2007
Sales and other income	-	0.02	-	2.1
Profit/Loss after tax	-0.0	0.01	-0.0	-5.0
Equity capital (par value Rs. 10 per share)	0.5	0.5	0.5	0.5
Earnings per share (Rs.)	-0.5	2.7	-0.8	-13.3
Book value per equity share (Rs.)	9.5	12.2	11.4	-3.3
Reserves & Surplus	-0.0	0.01	0.01	-5.0

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, Haryana – 122 002. It is engaged in the business of developing I.T. Parks.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49,994	99.98
A.S. Minocha and DLF Commercial Developers Limited	1	0.00
S.S.Chawla 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 April 30, 2007

The board of directors of DLF Info City Developers (Chennai) Limited comprises Mr. A.S. Minocha, Mr. Jaykrishna Subrahmanian and Mr. T.V.Ganesan.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	-	551.1
Profit/Loss after tax	-	-	-1.2	382.2
Equity capital (par value Rs. 10 per share)	-	-	0.1	0.1
Earnings per share (Rs.)	-	-	-245.5	76,438.9
Book value per equity share (Rs.)	-	-	-235.5	76,203.3
Reserves & Surplus			-1.2	381.0

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, Haryana, - 122 002. It is engaged in the business of developing I.T. parks.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49,994	99.98
A.S. Minocha and DLF Commercial Developers Limited	1	0.00
S.S.Chawla 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 April 30, 2007

The board of directors of DLF Info City Developers (Hyderabad) Limited comprises Mr. A.S.Minocha, Mr. Jaykrishna Subrahmanian and Mr. T.V. Ganesan.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.02	-0.01
Equity capital (par value Rs. 10 per share)	-	-	0.1	0.1
Earnings per share (Rs.)	-	-	-4.5	-1.4
Book value per equity share (Rs.)	-	-	5.5	4.1
Reserves & Surplus			-0.02	-0.03

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, Haryana, - 122 002. It is engaged in the business of developing I.T. Parks.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49,994	99.98
A.S. Minocha and DLF Commercial Developers Limited	1	0.00
S.S.Chawla 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 April 30, 2007

The board of directors of DLF Info City Developers (Bangalore) Limited comprises Mr. A.S. Minocha, Mr. Jaykrishna Subrahmanian and Mr.T.V.Ganesan.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.1	-0.01
Equity capital (par value Rs. 10 per share)	-	-	0.1	0.1
Earnings per share (Rs.)	-	-	-10.3	-1.5
Book value per equity share (Rs.)	-	-	-0.3	-1.9
Reserves & Surplus	-	-	-0.1	-0.1

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 April 30, 2007

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

Shareholder	No. of shares	%
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 April 30, 2007

The board of directors of Bhoruka Financial Services Limited comprises Mr. Yogesh Verma, Mr. Jaykrishna Subrahmanian and Mr. Girdhir Mamidi.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	1.8	5.1	6.0	-
Profit/Loss after tax	1.4	4.7	4.9	-1.8
Equity capital (par value Rs. 10 per share)	2.01	0.2	0.2	0.2
Earnings per share (Rs.)	70.6	231.4	243.5	-87.4
Book value per equity share (Rs.)	326.7	557.0	800.5	713.1
Reserves & Surplus	6.4	11.0	15.9	14.2

G K S Housing Limited

G K S 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 April 30, 2007

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 April 30, 2007

The board of directors of G K S Housing Limited comprises Mr. Yogesh Verma, Mr. Jaykrishna Subrahmanian and Mr. T.V.Ganesan.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-0.01	10.9	0.0	-
Profit/Loss after tax	-0.01	0.3	-0.1	-0.1
Equity capital (par value Rs. 10 per share)	0.5	0.1	0.1	0.1
Earnings per share (Rs.)	-2.1	54.6	-13.3	-17.2
Book value per equity share (Rs.)	7.4	62.1	48.9	31.7
Reserves & Surplus	-0.04	0.3	0.2	0.1

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 April 30, 2007

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 April 30, 2007

The board of directors of Roadtech Constructions Private Limited comprises Mr. Yogesh Verma, Mr. Jaykrishna Subrahmanian and Mr. T.V.Ganesan.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	0.09	0.0	5.4	0.3
Profit/Loss after tax	-0.07	-0.0	4.2	0.2
Equity capital (par value Rs. 100 per share)	7.4	0.7	0.7	0.7
Earnings per share (Rs.)	-8.9	-0.4	567.6	21.5
Book value per equity share (Rs.)	-186.9	186.5	754.1	775.6
Reserves & Surplus	0.6	0.6	4.8	5.0

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, Haryana, 122 002. It is engaged in the business of designing, building, acquiring, maintaining and running hospitals and healthcare facilities.

Shareholders as on April 30, 2007

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 April 30, 2007

The board of directors of NewGen MedWorld Hospitals Limited comprises Mr. Yogesh Verma, Mr. Praveen Kumar and Mr. Alok Malhotra .

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-0.01	-0.0	-0.3
Equity capital (par value Rs. 10 per share)	-	0.1	0.1	0.1
Earnings per share (Rs.)	-	-2.5	-0.2	-59.5
Book value per equity share (Rs.)	-	28.5	-13.6	-52.2
Reserves & Surplus	-	-0.01	-0.01	-0.3

DLF Home Developers Limited

DLF Home Developers Limited was incorporated originally on December 29, 1995 as 'Uppal Hotels Private Limited' and became a deemed public company with effect from May 5, 2000 as per endorsement by the office of the Registrar of Companies dated July 13, 2000. 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' by virtue of fresh certificate of incorporation received from the Registrar of Companies, NCT of Delhi & Haryana, 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 April 30, 2007

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 April 30, 2007

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	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	0.00	0.0	57.2	93.0
Profit/Loss after tax	-0.03	0.0	8.2	-13.3
Equity capital (par value Rs. 10 per share)	24.9	2.5	2.5	2.5
Earnings per share (Rs.)	-0.1	-0.1	32.7	-53.4
Book value per equity share (Rs.)	15.5	15.4	48.1	-5.3
Reserves & Surplus	1.4	1.3	9.5	1.4

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 April 30, 2007

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
Kalyan Ghosh and DLF Retail Developers Limited	1	0.01
Soma Agarwal 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

Directors as on April 30, 2007

The board of directors of Amishi Builders & Developers Private Limited comprises Mr. Agam Gupta, Mr. S.K. Gupta, and Mr. Manjit Singh.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.1	-0.5
Equity capital (par value Rs. 10 per share)	-	-	0.01	0.01
Earnings per share (Rs.)	-	-	-58.5	-519.1
Book value per equity share (Rs.)	-	-	-48.5	-567.6
Reserves & Surplus	-	-	-0.1	-0.6

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 April 30, 2007

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 April 30, 2007

The board of directors of Jawala Real Estate Private Limited comprises Mr. Sanjay Goenka, Mr. Y.N. Sharma, Mr. A.P. Garg and Mr. Rakesh Kumar Sharma.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	0.00	1.9
Profit/Loss after tax	-	-	-0.7	1.3
Equity capital (par value Rs. 10 per share)	-	-	0.01	0.01
Earnings per share (Rs.)	-	-	-729.8	1,315.6
Book value per equity share (Rs.)	-	-	-719.8	595.8
Reserves & Surplus	-	-	-0.7	0.6

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, Maharashtra 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 April 30, 2007

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 April 30, 2007

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. crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	53.8	43.1	140.3	80.2
Profit/Loss after tax	-2.2	-2.4	33.2	-17.8
Equity capital (par value Rs. 10 per share)	10.0	1.0	1.0	1.0
Earnings per share (Rs.)	128.2	121.3	344.2	-177.7
Book value per equity share (Rs.)	301.2	277.2	608.9	431.2
Reserves & Surplus	29.1	26.7	59.9	42.1

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 cybercity and all related service and allied activities relating thereto.

Shareholders as on April 30, 2007

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 April 30, 2007

The board of directors of DLF Info City Developers (Noida) Limited comprises Mr. Mukesh Dham, Mr. Deepak Banerjee and Mr. Y.K. Tyagi.

Financial performance

	(Rs. crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.0	-0.1
Equity capital (par value Rs. 10 per share)	-	-	0.1	0.1
Earnings per share (Rs.)	-	-	-4.6	-22.9
Book value per equity share (Rs.)	-	-	5.4	-17.5
Reserves & Surplus	-	-	-0.0	-0.1

Dalmia Promoters And Developers Private Limited

Dalmia Promoters And Developers Private Limited was incorporated on February 24, 1989 and has its registered office at 1-E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi 110 055. It is engaged in the business of acquisition, purchase, lease, hire of immovable properties.

Shareholders as on April 30, 2007

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 April 30, 2007

The board of directors of Dalmia Promoters And Developers Private Limited comprises Mr. T.C. Goyal, Mr. Hari Haran, Mr. Ramesh Sanka and Mr. Mukesh Dham.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	0.03	0.0	0.0	0.0
Profit/Loss after tax	0.07	-0.0	-0.0	-0.5
Equity capital (par value Rs. 10 per share)	1.0	1.0	1.0	1.0
Earnings per share (Rs.)	0.7	-0.3	-0.1	-47.9
Book value per equity share (Rs.)	-713.8	-687.6	-687.7	-735.6
Reserves & Surplus	-6.97	-7.0	-7.0	-7.5

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, Naaz Cinema Complex, New Delhi 110 055. It is engaged in the business of acquisition and development of real estate development.

Shareholders as on April 30, 2007

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 April 30, 2007

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 crore except per share data)

	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	0.05	0.1	0.4	0.5
Profit/Loss after tax	-0.0	-0.0	0.2	0.3
Equity capital (par value Rs. 10 per share)	9.6	1.0	1.0	1.0
Earnings per share (Rs.)	-0.04	-0.2	2.5	3.3
Book value per equity share (Rs.)	0.8	0.7	3.2	6.5
Reserves & Surplus	-0.9	-0.9	-0.7	-0.3

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 development of real estate.

Shareholders as on April 30, 2007

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 April 30, 2007

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

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	0.001	0.0	0.0	0.0
Profit/Loss after tax	-0.0	-0.0	0.0	0.0
Equity capital (par value Rs.10 per share)	0.09	0.01	0.01	0.01
Earnings per share (Rs.)	-1.3	-1.5	1.4	1.4
Book value per equity share (Rs.)	8.4	6.9	8.3	9.7
Reserves and Surplus	-0.0	-0.0	-0.0	-0.0

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 April 30, 2007

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 April 30, 2007

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 crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	0.1	-	-
Profit/Loss after tax	-0.0	0.1	-0.9	-0.0
Equity capital (par value Rs. 10 per share)	.1	0.01	0.01	0.01
Earnings per share (Rs.)	-0.2	138.9	-862.0	-1.8
Book value per equity share (Rs.)	8.8	145.6	-716.4	-718.2
Reserves & Surplus	-0.0	0.1	-0.7	-0.7

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 April 30, 2007

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 April 30, 2007

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. crore except per share data)

	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	-	0.02	0.9
Profit/Loss after tax	-	-0.0	0.0	0.01
Equity capital (par value Rs. 10 per share)	-	0.01	0.1	0.1
Earnings per share (Rs.)	-	-5.9	0.1	2.9
Book value per equity share (Rs.)	-	0.8	8.9	11.8
Reserves & Surplus		-0.01	-0.01	0.01

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 April 30, 2007

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 April 30, 2007

The board of directors of Solid Buildcon Private Limited comprises Mr. Nilesh Ramjiyani, Mr. Ankur Jain and Mr. S.C. Ansal.

Financial performance

(Rs. crore except per share data)

	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.02	-0.9
Equity capital (par value Rs. 10 per share)	-	-	0.05	0.05
Earnings per share (Rs.)	-	-	-4.3	-174.1
Book value per equity share (Rs.)	-	-	5.7	-168.4
Reserves & Surplus			-0.02	-0.9

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 real estate development activities.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Home Developers Limited	9994	99.94
Vijay Kumar Gupta and DLF Home Developers Limited	1	0.01
Joydeep Dasgupta and DLF Home Developers Limited	1	0.01
Rajib Kumar Routray and DLF Home Developers Limited	1	0.01
Neeraj Aggarwal and DLF Home Developers Limited	1	0.01

Shareholder	No. of shares	%
A.P. Pandey and DLF Home Developers Limited	1	0.01
Rajesh Bhatia and DLF Home Developers Limited	1	0.01

Directors as on April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

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 122 002. It is engaged in the business of generation, storage, supply and otherwise dealing with power.

Shareholders as on April 30, 2007

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 April 30, 2007

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

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	115.01	106.5	111.4	110.2
Profit/Loss after tax	6.4	6.7	6.3	6.0
Equity capital (par value Rs.10 per share)	693.2	69.3	69.3	69.3
Earnings per share (Rs.)	0.9	1.0	0.9	0.9
Book value per equity share (Rs.)	20.7	21.7	22.6	23.5
Reserves & Surplus	74.4	81.2	87.5	93.5

DLF Phase IV Commercial Developers Limited

DLF Phase IV Commercial Developers Limited was incorporated on August 1, 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 April 30, 2007

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 April 30, 2007

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

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31,2007
Sales and other income	-	0.02	0.03	0.02
Profit/Loss after tax	-0.0	0.01	0.02	0.02
Equity capital (par value Rs.10 per share)	4.0	0.4	0.4	0.4
Earnings per share (Rs.)	-0.03	0.3	0.4	0.4
Book value per equity share (Rs.)	9.6	9.9	10.3	10.7
Reserves & Surplus	-0.01	-0.0	0.01	0.03

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 April 30, 2007

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 April 30, 2007

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 Singh.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	0.1	-
Profit/Loss after tax	-0.0	-0.0	0.0	-0.0
Equity capital (par value Rs.10 per share)	0.07	0.01	0.01	0.01
Earnings per share (Rs.)	-0.8	-2.7	6.4	-2.1
Book value per equity share (Rs.)	0.5	-2.2	4.4	2.3
Reserves & Surplus	-0.01	-0.01	-0.0	-0.01

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 April 30, 2007

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 April 30, 2007

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

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	0.1	-
Profit/Loss after tax	-0.0	-0.0	0.0	-0.0
Equity capital (par value Rs.10 per share)	2.4	0.2	0.2	0.2
Earnings per share (Rs.)	-0.07	-0.1	0.2	-0.1
Book value per equity share (Rs.)	23.3	23.2	23.6	23.3
Reserves & Surplus	0.3	0.3	0.3	0.3

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 April 30, 2007

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 April 30, 2007

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

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	4.1	2.72	3.02	7.84
Profit/Loss after tax	-0.07	-0.0	-0.31	-6.92
Equity capital (par value Rs.10 per share)	0.05	0.01	0.01	0.01
Earnings per share (Rs.)	-143.2	-7.66	-609.36	-13,567.18
Book value per equity share (Rs.)	3505.3	3,497.84	2,888.48	-10,906.29
Reserves & Surplus	1.7	1.74	1.42	-5.57

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 April 1, 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 122 002. It is engaged in the business of acquisition and development of real estate.

Shareholders as on April 30, 2007

A) Equity Share Capital

Shareholder	No. of shares	%
Nilgiri Cultivations Private Limited	19994	99.97
Raj Arora and Nilgiri Cultivations Private Limited	1	0.00
A.P. Garg and Nilgiri Cultivations Private Limited	1	0.00
Sandeep Datta and Nilgiri Cultivations Private Limited	1	0.00
S.K. Gupta and Nilgiri Cultivations Private Limited	1	0.00
Y.N. Sharma and Nilgiri Cultivations Private Limited	1	0.00
Sanjay Goenka and Nilgiri Cultivations Private Limited	1	0.00

B) Preference Share Capital

Preference Shareholder	No. of shares	%
Nilgiri Cultivations Private Limited	35000	100.00

Directors as on April 30, 2007

The board of directors of Nilayam Builders & Developers Limited comprises Mr. A.P. Garg, Mr. Adesh Gupta, Mr. Praveen Kumar, Mr. Satish Mann, Mr. Umang Mann and Mrs. Shanta.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	0.2	0.0	0.1	0.1
Profit/Loss after tax	0.2	0.03	0.05	0.1
Equity capital (par value Rs.10 per share)	0.2	0.02	0.02	0.02
Earnings per share (Rs.)	98.01	14.6	24.1	26.1
Book value per equity share (Rs.)	129.5	144.1	168.2	194.3
Reserves & Surplus	0.2	0.3	0.3	0.4

DLF Housing And Construction Limited

DLF Housing And Construction Limited was incorporated on January 2, 1981. DLF Housing And Construction Limited originally had its registered office at DLF Centre, Sansad Marg, New Delhi 110 001 and with effect from April 1, 2002, the registered office shifted to 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 April 30, 2007

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

Shareholder	No. of shares	%
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 April 30, 2007

The board of directors of DLF Housing And Construction Limited comprises Mr. K.K. Vohra, Mr. Hari Haran, Mr. Adesh Gupta and Mr. S. Prakash.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	19.9	4.5	2.1	1.9
Profit/Loss after tax	1.08	0.3	0.3	0.6
Equity capital (par value Rs.10 per share)	0.3	0.3	0.3	0.3
Earnings per share (Rs.)	394.99	102.5	107.2	224.8
Book value per equity share (Rs.)	1827.5	1,921.8	2,029.03	2,253.8
Reserves & Surplus	4.9	5.2	5.5	6.1

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 April 30, 2007

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 April 30, 2007

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. crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.2	-8.4
Equity capital (par value Rs.10 per share)	-	-	0.01	0.01
Earnings per share (Rs.)	-	-	-176.9	-8,360.6
Book value per equity share (Rs.)	-	-	-166.9	-8,527.5
Reserves & Surplus			-0.2	-8.5

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 April 30, 2007

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 April 30, 2007

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. crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.0	-0.1
Equity capital (par value Rs.10 per share)	-	-	0.1	0.1
Earnings per share (Rs.)	-	-	-1.0	-27.4
Book value per equity share (Rs.)	-	-	9.0	18.4
Reserves & Surplus			-0.01	-0.1

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 real estate development activities.

Shareholders as on April 30, 2007

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 April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

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 real estate development activities.

Shareholders as on April 30, 2007

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 April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

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 real estate development activities.

Shareholders as on April 30, 2007

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 April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

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 real estate development activities.

Shareholders as on April 30, 2007

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 April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

Carmen Builders & Constructions Private Limited

Carmen Builders & Constructions Private Limited was incorporated on March 9, 2006 and has its registered office at 1E, Jhandewalan Extension, New Delhi 110 055 with effect from April 11, 2007. It is engaged in real estate development activities.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Retail Developers Limited	4000	0.18
DLF Home Developers Limited	2,252,600	99.69
DLF Estate Developers Limited	3000	0.13

In addition, Carmen Builders & Constructions Private Limited has issued 45750000- 0.01% non-cumulative and non - convertible redeemable preference shares of Rs 100 each to LB India Holdings Mauritius II Limited.

Directors as on April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

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 April 30, 2007

Shareholder	No. of shares	%
DLF Hotel Holdings Limited	49994	99.99
Sanjay Goenka & DLF Hotel Holdings Ltd	1	0.002
S.K. Gupta & DLF Hotel Holdings Ltd	1	0.002
A.P. Garg & DLF Hotel Holdings Ltd	1	0.002
Gopal Ramdev & DLF Hotel Holdings Ltd	1	0.002
Y.N. Sharma & DLF Hotel Holdings Ltd	1	0.002
Adesh Gupta & DLF Hotel Holdings Ltd	1	0.002

Directors as on April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

Delanco Home and Resorts Private Limited

Delanco Home and 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 April 30, 2007

Shareholder	No. of shares	%
Annabel Builders & Developers Private Limited	9500	95
Carmen Builders & Constructions Private Limited	500	5

Directors as on April 30, 2007

The board of directors of Delanco Home and Resorts Private Limited comprises Mr. Surojit Basak, Ms. Poonam Madan

and Mr. V.K. Gupta.

Financial performance

Delanco Home and Resorts Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

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 April 30, 2007

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 April 30, 2007

The board of directors of Isabel Builders & Developers Private Limited comprises Mr. Lovekush Sharma, Mr. Nilesh Ramjiyani, Mr. Joydeep Dasgupta and Mr. Mohit Gujral.

Financial performance

Isabel Builders & Developers Private Limited has completed its first accounting year, however the accounts have not yet been compiled.

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 April 30, 2007

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 April 30, 2007

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 completed its first accounting year, however the accounts have not yet been

compiled.

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 April 30, 2007

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 April 30, 2007

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 completed its first accounting year, however the accounts have not yet been compiled.

DLF Hotel Holdings Limited

DLF Hotel Holdings Limited was incorporated on August 31, 2006 and has its registered office at 9th Floor, DLF Centre, Sansad Marg, New Delhi 110 001. It is engaged in owning/holding/operating/managing/marketing/to franchise hotels, service apartments, brand management, project co-ordination, revenue management pertaining to hotels, restaurants, café, tourist resorts, holiday camps, guest house etc.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Limited	49994	99.98
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
Y.N. Sharma and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
Gopal Ram Dev and DLF Limited	1	0.00

Directors as on April 30, 2007

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 completed its first accounting year, however the accounts have not yet been compiled.

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 development of real estate.

Shareholders as on April 30, 2007

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 April 30, 2007

The board of directors of Galleria Property Management Services Private Limited comprises Mr. Adesh Gupta and Mr. Sanjay Goenka.

Financial performance

	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
			(Rs. crore except per share data)	
Sales and other income	0.0	0.0	40.9	31.1
Profit/Loss after tax	-0.02	-0.2	0.2	1.3
Equity capital (par value Rs.10 per share)	0.01	0.01	0.01	0.01
Earnings per share (Rs.)	-22.98	-167.6	269.0	1,474.5
Book value per equity share (Rs.)	-12.99	-181.6	88.4	1,562.9
Reserves and Surplus	-0.02	-0.2	0.1	1.4

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 April 30, 2007

Shareholder	No. of shares	%
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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 April 30, 2007

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***(Rs. crore except per share data)**

	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-0.01	-0.0	-0.0
Equity capital (par value Rs. 10 per share)	-	0.0	0.1	0.1
Earnings per share (Rs.)	-	-5.9	-0.1	-0.1
Book value per equity share (Rs.)	-	4.1	8.7	8.6
Reserves and Surplus		-0.01	-0.01	-0.01

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 development of real estate.

Shareholders as on April 30, 2007

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 April 30, 2007

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***(Rs. crore except per share data)**

	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	0.0	0.0	-	0.0
Profit/Loss after tax	-0.0	-0.3	-1.9	-0.4
Equity capital (par value Rs.10 per share)	0.01	0.01	0.01	0.01
Earnings per share (Rs.)	-1.4	-317.8	-2,083.9	-640.9
Book value per equity share (Rs.)	7.07	-310.7	-2,393.1	-3,034.0
Reserves and Surplus	-0.0	-0.3	-2.2	-2.7

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 April 30, 2007

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 April 30, 2007

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 crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	0.05	0.1	-	0.01
Profit/Loss after tax	0.04	0.1	-0.9	0.0
Equity capital (par value Rs. 10 per share)	0.04	0.04	0.04	0.04
Earnings per share (Rs.)	10.2	35.9	-234.9	0.7
Book value per equity share (Rs.)	16.8	52.7	-182.3	-179.8
Reserves & Surplus	0.04	0.2	-0.8	-0.8

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 April 30, 2007

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

Shareholder	No. of shares	%
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 April 30, 2007

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 crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	0.05	0.1	-	-
Profit/Loss after tax	0.04	0.1	-0.9	0.0
Equity capital (par value Rs. 10 per share)	0.04	0.04	0.04	0.04
Earnings per share (Rs.)	10.2	32.4	-217.2	-2.9
Book value per equity share (Rs.)	16.8	50.0	-166.3	-169.2
Reserves & Surplus	0.04	0.2	-0.7	-0.7

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 April 30, 2007

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 April 30, 2007

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 crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	0.05	0.1	-	0.01
Profit/Loss after tax	0.04	0.1	-0.9	-0.0
Equity capital (par value Rs. 10 per share)	0.04	0.04	0.04	0.04
Earnings per share (Rs.)	10.2	32.0	-217.9	-0.9
Book value per equity share (Rs.)	16.8	49.7	-167.3	-168.2
Reserves & Surplus	0.04	0.2	-0.7	-0.7

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 April 30, 2007

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 April 30, 2007

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 crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	0.1	-	0.0
Profit/Loss after tax	-	0.1	-0.9	0.0
Equity capital (par value Rs. 10 per share)	0.01	0.01	0.01	0.01
Earnings per share (Rs.)	-0.2	135.8	-861.3	0.1
Book value per equity share (Rs.)	8.8	145.6	-715.7	-715.6
Reserves & Surplus	-	0.1	-0.7	-0.7

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 April 30, 2007

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 April 30, 2007

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 crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	0.1	0.0	0.0
Profit/Loss after tax	-	0.1	-0.9	0.0
Equity capital (par value Rs. 10 per share)	0.01	0.01	0.01	0.01
Earnings per share (Rs.)	-0.2	135.8	-861.3	0.6
Book value per equity share (Rs.)	8.8	145.6	-715.7	-715.1
Reserves & Surplus	-	0.1	-0.7	-0.7

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 April 30, 2007

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 April 30, 2007

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 crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	0.1	0.0	-
Profit/Loss after tax	-	0.1	-0.9	-0.0
Equity capital (par value Rs. 10 per share)	-	0.01	0.01	0.01
Earnings per share (Rs.)	-	136.0	-861.4	-1.8
Book value per equity share (Rs.)	-	146.0	-715.4	-717.2
Reserves & Surplus	-	0.1	-0.7	-0.7

DLF Universal Limited (Formerly known as Dominga Builders and Constructions Limited)

DLF Universal Limited was originally incorporated as Dominga Builders and Constructions Private Limited on March 10, 2006 and subsequently converted into a public limited company on December 11, 2006. The fresh certificate of incorporation pursuant to change of name from Dominga Builders and Constructions Limited to DLF Universal Limited was granted by the Registrar of Companies, NCT of Delhi & Haryana on April 16, 2007. The registered office of the DLF Universal Limited is situated at P-39, Basement, NDSE, Part II, New Delhi-110 049. It is engaged in real estate development business.

Shareholders as on April 30, 2007

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 April 30, 2007

The board of directors of the DLF Universal Limited comprises Mr. Puneet Rakheja, Mr. Rajendra Gupta and Mr. S.K. Sharma.

Financial performance

DLF Universal Limited has completed its first accounting year; however the accounts have not yet been compiled.

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 April 30, 2007

Shareholder	No. of shares	%
DLF Retail Developers Limited	9994	99.94

Shareholder	No. of shares	%
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 April 30, 2007

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 completed its first accounting year; however the accounts have not yet been compiled.

Pat Infrastructures Private Limited

Pat Infrastructures Private Limited was incorporated on July 12, 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 April 30, 2007

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 April 30, 2007

The board of directors of Pat Infrastructures Private Limited comprises Mr. Joy Saxena, Mr K.P. Singh Kukreja and Mr. Bhupesh Gupta.

Financial performance

Pat Infrastructures Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

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 real estate development activities.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
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DLF Retail Developers Limited	4000	40
DLF Home Developers Limited	3000	30
DLF Estate Developers Limited	3000	30

Directors as on April 30, 2007

The board of directors of Annabel Builders & Developers Private Limited comprises Mr. Sunil Pandey, Mr. Ankur Jain and Mr. Joydeep Dasgupta.

Financial performance

Annabel Builders & Developers Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

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, Haryana - 122 002. It is engaged in the business of developing, setting up and maintenance of cyber city, technology parks & software parks.

Shareholders as on April 30, 2007

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 Estate 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 April 30, 2007

The board of directors of DLF Cyber City Developers Limited comprises Mr. Ramesh Sanka, Mr S.K. Gupta, Mr Sanjay Goenka, Mr. A.S. Minocha and Mr. Y.K. Tyagi.

Financial performance

	(Rs. crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	-	-	5.6	652.8
Profit/Loss after tax	-	-	1.3	394.6
Equity capital (par value Rs. 10 per share)	-	-	0.5	0.5
Earnings per share (Rs.)	-	-	26.8	7,892.7
Book value per equity share (Rs.)	-	-	36.8	7,929.5
Reserves & Surplus	-	-	1.3	396.0

Catherine Builders & Developers Private Limited

Catherine 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. Catherine Builders & Developers Private Limited is engaged in the business of real estate.

Shareholders as on April 30, 2007

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

Directors as on April 30, 2007

The board of directors of Catherine Builders & Developers Private Limited comprises Mr. Nilesh Ramjiyani, Mr. Ankur Jain and Mr. Puneet Rakheja.

Financial performance

Catherine Builders & Developers Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

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 April 30, 2007

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 April 30, 2007

The board of directors of Eila Builders & Developers Private Limited comprises Mr. Atul Goyal, Mr. Manjit Singh and Mr. Agam Gupta.

Financial performance

	(Rs. crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.0	-3.8
Equity capital (par value Rs. 10 per share)	-	-	0.01	0.01
Earnings per share (Rs.)	-	-	-0.9	-3,765.5
Book value per equity share (Rs.)	-	-	9.1	-3,756.3
Reserves & Surplus			-0.0	-3.8

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 April 30, 2007

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 April 30, 2007

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. crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	-	-	-	3.8
Profit/Loss after tax	-	-	-0.1	0.3
Equity capital (par value Rs. 10 per share)	-	-	0.01	0.01
Earnings per share (Rs.)	-	-	-58.5	345.4
Book value per equity share (Rs.)	-	-	-48.5	288.6
Reserves & Surplus			-0.1	0.3

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 April 30, 2007

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 April 30, 2007

The Board of directors of Anjuli Builders & Developers Private Limited comprises Mr. Agam Gupta, Mr. Manik Khanna and Mr. Y.N. Sharma.

Financial performance

	March 31, 2004	March 31, 2005	(Rs. crore except per share data)	
			March 31, 2006	March 31, 2007
Sales and other income	-	-	-	-
Profit/Loss after tax	-	-	-0.03	-0.7
Equity capital (par value Rs.10 per share)	-	-	0.01	0.01
Earnings per share (Rs.)	-	-	-32.7	-713.5
Book value per equity share (Rs.)	-	-	-22.7	-736.2
Reserves & Surplus			0.03	0.7

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, its 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 the state of NCT of Delhi to the state of Haryana. The Hon'ble Company Law Board has confirmed the change in the situation of the registered office from NCT of Delhi to the state of Haryana vide its order dated January 19, 2007. Subsequently the board of directors has shifted the registered office to its current address i.e 10th floor, Gateway Tower, DLF City, Phase-III Gurgaon, Haryana 122 002 w.e.f. February 6, 2007. Galaxy Mercantiles Limited is engaged in the business of contractors for construction of roads, buildings, houses, hotels etc.

Shareholders as on April 30, 2007

A) Equity Shares

Shareholder	No. of shares	%
Deluxe Investments Pvt. Ltd.	825	2.43
Eastern India Power & Mining Co. Ltd.	10	0.03
IST Limited	10	0.03
Antique Investment Co. Ltd.	10	0.03

Shareholder	No. of shares	%
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 & Mining 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 April 30, 2007

The Board of directors of Galaxy Mercantiles Limited comprises Mr. S.S. Chawla, Mr. Jaykrishna Subrahmanian, Mr. Y.K. Tyagi, Mr. Nirmal Singh, Mr. S.C. Jain, and Mr. N. M. Kakrania.

Financial performance

	(Rs. in crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	-	0.1	0.1
Profit/Loss after tax	-	-0.0	-0.3	0.03
Equity capital (par value Rs. 10 per share)	0.1	0.1	0.1	0.3
Earnings per share (Rs.)	-	-	-207.4	8.2
Book value per equity share (Rs.)	32.98	329.0	104.2	115.4
Reserve & Surplus		-	0.02	0.1

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 April 30, 2007

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

Shareholder	No. of shares	%
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 April 30, 2007

The Board of directors of Paliwal Real Estate Private Limited comprises Mr. A. P. Garg, Mr. K.K. Vohra Mr. Gopal Ramdev and Mr.S.K.Sharma.

Financial performance

	(Rs. in crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31,2007
Sales and other income	-	0.0	0.0	0.02
Profit/Loss after tax	-0.01	-0.0	0.01	0.01
Equity capital (par value Rs. 10 per share)	0.01	0.5	0.5	1.0
Earnings per share (Rs.)	-5.4	-0.8	0.1	0.2
Book value per equity share (Rs.)	3.7	22.3	22.4	9.9
Reserves & Surplus	-0.01	-0.02	-0.02	-0.01

DLF New Gurgaon Retail Developers Private Limited (Formerly known as Lacey Builders & Constructions Private Limited)

DLF New Gurgaon Retail Developers Private Limited was originally incorporated on March 13, 2006 as Lacey Builders & Constructions Private Limited. and subsequently changed its name to DLF New Gurgaon Retail Developers Private Limited. The fresh certificate of incorporation pursuant to change of name was granted by the Registrar of Companies, Delhi on March 31, 2007. It has its registered office at P – 39, Basement, N.D.S.E., Part II, New Delhi 110 049. DLF New Gurgaon Retail Developers Private Limited is engaged in the business of acquisition and development of real estate.

Shareholders as on April 30, 2007

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 April 30, 2007

The Board of directors of DLF New Gurgaon Retail Developers Private Limited comprises Mr. Krishan Parkash Jhamb, Ms. Inderjeet K. Sidhu and Ms. Poonam Madan.

Financial performance

DLF New Gurgaon Retail Developers Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

Udipti Estate Developers Limited

Udipti Estate Developers Limited was originally incorporated as Udipti Estate Developers Private Limited on March 10, 2006. Subsequently, it converted from a private limited company to a public company with effect from April 3, 2007. It 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 April 30, 2007

Shareholder	No. of shares	%
DLF Commercial Developers Limited	49994	99.99
S.S.Chawla and DLF Commercial Developers Limited	1	0.00
Nitin Kaul and DLF Commercial Developers Limited	1	0.00
Alok Malhotra and DLF Commercial Developers Limited	1	0.00
Poonam Dhingra and DLF Commercial Developers Limited	1	0.00
Sanjeeb Kumar Subudhi and DLF Commercial Developers Limited	1	0.00
Debaraj Mishra and DLF Commercial Developers Limited	1	0.00

Directors as on April 30, 2007

The Board of directors of Udipti Estate Developers Limited comprises Mr. Rajendra Gupta, Mr. Lovekush Sharma, Mr. Y.K.Tyagi and Mr. Sandeep Kumar Shaw.

Financial performance

Udipti Estate Developers Limited has completed its first accounting year; however the accounts have not yet been compiled.

Caressa Builders & Constructions Private Limited

Caressa Builders & Constructions Private Limited was incorporated on March 10, 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 April 30, 2007

Shareholder	No. of shares	%
DLF Limited	59994	99.99
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
Gopal Ramdev and DLF Limited	1	0.00
Adesh Gupta and DLF Limited	1	0.00
Raj Arora and DLF Limited	1	0.00

Directors as on April 30, 2007

The Board of directors of Caressa Builders & Constructions Private Limited comprises Mr. Rajendra Gupta, Mr. Narinder Duggal and Mr. S.K.Tyagi.

Financial performance

Caressa Builders & Constructions Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

Ganesar Ginning Company Private Limited

Ganesar Ginning Company Private Limited was incorporated on February 19, 1935. The registered office of Ganesar Ginning Company Private Limited is situated at 55 Avarampalayam Road, K.R.Puram, Coimbatore 641 006, Tamilnadu. Prior to it becoming our subsidiary, it was engaged in the business of ginning, decorating, expelling or manufacturing or dealing in cotton, ground-nuts or other varieties of seeds or other fibrous substances.

Shareholders as on April 30, 2007

Shareholder	No of Shares	%
DLF Retail Developers Ltd	1464	97.60
Joy Saxena and DLF Retail Developers Ltd	10	0.66
Atul Goyal and DLF Retail Developers Ltd	10	0.66
Dr. R. Ramkumar and DLF Retail Developers Ltd	10	0.66
N. Ramakrishnan and DLF Retail Developers Ltd	2	0.13
A. Balasubaramanian and DLF Retail Developers Ltd	2	0.14
Neeraj Jain and DLF Retail Developers Ltd.	2	0.13

Directors as on April 30, 2007

The Board of directors of Ganesar Ginning Co. Pvt. Ltd comprises Dr. R. Ramkumar, Mr. Joy Saxena and Mr. Atul Goyal.

Financial performance

	(Rs. in crore except per share data)			
	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Sales and other income	-	-	-	0.0
Profit/Loss after tax	-0.01	-0.1	-0.03	-0.02
Equity capital (par value Rs. 10 per share)		0.02	0.02	0.02
Earnings per share (Rs.)	-	-	-213.3	-122.5
Book value per equity share (Rs.)		-	-1,242.8	-1,365.3
Reserves & Surplus	-0.08	-0.2	-0.2	-0.2

Lennox Builders & Developers Private Limited

Lennox Builders & Developers Private Limited was incorporated on March 28, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in real estate development activities.

Shareholders as on April 30, 2007

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 April 30, 2007

The Board of directors of Lennox Builders & Developers Private Limited comprises Mr. Ajay Gauri, Mr. Prem Kumar Vadhera and Mr. Vijay Kumar Gupta.

Financial performance

Lennox Builders & Developers Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

Kanan Real Estates Private Limited

Kanan 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 real estate development activities.

Shareholders as on April 30, 2007

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 April 30, 2007

The Board of directors of Kanan Real Estates Private Limited comprises Mr. Krishan Parkash Jhamb and Ms. Madhu Gambhir

Financial performance

Kanan Real Estates Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

Dankuni World City Private Limited (Formerly known as Brisa Builders and Developers Private Limited)

Dankuni World City Private Limited was originally incorporated as Brisa Builders and Developers Private Limited on March 14, 2006. The fresh certificate of incorporation pursuant to change of name to Dankuni World City Pvt. Ltd was granted by the Registrar of Companies, Delhi on March 31, 2007. Dankuni World City Pvt. Ltd is also proposing to covert into a public limited company. It has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in real estate development activities and development of townships.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
Sanjay Goenka and DLF Limited	1	00.00
S.K.Gupta and DLF Limited	1	00.00
Adesh Gupta and DLF Limited	1	00.00
A.P.Garg and DLF Limited	1	00.00
Gopal Ramdev and DLF Limited	1	00.00
Raj Arora and DLF Limited	1	00.00
DLF Limited	49994	99.99

Directors as on April 30, 2007

The board of directors of Dankuni World City Private Limited comprises Mr. Narinder Duggal, Mr. Satish Kumar Tyagi, Mr. Surendra Kumar Sharma, Mr. Sudhir Sahgal and Mr. Yogesh Verma.

Financial performance

Dankuni World City Pvt. Ltd' has completed its first accounting year; however the accounts have not yet been compiled.

Bhubaneswar I.T.Park Developers Private Limited (Formerly known as Camila Builders & Constructions Private Limited)

Bhubaneswar I.T.Park Developers Private Limited was originally incorporated as Camila Builders & Constructions Private Limited on March 10, 2006. The fresh certificate of incorporation pursuant to change of name to Bhubaneswar I.T. Park Developers Private Limited was granted by the Registrar of Companies, Delhi on March 31, 2007. The Company is proposing to convert itself into a public limited company. It has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in real estate development activities and development of I.T. Parks.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
Sanjay Goenka 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
Gopal Ramdev and DLF Limited	1	0.00
Raj Arora and DLF Limited	1	0.00
DLF Limited	49994	99.99

Directors as on April 30, 2007

The board of directors of Bhubaneswar I.T.Park Developers Private Limited comprises Mr. Narinder Duggal, Mr. Ankur Jain, Mr. Surendra Kumar Sharma and Mr. Yogesh Verma.

Financial performance

Bhubaneswar I.T.Park Developers Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

Bedelia Builders & Constructions Private Limited

Bedelia Builders & Constructions 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 real estate development activities.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Hotel Holdings Limited	9994	99.94
Sanjay Goenka and DLF Hotel Holdings Limited	1	0.01
S.K.Gupta and DLF Hotel Holdings Limited	1	0.01
A.P.Garg and DLF Hotel Holdings Limited	1	0.01
Y.N.Sharma and DLF Hotel Holdings Limited	1	0.01

Shareholder	No. of shares	%
Adesh Gupta and DLF Hotel Holdings Limited	1	0.01
Gopal Ram Dev and DLF Hotel Holdings Limited	1	0.01

Directors as on April 30, 2007

The board of directors of Bedelia Builders & Constructions Private Limited comprises Mr. Arun Kumar Bhagat, Mr. Vipin Jindal and Mr. Rajesh Kumar Bhatia.

Financial performance

Bedelia Builders & Constructions Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

Samali Builders & Developers Private Limited

Samali Builders & Developers Private Limited was incorporated on March 28, 2006 and has its registered office at P-39, Basement, NDSE Part II, New Delhi 110 049. It is engaged in real estate development activities.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
DLF Home Developers Limited	9994	99.94
Rajib Kumar Routray and DLF Home Developers Limited	1	0.01
Neeraj Kumar Aggarwal and DLF Home Developers Limited	1	0.01
Surinder Kumar Bhatia and DLF Home Developers Limited	1	0.01
Prathama Pallabita Misra and DLF Home Developers Limited	1	0.01
A. P. Pandey and DLF Home Developers Limited	1	0.01
Deepak Khanna and DLF Home Developers Limited	1	0.01

Directors as on April 30, 2007

The Board of directors of Samali Builders & Developers Private Limited comprises Mr. Rajendra Kumar Raheja, Mr. Prem Kumar Vadhera and Mr. Joydeep Dasgupta.

Financial performance

Samali Builders & Developers Private Limited has completed its first accounting year; however the accounts have not yet been compiled.

DLF Land Limited

DLF Land Limited was incorporated on January 22, 2007 and has its registered office at Shopping Mall, 3rd Floor, Arjun Marg, DLF City Phase I, Gurgaon (Haryana) India 122 002. It is engaged in real estate development activities.

Shareholders as on April 30, 2007

Shareholder	No. of shares	%
Caressa Builders & Constructions Private Limited	49994	99.99
Mr. A.P Garg and Caressa Builders & Constructions Private Limited	01	00.00
Mr. S. K Gupta and Caressa Builders & Constructions Private Limited	01	00.00
Mr. Adesh Gupta and Caressa Builders & Constructions Private Limited	01	00.00

Shareholder	No. of shares	%
Mr. Gopal Ramdev and Caressa Builders & Constructions Private Limited	01	00.00
Mr. Sanjay Goenka and Caressa Builders & Constructions Private Limited	01	00.00
Mrs. Raj Arora and Caressa Builders & Constructions Private Limited	01	00.00

Directors as on April 30, 2007

The Board of directors of DLF Land Limited comprises Mr. Praveen Kumar, Mr. S.K Gupta and Mr. K Swarup.

Financial performance

DLF Land Limited has completed its first accounting year; however the accounts have not yet been compiled.

Details of the Promoter group entities.

For details pertaining to the Promoter group entities, please refer to “Our Promoters and Promoter Group” on page 203.

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 Takeover Code 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 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 34,26,024 debentures were issued for the applications received during the specified time period. Subsequently, and as of date our Company has received 519 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. Further, on March 13, 2007, 1,955 debentures were allotted with attendant benefits. Upon conversion of such 1,955 debentures and issuance of bonus shares, an aggregate of 782,000 Equity Shares were issued on March 13, 2007. Further, on May 18, 2007, 1,029 debentures were allotted with attendant benefits. Upon conversion of such 1,029 debentures and the issuance of bonus shares, an aggregate of 411,600 Equity Shares were issued on May 18, 2007.

For details regarding these complaints, see “Capital Structure – Notes to the Capital Structure – Note 23” and “Outstanding Litigation and Material Developments – Against our Company – Complaints Against our Company” on pages 40 and 398, respectively.

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 "Our Management" on page 109.

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 "Our Promoters" on page 203.
- b) Mr. Rajiv Singh: As given above under "Our Promoters" on page 203.
- c) Panchsheel Investment Company: As given below under "Our Promoters" on page 203.

- 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 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 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 Act on 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 April 30, 2007 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 21,896 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Ordinary "A" Capital	1.10	1.10	1.10
Ordinary "B" Capital*	27.00	27.00	27.00
Reserves (excluding revaluation reserves)	155.15	120.52	86.59
Income	37.14	36.82	35.00
Profit After Tax	34.63	33.92	32.56
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 "Our Promoters" on page 203.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	157.32	128.74	101.79
Income	29.77	28.03	28.06
Profit After Tax	28.57	26.96	26.96
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 the RHP or proposed to be acquired by our Company.

Payment of benefits to our Promoters during the last two years

Except as stated in “Financial Statements - Related Party Disclosures” on page 283, there has been no payment of benefits to our Promoters during the last two years from the date of filing of the RHP.

Related Party Transactions

For details of the related party transactions, see “Financial Statements – Related Party Disclosures” on page 283.

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 have been submitted to the Stock Exchanges at the time of filing the RHP 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 as disclosed in “History and Certain Corporate Matters” and “Risk Factors” on pages 132 and xiv, 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. Caraf Builders & Constructions Private Limited
20. Centre Point Property Management Services Private Limited
21. Cian Builders & Developers Private Limited
22. Digital Talkies Private Limited
23. DLF Assets Private Limited
24. DLF Investments Private Limited
25. Excel Housing Construction Private Limited
26. Glaze Builders & Developers Private Limited
27. Haryana Electrical Udyog Private Limited
28. Herminda Builders & Developers Private Limited
29. Hitech Property Developers Private Limited
30. Jhandewalan Ancillaries And Investments Private Limited
31. Kohinoor Real Estates Company
32. Lyndale Holdings Private Limited
33. Maaji Properties And Development Company
34. Macknion Estates Private Limited
35. Madhukar Housing And Development Company
36. Madhur Housing & Development Company
37. Magna Real Estate Developers Private Limited
38. Mallika Housing Company
39. Megha Estates Private Limited
40. Nachiketa Real Estates Private Limited
41. Northern India Theatres Private Limited
42. Panchvati Estates Private Limited
43. Parvati Estates Private Limited
44. Prem Traders & Investments Private Limited
45. Pushpak Builders And Developers Private Limited
46. Pushpavali Builders & Developers Private Limited
47. Raisina Agencies & Investments Private Limited
48. Rajdhani Investments & Agencies Private Limited
49. Renkon Agencies Private Limited
50. Sagarika Real Estate Developers Private Limited
51. Sambhav Housing And Development Company
52. Sanidhya Constructions Private Limited
53. Savitri Studs & Farming Company Private Limited
54. Solace Housing And Construction Private Limited
55. Sukh Sansar Housing Private Limited
56. Sukomal Builders & Developers Private Limited
57. Sulekha Builders & Developers Private Limited
58. Super Mart One Property Management Services Private Limited

59. Super Mart Two Property Management Services Private Limited
60. Trinity Housing And Construction Company
61. Udyan Housing And Development Company
62. Ultima Real Estate Developers Private Limited
63. Universal Management & Sales Private Limited
64. Upeksha Real Estate Developers Private Limited
65. Uplift Real Estate Developers Private Limited
66. Urva Real Estate Developers Private Limited
67. Uttam Builders And Developers Private Limited
68. Uttam Real Estates Company
69. Vishal Foods And Investments Private Limited
70. 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 the RHP.

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 April 30, 2007 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in Lac, unless otherwise stated)	
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 February 28, 2007, 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in Lac, unless otherwise stated)

	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 February 28, 2007, 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	5,000	50

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
	Limited		
	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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal, 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 situated at Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase I, Gurgaon-122 002, Haryana. The shareholders of the company by their resolution in the EGM dated January 25, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.19	0.19	0.19
Reserves (excluding revaluation reserves)	1,791.44	560.85	126.01
Income	1,231.48	435.12	21.79
Profit After Tax	1,230.59	434.84	21.73
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 on April 30, 2007 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 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.04	0.04	0.04
Reserves (excluding revaluation reserves)	0.08	0.05	0.01
Income	0.20	0.20	0.19
Profit After Tax	0.03	0.04	0.02
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	3.66	3.66	3.66
Reserves (excluding revaluation reserves)	0.11	0.05	-
Income	0.21	0.21	0.20
Profit After Tax	0.06	0.05	0.01
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 April 30, 2007 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

The company has completed its first accounting year; however the accounts have not yet been compiled.

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 shareholders of the company by their resolution in the EGM dated January 25, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	76.63	76.63	1.63
Equity "A" Capital*	0.05	-	-
Reserves (excluding revaluation reserves)	6.28	4.46	5.71
Income	3.39	1.41	2.20
Profit After Tax	1.82	-1.25	4.10
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 shareholders of the company by their resolution in the EGM dated January 25, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	2.00	2.00	2.00
Equity "A" Capital*	1.00		
Reserves (excluding revaluation reserves)	7,364.09	5,263.77	3,622.45
Income	2,101.11	1,641.84	1,794.27
Profit After Tax	2,100.32	1,641.31	1,793.87
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 April 30, 2007 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

The company has completed its first accounting year; however the accounts have not yet been compiled.

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 April 30, 2007 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
	Rajdhani Investments & Agencies Private Limited	500	50.00

Rajdhani Investments & Agencies Private Panchsheel Investment Company Limited	500 230	50.00 23.00
Equity Shares of Rs. 100 each		

* 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	26.55	24.28	22.15
Income	2.98	2.92	4.96
Profit After Tax	2.26	2.13	4.12
Earnings per share (In Rs.)	226.15	213.33	412.29
Book value per share (In Rs.)	2,755	2,528	2,315

Caraf Builders & Constructions Private Limited

The company was incorporated as a private limited company under the Companies Act on March 31, 2006. The registered office of the company is situated at P-39, Basement, NDSE, Part-II, New Delhi 110 049. By a board resolution dated February 22, 2007 it was proposed to change the name of the company to DLF Assets India Private Limited. The registrar of companies approved the name "DLF Assets India Private Limited" on March 21, 2007. The company is engaged in the business of real estate development.

The shares of the company are not listed on any stock exchange. The shareholding pattern of the company as on April 30, 2007 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
	Panchsheel Investment Company *	4,000	40
	Sidhant Housing and Development Company *	3,000	30
	Vishal Foods and Investments Private Limited	3,000	30

* a private company with unlimited liability.

On February 12, 2007 DLF Retail Developers Limited transferred 4,000 shares to Panchsheel Investment Company, DLF Estate Developers Ltd transferred 3,000 shares to Sidhant Housing & Development Company and DLF Home Developers Ltd transferred 3,000 shares to Vishal Foods & Investment (P) Ltd. Other than the foregoing 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. Ajay Gauri, Mr. Parkash Chaturvedi and Mr. Rajendra Kumar Raheja

Financial Performance

The company has completed its first accounting year; however the accounts have not yet been compiled.

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 shareholders of the company by their resolution in the EGM dated January 29, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	2.00	2.00	2.00
Equity "A" Capital*	1.00	-	-
Reserves (excluding revaluation reserves)	2,684.03	1,997.98	1,331.03
Income	686.84	667.50	748.71
Profit After Tax	686.05	666.95	748.32
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
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* 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 April 30, 2007 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 February 28, 2007, 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 Bhartia, Mr. Suhel Seth, Ms. 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	7.86	7.86	7.86
Reserves (excluding revaluation reserves)	-129.00	-125.84	-122.35
Income	0	0.06	15.90
Profit/(Loss) After Tax	-3.16	-3.49	-65.48
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 April 30, 2007 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
	Madhur Housing and Development Company	3,000	30
	Panchsheel Investment Company	2,100	21

Except for transfer of 3,000 shares from Mallika Housing Company to Madhur Housing & Development with effect from January 16, 2007 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. 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 April

30, 2007 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	500	50.00
	Private Limited		

* 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	54.88	51.34	48.30
Income	4.20	4.05	6.16
Profit After Tax	3.54	3.04	4.66
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.36	0.36	0.36
Ordinary Capital	3.24	3.24	3.24
Reserves (excluding revaluation reserves)	0.21	0.15	0.09
Income	0.21	0.21	0.20
Profit After Tax	0.07	0.06	0.02
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 April 30, 2007 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in Lac, unless otherwise stated)

	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	14.78	13.75	13.01
Income	1.45	1.40	3.77
Profit After Tax	1.03	0.74	3.01
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 April 30, 2007 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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	3.60	3.60	3.60
Reserves (excluding revaluation reserves)	1.86	1.80	1.75
Income	0.20	0.20	0.19
Profit After Tax	0.06	0.05	0.01
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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.31	0.31	0.31
Reserves (excluding revaluation reserves)	39.20	34.71	30.56
Income	5.03	4.97	5.64
Profit After Tax	4.48	4.15	4.58
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Ordinary Capital#	20.20	20.20	20.20
Ordinary "A" Capital	0.15	0.15	0.15
Reserves (excluding revaluation reserves)	39.83	31.88	24.50
Income	8.50	8.11	9.76
Profit After Tax	7.95	7.38	8.91
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	16,216.48

#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 company has changed its registered office from DLF Centre, Sansad Marg, New Delhi 110 001 to 1-E, Jhandewalan Extension, New Delhi 110 055 with effect from January 31, 2007. 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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	18.50	18.50	8.50
Reserves (excluding revaluation reserves)	-4.56	4.24	-4.14
Income	0.48	0.58	0.44
Profit/(Loss) After Tax	-0.31	-0.10	0.00
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	19.65	19.65	12.65
Reserves (excluding revaluation reserves)	-5.81	-5.88	-6.00
Income	0.46	0.58	0.43
Profit After Tax	0.08	0.12	0.13
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 company has changed its registered office from DLF Centre, Sansad Marg, New Delhi 110 001 to 1-E, Jhandewalan Extension, New Delhi 110 055 with effect from January 31, 2007. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	9.65	9.65	1.65
Reserves (excluding revaluation reserves)	2.87	2.82	1.93
Income	17.47	17.77	16.99
Profit/(Loss) After Tax	0.05	0.89	2.93
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 April 30, 2007 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.26
Income	-
Profit(Loss) After Tax	-0.26
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 April 30, 2007 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
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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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.02	0.02	0.02
Reserves (excluding revaluation reserves)	0.12	0.06	0.00
Income	0.20	0.20	0.19
Profit After Tax	0.07	0.06	0.02
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 April 30, 2007 is as under: -

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital
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			(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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Ordinary Capital [#]	10.20	10.20	10.20
Ordinary "A" Capital	0.30	0.30	0.30
Ordinary "B" Capital ^{##}	7.00	7.00	7.00
Reserves (excluding revaluation reserves)	38.54	30.61	23.24
Income	8.48	8.10	9.14
Profit After Tax	7.93	7.37	8.30
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"/Ordinary "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" /Ordinary 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 April 30, 2007 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
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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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Ordinary Capital [#]	10.20	10.20	10.20
Ordinary "A" Capital	0.15	0.15	0.15
Ordinary "B" Capital ^{##}	7.00	7.00	7.00
Reserves (excluding revaluation reserves)	38.91	31.00	23.65
Income	8.49	8.10	9.37
Profit After Tax	7.91	7.35	8.52
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"/Ordinary "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" /Ordinary 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 company has changed its registered office from DLF Centre, Sansad Marg, New Delhi 110 001 to 1-E, Jhandewalan Extension, New Delhi 110 055 with effect from February 1, 2007. 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 February 28, 2007, is as follows:

Class of shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
	Y N. Sharma & Diwakar Estates Limited	1	0.00#

Class of shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
	Y N. Sharma & Diwakar Estates Limited		
	Manick K Datta & 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 Holdings 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	51.00	51.00	1.00
Equity "A" Capital*	0.05		
Reserves (excluding revaluation reserves)	-0.12	-1.25	-
Income	2.54	1002	0.06
Profit After Tax	1.12	-1.25	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 April 30, 2007 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 lac 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
	Maaji Properties And Development Company*	3
Equity A-II Shares of Rs. 30 lac each	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 <u>Limited</u>	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. 100 each	Realest Builders and Services Private Limited	113,000
	DLF Commercial Developers Limited	12,000
10% Non-Cumulative Redeemable Preference Shares of Rs. 100 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 Lac, unless otherwise stated)	
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	282.70	282.70	282.70
Equity A-I Capital *	123.00	-	-
Equity A-II Capital *	58.50	-	-
Reserves (excluding revaluation reserves)	-44.86	-23.46	-15.33**
Income	17.57	14.42	21.07
Profit/(Loss) After Tax	-21.40	-8.72	-4.23
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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	-7.30	-6.32	-5.26
Income	-	-	-
Profit/(Loss) After Tax	-0.98	-1.06	-0.65
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Ordinary Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	47.33	39.57	32.42
Income	8.66	8.09	8.78
Profit After Tax	7.77	7.15	7.81
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 shareholders of the company by their resolution in the EGM dated January 30, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, (unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.19	0.19	0.19
Reserves (excluding revaluation reserves)	1,787.07	556.46	121.61
Income	1,231.48	435.12	18.33
Profit After Tax	1,230.61	434.85	18.38
Earnings per share (In Rs.)	65,457.84	23,130.35	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 April 30, 2007 is as under:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approximated)
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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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	3.60	3.60	360
Reserves (excluding revaluation reserves)	0.23	0.17	0.13
Income	0.20	0.20	0.19
Profit After Tax	0.06	0.05	0.01
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 shareholders of the company by their resolution in the EGM dated January 29, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.20	0.20	0.20
Equity "A" Capital*	0.05	-	-
Reserves (excluding revaluation reserves)	428.02	282.06	115.30
Income	146.38	166.88	12.08
Profit After Tax	145.96	166.76	12.10
Earnings per equity share (In Rs.)	7,298.00	8,338.00	605.00
Book value per equity share (In Rs.)	21,411.00	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 shareholders of the company by their resolution in the EGM dated January 29, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.20	0.20	0.20
Equity "A" Capital*	0.05	-	-
Reserves (excluding revaluation reserves)	445.59	293.70	121.38
Income	152.27	172.45	18.00
Profit After Tax	151.89	172.32	17.98
Earnings per equity share (In Rs.)	7,595.00	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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	51.24	45.39	40.24
Income	6.59	6.01	6.88
Profit After Tax	5.85	5.15	5.75
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	31.38	27.55	24.16
Income	4.39	4.14	6.43
Profit After Tax	3.83	3.39	5.30
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.50	0.50	0.50
Equity "A" Capital	15.22	15.22	15.22
Reserves (excluding revaluation reserves)	42.30	41.89	41.84
Income	0.93	0.80	3.40
Profit After Tax	0.42	0.05	-17.25
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 February 28, 2007, is as follows:

Class of Shares	Name of Shareholder	Number of	% of Equity Capital
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		Shares	(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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in Lac, unless otherwise stated)

	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.05	0.05	0.05
Reserves (excluding revaluation reserves)	0.12	0.05	-0.01
Income	0.20	0.20	0.19
Profit After Tax	0.07	0.06	0.02
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 February 28, 2007, 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
Earnings per share (in Rs.)	-2.08

Savitri Studs & Farming Company Private Limited

The company was incorporated as a private limited company under the Companies Act on August 31, 1981. The company has changed its registered office from DLF Centre, Sansad Marg, New Delhi 110 001 to 1-E, Jhandewalan Extension, New Delhi 110 055 with effect from January 31, 2007. 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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	9.00	9.00	1.00
Reserves (excluding revaluation reserves)	26.53	32.30	34.01
Income	1.05	1.13	2.28
Profit/(Loss) After Tax	-5.77	-1.71	-0.15
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	3.91	3.91	3.91
Reserves (excluding revaluation reserves)	0.39	0.32	0.27
Income	0.20	0.20	0.19
Profit After Tax	0.06	0.05	0.02
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	3.60	3.60	3.60

Reserves (excluding revaluation reserves)	0.26	0.20	0.14
Income	0.20	0.20	0.19
Profit After Tax	0.06	0.06	0.02
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 February 28, 2007, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (approx.)
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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 February 28, 2007, 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 shareholders of the company by their resolution in the EGM dated January 30, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	104.00	104.00	4.00
Equity "A" Capital*	0.05	-	-
Reserves (excluding revaluation reserves)	0.98	0.25	-
Income	4.65	1.92	-
Profit After Tax	0.73	0.25	-
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 shareholders of the company by their resolution in the EGM dated January 30, 2007 have approved the shifting of the registered office of the company. 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 April 30, 2007 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:

	(Rs. in Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	2.00	2.00	2.00
Equity "A" Capital*	1.00		
Reserves (excluding revaluation reserves)	2,963.36	2,249.71	1,560.44
Income	714.44	689.78	778.84
Profit After Tax	713.65	689.27	778.42
Earnings per equity share (In Rs.)	3,568.00	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 April 30, 2007 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:

	(Rs. in Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.02	0.02	0.02
Reserves (excluding revaluation reserves)	1.44	1.38	1.32
Income	0.20	0.20	0.19
Profit After Tax	0.06	0.06	0.02
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.05	0.05	0.05
Reserves (excluding revaluation reserves)	0.13	0.07	0.01
Income	0.20	0.20	0.20

Profit After Tax	0.07	0.06	0.02
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 April 30, 2007 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 February 28, 2007, is as follows:

Class of Shares	Name of Shareholder	Number of Shares	% of Equity Capital (appr.)
Equity Shares of Rs. 10 each	Panchsheel Investment 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 February 28, 2007, 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in Lac, unless otherwise stated)

	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.21
Income	Nil
Profit/(Loss) After Tax	-0.21
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 February 28, 2007, 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

(Rs. in Lac, unless otherwise stated)

	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.22
Income	Nil
Profit/(Loss) After Tax	-0.22
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	3.60	3.12	2.72
Income	0.63	0.60	1.54
Profit After Tax	0.48	0.40	1.36
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 April 30, 2007 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 Lac, unless otherwise stated)		
	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	3.60	3.60	3.60
Reserves (excluding revaluation reserves)	1.73	1.67	1.62
Income	0.20	0.20	0.19
Profit After Tax	0.06	0.05	0.01
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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	0.11	0.11	0.11
Reserves (excluding revaluation reserves)	0.62	0.60	0.54
Income	0.20	0.20	0.19
Profit After Tax	0.03	0.06	0.02
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 April 30, 2007 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 Lac, unless otherwise stated)

	Fiscal 2006	Fiscal 2005	Fiscal 2004
Equity Capital	1.50	1.50	1.50
Reserves (excluding revaluation reserves)	90.70	88.83	82.82
Income	7.33	6.99	9.58
Profit/(Loss) After Tax	1.87	6.00	-9.68
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 April 30, 2007 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 accounts for the year ended March 31, 2007 have not yet been compiled. The financial results of the company for the year ended March 31, 2006 are set forth below:

	(Rs. in Lac, unless otherwise stated)
	Fiscal 2006
Equity Capital	1.00
Reserves (excluding revaluation reserves)	-0.09
Income	0.16
Profit/(Loss) After Tax	-0.09
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 Builders & 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

Public/Rights Issue

None of our Promoter group companies have made public or rights issue in the preceding three years.

Sick Company

None of our Promoter group companies have become sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up.

Conflict of Interest

Most of the Promoter group companies are engaged in the business of real estate development. The Promoters, 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 “Financial Statements – Related Party Disclosures” on page 283.

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 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
Face value of equity shares (Rs. per share)	Nil	2	10	10	10
Dividend (Rs. in crore)	Nil	1.6	1.4	1.4	1.4
Dividend Tax (Rs. in crore)	Nil	0.2	0.2	0.2	0.2
Dividend per equity share (Rs.)	Nil	0.80	4.00	4.00	4.00
Dividend Rate (%)	Nil	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 “Financial Indebtedness” on page 92.

FINANCIAL STATEMENTS

The financial statements, including notes to the accounts, significant accounting policies and the qualifications as given in the Auditor's report are set forth below.

DLF LIMITED - STATEMENT OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED, FOR THE YEARS ENDED MARCH 31, 2007, 2006, 2005, 2004, 2003 AND 2002

Auditors' report as required by Part II of Schedule II of the Companies Act, 1956

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 Red Herring Prospectus (the 'RHP'). This financial information has been prepared by the 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 Public Offering ('PO') 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 issued by the Institute of Chartered Accountants of India ('ICAI'); and
- iv) The terms of our letter of engagement with the Company requesting us to carry out work in connection with the Offer Document being issued by the Company in connection with its PO 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 March 31, 2007, 2006, 2005, 2004, 2003 and 2002 (Annexure I) and the attached 'Summary Statement of Profits and Losses, As Restated' (Annexure II) for the years ended March 31, 2007, 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 at and for the years ended March 31, 2007, 2006, 2005, 2004, 2003 and 2002. Based on our examination of these restated 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 March 31, 2007, 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 to which they relate as described in the Notes forming part of the Restated Summary Statements given in Annexure XXIV, to this report.

B. Other Financial Information:

We have examined the following financial information in respect of the years ended March 31, 2007, 2006, 2005, 2004, 2003, and 2002 of the Company, proposed to be included in the RHP, 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) Capitalization 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 years ended March 31, 2007, 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 and 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
May 20, 2007

ANNEXURE I: SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
A. Fixed assets						
Gross block	365.7	108.9	98.8	83.6	43.8	46.9
Less: Accumulated depreciation	37.0	29.2	26.8	26.7	25.4	26.2
Net block	328.7	79.7	72.0	56.9	18.4	20.7
Capital work in progress	665.0	456.7	406.6	2.4	.2	-
	993.7	536.4	478.6	59.3	18.6	20.7
B. Investments	769.2	1,397.3	173.8	177.3	167.4	159.3
C. Current Assets, loans and advances						
Stocks	4,310.3	493.8	386.5	779.7	432.1	248.3
Sundry debtors	173.8	26.6	3.5	105.5	54.5	35.9
Cash and bank balances	179.5	127.0	22.0	10.7	4.5	1.6
Other current assets	4.9	3.7	1.8	4.9	8.7	15.2
Loans and advances	4,803.0	2,459.0	962.1	499.5	170.0	280.5
	9,471.5	3,110.1	1,375.9	1,400.3	669.8	581.5
D. Liabilities and provisions						
Secured loans	6,242.8	3,010.9	630.2	557.9	13.8	36.0
Unsecured loans	526.5	3.0	3.0	3.2	8.6	10.1
Current liabilities and provisions	3,381.2	1,375.2	803.5	517.2	290.4	252.8
	10,150.5	4,389.1	1,436.7	1,078.3	312.8	298.9
E. Deferred tax liability (net)	20.6	7.1	73.7	85.0	90.7	72.3
Net worth (A+B+C-D-E)	1,063.3	647.6	517.9	473.6	452.3	390.3
Represented by:						
F. Share capital	305.9	37.8	3.5	3.5	3.5	3.5
G. Reserves	757.4	609.8	514.4	470.1	448.8	386.8
Net worth (F+G)	1,063.3	647.6	517.9	473.6	452.3	390.3

ANNEXURE - II: SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED

Rs. in Crores

Particulars	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Income						
Sales and other income	1,429.5	1,145.0	479.8	495.8	285.8	349.5
Total income	1,429.5	1,145.0	479.8	495.8	285.8	349.5
Expenditure						
Cost of revenue	246.4	580.2	259.3	371.5	189.9	245.0
Establishment expenses	28.1	16.8	33.3	21.4	15.7	14.2
Finance charges	356.3	146.1	33.1	9.4	5.4	20.0
Other expenses	152.0	50.1	53.8	42.7	34.7	28.8
Depreciation	9.4	3.9	3.4	2.7	2.5	4.3
Total expenditure	792.2	797.1	382.9	447.7	248.2	312.3
Net Profit before tax	637.3	347.9	96.9	48.1	37.6	37.2
Fringe benefit tax	4.7	0.5	-	-	-	-
Current tax	200.0	120.0	29.4	12.0	12.2	5.1
Deferred tax	14.8	0.0	-0.2	0.6	-0.9	-1.3
Net profit	417.8	227.4	67.7	35.5	26.3	33.4
Adjustments on account of:						
Adoption of Percentage of Completion Method of Accounting (See note 1 (a) and (b) of Annexure XXIV)						
Constructed properties	-	-185.1	-36.9	-14.1	56.9	28.7
Plots	-4.9	-11.5	4.3	-4.6	1.7	15.1
Retirement benefits	0.0	-0.2	-0.2	-0.1	-0.1	-0.3
Unclaimed balances	-	-	-	-	-	-0.2
Prior period items	-	-	-	-	-	-0.4
Income tax- earlier years	-	-0.7	-	-	-0.5	5.0
Tax impact of adjustments	1.7	66.2	11.0	6.3	-19.7	-14.6
Total	-3.2	-131.3	-21.8	-12.5	38.3	33.3
Adjusted profit after tax	414.6	96.1	45.9	23.0	64.6	66.7

ANNEXURE - III: STATEMENT OF CASH FLOWS, AS RESTATED

Particulars	Rs. in Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before tax	632.4	150.4	64.1	29.3	95.6	85.1
Adjustments:						
Depreciation	9.4	3.9	3.4	2.8	2.5	4.3
Profit/ loss on disposal of fixed assets	0.2	0.2	-0.2	0.2	0.9	-0.3
Profit/ loss on sale of investments	-	-	0	0	-0.5	-0.1
Assets written off	-	-	0	0	0.4	-
Interest/ guarantee charges	356.2	146.1	33.1	9.4	5.4	20.0
Interest/ dividend income	-289.0	-154.9	-24.0	-10.7	-7.8	-29.2
Profit/ loss-net from partnership firms	-5.7	-4.9	-9.8	-8.8	-2.7	-17.4
Exchange gain / loss	0.0	-	-	-	-	-
Rental income	-	-	-	-	-	-1.0
Compensation received	-	-	-	-	-	-2.3
Prior period adjustments	0.0	-	0	-	-0.3	0.3
Provision/ (reversal of provision) for doubtful debts/advances	-	0.1	-	-	-0.7	0.3
Provision/ reversal of provision for investment	-	-	.8	-	-1.1	-
Provision for retirement benefits	-1.6	2.9	1.1	1.6	1.1	0.4
Operating profit before working capital changes	701.9	143.8	68.5	23.8	93.8	60.1
Adjustments:						
Trade and other receivables	-2,223.2	-1,521.7	-364.6	-348.5	-65.4	-45.6
Advances to subsidiary companies/ partnership firms	1,494.0	1,028.6	193.0	300.1	39.6	5.4
Inventories	-3,650.4	-94.0	392.7	-361.4	4.4	615.3
Trade and other payables	520.4	2.8	-18.5	-29.4	25.5	133.6
Payables to subsidiary companies/ firms	-437.3	1.7	9.9	8.4	13.5	20.9
Realization under agreement to sell	1,281.1	414.8	287.4	236.5	-11.1	-740.3
Cash generated from operations	-2,313.5	-24.0	568.4	-170.5	100.3	49.4
Direct taxes paid	-309.8	-45.3	-27.5	-12.8	-23.1	-5.2
Net cash from/ used in operating activities	-2,623.3	-69.3	540.9	-183.3	77.2	44.2
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of fixed assets	-424.3	-51.2	-407.6	-42.9	-1.5	-1.3
Purchase of investments	-	-	-	-	-	-

Subsidiary companies/ firms	-43.5	-440.9	-6.0	-14.2	-8.9	-17.0
Others	-186.4	-783.7	-1.2	-35.3	-155.0	-46.8
Proceeds from disposal of fixed assets	1.7	5.8	0.9	0.1	0.6	8.6

ANNEXURE - III: STATEMENT OF CASH FLOWS, AS RESTATED (CONT'D)

Investments :						
In subsidiary companies/ partnership firms	0.0	1.1	9.8	4.4	0.8	16.2
Others	783.7	-	0	35.3	155.5	46.9
Interest/ dividend received	287.8	152.9	27.1	14.3	14.5	30.3
Profit/ loss –net from partnership firms	5.7	4.9	9.8	8.8	2.7	17.4
Rental income	-	-	-	-	-	1.0
Compensation received	-	-	-	-	-	2.3
Advances to subsidiary companies/ partnership firms	-1,056.7	-1,030.3	-202.9	-308.5	-53.2	-26.3
Net cash from/ used in investing activities	-632.0	-2,141.4	-570.1	-338.0	-44.5	31.3
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from issue of shares/ debentures	0.5	34.3	-	-	-	-
Proceeds from long term borrowings	4,534.1	2,292.9	499.0	460.0	0.3	-
Repayment of long term borrowings	-1,151.7	-204.0	-366.0	-	-4.1	-65.3
Proceeds/ repayment from short term borrowings (net)	372.8	292.0	-61.0	78.7	-19.7	11.4
Interest paid	-520.8	-162.2	-46.7	-8.9	-5.7	-20.1
Dividend paid	-1.6	-1.4	-1.4	-1.4	-1.4	-1.4
Net cash from/ used in financing activities	3,233.3	2,251.6	23.9	528.4	-30.6	-75.4
Net increase/ decrease in cash and cash equivalents	-21.8	40.9	-5.3	7.1	2.1	0.1
Opening cash and cash equivalents	46.0	5.1	10.4	3.3	1.2	1.1
Closing cash and cash equivalents	24.2	46.0	5.1	10.4	3.3	1.2
	-21.8	40.9	-5.3	7.1	2.1	0.1
Cash and bank balance	179.5	127.0	22.0	10.7	4.5	1.6
Less: Fixed deposit accounts with banks						
Pledged/ under lien/ earmarked	155.2	81.0	16.9	0.3	1.2	0.4
Exchange gain/ loss	0.1	-	-	-	-	-
Closing cash and cash equivalents	24.2	46.0	5.1	10.4	3.3	1.2

Note:

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard-3 on Cash Flow Statements as issued by the ICAI.

ANNEXURE - IV: STATEMENT OF SHARE CAPITAL, AS RESTATED

Rs. in Crores

Particulars	As at March 31,					
	2007	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	499.5	39.5	4.5	4.5	4.5	4.5
50,000 Cumulative redeemable preference shares of Rs 100/- each	0.5	0.5	0.5	0.5	0.5	0.5
	500.0	40.0	5.0	5.0	5.0	5.0
Issued						
1,529,421,080 (Previous year 37,878,300 equity shares of Rs 10/- each) equity shares of Rs 2/- each	305.9	37.9	3.6	3.6	3.6	3.6
	305.9	37.9	3.6	3.6	3.6	3.6
Subscribed and paid						
1,529,421,080 (Previous year 37,767,997 equity shares of Rs 10/- each fully paid) equity shares of Rs 2/- each	305.9	37.8	3.5	3.5	3.5	3.5
	305.9	37.8	3.5	3.5	3.5	3.5

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 pursuant to a scheme of amalgamation of DLF United Limited with the Company without payment being received in cash.
 - b. 1,338,243,445 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 rights basis, in the ratio of 1 debenture of Rs. 100 each for 1 equity share of Rs. 10 each 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 of Rs. 10 each for each debenture held. As a result of conversion, the paid-up share capital of the Company increased by 34,259,990 equity shares of Rs.10/- each.
3. 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.
4. On May 2, 2006, the Company issued equity shares of Rs. 10/- each as bonus shares by issue of seven equity shares of Rs. 10 each for 1 equity share of Rs. 10 each held by the shareholders on record as on April 27, 2006 out of the entire share premium account and the balance out of the General Reserve.

5. On May 2, 2006, the Company sub-divided each equity share of face value of Rs. 10 into five equity shares of Rs. 2 each.
6. In the Extra Ordinary General meeting held on November 14, 2006, the shareholders approved the issue of not exceeding 81,983 in number "2% Unsecured Optionally Convertible Debentures" of Rs. 100 each, to the shareholders of the Company in accordance with the terms of the letter of offer dated December 21, 2005 issued to the shareholders and allotments of 2% optionally convertible debentures of Rs. 100/- each were made as follows:

S.No.	Date of meeting	Number of debentures*
1.	November 24, 2006	6,038, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each.
2.	December 5, 2006	35,140, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each.
3.	December 22, 2006	3,595, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each.
4.	March 13, 2007	1955, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each

* The above debentures were converted into fully paid equity shares of Rs. 2 each, at par, by issuing 50 equity shares of Rs. 2 each for each debenture held. Further 7 bonus shares of Rs. 2 each were issued for 1 equity share by capitalising an equal amount from the general reserve of the company was approved.

Pursuant to the above transactions, the paid up share capital of the Company increased by Rs. 2,681,162,190 (1,491,653,083 equity shares of Rs. 2 each) during the period from April 1, 2006 to March 31, 2007.

7. Subsequent to March 31, 2007, the balance sheet date, on May 18, 2007, a special committee of the Board of Directors, in pursuance of approval granted by the shareholders in the Extra-Ordinary General Meeting held on November 14, 2006, affected the issue of :-
- 1,029 2% Unsecured Optionally Convertible Debentures of Rs 100 each;
 - Conversion of these debentures into fully paid equity shares, at par, by issuing 50 equity shares of Rs. 2/- each for each debenture held.
 - Issue of 7 bonus shares against each of these equity shares by capitalising an equal amount from the general reserves.

ANNEXURE - V: STATEMENT OF RESERVES AND SURPLUS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Capital reserve	2.5	3.9	10.9	10.9	11.5	12.2
Capital redemption reserve	0.2	0.2	0.2	0.2	0.2	0.2
Share premium	-	9.7	9.7	9.7	9.7	9.7
Debenture redemption reserve	-	-	-	-	-	0.9
General reserve	27.0	69.5	42.5	34.5	30.3	27.3
Surplus						
As per profit and loss account	727.7	526.5	451.1	414.8	397.1	336.5
	757.4	609.8	514.4	470.1	448.8	386.8

ANNEXURE VI: STATEMENT OF SECURED LOANS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
A - TERM LOANS						
From banks						
Citi Bank N.A.	6.2	235.3	50.0	-	-	-
United Bank of India	100.0	100.0	-	-	-	-
ICICI Bank Limited	1,003.0	288.0	-	-	-	2.0
Bank of Maharashtra	100.0	100.0	-	-	-	-
ABN AMRO Bank N.V.	125.0	140.4	-	-	-	-
The Hongkong and Shanghai Banking Corporation Limited	182.3	125.0	87.6	69.0	-	-
Bank of Baroda	59.2	69.2	-	-	-	-
Industrial Development Bank of India Limited	130.0	85.0	-	-	-	-
UCO Bank	200.0	200.0	-	-	-	-
Corporation Bank	150.0	150.0	-	-	-	-
Standard Chartered Bank	125.0	200.0	-	-	-	-

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002

ANNEXURE VI: STATEMENT OF SECURED LOANS, AS RESTATED (CONT'D)

		Rs. in Crores					
Particulars		As at March 31,					
		2007	2006	2005	2004	2003	2002
State Bank of India		65.0	-	-	-	-	-
State Bank of Hyderabad		35.0	-	-	-	-	-
State Bank of Travancore		26.2	-	-	-	-	-
HDFC Bank Limited		50.0	-	-	-	-	-
Kotak Mahindra Bank Limited		-	-	-	-	-	-
DBS Bank Limited		108.0		-	-	-	-
Union Bank of India		70.4	-	-	-	-	-
Bank of India		0.5	-	-	-	-	-
State Bank of Patiala		50.0	-	-	-	-	-
Canara Bank		1.6	-	-	-	-	-
SUB TOTAL	(A)	2,587.4	1,692.9	137.6	69.0	-	2.0
B – FROM OTHERS							
IL & FS Trust Company Limited		546.0	157.0	-	-	-	-
UTI Bank Limited (“Trustees”)		1,385.0	-	-	-	-	-
Infrastructure Development Finance Company Limited		150.0	150.0	-	-	-	-
Housing Development Finance Corporation Limited		582.0	582.0	300.0	300.0	-	-
GE Capital Services India		67.8	-	-	-	-	-
DSP Merrill Lynch Capital Limited		279.6	-	-	-	-	-
Citicorp Finance India Limited		100.0	-	-	-	-	-
SUB TOTAL	(B)	3,110.4	889.0	300.0	300.0	-	-
C - WORKING CAPITAL LOANS							

Citi Bank N.A.	26.4	43.9	35.4	40.5	-	-
HDFC Bank Limited	34.2	-	-	-	-	-
The Hongkong and Shanghai Banking Corporation Limited	1.1	20.0	-	20.0	-	27.1

ANNEXURE VI: STATEMENT OF SECURED LOANS, AS RESTATED (CONT'D)

Rs. in Crores						
Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Standard Chartered Bank	14.7	29.1	-	-	-	-
State Bank of India	146.8	149.8	-	-	-	-
ING Vysya Bank Limited	49.6	-	-	-	-	-
DBS Bank Limited	-	59.0	-	-	-	-
Corporation Bank	45.8	46.8	-	-	-	-
ICICI Bank Limited	-	9.1	155.0	127.5	13.4	4.8
State Bank of Hyderabad	47.8	49.0	-	-	-	-
State Bank of Travancore	89.8	-	-	-	-	-
ABN AMRO Bank N.V	46.0	19.9	-	-	-	-
Kotak Mahindra Bank Limited	33.7	-	-	-	-	-
SUB TOTAL (C)	535.9	426.6	190.4	188.0	13.4	31.9
D - VEHICLE/ EQUIPMENT LOANS						
From Banks	9.0	2.4	2.2	0.9	0.4	0.5
SUB TOTAL (D)	9.0	2.4	2.2	0.9	0.4	0.5
E DEBENTURES						
Redeemable	-	-	-	-	-	1.4
Interest accrued and due	0.1	-	-	-	-	0.2
SUB TOTAL (E)	0.1	-	-	-	-	1.6
Grand Total (A+B+C+D+E)	6,242.8	3,010.9	630.2	557.9	13.8	36.0

ANNEXURE - VII: STATEMENT OF UNSECURED LOANS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Fixed deposits						
Directors	-	-	-	0.1	3.1	2.1
Others	0.0	0.5	0.8	1.9	3.0	3.6
	0.0	0.5	0.8	2.0	6.1	5.7
Other term loans and advances						
Directors	-	-	1.3	0.4	-	1.4
Others	-	2.1	0.9	0.8	2.4	2.5
Kotak Mahindra Bank Limited	176.5	-	-	-	-	-
The Hongkong and Shanghai Banking Corporation Limited	150.0	-	-	-	-	-
UTI Bank Limited ("Trustees")	-	-	-	-	-	-
Other body corporates	200.0	0.4	-	-	0.1	0.4
Interest accrued and due	-	0	-	-	-	0.1
Debentures application and call money (pending allotment)	-	-	-	-	-	-
Total	526.5	3.0	3.0	3.2	8.6	10.1

ANNEXURE - VIII: STATEMENT OF STOCKS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Land, development and construction work in progress	807.9	366.2	132.6	91.8	101.1	4.9
Land including plots	12.5	7.3	68.2	51.7	58.7	24.8
Advance and part payment under agreements to purchase land/ constructed properties	3,445.1	74.7	139.2	588.8	225.0	170.7
Sub- Total (A)	4,265.5	448.2	340.0	732.3	384.8	200.4
Rented buildings (including land)						
Lease hold	30.4	30.4	30.4	30.4	30.4	30.4
Free hold	25.8	25.8	25.8	25.8	24.8	24.5
	56.2	56.2	56.2	56.2	55.2	54.9
Less: Depreciation on rented buildings	11.4	10.6	9.7	8.8	7.9	7.0
Sub- Total (B)	44.8	45.6	46.5	47.4	47.3	47.9
Total (A+B)	4,310.3	493.8	386.5	779.7	432.1	248.3

ANNEXURE - IX: STATEMENT OF DEBTORS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
SUNDRY DEBTORS						
Debts over six months						
Secured	1.8	0.7	0.0	-	-	-
Unsecured	0.0	2.5	3.4	0.6	2.2	1.1
Considered doubtful	-	-	-	-	-	-
Due from firms in which the Company is a partner	-	-	-	-	14.4	7.7
	1.8	3.2	3.4	0.6	16.6	8.8
Other debts						
Secured	0.8	0.1	0.1	4.5	36.3	3.6
Unsecured	171.2	23.3	-	100.0	1.3	23.8
Others	-	-	-	0.4	0.3	-
	172.0	23.4	0.1	104.9	37.9	27.4
Less: Provision for doubtful debts	-	-	-	-	-	0.3
Total	173.8	26.6	3.5	105.5	54.5	35.9

ANNEXURE - X: STATEMENT OF LOANS AND ADVANCES, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
LOANS AND ADVANCES						
(Unsecured)						
Advances recoverable in cash or in kind or for value to be received	1,194.4	614.6	180.6	37.6	16.2	227.7
Security deposits	3.8	2.5	2.1	2.9	2.5	1.0
Due from subsidiary companies	3,216.4	1,722.2	522.5	237.2	34.8	-
Due from body corporates	0.6	-	171.2	163.5	65.8	21.7
Taxes paid	388.0	119.8	85.7	58.3	50.7	30.3
	4,803.2	2,459.1	962.1	499.5	170.0	280.7
Less: Doubtful and provided for	0.2	0.1	-	-	-	0.2
Total	4,803.0	2,459.0	962.1	499.5	170.0	280.5

ANNEXURE - XI: STATEMENT OF CASH AND BANK BALANCES, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Cash/ cheques in hand	0.1	0.1	0.1	0.1	0.1	0.3
Bank balances with scheduled banks in:-						
Current accounts	19.1	11.7	4.8	7.4	3.2	0.9
Fixed deposit accounts:-						
Pledged/ under lien/ earmarked	155.2	81.0	16.9	0.3	1.2	0.4
Others	5.0	34.1	-	2.8	-	0.0
With HSBC Bank plc, London, UK, in current account, a non - scheduled bank	0.1	0.1	0.2	0.1	0.0	-
	179.5	127.0	22.0	10.7	4.5	1.6

ANNEXURE - XII: STATEMENT OF CURRENT LIABILITIES AND PROVISIONS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
CURRENT LIABILITIES						
Sundry creditors	84.0	42.9	34.2	68.6	75.9	47.0
Due to subsidiary companies	-	0.6	3.7	-	-	15.5
Due to firms in which the company and/ or its subsidiary are partners in Current account	4.8	5.6	5.9	16.0	19.4	25.9
Uncashed dividend	0.1	0.1	0.1	0.1	0.1	0.1
Earnest money received under agreements to sell development rights						
Subsidiary companies	101.5	-	-	-	-	-
Others	446.3	-	-	-	-	-
Due to joint venture – Niharika	-	1.7	-	-	-	-
Realisation under agreements to sell	1,776.9	1,029.3	601.2	313.6	77.2	80.4
Other liabilities	604.5	122.1	98.4	90.8	99.7	78.9
Interest accrued but not due on loans	33.8	2.4	1.8	0.6	0.0	0.1
	3,051.9	1,204.7	745.3	489.7	272.3	247.9
PROVISIONS						
Proposed dividend	-	1.6	1.4	1.4	1.4	1.4
Tax on dividend	-	0.2	0.2	0.2	-	-
Taxes	320.0	157.8	48.8	19.4	12.0	-
Retirement benefits	9.3	10.9	7.8	6.5	4.7	3.5
	329.3	170.5	58.2	27.5	18.1	4.9
Total	3,381.2	1,375.2	803.5	517.2	290.4	252.8

ANNEXURE - XIII: STATEMENT OF SALES AND OTHER INCOME, AS RESTATED
Rs. in Crores

Particulars	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Revenue from constructed properties and plots	1,098.8	953.0	411.7	445.7	245.0	269.6
Compensation received	-	-	0	-	0	2.3
Rent and licence fee	31.8	30.9	29.8	27.2	25.1	24.9
Farm receipts	0	0	0	0	0	0
Forfeiture of properties	2.9	0.5	0.5	1.9	1.3	3.3
Subtotal (A)	1,133.5	984.4	442.0	474.8	271.4	300.1
Income from Investments						
Interest on long term investments	-	16.3	-	0	-	7.1
Income from short term investments	-	-	-	-	-	0.1
Dividend from trade investments	0.3	-	-	-	-	-
Interest on debentures	1.6	-	-	-	-	-
Share of profit from partnership firms	5.7	4.9	9.8	8.8	2.7	17.4
Subtotal (B)	7.6	21.2	9.8	8.8	2.7	24.6
Other Income						
Interest (gross) from :						
Bank deposits	11.5	3.2	0.5	0.1	0.1	-
Customers	2.9	2.8	1.6	3.7	5.6	19.3
Loans and deposits	272.7	132.3	21.9	6.3	0.4	2.2
Income-tax refunds	-	0.3	-	0.5	1.7	-
Others	-	-	0	0.1	-	0.6
Subtotal (C)	287.1	138.6	24.0	10.7	7.8	22.1
Exchange gain/ loss	0.0	0	0	0	0	0
Profit on disposal of fixed assets	0.0	0	0.7	0	0.2	1.5
Profit on disposal of long term investments (trade investments)	-	-	-	0	-	-
Profit on disposal of current investments (other than trade)	-	-	-	0	0.5	-
Unclaimed balances written back	0.1	0	0	0.1	0.8	0.2
Miscellaneous income	1.2	0.8	3.3	1.4	2.4	1.0
Subtotal (D)	1.3	0.8	4.0	1.5	3.9	2.7
Subtotal (C+D=E)	288.4	139.4	28.0	12.2	11.7	24.8
Total (A+B+E)	1,429.5	1,145.0	479.8	495.8	285.8	349.5

ANNEXURE - XIV: STATEMENT OF COST OF REVENUE, AS RESTATED

Particulars	Rs. in Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Project cost	234.4	580.2	275.7	365.1	205.7	241.4
Increase/ decrease in stock of plots	12.0	0	-16.5	6.3	-16.0	3.6
Others	-	-	0.1	0.1	0.2	-
	246.4	580.2	259.3	371.5	189.9	245.0

ANNEXURE - XV: STATEMENT OF ESTABLISHMENT EXPENSES, AS RESTATED

Particulars	Rs. in Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Salaries, wages and bonus	26.7	14.0	28.1	16.9	12.3	12.1
Contribution to provident and other funds	1.4	0.7	2.4	1.7	1.2	1.0
Retirement benefits	-0.7	1.8	1.7	1.9	1.4	0.3
Staff welfare	0.7	0.3	1.1	0.9	0.8	0.8
	28.1	16.8	33.3	21.4	15.7	14.2

ANNEXURE - XVI: STATEMENT OF OTHER EXPENSES, AS RESTATED

Particulars	Rs. In Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Commission and brokerage	33.8	21.6	18.3	15.1	6.3	4.3
Advertisement and publicity	27.9	4.5	3.4	3.1	4.3	3.0
Traveling and conveyance	4.4	2.3	3.7	3.0	3.4	2.8
Legal and professional	49.8	6.5	7.1	3.5	2.1	1.9
Others	36.1	15.2	21.3	18.0	18.6	16.8
Total	152.0	50.1	53.8	42.7	34.7	28.8

ANNEXURE - XVII: STATEMENT OF FINANCE CHARGES, AS RESTATED

Particulars	Rs. In Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Interest						
Debentures and fixed period loans	267.9	119.5	27.3	6.7	2.1	8.2
Others	35.1	16.4	2.7	2.2	2.9	11.4
	303.0	135.9	30.0	8.9	5.0	19.6
Guarantee and bank charges	53.3	10.2	3.1	0.5	0.4	0.4
	356.3	146.1	33.1	9.4	5.4	20.0

ANNEXURE - XVIII: STATEMENT OF DIVIDEND PAID

Rs. in Crores						
Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Number of equity shares (No. in Crores)	152.94	3.78	0.35	0.35	0.35	0.35
Rate of dividend (%)						
Interim	-	-	-	-	-	-
Final	0%	40%*	40%	40%	40%	40%
Amount of dividend on equity shares (Rs. in Crores)						
Interim	-	-	-	-	-	-
Final	-	1.6	1.4	1.4	1.4	1.4
Total tax on dividend	-	0.2	0.2	0.2	0.2	-

* Dividend has been paid pro-rata from the date of issue of shares

ANNEXURE XIX: CAPITALISATION STATEMENT

Rs. in Crores		
Particulars	As at March 31, 2007	As at March 31, 2006
Borrowings :		
Short-term debt	1,062.4	515.1
Long-term debt	5,706.9	2,498.8
Total debt	6,769.3	3,013.9
Shareholders' funds:		
Share capital	305.7	37.8
Reserves	757.5	609.8
Total shareholders' funds	1,063.2	647.6
Long-term debt/ equity ratio	5.4	3.9
Total debt/ equity ratio	6.4	4.6

ANNEXURE XX: SUMMARY OF ACCOUNTING RATIOS, AS RESTATED

S. No.	Particulars	For the years ended March 31,					
		2007	2006	2005	2004	2003	2002
1)	Adjusted profit to income from operations (%)	56.0	19.1	15.6	6.4	29.0	24.5
2)(a)	Earnings per share*(Rs.)	2.7	24.7	130.8	65.2	184.2	190.3
(b)	Restated earnings per share* (Rs.)	2.7	6.2	3.3	1.6	4.6	4.8
3)(a)	Cash earnings per share* (Rs.)	2.8	257.6	140.5	73.1	191.4	202.4
(b)	Restated cash earnings per share* (Rs.)	2.8	6.4	3.5	1.8	4.8	5.1
4)(a)	Net asset value per share* (Rs.)	7.0	1667.8	1476.4	1350.2	1289.4	1112.7
(b)	Restated net asset value per share* (Rs.)	7.0	41.7	36.9	33.7	32.2	27.8
5)	Return on net worth (%)	39.0	14.8	8.9	4.8	14.3	17.1
6)(a)	No. of shares *	1,516,478,208	388,376	3,508,007	3,508,007	3,508,007	3,508,007
(b)	Restated no. of shares * (refer note 3 below)	1,516,478,208	155,335,024*	140,320,280*	140,320,280*	140,320,280*	140,320,280*

* Equity shares of Rs. 2 each

Notes:-

1) The ratios have been computed as follows :

$$\text{Adjusted profit to income from operations (\%)} = \frac{\text{Adjusted profit before tax}}{\text{Income from operations}}$$

$$\text{Earnings per share- Basic and Diluted} = \frac{\text{Adjusted profit/ loss after tax but before extraordinary items}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Cash earnings per share} = \frac{\text{Adjusted profit after tax but before depreciation}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Net asset value per share (Rs.)} = \frac{\text{Net worth excluding revaluation reserve}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Adjusted profit/ loss after tax but before extraordinary items}}{\text{Net worth excluding revaluation reserve}}$$

- 2) Earnings per share has been calculated in accordance with Accounting Standard 20 - Earnings 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 equity shares of Rs. 2 each for each share of Rs. 2 each held by the shareholders on record as on April 27, 2006, out of the entire share premium account and the balance out of the General Reserve. Further pursuant to the approval granted by the shareholders at the Extra Ordinary General Meeting of the company held on May 2, 2006, equity shares of face value of Rs.10 each have been subdivided into 5 equity shares of Rs. 2 each.
- 4) Restated profit/ loss has been considered for the purpose of computing the above ratios.
- 5) For other notes Refer Annexure IV "Statement of share capital"

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 Limited	58	Edward Keventor (Successors) Private Limited
2	Abhiraj Real Estate Private Limited	59	Eila Builders and Developers Private Limited
3	Adelie Builders and Developers Private Limited	60	Falguni Builders Private Limited
4	Aloki Real Estate Developers Private Limited	61	G K S Housing Limited
5	Amishi Builders and Developers Private Limited	62	Galaxy Mercantiles Limited
6	Ananti Builders and Construction Private Limited	63	Galleria Property Management Services Private Limited
7	Anjuli Builders and Developers Private Limited	64	Ganika Builders Private Limited
8	Annabel Builders and Developers Private Limited	65	Gulika Home Developers Private Limited
9	Avinashi Buillders and Developers Private Limited	66	Gyan Real Estate Developers Private Limited
10	Ayushi Builders and Developers Private Limited	67	Highvalue Builders Private Limited
11	Belden Homes Private Limited	68	Isabel Builders and Developers Private Limited
12	Beverly Park Maintenance Services Limited	69	Jai Luxmi Real Estate Private Limited
13	Bedelia Builders and Constructions Private Limited	70	Jawala Real Estate Private Limited
14	Bhamini Real Estate Developers Private Limited	71	Kairav Real Estate Private Limited
15	Bhoruka Financial Services Limited	72	Kamini Home Developers Private Limited
16	Breeze Construction Private Limited	73	Kanan Real Estate Private Limited
17	Camila Builders and Constructions Private Limited	74	Kenneth Builders and Developers Private Limited
18	Caressa Builders and Constructions Private Limited	75	Lennox Builders and Developers Private Limited
19	Carlton Real Estate Developers Private Limited	76	Marala Real Estates Private Limited
20	Carmen Builders and Constructions Private Limited	77	Monishka Builders and Developers Private Limited
21	Catherine Builders and Developers Private Limited	78	Muafa Real Estates Private Limited
22	Catriona Builders and Constructions Private Limited	79	Natwar Builders and Developers Private Limited
23	Cee Pee Maintenance Services Limited	80	Necia Builders and Developers Private Limited
24	Chandrajyoti Estate Developers Private Limited	81	Newgen Medworld Hospitals Limited
25	Comfort Buildcon Private Limited	82	Nilayam Builders and Developers Limited
26	Dalmia Promoters And Developers Private Limited	83	Nilgiri Cultivations Private Limited
27	Dankuni World City Private Limited (Formerly Brisa Builders and Developers Private Limited)	84	Nilima Real Estate Developers Private Limited
28	Delanco Home and Resorts Private Limited	85	Paliwal Developers Limited
29	Deltaland Real Estate Private Limited	86	Paliwal Real Estate Private Limited
30	Dhoomketu Builders and Developers Private Limited	87	Passion Builders and Developers Private Limited
31	Dhyan Constructions Private Limited	88	Pee Tee Property Management Services Limited
32	Diwakar Estates Limited	89	PAT Infrastructure Private Limited
33	DLF Akruti Info Park (Pune) Limited	90	Prateep Estates Private Limited

34	DLF Commercial Developers Limited	91	Prompt Real Estate Private Limited
35	DLF Cyber City Developers Limited	92	Rajika Estate Developers Private Limited
36	DLF Estate Developers Limited	93	Regency Park Property Management Services Private Limited
37	DLF Financial Services Limited	94	Richmond Park Property Management Services Private Limited
38	DLF Golf Resorts Limited	95	Roadtech Construction Private Limited
39	DLF Land Limited	96	Royalton Builders and Developers Private Limited
40	DLF Home Developers Limited	97	Samali Builders and Developers Private Limited
41	DLF Hotels and Resorts Limited	98	Sanchali Real Estate Developers Private Limited
42	DLF Hotels Holdings Limited	99	Shivajimarg Properties Limited
43	DLF Housing and Constructions Limited	100	Shrila Builders and Developers Private Limited
44	DLF Info City Developers (Noida) Limited	101	Silver Oaks Property Management Services Limited
45	DLF Info City Developers (Chandigarh) Limited	102	Simbala Builders and Developers Private Limited
46	DLF Info City Developers (Kolkata) Limited	103	Solid Buildcon Private Limited
47	DLF Info City Developers (Bangalore) Limited	104	Sumedha Homes Private Limited
48	DLF Info City Developers (Chennai) Limited	105	Sunlight Promoters Private Limited
49	DLF Info City Developers (Hyderabad) Limited	106	Talika Real Estate Developers Private Limited
50	DLF New Gurgaon Retail Developers Private Limited (Formerly Lacey Builders and Constructions Private Limited)	107	Trisha Real Estate Developers Private Limited
51	DLF New Gurgaon Homes Developers Private Limited (Formerly Caitlin Builders and Developers Private Limited)	108	The Ganesar Ginning Company Private Limited
52	DLF Phase IV Commercial Developers Limited	109	Tuhina Real Estate Developers Private Limited
53	DLF Power Limited	110	Udipti Estates Developers Private Limited
54	DLF Real Estates Limited	111	Umed Construction Private Limited
55	DLF Retail Developers Limited	112	Valini Builders and Developers Private Limited
56	DLF Services Limited	113	VSK Investment and Finance Limited
57	DLF Universal Limited (Formerly Dominga Builders and Construction Private Limited)	114	Wellington Real Estate Developers Private Limited

Partnership Firms

1	DLF Commercial Projects Corporation
2	DLF Office Developers
3	DLF Property Developers
4	DLF Residential Partners
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

ANNEXURE XXI: RELATED PARTY DISCLOSURES (CONT'D)

(ii) Joint Venture

- 1 Niharika Shopping Mall
- 2 Delanco Real Estates Private Limited
- 3 Kujjal Builders Private Limited

- 4 DLF Laing O' Rourke (India) Limited.
- 5 Kenneth Builders and Developers Private Limited
- 6 WSP Engineering Services Private Limited

(iii) Associates

- 1 DLF New Gurgaon Homes Developers Private Limited (Formerly Caitlin Builders and Developers Private Limited)
- 2 Mangal Shruti Gruh Nirmiti Private Limited

(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), Ms. Savitri Devi Singh and Ms. Anushka Singh (Daughters)
c) Ms. Renuka Talwar	Whole Time Director	Master Rahul Singh Talwar (Son)
d) Mr. T.C. Goyal	Managing Director	
e) Mr. J.K.Chandra	Sr. Executive Director	
f) Ms. Pia Singh	Whole Time Director	Mrs. Indira K.P.Singh (Mother)
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

ANNEXURE XXI: RELATED PARTY DISCLOSURES (CONT'D)

(v) Other enterprises under control of the key management personnel and their relatives:

1	A.S.G. Realcon Private Limited	57	Madhur Housing and Development Company
2	Adampur Agricultural Farm	58	Magna Real Estate Developers Private Limited
3	Adept Real Estate Developers Private Limited	59	Mallika Housing Company
4	Aeshya Estates Private Limited	60	Megha Estates Private Limited
5	AGS Buildtech Private Limited	61	Nachiketa Real Estates Private Limited
6	Altamount Real Estate Developers Private Limited	62	Northern India Theatres Private Limited
7	Angus Builders and Developers Private Limited	63	Pace Financial Services Limited
8	Antriksh Properties Private Limited	64	Panchsheel Investment Company
9	Anubhav Apartments Private Limited	65	Panchvati Estates Private Limited
10	Aquarius Builders and Developers Private Limited	66	Parvati Estates Private Limited
11	Arihant Housing Company	67	Pia Pariwar Trust
12	Atria Partners	68	Plaza Partners
13	Bansal Development Company Private Limited	69	Power Overseas Private Limited
14	Belicia Builders and Developers Private Limited	70	Prem Traders and Investments Private Limited
15	Beverly Park Operation and Maintenance Services Private Limited	71	Prem's Will Trust
16	Buland Consultants and Investments Private Limited	72	Pushpak Builders and Developers Private Limited
17	Caraf Builders and Constructions Private Limited	73	Pushpavali Builders. And Developers Private Limited
18	Centre Point Property Management Services Private Limited	74	Raghvendra Public Charitable Trust
19	Ch.Lal Chand Memorial Charitable Trust	75	Raisina Agencies and Investments Private Limited
20	Cian Builders and Developers Private Limited	76	Rajdhani Investments and Agencies Private Limited
21	Desent Promoters and Developers Private Limited	77	Rajiv Kavita Trust
22	Digital Talkies Private Limited	78	Realest Builders and Services Private Limited
23	DLF Assets Private Limited	79	Rekan and Company
24	DLF Info City (Chandigarh) Limited.	80	Renkon Agencies Private Limited
25	DLF Info City (Kolkata) Limited.	81	Renkon Partners
26	DLF Commercial Enterprises	82	Renuka Pariwar Trust
27	DLF Finance Corporation	83	Renuka Rahul Trust
28	DLF Investments Private Limited	84	R.R. Family Trust
29	DLF M.T.FBD Medical and Community Charitable Trust	85	Sagarika Real Estate Developers Private Limited

30	DLF Q.E.C. Education Charitable Trust	86	Sambhav Housing and Development Company
31	DLF Q.E.C. Medical Charitable Trust	87	Sanidhya Constructions Private Limited
32	DLF Raghvendra Temple Trust	88	Savitri Studs and Farming Company Private Limited
33	Exe of The Estate of Lt. Ch. Raghavendra Singh	89	Sidhant Housing and Development Company
34	Exe of The Estate of Lt. Smt. Prem Mohini	90	Singh Family Trust
35	Excel Housing Construction Pvt. Ltd.	91	Sketch Investment Private Limited
36	Family Idol Shri Radha Krishan Ji	92	Smt. Savitri Devi Memorial Charitable Trust
37	Family Idol Shri Shiv Ji	93	Solace Housing and Construction Private Limited
38	Gangrol Agricultural Farm and Orchard	94	Sudarshan Estates Private Limited
39	General Marketing Corporation	95	Sukh Sansar Housing Private Limited
40	Glaze Builders and Developers Private Limited	96	Sukomal Builders and Developers Private Limited
41	Haryana Electrical Udyog Private Limited	97	Sulekha Builders and Developers Private Limited
42	Herminda Builders and Developers Private Limited	98	Super Mart One Property Management Services Private Limited
43	Hitech Property Developers Private Limited	99	Super Mart Two Property Management Services Private Limited
44	Indira Trust	100	Trinity Housing and Construction Company
45	Jagpriya Portfolio and Technofin Services Private Limited	101	Udyan Housing and Development Company
46	Jhandewalan Ancillaries and Investments Private Limited	102	Ultima Real Estate Developers Private Limited
47	Kohinoor Real Estates Company	103	Universal Management and Sales Private Limited
48	K.P.Singh (SUB) HUF	104	Upeksha Real Estate Developers Private Limited
49	K.P.Singh HUF	105	Uplift Real Estate Developers Private Limited
50	Krishna Public Charitable Trust	106	Urva Real Estate Developers Private Limited
51	Lal Chand Public Charitable Trust	107	Uttam Builders and Developers Private Limited
52	Lion Brand Poultries	108	Uttam Real Estates Company
53	Lyndale Holdings Private Limited	109	Vanutsar Properties Private Limited
54	Maaji Properties and Development Company	110	Vishal Foods and Investments Private

		Limited	
55	Macknion Estates Private Limited	111	Windsor Complex Property Management Services Private Limited
56	Madhukar Housing and Development Company	112	Yashika Properties and Development Company

ANNEXURE XXI: RELATED PARTY DISCLOSURES (CONT'D)
Transactions undertaken/ balances outstanding with related parties:

						Rs. in Crores
						As at March 31,
Particulars	2007	2006	2005	2004	2003	2002
Subsidiary companies/ partnership firms						
Transactions during the year						
Sale of land, properties and material	5.0	0.1	0.5	0.0	0	0.1
Sale of fixed assets	1.3	5.8	-	0	0.1	0
Interest income	260.3	91.2	20.8	4.3	0.3	2.1
Dividend income	-	-	-	-	-	6.9
Miscellaneous income	-	0.2	0.2	0.3	-	-
Rent received	0.1	0.1	0.1	0.1	0.1	0
Service charges received	-	-	-	0.2	0.5	0.1
Service charges paid	0.3	-	0.2	0.2	-	-
Expenses recovered	62.6	23.7	1.9	0.1	0.2	0.3
Purchase of land and material	144.7	78.8	51.6	54.3	3.3	6.6
Rent paid	0.0	0	0	0	0	0
Cost of staff on deputation	0.1	-	2.0	1.5	1.2	0.3
Maintenance charges paid	1.5	-	2.2	1.7	2.5	4.3
Interest paid	0.0	0	0.1	0.3	0.6	1.1
Business promotion	-	-	0.2	0.1	0	0.1
Expenses paid	8.4	2.7	0	-	-	-
Investment sold/ purchased (net)	37.8	0	0.2	1.2	7.5	15.6
Profit/ loss in partnership firms	5.7	4.9	9.8	8.8	2.7	17.4
Interest received on debentures	-	3.1	-	-	-	-
Loans given	4,715.9	1,105.3	407.6	276.2	26.0	5.9
Guarantees given	2,512.0	914.0	163.2	-	2.0	144.3
Advances received under agreement to sell	792.3	0.2	1.5	-	0.9	2.2
Advances received under agreement to sell refunded	-	0.4	-	7.1	-	-
Advances paid under agreement to purchase	3,352.2	42.1	-	-	-	-
Balance at the end of the year						
Debtors	-	0.1	-	-	-	-
Investments	656.5	-	132.4	132.5	131.6	124.2
Loans and advances	3,216.4	1,722.3	522.6	237.2	34.8	142.1

Advance and part payments under agreement to purchase land/ constructed properties	3,441.6	62.5	115.7	366.4	165.7	-
Creditors/ payables	553.0	6.2	5.0	3.8	8.7	16.0
Inter corporate deposits	-	0.3	-	-	-	-
Guarantees given	3,478.3	1513.9	303.8	136.4	328.8	393.0
Earnest money deposit received	440.0	-	-	-	-	-
Advances received under agreement to sell	246.1	0.6	1.2	3.7	2.4	2.7

ANNEXURE XXI: RELATED PARTY DISCLOSURES (CONT'D)

Particulars	Rs. in Crores					
	As at March 31,					
	2007	2006	2005	2004	2003	2002
Joint ventures and associates						
Transactions during the year						
Sale of land, properties and material	-	-	-	100.0	0.1	28.7
Sale of fixed assets	-	-	0.4	-	-	4.1
Interest income	0.7	40.2	1.0	-	-	0.2
Expenses recovered	-	31.8	0.7	0	0	-
Purchase of land and material	-	-	0	0.2	-	0.3
Purchase of fixed assets	-	-	0.1	0.1	-	-
Rent paid	-	-	0.1	0.1	0.1	0.1
Cost of staff on deputation	0.2	-	0.7	0.3	0.1	-
Interest paid	-	-	-	-	-	7.4
Expenses paid	-	1.3	-	-	-	-
Investment sold/ purchased	14.9	-	6.2	13.1	1.4	1.4
Interest received on debentures	-	6.5	-	-	-	-
Loans and advances given	118.4	54.6	111.1	8.1	-	-
Loans repaid	76.2	-	-	-	-	-
Guarantees given	-	80.0	123.0	-	-	-
Advances received under agreement to sell	-	5.3	0.3	-	-	6.8
Advances received under agreement to sell refunded	-	3.3	-	-	-	-
Advances paid under agreement to purchase	-	12.0	-	-	-	-
Balance at the end of the year						
Debtors	-	-	-	100.0	15.6	31.5
Investments	15.4	-	41.4	44.7	35.8	35.1
Loans and advances	90.8	359.8	282.4	163.5	66.5	24.5
Advances and part payments under agreement to purchase land/ constructed properties	48.2	-	0.3	222.3	3.2	-
Miscellaneous expenses recoverable	-	-	0	0.4	0.2	-
Creditors/ payables	3.3	-	5.9	16.1	19.4	25.9
Guarantees given	-	270.0	123.0	-	-	-
Advances received under agreement to sell	-	2.0	3.1	-	-	6.8

ANNEXURE XXI: RELATED PARTY DISCLOSURES (CONT'D)

Key management personnel						
Transactions during the year						
Remuneration paid	6.3	12.3	10.5	5.6	4.4	4.1
Interest paid	-	0.1	0.1	0.3	0.3	0.6
Advances received under agreement to sell	-	-	-	0.4	0.5	-
Fixed deposits repaid	0.5	0	-	-	-	-
Interest paid on fixed deposits	0.0	-	-	-	-	-
Debentures issued	-	2.1	-	-	-	-
Debentures converted in to equity shares	-	2.1	-	-	-	-
Balances at the end of the year						
Creditors/ payables	-	7.3	7.3	3.3	6.3	5.9
Realisation under agreement to sell	-	0.3	0.3	0.3	0.8	-
Advances and part payments under agreement to purchase land/ constructed properties	-	-	2.7	0.1	0.1	-
Investments	-	-	0.8	-	-	-
Amounts recoverable from registered trusts	-	-	0.2	0.2	1.2	-
Share application money pending allotment	-	-	-	0.8	-	-
Entities over which key management personnel is able to exercise significant influence						
Transactions during the year						
Rent paid	0.7	0.5	0.4	0.4	0.4	0.4
Interest paid	0.1	0.2	0.1	0.2	0.4	0.4
Purchase of land/ materials	0.0	0.5	0.2	-	0.4	-
Provision for diminution in value of investments	-	-	0.8	-	-	-
Investments	-	-	0.8	-	-	-
Fixed deposits repaid	0.0	0.1	-	-	-	-
Debentures issued	-	32.0	-	-	-	-
Debentures converted in to equity shares	-	32.0	-	-	-	-
Expenses recovered	1.5	0	-	-	-	-
Inter corporate deposits received	-	1.3	-	-	-	-
Inter corporate deposits repaid	2.1	1.1	-	-	-	-

Claims paid	-	1.2	-	-	-	-
Advances received under agreement to sell	-	3.1	-	-	-	-
Interest paid on fixed deposit	0.0	-	-	-	-	-
Interest income	9.1	-	-	-	-	-
Balances at the end of the year						
Advances given	327.8	0.1	0.1	-	-	6.6
Earnest money and part payments under agreement to purchase land/ constructed properties	2.6	22	-	-	-	-
Creditors/ payables	0.0	2.3	1.1	1.7	3.7	2.5
Advances received under agreement to sell	-	2.8	4.5	1.8	1.8	2.4
Inter corporate deposits	-	-	-	-	-	-
Interest payable on inter corporate deposits	-	-	-	-	-	-
Investments	0.9	-	-	-	-	-

ANNEXURE XXII: STATEMENT OF TAX SHELTERS

Rs. in Crores

Particulars	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Profit before tax as restated	632.4	150.4	64.1	29.2	95.5	85.1
Tax rate (%)	33.66	33.66	36.59	35.88	36.75	35.70
Tax as per actual rate on profits (A)	212.9	50.6	23.4	10.5	35.1	30.4
Adjustments:						
Permanent differences						
Indexation difference in long term capital gain/ loss	0.2	-1.4	0.0	-0.1	0.0	0.0
Deduction under section 24 of the Income tax Act, 1961.	3.0	3.0	2.9	2.6	2.2	1.9
Income from investments in partnership firms	1.9	1.6	3.6	3.2	1.0	7.7
Amounts written off	-	-	-	-0.1	-	-
Allowance of expenditure in tax return	-	-	-	-	8.7	-
Dividend exempt under section 10(34) of the Income tax Act, 1961.	0.1	-	-	-	-	3.5
Profit chargeable to tax under section 41 of the Income Tax Act, 1961.	-	-	-	-	-	-0.2
Wealth tax disallowed	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Enhanced compensation claimed to be exempt	-	-	-	-	-	0.1
Others	-0.6	-0.2	0.3	-0.5	0.1	0.1
Charity and donations	-0.7	-0.3	-0.1	0.0	0.0	0.0
Total permanent difference (B)	3.8	2.6	6.6	5.0	11.9	13.0
Timing difference						
Tax depreciation and book value depreciation	14.6	1.1	0.7	1.2	-0.6	-1.1
Provision for doubtful debts	-	-	-	-	0.3	-0.2
Others	-	-	-0.3	-	-	0
Provision for retirement benefits	0.2	-1.0	-0.5	-0.6	-0.6	-
Deduction claimed under the provisions of Income Tax Act, 1961.	-	-	-0.1	-	-	-
Tax impact of restatement adjustments	-1.7	-66.2	-11.0	-6.3	19.7	14.6
Total timing difference (C)	13.1	-66.1	-11.2	-5.7	18.8	13.3
Total adjustments (B+C) =D	16.9	-63.5	-4.6	-0.7	30.7	26.3

Tax payable for the period/ year (A-D)	196.0	114.1	28.0	11.2	4.4	4.0
Current tax	196.5	114.4	29.1	11.7	4.4	4.1
Interest under section 234B and 234C of the Income tax Act, 1961 (as per income tax return)	1.1	4.0	0.1	-	-	-
Total tax payable	197.6	118.4	29.2	11.7	4.4	4.1

Note: The above statement has been prepared based on the information from income tax computations, filed with tax returns for the years ended March 31, 2006, 2005, 2004, 2003, 2002 and the provisional computation for the year ended March 31, 2007.

ANNEXURE XXIII – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared under historical cost convention, on an accrual basis, in accordance with the generally accepted accounting principles in India, the accounting standards and relevant the guidance notes 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 capitalized 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 amortized, 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 land 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. Cost includes land acquisition cost, estimated internal development costs and external development charges.
- B) Constructed properties include the cost of land (including land under agreements to purchase), internal development costs, external development charges, construction costs, development/ construction materials, and are valued at cost or estimated cost, as applicable.
- C) Earnest money and part payments under agreements to purchase land/ constructed properties represent amounts paid by the company to acquire irrevocable and exclusive licenses and development rights in identified land and constructed properties, the acquisition of which 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:

- I. Assets given on perpetual lease are considered sold in the year in which the agreement to sell is executed and revenue is recognized on the percentage of completion method of accounting referred to in (ii) below.
- II. Revenue from constructed properties is recognized on the “percentage of completion method”. Total sale consideration as per the agreements to sell constructed properties entered into is recognized as revenue based on the 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 per cent or more of the total estimated project cost. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such 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 based on the percentage of land/ plotted area in respect of which revenue is recognized as per accounting policy (6) above to the total land/ plotted area of the scheme, 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 land under agreements to purchase), estimated internal development costs, external development charges, construction costs and development/ construction materials, which is charged to the profit and loss account based on the percentage of revenue recognized as per accounting policy. (6) above, in consonance with the concept of matching costs 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 capitalized 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

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 Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized 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 recognized 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 any adjustments for unrecognized 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 to which such gains or losses relate.

(iii) Earned leave

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or the estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave, expected to become 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 recognized 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 recognized in the profit and loss

account on a straight-line basis over the lease term. Costs, including depreciation are recognized 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 recognized 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 position, claims against the Company not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Company, a liability is 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 Crores, 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 recognizing revenue on constructed properties from date of registration of sale deed/ transfer of ownership to percentage of completion method. This change was adopted pursuant to the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the ICAI. The cumulative effect of this change has 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 in the Financial Statements, as Restated. 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 year ended March 31, 2007, the Company revised the accounting policy for recognizing revenue on developed plots from the date of registration of sale deeds to date of execution of the agreement to sell. 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, 2007. 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 year ended March 31, 2007 in the Financial Statements, as Restated. 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 year ended March 31, 2007, the Company adopted the provisions of revised Accounting Standard 15 on “Employee Benefits, issued by the ICAI applicable for accounting periods commencing on or after December 7, 2006. However, the Company adopted the standard with effect from April 1, 2006 as an earlier adoption of the standard. The cumulative effect of this change was recorded in the year ended March 31, 2007. Accordingly, establishment expenses have been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006 and for the year ended March 31, 2007 in the Financial Statements, as Restated. 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, 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’.

ANNEXURE XXIV – NOTES TO THE STATEMENTS OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED (CONT'D)

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 assessments/ returns filed by the Company for the respective years.

4. Material reclassification

During the year ended March 31, 2007, the Company reclassified land and construction work in progress from "Capital work in progress" to "Stocks" at cost.

5. The interest of the Company in major Joint Ventures is listed below:

	Joint venture	Location	Principal Activities	Ownership Interest
1	Niharika Shopping Mall Joint venture	Mumbai	Development and construction of shopping mall	50%
2	Delanco Real Estates Private Limited	New Delhi	Real estate consulting and brokerage	50%

The Company's share of the asset, liabilities, income and expenditure of the significant Joint Venture is as follows:
(Rs in crores)

Balance Sheet	March 31, 2007
Reserves and surplus	0.0
Inventories	50.4
Cash and bank	0.1
Loans and advances	0.6
Current liabilities and provisions	0.1

Statement of profit and loss	March 31, 2007
Selling, general and administrative expenses	0.0
Interest received	0.0
Net profit	0.0
Contingent liabilities	-
Capital commitment	-

ANNEXURE XXIV – NOTES TO THE STATEMENTS OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED (CONT'D)

6. Commitments and Contingencies

- a) The estimated value of contracts as at March 31, 2007 remaining to be executed on capital account and not provided for is Rs. 211.8 crores.

b) Contingencies

A summary of the contingencies existing as at March 31, 2007 is as follows:

Nature of Contingency	Rs. in Crores
Guarantees	
Subsidiaries	3,478.3
Others	2.0
Claims against the Company not acknowledged as debts	77.7
Put option against the preference shares issued by Subsidiary Company	491.2
Put option against the preference shares issued by an Associate Company	463.0
Demands in excess of provisions (pending in appeals)	
Income Tax	48.9

7. 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 2.67 lacs sq. mts. of plotted area during the year ended March 31, 2007 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.
8. In respect of houses, flats etc. the construction work of which was substantially completed upto March 31, 1991, revenue is recognized 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.
9. 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 realize 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 recognized on proportionate realization basis.
10. In respect of Dilshad Garden II Scheme, the profit/loss on sale of developed plots is accounted by adjusting cost proportionate to the realizations made.
11. The Company is engaged in the business of colonization and real estate development, which as per Accounting Standard 17 on 'Segment Reporting' issued by the ICAI is recognized to be the only reportable business segment. The Company is operating in the same geographical segment.

ANNEXURE XXIV – NOTES TO THE STATEMENTS OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED (CONT'D)

12. The scheme for amalgamation was approved/sanctioned by the respective High Courts within the jurisdiction of which the registered office of DLF Power Limited, DLF Phase IV Commercial Developers Limited and DLF Limited were situated. However, the order of the High Court of Punjab and Haryana was filed by the Company with the concerned Registrar of Companies after the expiry of the period prescribed under the Companies Act, 1956 and the Company had not sought condonation of delay in the filing of the order of the said High Court with the concerned Registrar of Companies as the Company has abandoned the scheme by not implementing the same as per law. Accordingly, the said Registrar of Companies has treated the said application for filing the order sanctioning the scheme as withdrawn/cancelled and communicated the same to the Company by its letter dated March 9, 2007. The order passed by the High Court of Delhi was not filed with the concerned Registrar of Companies. Since the said order has not been filed and taken on record, and the same is also treated as withdrawn/cancelled and abandoned by the concerned Registrar of Companies, the said scheme for amalgamation/merger has not come into effect.
13. During the year ended March 31, 2007, the Company entered into an agreement with IL&FS Trust Company Limited (“IL&FS” or the “Trust”) for assigning the receivables amounting to Rs. 542.8 crores of the Belaire project (the “Project”) in favor of IL&FS. In consideration of the above assignment, the Company received Rs. 483.0 crores being the Net Present value of the receivables of the project from the Trust. Further to the above agreement, the Company entered into a collection agency agreement with IL&FS for collecting the payments from the customers and paying the same to the Trust. The finance cost on the above transaction is being accounted for over the tenure of the agreement.
14. During the year ended March 31, 2007, the Company pledged 29.80625 acres of land [along with M/s. Chandrajyoti Estate Developers Pvt Ltd (a subsidiary company) who has pledged 7.1875 acres of land] with IDBI Trusteeship Services Limited as collateral security against an undertaking given by the Company to buy back preference shares subscribed by LB India Holding Mauritius II Limited in one of the subsidiary companies – M/s. Shivaji Marg Properties Limited.
15. During the year ended March 31, 2007, the Company has given an undertaking to M/s Kidson Pte. Ltd to buy back preference shares subscribed in DLF New Gurgaon Homes Developers Private Limited (Formerly Caitlin Builders and Developers Private Limited) (an associate company) against which collateral security has been given by DLF Cyber City Developers Limited (a subsidiary company) who has pledged 23.78 acres of land with IDBI Trusteeship Services Limited
16. **Subsequent to the balance sheet date:**
- The Company entered into a Memorandum of Cooperation with ‘‘Fragport AG Frankfurt Airport Services Worldwide’’ for the purposes of airport design, construction and development of airport.
 - The Company entered into a Joint venture agreement with ‘‘Haryana State Industrial and Infrastructure Development Corporation Limited’’ for the purpose of development of multi-product Special Economic Zones in Gurgaon and Ambala.
 - The Company entered into a Joint venture agreement with ‘‘Bharat Hotels Limited’’ through Eila Builders and Developers Private Limited, one of its subsidiary, for the purpose of developing hotels in Chandigarh.
 - The Company entered into a Joint venture agreement with ‘‘Prudential International Investments Corporation’’ to form an Asset Management Company.

ANNEXURE XXIV – NOTES TO THE STATEMENTS OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED (CONT'D)

17. Employees Share Option Scheme (“ESOP”)

During the year ended March 31, 2007, the Company announced an Employee Share Option Scheme for all the employees of the Company. The scheme is yet to be implemented and hence no effect in respect thereof has been given in the Restated Summary Statements.

DLF LIMITED - CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED, FOR THE YEARS ENDED MARCH 31, 2007, 2006, 2005, 2004, 2003 and 2002

Auditors' report as required by Part II of Schedule II of the Companies Act, 1956

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 Note 8 of Annexure XXIII annexed to this report), (collectively referred to as the 'Group') for the purpose of inclusion in the Red Herring Prospectus (the 'RHP'). This financial information has been prepared by the 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 Public Offering ('PO') 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 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 issued by the Institute of Chartered Accountants of India ('ICAI'); and
- (iv) The terms of our letter of engagement with the Company requesting us to carry out work in connection with the Offer Document being issued by the Company in connection with its PO 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 March 31, 2007, 2006, 2005, 2004, 2003 and 2002 (Annexure I) and the attached 'Consolidated Summary Statement of Profits and Losses, as Restated' (Annexure II) for the years ended March 31, 2007, 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 at and for the years ended March 31, 2007, 2006 and 2002. The Company did not prepare consolidated financial statements as at and for the years ended March 31, 2005, 2004 and 2003. The Consolidated Restated Summary Statements as at and for the years ended March 31, 2005, 2004 and 2003 have been extracted from the Company's and its subsidiaries unconsolidated audited financial statements as at 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 at and for the years ended March 31, 2007, 2006, 2005, 2004, 2003 and 2002 reflect total assets of Rs. 7,765.3 Crores, Rs. 2,057.8 Crores, Rs. 953.4 Crores, Rs. 857.4 Crores, Rs. 603.1 Crores and Rs. 629.4 Crores 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 March 31, 2007, 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 to which they relate as described in the Notes forming part of the Consolidated Restated Summary Statements given in Annexure XXIII to this report.
- (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 years ended March 31, 2007, 2006, 2005, 2004, 2003 and 2002 of the Group, proposed to be included in the RHP, 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 Capitalization Statement (Annexure XIX)
- (xviii) Consolidated Summary of Accounting Ratios, As Restated (Annexure XX)
- (xix) Related Party Disclosures (Annexure XXI)

In our opinion, the 'Consolidated Financial Information as per Audited Financial Statements' and 'Consolidated Other Financial Information' mentioned above for the years ended March 31, 2007, 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 and 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 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
May 20, 2007

ANNEXURE - I: CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
A. Fixed Assets						
Gross block	1,778.7	1,302.3	825.3	508.3	415.9	348.8
Less: Accumulated depreciation	241.2	189.1	154.9	126.0	101.7	82.0
Net block	1,537.5	1,113.2	670.4	382.3	314.2	266.8
Capital work in progress	2,649.7	591.1	350.6	12.8	0.8	78.5
	4,187.2	1,704.3	1,021.0	395.1	315.0	345.3
B. Investments	210.7	830.0	40.0	99.1	93.9	7.7
C. Current Assets, Loans and Advances						
Stocks	5,700.6	1,640.9	704.9	656.6	626.9	554.3
Sundry debtors	1,519.5	658.0	285.2	900.9	267.2	184.9
Cash and bank balances	415.5	195.0	42.4	27.9	24.6	9.8
Other current assets	6.7	2.3	2.0	3.6	10.5	17.8
Loans and advances	5,237.1	1,064.2	601.9	560.3	183.7	291.4
	12,879.4	3,560.4	1,636.4	2,149.4	1,112.9	1,058.2
D. Goodwill	893.5	848.9	52.2	52.2	51.5	51.5
E. Liabilities and Provisions						
Secured loans	9,205.3	3,956.0	795.2	560.4	315.6	449.4
Unsecured loans	727.5	176.0	172.4	150.5	58.1	81.3
Current liabilities and provisions	4,242.9	1,846.9	934.4	1,193.5	466.3	350.7
	14,175.7	5,978.9	1,902.0	1,904.4	840.0	881.4
F. Deferred tax liability (net)	18.7	9.2	96.2	119.5	134.9	89.5
Net Worth (A+B+C+D-E-F)	3,976.4	955.5	751.4	671.8	598.4	491.8
Represented by:						
G. Share capital	1,255.7	37.8	3.5	3.5	3.5	3.5
H. Reserves	2,711.5	912.3	743.6	657.5	587.5	479.8
I. Minority interest	9.2	5.4	4.3	10.8	7.4	8.5
Net Worth (G+H+I)	3,976.4	955.5	751.4	671.8	598.4	491.8

ANNEXURE - II: CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSSES, AS RESTATED
Rs. in Crores

Particulars	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Income						
Sales and other receipts						
Sales and other income	4,034.1	1,242.0	626.0	526.6	571.0	497.7
Total income	4,034.1	1,242.0	626.0	526.6	571.0	497.7
Expenditure						
Cost of revenue	709.0	524.3	316.5	268.5	253.1	203.4
Establishment	92.2	39.7	44.7	31.3	23.6	24.0
Finance charges	307.6	168.5	39.0	33.0	53.5	68.9
Other expenses	318.7	113.9	78.7	84.8	69.3	83.7
Depreciation	57.1	36.1	33.3	28.8	23.6	27.3
Total expenditure	1,484.6	882.5	512.2	446.4	423.1	407.3
Net Profit before tax and minority interest	2,549.5	359.5	113.8	80.2	147.9	90.4
Provision for tax	605.8	166.8	25.9	25.0	46.3	24.0
Net profit before minority interest	1,943.7	192.7	87.9	55.2	101.6	66.4
Share of loss/ (profit) in associates	1.3	-	-	-	-	-
Minority interest	1.1	1.0	1.4	1.4	0.5	5.0
Net Profit	1,941.3	191.7	86.5	53.8	101.1	61.4

ANNEXURE - III: CONSOLIDATED STATEMENT OF CASH FLOWS, AS RESTATED
Rs. in Crores

Particulars	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit before tax minority interest, as restated	2,549.5	359.5	113.8	80.2	147.9	90.4
Adjustments for:						
Depreciation	57.1	36.1	33.3	28.8	23.6	27.3
Profit/ loss on sale of fixed assets (net)	-534.4	-5.1	-0.6	4.8	-	0.8
Interest paid	307.6	168.5	39.1	33.0	53.5	67.5
Provision for doubtful debts	13.8	20.8	0.5	13.7	10.1	3.8
Advances written off	-	-	-	-	-	1.3
Loss on sale of investments	-770.9	-5.9	-	-	-0.6	-
Interest and dividend income	-94.2	-71.5	-7.5	-20.7	-10.2	-26.1
Operating profit before working capital changes	1,528.5	502.4	178.6	139.8	224.3	165.0
Movements in working capital:						
Increase/ decrease in sundry debtors	-848.0	-391.1	615.5	-667.8	-82.2	-25.3
Increase/ decrease in loans and advances	-3,674.8	-453.3	-11.9	-351.1	181.1	424.4
Increase/ decrease in inventories	-4,059.6	-1,201.5	143.9	-29.8	-71.4	376.2
Increase/ decrease in current liabilities and provisions	1,830.6	669.4	-305.9	720.2	76.5	-742.4
Cash generated from operations	-5,223.3	-874.1	620.2	-188.7	328.3	197.9
Direct taxes paid (net of refunds)	-607.8	-75.2	-44.8	-31.8	-37.3	-31.7
Net cash from/ used in operating activities	-5,831.1	-949.3	575.4	-220.5	291.0	166.2
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of fixed assets and movement in capital work in progress	-2,600.3	-546.1	-832.9	-95.9	-2.4	-93.3
Proceeds from sale of fixed assets	712.5	13.9	3.0	10.4	5.6	8.8
Interest received	75.0	71.2	9.2	15.5	17.5	26.0
Purchase of investments	-311.2	-800.5	-	-5.2	-96.2	-46.8
Proceeds from sale of investments	1,636.8	6.6	59.1	-	0.6	46.9
Acquisition of shares	-	-758.1	-	-0.7	-	-22.2
Minority interest	3.8	1.1	-6.5	3.2	-0.9	8.4
Net cash from/ used in investing activities	-483.4	-2,011.9	-768.1	-72.7	-75.8	-72.2
C. CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from issue of share capital/ debentures	-	34.3	-	-	-	-
Proceeds from issuance of preference shares	949.8	-	-	-	-	-
Proceeds from long-term borrowings	7,251.7	3,510.5	621.1	526.7	38.3	136.0
Repayment of long-term borrowings	-2,408.6	-543.7	-361.2	-391.7	-196.2	-150.8

Repayment/ proceeds of short term borrowings (net)	957.6	200.9	-0.4	216.7	-	-6.9
Dividend paid	-1.8	-1.6	-1.6	-1.4	-1.4	-1.4
Interest/ finance charges	-289.8	-148.4	-64.5	-58.3	-45.6	-70.0
Net cash from/ used in financing activities	6,458.9	3,052.0	193.4	292.0	-204.9	-93.1

ANNEXURE - III: CONSOLIDATED STATEMENT OF CASH FLOWS, AS RESTATED (CONT'D)

Particulars	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Net increase/ decrease in cash and cash equivalents (A + B + C)	144.4	90.8	0.7	-1.2	10.3	0.9
Cash and cash equivalents at the beginning of the year	110.6	19.8	19.1	20.3	10.0	9.1
Cash and cash equivalents at the end of the year	255.0	110.6	19.8	19.1	20.3	10.0

Note:

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard - 3 on Cash Flow Statements as issued by ICAI.

ANNEXURE - IV: STATEMENT OF SHARE CAPITAL, AS RESTATED

Particulars	Rs in Crores					
	As at March 31,					
	2007	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	499.5	39.5	4.5	4.5	4.5	4.5
50,000 Cumulative redeemable Preference shares of Rs 100 each	0.5	0.5	0.5	0.5	0.5	0.5
	500	40.0	5.0	5.0	5.0	5.0
Issued						
1,529,421,080 (Previous year 37,878,300 Equity shares of Rs 10 each) equity shares of Rs 2 each	305.9	37.9	3.6	3.6	3.6	3.6
	305.9	37.9	3.6	3.6	3.6	3.6
Subscribed and paid						
1,529,421,080 (Previous year 37,767,997 Equity shares of Rs 10 each fully paid) Equity shares of Rs 2 each	305.9	37.8	3.5	3.5	3.5	3.5
Preference share capital*	949.8	-	-	-	-	-
TOTAL	1,255.7	37.8	3.5	3.5	3.5	3.5

*Issued by subsidiary companies

Notes:

- The above issued, subscribed and paid up share capital includes:
 - 5,877,850 equity shares of Rs. 2 each (originally 1,175,570 shares of Rs. 10 each) fully paid were allotted pursuant to a scheme of amalgamation of DLF United Limited with the Company without payment being received in cash.
 - 1,338,243,445 equity shares of Rs. 2 each, fully paid issued as bonus shares after capitalization of free reserves and share premium.
- 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 rights basis, in the ratio of 1 debenture of Rs. 100 each for 1 equity share of Rs. 10 each 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 of Rs. 10 each for each debenture held. As a result of conversion, the paid-up share capital of the Company increased by 34,259,990 equity shares of Rs.10 each.
- 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.

6. On May 2, 2006, the Company issued equity shares of Rs. 10 each/ - as bonus shares by issue of seven equity shares of Rs. 10 each for 1 equity share of Rs. 10 each held by the shareholders on record as on April 27, 2006 out of the entire share premium account and the balance out of the General Reserve.
5. On May 2, 2006, the Company sub-divided each equity share of face value of Rs. 10 into five equity shares of Rs. 2 each.
6. In the Extra Ordinary General meeting held on November 14, 2006, the shareholders approved the issue of not exceeding 81,983 in number "2% Unsecured Optionally Convertible Debentures" of Rs. 100 each, to the shareholders of the Company in accordance with the terms of the letter of offer dated December 21, 2005 issued to the shareholders and allotments of 2% optionally convertible debentures of Rs. 100/- each were made as follows:

S.No.	Date of meeting	Number of debentures*
1.	November 24, 2006	6,038, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each.
2.	December 5, 2006	35,140, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each.
3.	December 22, 2006	3,595, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each.
4.	March 13, 2007	1955, 2% Unsecured Optionally Convertible Debentures of Rs. 100 each

* The above debentures were converted into fully paid equity shares of Rs. 2 each, at par, by issuing 50 equity shares of Rs. 2 each for each debenture held. Further 7 bonus shares of Rs. 2 each were issued for 1 equity share by capitalising an equal amount from the general reserve of the company was approved.

Pursuant to the above transactions, the paid up share capital of the Company increased by Rs. 2,681,162,190 (1,491,653,083 equity shares of Rs. 2 each) during the period from April 1, 2006 to March 31, 2007.

7. Subsequent to March 31, 2007, the balance sheet date, on May 18, 2007, a special committee of the Board of Directors, in pursuance of approval granted by the shareholders in the Extra-Ordinary General Meeting held on November 14, 2006, affected the issue of :-
- 1,029 2% Unsecured Optionally Convertible Debentures of Rs 100 each;
 - Conversion of these debentures into fully paid equity shares, at par, by issuing 50 equity shares of Rs. 2/- each for each debenture held.
 - Issue of 7 bonus shares against each of these equity shares by capitalising an equal amount from the general reserves.

ANNEXURE - V: CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Reserves						
Capital reserve	17.7	19.1	27.0	41.6	57.2	32.1
Amalgamation reserve	0.7	0.7	0.7	0.7	0.7	0.7
Share premium	11.7	21.4	20.9	20.9	20.9	9.7
Debenture redemption reserve	-	-	-	-	-	0.9
Statutory reserve fund	2.1	2.1	-	0.0	0.0	0.0
Contingency reserve	9.0	9.0	9.0	9.0	9.0	9.0
General reserve	30.0	69.8	42.8	34.7	29.8	27.6
Surplus						
As per profit and loss account	2,640.3	790.2	643.2	550.6	469.9	399.8
TOTAL	2,711.5	912.3	743.6	657.5	587.5	479.8

ANNEXURE VI: CONSOLIDATED STATEMENT OF SECURED LOANS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
A – TERM LOANS						
From banks						
Citi Bank N.V	163.8	505.3	50.0	-	-	-
United Bank of India	100.0	162.6	-	-	-	-
ICICI Bank Limited	1,243.3	468.8	121.0	-	131.3	135.2
Bank of Maharashtra	100.0	100.0	-	-	-	-
ABN AMRO Bank N.V	125.0	160.3	-	-	-	-
The Honkong and Shanghai Banking Corporation Limited	182.3	145.0	87.6	69.0	-	-
Bank of Baroda	112.2	69.2	-	-	-	-
Industrial Development Bank of India Limited	130.0	85.0	-	-	-	-
UCO Bank	200.0	200.0	-	-	-	-
Corporation Bank	150.0	150.0	-	-	-	-
Standard Chartered Bank	565.0	200.0	-	-	-	-
State Bank of India	198.7	-	-	-	-	-
State Bank of Hyderabad	86.0	-	-	-	-	-
State Bank of Travancore	79.2	-	-	-	-	-
HDFC Bank Limited	50.0	-	-	-	-	-
UTI Bank Limited	351.0	-	-	-	-	-

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
ING Vysya Bank Limited	101.0	-	-	-	-	-
State Bank of Patiala	102.9	-	-	-	-	-
Oriental Bank of Commerce	-	63.8	-	-	-	-
Syndicate Bank	-	82.0	-	-	-	-
Indian Bank	28.1	-	-	-	-	-
State Bank of Bikaner & Jaipur	54.6	-	-	-	-	-
Union Bank of India	112.5	-	-	-	-	-
State Bank of Indore	13.2	-	-	-	-	-
State Bank of Saurashtra	26.5	-	-	-	-	-
State Bank of Mysore	26.5	-	-	-	-	-
Allahabad Bank	53.0	-	-	-	-	-
Yes Bank Limited	95.0	-	-	-	-	-
DBS Bank Limited	474.3	-	-	-	-	-
Kotak Mahindra Bank Limited	-	-	-	-	-	-
Bank of India	0.5	-	-	-	-	-
Canara Bank	1.6	-	-	-	-	-
Midland Bank PLC	-	-	-	-	71.1	72.4
Interest Accrued & Due	-	0.6	-	-	10.2	5.4
SUB TOTAL (A)	4,926.2	2,392.6	258.6	69.0	212.6	213.0
B – FROM OTHERS						
IL & FS Trust Company Limited	546.0	157.0	-	-	-	-
UTI Bank Limited (“Trustees”)	1,385.0	-	-	-	-	-
Infrastructure Development Finance Company Limited	150.0	150.0	-	-	-	-
Housing Development Finance Corporation Limited	1,082.0	782.0	300.0	300.0	32.8	75.0
GE Capital Services India	91.6	33.0	42.2	-	54.0	60.0

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
DSP Merrill Lynch Capital Limited	373.8	-	-	-	-	-

ANNEXURE VI: CONSOLIDATED STATEMENT OF SECURED LOANS, AS RESTATED (CONT'D)
Rs. in Crores

ICICI Limited	-	-	-	-	-	66.7
Citicorp Finance India Limited	100.0	-	-	-	-	-
SUB TOTAL	(B)	3,728.4	1,122.0	342.2	300.0	86.8
C - WORKING CAPITAL LOANS						
CITI Bank N.A.	26.4	43.9	35.4	40.5	-	-
HDFC Bank Limited	34.2	-	-	-	-	-
The Honkong and Shanghai Banking Corporation Limited	1.1	-	-	20.0	-	27.1
Standard Chartered Bank	14.7	29.1	-	-	-	-
Kotak Mahindra Bank Limited	33.7	-	-	-	-	-
State Bank of India	146.8	149.8	-	-	-	-
ING Vysya Bank Limited	49.6	-	-	-	-	-
DBS Bank Limited	3.9	59.0	-	-	-	-
Corporation Bank	45.8	46.8	-	-	-	-
ICICI Bank Limited	-	9.1	155.0	127.5	13.4	4.7
State Bank of Hyderabad	47.8	49.0	-	-	-	-
State Bank of Travancore	89.8	-	-	-	-	-
ABN AMRO Bank N.V	46.0	-	-	-	-	-
Central Bank of India	-	-	0.8	0.8	0.8	0.8
Industrial Development Bank of India Limited	-	51.6	-	-	-	-

SUB TOTAL	(C)	539.8	438.3	191.2	188.8	14.2	32.6
D - VEHICLE/EQUIPMENT LOANS							
From banks		10.6	3.1	3.2	2.6	2.0	0.5
SUB TOTAL	(D)	10.6	3.1	3.2	2.6	2.0	0.5

ANNEXURE VI: CONSOLIDATED STATEMENT OF SECURED LOANS, AS RESTATED (CONT'D)

Rs. in Crores

E DEBENTURES						
Irredeemable	-	-	-	-	-	-
Redeemable	0.0	-	-	-	-	1.4
Interest accrued and due	0.3	-	-	-	-	0.2
SUB TOTAL	(E)	0.3	-	-	-	1.6
Grand Total (A+B+C+D+E)		9,205.3	3,956.0	795.2	560.4	315.6
						449.4

ANNEXURE - VII: CONSOLIDATED STATEMENT OF UNSECURED LOANS, AS RESTATED
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Fixed deposits						
Directors	-	-	-	0.1	3.2	2.2
Others	0.0	0.6	0.6	1.9	3.0	3.9
Interest accrued and due	0.0	-	0.3	-	-	-
SUB TOTAL	0.0	0.6	0.9	2.0	6.2	6.1
Other term loans and advances						
Directors	0.2	-	-	-	-	1.4
Others	661.5	26.1	23.5	4.4	3.5	21.1
Interest accrued and due	-	-	-	-	-	1.0
SUB TOTAL	661.7	26.1	23.5	4.4	3.5	23.5
Preference share capital of a subsidiary	-	-	-	-	-	10.0
SUB TOTAL	-	-	-	-	-	10.0
Debentures	-	22.6	22.6	22.6	-	-
Debentures application and call money	-	-	-	-	-	-
Interest accrued and due on debentures	-	-	-	-	-	-
Refundable long term security deposit	65.8	60.4	58.9	56.9	48.4	41.7
From Banks - Foreign currency loan	-	66.3	65.1	64.6	-	-
From a shareholder	-	-	1.4	-	-	-
SUB TOTAL	65.8	149.3	148.0	144.1	48.4	41.7
TOTAL	727.5	176.0	172.4	150.5	58.1	81.3

ANNEXURE - VIII: CONSOLIDATED STATEMENT OF STOCKS, AS RESTATED

Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Stores and spares	13.9	13.4	10.2	9.4	11.6	8.0
Land, development and construction work in progress	1,277.7	1,017.3	438.7	199.8	294.6	45.5
Land, including plots	1,038.9	549.9	185.6	177.4	213.4	262.5
Advances and part payment under agreements to purchase land/ constructed properties	3,324.8	14.4	23.5	222.3	59.6	52.2
Sub-total (A)	5,655.3	1,595.0	658.0	608.9	579.2	368.2
Rented buildings (including land)						
Lease hold	30.4	30.4	30.4	30.4	30.4	30.1
Free hold	25.8	25.8	25.8	25.8	24.8	167.2
	56.2	56.2	56.2	56.2	55.2	197.3
Less: Depreciation on rented buildings	11.4	10.6	9.7	8.8	7.9	11.7
Sub-total (B)	44.8	45.6	46.5	47.4	47.3	185.6
Others (C)	0.5	0.3	0.4	0.3	0.4	0.5
TOTAL (A+B+C)	5,700.6	1,640.9	704.9	656.6	626.9	554.3

ANNEXURE - IX: CONSOLIDATED STATEMENT OF DEBTORS, AS RESTATED

Particulars	Rs. in Crores					
	As at March 31,					
	2007	2006	2005	2004	2003	2002
SUNDRY DEBTORS						
Debts over six months						
Secured	1.9	0.8	0.1	0.5	-	-
Unsecured	314.6	258.8	224.8	182.9	149.8	149.8
Considered doubtful	86.7	73.3	53.1	43.9	25.6	21.7
	403.2	332.9	278.0	227.3	175.4	171.5
Other Debts						
Secured	2.5	1.4	51.3	0.9	56.0	-
Unsecured	1,200.6	327.4	10.1	721.9	31.7	45.8
Considered doubtful	0.0	-	0.2	-	-	-
Others	0.2	69.6	0.7	5.6	48.1	-
	1,203.3	398.4	62.3	728.4	135.8	45.8
Less: Provision for doubtful debts	87.0	73.3	55.1	54.8	44.0	32.4
TOTAL	1,519.5	658.0	285.2	900.9	267.2	184.9

ANNEXURE - X: CONSOLIDATED STATEMENT OF LOANS AND ADVANCES, AS RESTATED

Particulars	Rs. in Crores					
	As at March 31,					
	2007	2006	2005	2004	2003	2002
LOANS AND ADVANCES						
(Unsecured, considered good)						
Advances recoverable in cash or in kind or for value to be received	2,569.0	849.2	274.9	304.2	52.3	256.8
Security deposits	166.2	7.7	9.3	7.6	6.5	1.8
Interest receivable	14.8	0.6	-	-	0.1	-
Deposits with custom and excise department	0.1	0.1	0.3	0.3	0.3	0.5
Due from body corporates	1,725.6	20.4	189.6	163.8	60.0	-
Share application money	15.4	-	-	-	-	-
Advance tax paid	745.5	186.1	127.7	84.3	64.4	32.5
Interest accrued but not due on deposits	0.7	0.2	0.1	0.1	0.1	-
	5,237.3	1,064.3	601.9	560.3	183.7	291.6
Less: Doubtful and provided for	0.2	0.1	-	-	-	0.2
TOTAL	5,237.1	1,064.2	601.9	560.3	183.7	291.4

ANNEXURE - XI: CONSOLIDATED STATEMENT OF CASH AND BANK BALANCES, AS RESTATED

Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
Cash/ cheques in hand	1.5	2.6	0.8	0.2	8.4	0.4
Bank balances with scheduled banks in:-						
Current accounts	162.1	54.8	16.3	15.4	9.3	5.1
Fixed deposit accounts:-						
Pledged/ under lien/ earmarked	160.5	84.5	22.7	8.8	2.4	4.3
Others	91.3	53.0	2.4	3.4	4.5	-
With HSBC Bank plc, London, UK, in current account, a non - scheduled bank	0.1	0.1	0.2	0.1	-	-
TOTAL	415.5	195.0	42.4	27.9	24.6	9.8

ANNEXURE - XII: CONSOLIDATED STATEMENT OF CURRENT LIABILITIES AND PROVISIONS, AS RESTATED

Particulars	Rs. in Crores					
	As at March 31,					
	2007	2006	2005	2004	2003	2002
CURRENT LIABILITIES						
Sundry creditors	267.8	125.1	96.3	108.4	107.6	79.6
Advances from members	29.6	19.0	7.2	2.4	-	-
Book overdraft	0.2	0.2	-	0.1	-	-
Security deposits	201.1	40.4	23.0	14.0	6.6	-
Uncashed dividend	0.1	0.1	0.1	0.1	0.1	0.1
Unpaid preference shares due	-	-	-	-	10.0	-
Realisation under agreements to sell	2,403.9	1,115.6	589.6	796.4	155.0	144.2
Advances against contracts	4.7	1.9	-	114.7	34.5	-
Other liabilities	397.2	185.0	119.4	106.0	119.8	116.7
Interest accrued but not due on loans	40.4	22.2	2.7	4.6	3.0	4.4
	3,345.0	1,509.5	838.3	1,146.7	436.6	345.0
PROVISIONS						
Proposed dividend	-	1.6	1.4	1.4	1.4	1.4
Tax on dividend	-	0.2	0.2	0.2	-	-
Taxes	878.8	322.9	85.1	37.4	22.4	-
Retirement benefits	19.1	12.7	9.4	7.8	5.9	4.3
	897.9	337.4	96.1	46.8	29.7	5.7
TOTAL	4,242.9	1,846.9	934.4	1,193.5	466.3	350.7

ANNEXURE - XIII: CONSOLIDATED STATEMENT OF SALES AND OTHER INCOME, AS RESTATED
Rs. in Crores

Particulars	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Sales and other receipts						
Revenue from constructed properties and plots	2,240.6	920.0	408.7	313.4	385.9	238.2
Rent and licence fee	154.6	42.2	37.5	34.0	31.4	62.1
Service and maintenance income	81.0	48.1	30.6	20.9	13.1	37.2
Revenue from:-						
Power supply	99.7	108.7	103.5	114.9	111.2	111.4
Cable operations	-	4.0	3.7	3.3	2.3	1.4
Recreational facility	26.2	17.6	14.8	9.8	7.1	8.1
Cinemas operations	9.6	12.4	8.8	6.7	0.3	-
Amount forfeited on properties	3.5	0.6	0.5	2.8	1.5	5.1
Subtotal (A)	2,615.2	1,153.6	608.1	505.8	552.8	463.5
Income from investments						
Interest on Long term investments	-	-	-	-	-	-
Interest from debentures	1.6	16.3	-	-	-	-
Dividend from trade investments	0.4	-	-	-	-	-
Share of profit from partnership firm	-	-	-	7.8	-	0.0
Subtotal (B)	2.0	16.3	-	7.8	-	0.0
Details of other income						
Interest (gross) from :						
Bank deposits	12.6	3.3	0.7	1.1	0.4	0.4
Customers	4.6	6.4	4.1	4.1	9.1	24.6
Loans and deposits	65.9	43.2	2.4	2.3	0.3	0.3
Income-tax refunds	0.0	0.4	-	0.5	0.1	-
Others	9.1	2.0	0.4	0.4	0.3	0.8
Subtotal (C)	92.2	55.3	7.6	8.4	10.2	26.1
Exchange gain/ loss	0.1	0.0	0.0	0.0	0.0	0.0
Profit on disposal of fixed assets	537.2	5.4	1.5	-	0.2	1.5
Profit on disposal of long term investments (trade investments)	770.9	5.9	-	-	0.6	0.1
Holding charges	0.5	0.5	0.3	0.1	0.1	-
Commission	1.7	0.4	0.7	0.4	0.1	-
Advertisement income	2.6	2.4	2.8	2.2	-	-
Miscellaneous income	11.7	2.2	5.0	1.9	7.0	6.5
Subtotal (D)	1,324.7	16.8	10.3	4.6	8.0	8.1
(C+D=E)	1,416.9	72.1	17.9	13.0	18.2	34.2
TOTAL (A+B+E)	4,034.1	1,242.0	626.0	526.6	571.0	497.7

ANNEXURE - XIV: CONSOLIDATED STATEMENT OF COST OF REVENUE, AS RESTATED

Particulars	Rs. in Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Project cost	631.9	441.6	251.7	220.0	223.7	183.7
Others	77.1	82.7	64.8	48.5	29.4	19.7
TOTAL	709.0	524.3	316.5	268.5	253.1	203.4

ANNEXURE - XV: CONSOLIDATED STATEMENT OF ESTABLISHMENT EXPENSES, AS RESTATED

Particulars	Rs. in Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Salaries, wages and bonus	81.7	34.2	37.5	25.1	18.8	19.9
Contribution to provident and other funds	2.9	1.5	3.1	2.3	1.7	2.4
Retirement benefits	4.0	2.0	1.9	2.1	2.3	0.4
Staff welfare	3.6	2.0	2.2	1.8	0.8	1.3
TOTAL	92.2	39.7	44.7	31.3	23.6	24.0

ANNEXURE - XVI: CONSOLIDATED STATEMENT OF FINANCE CHARGES, AS RESTATED

Particulars	Rs. in Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Interest						
Debtentures and fixed periods loans	230.0	156.1	30.0	27.2	47.2	59.3
Others	-	-	4.3	3.2	3.5	5.0
	230.0	156.1	34.3	30.4	50.7	64.3
Guarantee and bank charges	77.6	12.4	4.7	2.6	2.8	3.2
Dividend and tax thereon*	-	-	-	-	-	1.4*
TOTAL	307.6	168.5	39.0	33.0	53.5	68.9

* On Preference share capital of a subsidiary

ANNEXURE - XVII: CONSOLIDATED STATEMENT OF OTHER EXPENSES, AS RESTATED

Particulars	Rs. in Crores					
	For the year ended March 31,					
	2007	2006	2005	2004	2003	2002
Commission and brokerage	78.6	25.1	18.6	15.6	7.4	6.1
Advertisement and publicity	34.6	7.0	4.0	3.1	4.5	3.8
Traveling and conveyance	12.5	6.8	6.1	5.3	5.4	5.0
Legal and professional	79.3	11.9	8.3	4.4	3.2	3.4
Provision for doubtful debts and advances	13.8	18.4	-	10.8	7.4	3.7
Others	99.9	44.7	41.7	45.6	41.4	61.7
TOTAL	318.7	113.9	78.7	84.8	69.3	83.7

ANNEXURE XVIII: DETAILS OF QUOTED INVESTMENTS

Particulars	Rs. in Crores					
	As at March 31,					
	2007	2006	2005	2004	2003	2002
Aggregated book value of quoted investments	-	-	-	-	-	0.1
Aggregated market value of quoted investments	-	0.2	0.1	0.1	0.1	0.1

ANNEXURE XIX: CONSOLIDATED CAPITALISATION STATEMENT

PARTICULARS	Rs. in Crores	
	As at March 31, 2007	As at March 31, 2006
Borrowings :		
Short-term debt	1,202.2	515.0
Long-term debt	8,730.6	3,617.0
Total Debt	9,932.8	4,132.0
Shareholders' funds:		
Share Capital	1,255.7*	37.8
Reserves	2,711.5	912.3
Total Shareholders' Funds	3,967.2	950.1
Long-term debt/ equity ratio	2.2	3.8
Total debt/ equity ratio	2.5	4.3

* Including Preference share capital

ANNEXURE XX: CONSOLIDATED SUMMARY OF ACCOUNTING RATIOS, AS RESTATED

S.NO.	PARTICULARS	For the years ended March 31,					
		2007	2006	2005	2004	2003	2002
1)	Adjusted profit to income from operations (%)	97.49	31.16	18.71	15.86	26.76	19.50
2)(a)	Earnings per share* (Rs.)	12.80	493.64	246.58	153.36	288.20	175.03
(b)	Restated earnings per share *(Rs.)	12.80	12.34	6.16	3.83	7.20	4.38
3)(a)	Cash earnings per share* (Rs.)	13.18	586.71	341.65	235.57	355.48	252.85
(b)	Restated cash earnings per share * (Rs.)	13.18	14.67	8.54	5.89	8.89	6.32
4)(a)	Net asset value per share * (Rs.)	26.22	2,460.42	2,141.96	1,915.05	1,705.81	1,401.94
(b)	Restated Net asset value per share * (Rs.)	26.22	61.51	53.55	47.88	42.65	35.05
5)	Return on net worth (%)	48.82	20.06	11.51	8.01	16.90	12.48
6)(a)	No. of shares *	1,516,478,208	3,883,376	3,508,007	3,508,007	3,508,007	3,508,007
(b)	Restated No. of Shares * (refer note 3 below)	1,516,478,208	155,335,024	140,320,280	140,320,280	140,320,280	140,320,280

* Equity shares of Rs.2 each

Notes:

1) The ratios have been computed as follows:

$$\text{Adjusted profit to income from operations (\%)} = \frac{\text{Adjusted profit before tax}}{\text{Income from operations}}$$

$$\text{Earnings per share- Basic and Diluted} = \frac{\text{Adjusted profit/ loss after tax but before extraordinary items}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Cash earnings per share} = \frac{\text{Adjusted profit after tax but before depreciation}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Net asset value per share (Rs.)} = \frac{\text{Net worth excluding revaluation reserve}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Adjusted profit/ loss after tax but before extraordinary items}}{\text{Net worth excluding revaluation reserve}}$$

- 2) Earnings per share has been calculated in accordance with Accounting Standard 20 - Earnings 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 equity shares of Rs. 2 each for each share of Rs. 2 each held by the shareholders on record as on April 27, 2006, out of the entire share premium account and the balance out of the General Reserve. Further pursuant to the approval granted by the shareholders at the Extra Ordinary General Meeting of the company held on May 2, 2006, equity shares of face value of Rs.10 each have been subdivided into 5 equity shares of Rs. 2 each.
- 4) Restated profit/ loss has been considered for the purpose of computing the above ratios.
- 5) For other notes Refer Annexure IV "Statement of Share Capital"

ANNEXURE XXI: RELATED PARTY DISCLOSURES

List of Related Parties

Relationship:

(i) Joint Ventures

- 1 Niharika Shopping Mall
- 2 Delanco Real Estates Private Limited
- 3 Kujjal Builders Private Limited
- 4 DLF Laing O' Rourke (India) Limited
- 5 Kenneth Builders and Developers Private Limited
- 6 WSP Engineering Services Private Limited

(ii) Associates

- 1 DLF New Gurgaon Home Developers Private Limited (Formerly Caitlin Builders and Developers Private Limited)
- 2 Mangal Shruti Gruh Nirmiti Private Limited

(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) Ms. Savitri Devi Singh and Ms. Anushka Singh (Daughters)
c) Ms. Renuka Talwar	Whole Time Director	Master Rahul Singh Talwar (Son)
d) Mr. T.C. Goyal	Managing Director	
e) Mr. J.K.Chandra	Sr. Executive Director	
f) Ms. Pia Singh	Whole Time Director	Mrs. Indira K.P.Singh (Mother)
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 Private Limited	57	Madhur Housing and Development Company
2	Adampur Agricultural Farm	58	Magna Real Estate Developers Private Limited
3	Adept Real Estate Developers Private Limited	59	Mallika Housing Company
4	Aeshya Estates Private Limited	60	Megha Estates Private Limited
5	AGS Buildtech Private Limited	61	Nachiketa Real Estates Private Limited
6	Altamount Real Estate Developers Private Limited	62	Northern India Theatres Private Limited
7	Angus Builders and Developers Private Limited	63	Pace Financial Services Limited
8	Antriksh Properties Private Limited	64	Panchsheel Investment Company
9	Anubhav Apartments Private Limited	65	Panchvati Estates Private Limited

ANNEXURE XXI: RELATED PARTY DISCLOSURES (CONT'D)

10	Aquarius Builders and Developers Private Limited	66	Parvati Estates Private Limited
11	Arihant Housing Company	67	Pia Pariwar Trust
12	Atria Partners	68	Plaza Partners
13	Bansal Development Company Private Limited	69	Power Overseas Private Limited
14	Belicia Builders and Developers Private Limited	70	Prem Traders and Investments Private Limited
15	Beverly Park Operation and Maintenance Services Private Limited	71	Prem's Will Trust
16	Buland Consultants and Investments Private Limited	72	Pushpak Builders and Developers Private Limited
17	Caraf Builders and Constructions Private Limited	73	Pushpavali Builders. And Developers Private Limited
18	Centre Point Property Management Services Private Limited	74	Raghvendra Public Charitable Trust
19	Ch.Lal Chand Memorial Charitable Trust	75	Raisina Agencies and Investments Private Limited
20	Cian Builders and Developers Private Limited	76	Rajdhani Investments and Agencies Private Limited
21	Desent Promoters and Developers Private Limited	77	Rajiv Kavita Trust
22	Digital Talkies Private Limited	78	Realest Builders and Services Private Limited
23	DLF Assets Private Limited	79	Rekan and Company
24	DLF Info City (Chandigarh) Limited.	80	Renkon Agencies Private Limited
25	DLF Info City (Kolkata) Limited.	81	Renkon Partners
26	DLF Commercial Enterprises	82	Renuka Pariwar Trust
27	DLF Finance Corporation	83	Renuka Rahul Trust
28	DLF Investments Private Limited	84	R.R. Family Trust
29	DLF M.T.FBD Medical and Community Charitable Trust	85	Sagarika Real Estate Developers Private Limited
30	DLF Q.E.C. Education Charitable Trust	86	Sambhav Housing and Development Company
31	DLF Q.E.C. Medical Charitable Trust	87	Sanidhya Constructions Private Limited
32	DLF Raghvendra Temple Trust	88	Savitri Studs and Farming Company Private Limited
33	Exe of The Estate of Lt. Ch. Raghavendra Singh	89	Sidhant Housing and Development Company
34	Exe of The Estate of Lt. Smt. Prem Mohini	90	Singh Family Trust
35	Excel Housing Construction Pvt. Ltd.	91	Sketch Investment Private Limited
36	Family Idol Shri Radha Krishan Ji	92	Smt. Savitri Devi Memorial Charitable Trust
37	Family Idol Shri Shiv Ji	93	Solace Housing and Construction Private Limited
38	Gangrol Agricultural Farm and Orchard	94	Sudarshan Estates Private Limited
39	General Marketing Corporation	95	Sukh Sansar Housing Private Limited
40	Glaze Builders and Developers Private Limited	96	Sukomal Builders and Developers Private Limited
41	Haryana Electrical Udyog Private Limited	97	Sulekha Builders and Developers Private Limited
42	Herminda Builders and Developers Private Limited	98	Super Mart One Property Management Services Private Limited
43	Hitech Property Developers Private Limited	99	Super Mart Two Property Management Services Private Limited

44	Indira Trust	100	Trinity Housing and Construction Company
45	Jagpriya Portfolio and Technofin Services Private Limited	101	Udyan Housing and Development Company
46	Jhandewalan Ancillaries and Investments Private Limited	102	Ultima Real Estate Developers Private Limited
47	Kohinoor Real Estates Company	103	Universal Management and Sales Private Limited
48	K.P.Singh (SUB) HUF	104	Upeksha Real Estate Developers Private Limited
49	K.P.Singh HUF	105	Uplift Real Estate Developers Private Limited
50	Krishna Public Charitable Trust	106	Urva Real Estate Developers Private Limited
51	Lal Chand Public Charitable Trust	107	Uttam Builders and Developers Private Limited
52	Lion Brand Poultries	108	Uttam Real Estates Company
53	Lyndale Holdings Private Limited	109	Vanutsar Properties Private Limited
54	Maaji Properties and Development Company	110	Vishal Foods and Investments Private Limited
55	Macknion Estates Private Limited	111	Windsor Complex Property Management Services Private Limited
56	Madhukar Housing and Development Company	112	Yashika Properties and Development Company

Transactions undertaken/ balances outstanding with related parties:
Rs. in Crores

Particulars	As at March 31,					
	2007	2006	2005	2004	2003	2002
*Joint Ventures and Associates						
Transactions during the year						
Sale of land, properties and material	-	-	-	100.0	-	28.3
Interest income	14.9	40.2	1.0	-	-	-
Expenses recovered	0.1	29.3	-	-	-	-
Purchase of land and material	-	-	-	0.2	-	0.2
Cost of staff on deputation	0.2	0.3	-	-	-	-
Rent paid	-	-	0.1	0.1	0.1	0.1
Interest paid	0.3	-	-	-	-	0.3
Investment	74	-	0.4	-	-	-
Interest received on debentures	-	6.5	-	-	-	-
Advance received	-	2.0	0.3	-	-	-
Loans and advances given	476.4	125.0	111.2	-	-	-
Loans repaid	56.0	-	-	-	-	-
Purchases/ construction works/ services	60.2	-	-	-	-	-
Earnest money received	446.3	-	-	-	-	-
Share application money	0.2	-	-	-	-	-
Balances at the end of the year						
Debtors	-	-	-	100.0	1.5	20.6
Investments	76.9	49.2	9.6	69.5	60.2	38.6
Investments in debentures	-	783.6	-	-	-	-
Loans and advances given	408.6	359.4	282.4	163.5	63.2	-
Earnest money and part payments under agreement to purchase land / constructed properties	-	-	0.3	222.3	-	2.9
Creditors/ payables	470.3	5.6	-	11.0	0.8	-
Advances received under agreement to sell	-	2.0	3.1	-	-	-
Share application money	0.2	-	-	-	-	-
Key management personnel						
Transactions during the year						
Remuneration paid	6.3	12.3	10.5	5.6	4.4	4.1
Interest paid	0.0	0.1	0.1	0.3	0.3	0.6
Advances received under agreement to sell	-	-	-	0.4	0.5	-
Fixed deposits repaid	0.5	0.0	-	-	-	-

Debentures issued	-	2.1	-	-	-	-
Debentures converted into equity shares	-	2.1	-	-	-	-
Balances at the end of the year						
Creditors/ payables	-	7.3	7.3	3.3	6.3	5.9
Realisation under agreement to sell	-	0.3	0.3	0.3	0.8	-
Earnest money and part payments under agreement to purchase land/ constructed properties	-	-	2.7	0.1	0.1	-
Investments	-	-	0.8	-	-	-
Amounts recoverable from registered trusts	-	-	0.2	0.2	1.2	-
Rent recoverable	-	-	-	-	-	-
Share application money pending allotment	-	-	-	0.8	-	-
Amounts due from directors	-	-	-	-	-	-
Entities over which a Key Management Personnel is able to exercise significant influence						
Transactions during the year						
Rent paid	0.7	0.5	0.4	0.4	0.4	0.4
Interest paid	1.6	0.2	0.1	0.2	0.4	0.4
Purchase of land/ materials	0.0	0.5	0.2	-	0.4	-
Provision for diminution in value of investment	-	-	0.8	-	-	-
Investments	-	-	0.8	-	-	-
Fixed deposits repaid	0.0	0.1	-	-	-	-
Debentures issued	-	32.0	-	-	-	-
Debentures converted into equity shares	-	32.0	-	-	-	-
Inter corporate deposits received	-	1.3	-	-	-	-
Inter corporate deposits repaid	2.1	1.1	-	-	-	-
Claims paid	-	1.2	-	-	-	-
Advances received under agreement to sell	-	3.1	-	-	-	-
Sale of constructed properties	880.5	-	-	-	-	-
Sale of fixed assets	710.0	-	-	-	-	-
Sale of investments	811.0	-	-	-	-	-
Expenses recovered	2.2	-	-	-	-	-
Service charges paid	0.0	-	-	-	-	-
Interest income	12.7	-	-	-	-	-
Expenses paid	0.0	-	-	-	-	-
Rent received	0.2	-	-	-	-	-
Loan given	64.7	-	-	-	-	-
Loan repaid	28.2	-	-	-	-	-
Balances at the end of the year						
Advances given	-	0.1	0.1	-	-	6.6

Earnest money and part payments under agreement to purchase land/ constructed properties	2.6	2.2	-	-	-	-
Creditors/ payables	0.0	2.3	1.1	1.7	3.7	2.5
Advances received under agreement to sell	-	2.8	4.5	1.8	1.8	2.4
Expenses recoverable	19.8	-	-	-	-	-
Inter corporate deposits	0.1	-	-	-	-	-
Investments	1.7	1.8	1.8	1.8	-	-
Debtors	858.1	-	-	-	-	-
Loans and advances	1,930.2	-	-	-	-	-
Interest payable on inter corporate deposits	-	-	-	-	-	-
Unsecured loan (liability)	6.1	-	-	-	-	-
Service charges payable	0.2	-	-	-	-	-

* Complete transactions have been reported before eliminations

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') and is engaged in the business of colonization and real estate development. The operations of the Group span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of 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) on "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 per cent owned or controlled and partnership firms where the Company's profit sharing ratio is more than 50 per cent as at March 31, 2007. Investments in entities that were not more than 50 per cent owned or controlled and partnership firms where the Company's profit sharing ratio is not more than 50 per cent as at March 31, 2007 have been accounted for in accordance with the provisions of Accounting Standard 13 'Accounting for Investments', or Accounting Standard 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements', 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 unrealised 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 entities consolidated. Financial interest in joint ventures have been accounted for 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/ partnership 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 an accrual basis, in accordance with the generally accepted accounting principles in India, the relevant accounting standards and the relevant guidance notes issued by the Institute of Chartered Accountants of India, the applicable 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) Sale of land and plots

Revenue from sale of land and plots is recognised in the financial year in which the agreement to sell is executed.

(ii) Revenue from constructed properties

- a) Revenue from constructed properties is recognised on the "percentage of completion method". Total sale consideration as per the agreements to sell constructed properties entered into is recognised as revenue based on the 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 per cent or more of the total estimated project cost. The estimates of the saleable area and costs are reviewed periodically by the management and effect of any changes in such estimates is recognised in the period in which such changes are determined. However, if the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately.
- b) Assets given on perpetual lease are considered sold on the execution of the lease agreement and revenue there from 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 are 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 recognised under the terms of power purchase agreements entered into with the customers.
- b. Revenue from energy systems development contracts is recognised on the percentage of completion method and accounted for inclusive of excise duty recovered, where applicable. Accordingly, revenue is recognised when the cost incurred (including appropriate portion of allocable overheads) on the contract is estimated to be 30 per cent or more of the total contract cost expected 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 and non-refundable membership fee are recognised on time based proportionate basis.
- b. Revenue from food and beverage sales is recorded net of sales tax/ value added tax (VAT).
- c. Sales of merchandise is recorded net of goods sold on consignment basis as agents.
- d. Revenue in respect of maintenance services is recognised on an accrual basis, in accordance with the terms of the respective contract.
- e. Sale of cinema tickets is recorded 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 a 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 shuttering is capitalised at the cost directly relating to its fabrication and is 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 the 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
Buildings	58 Years
Plant and machinery	4-20 Years
Computers and software	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

At each balance sheet date the Group assesses 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 recognized 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 the investment.

h) Stocks

Stocks are valued as under:

- i) Land and plots (including land under agreements to sell), other than any 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 include the cost of land (including land under agreements to purchase), internal development costs, external development charges, construction costs, development/ construction materials, and are valued at cost or estimated cost, as applicable.
- iii) Earnest money and part payments under agreements to purchase land/ constructed properties represent amounts paid by the Company to acquire irrevocable and exclusive licenses and development rights in identified land and constructed properties, the acquisition of which is at an advanced stage.
- iv) Rented buildings and related equipments are valued at cost less depreciation.
- v) In respect of power supply division, 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 and depreciation has been provided based on the straight line method at the rate of ten per cent 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 based on the percentage of land/ plotted area in respect of which revenue is recognized as per accounting policy (c) above to the total land/ plotted area of the scheme, 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 land under agreements to purchase), estimated internal development costs, external development charges, construction costs and development/ construction materials, which is charged to the profit and loss account based on the percentage of revenue recognized as per accounting policy (c) above, in consonance with the concept of matching costs 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 recognized in the profit and loss

account on a straight-line basis over the lease term. Costs, including depreciation are recognized 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 contributions 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 recognized 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 a defined benefit plan. The liability recognized 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 any adjustments for unrecognized 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 to which such gains or losses relate.

iii) Earned leave

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or the estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed more than one year after the balance sheet date is estimated on the basis of actuarial valuation 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 rules.

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.

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.

n) Contingent liabilities

Depending upon the facts of each case and after due evaluation of legal position, claims against the Group not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Group, a liability is 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 years ended March 31, 2007, 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' as at the close of business hours on March 31, 2001. As at March 31, 2007, 2006, 2005, 2004, 2003 and 2002, the financial statements included sundry debtors of Rs. 5.1 Crores, Rs. 5.1 Crores, Rs. 7.4 Crores, Rs. 1.0 Crores, Rs. 12.9 Crores and Rs. 13.1 Crores 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 that had 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 years ended March 31, 2007, 2006, 2005, 2004, 2003 and 2002, the Company wrote off/ provided amounts of Rs. Nil, Rs. Nil, Rs. 23.2 Crores, Rs. 1.9 Crores, Rs. 13.0 Crores and Rs. 23.2 Crores respectively, out of the amounts that were outstanding and with regard to which the auditor's opinion had been qualified.

Accordingly, in preparation of these Consolidated Summary Statement of Assets and Liabilities and Profits and Losses, as Restated, the Company has recorded the bad debt 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' in the year to which the charge pertains.

Adjustments not recorded

Year ended March 31, 2007

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. 55.6 Crores 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. 55.6 Crores 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. 60.5 Crores 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. 60.5 Crores 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. 69.3 Crores 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. 69.3 Crores 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. 1,20.7 Crores 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. 120.7 Crores 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. 135.3 Crores (including Rs.97.1 Crores 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. 135.3 Crores 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

i) 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. 136.9 Crores 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. 136.9 Crores 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.

ii) Acquisition of Energy Services Division

Attention is invited to 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 known liabilities and obligations of the Energy systems divisions prior to takeover thereof by the Company have been fully provided for in the accounts. Adjustments which may be required to be made 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 any of the above, 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 was adopted pursuant to the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the ICAI. The cumulative effect of this change has 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 in the Consolidated Financial Statements, as Restated. 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 year ended March 31, 2007, the Group revised the accounting policy for recognising revenue on developed plots from registration of sale deeds to date of execution of the agreement to sell. 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 has been recorded in the year ended March 31, 2007. 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 year ended March 31, 2007 in the Financial Statements, as Restated. 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 year ended March 31, 2007, the Group adopted the provisions of revised Accounting Standard 15 on Employee Benefits issued by the ICAI applicable for accounting periods commencing on or after December 7, 2006. However, the Company adopted the standard with effect from April 1, 2006 as an earlier adoption of the standard. The cumulative effect of this change was recorded in the year ended March 31, 2007. Accordingly, establishment expenses have been recomputed for the years ended March 31, 2002, 2003, 2004, 2005 and 2006 and for year ended March 31, 2007 in the Financial Statements, as Restated. 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.
3. Upto the year ended March 31, 2004, DLF Golf Resorts Limited (a wholly owned subsidiary of DLF Limited) recognized 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 years ended March 31, 2002, 2003 and 2004 in the Financial Statements, as Restated. Further the accumulated profit and loss balance as at April 1, 2001 has been appropriately adjusted to reflect the impact of this change pertaining to periods ending on or before 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 year ended March 31, 2007, 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 in 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 assessments/ 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 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 assets of the maintenance division of DLF Services Limited (formerly DT Cinemas Limited), wholly owned subsidiary 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 the impact of the same on the 'Consolidated Summary Statement of Profits and Losses, as Restated' is not material.

7. Material reclassifications

- During the year ended March 31, 2007, a subsidiary company namely, DLF Info City Chennai Developers Limited, reclassified certain construction work in progress from “Capital work-in-progress” to “Stocks”. The effect of this reclassification has been incorporated in the appropriate year-ends in the ‘Summary Statement of Assets and Liabilities, as Restated.’
- During the year ended March 31, 2007, a subsidiary company namely, DLF Commercial Developers Limited, reclassified certain land from “Stocks” to “Capital work-in-progress”. The effect of this reclassification has been incorporated in the appropriate year-ends in the ‘Summary Statement of Assets and Liabilities, as Restated.’
- During the year ended March 31, 2007, a subsidiary company namely, DLF Cyber City Developers Limited, reclassified certain construction work in progress from “Capital work-in-progress” to “Stocks”. The effect of this reclassification has been incorporated in the appropriate year-ends in the ‘Summary Statement of Assets and Liabilities, as Restated.’

8. Consolidated financial statements comprise the financial statements of DLF Limited and its subsidiaries, Joint ventures and associates listed below:

a) Relationship :

(i) Subsidiary companies at any time during the year

1	Aadarshini Real Estate Developers Private Limited	58	Edward Keventor (Successors) Private Limited
2	Abhiraj Real Estate Private Limited	59	Eila Builders and Developers Private Limited
3	Adelie Builders and Developers Private Limited	60	Falguni Builders Private Limited
4	Aloki Real Estate Developers Private Limited	61	G K S Housing Limited
5	Amishi Builders and Developers Private Limited	62	Galaxy Mercantiles Limited
6	Ananti Builders and Construction Private Limited	63	Galleria Property Management Services Private Limited
7	Anjuli Builders and Developers Private Limited	64	Ganika Builders Private Limited
8	Annabel Builders and Developers Private Limited	65	Gulika Home Developers Private Limited
9	Avinashi Builders and Developers Private Limited	66	Gyan Real Estate Developers Private Limited
10	Ayushi Builders and Developers Private Limited	67	Highvalue Builders Private Limited
11	Belden Homes Private Limited	68	Isabel Builders and Developers Private Limited
12	Beverly Park Maintenance Services Limited	69	Jai Luxmi Real Estate Private Limited
13	Bedelia Builders and Constructions Private Limited	70	Jawala Real Estate Private Limited
14	Bhamini Real Estate Developers Private Limited	71	Kairav Real Estate Private Limited
15	Bhoruka Financial Services Limited	72	Kamini Home Developers Private Limited
16	Breeze Construction Private Limited	73	Kanan Real Estate Private Limited
17	Camila Builders and Constructions Private Limited	74	Kenneth Builders and Developers Private Limited
18	Caressa Builders and Constructions Private Limited	75	Lennox Builders and Developers Private Limited
19	Carlton Real Estate Developers Private Limited	76	Marala Real Estates Private Limited
20	Carmen Builders and Constructions Private Limited	77	Monishka Builders and Developers Private Limited

21	Catherine Builders and Developers Private Limited	78	Muafa Real Estates Private Limited
22	Catriona Builders and Constructions Private Limited	79	Natwar Builders and Developers Private Limited
23	Cee Pee Maintenance Services Limited	80	Necia Builders and Developers Private Limited
24	Chandrajyoti Estate Developers Private Limited	81	Newgen Medworld Hospitals Limited
25	Comfort Buildcon Private Limited	82	Nilayam Builders and Developers Limited
26	Dalmia Promoters And Developers Private Limited	83	Nilgiri Cultivations Private Limited
27	Dankuni World City Private Limited (Formerly Brisa Builders and Developers Private Limited)	84	Nilima Real Estate Developers Private Limited
28	Delanco Home and Resorts Private Limited	85	Paliwal Developers Limited
29	Deltaland Real Estate Private Limited	86	Paliwal Real Estate Private Limited
30	Dhoomketu Builders and Developers Private Limited	87	Passion Builders and Developers Private Limited
31	Dhyan Constructions Private Limited	88	Pee Tee Property Management Services Limited
32	Diwakar Estates Limited	89	PAT Infrastructure Private Limited
33	DLF Akruti Info Park (Pune) Limited	90	Prateep Estates Private Limited
34	DLF Commercial Developers Limited	91	Prompt Real Estate Private Limited
35	DLF Cyber City Developers Limited	92	Rajika Estate Developers Private Limited
36	DLF Estate Developers Limited	93	Regency Park Property Management Services Private Limited
37	DLF Financial Services Limited	94	Richmond Park Property Management Services Private Limited
38	DLF Golf Resorts Limited	95	Roadtech Construction Private Limited
39	DLF Land Limited	96	Royalton Builders and Developers Private Limited
40	DLF Home Developers Limited	97	Samali Builders and Developers Private Limited
41	DLF Hotels and Resorts Limited	98	Sanchali Real Estate Developers Private Limited
42	DLF Hotels Holdings Limited	99	Shivajimarg Properties Limited
43	DLF Housing and Constructions Limited	100	Shrila Builders and Developers Private Limited
44	DLF Info City Developers (Noida) Limited	101	Silver Oaks Property Management Services Limited
45	DLF Info City Developers (Chandigarh) Limited	102	Simbala Builders and Developers Private Limited
46	DLF Info City Developers (Kolkata) Limited	103	Solid Buildcon Private Limited
47	DLF Info City Developers (Bangalore) Limited	104	Sumedha Homes Private Limited
48	DLF Info City Developers (Chennai) Limited	105	Sunlight Promoters Private Limited
49	DLF Info City Developers (Hyderabad) Limited	106	Talika Real Estate Developers Private Limited
50	DLF New Gurgaon Retail Developers Private Limited (Formerly Lacey Builders and Constructions Private Limited)	107	Trisha Real Estate Developers Private Limited
51	DLF New Gurgaon Homes Developers Private Limited (Formerly Caitlin Builders and Developers Private Limited)	108	The Ganesar Ginning Company Private Limited
52	DLF Phase IV Commercial Developers Limited	109	Tuhina Real Estate Developers Private Limited
53	DLF Power Limited	110	Udipti Estates Developers Private Limited

54	DLF Real Estates Limited	111	Umed Construction Private Limited
55	DLF Retail Developers Limited	112	Valini Builders and Developers Private Limited
56	DLF Services Limited	113	VSK Investment and Finance Limited
57	DLF Universal Limited (Formerly Dominga Builders and Construction Private Limited	114	Wellington Real Estate Developers Private Limited

ANNEXURE XXIII: NOTES TO THE CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES AND PROFITS AND LOSSES, AS RESTATED (CONT'D)

Partnership Firms

- 1 DLF Commercial Projects Corporation
- 2 DLF Office Developers
- 3 DLF Property Developers
- 4 DLF Residential Partners
- 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 Niharika Shopping Mall
- 2 Delanco Real Estates Private Limited
- 3 Kujjal Builders Private Limited
- 4 DLF Laing O' Rourke (India) Limited.
- 5 Kenneth Builders and Developers Private Limited
- 6 WSP Engineering Services Private Limited

(iii) Associates

- 1 DLF New Gurgaon Home Developers Private Limited (Formerly Caitlin Builders and Developers Private Limited)
- 2 Mangal Shruti Gruh Nirmiti Private Limited

9. The interest of the Group in major Joint Ventures is listed below:

S. No	Joint venture	Location	Principal Activities	Ownership Interest
1	Niharika Shopping Mall Joint venture	Mumbai	Development and construction of shopping mall	50%
2	Kenneth Builders and Developers Private Limited	New Delhi	Real estate developers	50%
3	DLF Laing O' Rourke (India) Limited	Gurgaon	Construction	50%
4	Kujjal Builders Private Limited	New Delhi	Construction and development of hotels	50%
5	Delanco Real Estate Private Limited	New Delhi	Real estate consulting and brokerage	50%
6	WSP Engineering services Private Limited	Gurgaon	Project management services	50%

10. **Commitments and Contingencies**

- (a) The estimated value of contracts as at March 31, 2007 remaining to be executed on capital account and not provided for is Rs. 654.4 crores.

(b) **Contingencies**

A summary of the contingencies existing as at March 31, 2007 is as follows:

Rs. in Crores	
Nature of Contingency	March 31, 2007
Guarantees	8.6
Put option against the preference shares issued by an Associate Company	462.9
Claims against the Company not acknowledged as debts	100.7
Demands in excess of provisions (pending in appeals)	
Income tax	53.5
Other taxes	0.6

11. 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 Honourable High Courts of Delhi and Punjab and 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.
12. The Company is engaged in the business of colonization and real estate development, which as per Accounting Standard 17 on "Segment Reporting" issued by the ICAI, is recognized to be the only reportable business segment. The Company is operating in the same geographical segment.
13. During the year ended March 31, 2007, the Company entered into an agreement with IL&FS Trust Company Limited ("IL&FS" or the "Trust") for assigning the receivables amounting to Rs. 542.8 Crores of the Belaire project (the "Project") in favour of IL&FS. In consideration of the above assignment, the Company received Rs. 483.0 Crores being the Net Present Value of the receivables of the project from the Trust. Further to the above agreement, the Company entered into a collection agency agreement with IL&FS for collecting the payments

from the customers and paying the same to the Trust. The finance cost on the above transaction is being accounted for over the tenure of the agreement.

14. During the year ended March 31, 2007, the Company pledged 29.80625 acres of land [along with M/s. Chandrajyoti Estate Developers Pvt Ltd (a subsidiary company) who has pledged 7.1875 acres of land] with IDBI Trusteeship Services Limited as collateral security against an undertaking given by the Company to buy back preference shares subscribed by LB India Holding Mauritius II Limited in one of the subsidiary companies – M/s. Shivaji Marg Properties Limited.

15. During the year ended March 31, 2007, the Company has given an undertaking to M/s Kidson Pte. Ltd to buy back preference shares subscribed in M/s Caitlin Builders & Developers Pvt Ltd (an associate company) against which collateral security has been given by DLF Cyber City Developers Limited (a subsidiary company) who has pledged 23.78 acres of land with IDBI Trusteeship Services Limited.

16. **Subsequent to the balance sheet date:**

- The Company entered into a Memorandum of Cooperation with “Fragport AG Frankfurt Airport Services Worldwide” for the purposes of airport design, construction and development of airport.
- The Company entered into a Joint venture agreement with “Haryana State Industrial and Infrastructure Development Corporation Limited” for the purpose of development of multi-product Special Economic Zones in Gurgaon and Ambala.
- The Company entered into a Joint venture agreement with “Bharat Hotels Limited” through Eila Builders and Developers Private Limited, one of its subsidiary, for the purpose of developing hotels in Chandigarh.
- The Company entered into a Joint venture agreement with “Prudential International Investments Corporation” to form an Asset Management Company.

17. **Employees Share Option Scheme (“ESOP”)**

During the year ended March 31, 2007, the Company announced an Employee Share Option Scheme for all the employees of the Company. The scheme is yet to be implemented and hence no effect in respect thereof has been given in the Consolidated Financial Statements as Restated.

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.

Subject	IFRS	U.S. GAAP	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 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. US Public companies must follow SEC regulations.	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.

Subject	IFRS	U.S. GAAP	Indian GAAP
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 and cash equivalents are disclosed on the face of the balance sheet.	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. Cash and cash equivalents are disclosed on the face of the balance sheet.	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 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. (ii) Interest and dividend received — Operating or investing activities. (iii) Taxes paid — Operating — unless specific identification with financing or investing.	(i) Interest paid, interest received and dividend received — Operating activities. (direct method). Under the indirect method will be shown as the change in the asset/liability or as supplemental cash disclosure. (ii) Dividends paid — Financing activities. (iii) Taxes paid — Operating activities. Supplementary disclosure required.	(i) Interest and dividend paid — Financing activities. (ii) Interest and dividend received — Investing activities. (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 recognized in the period comprises net income and the following gains and losses	Comprehensive income is divided into net income and other comprehensive income.	

Subject	IFRS	U.S. GAAP	Indian GAAP
	recognized 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. Recognized gains and losses can be presented either in the notes or separately highlighted within the primary statement of changes in shareholders' equity.	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.
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.	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

Subject	IFRS	U.S. GAAP	Indian GAAP
		Recent amendment (FASB 154) requires accounting similar to IFRS. The new amendment is applicable to accounting changes that are made in fiscal years beginning after 15 December 2005.	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.	A company must first evaluate whether the potential subsidiary is a variable interest entity (“VIE”) and whether the	Consolidation is required when there is a controlling interest, directly or indirectly through

Subject	IFRS	U.S. GAAP	Indian GAAP
	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.	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 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.	subsidiaries, by virtue of holding majority voting shares or control over board of directors
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	Predominantly use the equity method, while the practice of proportional consolidation (typically not allowed) is found in extractive oil and gas industry in limited	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

Subject	IFRS	U.S. GAAP	Indian GAAP
	a jointly controlled entity is acquired and held exclusively with a view to its subsequent disposal within 12 months of acquisition.	circumstances.	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 recognized 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 recognized 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 amortisation. No specific guidance for impairment of goodwill

Subject	IFRS	U.S. GAAP	Indian GAAP
			arising on acquisition or consolidation. Any excess of acquirer's interest in the net fair values of acquirer's identifiable assets is recognized 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 (FAS Concept 5) 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 recognized 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 recognized 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 recognized 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 has 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 recognized 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.

Subject	IFRS	U.S. GAAP	Indian GAAP
	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 consistently apply the requirements for recognising incentive payments as contract revenue.	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 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 recognized under U.S. GAAP.	Similar to IFRS
	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	Similar to IFRS.

Subject	IFRS	U.S. GAAP	Indian GAAP
		U.S. GAAP; however, the contractor must disclose in the notes to the financial statements that the alternative method was used.	
	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 stage-of-completion percentage.	SOP 81-1 allows a contractor to calculate earned revenue and cost of earned revenues in one of two ways, and either 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.	Similar to IFRS.
	Revenue is the fair value of the	Not permitted.	Not permitted.

Subject	IFRS	U.S. GAAP	Indian GAAP
	consideration received or receivable. This may require estimating the present value of the sale consideration.		
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 US GAAP for this type of transactions. However, arrangements with multiple deliverables are divided into separate units of accounting, under the guidance provide by EITF 00-21 which is similar to that under IFRS.	There is no guidance in Indian GAAP for these type of transactions.
Interest expense	Recognized 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.	Defined benefit 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 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	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
		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: 1 the present value of future benefits which have accrued during the period; and 2 an interest cost component related to the increase in the projected benefit obligation due to the passage of time; less 3 estimated earnings on invested assets segregated to provide future benefits; and 4 an amortisation of previously un recognized 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	FAS 123R which is effective for annual periods beginning 15	It is mandatory only for listed entities.

Subject	IFRS	U.S. GAAP	Indian GAAP
	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 measured at the fair value of the shares or share options granted.	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 applicable to both public and non-public 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 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 recognized. 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

Subject	IFRS	U.S. GAAP	Indian GAAP
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 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.	No specific guidance. However, in practice similar to IFRS, except that discounting of an obligation is prohibited.
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	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

Subject	IFRS	U.S. GAAP	Indian GAAP
		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.	ordinarily take twelve months or more to get ready for intended use or sale unless the contrary can be proved by the enterprise: (i) assets that are constructed or otherwise produced for an enterprise's own use, e.g., assets constructed under major capital expansions; and (ii) 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 tested for impairment annually.	Similar to IFRS.	Depreciation is provided at the rates specified in Schedule XIV of the Companies Act. Depreciation can also be provided on estimated useful life of the assets, based on some technical evaluation of assets. however, such rates cannot be less than the rates as prescribed in schedule XIV above. There is no concept of indefinite life intangible assets.

Subject	IFRS	U.S. GAAP	Indian GAAP
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. Impairment loss is recorded in the income statement. Reversal of loss is permitted in certain cases.	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. Impairment loss is recorded in the income statement as a separate line item - Reversals of impairment losses are prohibited.	Similar to IFRS. Accounting Standard 28 - “Impairment of Assets”, is mandatory with effect from 1 April 2004.
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 as 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	Treat the same as for other	Consider as long-term

Subject	IFRS	U.S. GAAP	Indian GAAP
	fair value, and recognise changes in fair value in the income statement.	properties (depreciated cost).	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.
Real Estate Properties and Deferred Costs	In substance similar to U.S. GAAP however no detailed guidance available in IFRS 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, <i>Accounting for Costs and Initial Rental Operations of Real Estate Projects</i> (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,	In substance similar to U.S. GAAP however no detailed guidance available in Indian GAAP as given under U.S. GAAP.

Subject	IFRS	U.S. GAAP	Indian GAAP
		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.	
(a) Preacquisition Costs re		Payments to obtain an option to acquire real property shall be capitalised as incurred. All other costs related to a property that are incurred 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	

Subject	IFRS	U.S. GAAP	Indian GAAP
		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.	
(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	

Subject	IFRS	U.S. GAAP	Indian GAAP
		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.	
(f) 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	

Subject	IFRS	U.S. GAAP	Indian GAAP
		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.	
(g) 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	

Subject	IFRS	U.S. GAAP	Indian GAAP
		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 expensed as incurred.	
		Capitalised selling costs shall be charged to expense in the period in which the related revenue is recognized 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 are classified as held-to maturity, available-for-sale or held trading at acquisition.	Similar to IFRS but no option to classify all financial assets “at fair value through profit or loss”.	Investments are classified as current and long term. Long-term investments are carried at cost (with provision for other than temporary diminution in value).
	Investments classified as held-to-maturity are recorded at amortised cost less impairment, if any. Realised gains and losses are reported in earnings.	Investments in listed equity securities can only be classified as available for sale or as trading.	Current investments carried at lower of cost or fair value.
	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 in unlisted equity securities are recorded at cost 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		

Subject	IFRS	U.S. GAAP	Indian GAAP
	fair value through profit or loss". Changes in fair values in respect of such securities are recognized in the income statement. This is an irrevocable option to classify a financial asset at fair value through profit or loss. Generally, in a non-consolidated financial statements, investment in subsidiary is accounted under the equity method.		
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.	In a non-consolidated financial statements, investment in subsidiary is carried at cost less impairment, if any. 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 • 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	Similar to IFRS Rules for specific situations (including employee termination costs, environmental liabilities and	Similar to IFRS.

Subject	IFRS	U.S. GAAP	Indian GAAP
	be reliably estimated.	loss contingencies).	
	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 recognized as an asset when the realisation of the associated benefit such as an insurance recovery, is virtually certain.	Contingent assets are recognized, 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 recognized 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 recognized 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 (some exceptions), driven by balance sheet temporary differences. Recognise deferred tax assets if recovery	Deferred income tax assets and liabilities are determined using the balance sheet method. The net deferred tax asset or liability is based on temporary differences between the book	Deferred tax assets and liabilities should be recognized for all timing differences subject to consideration of prudence in respect of deferred tax

Subject	IFRS	U.S. GAAP	Indian GAAP
	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 tax bases of assets and liabilities, and recognises enacted changes in tax rates and laws. U.S. GAAP permits deferred tax assets to be recognized 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 Uncertainty 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 statement purposes, but only if the more-	assets. Where an enterprise has unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets should be recognized 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. Un recognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it is certain that such previously un recognized 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.

Subject	IFRS	U.S. GAAP	Indian GAAP
		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.	
Measurement of derivative instruments and hedging activities	Measure derivatives and hedge instruments at fair value. 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 recognized in the income statement. Ineffective portions of hedges are recognized 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).	Similar to IFRS, except no 'basis adjustment' on cash flow hedges of forecast transactions.	Derivatives are initially measured at cost. However, there is no 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 recognized.
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 -	Classify capital instruments	Where an instrument is not a	No specific guidance. In

Subject	IFRS	U.S. GAAP	Indian GAAP
classification	depending on substance of the issuer's obligations. Mandatorily redeemable preference shares classified as liabilities.	share, classify as liability when obligation to transfer economic benefit exists. Similar to IFRS.	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 recognized 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 definition	Currency of primary economic environment in which entity operates.	Similar to IFRS.	Does not define functional currency. Assumes an entity 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	Similar to IFRS	Similar to IFRS.

Subject	IFRS	U.S. GAAP	Indian GAAP
	for diluted EPS.		
	Use 'treasury share' method for share options/warrants.		
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 statement as of and for the years ended March 31, 2007, 2006, 2005 and 2004, including the schedules and notes thereto and the reports thereon, which appear elsewhere in this Red Herring Prospectus. These financial statements are based on Indian GAAP which differs in certain significant respects from US GAAP and IFRS. For more information on these differences, see "Summary of Significant Differences between Indian GAAP, US GAAP and IFRS" on page 356.

OVERVIEW

We are the largest real estate development company in India in terms of the area of our completed residential and commercial developments (*Source: 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 business by entering into the infrastructure, SEZ and hotel businesses. Although we have historically centered our operations in the NCR, we continue to diversify our portfolio with a number of real estate development projects across the country. As of March 31, 2007, we had under construction residential projects with a saleable area of over 7 million square feet, commercial projects with a lettable or saleable area of approximately 27 million square feet and retail projects with a lettable or saleable area of approximately 10 million square feet.

The real estate development industry in India has exhibited 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. 4,034.1 crore in fiscal 2007 from Rs. 497.7 crore in fiscal 2002. During the same period, our consolidated net profit increased to Rs. 1,941.3 crore from Rs. 61.4 crore. The substantial increase in our income and profit in fiscal 2007 was due to the sale of certain commercial properties to DAL, which is a Promoter group company.

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 with 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 “Our Business” on page 66.

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, its cost and any subsequent related construction and development costs are treated as an increase in our stocks. Where the land falls into the second category, its cost 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 the whole or part of such land, we have the absolute right to sell the land to prospective purchasers on such terms and conditions as may be deemed fit and proper by us. Further, we are entitled to all the revenue from the development, including rent, net, in the case of a large number of our sole development agreements of a payment of Rs. 5 lac per acre to the grantor of the rights.

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 March 31, 2007, our outstanding loans were Rs. 9,932.8 crore. We expect to reduce our loans using a portion of the proceeds from the Issue. 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

Note Regarding Presentation

The financial information for fiscal 2007 presented herein is based on an audit conducted by our reporting accountants for the purpose of preparing restated financial statements for fiscal 2007 in compliance with the SEBI Guidelines. The statutory audit for the fiscal year required under the Companies Act is in progress and is expected to be completed in the near future. The additional procedures required for the statutory audit include an entity-wise evaluation of internal controls and compliance with prescribed standards and the preparation of certain additional disclosures. We do not expect the completion of the statutory audit to result in material changes to the consolidated financial information presented herein.

The following table sets forth, for fiscal 2007, 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:

	Fiscal 2007 (Rs. crore)	% of Total Income	Fiscal 2006 (Rs. crore)	% of Total Income	Fiscal 2005 (Rs. crore)	% of Total Income	Fiscal 2004 (Rs. crore)	% of Total Income
INCOME								
Sales and other receipts	2,615.2	65%	1,153.6	93%	608.1	97%	505.8	96%
of which								
-Sales revenue	2,240.6	56%	920.0	74%	408.7	65%	313.4	60%
-Rent and licence fee	154.6	4%	42.2	3%	37.5	6%	34.0	6%
-Maintenance income	81.0	2%	48.1	4%	30.6	5%	20.9	4%
-Power supply	99.7	2%	108.7	9%	103.5	17%	114.9	22%
-Others	39.3	1%	34.6	3%	27.8	4%	22.6	4%
Income from investments	2.0	0%	16.3	1%	0	0%	7.8	1%
Other income	1,416.9	35%	72.1	6%	17.9	3%	13.0	2%
of which								
-Interest	92.2	2%	55.3	4%	7.6	1%	8.4	2%
-Others	1,324.7	33%	16.8	1%	10.3	2%	4.6	1%
Total Income	4,034.1		1,242.0		626.0		526.6	
EXPENDITURE								
Cost of Revenue	709.0		524.3		316.5		268.5	
of which								
-Project cost	631.9	16%	441.6	36%	251.7	40%	220.0	42%
(Increase)/Decrease in stocks								
-Other costs	77.1	2%	82.7	7%	64.8	10%	48.5	9%
Establishment costs	92.2	2%	39.7	3%	44.7	7%	31.3	6%
Finance charges	307.6	8%	168.5	14%	39.0	6%	33.0	6%
Other expenses	318.7	8%	113.9	9%	78.7	13%	84.8	16%
Depreciation	57.1	1%	36.1	3%	33.3	5%	28.8	5%
Total Expenditure	1484.6	37%	882.5	71%	512.2	82%	446.4	85%
Profit before tax and minority interest	2,549.5	63%	359.5	29%	113.8	18%	80.2	15%
Share of loss/(profit) in associates	1.3							
Provision for tax	605.8	15%	166.8	13%	25.9	4%	25.0	5%
Net profit before minority interest	1943.7	48%	192.7	16%	87.9	14%	55.2	10%
Minority interest	1.1	0%	1.0	0%	1.4	0%	1.4	0%
Net profit	1941.3	48%	191.7	15%	86.5	14%	53.8	10%

COMPARISON OF FISCAL 2007 TO FISCAL 2006

Income

Our total income increased by 225% to Rs. 4,034.1 crore in fiscal 2007 from Rs. 1,242 crore in fiscal 2006. This was primarily due to the 144% increase in sales revenue during this period to Rs. 2,240.6 crore from Rs. 920.0 crore. Part of this increase in sales revenue was due to 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.

The main reason for the increase in sales revenue was the sale by us of certain commercial properties to DAL. The total consideration for these sales was Rs. 2,401.5 crore. Of this amount, we recognized two sales (by DLF Info City Developers (Chennai) Limited and DLF Commercial Developers Limited, subsidiaries of the Company) aggregating Rs. 880.5 crore as sales revenue in accordance with Accounting Standard 9, 'Revenue Recognition'.

In respect of the remaining consideration of Rs. 1,521 crore, Rs. 1,055 crore was recognized under other income after deducting the associated costs. Of this amount, the proceeds of Rs. 442 crore from the sale of two properties by DLF Cyber City Developers Limited were treated as profit on disposal of fixed assets in accordance with Accounting Standard 10, 'Accounting for fixed assets' and after adjusting for expenses relating thereto. Proceeds of Rs. 613 crore from the sale of shares of two companies by DLF Commercial Developers Limited were treated as profit on disposal of current investments in accordance with Accounting Standard 13, 'Accounting for Investments' and after adjusting for expenses relating thereto.

As of March 31, 2007, DAL owed us Rs. 2,350.9 crore in respect of the above sales. Of these Rs. 2,350.9 crore, as of the date of this Red Herring Prospectus, DAL has paid us approximately Rs. 1,500 crore. We understand that DAL is making arrangements to raise financing for the remaining amount.

Our rent and licence fee income increased by 266% to Rs. 154.6 crore in fiscal 2007 from Rs. 42.2 crore in fiscal 2006, primarily reflecting the leasing of commercial and retail properties, including commercial properties contained in a company in which we increased our equity interest which contributed Rs. 112.7 crore to our rental income for the period. Our rental income for the period included the rental income of Rs. 39.5 crore from two commercial properties before they were sold to DAL.

Our maintenance income increased by 68% to Rs. 81.0 crore in fiscal 2007 from Rs. 48.1 crore in fiscal 2006, reflecting maintenance services provided for additional projects. Our recreational income increased by 49% to Rs. 26.2 crore in fiscal 2007 from Rs. 17.6 crore in fiscal 2006, reflecting increased income derived from increased membership and fees at our golf club.

While our income from power supply remained relative stable in fiscal 2007, as a percentage of our total income it fell from 9% to 2% reflecting the overall increase in our sales revenue and other income.

Our interest income in fiscal 2007 was Rs. 92.2 crore compared to Rs. 55.3 crore in fiscal 2006 primarily due to the Rs. 65.9 crore we derived in interest from our interest bearing loans and advances provided primarily for land acquisition.

Expenditure

Our total expenditure increased by 68.2% to Rs. 1,484.6 crore in fiscal 2007 from Rs. 882.5 crore in fiscal 2006, reflecting a 35% increase in cost of revenue to Rs. 709.0 crore from Rs. 524.3 crore and a 133% increase in establishment costs to Rs. 92.2 crore from Rs. 39.7 crore. The increase in cost of revenue reflected the higher sales revenues we recognized during the period, although as a percentage of total income, it decreased as a reflection 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 increased by 83% to Rs. 307.6 crore in fiscal 2007 from Rs. 168.5 crore in fiscal 2006, reflecting interest and fees paid of Rs. 230.0 crore in connection with our increased borrowings. Other expenses increased by 180% to Rs. 318.7 crore in fiscal 2007 from Rs. 113.9 crore in fiscal 2006. This increase in other expenses primarily reflected increased commission and brokerage fees of Rs. 78.6 crore in fiscal 2007 from Rs. 25.1 crore in fiscal 2006, legal and

professional fees of Rs. 79.3 crore in fiscal 2007 from Rs. 11.9 crore in fiscal 2006 and advertisement and publicity expenses of Rs. 34.6 crore in fiscal 2007 from Rs. 7.0 crore in fiscal 2006.

Profit before tax

Our profit before tax and minority interest was Rs. 2,549.5 crore in fiscal 2007 as compared to Rs. 359.5 crore in fiscal 2006, reflecting increases in sale price, increases in rental rates on newly leased properties, an increase in the number of residential properties sold and the sale of certain of our commercial properties which we previously leased.

Provision for tax and net profit

Our provision for tax increased to Rs. 605.8 crore in fiscal 2007 from Rs. 166.8 crore in fiscal 2006 primarily reflecting the substantial increase in our current tax liability to Rs. 878.8 crore from Rs. 322.9 crore. The increase in our current tax liability was a reflection of the increase in our profit in fiscal 2007. As a result, our net profit increased to Rs. 1,941.3 crore in fiscal 2007 from Rs. 191.7 crore in fiscal 2006.

COMPARISON OF FISCAL 2006 TO FISCAL 2005

Income

Our total income increased by 98% to Rs. 1,242 crore in fiscal 2006 from Rs. 626 crore in fiscal 2005. This was primarily due to the 125% increase in sales revenue to Rs. 920 crore from Rs. 408.7 crore. 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. 42.2 crore in fiscal 2006 from Rs. 37.5 crore 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. 48.1 crore in fiscal 2006 from Rs. 30.6 crore in fiscal 2005, primarily as a result of increased maintenance income from tenants of DLF Cyber City, 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. 72.1 crore in fiscal 2006 from Rs. 17.9 crore 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. 55.3 crore in fiscal 2006 from Rs. 7.6 crore in fiscal 2005.

Expenditure

Our total expenditure increased by 72% to Rs. 882.5 crore in fiscal 2006 from Rs. 512.2 crore 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. 524.3 crore in fiscal 2006 from Rs. 316.5 crore in fiscal 2005.

Finance charges increased by 332% to Rs. 168.5 crore in fiscal 2006 from Rs. 39 crore in fiscal 2005, primarily reflecting a substantial increase in our borrowings and the interest and fees paid in connection with those borrowings. For details, see “– Liquidity and Capital Resources”. Although our other expenses increased by 45% to Rs. 113.9 crore in fiscal 2006 from Rs. 78.7 crore 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. 25.1 crore from Rs. 18.6 crore, 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 216% to Rs. 359.5 crore in fiscal 2006 from Rs. 113.8 crore in fiscal 2005, reflecting the fact that during the year, our income increased by Rs. 616 crore, but our expenditure only increased by Rs. 370.3 crore, primarily due to an increase in sales of properties with higher margins.

Provision for tax and net profit

Our provision for tax was Rs 166.8 crore in fiscal 2006 and was Rs. 25.9 crore in fiscal 2005. The primary components in this increase were a substantial increase in our current tax liability to Rs. 322.9 crore from Rs. 85.1 crore. This reflected the increase in our profit for the year. As a result, our net profit increased by 122% to Rs. 191.7 crore in fiscal 2006 from Rs. 86.5 crore in fiscal 2005.

COMPARISON OF FISCAL 2005 TO FISCAL 2004

Income

Our total income increased by 19% to Rs. 626 crore in fiscal 2005 from Rs. 526.6 crore in fiscal 2004. This was primarily due to the 30% increase in sales revenue to Rs. 408.7 crore from Rs. 313.4 crore. 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. 37.5 crore in fiscal 2005 from Rs. 34 crore in fiscal 2004. Maintenance income increased by 46% to Rs. 30.6 crore in fiscal 2005 from Rs. 20.9 crore in fiscal 2004, primarily as a result of increased maintenance income from DLF Cyber City.

Our income from power supply remained relatively stable at Rs. 103.5 crore in fiscal 2005 as compared to Rs. 114.9 crore 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 nil. Interest income decreased marginally to Rs. 7.6 crore in fiscal 2005 from Rs. 8.4 crore in fiscal 2004.

Expenditure

Our total expenditure increased by 15% to Rs. 512.2 crore in fiscal 2005 from Rs. 446.4 crore 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. 316.5 crore in fiscal 2005 from Rs. 268.5 crore in fiscal 2004.

Finance charges increased marginally to Rs. 39 crore in fiscal 2005 from Rs. 33 crore in fiscal 2004. The increase was primarily attributable to our increased borrowings and the interest and fees paid in connection with those. For details, see “– Liquidity and Capital Resources”. Our other expenses decreased by 7% to Rs. 78.7 crore in fiscal 2005 from Rs. 84.8 crore 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. 113.8 crore in fiscal 2005 from Rs. 80.2 crore in fiscal 2004, reflecting increased sales revenue.

Provision for tax and net profit

Our provision for tax remained relative stable at Rs. 25.9 crore in fiscal 2005 from Rs. 25 crore 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. 96.2 crore from Rs. 119.5 crore and increase in our current tax liabilities Rs. 85.1 crore from Rs. 37.4 crore. As a result, our net profit increased by 61% to Rs. 86.5 crore in fiscal 2005 from Rs. 53.8 crore 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 March 31, 2007, we had capital expenditure commitments (net of advances) of Rs. 654.4 crore. As of April 30, 2007 we had outstanding Rs. 4,935.6 crore towards payment for the acquisition of Land Reserves and Rs. 1,054.0 crore for the acquisition of 554 acres of land for which development plans are at a preliminary stage.

As of March 31, 2007, our cash and bank balances were Rs. 415.5 crore, loan commitments not utilized amounted to approximately Rs. 1,036.6 crore and debtors aggregated Rs. 1,519.5 crore. Of this amount, Rs. 855.9 crore represented amounts due from DAL for some of the commercial sales discussed above. The remainder owed to us by DAL for the commercial sales of shares/buildings has been recorded as loans and advances and aggregated Rs. 1,495.0 crore. In addition, we also had future receivables of Rs. 2,294.3 crore 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. 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. 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 "Objects of the Issue" on page 44. We also expect our cash flows to benefit from the receipt of amounts owing to us from DAL, as discussed above.

Cash flows

As of March 31, 2007, 2006, 2005 and 2004, we had cash and cash equivalents of Rs. 255.0 crore, Rs. 110.6 crore, Rs. 19.8 crore and Rs. 19.1 crore, respectively. The following table presents selected cash flow data from our consolidated cash flow statements for fiscal 2007, 2006, 2005 and 2004:

	Fiscal 2007 (Rs. crore)	Fiscal 2006 (Rs. crore)	Fiscal 2005 (Rs. crore)	Fiscal 2004 (Rs. crore)
Net cash from (used in) operating activities	-5,831.1	-949.3	575.4	-220.5
Net cash from (used in) investing activities	-483.4	-2011.9	-768.1	-72.7
Net cash from (used in) financing activities	6,458.9	3,052.0	193.4	292.0

Cash flows from (used in) operating activities

Our cash flow used in operating activities of Rs. 5,831.1 crore in fiscal 2007 consisted primarily of net profit before tax and minority interest of Rs. 2,549.5 crore adjusted downwards by Rs. 1,021.0 crore, mainly 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. 307.6 crore reflecting our increased borrowings, and for movements in working capital. Working capital movements included an increase in sundry debtors of Rs. 848.0 crore, an increase in loans and advances of Rs. 3,674.8 crore, an increase in inventories of Rs. 4,059.6 crore and an increase in current liabilities and provisions of Rs. 1,830.6 crore. The significant increase in sundry debtors included amounts owed to us of Rs. 855.9 crore 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. 1,495.0 crore 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. Direct taxes paid increased substantially to Rs. 607.8 crore due to our profits in fiscal 2007.

Our cash flow used in operating activities of Rs. 949.3 crore in fiscal 2006 consisted of net profit before tax and minority interest of Rs. 359.5 crore, adjusted for various non-cash items and various items of income not arising from operating activities, in particular interest paid of Rs. 168.5 crore and for movements in working capital. Working capital movements included an increase in sundry debtors of Rs. 391.1 crore, an increase in loans and advances of Rs. 453.3 crore, an increase in stocks of Rs. 1,201.5 crore and an increase in current liabilities and provisions of Rs. 669.4 crore. 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. 575.4 crore in fiscal 2005 consisted of net profit before tax and minority interest of Rs. 113.8 crore, 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. 615.5 crore, a marginal increase in loans and advances of Rs. 11.9 crore, a decrease in stocks of Rs. 143.9 crore and a decrease in current liabilities and provisions of Rs. 305.9 crore. 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. 667.8 crore increase in sundry debtors and the Rs. 351.1 crore increase in loans and advances, and a corresponding increase in current liabilities and provisions of Rs. 720.2 crore. 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 used in investing activities of Rs. 483.4 crore in fiscal 2007 consisted primarily of purchases of fixed assets and movements in capital work in progress of Rs. 2,600.3 crore, purchases of investments of Rs. 311.2 crore. These were partly offset by the sale of fixed assets of Rs. 712.5 crore and the sale of investments of Rs. 1,636.8 crore. 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. 2,011.9 crore in fiscal 2006 consisted primarily of purchases of fixed assets and movements in capital work in progress of Rs. 546.1 crore, purchases of investments of Rs. 800.5 crore and the

acquisition of shares in land-owning companies amounting to Rs. 758.1 crore. 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. 768.1 crore in fiscal 2005 consisted primarily of purchases of fixed assets and movements in capital work in progress of Rs. 832.9 crore. 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. 6,458.9 crore in fiscal 2007 consisted primarily of proceeds from long term borrowings of Rs. 7,251.7 crore and the issuance of preference shares by certain of our subsidiaries aggregating Rs. 949.8 crore, which was offset in part by the repayment of long term borrowings of Rs. 2,408.6 crore. The net increase in our short term borrowings was Rs. 957.6 crore. Interest and finance charges accounted for Rs. 289.8 crore of cash outflow.

Our cash flow from financing activities of Rs. 3,052 crore in fiscal 2006 consisted primarily of proceeds from long term borrowings of Rs. 3,510.5 crore and a net increase in short term borrowings of Rs. 200.9 crore, against which cash flow was used in repayment of Rs. 543.7 crore in long term borrowings and Rs. 148.4 crore in interest and finance charges.

Our cash flow from financing activities of Rs. 193.4 crore in fiscal 2005 consisted primarily of net long term borrowings of Rs. 259.9 crore, against which cash flow was used in payment of Rs. 64.5 crore in interest and finance charges.

Our cash flow from financing activities of Rs. 292 crore in fiscal 2004 consisted primarily of net long term borrowings of Rs. 135 crore and net short term borrowings amounting to Rs. 216.7 crore, against which cash flow was used in payment of Rs. 58.3 crore in interest and finance charges.

Financial Condition

Based on our restated consolidated financial statements, our net worth increased by 316% to Rs. 3,976.4 crore as of March 31, 2007 from Rs. 955.5 crore as of March 31, 2006, primarily reflecting our increase in net profit to Rs. 1,941.3 crore from Rs. 191.7 crore and the increase in our share capital.

Our issued and subscribed share capital as of March 31, 2007 was Rs. 1,255.7 crore (comprising Equity Shares of Rs. 305.9 crore and preference share capital in certain subsidiaries of Rs. 949.8 crore) as compared to Rs. 37.8 crore of Equity Shares 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. 264.4 crore. In November 2006, December 2006 and March 2007, 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, November, December and March transactions resulted in an increase in our equity share capital of Rs. 268.1 crore. Further, our subsidiary companies, namely Galaxy Mercantiles Ltd, Shivaji Marg Properties Limited and Carmen Builders & Constructions Private Limited issued preference shares of Rs. 949.8 crore during fiscal 2007. On May 18, 2007, additional debentures were issued to minority shareholders, which were converted into equity shares and bonus shares were issued in the ratio of 7:1, which resulted in a further increase in our Equity Share capital by Rs. 0.1 crore.

Assets

Our total assets were Rs. 18,170.8 crore as of March 31, 2007. Of this, the principal components were fixed assets of Rs. 4,187.2 crore, investments of Rs. 210.7 crore, stocks of Rs. 5,700.6 crore, sundry debtors of Rs. 1,519.5 crore, cash and

bank balances of Rs. 415.5 crore, loans and advances of Rs. 5,237.1 crore and goodwill of Rs. 893.5 crore. In particular, the increase in the value of our fixed assets reflected the increased and ongoing construction of commercial projects such as DLF Cyber City, Gurgaon, as well as retail projects such as Mall of India, Promenade, Emporio and South Point Pantaloon malls. The increase in our stocks (to Rs. 5,700.6 crore from Rs. 1,640.9 crore) reflected our increased Land Reserves resulting mainly from the sole development rights acquired from land owning companies, and construction work in progress (Rs. 2,649.7 crore as of March 31, 2007). This included the ongoing construction of residential developments such as Summit, Icon, Pinnacle Estate, Royalton Estate, Western Heights, Aralias as well as retail and commercial projects such as DLF Tower in Jasola, South Court and DLF Galleria. The decrease in our investments (to Rs. 210.7 crore from Rs. 830 crore) reflected the redemption of debentures by land owning companies in which we had previously invested. The increase in our loans and advances (to Rs. 5,237.1 crore from Rs. 1,064.2 crore) was mainly on account of advances to third parties aggregating Rs. 1,908.0 crore and to related parties of Rs. 1,930.2 crore, for financing land purchases. The increase in sundry debtors (to Rs. 1,519.5 crore from Rs. 658 crore) included amounts owed of Rs. 1,495.0 crore from the sale of certain 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.

During fiscal 2006, our total assets increased by 153% to Rs. 6,943.6 crore as of March 31, 2006 from Rs. 2,749.6 crore as of March 31, 2005. The principal components of the increase in fiscal 2006 were increases in our fixed assets (to Rs. 1,704.3 crore from Rs. 1,021 crore), investments (to Rs. 830 crore from Rs. 40 crore) and stocks (to Rs. 1,640.9 crore from Rs. 704.9 crore) 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. 60.5 crore in unpaid dues to DLF Power from the Assam State Electricity Board. The goodwill reflected in our balance sheet increased to Rs. 848.9 crore as of March 31, 2006 from Rs. 52.2 crore 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. 14,175.7 crore as of March 31, 2007. Of this, the principal components were Rs. 9,205.3 crore in secured and Rs. 727.5 crore in unsecured loans to finance land acquisitions and construction and project related expenses, and current liabilities and provisions of Rs. 4,242.9 crore, primarily 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 increased by 214% to Rs. 5,978.9 crore from Rs. 1,902 crore as of March 31, 2005. The principal components of the increase were increases in borrowings (to Rs. 4,132 crore from Rs. 967.6 crore) to fund our purchases of land and the construction and development of new projects, and increases in current liabilities and provisions (to Rs. 1,846.9 crore from Rs. 934.4 crore), 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.

Loans and Advances

As of March 31, 2007, our loans and advances were Rs. 5,237.1 crore. Of this, the principal components aggregating Rs. 4,294.6 crore were Rs. 2,569.0 crore in advances recoverable in cash or in kind or value to be received and Rs. 1,725.6 crore due from body corporates. An alternative breakdown of the Rs. 4,294.6 crore in loans and advances results in Rs. 1,930.2 crore in loans and advances to related parties, Rs. 1,908.0 crore in advances for land purchases to third parties, Rs. 3.5 crore in staff advances, Rs. 181.8 crore as advances to suppliers/contractors, Rs. 117.0 crore as pre-paid expenses, Rs. 134.3 crore as loans and advances for joint ventures and Rs. 19.8 crore in expenses recoverable.

Off-balance sheet arrangements

Our off-balance sheet liabilities include guarantees issued in respect of debt incurred by our subsidiaries for business purposes. As of March 31, 2007 and March 31, 2006, we had contingent liabilities in the following amounts, as disclosed in our consolidated financial statements:

Contingent liabilities not provided for	March 31, 2007 (Rs. crore)	March 31, 2006 (Rs. crore)
Guarantees	8.6	270
Claims against the Company not acknowledged as debts	100.7	57.4
Tax demands in excess of provisions (appeals pending):		
Income tax	53.5	39.7
Other taxes	0.6	0.4
Put option against the preference shares issued by associate company	462.9	-

Capital expenditure commitments

We have agreements with contractors requiring payments in installments over the construction period. As of March 31, 2007, the payments we were required to make in respect of these capital expenditure commitments aggregated Rs. 654.4 crore. Our capital expenditure commitments were in addition to our commitments to pay the balance due in respect of consideration for the acquisition of land. As of April 30, 2007 we had outstanding Rs. 4,935.6 crore towards payment for the acquisition of Land Reserves and Rs. 1,054.0 crore for the acquisition of 554 acres of land for which development plans are at a preliminary stage.

Related party transactions

We enter into transactions with a number of related parties. As of March 31, 2007, our balances involving transactions with joint ventures and associates included loans and advances of Rs. 407.9 crore 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. 1.7 crore, Rs. 858.0 crore in debtors and Rs. 1,495.0 crore in loans and advances owed from DAL in respect of the commercial property sales discussed above. For details regarding our related party transactions, see the disclosures concerning transactions with related parties in our financial statements on page 283.

Market risk

We have substantial borrowings which, as of March 31, 2007 and March 31, 2006, aggregated Rs. 9,932.8 crore and Rs. 4,132 crore, respectively, approximately 75.4% and 95.0% 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.

As of March 31, 2007, we had foreign currency borrowings in US\$ equivalent to Rs. 311.6 crore, and as our business expands and we seek to participate further in the international loan markets, we expect the amount of our foreign currency borrowings to increase. This would further expose us to exchange rate risk which we seek to manage through exchange 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 details, 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 our accounting policy for recognizing revenue in respect of constructed properties in the year of registration of the sale deeds of the property to the percentage of completion method. The percentage of completion method results in these revenues being recognized earlier. In accordance with SEBI requirements, we have restated our financial statements for fiscal years 2005, 2004, 2003 and 2002 presented in this 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 until 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 revised 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. 4.9 crore, most of which was recorded as opening reserves as of April 1, 2001 in the restated consolidated financials presented in this Red Herring 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 May 23, 2007.

AGAINST OUR COMPANY

Complaints against our Company

As on the date of this Red Herring Prospectus, 111 complaints have been filed against our Company, before various forums, *inter alia*, in respect of non-allotment of debentures with attendant benefits in the prior rights issue of our Company, the delisting/open offer, disclosures in the draft red herring prospectus dated January 2, 2007, and certain other matters. In respect of the complaints pertaining to non-allotment of debentures with attendant benefits in the prior rights issue, the Company has allotted 2,984 debentures and consequently 11,93,600 Equity Shares on this account to 54 shareholders in two tranches, 7,82,000 Equity Shares on March 13, 2007, to 33 shareholders resulting from an allotment of 1,955 debentures and the consequent conversion, bonus issue and split in face value, and 4,11,600 Equity Shares on May 18, 2007, to 21 shareholders, resulting from an allotment of 1,029 debentures, and the consequent conversion, bonus issue and split in face value. The Company has dispatched the corresponding share certificates to 25 complainants. The table below sets forth a description of the nature of the complaints and the corresponding number of complaints outstanding after such allotment and dispatch:

Sr. No.	Nature of complaint	Number of complaints
1.	Non-allotment of debentures in the prior rights issue of the Company and/or non-allotment of shares on conversion of debentures and/or shares non-allotment bonus shares	32
2.	Inducement to participate in the open offer, including by non-disclosure of material information/misrepresentation	35
3.	Inducement to transfer shares, including by non-disclosure of material information/misrepresentation	2
4.	Incorrect/inadequate disclosures in the draft red herring prospectus dated January 2, 2007	4
5.	Other grievances	13
Total		86

The Company has examined each of the 111 complaints filed individually on merits and has taken steps to redress the same. The lead managers, along with independent legal advisors, have as best as possible factually verified the details of the complaints, the Company's replies and the steps taken by the Company for the redressal of the complaints. The details in respect of each of these complaints are set forth in reports dated May 24, 2007 of the special committee of the Board of Directors, comprising Mr. M.M. Sabharwal, Dr. D.V. Kapur, Mr. T.C. Goyal, Mr. Kameshwar Swarup and Brig. (Retd.) Narendra Pal Singh, in respect of the complaints described at serial number 1 in the table above and the report of the IPO committee of the Board of Directors, comprising Mr. T.C. Goyal, Mr. Ravinder Narain, Mr. Brijendra Bhushan and Brig. (Retd.) Narendra Pal Singh, in respect of other complaints.

The reports are included in the Material Contracts and Documents for Inspection and may be inspected at the registered office of the Company situated at Shopping Mall, Third Floor, Arjun Marg, Phase – I, DLF City, Gurgaon, Haryana 122

022, India from 10:00 a.m. to 4:00 p.m. on working days until the Bid/Issue Closing Date. Copies of the report have also been filed with the Ministry of Company Affairs.

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 37 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 installments 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. 3.3 crore 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 68 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. 26.7 crore.
- Additionally, a claim of Rs. 10 crore 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. 10 crore 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 dishonor of 2 post-dated cheques out of 29 post dated cheques issued by Intergest India International Limited in our favor. There is no monetary liability claimed against our Company. The next hearing is scheduled for October 25, 2007.
- 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 dishonor 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 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 September 25, 2007. (Also refer to the heading "Civil Proceedings" under "Against our Company").

- 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 measuring 167.22 square yards. It has been alleged therein that Sh. Hans Raj Puri (complainant's father) was allotted Plot No C-11, Dilshad Extension-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 favor 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, 420B, 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.
 - B. Rajender has filed a criminal complaint before the Additional Judicial First Class Magistrate, against our Company, all the directors of our Company and one Doradala Praveen, in terms of Section 200 of the Code of Criminal Procedure, 1973 and in respect of offences under Sections 406, 419, 420, 468 and 471 of the Indian Penal Code, 1860. It is alleged that our Company failed to issue bonus shares due to late B. Kameshwar Rao and that such bonus shares have been issued to other minority shareholders of our Company. B. Rajender is the legal heir of late B. Kameshwar Rao and has contended that he was eligible for the bonus issue but our Company failed to inform him regarding the same. Rajender has sought that the present complaint be referred to the S.H.O of P.S. Matwada, directing him to register the case against the aforesaid accused and investigate offences committed by them or take cognizance of the offence against the accused, summon, try and punish them under law. There is no monetary liability claimed against our Company. In pursuance of such complaint, the S.H.O of P.S. Matwada, Warangal has registered an FIR (FIR No. 436/2006) dated December 16, 2006, under Section 154 of the Code of Criminal Procedure, 1973 against the aforesaid persons. B. Rajender and Naveen have undertaken *vide* an affidavit dated March 12, 2007 to withdraw the instant criminal proceeding, provided our Company issues 11,000 shares in accordance with our board resolution dated November 14, 2006. They have further undertaken to get the said case compounded and furnish such order of the Additional Judicial First Class Magistrate, Warangal to our Company. Such affidavit has also been placed on record in the matter of B. Rajender and Naveen v. the Union of India, SEBI and our Company in the civil writ petition (CWP No. 936/2007). The said writ petition has been disposed *vide* the order dated May 1, 2007 passed by the Delhi High Court.

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 arguments have been heard by the court. We have been informed by our counsel that the Supreme Court has dismissed the appeal filed by GK-II Welfare Association. Copy of the order is awaited.

- 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 for 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 been scheduled for the last week of July, 2007.
- 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. *Vide* an order dated March 30, 2007, the appeal has been disposed with the direction to the parties to maintain the *status quo* until the disposal of the suit. The next date of hearing for the suit is scheduled for August 6, 2007.

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 (CWP 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. 1.4 crore. The next hearing is scheduled for July 10, 2007.
- ITC has filed a suit, against our Company and others before the Delhi High Court (Suit No. 2473/1994), for recovery of Rs. 50,00,000 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 September 10, 2007.

- 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. 0.3 crore. The Punjab & Haryana High Court has issued notice to our Company and the case is scheduled for hearing on July 12, 2007.
- Our Company had sold a plot of land bearing no. V-29/A situated at Rajouri Garden, New Delhi measuring 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 May 28, 2007.
- 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 colonizers 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 utilized. No monetary claim has been made against our Company. The next date of hearing is yet to be communicated.
- 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 judgment 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 next date of hearing is scheduled for July 6, 2007.
- 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 July 7, 2007.

- 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. Aggrieved 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 case is now scheduled for regular hearing and would come up in due course. There is no monetary liability claimed against our Company.
- Vishnu Pradhan and others (including Reddy Veeranna) have filed a writ petition (CWP No. 70088/2006) before the High Court of Allahabad, against NOIDA and our Company for a writ of certiorari for quashing judgment dated September 2, 2006 passed by the District Judge, Gautam Budh Nagar in Misc. Revision No. Nil/2006 and order dated August 1, 2006 passed by the Civil Judge, Gautam Budh Nagar in Execution Case No. 6/2005. The petitioners have claimed to be the owners of land measuring 5 bighas 13 biswas 10 biswansi situated in khasra no. 422 and 427 in village Chhelara Bangar, Dadri, Gautam Budh Nagar. The abovementioned land was acquired by the state government for NOIDA under the Land Acquisition Act, 1894. The petitioners have also alleged that despite ongoing litigation with regard to the acquisition of the abovementioned land, the respondents commenced construction. The Civil Judge, Gautam Budh Nagar, by an order dated August 1, 2006, held that the land was duly acquired under the Land Acquisition Act, 1894 and the District Judge, Gautam Budh Nagar dismissed the revision filed by the petitioners against the order of the Civil Judge. The petitioners have also sought a writ of mandamus for restraining the respondents from giving effect to judgment dated September 2, 2006 and August 1, 2006. There is no monetary liability claimed against our Company. The matter will come up for regular hearing in due course.
- 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 August 30, 2007.

- 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 20,00,000 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 2000,000 to Rs 900,000 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 May 28, 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 has claimed that a space has been allotted for a school by our Company, and 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 agreement to lease was cancelled by the Trust due to non performance of certain obligations in terms of agreement to lease. 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 executed an agreement to lease 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 next hearing is scheduled for July 6, 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 installments 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. Intergest India International has further moved an application for amendment of the plaint and our Company has filed a reply to the same. The next date of hearing is scheduled for May 29, 2007.
- 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 colonizers 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. 90,000 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. 60,000 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. 60,000 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. 60,000 subject to further orders of the court and report immediate compliance of the same. Order dated February 24, 2007 passed by the Civil Judge, Gurgaon states that Punjab National Bank has made a statement that it has received an amount of Rs. 60,000 from our Company and DLF Hotels Limited. However, the aforesaid order also states that Punjab National Bank has stated that some other amounts were due to it. The next date of hearing for the execution petition is scheduled for June 2, 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 0.1 crore 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 July 13, 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 October 22, 2007.

- 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. 0.3 crore 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. 0.1 crore. 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. 0.3 crore along with interest. Our Company has filed the written statement and matter will be listed before 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 0.6 crore 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 measuring 54320.18 square meters for a consideration of premium for an amount Rs. 170 crore 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 yet to be communicated.
- 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 arguments have been heard by the court. Our counsel has informed us that the matter has been disposed off by the court with a direction to the Society to approach Ministry of Company Affairs for redressal of their grievances. A copy of the order is awaited.
- 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 Rs. 0.1 crore 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. An order has been passed. However, a copy of the order is awaited.

- Dayanand and others have filed a writ petition (CWP 1125/2007) before the High Court of Punjab and Haryana, against the State of Punjab and Haryana and others. In the said petition, the petitioners have prayed for the quashing of notification dated July 19, 2006 bearing number LAC(G)-NTLA-2006/1257 under Section 4 of the Land Acquisition Act, 1894, declaration dated July 20, 2006 bearing number LAC(G)-NTLA-2006/1261 under Section 6 of the said Act, and notice dated January 10, 2007 issued under Section 9 of the said Act by means of which the petitioners' land measuring 1.47 acres in khasra nos. 85/1 min, 85/2 min, 86 min, 124/2, 125, 126, 127, 128, 129, 133/1 in village Sikanderpur Ghosi, Gurgaon has been acquired. The petitioners have also sought a direction to the respondents to refrain them from alienating the property of the petitioners and for grant of ad-interim relief during the pendency of the instant writ petition. In the instant writ petition, Dayanand and others have alleged that our Company has colluded with the government officers for acquiring property for private purposes and has been named as one of the defendants. There is no monetary liability claimed against our Company. The next date of hearing is scheduled to be August 16, 2007.
- Our Company is in receipt of an order dated February 13, 2007 passed by the High Court of Punjab and Haryana at Chandigarh in a writ petition (CWP No. 2237/2007), wherein it is directed by the Court that the (i) Notice of motion is for February 26, 2007; (ii) the said matter was to come for hearing along with the case of Dayanand and others (CWP 1127/2007) reported at "Civil Proceedings " under the heading "Against our Company", which was scheduled for hearing on May 3, 2007. Till such next date of hearing it has been directed by the said order that the said writ petition shall not be dispossessed of. The aforesaid order was received by our Company on February 28, 2007. Prior to the receipt of such order our Company had no information regarding the pendency of CWP 2237/2007. Hence, our Company was unable to engage a lawyer to be present for the hearing on February 26, 2007. Our Company has not received any further direction/order from the court in CWP 2237/2007. Therefore, CWP 2237/2007 will be listed along with CWP 1127/2007 in terms of the aforesaid order. This writ petition has been filed by Surinder Kumar and others against the State of Haryana and others (our Company has been impleaded as respondent number 5). The Company has not been served with a copy of the writ petition by Surinder Kumar. The next date of hearing is scheduled for August 10, 2007.
- Vimla Devi Walia has filed a civil writ petition (No. 1584/2007), before the Delhi High Court, against our Company and another, under Article 226 and 227 of the Constitution of India. She has sought a writ of mandamus or other appropriate writ directing our Company to allow her to cross examine the witness i.e. K. Swarup to bring on record relevant facts and alleged misdeeds of our Company. Vimla Devi Walia has alleged that she has been unfairly dealt with in proceedings before the MRTP Commission (C.A No. 283/2000 in U.T.P. 49/2000) initiated by our Company. The proceeding before the MRTP Commission related to our Company executing forged documents in the absence of a *bona fide* written agreement between the parties for the allotment of a flat by our Company to Vimla Devi Walia. It has been alleged by Vimla Devi Walia that she was not provided an opportunity to cross examine K Swarup in the proceedings before the same. There is no monetary liability claimed against our Company. The next date of hearing is scheduled for May 25, 2007.
- A Civil Writ Petition has been filed in the High Court of Rajasthan (CW (PIL) No. 3021/2007) by Mohan Lal Sharma against State of Rajasthan, Jaipur Development Authority and our Company alleging that the decision of the State Government of Rajasthan to allot the land situated at Ashram Road, Jaipur to our Company has been taken without following the procedure laid down under the applicable rules. It has been further alleged that the price at which the State of Rajasthan has decided to allot the land to the Company is lesser than the actual value of the land which would cause a loss of Rs 235.3 crores to the public exchequer. The petitioner has prayed for quashing of the decision of the State Government of Rajasthan to allot the land to our Company and disposal of the land by public auction. The petitioner has further sought interim relief that pending final hearing of writ petition the allotment letter or possession of the land may not be handed over to our Company and status quo be maintained. The Petition has been served on our Company and the matter is scheduled for hearing on May 29, 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. 0.1 crore 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 October 9, 2007.
- 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. 0.3 crore 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 August 1, 2007.
- 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 July 20, 2007.
- 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. 0.3 crore. The case has been transferred from Delhi High Court to the Gurgaon Courts on jurisdictional grounds. A monetary claim of Rs. 0.3 crore 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 May 24, 2007.
- 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. 0.1 crore 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 July 28, 2007.

- Our Company has been arraigned as a *proforma* party in eight 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 October 5, 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 May 29, 2007.
- 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. 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 for the suit is fixed for August 2, 2007.
- 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. The replication has been filed by the DLF City Residents Welfare Association and the matter is currently listed for evidence. The next hearing is scheduled for August 7, 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 August 23, 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 June 2, 2007.
- 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. 400,000 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 June 13, 2007.
- 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 & Community Facilities Charitable Trust were also impleaded as necessary parties. The next hearing is scheduled for July 25, 2007.
- Bimla Sharma, allottee of an apartment no. B-016, Regency Park, DLF City, Phase IV, Gurgaon has filed a suit (Suit No. 1991/2000) for declaration and mandatory injunction before Civil Judge (Junior Division), Gurgaon challenging the cancellation of the aforesaid apartment by our Company on account of non-payment of installment dues. 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 present suit. Bimla Sharma has also filed an appeal (CMA 5/2007) before the Additional District Judge, Gurgaon, against our Company, K.P. Singh (our Promoter) and Realest Builders and Services Limited, wherein it has been prayed that order dated November 22, 2006 be set aside and the stay application of Bimla Sharma be allowed. The order passed by the Civil Judge, Gurgaon dismisses the application seeking stay under Order 39, Rules 1 and 2 read with Section 151 of the Code of Civil Procedure. There is no monetary liability claimed against our Company or our promoter. The next date of hearing is scheduled for July 19, 2007, on the maintainability of the suit. The next date of hearing for the appeal is July 17, 2007.
- 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 August 3, 2007.

- 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. 1,140,000 and Rs. 1,150,000 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. 0.2 crore has been made against our Company. The next hearing is scheduled for September 22, 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. 7.5 crore (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. 7.1 crore (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 transferee court i.e. the Additional District Judge, Gurgaon has been scheduled for May 26, 2007.
- 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 June 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. 20,000 be decreed in favour of Parkash and sons, and that Northern Contractor (Private) Limited and our Company be ordered to pay to Parkash 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 Parkash and sons, no claim can be made against our Company. The next hearing is scheduled for July 20, 2007.
- 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 July 12, 2007.
- 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 the 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 October 8, 2007.

- 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 September 3, 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 July 4, 2007 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. 1 0,000 per month and Rs. 30,000 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 contesting 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 July 19, 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 1 00,000 (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 August 25, 2007.

- DDA 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 DDA 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 September 28, 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 June 11, 2007.
- 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 scheduled for July 6, 2007.
- 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 May 25, 2007.
- 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. 20.4 crore 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 Company 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 September 11, 2007.
- Kultar Singh & others have filed a suit (Suit no. 75/21-4-06) before the 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 July 25, 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 favor 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 a written statement and the matter is fixed for filing of replication and issues on June 14, 2007.

- 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, measuring 50 square meters, be passed in favor 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 favor 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 August 22, 2007.
- 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. 0.5 crore 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 May 26, 2007.
- Mohanlal and others have filed a suit (Suit No 495 of 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 bighas 12 biswas situated in the revenue estate of village Nathupur, Gurgaon to the extent of half share measuring 1 bigha 6 biswas. Our Company purchased the right, title and interest in the suit property 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 the owner of the suit property 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 pending of the suit. Mohanlal and others had also moved an application seeking ad interim injunction order restraining the defendants from interfering in to or dispossessing them from the suit property and also from demolishing their construction and structures on the suit land. The Civil Judge (Senior Division) has passed an order dated December 4, 2006 dismissing the application filed by Mohan Lal in this regard. Mohan Lal and others had also filed an appeal (Appeal No. 4/2007) before the Additional District Judge, Gurgaon against the said order dated December 4, 2006 wherein it was prayed that the said order of the Civil Judge, Gurgaon be set aside and application for restraining our Company be allowed. The Appeal has now been allowed and the parties are directed to maintain status quo and our Company has been restrained from demolishing any structure existing on the suit property until the final decision of the suit. No monetary liability has been claimed against our Company. The date of hearing for the suit is scheduled for June 13, 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. 0.6 crore 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 measuring 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 0.5 crore 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 next date of hearing is June 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, measuring 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 September 6, 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 measuring 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 August 9, 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 measuring 440.4 square meters or in the alternative for recovery by way of damages a sum of Rs. 0.4 crore 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 August 1, 2007.
- 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 July 5, 2007.

- Anandi has filed a suit (Suit No. 188/2002), before the Civil Judge (Junior Division), Gurgaon, Haryana, against Bishambar Dayal and others (including our Company as defendant number 11), seeking a decree of declaration that the will, allegedly executed by her late father, is illegal, null and void. The plaintiff has contended that she has a 1/8 share in land bearing khasra no. 66/3 and 873 situated in village Nathupur, Gurgaon and the defendants are trying to dispossess her of the same by selling her share to our Company by stating that she was not included in the will executed by her late father. The plaintiff has sought a decree of permanent injunction to restrain the defendants from alienating the suit property to a third party. In such suit, Anandi has alleged that the defendants have threatened to dispose the suit property in favour of our Company or other third party. There is no monetary liability claimed against our Company. The next date of hearing is scheduled for July 17, 2007.
- Ravi Kiran Malik has filed a suit (Suit No. 38/2007), before the Senior Civil Judge, Delhi, against our Company, Neera Kapur and Karvy Computer Share Private Limited for a decree of declaration and permanent injunction in favor of the plaintiff. Mrs. Neera Kapur had been allotted 147 equity shares of the Company and she transferred 100 equity shares to Mr. Malik through Karvy Computer Share Private Limited, a share agent. However in the records of our Company, Mrs. Neera Kapur continued to be the owner as the signatures on the share certificates and transfer deeds did not match the signatures of Mrs. Neera Kapur. The plaintiff has sought to be declared the owner of 100 equity shares of our Company and be entitled to all corporate benefits accrued thereupon from the date of purchase and a decree to restrain our Company and others from transferring any/all corporate benefits and mandatory injunction to Neera Kapur to execute all necessary documents required for the purpose of lawful transfer of the aforesaid shares in favour of Ravi Kiran Malik and also remit all the corporate benefits which Neera Kapur has enjoyed from the date of sale of the aforesaid shares. By an order dated January 25, 2007, the Civil Judge, Delhi directed our Company and Karvy Computer Share Private Limited to restrain from releasing any corporate benefits in respect of the aforesaid 100 equity shares to Neera Kapur. There is no monetary liability claimed against our Company. The next date of hearing is scheduled for July 17, 2007.
- Parag M Warerkar and another have filed a suit (Suit No.353/2006), before the Civil Judge (Senior Division), Gurgaon, Haryana against Rajpal and our Company for a decree of mandatory and permanent injunction with regard to removing the filling of the ravine (nallah) adjacent to Plot No. N-13/11, DLF City, Phase II, Gurgaon, Haryana. The plaintiff is the resident of plot no. N-13/11, DLF City, Phase II, Gurgaon, Haryana. Based on the contention of ownership of the nallah, the defendant filled the nallah with earth. The plaintiff has contended that this action of the defendant causes imminent threat to his premises and disrupts his easementary rights over the nallah. Relief sought is a decree of mandatory injunction against Rajpal, his servants, partners, agents and employees directing them to remove the filling of the ravine (nallah) restore the ravine (nallah) to its original position along with a decree of permanent injunction to restrain them from filling the ravine (nallah) and interfering in the easement rights and ownership of Parag M Warerkar and another in the suit property. Our Company has been impleaded as a party as Parag M Warerkar and another have alleged that our Company failed to perform its obligations to attend to the complaints of Parag M Warerkar and another or from stopping Rajpal from filling up the ravine (nallah). There is no monetary liability claimed against our Company. The next date of hearing is scheduled for June 13, 2007.
- Rath 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 400,000 (approximately) against us and of Rs 200,000 (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 Rath Udyog Limited along with cost of the proceedings. Pursuant to default committed by Rath 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 Rath Udyog Limited. Our Company and our subsidiary have made a counter-claim of Rs. 0.1 and prayed to the court for decree of Rs 0.1 crore in ours and our subsidiaries favour and/or a decree of Rs 0.1 crore in our favour and a decree of Rs 200,000 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 case is currently pending disposal before the Additional District Judge, Delhi and the next hearing is scheduled for July 7, 2007.
- Deepak Gulati has filed an appeal (Civil Appeal No. 9/2007) before the District Judge, Gurgaon against our Company and others, seeking to set aside the order dated March 15, 2007 passed by Civil Judge, Gurgaon *vide* which the grant of an *ex parte* ad-interim injunction in respect of the suit property was declined. Deepak Gulati

has also filed a suit, before the Civil Judge (Senior), Gurgaon (98/2007) against our Company and others, for declaration of permanent and mandatory injunction with consequential relief in respect of the residential suit property measuring 250.5 square meters bearing number 6, on road number E-6, in the residential colony known as DLF Qutab Enclave Complex, Gurgaon, Village Chakkerpur, Tehsil and District Gurgaon, Haryana. Deepak Gulati has sought that he be declared as the absolute owner in possession of the suit property. He has further prayed that the sale deed bearing number 9739 dated October 31, 2002 in favour of one of the defendants (i.e. Saniya Bansal) and the act of our Company in recording her name as the owner of the suit property be declared null and void. He has further sought that a permanent injunction restraining the defendants and their representatives from dispossessing or interfering in the peaceful possession of Deepak Gulati over of the suit property or creating any charge, lien, mortgage, bank guarantee, etc thereon in any form. Deepak Gulati has prayed that a mandatory injunction be passed directing our Company to cancel the name of Saniya Bansal as the owner of the suit property in their records and to record his name as the owner of the same. He has also sought the issuance of a mutation/transfer letter in his name and a no-objection certificate allowing him to make construct over the suit property. There is no monetary liability claimed against our Company. The next date of hearing of the suit is scheduled for June 5, 2007 and the next date of hearing for the appeal is scheduled for May 26, 2007.

- Arun Gupta has filed a suit (Suit No. 96/2007), before the Civil Judge (Senior Division), Gurgaon, against Rita Gupta, our Company and Vipul Limited. He has sought that a decree be passed declaring that Rita Gupta has no right, title and interest in the suit properties, and declaring him to be the owner of the suit properties - (a) bearing address A 121, Apartment No. 1, 12th Floor, A Block, Belvedere Park, DLF City Phase III, Gurgaon; (b) measuring 300 square meters in Block D, Sector 48, Gurgaon; and (c) measuring 300 square yards in Village Fazilpur Jharsa, Tikri Behrampur. He has further sought a permanent injunction restraining Rita Gupta from alienating, transferring or parting with her share in the suit properties. He has also prayed that our Company and Vipul Limited be directed to carry out the necessary amendments in their records and that he be declared the exclusive owner of the suit properties. There is no monetary liability claimed against our Company. The next date of hearing is scheduled for June 2, 2007.
- Ally Risk Managers has filed a suit (Suit No. 180/2007) for permanent injunction before the Civil Judge, Gurgaon against our Company. It has sought a decree of permanent injunction restraining our Company from dispossessing it from the suit property measuring 69.057 square meters bearing address Second Floor, 215A, DLF Centre Point, Faridabad; and a decree of mandatory injunction directing our Company to restore actual physical possession of the suit property to it in the event our Company illegally and forcibly dispossesses them during the pendency of the suit. An *ex-parte* interim order dated April 21, 2007 has been passed by the Civil Judge (Junior Division), Faridabad, wherein our Company has been directed not to dispossess Ally Risk Managers or interfere in its possession except in due course of law. There is no monetary liability claimed against our Company. The next date of hearing is fixed for May 25, 2007.
- Sawaran Kanta Balgan has filed an appeal (Appeal No. 31/2007), before the District Judge, Faridabad, against Amar Chand Tamra, our Company and others, against the judgment and decree dated January 25, 2007 passed by the Additional District Judge (Senior Division), Faridabad. The said judgment and decree has been passed in respect of the suit (Suit No. 132/1997) for declaration and permanent injunction alongwith consequential relief in respect of land measuring 1000 square yards bearing address C – 2, Model Town, Faridabad. Sawaran Kanta Balgam and our Company had been impleaded as defendant no.6 and 2 respectively in the said suit. Amar Chand Tamra has alleged therein that he had entered into an agreement to sell dated April 11, 1966 in respect of the suit property with Mr. Jain 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 though dismissed by the Sub-Judge (First Class) Ballabgarh was decided in his favour by the Additional District Judge, Gurgaon in appeal proceedings. Accordingly, the sale of the land was registered in his name. In the said suit, he has sought that the other sale deeds and powers of attorney executed in respect of the said properties other than the one executed in his favour be declared as null and void. The aforesaid judgment and decree in respect of the suit states that Amar Chand Tamra shall continue to be the owner in possession of the suit property, the sale deeds and powers of attorney other than those executed in favour of Amar Chand Tamra are declared null and void. It is further stated therein that the possession of Amar Chand Tamra be retained in the suit properties and construction, if any, raised by the defendants to the suit be demolished. Our Company has been arrayed as respondent no. 3 in

the instant appeal against the aforementioned judgment and decree. There is no monetary liability claimed against our Company. The next date of hearing for the appeal is scheduled for June 5, 2007.

- Our Company is in receipt of a notice dated March 22, 2007 from the Additional District and Sessions Judge, Faridabad in the matter of Neeta Gupta v. Amar Chand Tamra (Case No. 27/2007), requiring our Company to appear as on April 4, 2007. Our Company has not been served with a copy of the appeal in this matter. The matter was previously disposed by the judgment and decree *vide* order dated January 25, 2007 passed by the Additional District Judge (Senior Division), Faridabad. The said judgment and decree has been passed in respect of the suit (Suit No. 133/1997) for declaration and permanent injunction alongwith consequential relief in respect of land measuring 1000 square yards bearing address C – 4, Model Town, Faridabad. Neeta Gupta and our Company had been impleaded as defendant no. 7 and 2 respectively in the said suit. Amar Chand Tamra has alleged therein that he had entered into an agreement to sell dated April 11, 1966 in respect of the suit property with Mr. Jain 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 though dismissed by the Sub-Judge (First Class) Ballabgarh was decided in his favour by the Additional District Judge, Gurgaon in appeal proceedings. Accordingly, the sale of the land was registered in his name. In the said suit, he has sought that the other sale deeds and powers of attorney executed in respect of the said properties other than the one executed in his favour be declared as null and void. The aforesaid judgment and decree in respect of the suit states that Amar Chand Tamra shall continue to be the owner in possession of the suit property, the sale deeds and powers of attorney other than those executed in favour of Amar Chand Tamra are declared null and void. It is further stated therein that the possession of Amar Chand Tamra be retained in the suit properties and construction, if any, raised by the defendants to the suit be demolished. Our Company has been arrayed as respondent no. 3 in the instant appeal against the aforementioned judgment and decree. There is no monetary liability claimed against our Company. The next date of hearing for the matter is scheduled for June 5, 2007.
- Federation of Aggrieved Apartment Owners of Ridgewood Estate (“**Federation**”) has filed a suit, against Shankar Sen and others (our Company and our subsidiary DLF Housing and Construction Limited have been impleaded as defendant numbers 13 and 14) before the Civil Judge, Gurgaon, for declaration, direction and permanent injunction. The Federation has been formed by the apartment owners of Ridgewood Estate, DLF City, Phase IV, Gurgaon – 122009 (“**Ridgewood Estate**”). In the year 2000, our Company and our subsidiary DLF Housing and Construction Limited invited offers for the booking of flats on an ownership basis in the Ridgewood Estate. Individual members of the Federation purchased flats in the Ridgewood Estate. Our Company and our subsidiary executed and got registered a ‘declaration’ in respect of the Ridgewood Estate under the Haryana Apartment Ownership Act, 1983 (“**HAOA**”). Ridgewood Estate was made subject to the HAOA and the applicable bye-laws. In pursuance of their obligations under the HAOA, our Company and our subsidiary got the Ridgewood Estate registered by the name of ‘Ridgewood Estate Condomonium Association’ (“**Association**”) under the Societies Registration Act, 1860 (“**SRA**”). Individual members of the Federation were also members of the Association. It was submitted by the Federation that the Association was not a legal body as it was registered under the SRA and not under the Cooperative Societies Act, 1912 as required under the HAOA. They have further contended that the Association’s bye-laws are bad in law (“**Bad Bye-Laws**”) by reason of the same not being in consonance with those prescribed under the HAOA (“**Prescribed Bye-Laws**”). It was also submitted that the Association has held elections of the Board of Managers in contravention of the Prescribed Bye-Laws under the HAOA. It was further stated that defendants number 1 to 10 comprising the governing body of the Association (“**Governing Body**”) were jointly and severally guilty of not maintaining proper accounts and sanctioning funds of the Association. It was sought that (i) the Association be declared as an illegal body, and the defendants (in particular our Company and our subsidiary) be directed to form a lawful association under the provisions of the HAOA; (ii) the Bad Bye-Laws be declared as void and that the Prescribed Bye-Laws be adopted; (iii) the elections conducted by the Association be declared void; (iv) the two defendants who were elected in contravention of the HAOA step down from their office; (v) a decree be passed for the formation of a representative general body by the holding of fresh elections in accordance with the law. It has also been sought that a declaration be made that the actions of the Governing Body were done to benefit themselves, our Company and our subsidiary and that such actions were punishable under Indian criminal law. It has further been sought that the Governing Body be directed to produce a statement of accounts for the period of their holding office for general inspection and direct each of the defendants to personally indemnify the Federation and all other apartment owners against the losses suffered by them, due to the *mala fide* action and inaction of the Governing Body. Further, permanent injunction was sought to be granted restraining the defendants from

spending monies from the account of the Association. There is no monetary liability claimed against our Company and our subsidiary. The next date of hearing is scheduled for May 19, 2007. Shanker Sen and others have filed an application for rejection of the said suit on the ground that the Federation does not exist, its constitution cannot be ascertained in the absence of disclosure of such constitution in the aforesaid suit and that in the absence of institution of the suit by a legal entity the same is liable to be rejected.

- Vineet Handa has filed a suit before the Civil Judge (Senior Division), Gurgaon, against our subsidiary DLF Cyber City Developers Limited and Ashok Mahindru for declaration and permanent injunction in respect of suit property measuring 857.25 square meters (i.e. approximately 9658 square feet) located in the ground floor of Tower 'D' in DLF Cyber Greens, Gurgaon. The suit property was leased for a period of 36 months by our subsidiary to OZO Corporation Limited ("**OCL**") vide a registered lease dated August 28, 2006 ("**Lease Deed**"). On execution and registration of the Lease Deed, OCL paid the required security amounts to our subsidiary. However, subsequently, the suit property has been utilized as office space for OZO Media Estate Limited ("**OMEL**"), which is the sister company of OCL. It is stated therein that Vineet Handa is the managing director of OCL and OMEL, and that he makes regular payments of the rent in respect of the suit property. It is also stated that the Lease Deed was illegally cancelled by our subsidiary based on representations made by Ashok Mahindru, who is a director and an authorized signatory of OCL. Vineet Handa has (a) Ashok Mahindru was not authorized to seek cancellation of the said Lease Deed; and (b) electricity and water supply to the suit property was disconnected at the request of Ashok Mahindru. Vineet Handa has sought that (a) a decree of declaration be passed declaring the Lease Deed is enforceable upto August 2009. He has also sought a decree for permanent injunction to be passed restraining our subsidiary from dispossessing him from the suit property, and restraining Ashok Mahindru from obtaining the security amounts deposited by OCL with our subsidiary. He has further sought a decree for mandatory injunction be passed directing our subsidiary to restore the electricity and water supplies on the premises. The next date of hearing for the matter is scheduled for May 31, 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. 0.2 crore 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.

Company Law Board

- Mrs. Nisha Ahuja has filed a petition before the Company Law Board, New Delhi against our Company, under Section 111A, 206A and 402 of the Companies Act, 1956. The petitioner has claimed to be the sole legal heir of late Mr. Shanti Narain, a shareholder of our Company holding 2,000 fully paid-up equity shares of Rs. 2 each. It has been contended that our Company has refused to effect the transmission of shares in the name of the plaintiff and has not rectified its register of members to effect the change. Moreover, under Section 206A of the Companies Act, 1956, the plaintiff has sought a direction for abeyance of debenture rights issue offered by our Company in January, 2006 with regard to the shareholding of her late father, Mr. Shanti Narain. The plaintiff has prayed for the transmission of shares along with rectification of the register of members and for grant of an ad-interim ex parte relief be granted with respect to the debenture rights issue. There is no monetary liability claimed against our Company. The matter is listed for the filing of reply on July 11, 2007.

Show Cause Notices

- A show cause notice bearing number DPCC/7/38/CMC/2007/278-280 dated January 15, 2007 has been issued by the Delhi Pollution Control Committee to our Company, requiring us to show cause as to why prosecution proceedings should not be initiated against it and why 'DLF Courtyard' should not be closed for violating Sections 25/26 of the Water Act and Sections 21/22 of the Air Act by commencing construction activities without obtaining prior 'consent to establish' from the Delhi Pollution Control Committee. Our Company has filed a reply dated January 23, 2007 to the aforesaid show cause notice informing the Delhi Pollution Control Committee that an environmental clearance bearing no. 21-535/2006-IA.III, to this effect, has been obtained from the Ministry of Environment and Forests on January 15, 2007 and in furtherance an application for the "Consent to Establish" has been filed with the Delhi Pollution Control Committee on May 25, 2005. Pursuant to the reply filed by our Company, no further communication has been received from the Delhi Pollution Control Committee.
- A final show cause notice bearing number HSPCB/2006/TAC-A/1194 dated August 14, 2006 under Section 5 of the Environment (Protection) Act, 1986 has been issued by the Haryana State Pollution Control Board to our Company, requiring our Company to show cause as to why prosecution proceedings should not be initiated against it and why construction of 'Star Mall' should not be closed for violating the provisions of the EIA Notification of 1994 as amended by the EIA Notification dated July 7, 2004 by commencing the construction activities without obtaining prior environmental approval from the Ministry of Environment & Forests. A 'no-objection certificate' bearing no. HSPCB/2007/TAC/185 dated March 6, 2007, has been issued by the Haryana State Pollution Control Board. Our Company had filed a reply to the aforesaid show cause notice on June 6, 2006 contending that the Notification dated July 7, 2004, would not apply to Star Mall since the construction of the same was already above the plinth level and at a very advanced stage on July 7, 2004. Pursuant to the reply filed by our Company, no further communication has been received from the Haryana State Pollution Control Board.
- A final show cause notice bearing number HSPCB/2006/TAC-A/1226 dated August 14, 2006 has been issued by the Haryana State Pollution Control Board to our Company requiring us to show cause as to why prosecution proceedings should not be initiated against us; and why the construction of Pinnacle should not be closed for violating the provisions of the EIA Notification of 1994 as amended by the EIA Notification dated July 7, 2004 under Section 5 of the Environment (Protection) Act, 1986 for commencing the construction activities without obtaining prior approval from the Ministry of Environment & Forests. Our Company had filed a submission

contending that the Notification dated July 7, 2004, would not apply to Pinnacle since the construction of the same was already above the plinth level and at a very advanced stage on July 7, 2004. The Company has been granted a “no-objection certificate” on April 9, 2007 under the Water Act and Air Act for the building “Pinnacle” vide their letter no. HSPCB/NOC/TAC-I/2007/387. However, we have not received any communication from the concerned authorities with respect to the submission made by our Company in respect of the EIA notification dated July 7, 2004.

- A final show cause notice bearing number HSPCB/2006/TAC-A/1198 dated August 14, 2006 has been issued by the Haryana State Pollution Control Board to our Company requiring us to show cause as to why prosecution proceedings should not be initiated against it; and why the construction of ‘Grand Mall’ should not be closed for violating the provisions of the Notification of 1994 as amended by the EIA Notification dated July 7, 2004 under Section 5 of the Environment (Protection) Act, 1986 for commencing the construction activities without obtaining prior approval from the Ministry of Environment & Forests. Our Company has filed an application dated December 28, 2006 to the Haryana State Pollution Control Board for the consent to establish and operate the ‘Grand Mall’. The Company had received extension of validity period of consent under Water Act and Air Act from the Haryana Pollution Control Board dated March 31, 2007 for the period of April 1, 2006 to March 31, 2007. Subsequently, the Company has also received a letter dated April 17, 2007 for extension of validity period of consent under Water Act and Air Act from the Haryana Pollution Control Board for the period of April 1, 2007 to March 31, 2011. We have not received any communication from the authorities concerned with respect to the submission made by our Company in respect of the EIA notification dated July 7, 2004.
- A show cause notice bearing no. HSPCB/GR/2006/3125-26 dated May 8, 2006 has been issued by the Haryana State Pollution Control Board to our Company, requiring our Company to show cause as to why prosecution proceedings should not be initiated against our Company and why the ‘DLF Cyber City- building no.2’ should not be closed for violating Sections 25/26 of the Water Act and Sections 21/22 of the Air Act alongwith the Environment Impact Assessment Notification of 1994 as amended on July 4, 2004 by commencing construction activities without applying to the Haryana State Pollution Control Board for a ‘no-objection certificate’ and the ‘environmental clearance’ from the Ministry of Environment and Forests. Our Company has filed a reply to the aforesaid notice on May 23, 2006. However, no communication regarding the same has been received by the authorities concerned. Further, the Company has been granted an “Environmental Clearance” for 10 buildings in DLF Cyber City, of which DLF Building No. 2 is a part, from the Ministry of Environment and Forests, vide letter no. 21-637/2006-IA-III dated April 3, 2007. Moreover, the Company has also applied for a ‘no-objection certificate’ from the Haryana State Pollution Control Board on August 31, 2006.
- A final show cause notice bearing number HSPCB/2006/TAC-A/1130 dated August 14, 2006 has been issued by the Haryana State Pollution Control Board to our Company requiring us to show cause as to why prosecution proceedings should not be initiated against it and why the construction of ‘Icon’ should not be closed for violating the provisions of the Notification of 1994 as amended by the EIA Notification dated July 7, 2004 under Section 5 of the Environment (Protection) Act, 1986 for commencing the construction activities without obtaining prior approval from the Ministry of Environment & Forests. Our Company has filed a submission on June 6, 2006 contending to the Ministry of Environment & Forests that the Notification dated July 7, 2004, would not apply to ‘Icon’ since the construction of the same was already above the plinth level and at a very advanced stage on July 7, 2004. Pursuant to an application dated September 5, 2006, the Company has received the ‘no-objection certificate’ for setting up the construction project "Icon" under the Water Act and Air Act from the Haryana State Pollution Control Board, vide their letter no. HSPCB/NOC/TAC-I/2007/382 dated April 9, 2007. However, we have not received any communication from the authorities concerned with respect to the submission made by our Company in respect of the EIA notification dated July 7, 2004.
- A final show cause notice bearing number HSPCB/2006/TAC-A/1134 dated August 14, 2006 has been issued by the Haryana State Pollution Control Board to our Company requiring us to show cause as to why prosecution proceedings should not be initiated against it and why the construction of ‘Amex –II’ should not be closed for violating the provisions of the Notification of 1994 as amended by the EIA Notification dated July 7, 2004 under Section 5 of the Environment (Protection) Act, 1986 for commencing the construction activities without obtaining prior approval from the Ministry of Environment & Forests. Our Company has received a ‘no-objection certificate’ for setting up the construction project ‘Amex-II’ under the Water Act and Air Act from the Haryana State Pollution Control Board, vide their letter no. HSPCB/NOC/TAC-I/2007/407 dated April 18,

2007. The Company has applied for an 'environmental clearance' from the Ministry of Environment and Forests on March 8, 2007, and is still awaiting approval of the Ministry of Environment and Forests. Further, the Company has not received any communication from the authorities concerned with respect to the submission made by our Company in respect of the EIA notification dated July 7, 2004.

- Our Company has received from the Haryana State Pollution Control Board show cause notices:
 - (i) bearing number HSPCB/GR/2006/3261 dated May 12, 2006 under Section 25/26 of the Water Act and Section 21/22 of the Air Act directing our Company to apply for a 'No-objection Certificate' to the Haryana State Pollution Control Board within 15 days from the date of the said show cause notice, failing which proceedings would be initiated against the Company for commencing the construction activities with respect to 'DLF Tower No. 8' without obtaining a 'No-objection certificate' from the Haryana State Pollution Control Board;
 - (ii) bearing number HSPCB/GR/2006/3801 dated June 6, 2006 issued under Section 33-A of the Water Act and Section 31-A of the Air Act requiring our Company to show cause as to why 'DLF Tower No. 8' should not be closed for commencing the construction activities without obtaining 'No-objection Certificate' from the Haryana State Pollution Control Board or applying for an 'environmental clearance' to the Ministry of Environment & Forests. Our Company has filed a reply dated June 15, 2006 to the show cause notice of June 6, 2006;
 - (iii) bearing number HSPCB/2006/TAC-A/1166 dated August 14, 2006 under the EIA Notification of 1994 as amended by EIA Notification dated July 7, 2004 under Section 5 of the Environment (Protection) Act, 1986, requiring us to show cause as to why prosecution proceedings should not be initiated against us, and why the construction of 'DLF Tower No. 8' should not be closed for commencing the construction activities without obtaining prior approval from the Ministry of Environment & Forests.

Thereafter, pursuant to an application for an 'environmental clearance' to the Ministry of Environment and Forests on November 24, 2006, for DLF Cyber City, of which 'DLF Tower No. 8' is a part, the clearance was granted to the Company vide letter no. 21-637/2006-IA-III dated April 3, 2007. The Company has also applied for a 'No-objection Certificate' from the Haryana State Pollution Control Board on August 31, 2006 and is awaiting the approval of the Haryana State Pollution Control Board.

- A show cause notice bearing number HSPCB/GR/2006/3799 dated June 6, 2006 has been issued by the Haryana State Pollution Control Board to our Company, requiring our Company to show cause as to why 'DLF Tower No. 9' should not be closed for violating Section 33-A of the Water Act and Section 31-A of the Air Act for commencing construction activities without obtaining 'Consent to Establish' from the Ministry of Environment & Forests. Our Company has filed a reply dated June 15, 2006 to the aforesaid show cause notice. Pursuant to an application for an 'environmental clearance' to the Ministry of Environment and Forests as on November 24, 2006 for DLF Cyber City, of which DLF Building No.9 is a part, the clearance was granted to the Company on April 3, 2007 vide letter no. 21-637/2006-IA-III. Further, the Company applied for a 'no-objection certificate' from the Haryana State Pollution Control Board on August 31, 2006 and is awaiting the approval of the Haryana State Pollution Control Board.
- A show cause notice bearing number HSPCB/GR/2006/7999 dated January 27, 2006 has been issued by the Haryana State Pollution Control Board to our Company, requiring our Company to comply with the provisions of the EIA Notification of 1994 as amended by the EIA Notification dated September 14, 2006 in relation to 'Mall of India'. Our Company has filed an application for a 'no-objection certificate' from the Haryana State Pollution Control Board on February 5, 2007 for another application for 'environmental clearance' from the Ministry of Environment and Forests on February 16, 2007. We are awaiting approval of the authorities concerned.
- A show cause notice bearing number HSPCB/2005/Plg./465 dated May 8, 2006 has been issued by the Haryana State Pollution Control Board to our Company, directing our Company to make an application for 'environmental clearance' and to show cause as to why action would not be attracted against our Company for violating the provisions of the Environment (Protection) Act, 1986 in case of non-application. Accordingly, an

application was made by the Company for an 'environmental clearance' from the Ministry of Environment and Forests on November 24, 2006 for DLF Cyber City of which 'DLF Building No. 3' is a part, pursuant to which, the clearance was granted to the Company on April 3, 2007 vide letter no. 21-637/2006-IA-III. Further, the Company has also applied for a 'no-objection certificate' on August 31, 2006 and is awaiting the approval of the Haryana State Pollution Control Board.

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. 2.8 crore along with interest accruing on it. We have also made a counter claim on Petron Civil Engineering Limited for the sum of Rs. 2.1 crore along with interest. The arbitration proceeding has concluded and award is awaited in the matter.
- We have initiated arbitration proceedings 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 and have raised claim of Rs 3.1 crore along with interest accruing on it and legal cost. Petron Civil Engineering Ltd has made a counter claim of Rs 0.4 crore 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 date of hearing is scheduled for July 2, 2007 and July 3, 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. 1.1 crore along with interest accruing on it. We have also made a counter claim on NEC Engineering Ltd for the sum of Rs. 3.2 crore along with interest. NEC Engineering Limited has withdrawn the claim amounting to Rs. 0.8 crore and balance claim amounting to Rs. 0.3 crore 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. 0.6 crore along with interest accruing on it. We have also made a counter claim on Sood Enterprises for the sum of Rs. 0.3 crore 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 date is scheduled for June 26, 2007.
- 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 at 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 installments for the said apartments to our Company. The matter is listed for arguments. The next date of hearing is yet to be communicated.
- 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 measuring 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 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. 5.7 crore together with interest at the rate of 20% per annum from the date of payment till realization, to Birla VXL Limited, in respect of consideration for purchase of the aforesaid office block, and also sought payment for damages amounting to Rs. 2.7 crore 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. 11.8 crore for the non-payment of installments along with interest. The next date of hearing is scheduled for July 23, 2007 and July 24, 2007.

- A legal notice dated January 25, 2007 has been issued to our Company by Arun Maitri, advocate of Paramjeet Singh Atwal and P.H. Atwal (“**Atwals**”). It has been alleged in the notice that our Company has not completed construction of the pent house bearing number W2A151, Wellington Estate, DLF City, Gurgaon in accordance with the buyers agreement between the Atwals and our Company. The notice states that the Atwals are entitled to an interest at 18% on an amount of Rs. 0.3 crore. It is further stated that our Company has sought the payment of the amount due to it (as of March 23, 2003) under the said agreement along with interest on account of delayed payment for the aforesaid pent house. In view of the dispute between the parties, the Atwals in this notice have called upon our Company to appoint an arbitrator in terms of Clause 50 of the aforesaid agreement. In pursuance thereof, Justice Sat Pal has been appointed as an arbitrator by our Company. The next date of hearing is scheduled for July 24, 2007.

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.
- We have received two show cause notices dated December 26, 2006 and December 29, 2006 for the assessment years 1999-2000 and 2004-2005 respectively from the Deputy Commissioner of Income tax, Circle 10(1) for initiating penalty proceedings under Section 271(1) (c) of the I.T. Act. As the appeals for the said assessment years are pending disposal before the appellate authorities, the initiation of penalty proceedings have been kept in abeyance till the decisions of the respective appeals. The quantum of penalty will be ascertainable only after the appeals are decided.

Appeals before Commissioner of Income Tax (Appeals)

- We have filed one appeal against the assessment order passed under Section 143(3) of I.T. Act by the assessing officer in respect of assessment year 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. 24.6 crore for the assessment year 2003-04. The appeal is pending before Commissioner of Income Tax (Appeals)-XIII. The next hearing of the appeal for assessment year 2003-2004 is to be fixed afresh.
- We have filed one appeal against the assessment order dated December 29, 2006 passed under Section 143(3) of the I.T. Act by the Assessing Officer in respect of the assessment year 2004-2005 directing the issuance of a demand notice and challan on an amount of Rs. 37.5 crore (assessed on the basis of (i) internal development expenses; and (ii) treatment of income from house property), directing that interest be charged under Section 234B and 234C of the I.T. Act, and that penalty proceedings be initiated under Section 271 (1) (c) of the I.T. Act for concealing the particulars of income and furnishing inaccurate particulars of income. Total

disallowances/additions are aggregating to Rs. 4.5 crore. The appeal is pending before the Commissioner of Income Tax (Appeals) – XIII, New Delhi. The date of hearing is yet to be fixed.

- We have filed one appeal against the assessment order dated December 26, 2006 passed under Section 143 (3)/148 of the Income Tax Act, 1961 by the Assessing Officer in respect of the assessment year 1999-2000 disallowing deduction on account of depreciation on the self-occupied area of DLF Centre, charging an interest under Section 234B of the Income Tax Act, 1961, and directing the initiation of penalty proceedings under Section 271 (1) (c) of the said Act for concealing the particulars of income. Total disallowance is an amount of Rs. 0.3 crore. The appeal is pending before the Commissioner of Income Tax (Appeals), XIII, New Delhi. The next date of hearing is yet to be fixed.

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. 146 crore which are pending disposal. The appeals are yet to be decided. The appeal for the assessment year 1992-1993 has been heard by the Income Tax Appellate Tribunal on December 5, 2006 and a copy of the order is awaited. The next hearing of the appeals for the assessment years 1993-1994 to 2001-2002 is scheduled for July 2, 2007. *Vide* order dated March 30, 2007 passed by the Income Tax Appellate Tribunal, the appeal for the assessment year 1992-1993 has been partly allowed.
- 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. 0.8 crore. The hearing is scheduled for July 2, 2007.
- 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. 9.8 crore. The next date of hearing for the assessment years 1987-1988, 1989-1990, 1990-1991, 1992-1993 and 1993-1994 is scheduled for April 16, 2007. In respect of the assessment year 1986-1987, *vide* order dated December 6, 2006 passed by the Income Tax Appellate Tribunal, Delhi, deduction of extra bonus claimed by our Company has been allowed, and disallowance of an amount of Rs. 100,000 has been sustained to the extent of 10% of the total expenditure incurred on the items by our Company.
- We have filed an appeal against order dated March 15, 2007. The order was passed under Section 263 of the Income Tax Act, 1961 by the Commissioner of Income Tax (Delhi-IV), New Delhi for the assessment year 2002-03. The said order set aside the original assessment order dated March 31, 2005 passed by the Additional Commissioner of Income Tax, New Delhi under section 143(3) of the Income Tax Act. The original assessment order dealt with the issue of disallowance of proportionate expenditure related to the dividend income of an amount of Rs. 6.9 crore claimed under Section 10 (33) of the Income Tax Act, for fresh adjudication. The appeal is pending before the Income Tax Appellate Tribunal, New Delhi. The next date of hearing is yet to be fixed.

Appeals filed by Income Tax Department pending before Income Tax Appellate Tribunal, New Delhi

- The Income tax Department (“**IT Department**”) has filed ten 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, September 30, 2003 and August 6, 2004 passed by Commissioner of Income tax (Appeals) for the assessment years 1993-1994 to 2001-2002 involving an amount to the tune of Rs. 63 crore. The appeals for the assessment years 1993-1994 to 2001-2002 are pending disposal. The next date of hearing for each of the aforesaid appeals is scheduled for July 2, 2007.

- 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. 2.2 crore. The next date of hearing for each of the assessment years is scheduled for July 2, 2007.
- 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 2.1 crore. 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 July 2, 2007.

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. 0.2 crore. 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. 200,000. 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. 0.1 crore. 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 realized 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 paper books 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. 0.7 crore. 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. 0.1 crore 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 and the next date of hearing is yet to be fixed.
- An appeal has been filed by the IT Department challenging the order dated July 13, 2006 passed by Income Tax

Appellate Tribunal whereby penalty amount of Rs. 0.3 crore imposed under Section 221 (1) of the Income Tax Act, 1961 has been deleted for the assessment year 1992-1993. The next date of hearing is yet to be fixed.

- An appeal has been filed by the IT Department challenging the order dated July 13, 2006 passed by Income Tax Appellate Tribunal whereby the penalty amount of Rs. 0.4 crore, imposed under Section 221 (1) of the Income Tax Act, 1961 has been deleted for the assessment year 1993-1994. The next date of hearing is yet to be fixed.
- An appeal (ITA No. 2599/DEL/1999) has been filed by the IT Department against DLF Industries Limited which had amalgamated with us w.e.f. April 1, 1999, challenging the order dated September 8, 2006 passed by the Income Tax Appellate Tribunal for the assessment year 1995-1996. The deductions which have been challenged are in relation to (a) Lease rentals for wooden shuttering taken on sub-lease; (b) Security service charges; (c) Depreciation on oak wood barrels purchased by our Company from Khode India Limited and leased back to the same entity; and (d) Notional interest. The total disallowances aggregate to Rs. 5.7 crore. The next date of hearing is yet to be fixed.
- An appeal (ITA No. 3042/DEL/1999) has been filed by the IT Department against DLF Industries Limited which had amalgamated with us w.e.f. April 1, 1999, challenging the order dated September 8, 2006 passed by the Income Tax Appellate Tribunal for the assessment year 1995-1996. The deductions which have been challenged are in relation to (a) Depreciation on shuttering and scaffolding material purchased by our Company from Larsen & Toubro Limited and leased back to the said concern; and (b) Notional interest. The total disallowances aggregate to Rs. 3.5 crore. The next date of hearing is yet to be fixed.
- An appeal (ITA No. 1303/DEL/2000) has been filed by the IT Department against DLF Industries Limited which had amalgamated with us w.e.f. April 1, 1999, challenging the order dated September 8, 2006 passed by the Income Tax Appellate Tribunal for the assessment year 1996-1997. The, deductions which have been challenged are in relation to (a) Lease rental for wooden shuttering taken on sub-lease; (b) Alleged bad debts under Section 36(1)(vii) of the Income Tax Act, 1961; and (c) Lease rental receipts from Khode India Limited and Larsen & Toubro Limited. The total disallowances aggregate to Rs. 3.1 crore. The next date of hearing is yet to be fixed.
- An appeal (ITA No. 2287/DEL/2000) has been filed by the IT Department, against DLF Industries Limited which had amalgamated with us w.e.f. April 1, 1999, challenging the order dated September 8, 2006 passed by the Income Tax Appellate Tribunal for the assessment year 1996-1997. The deductions which have been challenged are in relation to depreciation on water pollution control equipment and ash handling plant purchased by our Company from the Andhra Pradesh State Electricity Board, which was leased back to the said concern after entering into a hire purchase agreement with the Global Trust Bank. The total disallowances which have been refuted aggregate to Rs. 19.7 crore. The next date of hearing is yet to be fixed.

Indirect Tax Proceedings

Value Added Tax under the Haryana Value Added Tax Act, 2003

- A notice was sent by the Assessing Authority, Faridabad (East), Haryana under the Haryana Value Added Tax Act, 2003 to our Company stating that the returns filed by our Company for the period between April 1, 2005 and March 31, 2006 have been selected for scrutiny under Section 15 (2) of the Haryana Value Added Tax Act, 2003. The next date of hearing is scheduled for May 25, 2007.

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 Tax Act, 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. 200,000, Rs. 400,000, Rs. 0.2 crore, and Rs. 0.1 crore (i.e. an aggregate of Rs. 0.4 crore). *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. 0.1 crore and the balance amount of Rs. 0.3 crore 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. 0.1 crore 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. 400,000 and the balance Rs. 300,000 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. 4.1 crore and the disputed tax amount is Rs. 0.3 crore. 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 yet to be fixed.
- 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. 2.7 crore and the disputed tax amount is Rs. 0.2 crore (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. 100,000 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 yet to be fixed.
- 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. 6.2 crore (Approximately)	Rs. 0.5 crore (Approximately)
2.	1996-97	Rs. 2.3 crore	Rs. 0.1 crore (Approximately)

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. 100,000 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, Gurgaon (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. 0.7 crore (for the financial year 1997-1998), Rs. 0.5 crore (for the financial year 1998-1999) and Rs. 0.2 crore (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 is June 21, 2007.

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. 0.1 crore (for the financial year 2000-2001), Rs. 0.6 crore (for financial year 2001-2002) and Rs. 0.2 crore (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 of hearing is yet to be communicated.

Haryana Local Area Development Tax and Trade 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 September 6, 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 August 6, 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 July 16, 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 at 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 July 23, 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 at 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 July 23, 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 May 28, 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 August 13, 2007.
- Narender Kumar had served a demand notice dated June 5, 2001 (Case No. 539/2002), under Section 2 (A) of the Industrial Disputes Act, 1947, upon R.S. Services and our Company seeking reinstatement with continuity of services in his previous post as 'Supervisor – Horticulture', all back wages, dues and other consequential benefits. He has alleged therein that his employment was illegally terminated and in contravention of the provisions of the Industrial Disputes Act, 1947. The next date of hearing is scheduled for September 24, 2007.

AGAINST OUR DIRECTORS

Pending proceedings

- 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. 3 crore 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. 8.8 crore to IFCI Limited and Rs. 2.9 crore 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 dishonor of cheques aggregating Rs. 1,35,000. 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.
- Please refer to the criminal complaint filed by B. Rajender under the heading 'Criminal Proceedings' against our Company where all the directors of our Company have been impleaded as parties along with our Company.

Past proceedings

One of our directors, Mr. G.S Talwar, who is non-executive chairman of Centurion Bank of Punjab Limited, was directed by SEBI through an interim direction to not to open fresh demat accounts. The matter now stands settled.

AGAINST OUR SUBSIDIARIES

DLF Estate Developers Limited

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 injunction application 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 along with 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 October 16, 2007 and for the appeal is scheduled for May 31, 2007.
- 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 date of hearing in the suit is July 28, 2007 and the next hearing for appeal is scheduled for June 6, 2007.
- '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 for the suit is scheduled for August 7, 2007 and for the appeal is scheduled for June 2, 2007.

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 reinstatement 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 June 4, 2007.
- Prakasho 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 May 28, 2007.
- Sadori, Kela, Resham and Dropati have served a demand notice dated August 28, 2000 (Case No. 374/01, Case No. 376/01, Case No. 375/01, 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 May 28, 2007. The next date of hearing for Resham is scheduled for July 19, 2007. The next date of hearing for Dropati is scheduled for August 6, 2007.

DLF Commercial Developers Limited

Civil proceedings

- 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 installments 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. 0.3 crore to arbitration. Pursuant to the said order of the High Court, Abhishek Mehra and others paid the sum of Rs. 0.3 crore 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 June 11, 2007. Abhishek Mehra had filed a petition for removal of the present arbitrator on the grounds that he being an employee of the Company is biased. The case was heard on May 21, 2007 and the order has been reserved.
- 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.

- 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.

Arbitration 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 installments 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. There is no monetary liability claimed against our subsidiary. The parties have entered into a compromise *vide* memorandum of understanding dated March 7, 2007. However, the parties are yet to communicate the fact of such compromise to the arbitrator. The next date of hearing in the matter before the sole arbitrator is yet to be communicated.

Direct 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. 0.1 crore and the issue in respect of assessment year 2002-03 is on account of disallowance of repair and maintenance amounting to Rs. 0.2 crore treating the same as of capital nature. The next date of hearing for both assessment years 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. 0.1 crore (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. 0.1 crore (for the financial year 2000-2001), Rs. 400,000 (for the financial year 2001-2002) and Rs. 10,000 (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 yet to be communicated.

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 yet to be communicated.
- 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. A reply dated December 18, 2006 has been made by our subsidiary DLF Commercial Developers Limited to the aforesaid assessing authority. The order is reserved and is awaited.
- A notice was sent by the Excise and Taxation Officer cum Assessing Authority, Gurgaon (East), Haryana to our subsidiary DLF Commercial Developers Limited, under the Central Sales Tax Act 1956 read with the Haryana Value Added Tax Act, 2003. The notice stated that the return filed by our subsidiary for the period between April 1, 2005 and March 31, 2006 has been selected for scrutiny under Section 15 (2) of the Haryana Value Added Tax Act, 2003. It further stated that an assessment was to be made under Section 15(3) of the Haryana Value Added Tax Act, 2003. Our subsidiary was required to respond to the notice by April 24, 2007. A notice for removal of deficiencies in returns was issued by the Excise and Taxation Officer cum Assessing Authority, Gurgaon (East), Haryana to our subsidiary stating that the returns furnished for the period 2005-2006 were examined by it and accordingly, it was observed that the tax deducted at source certificate was required to be submitted along with returns in VAT R-6 for the quarter ending June 30, 2005. Our subsidiary has filed a reply on April 24, 2007. The next date of hearing is yet to be communicated.

Securities Laws

- Please refer to the head "Securities Laws" under Bhoruka Financial Services Limited below.

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 ("**Promoter Shares**"), 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) (I) and 4 of the Takeover Regulations on June 29, 2005. The negotiated price per share was Rs. 3000.

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 together holding 1.27% of the equity share capital of BFSL (“**Public Shares**”) offering them Rs. 4000 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 Promoter Shares. SEBI has filed an appeal (Appeal No. 2720/2006) before the Supreme Court of India against the order of SAT. The Supreme Court has admitted the appeal and has stayed the operation of the order passed by SAT and directed DCDL to not further transfer or create any third party rights in the Promoter Shares in dispute *vide* order dated August 25, 2006. 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. 1 crore.

DCDL replied to the said Show Cause Notice on February 9, 2007. SEBI has passed an adjudication order (No. AP/AO-27/2006-2007) as on February 20, 2007 imposing the following penalty amounts (i) Rs 1 crore to be paid by the promoters and sellers of BFSL collectively for violation of Section 19 read with Section 23H of the SCRA; and (ii) Rs. 1 crore to be paid by DCDL for violation of Section 19 read with Section 23H of the SCRA. Such amounts are required to be paid within 45 days of the said order. Subsequent to the receipt of such order, DCDL has made payment of the amount of Rs. 1 crore.

Vide letter bearing number CFD/DCR/TO/MM/89890/2007 dated March 26, 2007, SEBI has advised Chartered Capital and Investment Limited (“**CCIL**”) to (i) make payments to the concerned shareholder who has tendered shares held by it in BFSL in the aforementioned offer made by DCDL in respect of the Public Shares. However, such shares tendered shall not be transferred to DCDL and the same is directed to be kept in an escrow account with CCIL (if such shares are in the physical mode). Further, if the shares are in dematerialized form, CDSL has already been directed *vide* SEBI’s order dated August 19, 2005 to not permit any transfers in the shares of BFSL until further orders; (ii) CCIL to decide the interest of the shareholders in the case of shareholders whose shares were received after the offer closing date but dispatched prior to the said date; and (iii) the balance amount after the payment of consideration to the shareholders is required to remain in the escrow account maintained by CCIL until further directions from SEBI. On receipt of such letter from SEBI, CCIL has *vide* its letter dated April 10, 2007, requested DCDL to make payment from the escrow account maintained by CCIL to the shareholders who have offered their shares in terms of the directions given by SEBI. There have been no further developments in the matter.

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 measuring 7 acres which has been allotted to Bhoruka by KAIDB, for setting aside the said allotment of land. The matter will come up for regular hearing in due course.

Galleria Property Management Services Private Limited

Show Cause Notices

- A show cause notice bearing number DPCC/7/38/CMC/2007/254-256 dated January 15, 2007 has been issued by the Delhi Pollution Control Committee to M/s. Galleria Property Management Services Private Limited, our subsidiary, requiring our subsidiary to show cause as to why prosecution proceedings should not be initiated against it, and why 'DT City Centre' should not be closed for violating Sections 25/26 of the Water Act and Sections 21/22 of the Air Act by commencing construction activities without obtaining prior 'Consent to Establish' from the Delhi Pollution Control Committee. Our subsidiary has filed a reply dated January 23, 2007 to the aforesaid show cause notice informing the Delhi Pollution Control Committee that an 'environmental clearance' bearing no. 21-536/2006-IA.III to this effect, has been obtained from the Ministry of Environment and Forests on January 15, 2007. However, pursuant to the reply filed by our subsidiary, no further communication has been received from the Delhi Pollution Control Committee.

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 another filed an appeal (C.A. No. 67/2003) before the District Judge, Gurgaon for setting aside the judgment 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 Punjab and Haryana High Court. The High Court has admitted 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 May 29, 2007.
- 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 judgment dated June 15, 1993. Hari Singh as the co-owner of the land filed for revision of the said judgment 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. An order has been passed and the copy of the order is awaited.
- 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 Nilgiri 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 measuring 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 August 19, 2007.

Direct Tax proceedings

Show Cause Notices

- We have received one show cause notice dated November 23, 2006 for the assessment year 2004-2005 from the Deputy Commissioner of Income Tax, Circle 13(1), New Delhi for initiating penalty proceedings under Section 271 of the I.T. Act. As the appeal for the said assessment year is pending disposal before the appellate authorities, the initiation of penalty proceedings have been kept in abeyance till the decision of the appeal. The quantum of penalty will be ascertainable only after the appeal is decided by the appellate authorities.

Appeals before Commissioner of Income Tax (Appeals) – XVI, New Delhi

- We have filed an appeal against the assessment order dated November 23, 2006 passed under Section 143(3) of the I.T. Act by the Assessing Officer in respect of the assessment year 2004-2005 directing the issuance of a demand notice and challan on an amount of Rs. 1.1 crore, charging interest under Section 234B, 234C and 234D of the I.T. Act, and directing initiation of penalty proceedings under Section 271 (1) (c) of the I.T. Act. Total disallowance/addition is an amount of Rs. 2.2 crore. The hearing of the appeal is to be fixed afresh.

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. 0.8 crore. 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. The first issue pertains to deduction of interest and finance charges amounting to Rs. 0.8 crore on borrowings for payment of advances under agreements to purchase plots/land. The second issue is regarding interest income received on cancellations of agreements, amounting to Rs. 0.9 crore, considered to be income from “other sources”. Our Company has contended that the interest income received from cancellations of agreements to be income from “business”. The appeal has been admitted and the next date of hearing is yet to be fixed by High Court.

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 *pro forma* 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 date of hearing is scheduled for August 14, 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 date of hearing is scheduled for August 13, 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 date of hearing is scheduled for May 29, 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 July 26, 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 judgment 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. 300,000. 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) measuring 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 measuring 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 Malik 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 buyer's 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 November 19, 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 date of hearing is scheduled for August 9, 2007.
- Prem Bansal alleges to be the owner to the extent of 1/15th share of sisram land measuring 1 bigha, 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 order before the Financial Commissioner, Haryana. There is no monetary liability against our Company. The next date of hearing is scheduled for The order has been reserved and is awaited.
- 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 June 11, 2007.

- 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 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, measuring 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 *vide* order dated November 20, 2006 passed by the Civil Judge, Gurgaon. Aggrieved by the said order, Dharam Singh and others have filed an appeal (No. 126/2006) before the District Judge, Gurgaon against DLF Housing and Construction Limited and Vee Dee Investment and Agencies Limited, wherein it has been prayed that (i) the aforesaid order be set aside; (ii) stay application of Dharam Singh be allowed; (iii) stay granted in favour of our subsidiary be dismissed; (iv) the matter be remanded hearing afresh in accordance with the law; and (v) the appeal be accepted with cost. The next date of hearing for the suit is scheduled for May 25, 2007. The next date of hearing of the appeal filed by Dharam Singh against the dismissal of their application is July 30, 2007.
- Please refer to the suit filed by the Federation of Aggrieved Apartment Owners of Ridgewood Estate under the heading 'Civil Proceedings' against our Company and our subsidiary DLF Housing and Construction Limited.

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 July 9, 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. 1.1 crore. The appeal is pending before Commissioner of Income Tax (Appeals)-XIII, New Delhi and the next date of hearing is fixed for May 23, 2007.

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. 300,000 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. 100,000. 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. 3000 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. 200000 which has been wrongly availed as CENVAT credit should not be disallowed and recovered under 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. A reply dated December 5, 2006 to the said show cause notice has been filed as of December 13, 2006. The order is awaited.
- A demand cum show cause notice bearing number CE-20/ST/DLF Services/R-III/125/2005 dated April 25, 2007 has been issued by the Assistant Commissioner of Service Tax Division-III, Gurgaon to our subsidiary DLF Services Limited directing our subsidiary to show cause within 30 days of receipt of the notice as to why (i) the amount of inadmissible CENVAT credit of Rs. 20,000 availed and utilized by them during the period April 2006 to March 2007 not be recovered from them with interest under Rule 14 of the CENVAT Credit Rules, 2004 read with Section 73 and Section 75 of the Finance Act, 1994; and (ii) penalty as provided under Rule 15 (3) of the said Rules not be imposed on them for availing and utilizing the inadmissible CENVAT credit. A reply to such show cause notice is yet to be made.

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. 200,000. 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. 300,000 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 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. 1.9 crore to Atul Limited along with simple running interest at 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 July 2, 2007.
- The arbitral award dated May 15, 2005 was passed by the Arbitral Tribunal directing our Company to make payment of an amount of Rs. 3.8 crore to Atul Limited. Out of such aforesaid amount, an amount of Rs. 1.2 crore was directed to be paid by the learned presiding arbitrator Justice B.J. Divan as on April 14, 2005 from the escrow account to Atul Limited. The balance amount of Rs. 2.6 crore comprised in the aforesaid amount of Rs. 3.8 crore was directed to be paid by our Company to Atul Limited along with simple running interest at 10% from April 1, 2005 until the actual date of payment on an amount of Rs. 2.6 crore. 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, and Atul Limited 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.

Pursuant to a MoU dated June 28, 2001, the liabilities arising under the disclosed case was assumed by DLF Power Limited even though our Company continued to be a party to the proceedings. Accordingly, reference to our Company has been made while the matter is disclosed under DLF Power Limited.

- 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 0.7 crore. 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 July 20, 2007.
- 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 0.2 crore 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 honored by our Company. The matter is yet to be listed for hearing.

- Saurashtra Chemicals Limited has filed a suit against our Company in the Court of Civil Judge, Porbandar Gujarat (CMA. 15/2005) for recovery of total sum of Rs 130 crore alongwith interest at 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 at 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 16.8 crore was raised by our Company on Saurashtra Chemicals Limited in the letter addressed to them and pursuant to adjustment of sum of Rs 4.4 crore which were deposited in another matter by Saurashtra Chemicals Limited and Birla VXL Limited a sum of Rs 12.4 crore was demanded by our Company. The next date of hearing is fixed for June 15, 2007.
- 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. 0.4 crore alongwith interest at 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 August 1, 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.

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. 200,000 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. 200,000 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. 200,000. 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. 0.1 crore as deposit and furnishes security for the balance additional demand of an amount of Rs. 0.2 crore (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). *Vide* order dated February 9, 2007, passed by the Joint Excise and Taxation Commissioner (Appeals), Faridabad, Haryana, the matter has been remanded back to the ETO-cum-Assessing Authority, Gurgaon (East) for the limited purpose of the consideration by the ETO-cum-Assessing Authority, Gurgaon (East) of the declaration forms that are required to be produced by DLF Power Limited within 30 days of the receipt of the order dated February 9, 2007 and for the said ETO to accept the said forms if found in order. No formal order has been passed by the said ETO thus far.

Civil Proceedings

Employees State Insurance Corporation, Faridabad, Haryana

- DLF Power Limited (our subsidiary) has received a notice of demand dated December 20, 2007 bearing number 13/F/3542(7971-72)/2006-Recovery from the Employees State Insurance Corporation (ESIC), Faridabad, Haryana demanding that a sum of Rs. 1.4 crore be paid alongwith interest thereupon in terms of Section 39 (5) (a), 45-C to Section 45-I of the ESI Act, 1948 within 15 days of the issue of such notice. Our subsidiary is also required to make payments of all costs, charges and expenses incurred in the service of this notice, warrants, and other proceedings taken for realizing the arrears. Recovery of such aforesaid amount shall be made in accordance with the provisions of Section 45 C to 45 I of the said Act in case of failure to make such payment within the aforesaid time period stipulated. Our subsidiary has replied to such demand notice *vide* letter dated December 22, 2006 requesting the withdrawal of such demand notice on the basis of the reasons outlined in such reply. The matter is currently pending disposal.

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 4.2 crore and revised ground rent at Rs 0.2 crore p.a. w.e.f. February 27, 1973 up to July 14, 1992 amounting to Rs. 4.3 crore. Thus a total of Rs. 8.5 crore 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 August 30, 2007.

Dalmia Promoters & Developers Private Limited

Direct tax proceedings

Show Cause Notice

- We have received one show cause notice dated December 28, 2006 for the assessment year 1999-2000 from the Income Tax Officer, Ward 10(2), New Delhi for initiating penalty proceedings under Section 271 of the I.T. Act. As the appeal for the said assessment year is pending disposal before the appellate authorities, the initiation of penalty proceedings have been kept in abeyance till the decision of the appeal. The quantum of penalty will be ascertainable only after the appeal is decided by the appellate authorities.

Appeals before Commissioner of Income Tax (Appeals)

- We have filed an appeal against an assessment order dated December 28, 2006 passed under Section 143 (3)/147 of the Income Tax Act, 1961 by the Assessing Officer in respect of the assessment year 1999-2000 directing the issuance of a demand notice and challan on an amount of Rs. 100,000 (assessed on the basis of (i) income from undisclosed sources under Section 68; and (ii) on commission paid), charging an interest under

Section 234B of the Income Tax Act, 1961, and directing the initiation of penalty proceedings under Section 271 (1) (c) of the said Act for concealing income. Total disallowance of expenditure for tax purposes is Rs. 100,000. The appeal is pending before the Commissioner of Income Tax (Appeals)-XIII, New Delhi. The next date of hearing is yet to be fixed.

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. 0.4 crore inclusive of interest. The next date of hearing is yet to be fixed.

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. 0.2 crore each. The next hearing of the appeals for assessment years 1996-1997 and 1997-1998 are fixed for June 14, 2007.

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, Jawala 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 organization 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 DDA 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. 400,000 on October 7, 2005, while the due date was October 5, 2005 and thus is required to pay interest at 13% per annum amounting to Rs. 300 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. 300 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 judgment has been passed and the order is awaited.

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.

Show Cause Notice

- A show cause notice bearing number DPCC/7/38/CMC/2007/266-268 dated January 15, 2007 has been issued by the Delhi Pollution Control Committee to M/s. DLF Retail Developers Limited, our subsidiary, requiring our subsidiary to show cause as to why prosecution proceedings should not be initiated against it, and why 'DLF South Court, Saket' should not be closed for violating Sections 25/26 of the Water Act and Sections 21/22 of the Air Act by commencing construction activities without obtaining prior 'consent to establish' from the Delhi Pollution Control Committee. Our subsidiary has filed a reply dated January 23, 2007 to the aforesaid show cause notice informing the Delhi Pollution Control Committee that an environmental clearance bearing no. 21-303/2006-IA.III, has been obtained from the Ministry of Environment and Forests on January 15, 2007 and an application for the "Consent to Establish" has been filed with the Delhi Pollution Control Committee on May 24, 2006. However, pursuant to the reply filed by our subsidiary, no further communication has been received from the Delhi Pollution Control Committee.

Direct Tax Proceedings

Show Cause Notices

- We have received one show cause notice dated December 29, 2006 for the assessment year 2004-2005 from the Assistant Commissioner of Income Tax, Circle Gurgaon, Gurgaon for initiating penalty proceedings under Section 271 of the I.T. Act. As the appeal for the said assessment year is pending disposal before the appellate authorities, the initiation of penalty proceedings have been kept in abeyance till the decision of the appeal. The quantum of penalty will be ascertainable only after the appeal is decided by the appellate authorities.

Appeals before Commissioner of Income Tax (Appeals)

- We have filed an appeal against the assessment order dated December 29, 2006 passed under Section 143(3) of the I.T. Act by the Assessing Officer in respect of the assessment year 2004-2005 directing charge of interest under Section 234A, 234 B and 234C of the I.T. Act and also directing the initiation of penalty proceedings

under Section 271 (1) (c) of the I.T. Act and further charge of tax on the long term capital gain at 20% and that the necessary information forms be issued. A demand notice dated December 29, 2006 has been issued under the I.T. Act for an amount of Rs. 4.7 crore. Total disallowances/additions are aggregating to Rs. 13.9 crore. The hearing of the appeal is yet to be fixed.

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.

Regency Park Property Management Services Pvt. Ltd.

Civil Proceedings

Delhi Pollution Control Committee

- A show cause notice bearing number DPCC/7/38/CMC/2007/16-18 dated January 3, 2007 has been issued by the Delhi Pollution Control Committee to Regency Park Property Management Services Private Limited, our subsidiary, requiring our subsidiary to show cause why prosecution proceedings should not be initiated against it, and why the 'Emporio Mall' should not be closed for violating the provisions of Section 25/26 of the Water Act and Section 21/22 of the Air Act for commencing the construction activities without obtaining 'consent to establish' from the Delhi Pollution Control Committee. Our subsidiary has filed a reply dated January 10, 2007 to the aforesaid show cause notice informing the Delhi Pollution Control Committee that an 'environmental clearance' from the Ministry of Environment and Forests to this effect was obtained as on November 24, 2006. However, pursuant to the filing of the reply by our subsidiary no further communication has been received from Delhi Pollution Control Committee.

Direct tax proceedings

Show Cause Notices

- We have received one show cause notice dated November 27, 2006 for the financial year 2005-2006 from the Income Tax Officer TDS Ward-2, International Taxation, New Delhi for initiating penalty proceedings under Section 271C of the I.T. Act. As the appeal for the said financial year is pending disposal before the appellate authorities, the initiation of penalty proceedings have been kept in abeyance till the decision of the appeal. The quantum of penalty will be ascertainable only after the appeal is decided.

Appeals before Commissioner of Income Tax (Appeals)

- We have filed an appeal against the order dated November 27, 2006 passed under Section 201(1)/201(1A) of the I.T. Act, by the Assessing Officer in respect of the financial year 2005-2006 directing issuance of demand notice and challan on an amount of Rs. 0.1 crore and initiation of penalty proceedings under Section 271C of the I.T. Act for the non-deduction of tax at source of remittances amounting to the aforesaid amount. The total demand raised by the Income Tax Officer, New Delhi vide the demand notice dated November 27, 2006 is an aggregate of Rs. 0.1 crore. The next date of hearing is yet to be fixed.

Paliwal Developers Limited

Civil Proceedings

High Court

- Kaushik and another have filed a petition (OMP No. 58/2007) before the High Court of Delhi against Paliwal Developers Limited (our subsidiary) in respect of shop number DGL 116 on the first floor and parking slot number DGP 029# DGL of the Galleria-Mayur Place (Mayur Vihar), Delhi. The petitioner has contended that the suit property was allotted to him in accordance with the application dated August 6, 2005 entered into by the parties. It has been alleged by the petitioner that the allotment of the suit property was cancelled by our subsidiary by letter dated February 28, 2006 and a sum of Rs. 0.2 crore was also forfeited. The petitioner invoked the arbitration clause under the agreement dated August 6, 2005 and has filed the present petition for an order to restrain the respondent from alienating and creating third party interest in the suit property till the disposal of arbitration proceedings. There is no monetary liability claimed against our subsidiary. The next date of hearing is scheduled for August 29, 2007.

Arbitration Proceedings

- A legal notice dated January 25, 2007 has been issued to our subsidiary Paliwal Developers Limited by Praveen Chaturvedi, advocate of Mr. and Mrs. Kaushik (“**Kaushiks**”). An allotment in respect of property in Galleria, First Floor was made in pursuance of the application dated August 6, 2005 made by the Kaushiks on the printed application form provided by our subsidiary. It has been alleged in the notice that the cancellation of the said property is arbitrary and that the same requires to be restored to the Kaushiks. The said notice directs our subsidiary to appoint a sole arbitrator in terms of Clause 34 of the aforesaid application. In pursuance thereof, Justice Sat Pal has been appointed as an arbitrator by our Company. The next date of hearing is scheduled for July 24, 2007.

AGAINST OUR PROMOTERS

Civil proceedings

- Khazan Singh and others, and Piara Lal Yadav and others have preferred an appeal (LPA No. 69/2005 and LPA No. 82/2006) to the High Court of Punjab and Haryana at Chandigarh, against a judgment 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 August 30, 2007.
- Our Promoter Mr. K.P. Singh has received a notice dated February 8, 2007 to appear before the Range Officer, Sohna Road, Near Court, Gurgaon on February 15, 2007 or earlier in order to clarify his position as to why challan under Section 19 of the Punjab Land Preservation Act, 1900 not be filed against him in the Environment Court, Faridabad for violating Section 4 of the said Act. It is alleged in this notice that Section 4 of the said Act has been violated on account of causing loss to the environment through the piling of earth on an area of 4 acres and destruction of 16 trees of the full category and 734 under sized trees of Acacia Tortis by using a dozer on 1½ Acres of private land situated at Wazirabad. The said notice was received by our Promoter as on February 20, 2007. As of March 1, 2007, our Promoter has sent a reply to the aforesaid notice addressed to the District Forest Officer, Sohna Road, Near Civil Courts, Gurgaon stating that he is not involved directly or indirectly in this regard and that such notice be withdrawn under intimation to him. A similar notice has been issued to our employee Mr. Vikas Chaturvedi. Our Company has also filed a reply to the said notice of March 2, 2007. No response has been received from the said officer thereafter.
- 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) and appeal filed by Bimla Sharma before the Additional District Judge, Gurgaon (CMA 5/2007) 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. 60,000. 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. 10,000. 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 June 5, 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 measuring 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 June 1, 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. 0.1 crore as against returned income of Rs. 200,000 thereby not giving deduction under section 24(1) of the I.T. Act, 1961 on account of repair & collection. The Commissioner of Income Tax (Appeals) IX has allowed the deduction under Section 24 (1) (i) of the I.T. Act and assessed the amount to be Rs. 200,000. Further, the said appellate authority has dismissed a ground for appeal in respect of the mis-calculation of income from other sources and from business and profession by the assessing authority stating that the said relief had already been granted by the assessing authority. Additionally, the said appellate authority has directed the assessing officer to charge interest (if any) although the charging of interest under Section 234B, 234D and 244A of the said Act are consequential in nature.

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 3.3 crore. The next date of hearing for the assessment year 1993-1994 is to be fixed

afresh. The next date of hearing for the assessment years 1994-1995, 1997-1998, 1998-1999, 1999-2000 and 2001-2002 is scheduled for July 23, 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. 2 crore. 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 October 29, 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. 0.9 crore. 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 aforesaid 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 Commissioner of Service Tax, Division – I, New Delhi, wherein the penalty amount of Rs4000 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. 1000 under Section 77 of the said Act for the non-submission of the ST-3 return for the period October 2001 to March 2002. The penalty amount has not been paid. However, an appeal has been filed before the Commissioner (Appeals), Central Excise and Customs, New Delhi, wherein our Promoter Group company 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.

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.1.9 crore as well as interest and damages be passed in favour of Manish. The next date of hearing is scheduled for July 30, 2007.

By the Company

- Our Company is also a party to cases initiated by us. These cases include writ petitions filed by us challenging the demands raised by the government in relation to infrastructure development charges, suit for recovery of possession, suit for permanent injunction restraining construction, delivery of possession of leased premise to our Company, etc. In the event, the cases are decided against us, we would be exposed to a monetary liability of approximately Rs. 86.3 crore.

OTHER MATTERS

- On May 17 and May 18, 2007 the income tax authorities conducted a survey at our offices under Section 133A of the Income Tax Act, 1961. This provision confers powers on the income tax authorities of inspection, verification and requiring the furnishing of information. This survey pertained to ten companies, one of which was a joint venture company in which we are shareholders, three of which were Promoter group companies and six of which were companies that have granted us sole development rights. Following the survey, the inspecting officials handed summons to certain officers of the relevant entities under Section 131/136/137 of the Act under which the IT department is empowered with powers, inter alia, of discovery and inspection, and the attendance of any person. The summons requires the principal officers of the respective companies to appear before the department on May 22, 2007. During the proceedings on May 22, 2007, the IT department requisitioned certain further information and confirmations and adjourned the matter to June 5, 2007. We are not aware of any further proceedings having been undertaken, and are, at the date of this document, unable to anticipate if any action will be taken in pursuance of the survey or the summons.
- 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.
- 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 Shruti Gruh Nirmiti Private Limited (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 Shruti Gruh 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 Shruti Gruh Nirmiti Private 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 Shruti Gruh Nirmiti Private Limited. The matter will come up for regular hearing in due course.

- Please refer to the appeal filed by Bimla Sharma before the Additional District Judge, Gurgaon (CMA 5/2007)) under the heading civil proceedings against our Company where Realest Builders and Services Limited has been impleaded as a party along with our Company.
- Please refer to the suit filed by Harshad Chimanlal Modi (suit no. 135/2006) under the heading civil proceedings against our Company where Realest Builders and Services Limited has been impleaded as a party along with our Company.
- Please refer to the demand notice dated October 9, 1998 (case no. 371/99) served by Akshay Kumar Samal under the heading labour cases against our Company where Realest Builders and Services Limited has been impleaded as a party along with our Company.
- 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 the 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 April 30, 2007.

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/M L/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.
Sanction of amended building plan for sale commercial building no.1 granted by Executive Engineer, Slum Rehabilitation Authority	SRA/ENG/1287/KE/ML/AP	November 28, 2006	N.A.
Certificate of no-objection for sale commercial building no.1 from Chief Engineer (mechanical and engineer) for ventilation system	Ch.E/M&E/5889	December 16, 2006	N.A.
Approval of parking layout plan for proposed commercial building no.1 by the Executive Engineer (Traffic and Coordinator), Municipal Office, Mumbai	Dy. Ch E 9832/Traffic	December 29, 2006	N.A.
Commencement certificate for sale commercial building no. 1 re endorsed as per the approval of the amended plans	SRA/ENG/1287/KE/ML/AP	January 16, 2007	January 16, 2008.
Certificate of no-objection for sale commercial building no. 1 as per amended plans from Chief Engineer (mechanical and electrical) for mechanical car parking	Ch.E/M & E/6686	January 17, 2007	N.A.

Approvals to be applied for

We will be required to obtain requisite environmental clearance from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 1533 dated September 14, 2006 and State Pollution Control Board, 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
Approval of revised building plans of block no. 1 to 11 in Zone 4 granted by the Director, Town and Country Planning, Haryana, Chandigarh	11937	August 28, 2003	August 27, 2008
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 measuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.
Approval of building plan of community building in Zone 4, Phase V granted by the Director, Town and Country Planning, Haryana, Chandigarh	8112	March 21, 2007	March 20, 2009
Certificate of no-objection for the occupation of group housing named "Aralias" granted by the Fire Station Officer, Bhim Nagar, Gurgaon	FS/2007/496	March 28, 2007	March 27, 2008
Certificate of no-objection granted by the Executive Officer, Municipal Council, Gurgaon in relation to block 1- 11, Zone 4 .with respect to fire safety measures.	FS/2007/520	April 2, 2007	N.A.

Approvals applied for

On December 22, 2006, we applied to the Haryana State Pollution Control Board for the consent to establish under the Water Act and Air Act.

Approvals to be applied for

We will be required to obtain the requisite no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 1533 dated September 14, 2006 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.
Certificate of no-objection granted by the AAI	AAI /NOC /2005/215/176-78	November 22, 2005	November 21, 2008
Approval of revised zoning plan of Group Housing Scheme measuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.
Certificate of no-objection for occupation granted by Fire Station Officer, Gurgaon	FS/2006/298	June 24, 2006	June 23, 2007
Certificate of no-objection granted by the Executive Officer, Municipal Council, Gurgaon for fire safety measures.	FS/2006/358	July 3, 2006	N.A.
Occupation certificate granted by Director, Town and	78	January 3, 2007	N.A.

Country Planning, Haryana, Chandigarh for building no. 13, 14 and 15 and twin basement in Estate 3 Zone 7 in Group Housing Scheme of DLF Qutab Enclave, Phase V, Gurgaon.

Approvals applied for

On December 22, 2006 we have applied to the Haryana State Pollution Control Board for the consent to establish under the Water Act and Air Act.

Approvals to be applied for

We will be required to obtain requisite environmental clearance from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 1533 dated September 14, 2006, .

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 building is less than 15 meters and December 7, 2009 for multistoried buildings*
			*Pinnacle is a multistoried building. Hence, renewal is not required.
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.
Approval of fire fighting scheme granted by the Executive Officer, Municipal Council	FS/2005/323	February 22, 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 measuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.
Certificate of no-objection granted by the Haryana State Pollution Control Board for setting up the construction of Pinnacle under the Water Act and Air Act	HSPCB/NOC/T AC-I/2007/387	April 9, 2007	April 8, 2009

Approvals to be applied for

We will be required to obtain requisite environmental clearance from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 1533 dated September 14, 2006, 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 building is less than 15 meters and December 7, 2009 for multistoried buildings *Icon is a multistoried building. Hence, renewal is not required.
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.
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 measuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.
Certificate of no-objection granted by the Haryana State Pollution Control Board for setting up the construction of Icon under the Water Act and Air Act	HSPCB/NOC/T AC-I/2007/382	April 9, 2007	April 8, 2009

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. 1533 dated September 14, 2006, 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 building is less than 15 meters and October 3, 2009 for multistoried buildings* *Royalton is a multistoried building. Hence, renewal is not required.
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 measuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.
Revalidation of the no-objection granted by the AAI	AAI /NOC 2003/40/1/64-66	August 30, 2006	August 12, 2008
Certificate of no-objection granted by the	HSPCB/NOC/T	April 9,	April 8, 2009

Haryana State Pollution Control Board for AC-I/2007/377 2007
 setting up the construction of Royalton under
 the Water Act and Air Act

Approvals to be applied for

We will be required to obtain requisite no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 1533 dated September 14, 2006 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 measuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.
Approval of building plans of Group Housing Scheme namely "The Summit" in DLF City Phase V, Gurgaon granted by Director, Town and Country Planning, Haryana, Chandigarh	5939	February 27, 2007	Validity until February 26, 2009 if the height of the buildings are less than 15 meters and February 26, 2012 for multistoried buildings
Certificate of no-objection granted by AAI	AAI/NOC/2006/246/86-88	January 31, 2007	January 30, 2010

Approvals applied for

On December 22, 2006 we have applied to the Haryana State Pollution Control Board for the consent to establish under the Water Act and Air Act.

Approvals to be applied for

We will be required to obtain requisite no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 1533 dated September 14, 2006, 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 measuring 461.6935 acres granted by Director, Town and Country Planning, Haryana, Chandigarh	8553	April 17, 2006	N.A.
Approval of building plan of Group Housing Scheme namely "The Magnolias" in DLF City Phase V, Zone 4, Gurgaon granted by Director, Town and Country Planning, Haryana, Chandigarh	5932	February 27, 2007	Validity until February 26, 2009 if the height of the buildings are less than 15 meters and February 26, 2012 for multistoried buildings

Approvals applied for

On December 22, 2006 we have applied to the Haryana State Pollution Control Board applied for the consent to establish under the Water Act and Air Act.

Approvals to be applied for

We will be required to obtain requisite no-objection from the Ministry of Environment and Forests, GoI, under Notification No. S.O. 1533 dated September 14, 2006, 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 Town 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
Consent to establish granted by Uttar Pradesh Pollution Control Board	F08113/C-1/N/N.O.C-423/2006	November 2, 2006	N.A
Environmental clearance granted by the Ministry of Environment and Forests, GoI in accordance with Notification No. S.O. 801 (E) dated July 7, 2004.	21-304/2006-IA.III	January 15, 2007	N.A

Approvals to be applied for

We will be required to apply to Uttar Pradesh Pollution Control Board for 'consent to operate' 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.

Sikendarpur Mall, Gurgaon

Approvals obtained:

Description	Reference	Issue Date	Expiry Date
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
Renewal of licence bearing no. 174 for setting up a commercial colony at Village Sikenderpur, Gurgaon	DS-(II)-2007/2462	January 24, 2007	December 15, 2007
Renewal of licence bearing no. 175 for setting up a commercial colony at Village Sikenderpur, Gurgaon	DS-(II)-2007/2468	January 24, 2007	December 15, 2007.
Certificate of no-objection granted by Haryana State Pollution Control Board.	HSPCB/2007/TAC/175	March 5, 2007	N.A.
Environmental clearance granted by the Ministry of Environment and Forests, GOI for construction of commercial complex	21-625/2006-IA-III	April 3, 2007	N.A.

Approvals to be applied for

We will be required to obtain requisite fire safety clearances from the concerned Fire Station Officer 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, DDA 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, DDA	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.
Environmental clearance granted by Ministry of Environment and Forests, GoI for construction of a commercial complex in accordance with Notification No. S.O. 801 (E) dated July 7, 2004	21-535/2006-IA.III	January 15, 2007	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 Act and Air Act.

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 measuring 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.
	173 of 2004	December 16, 2004	N.A.
Approval of building plans granted by the Director, Town and Country Planning, Haryana, Chandigarh in relation to land measuring 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 measuring 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 measuring 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	14062	October 14,	October 13,

Description	Reference	Issue Date	Expiry Date
Country Planning Haryana, Chandigarh on land measuring 3.272 acres		2005	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 measuring 3.272 acres	FS/2005/2596	December 16, 2005	N.A.
Certificate of no-objection granted by Senior Fire Station Officer, Bhim Nagar, Gurgaon for the occupation of commercial building "South Point Mall"	FS/2007/220	February 9, 2007	February 8, 2008
Certificate of no-objection granted by the Executive Officer, Municipal Council, on area of measuring 3.272 acres.	FS/2006/253	February 12, 2007	N.A.
Certificate of no-objection granted by Haryana State Pollution Control Board.	HSPCB/2007/TAC/150	March 5, 2007	N.A.

Approvals applied for

On November 6, 2006, we applied to the Director, Town and County Planning, Haryana for an occupation certificate. Further, on November 10, 2006 we have applied to the Director Town and Country Planning, Haryana for issuance of completion certificate in respect of commercial licenses for the aggregate area of 3.272 acres vide licenses no. 135 to 144 of 1998 dated November 15, 1998 for an area of 2.042 acres and licence no. 173 of 2004 dated January 16, 2005 for an area of 1.23 acres. Approval is awaited.

Approvals to be applied for

We will be required to obtain requisite 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, DDA 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 DDA	F13(77)2004/Building	January 25, 2005	N.A.
Environmental clearance granted by the Ministry of Environment and Forests, GoI for construction of a shopping mall cum multiplex accordance with Notification No. S.O. 801 (E) dated July 7, 2004.	21-536/2006-IA.III	January 15, 2007	N.A.

Approvals applied for

We have, on April 4, 2005, applied to the Delhi Pollution Control Board for 'consent to establish' under the Water Act and Air Act to which the Delhi Pollution Control Board granted a receipt bearing application No. 13401 on April 5, 2005.

We have made an application bearing no. 9859/DCP/Lic. (Cinema) dated March 29, 2005 applied to the Deputy Commissioner of Police, Licensing, for grant of provisional certificate in respect of proposed multiplex.

On December 11, 2006 we have applied to the DDA for permission to occupy or use the building for the proposed multiplex.

Approvals to be applied for

We will be required to obtain requisite, 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, DDA 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, DDA	F13(160) 2004/Building	September 7, 2005	September 4, 2010
Environmental clearance granted by the Ministry of Environment and Forests, GoI for the shopping mall in accordance with EIA Notification, 1994.	F.No.3-15/2006-IA.III	November 24, 2006	N.A.

Approvals applied for

We have, on April 25, 2005, applied to the Delhi Pollution Control Board for ‘consent to establish’ under the Water Act and Air Act.

Approvals to be applied for

We will be required to obtain requisite environmental consents and certificates of no-objection from the, 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, DDA 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, DDA	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.
Environmental clearance granted by the Ministry of Environment and Forests, GoI for the shopping mall in accordance with EIA Notification No. S.O. 801 (E) dated July 7, 2004.	F.No.3-16/2006-IA.III	November 24, 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 Act and Air Act to which the Delhi Pollution Board has provided a receipt bearing reference no. 14311 on June 3, 2005.

Approvals to be applied for

We will be required to obtain requisite environmental consents and certificates of no-objection from the 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.
Certificate of no-objection in relation to electrical installements in the multiplex granted by the Chief Electrical Inspector, Punjab Electrical Inspectorate, Government of Punjab	6238	February 26, 2007	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. 1533 dated September 14, 2006, 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	N.A.
Environmental clearance for construction of commercial complex at lower Parel, Mumbai granted by Ministry of Environment and Forests, GoI for a building with 3 basements along with ground floors and three other floors measuring 67,293 square meters.	21-118/2006-IA.III	September 20, 2006	N.A.

The above mentioned approval was amended on September 21, 2006 whereby it was clarified that the basement is excluded from the proposed built up area.

Approvals applied for

On January 9, 2007 we have applied for revalidation certificate of the intimation of disapproval (which was granted on January 24, 2006) to the Sub Engineer, Building proposal, city.

Approvals to be applied for

We will be required to obtain applicable zoning and building permissions, 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, DDA	F13(122) 2004/Building	June 16, 2005	June 6, 2007

Approvals applied for

We have, on September 25, 2006 applied to the Delhi Pollution Control Committee, for "consent to establish" under the Water Act and Air Act.

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. 1533 dated September 14, 2006, 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, DDA in respect of the building plans	F.6/DFS/MS/BP/2006/2861	September 27, 2006	N.A
Sanction of building plans granted by DDA for Plot No. A-1, District Centre Saket	F 13(106) 05 Bldg	November 30, 2006	November 14, 2011
Environmental clearance granted by the Ministry of Environment and Forests, GoI for the commercial complex in accordance with Notification No. S.O. 801 (E) dated July 7, 2004	21-303/2006-IA.III	January 15, 2007	N.A

Approvals applied for

We have, on May 24, 2006, applied to the Delhi Pollution Control Committee for 'consent to establish' under the Water Act and Air Act.

Approvals to be applied for

We will be required to obtain, environmental consents and 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, DDA 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, DDA in respect of the building plans.	F.6/DFS/MS/BP/2006/2364	September 7, 2006	N.A
Sanction of building plan for Plot No. 10 granted by DDA	F 13(135) 05/Bldg	January 22, 2007	December 27, 2011
Sanction of building plan for Plot No. 11 granted by DDA	F 13(136) 05/Bldg	February 20, 2007	February 5, 2012

Approvals applied for

We have, on November 23, 2006 applied to the Ministry of Environment and Forests, GoI for environmental clearance under Notification No. S.O. 801 (E) and on September 25, 2006 applied for 'consent to establish' under the Water Act and Air Act. The approvals are awaited.

Approvals to be applied for

We will be required to obtain, 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 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.
Certificate of no-objection 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
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-	839-2A-	October 25,	September 30, 2010

Description	Reference	Issue Date	Expiry Date
industrial use, granted by West Bengal Pollution Control Board	ZII/G/181/05.06	2005	
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
Revised provisional part occupancy certificate granted by the Office of the Director General, West Bengal Fire and Emergency Services, consenting to part occupancy of building	WBFES/8896/Rajarhat-IT Park/141/04(157/04)	November 24, 2005	N.A.
Certificate of no-objection for occupancy of basement, ground and XII storied business building of Tower-I and 7 th , 8 th and 9 th floor of Basement, Ground and IX storied business building of Tower –II at Block AF, Rajarhat	WBFES/6716/Rajarhat-IT(157/04)	June 12, 2006	To be renewed annually
Notification issued by CBDT, Ministry of Finance	181/2006	July 14, 2006	N.A.
Grant of partial occupancy certificate for the ground and 1 st , 7 th and 8 th 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.
Certificate of no-objection granted by West Bengal Pollution Control Board granting consent to establish IT park in Block-III Building at Plot no.8, Block AF, Kolkata.	898-2N-165/2006(E)	December 7, 2006	November 30, 2010
Grant of partial occupancy certificate for basement, 2 nd and 9 th floor of Block I in building for IT/ITES of WEBEL in Plot No.08, Block AF, Kolkata by West Bengal Housing Infrastructure Development Corporation Ltd.	5718/HIDCO/ED(EM)/18	December 30, 2006	N.A.

Approvals applied for

We have been granted a certificate of no-objection, in respect of part occupation of the building revalidation (dated January 24, 2006) granted by the Office of the Director General, West Bengal Fire and Emergency Services. Although this no-objection expired we have on March 14, 2007 applied to the Director General, West Bengal Fire and Emergency Services for renewal of the no-objection certificate for partial occupancy of Tower-II.

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. 1533 dated September 14, 2006, 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.

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
Certificate of no-objection for power supply granted by Bangalore Electricity Supply Company Limited for	CGN/BMAZ/DGM(T)/AGH-1/F-242/1902	May 22, 2006	N.A.

sanction of the building plan from competent authority.
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 Act and Air Act 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. 1533 dated September 14, 2006, 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.
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.
Consent to establish an IT building at site no. 22-23 near Chandigarh technology park under section 25/26 of Water Act and Air Act	CPCC/RLM/0518/06/176/18	May 15, 2006	January 31, 2007 or until the building is completed whichever is earlier
Notification issued by CBDT, Ministry of Finance	149/2006	June 30, 2006	N.A.

Approvals applied for

On March 15, 2007 we have applied to the Chandigarh Pollution Control Committee for consent to operate under Section 25/26 of Water Act and Section 21 of Air Act. Further, on February 22, 2007 we have applied for environment clearance to the Ministry of Environment and Forests, GoI under Notification No S.O. 1533 dated September 14, 2006.

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, 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 licenses to set up a Cyber City colony granted by the Director, Town and Country Planning, Haryana, Chandigarh	47 and 48 of 2002	September 4, 2002	September 3, 2007
	4 and 5 of 2003	April 30, 2003	April 29, 2008
		May 5, 2004	May 4, 2009
	46 and 47 of 2004	June 3, 2004	June 2, 2009
	75 and 76 of 2004	December 16, 2005	December 15, 2010
	295 of 2005		
Renewal of licence no.7. granted by the Director, Town and Country Planning, Haryana, Chandigarh	5DP-(III)-2007/9182	April 2, 2007	February 11, 2012
	5DP-(III)-2007/9188	April 2, 2007	February 11, 2012
Renewal of licence no. 8. granted by the Director, Town and Country Planning, Haryana, Chandigarh			
Approval of zoning plan granted by the Director, Town and Country Planning, Haryana, Chandigarh	13329	September 27, 2002	N.A.
Approval of revised zoning plan of land measuring 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			
Approval of revised zoning plan of land measuring 86.2241 granted by the Director, Town and Country Planning Haryana, Chandigarh	7623	July 26, 2005	N.A.
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
Approval of building plans of commercial colony on land measuring 2,1525 acres in Sector 25A, Gurgaon	12839	October 2, 2005	October 2, 2010
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 of no-objection granted by the Executive Officer, Municipal Council, Gurgaon in relation to building no.3, block c. for occupation	FS/2006/502	May 12, 2006	N.A.
Certificate of no-objection granted by the Executive Officer, Municipal Council, Gurgaon in relation to building no.8, block A. for occupation	FS/2006/504	May 12, 2006	N.A.
Certificate to commence construction for building no.9 in 86.2241 acres granted by the Director Town and Country Planning, Gurgaon, Haryana	126DTP(GGN)DP C	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
Certificate of no-objection for occupation for building no. 8, block B, granted by the Fire Station Officer,	FS/2006/1070	September 14, 2006	September 13, 2007
Approval of revised zoning plan of Cyber City colony and measuring 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.
Certificate of no-objection granted by the Executive Officer, Municipal Council, Gurgaon in relation to building no.8, block B. for occupation	FS/2006/1113	September 20, 2006	N.A.
Approval of service plan for building 8 Zone 7, Cyber City granted by Director Town and Country Planning, Gurgaon, Haryana	SDP(III)-2006/25896	October 6, 2006	N.A.
Approval of building plan for building no.7B in	28772	November 14, 2006	November 13, 2011

Description	Reference	Issue Date	Expiry Date
Cyber City granted by the Director, Town and Country Planning, Haryana, Chandigarh			
Permission to occupy in respect of building no. 3 block 3 granted by Director Town and Country Planning, Haryana	123	January 3, 2007	N.A.
Approval of revised building plans of building (9A and B in Cyber City granted by the Director, Town and Country Planning, Haryana, Chandigarh.	1916	January 22, 2007	January 21, 2012
Approval of revised building plan of commercial colony measuring 2.1525 acres in Sector 25A, Gurgaon granted by the Director, Town and Country Planning, Haryana, Chandigarh	5925	February 21, 2007	February 20, 2012
Certificate of no-objection granted for continuing occupation for building in block -3, Phase V, Zone -6, DLF City, Gurgaon.	FS/2007/252	February 12, 2007	N.A.
Renewal of no-objection granted for continuing occupation for Block A & B in Zone 2 granted by Fire Station Officer, Gurgaon Haryana, Chandigarh	FS-488	March 28, 2007	April 7, 2008
Renewal of certificate of no-objection for continuing occupation in commercial building block-C in Zone 2	FS-486	March 28, 2007	April 7, 2008
Renewal of certificate of no-objection for continuing occupation in commercial building block-D &E in Zone 2	FS-487	March 28, 2007	April 7, 2008
Approval of fire fighting scheme granted by the Executive Officer, Municipal Council for building no. 4 with respect to the fire fighting scheme	FS/2007/571	April 2, 2007	N.A.
Approval of building plan of building 7A granted by the Director Town and Country Planning, Haryana	10964	April 20, 2007	April 19, 2012
Approval of fire fighting scheme granted by the Executive Officer, Municipal Council for building no. 7B in Cyber City	FS/2007/3514	April 12, 2007	N.A.
Environmental clearance granted by the Ministry of Environment and Forests, GoI in accordance with Notification No. S.O. 1533 dated September 14, 2006	21-637/2006-IA-III	April 3, 2007	N.A.
Notification in the Official Gazette issued by the Ministry of Commerce, Department of Commerce for land measuring 26.51 acres	S.O. 580 (E)	April 13, 2007	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 Act and Air Act 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 Environment and Forests, GoI, for environmental clearance under notification No. S.O. 1533 dated September 14, 2006 for DLF Cyber City, Gurgaon.

We have, on August 31, 2006 applied to the Haryana State Pollution Control Board for "consent to establish" under the Water Act and Air Act for building No. 2, 3, 8 and 9 in Sector 25, Gurgaon.

We have been granted a revalidation of the certification of no-objection (AAI/20012/69/1996-ARIdated 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 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
Notification granted by Ministry of Commerce and Industry, Department of Commerce, for notifying the total area of 29.8 acres at village Silokhera Gurgaon to set up as a special economic zone.	S.O.2070 (E)	December 6, 2006	N.A.
Approval to carry out authorised operation in the sector specific IT/ITES sector at Silokhera.	F.2/137/2006-EPZ	February 14, 2007	N.A.
Notification granted by Ministry of Commerce and Industry, Department of Commerce, for notifying the increased area of 7.19 acres in addition to the 29.8 acres notified by the Ministry of Commerce and Industry, Department of Commerce dated December 6, 2006.	S.O 395 (E)	March 19, 2007	N.A.

Approvals applied for

We have, on September 29, 2006 applied to Haryana State Pollution Control Board for a 'consent to establish' under the Water Act and Air Act. The approval is awaited. Further, on February 16, 2007 we have applied to the Ministry of Environment and Forests, GoI for environmental clearance under Notification No. S.O. 1533 dated September 14, 2006.

Approvals to be applied for

We will be required to, environmental consents and certificates of no-objection from the Ministry of Environment and Forests, GoI, under Notification, 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 Forests, 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 on 25.12 acres by Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI.	F.2/113/2005-EPZ	January 17, 2006	January 16, 2007

Approvals applied for

We have, on September 25, 2006 applied to special secretary, Ministry of Commerce, for grant of formal approval to set up the special economic zone.

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. 1533 dated September 14, 2006, 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
Approval granted for setting up IT/ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 25 acres 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, 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. 1533 dated September 14, 2006, 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
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.
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-2/2005/4678-80 and AAI/HY/ATS-59/NOC-2/2005/4675-77	April 17, 2006	April 16, 2008
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	October 11, 2006 (signed on October 23, 2006)	October 10, 2009
Certificate of no-objection granted by Fire and Emergency Services Department, Government of Andhra Pradesh for construction of multi-storey building at Sy no. 129 (Part), 130, 131 (Part) 132, Gachibowli village to Hyderabad Urban Development Authority	Rc No. 3893/E4/2006	November 6, 2006	N.A.
Notification in the Official Gazette issued by the Ministry of Commerce and Industry, Department of Commerce, for notifying the total area of 26.24 acres at village Shirilingampally to set up as a SEZ.	S.O.669 (E)	April 26, 2007	N.A.

Approvals applied for

We have, on December 15, 2005 applied to Andhra Pradesh Pollution Control Board for grant of environmental consents under Water Act and Air Act.

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. 1533 dated September 14, 2006, 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.

SEZ Project, Chennai

Approvals obtained

Description	Reference	Issue Date	Expiry Date
Certificate of no-objection granted by Tamil Nadu Fire and Rescue Service Department in respect of the building plans	R.C.No-3274/A/2005	November 28, 2005	N.A.
Approval granted for setting up IT / ITES SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 38.49	F.2/124/2005-EPZ	December 2, 2005	December 1, 2008

acres of land			
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 Electronics Corporation of Tamil Nadu Limited for grant of extra FSI for IT Park	GM (IT P&D)/ELCOT/907/IT P-FSI/2005	May 19, 2005	N.A.
Approval of building plans granted by Ministry of Housing and Urban Development (UDI), Department Secretariat, Chennai for:	69	February 28, 2006 (signed on March 3, 2006)	N.A.
- 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).			
Notification granted by Ministry of Commerce and Industry, Department of Commerce, for notifying the total area of 32.85 acres at Manapakkam and Muglivaikkam villages to set up as a special economic zone.	S.O.1978 (E)	November 16, 2006	N.A.
Consent to establish granted by the Tamil Nadu Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981	3575	December 19, 2006	December 18, 2008
Consent to establish granted by the Tamil Nadu Pollution Control Board under the Water Act	3631	December 19, 2006	December 18, 2008
Licence for petroleum Class B installation at Sy. No. 56/2B, village Maugulivakkam, Kanchipuram granted by the Petroleum and Explosives Safety Organisation, Ministry of Commerce and Industry	A/P/S/T/N/15/2 303(P190423)	January 17, 2007	N.A.
Certificate of no-objection granted by Tamil Nadu Fire and Rescue Service Department in respect of the building plans	88/B/2007	February 2, 2007	N.A.
Approval granted to DAL as a co-developer in the sector specific IT/ITES special economic zone for developing approximately 38.49 acres of land in non processing area	F.2/124/2005-EPZ	February 14, 2007	February 13, 2010
Notification granted by Ministry of Commerce and Industry, Department of Commerce, for notifying the increased area of 8.5 acres in addition to the 32.85 acres notified by the Ministry of Commerce and Industry, Department of Commerce dated November 16, 2006.	S.O. 396 (E)	March 19, 2007	N.A
Provisional planning permission for construction of double basement floor + ground floor + nine floors of Block I, double basement floor + ground floor + seven floors of Block II, basement floor of Block III, ground floor+ first floor of Block IV, ground floor + mezzanine floor of Block V, ground floor of Block VI of It building	C3/21556/2005	April 4, 2007	N.A

Approvals applied for

We have applied, on December 26, 2005, to the Chennai Metropolitan Water Supply and Sewerage Board in relation to a proposed sewerage plant.

Further, on January 30, 2007 we have made an application to the Ministry of Environment and Forests, GoI for environment clearance under the EIA notification dated September 14, 2006.

Approvals to be applied for

We will be required to obtain certificate of no-objection and completion and occupation certificates from the competent government authority at appropriate stages of the project.

SEZ Project, Cyber City 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
Approval granted for setting up IT/ITES SEZ by the Department of Commerce (SEZ Section), Ministry of Commerce & Industry on 30.99 acres of land at Sector 24 and 25A, DLF Cyber City, DLF City, Gurgaon	F.2/126/2006-EPZ	October 25, 2006	October 24, 2009
Notification in the Official Gazette issued by the Ministry of Commerce and Industry, Department of Commerce for land measuring 26.51 acres.	S.O. 580 (E)	April 13, 2007	N.A

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. 1533 dated September 14, 2006, 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
Approval for the state support for setting up the SEZ from Government of Haryana, Industries Department.	49/149/2006-41B1	December 6, 2006	N.A.

Approvals applied for

We had received an in-principle approval for setting up SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 1012 hectares of land. The in-principle approval expired on April 2, 2007. On April 19, 2007 we have applied for extension of validity of the same.

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. 1533 dated September 14, 2006, 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
Approval for the state support for setting up the SEZ from Government of Haryana, Industries Department.	49/149/2006-41B1	December 6, 2006	N.A.

Approvals applied for

We had received an in-principle approval for setting up SEZ by Department of Commerce (EPZ Section), Ministry of Commerce & Industry on 20,000 acres of land. The in-principle approval expired on April 6, 2007. On April 24, 2007 we have applied for extension of validity of the same.

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. 1533 dated September 14, 2006, 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 approximately 2,500 acres 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. 1533 dated September 14, 2006, 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 applied for

We had received an in-principle approval for setting up of a free trade warehousing zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 98.83 acres of land on April 4, 2006. The in-principle approval expired on April 3, 2007. On December 19, 2006 we have applied for extension of validity of the same.

We had received an in-principle approval for setting up a sector specific special economic zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 395.35 acres of land on April 7, 2006. The in-principle approval expired on April 6, 2007. On December 19, 2006 we have applied for extension of validity of the same.

We had received an in-principle approval for setting up a sector specific special economic zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 345.93 acres of land on April 7, 2006. The in-principle approval expired on April 6, 2007. On December 19, 2006 we have applied for extension of validity of the same.

We had received an in-principle approval for setting up a sector specific special economic zone by the Department of Commerce (EPZ Section), Ministry of Commerce and Industry, GoI on 247.09 acres of land on April 7, 2006. The in-principle approval expired on April 6, 2007. On December 19, 2006 we have applied for extension of validity of the same.

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. 1533 dated September 14, 2006, 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, Bhubhaneshwar

Approvals obtained

Description	Reference	Issue Date	Expiry Date
In-principle approval granted for setting up a sector specific SEZ for IT/ITES by Department of Commerce (SEZ Section), Ministry of Commerce and Industry, GoI on 53 acres of land.	F.2/290/2006-EPZ	August 22, 2006	August 21, 2007

Approvals applied for

On February 22, 2007 we have made an application to the Ministry of Environment and Forests, GoI for environment clearance under the EIA notification dated September 14, 2006.

Approvals to be applied for

We will be required to apply for 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.

Other SEZ Application

We have made application to the Ministry of Commerce and Industry, GoI to set up the SEZs at Sonipat, Noida, Dankuni (West Bengal), Gandhinagar, Industrial Estate, Haryana. The application is presently pending with Ministry of Commerce and Industry, GoI.

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, DDA, 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* After the introduction of VAT in Haryana w.e.f from April 1, 2003 this number is no more valid.

Description	Reference	Issue Date/Effective Date	Expiry Date
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 Act 1948	ND - 0337804	September 26, 2005	Valid until cancelled
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

Description of application for registration of trademark	Filed on	Reference
"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
"DLF Promenade <i>Delhi's ultimate retail destination</i> " under Class 37	October 7, 2005	1390251
"DLF Promenade <i>Delhi's ultimate retail experience</i> " 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
"EmPORIO The new language of luxury" under Class 19	October 6, 2005	01389919
"EmPORIO The new language of luxury" under Class 37	October 7, 2005	1390256
"EmPORIO 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 <i>Delhi's ultimate retail destination</i> " 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 registration 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", DLF Park Tower, Park Tower, Park Heights, Park Avenue, DLF Park Heights, DLF Park Avenue, in multi class.

On April 3, 2007, we filed an application with the Trademark Registry, GoI for registration of the mark "DLF Nakheel" under class 16, 19, 35 and 37 of the Trademark Rules, 2002.

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
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 “Government Approvals” on page 454.

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 “Material Contracts and Documents for Inspection” on page 533.

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 companies have confirmed that they have not been detained as willful defaulters by the RBI or any other governmental authority and except as disclosed in “History and Certain Corporate Matters” and “Risk Factors” on pages 132 and xiv, respectively, there are no violations of securities laws committed by them in the past or 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 crore.*

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 bid 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. 340.7 crore, which is more than the minimum requirement of Rs. 10.0 crore. 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 MARCH 29, 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 RHP 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 the RHP 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). The RHP 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 the RHP 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 the RHP has been filed with SEBI for observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and the RHP may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the RHP 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 Offer Document has been submitted to National Stock Exchange of India Limited. NSE has given vide its letter ref.: NSE/LIST/37343-R dated January 16, 2007 permission to the Company to use NSE's name in this offer document as one of the stock exchanges on which the Company securities are proposed to be listed. NSE has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document 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 offer document; nor does it warrant that the Company's securities will be listed or will continue to be listed on NSE; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company.

Every person who desires to apply for or otherwise acquire any securities of the Company 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

Bombay Stock Exchange Limited has given vide its letter dated January 17, 2007 permission to the Company to use the BSE's name in this offer document as one of the stock exchanges on which the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that the 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 the Company, its promoters, its management or any scheme or project of the Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of the 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 the Draft Red Herring Prospectus has been 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, has been 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 BSE 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 the 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 finalization of the basis of Allotment for the Issue.

The Company undertakes to remain listed on the Stock Exchanges for a period of not less than three years from the date of listing and commencement of trading of the Equity Shares pursuant to the Issue. Further, the Promoters undertake not to do any act/deed directly or indirectly that may result in delisting of the Equity Shares from the Stock Exchanges for a period of not less than three years from the date of listing and commencement of trading of the Equity Shares pursuant to 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 would be filed along with a copy of the RHP with the RoC as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the RHP for registration with the RoC.

M/s. Walker, Chandiook & 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 the RHP and such consent and report has not been withdrawn up to the time of delivery of the RHP 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. crore)	% of Issue size*	% of Issue Expense*
Lead management, underwriting and selling commission	[●]*	[●]	[●]
Advertisement and marketing expenses	30.0	[●]	[●]
Printing, stationery including transportation of the same	22.0	[●]	[●]
Others (Registrar's fees, legal fees, listing fees, etc.)	40.0	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

* Will be incorporated after finalization of Issue Price.

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, 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. Further, on March 13, 2007, 1,955 debentures were allotted with attendant benefits. Upon conversion of such 1,955 debentures and issuance of bonus shares, an aggregate of 782,000 Equity Shares were issued on March 13, 2007. Further, on May 18, 2007, 1,029 debentures were allotted with attendant benefits. Upon conversion of such 1,029 debentures and issuance of bonus shares, an aggregate of 411,600 Equity Shares were issued on May 18, 2007.

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 on page 24, 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 “Our Promoters and Promoter Group” on page 203.

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 entities, 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 the RHP is filed with RoC, except as disclosed in “Capital Structure – Notes to the Capital Structure” on page 24.

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 “Our Promoters and Promoter Group” on page 203.

Changes in Auditors

Our Company has not changed auditors in last three years.

Capitalization of Reserves or Profits

We have not capitalized our reserves or profits at any time during last five years, except bonus issue of a total of 1,338,243,445 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 on page 24.

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. 9.9 crore.

ISSUE STRUCTURE

The present Issue of 175,000,000 Equity Shares comprising Net Issue of 174,000,000 Equity Shares and a reservation for the Employees of 1,000,000 Equity Shares, at a price of Rs. [●] for cash aggregating Rs. [●] crore 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, subject to a maximum of 100,000 Equity Shares for an Employee, in case of over-subscription	Proportionate	Proportionate	Proportionate
Minimum Bid	10 Equity Shares	Such number of Equity Shares in multiples of 10 Equity Shares so that the Bid Amount exceeds Rs. 100,000	Such number of Equity Shares in multiples of 10 Equity Shares so that the Bid Amount exceeds Rs. 100,000	10 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 10 Equity Shares so that the Bid Amount does not exceed Rs. 5.5 crore	Such number of Equity Shares in multiples of 10 Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 10 Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 10 Equity Shares so that the Bid Amount does not exceed Rs. 100,000
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized form	Compulsorily in dematerialized form	Compulsorily in dematerialised form
Bid / Allotment Lot	10 Equity Shares in multiples of 10 Equity Shares	10 Equity Shares in multiples of 10 Equity Shares	10 Equity Shares in multiples of 10 Equity Shares	10 Equity Shares in multiples of 10 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 as of May 31, 2007, of	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial	Resident Indian individuals, Eligible NRIs and HUF (in the name of Karta), companies, corporate	Individuals, including Eligible NRIs and HUF (in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed Rs.

	Employees	QIB Bidders	Non-Institutional Bidders	Retail Individual Bidders
	the Company or its subsidiaries and based, working and present in India as on the date of submission of the Bid cum Application Form; (b) a director as of May 31, 2007, whether a whole-time director, part-time director or otherwise of the Company or its subsidiaries, and based and present in India as on the date of submission of the Bid cum Application Form, except any director who is a Promoter or member of the Promoter group.	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 and Development Authority, provident funds with minimum corpus of Rs. 25.0 crore and pension funds with minimum corpus of Rs. 25.0 crore in accordance with applicable law.	bodies, scientific institutions societies and trusts	100,000 in value.
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	1	149	150	2	[•]	[•]
By Due Date	1	[•]	[•]	-	-	-
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 under-subscription in the Employee Reservation Portion shall be added to the categories under the Net Issue in a proportion determined by our Company in consultation with the Book Runners and allocated in accordance with the description in Basis of Allocation as described in page 514.
- *** 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 therefore.

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 finalization of basis of allocation. Applicants residing at 15 centers 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 dispatch of refund orders, if any, of value up to Rs.1,500 by "Under Certificate of Posting", and shall dispatch refund orders above Rs.1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk within 15 days of the Bid/Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be 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 Dispatch 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;
- Dispatch 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 dispatched and/ or demat credits are not made to investors within the 15 day time prescribed above.

We will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on 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	June 11, 2007
BID/ISSUE CLOSES ON	June 14, 2007

Bids and any revision in Bids shall be accepted **only between 10.00 a.m and 3.00 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned on the Bid cum Application Form **except that on the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m and 1.00 p.m (Indian Standard Time)** and uploaded till (i) 5.00 p.m. in case of Bids by 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 (ii) till such time as

permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is up to Rs. 100,000. Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday).

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 the 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 Allotted to them in a physical form. The Equity Shares on Allotment 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 RHP. 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 RHP 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 color of the Bid cum Application Form for various categories is as follows:

Category	Color 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 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. 25.0 crore and who are authorized under their constitution to hold and invest in equity shares;
- 14. Pension funds with a minimum corpus of Rs. 25.0 crore and who are authorized under their constitution to hold and invest in equity shares; and
- 15. All or any of (a) a permanent employee as of May 31, 2007, of the Company or its subsidiaries and based, working and present in India as on the date of submission of the Bid cum Application Form; (b) a director as of May 31, 2007, whether a whole-time director, part-time director or otherwise of the Company or its subsidiaries, and based and present in India as on the date of submission of the Bid cum Application Form, except any director who is a Promoter or member of the Promoter group.

** 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 10 Equity Shares and in multiples of 10 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 10 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 10 Equity Shares and in multiples of 10 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. **Bidders may note that the total Bid Amount will be used to determine whether the Bid exceeds Rs 100,000 or not.** The allotment in the Employee Reservation Portion will be on a proportionate basis. 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 RHP 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 RHP with RoC and also publish the same in in an English national newspaper and a Hindi national newspaper, both with wide circulation. 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 RHP 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 RHP 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. 500 to Rs. 550 per Equity Share. The Bidders can bid at any price within the Price Band, in multiples of Re. 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 advertisement in an English national newspaper and a Hindi national newspaper, both with wide circulation 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 finalize the Issue Price within the Price Band, without the prior approval of, or intimation to, the Bidders.
- (i) Two payment methods are available only for Retail Individual Bidders. The details of the payment methods are given in “The Issue” on page 8.

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 “Issue Procedure – Bids at Different Price Levels and Revision of Bids” on page 496) 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 “Issue Procedure - Build up of the Book and Revision of Bids” on page 503.
- (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 the Red Herring Prospectus.
- (e) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph “Issue Procedure - Terms of Payment” on page 501.

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 10 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 color for Resident Indians and non-residents applying on a non-repatriation basis; blue color for the Eligible NRIs, FIIs applying on a repatriation basis and pink color for the 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 10 Equity Shares and in multiples of 10 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 10 Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of 10 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 10 Equity Shares in multiple of thereafter subject to a maximum of Bid Amount does not exceed Rs 5.5 crore.
- (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 the RHP. 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. 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 white 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 1,704,832,680 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 10 thereafter that the Bid Amount exceeds Rs. 100,000. For further details, see “Issue Procedure – Maximum and Minimum Bid Size” on page 494.
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 the RHP. 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 as of May 31, 2007, of the Company or its subsidiaries and based, working and present in India as on the date of submission of the Bid cum Application Form;
- b) a director as of May 31, 2007, whether a whole-time director, part-time director or otherwise of the Company or its subsidiaries, and based and present in India as on the date of submission of the Bid cum Application Form, except any director who is a Promoter or member of the Promoter group.

Bids under Employee Reservation Portion by Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink color 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.
- 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.
- The Bids must be for a minimum of 10 Equity Shares and in multiples of 10 Equity Shares thereafter. The maximum bid under Employee Reservation Portion by an Employee cannot exceed Rs. 5.5 crore.
- **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.
- 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. However, in such a case, the maximum allotment to any Employee will be capped at up to 100,000 Equity Shares. For the method of proportionate basis of allocation, see “Issue Procedure – Basis of Allocation” on page 514.
- 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 at the discretion of our Company in consultation with the Book Runners.
- **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 RHP 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 Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the 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 Bank(s) as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between 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, see “The Issue – Payment Methods” on page 8:

- (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 see “Issue Procedure – Payment Instructions” on page 500). The Margin Amount payable by each category of Bidders is mentioned in “Issue Structure” on page 489. 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 could be about 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 favoring 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 RHP.
- (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-R”**
 - (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. Bidders are cautioned that a high inflow of bids typically experienced on the last day of bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded may not be considered for allocation.

- (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 depository 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 512.
- (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 the RHP 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.

Build up of the book and revision of Bids

- (a) Bids registered through the members of the Syndicate shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.

- (b) The book gets built up at various price levels. This information will be available with the Book Runners on a regular basis.
- (c) During the Bidding/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band during the Bidding/Issue Period using the printed Revision Form which is a part of the Bid cum Application Form.
- (d) Revisions can be made in both the desired number of Equity Shares and the Bid 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.
- (e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid. **Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.**
- (f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the RHP. 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.
- (g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**
- (h) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for Allocation. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, data provided by BSE and NSE shall be considered for allocation, subject to receipt of valid Bids by Registrars.

Price Discovery and Allocation

- (a) After the Bid/Issue Closing Date, the Book Runners will analyze the demand generated at various price levels.
- (b) We, in consultation with the Global Coordinators, shall finalize 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 the RHP and in consultation with the BSE.
- (d) Any under-subscription in this portion shall be added to the categories under the Net Issue in a proportion determined by our Company in consultation with the Book Runners. 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 BSE.

- (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 RHP 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 an English national newspaper and a Hindi national newspaper, both with wide circulation. 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 RHP 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 BSE, 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 BSE 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 realization 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 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 BSE 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 BSE and specified in the physical book. As a result, a revised CAN may be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

- (a) 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 dematerialized form to the allottees.** Allottees will have the option to re-materialize 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, Bhubaneswar, 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 through ECS 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 Banks shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Banks 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. 10 lacs, 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 Banks 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 dispatched 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 centers 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 color) 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.
- (j) Retail Individual Bidders bidding under the Payment Method-I must ensure that their demat accounts are not suspended for trading activities on any account whatsoever (including non-submission of PAN details).

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 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.

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 be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

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 therefore.

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 therefore.

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 therefore.

Bids made by Provident Funds

In case of Bids made by provident funds with minimum corpus of Rs. 25.0 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25.0 crore, 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.**

Retail Individual Bidders bidding under the Payment Method-I must ensure that their demat accounts are not suspended for trading activities on any account whatsoever (including non-submission of PAN details).

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 RHP 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. At present, investors are not required to provide a MAPIN.

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 not in 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 card photocopy, PAN communication, Form 60 or Form 61 declarations along with documentary evidence in support of address given in the declaration, not given if Bid is for Rs. 50,000 or more;**
7. Bids for a number of Equity Shares that are below the minimum number of Equity Shares 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 10;
12. Category not ticked;
13. Multiple Bids as defined in the RHP;
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 RHP and as per the instructions in the RHP 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 depository 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 "Issue Procedure – Bids at Different Price Levels and Revision of Bids" on page 496;
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.
29. In case Bid cum Application Forms are not available with the Registrar to the Issue for reasons such as force

- majure, acts of God, floods or similar circumstances.
30. Bids or revision thereof by QIB Bidders, Non-Institutional Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000, uploaded after 5.00 p.m. on the Bid/Issue Closing Date.

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 dematerialized 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 dematerialized 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 dematerialized form only for all investors in the demat segment of the respective Stock Exchanges.
- (i) Equity Shares issued to the Bidders who opt for Payment Method-I will not be traded until the Balance Amount Payable is received and corporate actions for appropriation of the amount received towards Balance Amount Payable is completed. The corporate actions to make the partly paid up Equity Shares fully paid up may take about two weeks from the Due Date or from the date of receipt of the Balance Amount Payable, whichever is later. We shall issue the allotment notice to the investors allotted Equity Shares under the Payment Method-I simultaneously with the approval of the basis of Allotment by BSE. The notice of balance amount payable will be published in an English national newspaper and a Hindi national newspaper, both with wide circulation along with the statutory advertisement for the basis for Allotment.

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 10 Equity Shares and in multiples of one Equity Share 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 10 Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate basis of allocation refer below.

C. For Employee Reservation Portion

- Bids received from the 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 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 10 Equity Shares and in multiples of one Equity Share thereafter. 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. For the method of proportionate basis of allocation, refer below.
- Only Employees (as defined herein) are 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 “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 crore equity shares
2	Allocation to QIB (at least 60% of the Issue)	120 crore equity shares
	Of which:	
	a. Reservation For Mutual Funds, (5%)	6 crore equity shares
	b. Balance for all QIBs including Mutual Funds	114 crore equity shares
3	Number of QIB applicants	10
4	Number of Equity Shares applied for	500 crore equity shares

B. Details of QIB Bids

S.No	Type of QIB bidders#	No. of shares bid for (in crore)
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

Type of QIB bidders	Shares bid for	(Number of equity shares in crore)		
		Allocation of 6 million Equity Shares to MF proportionately (see note 2 below)	Allocation of balance 114 million Equity Shares to QIBs proportionately (see note 4 below)	Aggregate allocation to MFs
(I)	(II)	(III)	(IV)	(V)
A1	50	0	11.54	0
A2	20	0	4.62	0
A3	130	0	30.00	0
A4	50	0	11.54	0
A5	50	0	11.54	0
MF1	40	1.2	8.95	10.15
MF2	40	1.2	8.95	10.15
MF3	80	2.4	17.91	20.31
MF4	20	0.6	4.48	5.08
MF5	20	0.6	4.48	5.08
	500	6	114	50.77

Please note:

- The illustration presumes compliance with the requirements specified in the RHP in “Issue Structure” on page 489.
- Out of 120 crore equity shares allocated to QIBs, 6 crore (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 shares in the QIB Portion.
- The balance 114 crore 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).
- The figures in the fourth column “Allocation of balance 114 crore equity shares to QIBs proportionately” in the above illustration are arrived as under:
 - For QIBs other than Mutual Funds (A1 to A5)= Number of equity shares Bid for X 114/494
 - 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 crore equity shares to the 10 QIBs are reduced by 6 crore equity 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 BSE 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 10 Equity Shares per Bidder, the allotment shall be made as follows:
 - Each successful Bidder shall be allotted a minimum of 10 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 10 Equity Shares 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 dematerialized form within 15 days of the Bid/Issue Closing Date;
- dispatch of refund orders within 15 days of the Bid /Issue Closing Date would be ensured; and
- we shall pay interest at 15% per annum (for any delay beyond the 15-day time period as mentioned above), if Allotment is not made and refund orders are not dispatched and/or demat credits are not made to investors within the 15-day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance 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 the Stock Exchanges within seven working days of finalization 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;
- except as disclosed under "Note 23 – Notes to the Capital Structure" on page 40, no further issue of Equity Shares shall be made till the Equity Shares issued through the RHP are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and
- that we shall make continuous disclosures to the Stock Exchanges on the stages of development of the part of the Land Reserves pertaining to the material agreements (in relation to our Land Reserves and disclosed as such in the Red Herring Prospectus), for the public dissemination.

Additional Undertaking by the Company

As stated in "Capital Structure – Notes to the Capital Structure - Note 25" on page 40, to address any pending investor grievances after the date of the filing of the Red Herring Prospectus, shares held by Haryana Electrical Udyog Private Ltd. ("HUPL"), a promoter group company, may be transferred to certain shareholders (as of the record date of the rights issue) for a period of three months after the date of Allotment in the Issue or August 14, 2007, whichever is later. SEBI has, by its letter dated May 7, 2007 exempted HUPL from the lock up of one year as per 4.16 of the SEBI Guidelines to the extent such shares are transferred to shareholders for redressing any pending grievances. As of the date of this Red Herring Prospectus, HUPL holds 14,865,400 Equity Shares of which a maximum of 13,690,400 Equity Shares would be transferred to shareholders for redressing any pending grievances as mentioned in "Capital Structure – Notes to the Capital Structure - Note 25" on page 40 and the balance 1,175,000 Equity Shares will be locked in for a period of one year from the date of Allotment.

In compliance with the aforesaid letter by SEBI, the Company undertakes that at the end of three months period after the date of Allotment in the Issue or August 14, 2007, whichever is later, it shall disclose the following details to the Stock Exchanges:

- (i) The number of equity shares of the Company held by HUPL as on the date of Allotment in the Issue.
- (ii) The number of equity shares of the Company transferred by HUPL to minority shareholders, during the period of three months after the date of Allotment in the Issue or August 14, 2007, whichever is later.
- (iii) The number of equity shares of the Company remaining with HUPL after the transfer of such shares to minority shareholders as stated above, which will be locked in for a period of one year from the date of Allotment.

The Company further undertakes that at the end of 90 days from the date of Allotment in the Issue or August 14, 2007, whichever is later, the equity shares of the Company, if any, remaining with HUPL after the transfer contemplated in “Capital Structure – Notes to the Capital Structure - Note 25” on page 40, will be locked in for a period of one year from the date of Allotment.

Utilization 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 utilized 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 utilized;
- details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in our balance sheet indicating the form in which such unutilized 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 unutilised 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 meters in case of construction development projects. Where the development is a combination project, it can be either 10 hectares or 50,000 square meters.

- (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 “Material Contracts and Documents for Inspection” on page 533.

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 1,704,832,680 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 the RHP. 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 the RHP 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

Capitalized 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 per cent. 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 installments, 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.”

Dematerialization of securities.

Article 57A relates to provision of dematerialization 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 installment 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 installment 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 installment 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 installment 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 installments, 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 realize 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 recognized 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 recognized 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 from 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.

Capitalization

Power to capitalize

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 capitalized 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 capitalized 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 capitalized 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 the RHP) 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 the RHP, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the registered office of our Company situated at Shopping Mall, Third Floor, Arjun Marg, Phase-I, DLF City, Gurgaon, Haryana 122 002, India from 10.00 a.m. to 4.00 p.m. on working days from the date of the RHP until the Bid/ Issue Closing Date.

Material Issue Related Contracts

1. Engagement letter dated December 22, 2006, as amended on May 21, 2007, for appointment of Kotak Mahindra Capital Company Limited and DSP Merrill Lynch Limited, as the Global Coordinators; Lehman Brothers Securities Private Limited as the S-BRLM; and Citigroup Global Markets India Private Limited, Deutsche Equities India Private Limited, ICICI Securities Primary Dealership 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, as amended on May 21, 2007, 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 and April 27, 2006 authorizing the Issue.
4. Resolutions of the general body for appointment and remuneration of our whole-time Directors.
5. Report of the Auditors prepared as per Indian GAAP and mentioned in the RHP and letters from the Auditors dated May 20, 2007.
6. Copies of annual reports of our Company for the past five financial years.
7. Consents of the Auditors for inclusion of their report on accounts in the form and context in which they appear in the RHP.
8. General powers of attorney executed by our Directors in favour of person(s) for signing and making necessary changes to 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 Underwriters, Special Legal

Counsel to the Issue, Directors of our Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.

10. Listing agreements dated [●] with [●].
11. Applications dated January 2, 2007 for in-principle listing approval from NSE and BSE, respectively.
12. In-principle listing approval dated January 16, 2007 and January 17, 2007 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. Joint venture and subscription cum shareholders' agreement dated February 1, 2006, between our Company, Laing O'Rourke Plc, LOR Holdings Limited and DLF Laing O'Rourke.
16. Technical and Commercial Agreement dated February 1, 2006 between our Company, Laing O' Rourke Plc, LOR Holdings Limited and DLF Laing O'Rourke.
17. Joint venture and shareholders agreement between our Company and Hilton International Co Limited dated June 30, 2006.
18. Joint venture agreement between our Company and WSP Group Plc dated November 23, 2006.
19. Joint venture agreement dated February 22, 2007, between our Company and Prudential Insurance.
20. Joint venture and subscription and shareholders agreement dated June 5, 2006 between our Company, Gujral Design Plus Overseas Private Limited and Mohit Design Management Private Limited and Mohit Gujral and Delanco Real Estate Private Limited.
21. Memorandum of understanding dated January 19, 2007 between our Company and Fortis Healthcare Limited.
22. Certificate dated May 20, 2007 from the statutory auditors of the Company, with respect to utilization of loans.
23. Letter from SEBI dated February 12, 2002 (FITTC/TO/AS/2512/C2) with respect to violation of the Takeover Code by Mr. Rajiv Singh and others.
24. Reports dated May 24, 2007 of the special committee of our Board in respect of the complaints pertaining to the rights issue and of the IPO committee of the Board in respect of other complaints.
25. Following notices received by our Company from Delhi Stock Exchange Association Limited
 - a. Letter DSE/Non-Comp/02/2003/3015 dated February 26, 2003,
 - b. Letter DSE/LIST/8984/R/254 dated April 21, 2003,
 - c. Letter DSE/Non-Comp/04/2003/3015 dated April 29, 2003,
 - d. Letter DSE/LIST/R/159 dated May 17, 2003,
 - e. Letter DSE/NOT-CSR/07/2003/3015 dated July 10, 2003, and
 - f. Letter DSE/LIST 3015/R/195 dated March 25, 2003.
26. Due diligence certificate dated March 29, 2007 to SEBI from the Book Runners.
27. SEBI observation letter CFD/DIL/ISSUES/SM/92687/2007 dated May 7, 2007, and our in-seriatim reply to the same dated May 22, 2007.
28. 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.

29. Memorandum of Understanding between Sudhir Thackersey & others and Vishal Nirman (India) Pvt. Ltd and Chaitra Realty Limited dated May 8, 2006.
30. Development Agreement between Kolkata Metropolitan Development Authority and our Company dated February 19, 2007.
31. Communication issued by DDA mentioning Kenneth Builders & Developers (P) Ltd. as the successful bidder dated April 26, 2006.

Any of the contracts or documents mentioned in the RHP 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 the RHP 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 the RHP 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
(Group Chief Financial Officer)

Date: May 25, 2007

Place: New Delhi

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